



Home Energy Efficiency Rebates Program Impact Evaluation Report

Energy Efficiency Plan: Program Year 2025
(01/01/2025-12/31/2025)

Prepared for:

Nicor Gas Company



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1 Introduction

This report presents the results of the impact evaluation of the Nicor Gas 2025 Home Energy Efficiency Rebates (HEER) program. It presents a summary of the energy impacts for the total program and broken out by relevant measure and program structure details. The appendices present the impact analysis methodology and inputs for cost effectiveness analysis. Program year 2025 covered January 1 to December 31, 2025.

2 Program Description

The HEER program provides Nicor Gas customers with rebates for purchasing high annual fuel utilization efficiency (AFUE) furnaces and boilers, tankless water heaters, advanced thermostats, and pool covers. Participants may apply for the rebates themselves, or contractors may assist them in the rebate application process. Rebates are processed and sent to residential customers after installation of qualified measures. Members of the Nicor Gas Contractor Circle may offer rebates as instant discounts.

The program had 9,763 participants in 2025 and completed 10,247 projects as shown in Table 1.

Table 1. 2025 Volumetric Findings Detail

Participation	Total
Participants *	9,763
Installed Projects †	10,247
Measure Types Installed ‡	8

* Participants are defined as the distinct count of addresses.

† Installed Projects are defined as the distinct count of project IDs.

‡ Measure Types Installed are defined as the distinct count of Nicor Gas measure names.

Source: Nicor Gas tracking data and evaluation team analysis.

Table 2 summarizes the installed measure quantities that are the basis for verified energy savings.

Table 2. 2025 Installed Measure Quantities

Measure	Quantity Unit	Installed Quantity
Advanced Thermostat - Manual Baseline	Each	1,470
Advanced Thermostat - Programmable Baseline	Each	1,477
Boilers, >95% AFUE <300 MBH	Each	96
Combination Boilers, >95% AFUE <300 MBH	Each	71
Furnace, >95% AFUE	Each	4,482
Furnace, >97% AFUE	Each	3,969
Outdoor Pool Covers	Each	10
Tankless Water Heater	Each	379

Source: Nicor Gas tracking data and evaluation team analysis.

3 Program Savings Detail

Table 3 summarizes the energy savings the HEER Program achieved in 2025.

Table 3. 2025 Annual Energy Savings Summary

Program Category	Ex Ante Gross Savings (Therms)	Verified Gross RR*	Verified Gross Savings (Therms)	NTG†	NPSO‡	Verified Net Savings (Therms)
Non-Disadvantaged Communities	1,857,211	100%	1,863,415	0.86	1.048	1,684,654
Disadvantaged Communities (DAC)	112,362	100%	112,770	1.00	N/A	112,770
Total	1,969,573	100%	1,976,184			1,797,424

* Realization Rate (RR) is the ratio of verified gross savings to ex ante gross savings, based on evaluation research findings.

† The program-level NTG values are calculated as Verified Net/Verified Gross. The program-level analysis typically used measure-level deemed NTG values (see Table 4), which are listed here: <https://www.ilsag.info/evaluator-ntg-recommendations-for-2025>.

‡ The market rate net savings were multiplied by a residential non-participant spillover (NPSO) factor of 1.048. Based on SAG Policy, if deemed NTG is multiplied by the NPSO and the resulted NTG value is less than 1.00, the evaluation assigned NTG of 1.00 to projects in DAC zones. If the resulted NTG value is >1.00, the evaluation used the >1.00 value for calculation of net savings impact.

Source: Evaluation team analysis.

4 Program Savings by Measure

The program includes 8 measures as shown in Table 4. The advanced thermostat and furnace measures contributed the most savings. Projects in the disadvantaged communities (DAC) sites have a verified net-to-gross ratio (NTG) of 1.00.

