

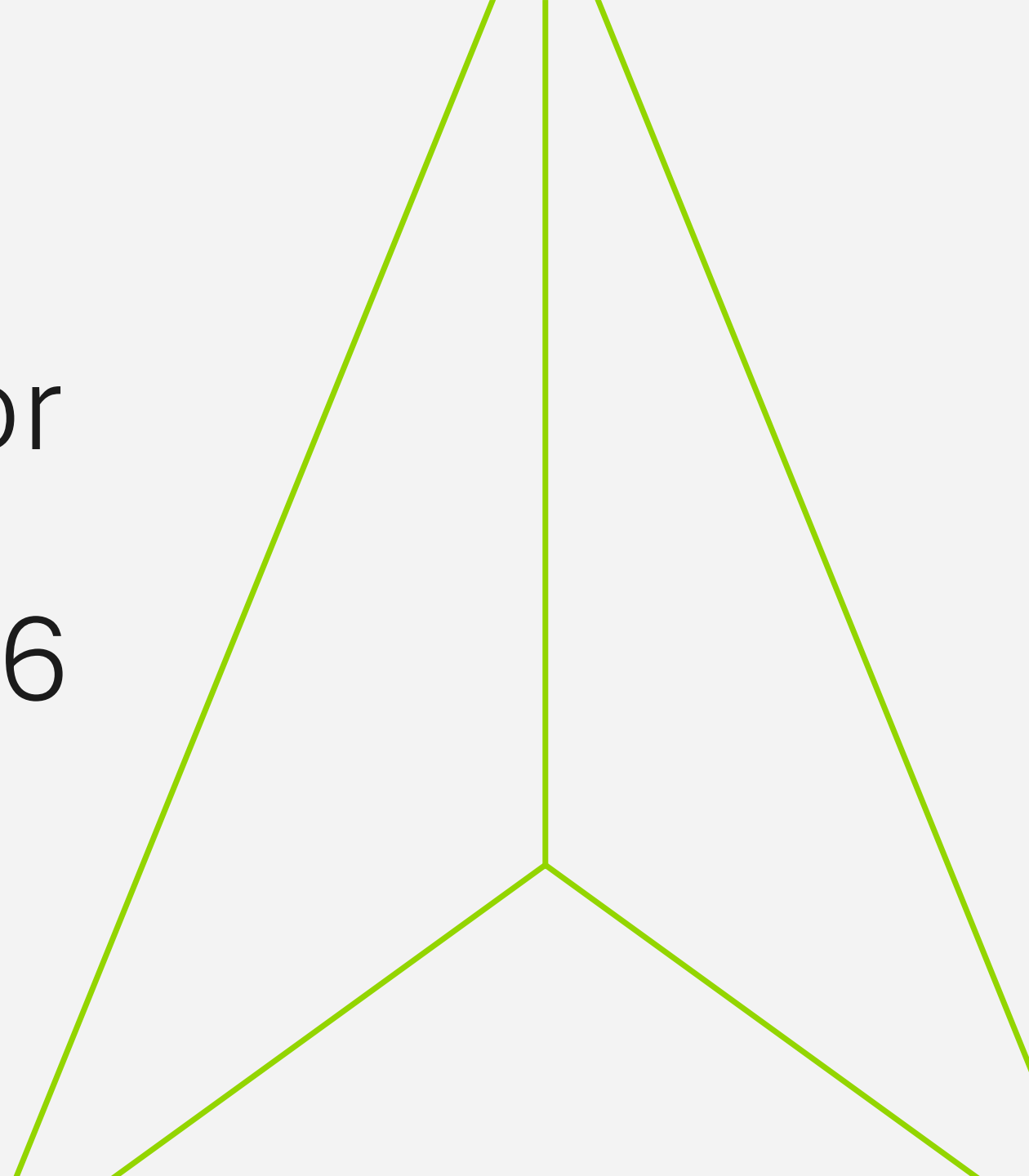


DECEMBER 3

Evaluation Plan for Nicor Gas Program Year 2026

Presentation to SAG

outwit complexity™



Agenda

Introduction to 2026-2029 Evaluation Activities

Program Level Research

Portfolio Level Research

Budget Allocation

Joint Utility Coordination

Questions





Introduction

2026 - 2029 Portfolio Evaluation

Evaluation Plan Schedule

Step	Date
SAG Presentation	December 3
First Draft to SAG	December 15
Comments Due on Evaluation Plan	January 15
Second Draft	January 30
Comments Due on Second Draft	February 12
Final	February 28

CRGA Implications for Evaluation of Gas EE Programs



CRGA includes many new requirements for gas EE programs that become effective January 1, 2027.



