

26-29

NORTH SHORE GAS[®]
ENERGY EFFICIENCY PROGRAM

Energy Efficiency Revised Plan 5

For the Period: January 01, 2026—December 31, 2029



Contents

1	INTRODUCTION	2
2	EXECUTIVE SUMMARY	8
2.1	ENERGY EFFICIENCY PORTFOLIO SUMMARY	10
2.1.1	<i>Income Eligible Program</i>	11
2.1.2	<i>Residential Program</i>	12
2.1.3	<i>Business Program</i>	12
2.1.4	<i>Public Sector Program</i>	13
2.1.5	<i>Market Development Initiative</i>	13
2.1.6	<i>Portfolio</i>	13
2.2	BUDGET, SAVINGS AND COST-EFFECTIVENESS	14
3	THE COMPONENTS OF THE PLAN	17
3.1	PLAN DEVELOPMENT	17
3.1.1	<i>Benefit-Cost Analysis</i>	18
3.1.2	<i>Current and Future Coordination with Stakeholders</i>	19
3.2	RISK MANAGEMENT	20
3.3	IMPLEMENTATION	21
3.3.1	<i>Overall Management Strategy</i>	22
3.3.2	<i>Communications/Marketing</i>	22
3.3.3	<i>Customer Service/Contact Center</i>	23
3.3.4	<i>Joint Program Delivery</i>	24
3.4	TRACKING AND REPORTING	25
3.5	EVALUATION	26
3.5.1	<i>Impact Evaluation</i>	27
3.5.2	<i>Process Evaluation</i>	27
3.6	PROPOSED PROGRAM DETAILS	27
3.6.1	<i>Core Program Details</i>	28
3.7	PROPOSED PROGRAM DETAILS – INCOME ELIGIBLE PROGRAM	29
3.7.1	<i>Income Eligible Single Family</i>	29
3.7.2	<i>Income Eligible Multi-Family</i>	32
3.8	PROPOSED PROGRAM DETAILS – RESIDENTIAL PROGRAM	36
3.8.1	<i>Residential Single Family</i>	36
3.8.2	<i>Residential Multi-Family</i>	41
3.9	PROPOSED PROGRAM DETAILS – BUSINESS PROGRAMS	45
3.9.1	<i>Small/Mid-Size Business</i>	45
3.9.2	<i>Commercial and Industrial (“C&I”) Program</i>	50
3.9.3	<i>Public Sector Program</i>	55
3.9.4	<i>Commercial Food Service Program</i>	60
3.10	PROPOSED PROGRAM DETAILS – MARKET DEVELOPMENT INITIATIVE	62
3.11	PORTFOLIO DETAILS	63
3.11.1	<i>Research and Development</i>	63
3.11.2	<i>Market Transformation</i>	63
3.11.3	<i>Evaluation</i>	64
3.11.4	<i>Portfolio Marketing, Education and Outreach</i>	64
3.11.5	<i>Portfolio Administration</i>	64

1 Introduction

The Illinois Public Utilities Act's ("Act") Section 8-104 establishes energy efficiency goals, energy efficiency program filing requirements and cost recovery mechanisms, and energy efficiency program expenditures for Illinois gas utilities serving more than 100,000 gas utility customers.¹ Section 8-104 was amended in 2016 through Public Act 99-0906 ("PA 99-0906") that changed the period of energy efficiency plan² and required Illinois gas utilities to provide energy efficiency programs to low-income and public sector customers³.

Section 8-104 was further amended in late 2025 by Public Act 104-0458 (PA 104-0458) that provided the Illinois northern gas utilities with an option to increase their budgets beyond the 2% of revenues cap.

In addition to the mandated energy-efficiency reductions in natural gas deliveries, Section 19- 140 of the Public Utilities Act (220 ILCS 5/19-140) requires each gas utility to create an On-Bill Financing program for energy efficiency upgrades completed by utility customers. Both electric and natural gas utilities offer On-Bill Financing programs to allow certain customers to pay for approved energy efficiency measures on their utility bills. Those energy efficiency measures are financed through a loan with a financial institution participating in the program.⁴

Section 8-104(f) provided the standards for approval. Plan 5, as approved in Docket 25-0210, is being updated in response to PA 104-0458. Specific sections being updated will be referenced and referred to as the "Revised Plan 5." Revised Plan 5 for North Shore Gas ("NSG"), an energy efficiency plan, meets these standards as follows:

1. Demonstrate that the proposed energy efficiency measures will achieve the requirements identified in Section 8-104(c) as modified by Section 8-104(d) under Section 8-104(f)(1).
 - NSG demonstrates that it will meet the energy efficiency goals through its modified savings goals. See NS-PGL Ex. 7.0 p.22-26.
2. Present specific proposals to implement new building and appliance standards that have been placed into effect under Section 8-104(f)(2).
 - NSG demonstrates that it has provided measures and programs for new building and appliance standards. See NS-PGL Ex. 7.0, p.36.
3. Present estimates of the total amount paid for gas service expressed on a per therm basis associated with the proposed portfolio of measures designed to meet the identified requirements under Section 8-104(f)(3).
 - NSG demonstrates that it has provided a cost per therm. See NS-PGL Ex. 7.0 p.33.

¹ 220 ILCS 5/8-104

² 220 ILCS 5/8-104(f)

³ 220 ILCS 5/8-104 (e-5). Energy efficiency programs for low income and public sector customers had previously been provided by the Illinois Department of Commerce and Economic Opportunity ("DCEO").

⁴ The Commission approved the Companies' On-Bill Financing program in Order No. 10-0090 (Order, June 2, 2010). This On-billing financing program has since expanded to allow small commercial customers' energy efficiency improvements to be eligible.

