

**Illinois EE Stakeholder Advisory Group
Large Group SAG Meeting – Day 2**

**Wednesday, February 14, 2024
9:00 am – 12:30 pm
Teleconference**

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Meeting Materials

Meeting materials are posted on the [February 14th meeting](#) page:

- [SAG Facilitator Presentation: Introduction to February Meetings](#)
- [Ameren Illinois EE Portfolio Presentation](#)
- [Peoples Gas & North Shore Gas EE Portfolio Presentation](#)

Attendees

Celia Johnson, SAG Facilitator
Jorge Medina Zambrano, Inova Energy Group (SAG Meeting Support)
AJ Young, Greenlink
Abigail Miner, IL Attorney General's Office
Alex Deeb, Ameren Illinois
Allen Dusault, Franklin Energy
Amber Anderson, Walker-Miller Energy Services
Andrew Gorecki, Franklin Energy
Andy Vaughn, Leidos
Bruce Liu, Nicor Gas
Babette Washington, Ameren Illinois
Bill Risley, Franklin Energy
Cassidy Kraimer, Community Investment Corp.
Caty Lamadrid, Inova Energy Group
Cheryl Watson, Equitable Resilience & Sustainability
Chris Neme, Energy Futures Group, representing NRDC
Chris Vaughn, Nicor Gas
Christina Pagnusat, Peoples Gas & North Shore Gas
Denise Munoz, ComEd
Elizabeth Horne, ICC Staff
Erin Dopfel, AIQUEOUS
Erin Stitz, AEG
Fernando Morales, Ameren Illinois
Hannah Howard, Opinion Dynamics
Hilary Snover, CLEAResult

Jamey Neal, Ameren Illinois
Jamie McCloskey, Staples Energy
Jarred Nordhus, Peoples Gas & North Shore Gas
Jason Fegley, Ameren Illinois
Jason Jeunnette, Design Lights Consortium
Jean Gibson, Peoples Gas & North Shore Gas
Jeff Carroll, DNV
Jeff Erickson, Guidehouse
Jennifer Alvarado, Franklin Energy
Jim Fay, ComEd
John Carroll, Ameren Illinois
Josh Sharon, ComEd
Karen Lusson, National Consumer Law Center (NCLC)
Kari McCue, Nicor Gas
Kari Ross, NRDC
Kate Shonk, Citizens Utility Board
Kathryn Brewer, CLEARResult
Keely Hughes, The JPI Group
Keith Cronin, VEIC (IL-TRM Administrator)
Ken Parker, Community Investment Corp.
Kim Swan, ComEd
LaJuana Garrett, Nicor Gas
Lance Escue, Ameren Illinois
Larry Kotewa, Elevate
Laura Agapay-Read, Guidehouse
Lawrence Kotewa, Elevate
Sy Lewis, Meadows Eastside Community Resource Org.
Matt Armstrong, Ameren Illinois
MeLena Hessel, Elevate
Michael Brandt, Elevate
Nathan Baer, Staples Energy
Nelson May, Future Energy Enterprises (IQ South Facilitation Team)
Nicholas Crowder, Ameren Illinois
Nick Warnecke, Ameren Illinois
Nicole Popejoy, IACAA
Nikki Pacific, Ameren Illinois
Omayra Garcia, Peoples Gas & North Shore Gas
Pauravi Shah, ComEd
Philip Mosenthal, Optimal Energy, representing IL AG and NCLC
Randy Opdyke, Nicor Gas
Ronna Abshure, ICC
Sam Stahl, Ameren Illinois
Scott Eckel, ICC
Selena Worster Walde, ERTHE Energy Solutions
Seth Craigo-Snell, SCS Analytics
Tamika J. Cole, Walker-Miller Energy Services
Tara Cunningham, Rinnai
Ted Weaver, First Tracks Consulting, representing Nicor Gas
Thomas Drea, Ameren Illinois
Thomas Manjarres, Peoples Gas & North Shore Gas
Tim Dickison, Ameren Illinois

Tina Grebner, Ameren Illinois
Travis Hinck, GDS Associates
Tristan Stamets, SEEL
Victoria Nielsen, ScottMadden
Zach Ross, Opinion Dynamics
Zachary Froio, AEG

Meeting Notes

Follow-up items are indicated in **red text**.

Opening and Introductions

Purpose of February 13-14 SAG Meetings: For Illinois utilities to present an overview of current EE Portfolios and considerations for 2026- 2029 EE Plans.