Table 4. 2025 Annual Energy Savings by Measure

Program Category	Savings Category	Ex Ante Gross Savings (Therms)	Verified Gross RR*	Verified Gross Savings (Therms)	NTG†	NPSO‡	Verified Net Savings (Therms)
Non-DAC	Advanced Thermostat - Manual Baseline	141,301	100%	141,301	0.95	1.048	140,680
	Advanced Thermostat - Programmable Baseline	98,106	100%	98,106	0.95	1.048	97,674
	Boilers, >95% AFUE <300 MBH	22,622	100%	22,622	0.84	1.048	19,914
	Combination Boilers, >95%	14,946	101%	15,065	0.84	1.048	13,262

Program Category	Savings Category	Ex Ante Gross Savings (Therms)	Verified Gross RR*	Verified Gross Savings (Therms)	NTG †	NPSO ‡	Verified Net Savings (Therms)
	AFUE <300 MBH						
	Furnace, >95% AFUE	757,765	100%	761,004	0.84	1.048	669,927
	Furnace, >97% AFUE	791,169	100%	794,551	0.86	1.048	716,113
	Outdoor Pool Covers	3,167	100%	3,167	0.84	1.048	2,788
	Tankless Water Heater	28,134	98%	27,600	0.84	1.048	24,296
Non-DAC Subtotal		1,857,211	100%	1,863,415			1,684,654
	Advanced Thermostat - Manual Baseline	5,566	100%	5,566	1.00	N/A	5,566
	Advanced Thermostat - Programmable Baseline	4,166	100%	4,166	1.00	N/A	4,166
	Boilers, >95% AFUE <300 MBH	669	100%	669	1.00	N/A	669
DAC	Combination Boilers, >95% AFUE <300 MBH	626	101%	631	1.00	N/A	631
	Furnace, >95% AFUE	59,276	100%	59,529	1.00	N/A	59,529
	Furnace, >97% AFUE	40,100	100%	40,271	1.00	N/A	40,271
	Outdoor Pool Covers	792	100%	792	1.00	N/A	792
	Tankless Water Heater	1,168	98%	1,146	1.00	N/A	1,146
DAC Subtotal		112,362	100%	112,770			112,770
Total		1,969,573	100%	1,976,184			1,797,424

† The program-level NTG values are calculated as Verified Net/Verified Gross. The program-level analysis typically used measure-level deemed NTG values, which are listed here: <https://www.ilsag.info/evaluator-ntg-recommendations-for-2025>.

‡ The market rate net savings were multiplied by a residential non-participant spillover (NPSO) factor of 1.048. Based on SAG Policy, if deemed NTG is multiplied by the NPSO and the resulted NTG value is less than 1.00, the evaluation assigned NTG of 1.00 to projects in DAC zones. If the resulted NTG value is >1.00, the evaluation used the >1.00 value for calculation of net savings impact. (the NPSO is marked as N/A in this case).

Source: Evaluation team analysis.

5 Impact Analysis Findings and Recommendations

5.1 Impact Parameter Estimates

Table 5 shows the unit therm savings and realization rate findings by measure from our review. The realization rate is the ratio of the verified savings to the ex ante savings. Following the table, we provide findings and recommendations, including discussion of all measures with realization rates above or below 100%. Appendix A provides a description of the impact analysis methodology.

Table 5. Verified Gross Savings Parameters

Measure	Unit Basis	Ex Ante Gross (therms/unit)	Verified Gross (therms/unit)	Realization Rate	IL-TRM v13.0 Section†
Advanced Thermostat - Manual Baseline	Each	Varies	Varies	100%	5.3.16
Advanced Thermostat - Programmable Baseline	Each	Varies	Varies	100%	5.3.16
Boilers, >95% AFUE <300 MBH	Each	Varies	Varies	100%	5.3.6
Combination Boilers, >95% AFUE <300 MBH	Each	Varies	Varies	101%	5.3.17
Furnace, >95% AFUE	Each	Varies	Varies	100%	5.3.7
Furnace, >97% AFUE	Each	Varies	Varies	100%	5.3.7
Outdoor Pool Covers	Each	395.92	395.92	100%	5.4.10
Tankless Water Heater	Each	Varies	Varies	98%	5.4.2

† State of Illinois Technical Reference Manual version 13.0 from <http://www.ilsag.info/technical-reference-manual.html>.

5.2 Findings and Recommendations

Overall, the findings listed below had a minor impact on the savings, with the program-level realization rate being 100%.

Finding 1. All instances of Combination Boilers, >95% AFUE <300 MBH had a verified gross realization rate of 101%. It appears that the ex ante calculation used a household factor of 2.56 which is assigned to single-family participants in the TRM v12.0. In these instances, Guidehouse verified savings used a household factor of 2.62, which is assigned to single-family non-income qualified participants in the TRM v13.0.