4. Demonstrate that the overall portfolio of energy efficiency measures, not including programs targeting income eligible customers (also referred to herein as “income eligible customers”), is cost-effective using the Total Resource Cost (“TRC”) test and represents a diverse cross-section of opportunities for customers of all rate classes to participate under Section 8-104(f)(5).
 - NSG meets the demonstration of overall program cost-effectiveness using the TRC test and its programs provide a diverse cross-section of opportunities to all ratepayers. See NS-PGL Ex. 7.0, p. 34; Ex. 7.1, p.14-16.
5. Include a proposed cost-recovery tariff mechanism to fund the proposed energy efficiency measures and to ensure the recovery of the prudently and reasonably incurred costs of the Illinois Commerce Commission (“Commission”) approved programs under Section 8-104(f)(7).
 - NSG demonstrates that it has a tariff in place to recover prudently and reasonably incurred energy efficiency costs. See NS-PGL Ex. 7.0, p. 36.
6. Provide quarterly status reports tracking implementation of and expenditures for the utility’s portfolio of measures, an annual independent evaluation of the cost-effectiveness of the portfolio of measures, as well as a full review of the 4-year results of the broader net program impacts and, to the extent practical, adjustment of the measures on a going-forward basis as a result of the evaluations under Section 8-104(f)(8). The resources dedicated to evaluation shall not exceed 3% of portfolio resources in any given year.
 - NSG will provide said updates and tracking. See NS-PGL Ex. 7.0 p. 36, Ex. 7.1 p. 6.

Section 8-104 (e-20) provided the standards for approval in case of a gas utility utilizing the option to increase its energy efficiency budget beyond the 2% of revenues cap. The Revised Plan 5 meets these standards below:

1. Demonstrates that the plan, at a minimum, will result in a portfolio of energy efficiency measures that will provide more natural gas savings than would have been achieved in a plan subject to 8-104 (C)
 - a. NSG demonstrates that the Revised Plan 5 will result in more natural gas savings than would have been achieved Plan 5 as approved in Docket 25-0210. See NS-PGL Ex. 7.0; Ex. 7.1.
2. Demonstrates whether an increase in funding is necessary to meet the proposed increase in the amount of energy efficiency
 - a. NSG demonstrates that the increase in funding is necessary to meet the proposed increase in the amount of energy efficiency. See NS-PGL Ex. 7.0.
3. Prioritizes income-qualified measures and weatherization measures
 - a. NSG demonstrates that the Revised Plan 5 prioritizes income-qualified measures and weatherization measures. See NS-PGL Ex. 7.0.
4. Demonstrates that the multi-year plan strikes a reasonable balance between the goals of the following:
 - a) Increasing cost-effective efficiency savings and related greenhouse gas emission reductions;
 - b) Reducing overall gas system costs, recognizing that efficiency investments reduce usage and, in turn, the potential need for system investments over the long-term;

- c) Increasing energy affordability, especially for low-income customers;
 - d) Within the residential sector, prioritizing investment in weatherization and other measures that reduce heating loads over gas equipment measures; and,
 - e) Providing a diverse cross-section of opportunities for customers of all rate classes to participate in efficiency programs.
 - NSG demonstrates that the multi-year plan strikes a reasonable balance between all of the above stated goals. See NS-PGL Ex. 7.0.
5. The portion of the entire budget for efficiency programs that is spent on efficiency programs for low-income households shall be no less than the greater of 15% or 5 percentage points more than the proportion of total annual gas sales to non-opt-out retail customers that are consumed by low-income households.
- a. NSG demonstrates that its Revised Plan 5 low-income budget for efficiency programs is greater than 15% of the entire energy efficiency budget and greater than 5 percentage points more than the proportion of total annual gas sales to non-opt-out retail customers that are consumed by low-income households. See NS-PGL Ex. 7.0.
6. The portion of spending on efficiency measures targeted to low-income households that shall be delivered through whole building weatherization programs that comprehensively address building envelope efficiency upgrade opportunities as well as other efficiency measures shall be at least 80%.
- a. NSG demonstrates that at least 80% of measures targeted to low-income households shall be delivered through whole building weatherization programs. See NS-PGL Ex. 7.0; Ex. 7.7.
7. Investments in health and safety measures appropriate and necessary for comprehensively weatherizing the single-family and multi-family buildings of low-income households, with up to 15% of income-qualified program spending made available for such purposes.
- a. NSG demonstrates that its Revised Plan 5 delivers investments in health and safety measures. See NS-PGL Ex. 7.0; Ex. 7.7.

All tables in this document reflect the Revised Plan 5 figures.

Further, North Shore Gas will allocate no more than 3% of energy efficiency measures for the demonstration of breakthrough equipment and devices.

Also, as required under Section 8-104(e-5), in the case of an energy efficiency plan at or under the 2% budget cap, a minimum of 10% of the entire portfolio of cost-effective energy efficiency measures is reserved for efficiency programs serving local government, municipal corporations, school districts, and community college districts.

In the case of increasing the energy efficiency budget beyond the cap, as per Section 8-104 (e-5), the minimum spend for measures from public customers shall be equal to at least 30% of non-residential spending. The Revised Plan 5 meets this public sector spend requirement.

Further, spending on energy efficiency measures for income eligible customers proportionate to the share of total annual utility revenues from households at or below 150% of the poverty level and whose

programs are targeted to households with incomes at or below 80% of the area median income. See NS-PGL Exhibit 1.0, p. 16.

The plan, as approved in Docket 25-0210, demonstrates that NSG’s proposed energy efficiency portfolio will, in a prudent and cost-effective way, use the limited budget allowed by Section 8-104(d) (the “Cap”) to provide energy efficiency measures to North Shore Gas retail customers. As approved in Docket 25-0210, the plan can not meet the cumulative natural gas delivery reductions identified in Section 8-104(c)(4)-(6) within the Cap under Section 8-104(d).

The Revised Plan 5 proposes to leverage Section 8-104 (e-20) provisions to increase the energy efficiency portfolio budget beyond the Cap for 2027 – 2029. Though the Revised Plan 5 does not meet the cumulative natural gas reductions, it still demonstrates an increase in savings beyond original proposal, satisfying Section 8-104 (e-20).

Further, North Shore Gas’ execution of its Revised Plan 5 will meet several requirements, many of which are highlighted below. For more details, please see NS-PGL Exhibit 7.4.

1. Cost Effectiveness

North Shore Gas will present joint TRC and Program Administrator Cost Test (“PACT”) results for each program and portfolio as part of its 2026-2029 Plan filing and any ex-post cost effectiveness reporting. Results will be combined gas/electric results for programs saving both fuels. Results will include benefit-cost ratios as well as the net present value (“NPV”) of benefits, costs, and net benefits for the following scenarios: with and without non-energy impacts (“NEIs”) (if available at the time of evaluation), as well as, at the portfolio-level TRC, with and without income qualified programs.