- The goal of the February SAG meetings is to kick-off the SAG Planning Process with a common understanding of current EE Portfolios
- Utility presentations will also help inform the opportunity for SAG participants to submit “Energy Efficiency Ideas” (due Fri., March 15th)
- [SAG Facilitator Presentation: Introduction to February Meetings](#)

Ameren Illinois EE Portfolio Overview

Matt Armstrong, Babbette Washington, Jamey Neal, Sam Stahl, Ameren Illinois

Current EE program Performance - Portfolio Overview

- **Program Performance: Savings (Slide 4)** - exceeded implementation goal at 106% (442,609 Net MWh) and gas goal with 117% (4,110,859 Therms)
- **Program Performance: Budget (Slide 5)** - Underspend noted in 2022. Compensated by using the statutory budget and adding it to the 2023 year. Highlighted accomplishment of achieving and exceeding the 3.5M target for Non-profit spend.
- **Program Performance: Diverse Spend (Slide 6)** - Snapshot shows diverse spend and breakdown of contractor type. Notes exceeding goals for Diverse Supplier spend and Diverse Program Ally Incentive spend by 123% and 137% respectively.

Karen Lusson – How does the company set diverse contracting targets?

- *Matt Armstrong – We are continuing to evolve that spend. There is not necessarily a formula. We are challenging ourselves to continually grow.*
- **Ameren Illinois Commitment to Increase Diverse Spend (Slide 7)** - Breakdown of diverse spend over the years. Went from 3.8 million in 2017 to over 40 million in 2023. Intentional about setting higher targets each year.
- **Program Performance: Health & Safety (Slide 8)** The bulk of the funding going to income qualified single family homes
 - Workforce Development Program.
 - Refined RFP process.
 - Rent rider support
- **Portfolio Partners: Business Program (Slide 10,11,12,13)** - program was 36.7% of the budget. It yielded 37.4% of savings.

Karen Lusson – Stakeholders want to better understand the contracting process, including how to engage more IL-based and diverse contractors.

- *Babbette Washington – For Ameren, Leidos is the prime implementer. Most partners are subcontracted through them, except Resource Innovations is direct with Ameren. We follow an RFP process for contractors. Most of the subcontracts have locally based staff, even if they are not headquartered in IL. We haven't necessarily found a correlation with program success and a local headquarter location. We look for contractors that can effectively and efficiently deliver programs to our target customers. Leidos also uses an RFP process.*
- **Breakdown of the top 3 programs.** 29% of our budget goes to the top 3 business initiatives broken down by category and percentage of budget and percentage of savings achieved respectively. Those top three initiatives also delivered the most savings out of that business program.
- **Portfolio Partners: Residential Program (Slide 14, 15,16, 17)** - Partners and contractors who work with each of those initiatives are listed on the right. Residential program is almost half of portfolio budget, yielding almost half of the savings as well. The cost per kWh is \$0.30 for the entire portfolio. The top three residential initiatives account for 29.5% of total budget. 35.5% of savings come from Income Qualified and Retail Products.
- **Portfolio Partners: Income-Qualified Initiative (slide 18, 19)** - Income Qualified (IQ) yield is \$0.32 per kWh. The top three programs account for 29% of budget with IQ (Single Family, Multifamily, Retail Products). The top two IQ Channels deliver 26.8% of the savings: 22.9% come from Retail Products, 4% from Smart Savers program (smart thermostat).
- **Portfolio Partners: Market Development Initiative (Slide 20)** - focus areas: Tier 1: Community Partner Management, Diverse Vendor Procurement and Engagement, and Tier 2 Workforce Development.
- **Portfolio Partners: Market Development Initiative (Slide 21)** – program delivery partners.
 - Community Partner Management → Resource Innovations
 - Diverse Vendor Procurement and Engagement → Walker Miller Energy Services
 - Workforce Development → Solutions for Energy Efficient Logistics (SEEL) National Energy Foundation, Leidos.
- **Residential Program Performance (Slide 23)** - exceeded savings goals for the 2023 program year. Electric was at 147%, which is approximately 190,000 MWh. Gas exceeds 179%, approximately 2.3 million Therms.

Chris Neme – Is Ameren counting electricity savings in the MWh column or are they showing up in the Therms column?

- *Andy Vaughn – They are shown in the MWh column. Residential around 22,000 MWh converted, business program about the same.*
- **Program Performance: Health & Safety (H&S) Funding Single Family Income Qualified (Slide 24)** - Break down Health and Safety spend. \$1967 represents the average H&S spend for measures that have to be installed. The approximate spend is about \$5,593/home. Approximately 183 homes provided with whole home remediation.

Chris Neme – How many total homes were served through the single family? And can you confirm that 1,019 is not the number of homes that got an investment, it is the number of health and safety measures installed?

- Jamey Neal – 879 total homes, and 1,019 measures that got H&S investment.
- Andy Vaughn – There is a little overlap. Often there is a different contractor that does the H&S work in order to prepare for retrofit (insulation and air sealing). A good number of homes that would not have gotten the weatherization done in December will be done in January. The H&S measures is larger than the number of homes served because many homes get several different measures.

Chris Neme – Does that mean that most participants are given something in terms of H&S?

- Andy Vaughn – Around 90%.