In 2026, programs will run as approved.



Gas-only utilities may opt to file a new EE Plan for 2027-9 (increasing the EE budget over the current spending cap of 2% of gas revenue) by June 1, 2026.

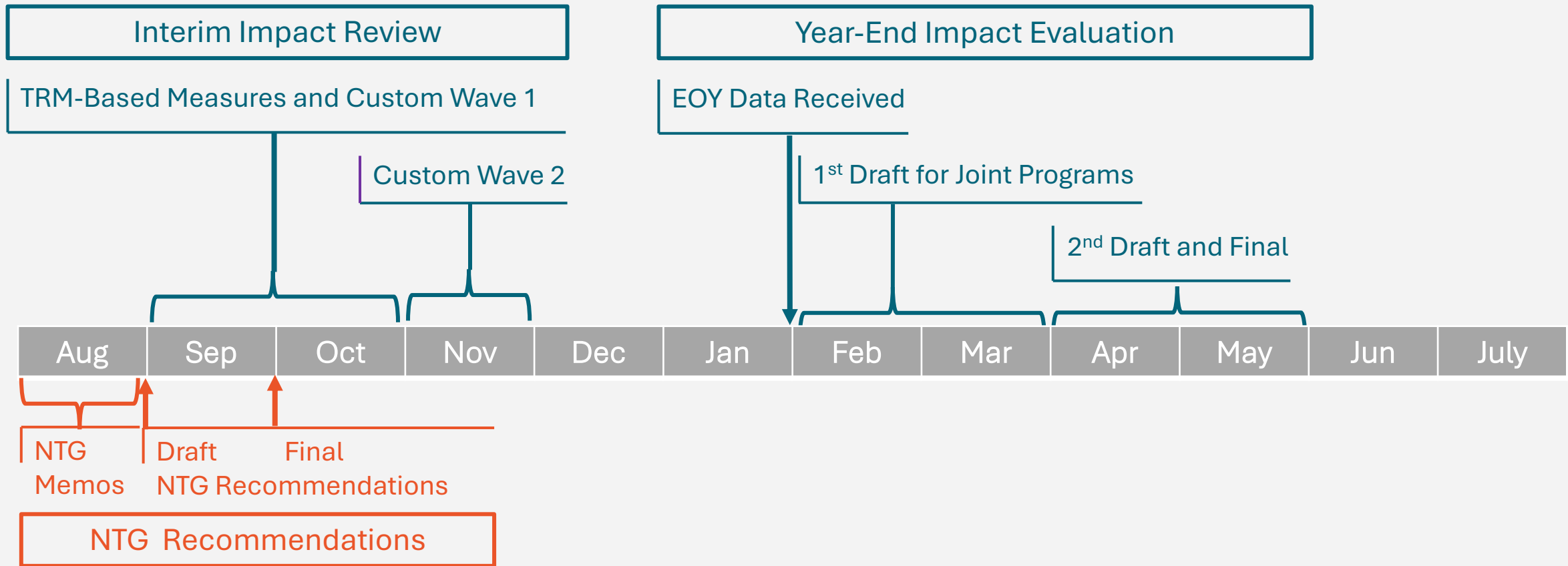


For our evaluation planning for program year 2026, we developed a high-level plan for the four program years of Nicor Gas' EE Plan 5 as approved before CRGA.



If Nicor Gas opts to file a new EE plan for 2027-9, we will revise our evaluation plans for those years as needed.