2. Adjustable Savings Goals

- a. North Shore Gas will file the completed gas adjustable savings goal spreadsheets with their 2026-2029 Plan filings.
- b. To enable efficient annual review by the evaluators of the adjustable savings goal spreadsheet in accordance with Section 6.2 of the latest Illinois Energy Efficiency Policy Manual version (“Policy Manual”) and to ensure accuracy in the Illinois Statewide Technical Reference Manual for Energy Efficiency (“IL-TRM”) calculations, North Shore Gas will have the evaluators verify the accuracy in the IL-TRM calculations used to derive the measure savings that form the initial savings goals in the initial adjustable savings goal spreadsheet in advance of filing the completed adjustable savings goal spreadsheet with their 2026-2029 Plan filings.
- c. In advance of filing their completed adjustable savings goal spreadsheet, North Shore Gas will consult with Ameren Illinois and Nicor Gas on a consistent statewide adjustable savings goal template to use and will leverage to the greatest extent possible the transparent structure of the statewide adjustable savings goal template used for the last Plan.

3. Weighted Average Measure Life

- a. North Shore Gas retains the flexibility, as documented in Section 6.1 of the Policy Manual, to shift resources between programs and measures. North Shore Gas agrees

that they will not exercise this flexibility in a way that results in a portfolio weighted average measure life ("WAML") lower than 8.75.

- b. The WAML targets will be adjusted on an annual basis to align with changes to measure lifetimes as defined in the annual update to the IL-TRM and as approved by the Commission. This adjustment will rely on applying the new measure lives to the original Plan quantities of measures to produce the new WAML target that would have been set if all measure life changes had been known at the time of the 2026-2029 Plan development. The new adjusted WAML will set the baseline from which any deviations are measured. NSG will file updated WAML targets within the updated adjustable savings goal spreadsheet filed with the Commission annually.
- c. WAML will be calculated as the sum of the net lifecycle savings for all measures delivered in the portfolio divided by the sum of net first-year savings for all measures delivered in the portfolio.
- d. The WAML is subject to change for 2026, 2027, 2028, and 2029 based upon changes to effective useful lives defined in annual updates to the IL-TRM.

4. Reporting

North Shore Gas will continue to provide status reports as designated by the latest Policy Manual version and statewide reporting templates as well as additional reporting metrics that focus on providing more information on income eligible multi-family projects, health and safety, and the Market Development Initiative. Several metrics are highlighted below; more detail on new reporting metrics are outlined in Exhibit 7.7. North Shore Gas will:

- a. Report data separately on single family and multi-family income eligible channels: IHWAP-braided, utility-only, and utility-only-CAA.
- b. Report IQ Measure Data/Comprehensiveness of treatment.
- c. Report on health and safety ("H&S") related metrics including: the use of predominant materials being used for income eligible building retrofits related to insulation, sealants/caulks generally and sealants/caulks for HVAC duct work, number of assessed properties that had identified H&S issues, breakdown of the type of identified H&S issues, and number of properties deferred.
- d. Report on total number of participating customers, including the deduplicated number of unique participants and estimates of number of participants in programs with unknown customers, in quarterly spreadsheets and reports.

5. Customer Care Coordination

- a. North Shore Gas commits to coordinate with the Company's Energy Efficiency, Customer Service, and Credit/Collections groups so that customer interactions include energy efficiency education and referral. These efforts would continue our current process of training customer service representatives about energy efficiency resources for customers indicating hardships, enrolled in low-income discount rates, or otherwise entering into Deferred Payment Programs or potential disconnection, as well as additional training on how to connect interested customers and customers for whom participation in energy efficiency programs may prove beneficial to program offerings.
- b. Additionally, North Shore Gas will cross-promote information on financial assistance programs for which energy efficiency program participants may be eligible, including low-income discount rates, with specific direction as to how to establish eligibility and enroll

in discount rates. North Shore Gas shall also discuss the potential for coordinating energy efficiency messaging with local administering agencies such as the Community and Economic Development Association of Cook County (“CEDA”) and other community action agencies.

Further, the following values were used for avoided costs in the revised Plan 5 filing:

- Electricity Avoided Costs: sourced from Avoided Costs workpaper in alignment with Northern Illinois Utilities, dated 7/18/2024.
- Natural Gas Avoided Costs: used PGL and NSG-specific costs as the basis for the avoided natural gas supply costs, calculated as the three-year 2021-2023 average commodity gas and non-commodity gas charges, sourced from PGL and NSG historical data. Future natural gas supply costs are escalated based on AEO price forecasts.
- Escalation rate: 2.28% based upon the IL-TRM Version 14.
- Non-Energy Benefits or Non-Energy Impacts: applied Societal NEI estimates developed by Guidehouse, dated 10/1/2024.
- Carbon adder: sourced from the US EPA November 2023 report on the Social Cost of Greenhouse Gases, assuming a 2 percent discount rate.

This Revised Plan 5 is submitted in compliance with Section 8-104, leveraging the provisions from PA 104-0458.

2 Executive Summary

North Shore Gas, a wholly-owned subsidiary of WEC Energy Group, proposes to implement a portfolio of natural gas energy efficiency programs and On-Bill Financing as required by Section 8-104 and Section 19-140 of the Public Utilities Act. The overriding objectives of this Plan are to achieve the indicated energy efficiency goals cost-effectively and to provide access to energy-saving programs for North Shore Gas residential, income eligible, and business customers (small & mid-size business and commercial & industrial).

In concert with Section 8-104 (e-20) and Section 19-140 of the Public Utilities Act for natural gas utilities, North Shore Gas has increased its energy efficiency budget beyond the 2% cap and developed diverse programs that reach all customer classes and has specifically met the following requirements as outlined in the law:

- Allocate thirty percent (30%) of the non-residential program budget to efficiency programs for local government, municipal corporations, school districts, and community college districts.
- Allocate greater than 15% of the entire energy efficiency budget and greater than 5 percentage points more than the proportion of total annual gas sales to non-opt-out retail customers that are consumed by low-income households towards low-income energy efficiency budget.
- Allocate a minimum of 80% of its spending on low-income households towards whole building weatherization programs.
- Allocate investments towards health and safety measures appropriate and necessary for comprehensively weatherizing the single-family and multi-family buildings of low-income households, with *up to* 15% of income-qualified program spending made available for such purposes.
- Develop program offerings that serve customers at 150% of Federal Poverty Guidelines. This is reflected in program delivery as customers who are at or below 80% of area median income (“AMI”).