Phil Mosenthal – Is ventilation counted as a health and safety measure? what is the difference between health and safety measure and remediation measure?

- Andy Vaughn – Ventilation counts as H&S measure.

Karen Lusson – (*via chat*) Can you define “remediation”? What H&S measures were needed?

- John Carroll – Two types of measures in a project: H&S measures, which are integrated within the project and don't hinder its start. There are some measures that must be taken care of before the problem begins – these are remediation measures. This includes big ticket items, like knob and tube, mold, etc.

Cassidy Kraimer – (*via chat*) Are the homes for health and safety measures selected on a first come, first serve basis?

- Andy Vaughn – Yes.

- **Program Performance: Single Family Income Qualified & Electrification (slide 25).** 865 in Tier 1, 14 completed in Tier 2. A total of 879 for program year. 23 additional projects are single family income qualified projects.
- **Electrification Assessments.** Continuing to build customer pipeline and offerings in electrification. There is expansion of efforts for IQ rural propane customers, including offering projects for select propane fuel, outreach expansion to mobile home parks, targeting customers previously marketed for a switch from propane to natural gas. Implementation strategies align with single-family offerings, including insulation and air sealing. Projects encompass total heat restoration, central air conditioner (CAC) units, and total assessments completed for the year, all within the single-family home retrofit projects.

John Carroll: We understand there have been concerns raised about Central Air Conditioners (CAC). We looked at criteria to mirror the priority list that the state of IL uses for IHWAP projects. This includes expectant mothers, senior citizens, children in the home under 5, and health conditions.

Chris Neme: Those criteria are related to home occupants. Are there criteria about the existing CAC?

- *John Carroll: We use early replacement criteria. We will not go into a home that doesn't have an existing CAC and add one.*

Chris Neme: What are the criteria for heat restoration?

- *John Carroll: That the unit is not working. This is only for customers that do not have heat.*

Karen Lusson: Can you elaborate on the connection with IHWAP? I assume you're referring to the non-braided program. Do you first check to see that the customer you're starting to work with is not on a list to get state weatherization (which is a more comprehensive program)?

- *John Carroll: Correct, this is not the weatherization braided program. The standards I referenced are strictly the criteria – we are not engaging with the state or an agency.*

Karen Lusson: Do you coordinate with agencies or the state on who is eligible for the braided program?

- *John Carroll: If we go into a customer's home to do a SF IQ project, we do not check with their local agency before starting the project. Part of the reason, we do not have visibility into the customer pipeline until a project is complete.*
- *Karen Lusson: Interested in understanding this from the other utilities – how do your utility-sponsored weatherization programs communicate with Community Action Agencies?*

Phil Mosenthal: Is Ameren presenting customers with a choice of natural gas or electric?

- *Matt Armstrong: We have seen limited interest with electrification so far. Going forward we are looking at how to approach customers and offer them the choice of electrification, or the shift from propane to natural gas.*

- **Program Performance: Community Action Agency** - The chart shows performance for the braided projects is 330 and it is 323 for program year 2023. That represents a 6% increase over program year 2022. These agencies have ongoing barriers with projects and that include staffing, grant dollar prioritization, and lack of qualified contractors. Ameren continues to provide wrap-around support to help them with building staffing utilizing MDI and SEEL.

Keeley Hughes – How can Community Action Agencies be helped with staffing needs? Are they considering any subcontractors to come in and help them close the gap?

- *Jamey Neal – We have been very intimately involved with the agencies, helping them to identify appropriate candidates. Competitive pricing and hourly pay continue to be a problem.*

Chris Neme: Are these 330 projects all single family? There has been talk in the past about potentially expanding into MF.

- *Jamey Neal: This is all single family.*
- *Chris Neme: Does that mean agencies have not gotten there yet on MF?*
- *Jamey Neal: We are still considering this and working to start MF. We have had 2 agencies that have expressed interest in MF.*

Karen Lusson – Do you find the U of I training requirement in the weatherization program versus just regular BPI training to continue to be a challenge?

- *Jamey Neal – It does present a challenge.*
- *Nicole Popejoy – We are working with the U of I training center on creating a virtual platform. It is going to take some time to get that into place. Definitely a consideration because of the training being an obstacle for new staff.*

- **Business Program Performance (Slide 28)** - Electric 80% of implementation savings goal. Gas 80% of implementation savings goal
- **Performance Updates: Small Business:** Two channels in the Small Business Initiative
 - Direct Install - maintained a high volume of projects and assessments with over 100 program allies in 2023
 - Small Business Energy Performance saw less projects compared to previous program years.
- Working with Program Ally installer partners for expanded measures, refrigeration measures, direct installs, and lighting controls. Ameren had a successful set of customers that participated in the small business energy performance channel.
- Changes to the TRM version 11 allowed for calculated beam savings and commercial weatherization. That allowed standardizing data and increase the number of programming partners that do the work, ultimately reaching more customers.
- Standardizing and streamlining data collection will help expand program network and allow contractors to reach more customers.