Evaluation Schedule



Evaluation Plan of the 2026-2029 Portfolio Cycle

Program-Level Research	Portfolio-Level Research and Activities	Key Activities for 2026
<p>Gross Impact Research</p> <ul style="list-style-type: none"> Conducted annually <p>Market Transformation (MT)</p> <ul style="list-style-type: none"> Advise statewide efforts Research and verification of implemented initiatives <p>Net-to-Gross (NTG) Research</p> <ul style="list-style-type: none"> Conducted once per cycle for most programs <p>Process Research</p> <ul style="list-style-type: none"> Conducted based on program need, cost, and joint opportunities <p>Income Eligible</p> <ul style="list-style-type: none"> Conduct research on Multifamily one-stop shop Explore joint research opportunities targeting program outreach and delivery 	<p>TRM Update Support</p> <ul style="list-style-type: none"> TRM v15, Q1 through Q3 Prioritize support for future updates Refine savings, NTG, and MT protocols <p>Annual Reporting</p> <ul style="list-style-type: none"> Verified savings, non-energy impacts, and TRC Economic impacts Adjustable Savings Goals for following year <p>Collaboration</p> <ul style="list-style-type: none"> With ComEd on joint programs and research Statewide 	<p>Program-Level</p> <ul style="list-style-type: none"> Gross impact on 2026 programs, starting mid-year, <ul style="list-style-type: none"> Custom sampling in 2026 Q3/Q4 End-of Year in 2027 Q1/Q2 NTG for selected programs starting 2025 Q4 <p>Portfolio-Level/Statewide</p> <ul style="list-style-type: none"> 2026 Planning TRM v15 update participation

The Nicor Gas 2026 Portfolio

Sector / Category	2026	
	Program Budget	Net Therms
Income Eligible	\$17,250,000	1,650,000
Residential	\$15,629,000	5,322,000
Business	\$12,953,000	7,664,000
Portfolio Functions	\$11,968,000	-
Portfolio Total	\$57,800,000	14,635,000



Program Level Research

Summary of 2026-2029 Evaluation Activities and Timeline

Overview of 2026-2029 Evaluation

Program Level Research

Gross Impact Evaluation Research

Timing

- End-of-Year on every program
- Most programs receive mid-year review
- Large or complex custom projects receive parallel path review

Methodology

- TRM-based measure verification
- Custom projects M&V protocols
- Consumption data regression

Approach

- TRM measures: Census review
- Custom Projects: File review on a sample, site M&V for a subset
- Consumption Data Regression: single project or population
- Market Transformation: Energy Savings Framework as specified in TRM

NTG Research

Timing

- Once per cycle for market rate programs
- Change in program or market
- Plan according to recency

Methodology

- According to TRM

Approach

- Online survey and/or telephone
- Free-Ridership survey close to participation
- Spillover survey 12+ months after participation to allow for actions

Target

- Participating Customers
- Trade Allies
- Non-Participants

Process and Other Research

Timing

- Conduct based on program need, cost, and joint opportunities
- May combine with NTG surveys

Methodology

- Evaluation best practices

Approach

- Review program materials
- Often use survey research, on-line and/or telephone
- Interviews and focus groups
- Benchmarking
- Secondary research

Target

- Program managers, contractors
- Customers and Trade Allies
- Non-Participants

Impact Evaluation Timeline, 2026 Programs

Activity	Target	2026				2027			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Interim Impact Review and Reporting	TRM-Based Measures			Interim Data				Interim Data	
	Sampled Custom Projects			Wave 1	Wave 2			Wave 1	Wave 2
Annual Impact Evaluation and Reporting	Program-Level Impacts					2026 End of Year			
	Verified Portfolio Cost and Savings Results, NEIs							2026	
Parallel Path Review	Large or Complex Projects in Pre-App Stage	Reviews occur when program brings project to evaluators							

Impact Evaluation – Residential

* Jointly implemented with ComEd

† Coordinated with ComEd

‡ Programs where evaluation may use previous year's realization rate.

§ Interim review will be conducted only if our review of the tracking database finds substantial changes from 2025.

Program / Market Offering	Gross Impact Evaluation Approach	Custom Project Parallel Path Review	Interim TRM Review
Outreach			
Energy Education Kits*‡	2025 RR as needed	--	TRM [§]
Energy-Saving Kits‡	2025 RR as needed	--	TRM [§]
Home Energy Reports	RCT Pop. Consumption Data Analysis	--	--
Home Energy Savings			
Self-Assessment Program	TRM	--	TRM [§]
Air Sealing & Insulation	TRM	--	TRM [§]
Air Sealing & Insulation Inflation Reduction Act	TRM	--	TRM [§]
Home Energy Efficiency Rebates			
Space & Water Heating Rebates	TRM	--	TRM [§]
Smart Thermostats†	TRM	--	TRM [§]
Ducted Heat Pump (DFHP)	TRM	--	TRM [§]
Market Transformation Initiatives	TRM & Custom	--	TRM & Custom [§]
Smart Neighborhood Builder	TRM	--	TRM [§]
Multi-Family Program			
Assessments and DI	TRM	--	TRM [§]
Prescriptive	TRM	--	TRM [§]
Custom	Custom	If Requested	Q3, Q4 Samples
Air Sealing & Insulation	TRM	--	TRM [§]
Central Plant Optimization	TRM	--	TRM [§]