Please refer to the Introduction of this Revised Plan 5 document for a list of additional requirements derived from Section 8-104 (e-20)

In Plan 5, North Shore Gas has designed flexible, scalable, best practice programs that allow for partnering with Commonwealth Edison Company (“ComEd”), the electric service provider in North Shore Gas’ service territory, to streamline administration and delivery while maximizing customer participation based on researched market potential. North Shore Gas also worked with the neighboring gas utilities Ameren Illinois and Nicor Gas to provide consistency in program design where possible.

For the Revised Plan 5, the proposed budget and cap is based on forecasted revenues for CY 2026-2029 (January 1, 2026 to December 31, 2029) and are as follows:

Table 1. Statutory Budget per PA 104-0458

North Shore Gas	2026	2027	2028	2029
Total Retail Natural Gas Service	\$251,056,800	\$251,056,800	\$251,056,800	\$251,056,800
Revised Plan 5 Total Budget	\$5,021,136	\$7,087,571	\$7,092,817	\$7,012,933
Revised Plan 5 Total Budget (% of Revenue)	2.0%	2.8%	2.8%	2.8%

The proposed budget and savings estimates are illustrated below. The savings estimates fall below the statutory targets.

Table 2. Overall Goals and Budgets

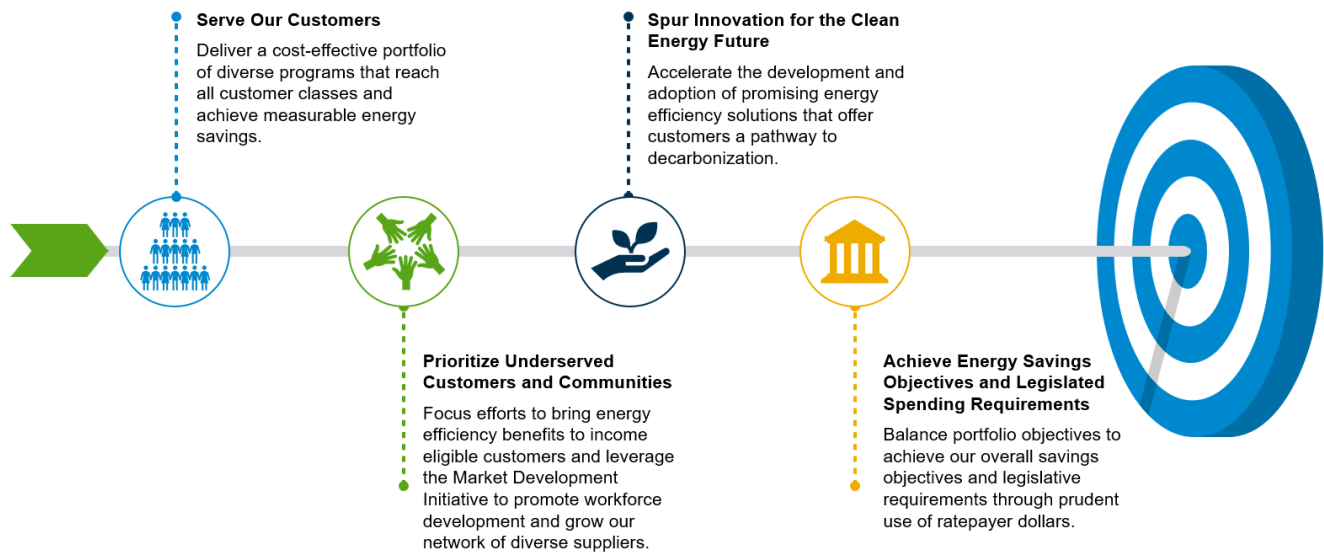
North Shore Gas	2026	2027	2028	2029	Total
Throughput (Therms)	344,013,269	344,013,269	344,013,269	344,013,269	1,376,053,078
Statutory Savings Goal (Percent)	1.50%	1.50%	1.50%	1.50%	n/a
Statutory Savings Goal (Therms)	5,160,199	5,160,199	5,160,199	5,160,199	20,640,796
Utility Proposed Modified Savings Goal (Therms)	1,575,364	2,377,423	2,374,187	2,385,136	8,712,110
Utility Proposed Modified Savings Goal (Percent)	0.46%	0.69%	0.69%	0.69%	n/a

Portfolio Budget	2026	2027	2028	2029	Total
Revised Plan 5 Total Budget	\$5,021,136	\$7,087,571	\$7,092,817	\$7,012,933	\$26,214,457
Research & Development (Emerging Technologies)	\$150,600	\$150,600	\$150,600	\$150,600	\$602,400
Market Transformation	\$190,000	\$190,000	\$190,000	\$190,000	\$760,000
Evaluation	\$150,600	\$188,200	\$188,200	\$188,200	\$715,200
Portfolio Marketing & Education	\$200,800	\$200,800	\$200,800	\$200,800	\$803,200
Portfolio Administration (Including Planning)	\$527,706	\$527,706	\$527,706	\$527,706	\$2,110,824
Total Portfolio Costs	\$1,219,706	\$1,257,306	\$1,257,306	\$1,257,306	\$4,991,624
Available Program Budget	\$3,801,430	\$5,830,265	\$5,835,511	\$5,755,627	\$21,222,833

Detailed program budgets are provided in Tables 3 and 4

North Shore Gas developed a portfolio that incorporates direct stakeholder feedback and lessons learned from the last 15 years of implementation and adapts to our changing customers' needs. The following objectives guided the development of the portfolio of programs.

Figure 1. Objectives to Guide Plan 5 Development



The Plan has many offerings that incentivize customers to become more energy efficient. The offerings are integrated with energy efficiency awareness and education efforts designed to encourage customers to make more informed energy use decisions.