Phil Mosenthal – I see over 52% conversion rate which is lower than I'm used to seeing for small business direct install program (about 80%). Is that because Ameren is paying low incentives and does not offer financing?

- *Jamey Neal – It varies from installer to installer. Ameren is working on solutions to remove payment barriers.*
- *Nic Crowder – If our incentive covers what they charge, then everything is covered. It varies by installer. At least 1/3 of our projects are free to the customer.*

Phil Mosenthal – I noticed you didn't have any gas savings for RCx. Do you know why that is?

- *Nic Crowder: Some of the projects got a late start. We had a broad scope of projects including HVAC measures. Ameren will look into this to check on which projects were completed, or whether they got converted to MWh.*

- **Performance Updates: Midstream** - Seeing good participation from distribution partners in Midstream and streamlining submission and payout process with a new portal. Onboarded HVAC distributors through that portal and working through lighting distributors. We want to continue to offer our education and training to enhance our partner participation.
- **Performance Updates: Custom** - Good volume of projects into this channel in 2023 and had a few larger projects that had supply chain issues delaying project completion. Continually monitoring changes in in the TRM and calculation standards that allow moving some custom projects. To encourage participation, we have a variety of support channels through studies, staffing, grants, free assessments, specialized industrial

process assessment, and strategic energy management. There was a Combined Heat and Power project that was completed in 2023 (Danville Sanitary District).

- Providing education and working with customers to get feasibility studies, supporting all of the customers that are interested in learning more and considering CHP projects.
- **Performance Updates: Market Transformation** - Two efforts through 2023 are carrying into 2024.
 - High Performance Window Market Transformation Initiative.
 - **Luminaire Level Lighting Control (LLLC) Market Transformation Initiative.** pilot efforts have driven great participation in lighting control measures. Seeing a better potential to identify and bid and win lighting control projects in the territory. The full business plan for LLLC MTI was submitted last fall and Ameren is moving forward as a full initiative.
- **Market Development Initiative (MDI) Highlights** - First, to increase engagement in energy efficiency among customers who have not participated. Second, to boost the number of local diverse candidates in energy efficiency jobs. Third, to expand or launch new local diverse businesses. The procurement process involved partnerships to address procurement barriers and increase diversity in submissions. Key learnings include providing education on utility RFP processes to local and diverse bidders, engaging new vendors for both entry-level and established procurement opportunities, and achieving diversity in submissions for the MDI assessment RFP.
- **Diverse Vendor Procurement** - additional 266 vendors added over the year. Utilized a total of 85 vendors sourced from database and last year 37 of those being new vendors.
- **Workforce Development** - Extended the impact of workforce development efforts with MDI by pairing underrepresented groups with internships, full time jobs, trainings, wrap around services and ongoing support and including case management. Able to increase the focus on retention efforts.
- The programs that comprise the MDI workforce development efforts are continuously shared throughout our network of implementation partners, Community Action Agencies, program outline network.

Keeley Hughes – What is Ameren doing with those that are not being placed in jobs after graduation? What is the percentage of placement?

- *Angie Ostaszewski – The design of our program is through MDI. The funding allows us to place within Ameren but also within our entire network of employers. They can serve Community Action agencies, implementation contractors, and large network of trade allies. We have strong relationships and are able to communicate with agencies regarding job openings. The pay at the Community Action Agency oftentimes is less than desirable. We provide employers with staffing grants or equipment grants to allow them to expand without some of that initial financial burden.*
- *Keeley Hughes – Are you tracking those who need additional training?*
- *Angie Ostaszewski – SEEL has a database so all job seekers are tracked on a journey.*
- *Karen Lusson – What types of jobs are graduates placed into?*
- *Sam Stahl – Program Allies, Community Action Agencies, implementation teams.*

- *Tristan Stamets – We place with essentially really anybody in the energy sphere. We have connected with trade allies and implementation partners working on the program.*
- **Clean Energy Jobs Act (CEJA) Workforce Development Hubs** - Through this program Ameren Illinois is able to provide interested 501C3 organizations with a collection of grant writing support services: Grant writing, trainings, logic models, mapping, teaming.
- Communities currently being assisted include Peoria, Decatur, East Saint Louis, and Alton. The program was able to support our organizations in these communities to apply for over \$11 million in funding, nearly \$5 of which have been awarded.

Karen Lusson – Blacks in Green in Woodlawn did receive a significant grant to work with the Region 5 states. It sounds like a natural collaboration.