Impact Evaluation – Income Qualified

Program / Market Offering	Gross Impact Evaluation Approach	Custom Project Parallel Path Review	Interim TRM Review
Single Family Weatherization			
IHWAP*, Retrofits*, and Healthy Home Energy Efficiency Offering (Ameren EEO)	TRM	--	TRM [§]
Multi-Family Weatherization			
IHWAP*, Retrofits*, and Healthy Home	TRM	--	TRM [§]
Public Housing Authority*†	2025 RR	--	TRM [§]
Affordable Housing New Construction†	Custom	If Requested	--
Energy Saving Kits*‡	2025 RR	--	TRM [§]
Home Energy Assessment*	TRM	--	TRM [§]

* Jointly implemented with ComEd

† Coordinated with ComEd

‡ Programs where evaluation may use previous year's realization rate.

§ Interim review will be conducted only if our review of the tracking database finds substantial changes from 2025.

Impact Evaluation – Business and Public Sector

Program / Market Offering	Gross Impact Evaluation Approach	Custom Project Parallel Path Review	Interim Review Type
Business Energy Efficiency Rebates			
Assessment and DI	TRM	--	TRM‡
Prescriptive Rebates	TRM	--	TRM‡
Business Optimization	TRM	--	TRM‡
Commercial Food Service*	TRM	--	TRM‡
Business New Construction†	Custom	If Requested	Q3 Sample
Business Custom Rebates			
Custom Incentives	Custom	If Requested	Q3, Q4 Samples
Combined Heat and Power	Custom	If Requested	--
Stand-Alone Retro-Commissioning	Custom	If Requested	Q3, Q4 Samples
Coordinated Retro-Commissioning†	Custom	If Requested	Quarterly Sample
Small Business†			
Assessments and DI	TRM	--	TRM‡
Rebates: Prescriptive	TRM	--	TRM‡
Rebates: Custom	Custom	If Requested	Q3, Q4 Samples
Strategic Energy Management	Custom	If Requested	--
Building Operator Certification†	TRM	--	--

* Jointly implemented with ComEd

† Coordinated with ComEd

‡ Programs where evaluation may use previous year's realization rate.

§ Interim review will be conducted only if our review of the tracking database finds substantial changes from 2025.

NTG Evaluation Timeline

	2025	2026												2027		
Program (s)	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Plan NTG Research	◆		◆													
Surveying (Design, Sampling, Fielding)																
Analyze NTG data and report results								◆								
Finalize all NTG research memos									◆							
Initial NTG recommendations to SAG									◆							
Final Consensus NTG rations										◆						

Draft	
Final	
Draft Due	◆
Final Due	◆

NTG Evaluation Draft Timeline

Program (s)	Target/Measures	Research	2025	2026				2027				2028				2029				2030
			Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Residential Sector	--	NPSO						EFF												
Energy Saving Kits	All Measures	FR, PSO						EFF												
Home Energy Savings	All Measures	FR, PSO, TA										EFF								
Home Energy Efficiency Rebates	All Measures	FR, PSO, TA																	EFF	
Smart Neighborhood Builder	All Measures	FR, PSO																	EFF	
Multi-Family	All Measures	FR, PSO, TA										EFF								
Business Energy Efficiency Rebates	All Measures	FR, PSO, TA																	EFF	
Business Energy Efficiency Rebates	Commercial Food Service	FR, PSO, TA																	EFF	
C&I New Construction	All C&I and Public Sector	FR, PSO																		EFF
Business Custom	All Measures	FR, PSO										EFF								
Coordinated RCx	All C&I and Public Sector	FR, PSO, TA																	EFF	
Small Business	All Measures	FR, PSO, TA																	EFF	

Net-to-Gross Key FR= Free ridership PSO = Participant Spillover NPSO=Non-Participant Spillover TA = Trade Allies	Survey Design/Sample Prep	
	Fielding	
	NTG Analysis and Reporting	
	Year NTG Effective	EFF

Market Transformation Initiatives

Nicor Gas is engaged in

- High Performance Windows
- Residential Gas Heat Pumps
- Efficient Rooftop Units
- Commercial Gas Heat Pumps

MTIs are coordinated with other Illinois utilities, third-parties, SAG

- Other initiatives are being developed, led by other parties
- Coordination is within Illinois and nationally