Below is a highlight of key changes from Plan 4 to Revised Plan 5:

- Increased customer incentives and implementation budgets increased across all customer classes, particularly in the following market offerings:
 - Income Eligible Retrofits
 - Market Rate Single Family Weatherization
 - Small/Mid-Size Business and Commercial & Industrial programs
 - Public Sector Program
- Increased Income Eligible Health and Safety budget and removed budget caps for health & safety projects.
- Expanded reporting requirements for Income Eligible programs and the Market Development Initiative (MDI).
- Provide expanded cross-promotion of energy assistance, low-income discount rate and energy efficiency programs to customers facing payment challenges.
- Inclusion of natural gas heat pumps in the Commercial & Industrial Program and the Market Rate Single Family Program.

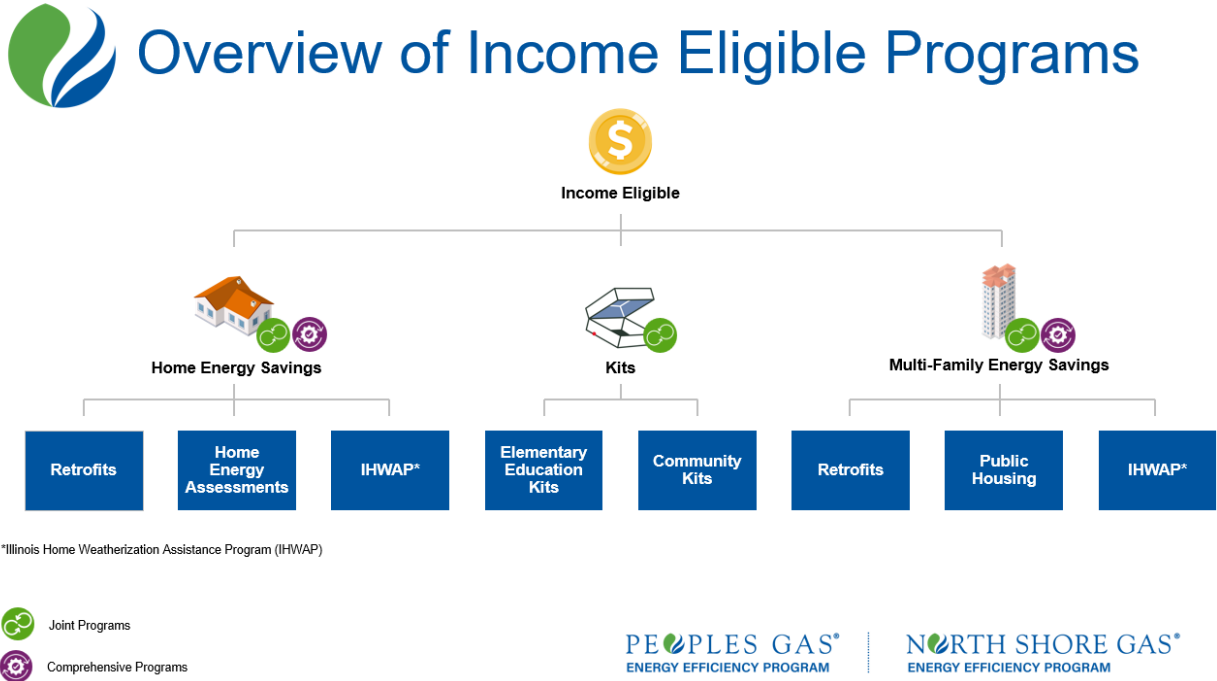
2.1 Energy Efficiency Portfolio Summary

This section summarizes the proposed portfolio of income-eligible, residential, business, public sector, market development initiative (“MDI”), and portfolio costs. Program details are provided in Section 3.6.

2.1.1 Income Eligible Program

Comprehensive offerings for income eligible customers that include various ways to participate.

Figure 2. Income Eligible Program



*Illinois Home Weatherization Assistance Program (IHWAP)

5

⁵ Joint Programs offer a unified approach to help customers save energy and reduce costs. These programs, a collaborative effort among utilities, provide comprehensive assessments that address both gas and electric opportunities. With a single, streamlined message and strategy, the initiative ensures a consistent and effective experience for participants across all involved utilities. Utilities share the program costs determined by a cost-allocation.

Coordinated Programs focus on maximizing energy savings through strategic collaboration among utilities. If an initial assessment doesn't evaluate both gas and electric opportunities, leads are shared behind the scenes to ensure a comprehensive review. While each utility may adopt its own approach, this coordinated effort ensures that all potential savings are identified and captured effectively.

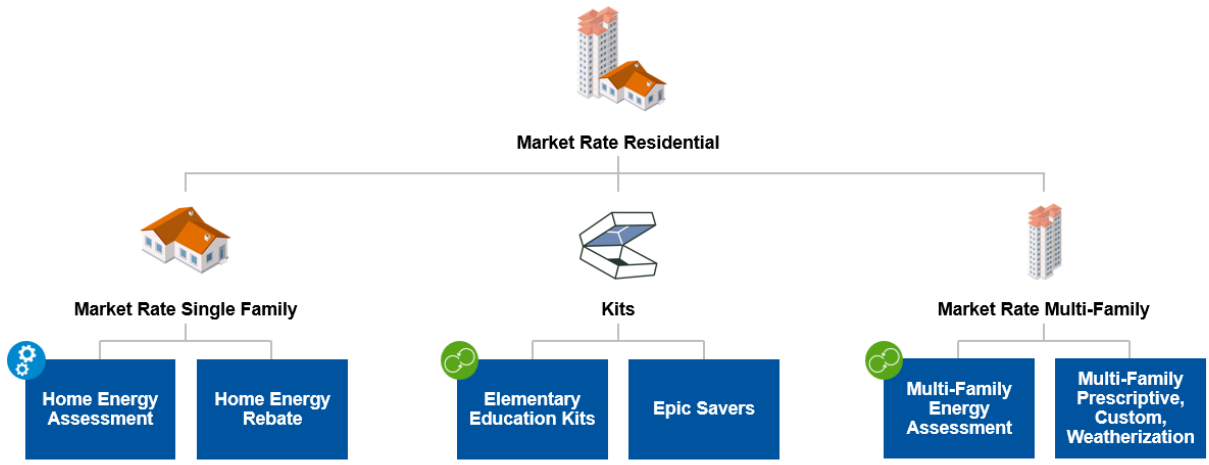
Comprehensive Programs are as defined by the Policy Manual: "... a whole-building approach to saving energy that can result in the identification of the most Cost-Effective improvements and fewest missed energy saving opportunities, rather than a focus on single Measures."