- *Tristan Stamets – Yes, we are communicating with Blacks in Green. We're focusing more on the downstate region which has been underserved.*
- **Grant Writing Support** - List of partners for grant writing support. Call out to Lewis and Clark Community College and Richland Community College in Alton and Decatur for getting their grant awarded.
- **Engagement With Community-Based Organizations (CBOs)** - List of the 20 CBO's partners in 2023 to reach underrepresented customers.
- **Engagement With Community-Based Organizations (CBOs) (Slide 42)** - Engaged over 86,000 customers through over 480 events. Over 700 successful referrals to our HEIQ Program and over 3000 kits distributed through our Community Based Organizations.
- Free resources always available through the Market Development Initiative for community partners (Slide 43)
- **Considerations for 2026-2029 EE Plan:**
 - **Energy Savings** - Over 2/3 of first-year savings come from initiatives in which lighting is a core offerings: Business Standard 41%, Retail Products 22%.
 - **Budget Allocation and Energy Savings** - 90% of budget allocated to the top five initiatives. 25% of budget has gone to Income Qualified initiatives accomplishing only 4% of the savings. Mismatch on spending vs. savings.
 - **Market Change Implications.** Business Standard produces 40% percent of savings. The opportunity for Voltage Optimization is smaller and we are going to get less savings out of the VO with the 2026 plan. Ameren will have to shift the portfolio and think about how to deliver programs to customers while achieving the savings goals.

Chris Neme – The 61% savings losses assume the elimination of all lighting savings, on residential and commercial side?

- *Matt Armstrong – Yes. Assuming that the lighting savings from business will evaporate by 2026.*
- *Chris Neme – Is that including assumptions that there's no savings potential from the luminary level or network lighting controls?*
- *Matt Armstrong – We recognize that there is more potential going forward with network lighting controls, also the market transformation efforts with luminaire level lighting controls.*

- *Phil Mosenthal; When would a code change go into effect?*
- *Matt Armstrong: We have seen bill proposals that would not allow certain lighting to be manufactured starting in 2025.*
- **Opportunities**
 - Providing customers with a wide array of participation opportunities
 - Continued partnerships with CBO's, IHWAP and Illinois EPA. Leveraging future IRA dollars.
 - Continue empowering customers to have choice in fuel source. We do not want to force electrification on customers if they are not ready to make that jump.
- **Challenges**
 - The yield for programs continues to rise.
 - IQ offerings are expensive to implement.
 - We hope to keep increasing the MDI budget as we did with the current plan. Recognize there are gaps in Program Ally coverage.
 - Uptake on the H&S measures and the IQ, Single Family and Multifamily programs.
 - Our 2028 goals are now are unattainable and Ameren is looking for a solution.

Additional Discussion:

- Several stakeholders are interested in understanding the utilities' view on how the Inflation Reduction Act (IRA) federal EE funding will be coordinated with Illinois EE programs. Stakeholders also requested to review the Q&A document the utilities shared with IL EPA. IL EPA will present to SAG on March 5th about IRA funding. **SAG Facilitator will share these questions with IL EPA.**

Peoples Gas & North Shore Gas EE Portfolio Overview

Jean Gibson and Omayra Garcia, Peoples Gas & North Shore Gas

- **Environmental and Community Impact** - Saved over 145,000,000 terms or the equivalent of eliminating over 771,000 tons of carbon dioxide. On the community side, tracking efforts since 2017 have served 772,000 residential homes, 209,000 income eligible homes, 4600 businesses and have created 410 jobs. Achieved diverse spend of 25% in this time.
- **Peoples Gas Energy Efficiency Program** - Programs on track to achieve four-year plan goal cost effectively. People's Gas has achieved 56% of our planned savings goal with 47% of budget. The program portfolio is balancing nicely to help gather savings across all customer segments.
- Business programs are performing cost-effectively. Strong engagement and relationship with commercial and industrial customers. A key benefit of that cost effectiveness on the business side is that it allows to balance overall portfolio and manage all of portfolio goals including serving the more expensive programs (IE Program).
- Currently meeting all stipulated requirements. On track to achieve 90% income eligible whole-home spend requirement. Our Income Eligible Multifamily and total Income Eligible plans spent is also on track to be achieved.
- **North Shore Gas Energy Efficiency Program** - On track to achieve four-year plan goal cost effectively. North Shore Gas has achieved 53% of savings goal using 43% of budget. Portfolio also balancing nicely to help gather savings across all customer segments. On track to meet all stipulated requirements.

Chris Neme – Was there a settlement and agreement for number of non-Low-Income homes that would get insulation and air sealing?

- *Omayra Garcia – We do not have a stipulation on that.*

- **Implementation Team**

- Administrative support: Earth Energy Solutions (ERTHE, WBE), a woman owned business and subcontracting is provided to them by Evergreen Consulting Group.
- Marketing Outreach: ERTHE (WBE) they subcontract with Mulder Consulting, a woman business enterprise as well as L3 Agency, a minority woman-owned business enterprise.
- On the program implementation side:
 - Franklin Energy supporting across all of programs.
 - And on the joint programs: Subcontractors in place to help Franklin, including on the Joint Residential Income Qualified program: Resource Innovations and CLEAResult for Joint School and Community Kids Support from Walker Miller.