Finding 2. All instances of Tankless Water Heater had a verified gross realization rate of 98%. It appears that the ex ante calculation used a household factor of 2.67 and 2.18, which is assigned to single-family all participants and multifamily all participants in the TRM, respectively. In these instances, Guidehouse verified savings assigned a household factor of 2.62 and 2.09, which is assigned to single-family non-income qualified and multifamily non-income qualified participants in the TRM.

Recommendation 1. Ensure the household factor values align with the applicable TRM measure section to accurately calculate “GrossAnnualThermSavings” column in the “Measures” tab of tracking data.

Appendix A. Impact Analysis Methodology

The evaluation verified gross savings were determined for each program measure by:

- Reviewing the savings algorithm inputs in the final 2025 tracking data for agreement with the IL-TRM v13.0 and IL-TRM Errata, where applicable.
- Validating the savings algorithm was applied correctly.
- Cross-checking per-unit savings values in the program tracking data with the verified values in Guidehouse's calculations.
- Multiplying the verified per-unit savings value by the quantity reported in the tracking data. The team calculated verified net savings by multiplying the verified gross savings estimates by a NTG ratio. In Program Year 2024, NTG estimates used to calculate the net verified savings were based on past evaluation research and defined by a consensus process through the Illinois SAG.
- For DAC projects, if deemed NTG is multiplied by 1.048 Non-Participant Spillover factor (NPSO) and the resulted NTG value is less than 1.00, the evaluation assigned a DAC NTG of 1.00. If the resulted NTG value is >1.00, evaluation used the >1.00 value for calculation of net savings impact.

Appendix B. Program Specific Inputs for the Illinois TRC

Table 6. shows the Total Resource Cost (TRC) cost-effectiveness analysis inputs available at the time of producing this impact evaluation report. Additional required cost data (e.g., measure costs, program level incentive and non-incentive costs) are not included in this table and will be provided to the evaluation team later. Guidehouse will include annual and lifetime water savings and greenhouse gas reductions in the end of year summary report.

Table 6. Verified Cost Effectiveness Inputs

Savings Category	DAC Project*	Units	Quantity	Effective Useful Life	Replacement Flag	Early Replacement Flag	Ex Ante Gross Savings (Therms)	Verified Gross Savings (Therms)	Verified Net Savings (Therms)
Advanced Thermostat - Manual Baseline	FALSE	Each	1,412	11.00	NO		141,301	141,301	140,680
Advanced Thermostat - Manual Baseline	TRUE	Each	58	11.00	NO		5,566	5,566	5,566
Advanced Thermostat - Programmable Baseline	FALSE	Each	1,416	11.00	NO		98,106	98,106	97,674
Advanced Thermostat - Programmable Baseline	TRUE	Each	61	11.00	NO		4,166	4,166	4,166
Boilers, >95% AFUE <300 MBH	FALSE	Each	93	25.00	YES		22,622	22,622	19,914
Boilers, >95% AFUE <300 MBH	TRUE	Each	3	25.00	YES		669	669	669
Combination Boilers, >95% AFUE <300 MBH	FALSE	Each	68	21.50	NO		14,946	15,065	13,262
Combination Boilers, >95% AFUE <300 MBH	TRUE	Each	3	21.50	NO		626	631	631
Furnace, >95% AFUE	FALSE	Each	4,108	20.00	YES		757,765	761,004	669,927
Furnace, >95% AFUE	TRUE	Each	374	20.00	YES		59,276	59,529	59,529
Furnace, >97% AFUE	FALSE	Each	3,749	20.00	YES		791,169	794,551	716,113
Furnace, >97% AFUE	TRUE	Each	220	20.00	YES		40,100	40,271	40,271
Outdoor Pool Covers	FALSE	Each	8	6.00	NO		3,167	3,167	2,788
Outdoor Pool Covers	TRUE	Each	2	6.00	NO		792	792	792

Savings Category	DAC Project*	Units	Quantity	Effective Useful Life	Early Replacement Flag	Ex Ante Gross Savings (Therms)	Verified Gross Savings (Therms)	Verified Net Savings (Therms)
Tankless Water Heater	FALSE	Each	364	20.00	NO	28,134	27,600	24,296
Tankless Water Heater	TRUE	Each	15	20.00	NO	1,168	1,146	1,146
Total or Weighted Average				18.91		1,969,573	1,976,184	1,797,424

Source: Evaluation team analysis.