2.1.2 Residential Program

Offerings for residential single family and multi-family customers include various ways to participate.

Figure 3. Residential Program

Overview of Market Rate Residential Programs



 Joint Programs
 Coordinated Programs

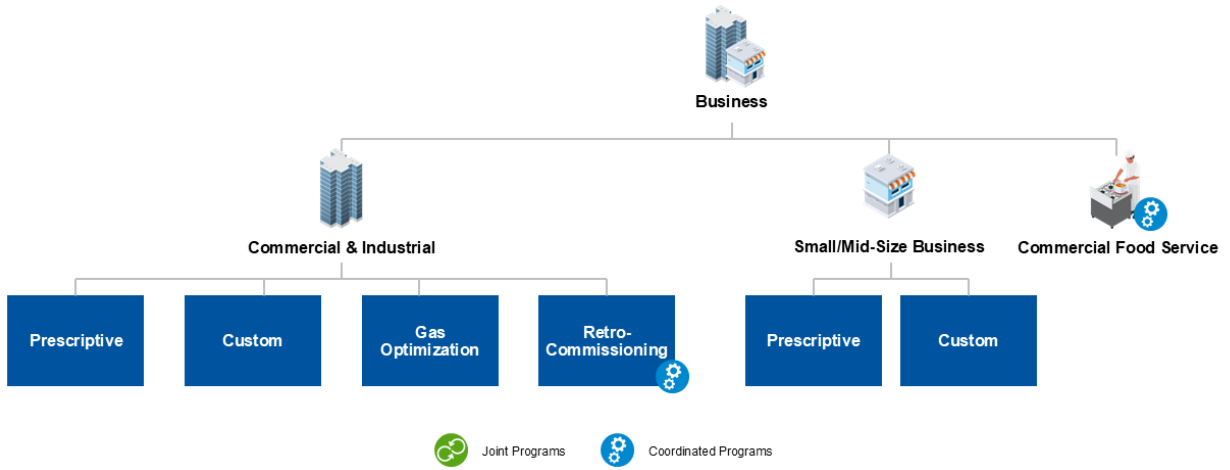
PEOPLES GAS
ENERGY EFFICIENCY PROGRAM

NORTH SHORE GAS
ENERGY EFFICIENCY PROGRAM

2.1.3 Business Program

Robust offerings including rebates and incentives for prescriptive, custom, retro-commissioning, gas optimization, and commercial food service.

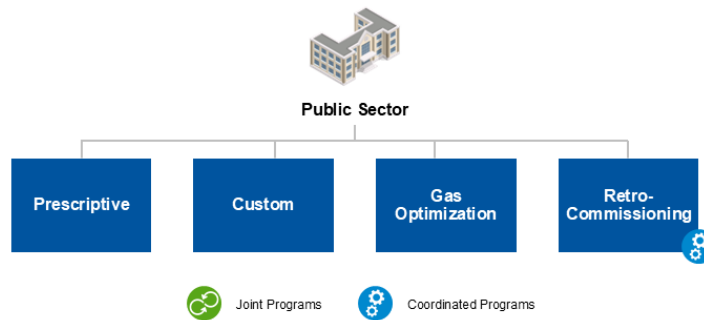
Figure 4. Business Program



2.1.4 Public Sector Program

Robust offerings for public sector customers, including enhanced rebates and incentives for prescriptive, custom, retro-commissioning, and gas optimization.

Figure 5. Public Sector Program



2.1.5 Market Development Initiative

Initiative to increase the number of local and diverse participants in the energy efficiency industry and contractor network, among other goals.

2.1.6 Portfolio

Portfolio includes:

- Research and Development
- Market Transformation
- Evaluation
- Portfolio Marketing, Education, and Outreach
- Portfolio Administration

2.2 Budget, Savings and Cost-Effectiveness

Table 3 summarizes the savings and budget by program, and Table 4 provides a more detailed budget for each year.

Table 3. Portfolio Summary for Budget and Savings

North Shore Gas Program	2026		2027		2028		2029		Total	
	Therm Savings	Budget	Therm Savings	Budget	Therm Savings	Budget	Therm Savings	Budget	Therm Savings	Budget
Income Eligible	104,011	\$679,810	119,564	\$1,091,899	119,565	\$1,100,951	119,331	\$1,107,598	462,470	\$3,980,257
Residential	277,968	\$1,393,684	233,572	\$1,949,135	229,089	\$1,916,641	162,966	\$1,699,272	903,594	\$6,958,732
Business	1,193,385	\$1,627,937	2,024,288	\$2,659,231	2,025,534	\$2,687,919	2,102,839	\$2,818,757	7,346,045	\$9,793,844
MDI	0	\$100,000	0	\$130,000	0	\$130,000	0	\$130,000	0	\$490,000
Program Total	1,575,364	\$3,801,430	2,377,423	\$5,830,265	2,374,187	\$5,835,511	2,385,136	\$5,755,627	8,712,110	\$21,222,833
Portfolio	Therm Savings	Budget	Therm Savings	Budget	Therm Savings	Budget	Therm Savings	Budget	Therm Savings	Budget
Research & Development	0	\$150,600	0	\$150,600	0	\$150,600	0	\$150,600	0	\$602,400
Market Transformation	0	\$190,000	0	\$190,000	0	\$190,000	0	\$190,000	0	\$760,000
Evaluation	0	\$150,600	0	\$188,200	0	\$188,200	0	\$188,200	0	\$715,200
Portfolio Marketing	0	\$200,800	0	\$200,800	0	\$200,800	0	\$200,800	0	\$803,200
Portfolio Administration	0	\$527,706	0	\$527,706	0	\$527,706	0	\$527,706	0	\$2,110,824
Portfolio Total	0	\$1,219,706	0	\$1,257,306	0	\$1,257,306	0	\$1,257,306	0	\$4,991,624
Overall Total	1,575,364	\$5,021,136	2,377,423	\$7,087,571	2,374,187	\$7,092,817	2,385,136	\$7,012,933	8,712,110	\$26,214,457