Karen Lusson – Are any of the Administrator or Marketing and Outreach entities Illinois-based companies?

- *Jean Gibson – Franklin Energy (based in Illinois), CLEAResult (headquartered in TX), Mulder Consulting (not based in IL), ERTHE and Evergreen (both based in IL).*

Karen Lusson – Can you describe exactly what each of those organizations do?

- *Omayra Garcia – Utility Energy Services (UES) is a sub to Resource Innovations for direct install. CLEAResult help facilitate smart thermostat purchases from ComEd. Franklin Energy is the prime implementation contractor for PG/NSG. Franklin also implements the MF program.*
- *Karen Lusson – Is SEDAC involved in delivering your income qualified single and multifamily programs?*
- *Omayra Garcia – Yes, they are. Their function is similar to a sub of our implementing contractors.*
- *Karen Lusson – Is Elevate involved in the multifamily?*
- *Omayra Garcia – Yes. Additional information will be provided on February 21st when SAG does deeper dive on income qualified programs.*

Chris Neme – Clarifying question on the Administrator role. Administrators oversee and manage and provide strategy and support?

- *Jean Gibson: Collecting data, working on reporting, bringing information together from implementation, tracking achievements, etc.*
- *Christina Pagnusat: Our implementers are not contracted through our administrator; they are all direct contracts with the utility. The administrator is an extension of the PG/NSG team.*

- **Business Programs** - We segment between small business customers and mid-sized business customers who have usage under 400,000 Therms annually on average. Commercial and Industrial customers have usage above 400,000 Therm annual. Public sector customers include city buildings, Schools, Transit, City and county owned hospitals.
- **Commercial and Industrial**

- Prescriptive and Custom Rebates - A customer might have an idea on how to save energy, but it is not deemed in the TRM. PG&NSG works with customers to find ways to save energy on specific project.
 - New Construction Rebates (Joint Program) - provided towards new building projects or deep renovations.
 - Gas Optimization Studies - comprehensive facility review focused on gas systems. Customers can receive incentives to pay for engineering assistance from a third-party engineering firm.
 - Retro-Commissioning (Joint Program) offered with ComEd. Comprehensive study provides insights into the building facilities, existing systems and operation. Designed to help facilities operate at the optimal level and to identify low and no-cost energy saving operational improvements. Provides an incentive to the customer for the cost of a third-party engineering study.
 - Engineering Studies - Focuses on large custom capital-intensive energy savings projects. An in-depth implementation study or an investment grade audit or process evaluation that is focused on one process or project. There is an incentive to the customer to cover engineering cost.
 - Staffing Grant - Available to customers who may not be able to implement an energy efficiency project because of limited staffing.
 - Strategic Energy Management (SEM) - engage with customers on a long-term continuous basis, looking at the facilities and looking at how sites are being managed, leveraging data that's available to promote best practices.
 - Commercial Food Service (Joint Program) - Statewide program with both the electric and gas utilities where initial instant discounts are being offered on energy-efficient food service equipment.
- **Small and Mid-sized Business**
 - Prescriptive and Custom Rebates
 - New Construction Rebates (Joint Program)
 - Gas Optimization Studies
 - Retro-Commissioning (Joint Program)
 - So small businesses mid-size goes up to usage of 400,000 Therms per year.
 - **Public Sector** - Defined as our local government and municipal buildings. We have custom and prescriptive offerings, new construction, gas optimization, retro commissioning, engineering studies, staffing grants and SEM.

Chris Neme – For ASHRAE Level 2 audits, has PG&NSG had conversations with ComEd about whether you know when either of you is funding?

- *Jean Gibson – We do offer the retrocommissioning program together, but we the gas optimization studies really focus on the gas systems of the building of the facility. And is that the same as for the engineering studies.*
- *Chris Neme – What is the difference between the two?*
- *Jean Gibson – The gas optimization study is more of a deep-dive audit, whereas the engineering studies dial in on a particular system.*
- *Chris Neme – Would there be synergies or advantages for a big energy user to do combined electric and gas evaluations for optimizations? To coordinate with ComEd?*
- *Jean Gibson – The contractors who are doing this work be capable of doing both and reducing customer transaction costs at the same time.*

- *Christina Pagnusat – We focus primarily on the gas, but our energy advisors if they identify electric opportunities, we do take note. It is lead-sharing coordination. But the focus of the study is on the gas measures.*
- **Business Program (Slide 14)** - Performing cost effectively as result of time and effort to nurture relationships and get a good understanding of the buildings in both territories, especially our large business and C&I customers. In the People's Gas territory, achieved 69% of savings goal using 48% of budget. In the North Shore territory, 62% of savings goal with 41% of the budget.
- **Public Sector Program Delivery 2018-2023** - 2018 is when the public sector customers began being served by the utilities. In Chicago, there's a uniqueness that there are many public sector buildings that belong to just a small handful of customers. Since 2018, delivered \$9.1 million in incentives to improve 604 public sector buildings. We have saved 6.4 million Therms.
- **Chicago Public Schools** - Chicago Public Schools have helped identify barriers, and providing insights on how we could change offerings and best serve public sector customers. Since 2018 we have delivered \$4.7 million in incentives to Chicago Public Schools, achieving 4.1 million Therm savings at 578 of their 1000 buildings. Anticipate providing another \$1,000,000 in incentives to Chicago Public Schools to save 750,000 Therms in 2024.