Portfolio Level Topics

Research, Budget, Coordination

Overview of 2026-2029 Evaluation

Portfolio Level Topics

TRM Support and Research

TRM Update Support

- TRM v15, Q1 through Q3 2026
- Submit / review workpapers
- Participate in subcommittees
- Participate in late October “Evaluation Priorities” discussion led by TRM Administrator
- Refine NTG and MT protocols via Working Groups

TRM Research

- Prioritize by need, impact, and cost
- Additional evaluation priorities are being considered: modest scope and budget, meaningful impact (e.g. leveraging use of AMI data)

Other Research Planned or Under Consideration

Opportunities to conduct joint research with ComEd, Ameren, Peoples & North Shore Gas

- NEIs: Research on Societal, Utility, and Participant NEIs
- Commercial Food Service Process Research
- Stretch Energy Codes MT
- Building Performance Standards MT

If non-joint, ensure that natural gas related topics are considered if appropriate

Annual Reporting

Annual Reporting

- Verified savings and program costs
- Water savings, CO₂ reduction
- High Impact Measures for TRM
- Cost-effectiveness TRC / PACT
- Joint-program TRC
- Economic impacts

Timing

- Q1-Q2 each year, when final data is available

Ad Hoc Reporting

Evaluation Coordination

1. Guidehouse coordinates with the other utilities and their evaluation teams on an ongoing basis – this includes Ameren, ComEd, and Peoples and North Shore Gas
2. **Gas / Electric Joint Program Evaluations**
 - Some jointly delivered programs are evaluated by a single-team, producing a single report
 - Joint or coordinated programs and measures are evaluated separately in some cases
 - Evaluators calculate and report joint TRCs
 - Monthly evaluation coordination meetings with all evaluation teams
3. **Coordination on NTG, Process, and TRM Research**
 - TRM measure research considered on a case-by-case basis
 - Process research is done jointly when it is beneficial to do so
 - 2026 collaborative research planned

Statewide Midstream Food Service NTG Research
4. **Coordination beyond specific programs occurs as follows**
 - SAG meetings, Illinois-wide issues
 - Illinois NTG Framework and Protocol Working Group
 - Illinois TRM Technical Advisory Committee
 - Evaluator coordination calls (monthly)