Table 4. Program Budget Detail⁶

North Shore Gas Program	2026			2027			2028			2029			Total		
	Incentive	Imp	Total	Incentive	Imp	Total	Incentive	Imp	Total	Incentive	Imp	Total	Incentive	Imp	Total
Income Eligible	\$322,906	\$356,904	\$679,810	\$638,364	\$453,534	\$1,091,899	\$638,367	\$462,584	\$1,100,951	\$638,182	\$469,416	\$1,107,598	\$2,237,819	\$1,742,438	\$3,980,257
Residential	\$965,274	\$428,410	\$1,393,684	\$1,493,636	\$455,499	\$1,949,135	\$1,457,929	\$458,711	\$1,916,641	\$1,338,033	\$361,240	\$1,699,272	\$5,254,872	\$1,703,860	\$6,958,732
Business	\$799,389	\$828,548	\$1,627,937	\$1,233,784	\$1,425,447	\$2,659,231	\$1,234,562	\$1,453,357	\$2,687,919	\$1,275,268	\$1,543,489	\$2,818,757	\$4,543,004	\$5,250,840	\$9,793,844
MDI	\$0	\$100,000	\$100,000	\$0	\$130,000	\$130,000	\$0	\$130,000	\$130,000	\$0	\$130,000	\$130,000	\$0	\$490,000	\$490,000
Total	\$2,087,568	\$1,713,862	\$3,801,430	\$3,365,785	\$2,464,480	\$5,830,265	\$3,330,859	\$2,504,652	\$5,835,511	\$3,251,483	\$2,504,144	\$5,755,627	\$12,035,695	\$9,187,138	\$21,222,833

Table 5 summarizes the TRC with and without the Carbon Adder and Societal NEIs. The total four-year portfolio TRC benefit-cost ratio is estimated at 6.00⁷ with Income Eligible and 6.09 without Income Eligible.

⁶ IMP: Implementation

⁷ Including income eligible, Carbon Adder, and Societal NEIs.

Table 5. Portfolio Cost Effectiveness Results

North Shore Gas Program	2026			2027			2028			2029		
	TRC	TRC w/ Carbon w/o NEIs	PACT	TRC	TRC w/ Carbon w/o NEIs	PACT	TRC	TRC w/ Carbon w/o NEIs	PACT	TRC	TRC w/ Carbon w/o NEIs	PACT
Income Eligible	6.96	5.98	0.86	4.98	4.28	0.64	5.03	4.34	0.66	5.11	4.44	0.68
Residential	4.55	3.73	1.28	4.16	3.46	0.76	4.26	3.56	0.78	3.30	2.79	0.58
Business	8.49	6.65	2.38	9.25	7.27	2.40	9.46	7.50	2.46	9.67	7.75	2.53
MDI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total w/o IE	5.32	4.23	1.31	6.18	4.92	1.31	6.35	5.08	1.35	6.36	5.14	1.38
Total	5.48	4.39	1.25	6.04	4.84	1.21	6.19	4.99	1.24	6.21	5.05	1.26

Tables 6, 7, and 8 provide the benefits, costs, and NPV by program for the TRC, TRC without NEIs, and PACT tests. The benefit-cost tests are described in Section 3.1.1.

Table 6. Portfolio Cost Effectiveness Results – NPV for TRC⁸

North Shore Gas Program	2026			2027			2028			2029		
	Benefits	Costs	Net Benefits	Benefits	Costs	Net Benefits	Benefits	Costs	Net Benefits	Benefits	Costs	Net Benefits
Income Eligible	\$4,729,951	\$679,810	\$4,050,141	\$5,433,874	\$1,091,899	\$4,341,975	\$5,533,279	\$1,100,951	\$4,432,328	\$5,655,654	\$1,107,598	\$4,548,056
Residential	\$10,848,464	\$2,383,284	\$8,465,181	\$9,236,217	\$2,220,458	\$7,015,760	\$9,294,331	\$2,182,111	\$7,112,220	\$6,426,023	\$1,947,922	\$4,478,101
Business	\$23,751,302	\$2,797,557	\$20,953,745	\$39,440,826	\$4,265,055	\$35,175,771	\$40,631,449	\$4,294,731	\$36,336,718	\$43,209,997	\$4,466,388	\$38,743,609
MDI	\$0	\$100,000	(\$100,000)	\$0	\$130,000	(\$130,000)	\$0	\$130,000	(\$130,000)	\$0	\$130,000	(\$130,000)
Portfolio Costs	\$0	\$1,219,706	(\$1,219,706)	\$0	\$1,257,306	(\$1,257,306)	\$0	\$1,257,306	(\$1,257,306)	\$0	\$1,257,306	(\$1,257,306)
Total w/o IE	\$34,599,766	\$6,500,547	\$28,099,219	\$48,677,043	\$7,872,818	\$40,804,225	\$49,925,780	\$7,864,148	\$42,061,632	\$49,636,019	\$7,801,615	\$41,834,404
Total	\$39,329,717	\$7,180,356	\$32,149,361	\$54,110,917	\$8,964,717	\$45,146,200	\$55,459,059	\$8,965,099	\$46,493,960	\$55,291,673	\$8,909,213	\$46,382,460

Table 7. Portfolio Cost Effectiveness Results – NPV for TRC w/o NEIs⁹

North Shore Gas Program	2026			2027			2028			2029		
	Benefits	Costs	Net Benefits	Benefits	Costs	Net Benefits	Benefits	Costs	Net Benefits	Benefits	Costs	Net Benefits
Income Eligible	\$4,066,897	\$679,810	\$3,387,087	\$4,676,546	\$1,091,899	\$3,584,647	\$4,780,220	\$1,100,951	\$3,679,269	\$4,918,783	\$1,107,598	\$3,811,186
Residential	\$8,894,938	\$2,383,284	\$6,511,654	\$7,671,856	\$2,220,458	\$5,451,398	\$7,772,141	\$2,182,111	\$5,590,030	\$5,443,696	\$1,947,922	\$3,495,774
Business	\$18,591,672	\$2,797,557	\$15,794,114	\$31,023,123	\$4,265,055	\$26,758,068	\$32,191,028	\$4,294,731	\$27,896,297	\$34,631,498	\$4,466,388	\$30,165,110
MDI	\$0	\$100,000	(\$100,000)	\$0	\$130,000	(\$130,000)	\$0	\$130,000	(\$130,000)	\$0	\$130,000	(\$130,000)
Portfolio Costs	\$0	\$1,219,706	(\$1,219,706)	\$0	\$1,257,306	(\$1,257,306)	\$0	\$1,257,306	(\$1,257,306)	\$0	\$1,257,306	(\$1,257,306)
Total w/o IE	\$27,486,610	\$6,500,547	\$20,986,063	\$38,694,979	\$7,872,818	\$30,822,160	\$39,963,169	\$7,864,148	\$32,099,021	\$40,075,194	\$7,801,615	\$32,273,579
Total	\$31,553,507	\$7,180,356	\$24,373,150	\$43,371,524	\$8,964,717	\$34,406,808	\$44,743,390	\$8,965,099	\$35,778,291	\$44,993,977	\$8,909,213	\$36,084,764