Karen Lusson – What kind of work is this (weatherization work, HVAC replacement)? What measures are being installed in the schools?

- *Jean Gibson – We work with the leadership of Chicago Public Schools to triage schools most in need of work. Steam traps, pipe insulation, boiler tune-ups and improving operational efficiency of existing systems.*
- **Research and development** - Focus on the development of the energy efficient technologies that offer pathways to decarbonize. Advanced hybrid electric gas HVAC systems, Adapting gas heat pumps, Smart Radiator Control Retrofits.

Chris Neme – Is there material describing what Smart Radiator Control is?

- *Peoples Gas & North Shore Gas will follow-up to share more information.*
 - *Ken Parker is also interested.*
- **Market Transformation** - Switchover from R&D phase to accelerate the adoption of promising energy efficient technologies. Looking to increase awareness of promising technologies. Efforts will be highlighted at the February 28th Market Transformation Working Groups.
 - CarbinX (a high efficient economizer with carbon capture) is in place at Great Lakes Naval Station.
 - Gas heat pumps.
 - Cold Climate Gas VRF heat pumps

Chris Neme: On hybrid heat pumps, what does that combo look like? Are you looking at heat pumps where the switchover temp is what degree?

- *Jean Gibson: It takes into consideration when peak periods are happening. This is figuring out how those systems work together. This opportunity is being studied.*
- *Karen Lusson: These R&D / breakthrough technology decisions will likely be impacted by the Future of Gas docket at the Commission. I hope that the company would not spend money on gas heat pumps at this stage of the game. There is also a focus on EE electrification. This seems to go against the clean energy goals of the state.*
- *Christina Pagnusat: We look forward to conversations on the future of gas; at this point we are focused on the R&D and market transformation dollars we have.*
- **Residential and Income Qualified Programs** - On February 21st, we will present a deeper dive on how the programs are performing for customers living in a single-family home, 2 flat condo or townhome.

Karen Lusson: For IQ eligibility (listed on slide 21), do these guidelines go up to 80% AMI, which is listed in the statute?

- **Omy Garcia: Will confirm the 80% AMI household size and annual \$ in the home.**
- **Multifamily** - 3 units or more can receive free energy savings products through the multifamily offering.
- **Single Family and Multifamily**
 - Home Energy Assessment (Joint Program)
 - Smart Thermostats (Joint Program) - provides residential customers discounted smart thermostats through the marketplace. Uses website analytics to track.
 - Home Energy Rebate - a gas-only offering provided in collaboration with local Trade Allies for rebates on energy efficiency, heating, ventilation, water heating equipment and qualifying weatherization measures.
 - Elementary Education (Joint Program)- A free energy efficiency educational program provided in partnership with ComEd. Offers 5th grade energy efficiency lesson plans, equipping teachers with activity guides and take-home kits.
 - Multi-family Energy Savings (Joint Program) - offers free direct installation of energy-saving measures for multi-family buildings.
 - Prescriptive and Custom Rebates - provided in partnership with vetted Trade Allies. Prescriptive rebates. Standard incentive amounts for common types of energy efficiency measures. Custom incentives are awarded for non-standard technologies or for projects that do not include a one-for-one replacement.
- **Income Eligible Program**
 - Illinois Home Weatherization Assistance Program (IHWAP)
 - Home Energy Assessment
 - Home Energy Savings Retrofits
 - Income Eligible Multi-Family Savings
 - Public Housing Energy Savings
- **Single Family Energy Assessment** - In-person or virtual. Customers receive free energy savings products: Programmable Thermostats, WaterSense certified shower heads and Faucet aerators, Pipe insulations, ENERGY STAR® LEDs, Option to purchase Advanced power strips, Smart Thermostats and have them installed during assessment.

- **Multifamily Assessment** - A walkthrough of the building to identify potential upgrades in common spaces. Installation of free energy saving products for all units. (Landlord or property manager must make appointments).
- **Residential Program Performance** - achieved 30% of savings goal with 36% of the budget. North Shore Gas achieved 27% of savings goal with 38% of budget. Seeing some market saturation and then soon the removal of the LED's and direct install for market rate customers. Looking to continue to shift funds to more cost-effective offerings within the residential portfolio such as market rate kits and multifamily. Seeing an increase in savings for both People's Gas and North Shore Gas in the market rate for 2023 and a large multifamily project in the North Shore Gas area. Onboarded 14 new trade allies.