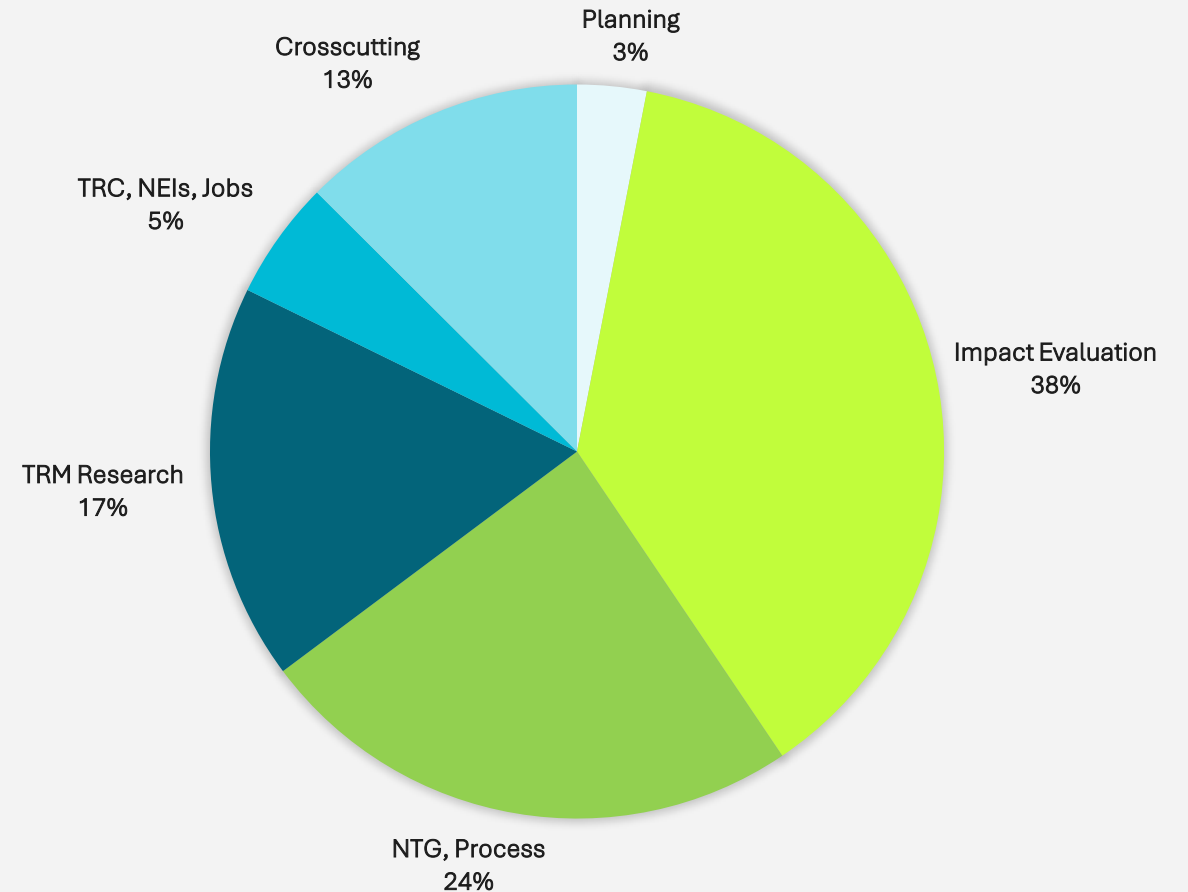
Nicor 2026 Joint Program Contracting

Sector	Program	Program Offering(s)	Joint/Coordinated	Implementation Contractor (IC)	Key Updates or Changes
Income Eligible	IE HEA	Home Energy Assessment (IE HEA/IE SAP)	Joint	Resource Innovations (RI)	No Changes
Income Eligible	IE Wx (SF)	IHWAP SF, Retrofits SF	Joint	Resource Innovations (RI)	No Changes for IHWAP, Continuation of Elgin Pilot 2026 Start of Rockford Pilot for Retrofits
Income Eligible	IE Wx (MF)	IHWAP MF, Retrofits MF	Joint	Resource Innovations (RI)	No Changes for IHWAP, Offering GHP's for Retrofits
Income Eligible	IE PHA	Public Housing Authority (PHA)	Joint	Resource Innovations (RI)	No Changes
Income Eligible	IE AHNC	Affordable Housing New Construction (AHNC)	Coordinated	Resource Innovations (RI)	No Changes
Income Eligible	IE ESK	Income Eligible Energy Saving Kits (IE ESK & EEE)	Joint (ComEd) & Gas Only	Walker-Miller (W-M)	No Changes
Residential	Outreach	Elementary Education Kits (EEK)	Joint (ComEd)	Walker-Miller (W-M)	Joint Delivery continues into 2026 . Removal of temperature setback card measure
Residential	HEER (MR SF)	Smart Thermostats	Coordinated	CLEAResult	Gas only and ComEd Retail
Residential	HES	HES Self Assessment Portal (SAP)	Gas Only (Peoples/Nicor)	Resource Innovations (RI)	No longer joint with ComEd
Residential	MF MR	Assessment and Direct Install (MFDI)	Gas Only (Peoples/Nicor)	Resource Innovations (RI)	No longer joint with ComEd
Business	CINC	(Private & Public)	2026 Coordinated	Residential Science Resources (RSR)	Coordinated with ComEd in 2026
Business	BOC	Training and Certification Program	Coordinated	MEEA	No Changes
Business	SB	Prescriptive Assessment/Direct Installation SB Custom (Private & Public)	New Coordinate	CLEAResult (CR)	New
Business	BEER	Commercial Food Service (CFS) (Private & Public)	Joint Statewide	CLEAResult (CR)	No Changes
Business	RCx	(Private & Public)	Coordinated	Resource Innovations (RI) CLEAResult (CR) MOU to RI/Nexant	No Changes

Evaluation Budget

1. **Evaluation Budget – 4 Year: \$6,536,000**
 - Avg Per Program Year: \$1,634,000
2. **Overall Budget is split between**
 - Impact Evaluation
 - NTG and Process Research
 - TRM Research and Updates
 - Economic Analyses (TRC, NEIs, Jobs)
 - Planning, and other crosscutting activities
3. **Prioritizing Resources**
 - Meet requirements for savings verification and reporting
 - ICC Orders and SAG Input
 - Program contribution to portfolio net savings
 - Program / Implementer needs and effectiveness
 - Opportunities to leverage joint research with other utilities

EVALUATION ACTIVITY BUDGET PERCENTAGE



Questions



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