
Feedback on PGL/NSG's revised 2027-29 EE Plan presentation from 3/17/26



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Overview

- Support \$ increase to serve more customers & increase cost-effective savings
 - Would support even bigger increase to address priorities
- Question calculations of low-income minimum spend
- Concerns about allocation of budget increases
- Want to see significant increase in average savings life
 - Peoples/NS had by far the lowest avg savings life of the 3 gas utilities for 2026-2029 plan
 - Company didn't provide data on this in its presentation last week
 - Further increasing emphasis on IQ and Res weatherization will help
- Settlement discussions should focus on budgets/savings – must retain portfolio provisions in the 2026-2029 plan stipulation unless directly changed by statute.
 - weatherization protocols, MDI metrics, equipment replacement criteria, etc.

Note: many specific comments in subsequent slides use Peoples Gas values to make a point, since it is the bigger of the two utilities, but virtually all comments conceptually apply to North Shore as well.

Level-Setting on Budget Changes

	Current Plan	Revised Plan	Change \$	Change %
IQ	\$14.4	\$17.5	\$3.1	21%
Market Rate Residential	\$4.4	\$6.1	\$1.7	40%
Business	\$8.2	\$17.5	\$9.4	115%
MDI	\$0.7	\$0.9	\$0.2	24%
Portfolio Cost	\$7.0	\$7.9	\$0.9	13%
Total Annual Spend	\$34.5	\$49.9	\$15.4	45%

- Current plan values from plan filing – same as for Peoples presentation except for Res (plan shows \$0.3M more than Peoples 3/17 slides). Why the difference?
- Revised Plan values for portfolio costs backed out from other numbers since Peoples didn't present them. Are these correct? Can Company provide breakdown of proposed portfolio costs?
- Why the magnitude of increase in Business programs? Understand a significant increase, but why >60% of added budget going to business?

Low Income Minimum Spend

- Statute requires higher of (A) 25% of total spend; or (B) 5 percentage points more than % of total non-opt-out gas sales to IQ households. IQ defined as 80% AMI.
- Peoples suggests part (B) is <15%, but...
 - Over 2020-2023, Peoples residential sales averaged ~60% of total
 - If 50% of residential is IQ, that means IQ ~30% of sales
 - ***...which would make statutory minimum ~35%***
- Need data on % of residential customers that are IQ and more precise recalculation of statutory minimum to ensure we all understand the actual floor



IQ Spend Distribution

- Biggest % increase is in Kits – problematic
 - Oppose reintroduction of school kits
- All increases should be dedicated to whole building programs

Non-IQ Residential

- Appreciate the growth, but all of market rate residential increase should be dedicated to weatherization
 - Weatherization is still only about ¼ of total market rate Residential spending
 - Statute states revised gas plans must show the utility is “*prioritizing investment in weatherization and other measures that reduce heating loads over gas equipment measures*” in the residential sector. That is clearly not happening in the market rate residential proposal.
- Proposed Kit program spending problematic
 - Quadrupling in size!
 - Absolute increase about the same as weatherization
 - School kits should remain recently sunsetted
- Would like to see new whole building weatherization initiative targeted to 80-100% AMI (Moderate Income)



Large Customer Opt-Out

- Law shifts from exemption to opt-out
- How does Peoples/NS plan to address this? How much added budget and savings is likely as a result?

Thank you