Chris Neme – What is PG&NSG doing with respect to weatherization measures for non-low-income households? Insulation, blower door guided air sealing, etc. There is concern about focusing on non-comprehensive programs. Do you have thoughts about the potential for growing those efforts?

- *Omy Garcia – We have a SF weatherization rebate program. We need to evaluate what we can offer to market rate (non-IQ) customers. We are working closely with Trade Allies. There is a several-pronged approach to find a solution for market rate (non-IQ) customers.*
 - *Chris Neme – For 2023, how many non-low income participants installed insulation and air sealing?*
- **Income Eligible Programs** - Peoples Gas achieved 65% of the savings goal using 51% of the budget. North Shore Gas achieved 135% of the savings goal with 69% of the budget. Trade Ally participation has driven many projects' cost-effectiveness.

Chris Neme – You said Trade Ally engagement helps drive income eligible savings. I would have thought IQ participation would come through other partners like CEDA. HVAC contractors or someone else?

- *Omy Garcia – Trade allies are helpful because they are the ones out in the field. Weatherization and HVAC contractors have been essential to help identify projects. Community Action Agencies also work with Trade Allies, who identify projects.*

Karen Lusson – (via chat) We hope that PG/NSG's goal for the next 4-year plan will be focused on lowering the energy burden for its financially struggling customers, particularly given the significant number of financially struggling customers in Chicago. Given that the company has the ability to request modified goals and given the companies' significant rate increase just approved (and a lowering of the customer charge that will enable more EE success), we hope that the company will focus the goals for its next plan on investing in more joint weatherization efforts with ComEd.

- **Income Eligible Health and Safety**
 - Peoples Gas
 - Properties Assessed - Single Family → 2,850
 - Properties Assessed - Multi-Family → 711
 - Properties with identified Health & Safety Issues → 1,706
 - Properties deferred due to Health & Safety Issues → 274
 - North Shore Gas

- Properties Assessed - Single Family → 39
 - Properties Assessed - Multi-Family → 41
 - Properties with identified Health & Safety Issues → 42
 - Properties deferred due to Health & Safety Issues → 13
- **2026-2029 Plan considerations**
 - Residential and Income Eligible - Looking to continue building strong relationships with customers to encourage participation. Prioritize income eligible programs while maintaining options for market rate customers. Collaborate with other programming available, for example, the IRA.
 - Portfolio - Looking forward to supporting the development and the delivery of energy efficiency technology for all our customer segments. Continue work and research development market transformation, as well as growing our Market Development Initiative.
 - C&I and Small- Midsize Business considerations. Continue to expand statewide Commercial Food Service program. Tailor solutions leveraging engineering studies & building data to maximize cost-effective energy savings.
 - **Community Event Highlights** - 267 events. 71 of those were completed by the L3 Agency and the remaining 196 were attended by our program team.
 - **Marketing Overview** - Focus on updating communication platforms (websites, collateral, and other educational resources) to make it easy for customers to find information. Continued to deploy campaigns to engage customers and communities.
 - **Market Development Initiative** - Focus on the latter part of 2023 planning and designing the workforce development track. A soft launch was completed in Q3 along with an Advocates Council. The workforce development track was officially launched on January 18th with a focus on expanding opportunities for job seekers. There is a strong emphasis on increasing diversity, equity, and inclusion within the energy efficiency sector. Moving forward into 2024 the MDI aims to expand diverse supplier track, supporting smaller businesses. This initiative includes candidate training and placement. Additionally, offer assistance with certifications and support to facilitate business growth.
 - **Market Development Initiative Video**
 - See slide 42: https://www.ilsag.info/wp-content/uploads/PGL-NSG_SAG-Feb-2024-Quarterly-2023_2024-Recap_FINAL.pdf

Closing and Next Steps

Celia Johnson, SAG Facilitator

Ameren Illinois Follow-up Items:

1. A question was asked about the lack of gas savings for retro-commissioning. Ameren will check on which projects were completed, and whether those projects were converted to MWh.

Peoples Gas & North Shore Gas Follow-up Items:

1. Peoples Gas & North Shore Gas will follow-up to share more information about Smart Radiator Controls.
2. For IQ eligibility (listed on slide 21), confirm the 80% AMI household size and annual \$ in the home.
3. For 2023, how many non-low income participants installed insulation and air sealing?

4. How do the utility-sponsored weatherization programs communicate with Community Action Agencies?

Additional follow-up:

- Several stakeholders are interested in understanding the utilities' view on how the Inflation Reduction Act (IRA) federal EE funding will be coordinated with Illinois EE programs. Stakeholders also requested to review the Q&A document the utilities shared with IL EPA. IL EPA will present to SAG on March 5th about IRA funding. SAG Facilitator will share these questions with IL EPA.