⁸ TRC results include the Carbon Adder and the Societal NEI described in Section 3.1.1

⁹ TRC results include the Carbon Adder and does not include the Societal NEI described in Section 3.1.1

Table 8. Portfolio Cost Effectiveness Results – NPV for PACT

North Shore Gas Program	2026			2027			2028			2029		
	Benefits	Costs	Net Benefits	Benefits	Costs	Net Benefits	Benefits	Costs	Net Benefits	Benefits	Costs	Net Benefits
Income Eligible	\$585,987	\$679,810	(\$93,823)	\$697,875	\$1,091,899	(\$394,023)	\$722,553	\$1,100,951	(\$378,398)	\$748,370	\$1,107,598	(\$359,228)
Residential	\$1,790,142	\$1,393,684	\$396,458	\$1,471,608	\$1,949,135	(\$477,528)	\$1,489,623	\$1,916,641	(\$427,017)	\$985,665	\$1,699,272	(\$713,607)
Business	\$3,880,578	\$1,627,937	\$2,252,641	\$6,386,237	\$2,659,231	\$3,727,006	\$6,611,917	\$2,687,919	\$3,923,999	\$7,134,439	\$2,818,757	\$4,315,682
MDI	\$0	\$100,000	(\$100,000)	\$0	\$130,000	(\$130,000)	\$0	\$130,000	(\$130,000)	\$0	\$130,000	(\$130,000)
Portfolio Costs	\$0	\$1,219,706	(\$1,219,706)	\$0	\$1,257,306	(\$1,257,306)	\$0	\$1,257,306	(\$1,257,306)	\$0	\$1,257,306	(\$1,257,306)
Total w/o IE	\$5,670,720	\$4,341,326	\$1,329,394	\$7,857,845	\$5,995,672	\$1,862,172	\$8,101,541	\$5,991,865	\$2,109,675	\$8,120,104	\$5,905,335	\$2,214,769
Total	\$6,256,707	\$5,021,136	\$1,235,571	\$8,555,720	\$7,087,571	\$1,468,149	\$8,824,094	\$7,092,817	\$1,731,277	\$8,868,474	\$7,012,933	\$1,855,541

3 The Components of the Plan

This revised Plan, as supported by the previously approved Plan The creation of Plan 5 approved in Docket 25-0210 and the Revised Plan 5 adheres to a rigorous planning process, beginning with market analysis and a potential study and culminating in program design. Figure 6 illustrates the energy efficiency planning process and coincides with the topics in this section.

Figure 6. Energy Efficiency Planning Process Overview



A market potential assessment (“Market Potential Study”) was performed by Applied Energy Group in 2024 and was submitted in Docket 25-0210. The purpose of the study was to (1) identify the economic potential for natural gas savings in the North Shore Gas service territory, (2) identify opportunities for program enhancements and new program offerings to realize this potential, and (3) estimate the achievable potential gas savings and program costs for these opportunities. The Market Potential Study helped to inform the development of Plan 5, along with the experience gained and lessons learned from the previous Plan period and direct input received from stakeholders.

North Shore Gas is committed to continuously improving the design and delivery processes for its programs. During Plan 5, as done during the prior Plan period, programs will be improved and refined on an ongoing basis, particularly as program evaluation and reporting activities identify opportunities for program enhancement.

3.1 Plan Development

Plan development incorporated several tasks that helped structure the portfolio design process:

- Developed a database of energy saving measures, including estimated costs, energy savings, and measure life. The energy savings measures were compared to baseline conditions – current practices, if available, or minimum standards. Measures were screened for cost-effectiveness based on North Shore Gas-specific avoided costs and other data.
- Took into consideration experiences by other utilities, consultants, and program implementation contractors and information on generally accepted best practices and put them into the context of the North Shore Gas market to ensure participants are available and the measures will meet their needs.
- Bundled measures into programs that are logical and facilitate participation from the customers' perspectives. Best practices and the experiences of other program administrators and implementers were taken into consideration when developing the program design. Program-level budgets were prepared, and the program was screened for cost-effectiveness. Finally, the programs were bundled into one portfolio, and portfolio costs were assigned before the total portfolio was screened for cost-effectiveness.
- Performed a risk analysis and identified risk-mitigating measures.

3.1.1 Benefit-Cost Analysis

There are many methods used to assess the cost-effectiveness of an energy efficiency measure. Section 8-104(f) requires using the TRC as the primary method to determine the cost-effectiveness of the portfolio.

TRC measures the net costs of an energy efficiency program as a resource option based on the program's total costs, including both the participant and the utility costs. The TRC test represents the effects of a program on both participating customers and those not participating in a program. The benefits are the avoided supply cost – the reduction in transmission, distribution, commodity, and capacity costs valued at marginal cost for the periods when there is a reduction in natural gas usage. The costs are the program costs paid by the utility and the participants, plus the increase in supply costs for the periods in which demand is increased. Thus, all incremental equipment costs, operation and maintenance, cost of removal, and administration costs, no matter who pays for them, are included in this test. The TRC benefit-cost ratio is the ratio of the discounted total benefits of the program to the discounted total costs over a specified time period. A benefit-cost ratio above one (1) indicates that a measure/program is beneficial to the utility and its customers.

Even though the TRC test is prescribed by Section 8-104(f), there are three other cost-effectiveness tests that analyze the programs from different perspectives. The additional tests are the Participant Test, the Ratepayer Impact Measure ("RIM") Test, and the Utility or PACT.

- The Participant Test reflects the quantifiable benefits and costs to the customer due to participation in a program from the participant's perspective. The benefits include a reduction in the participant's bill and incentives paid to them. The costs are out-of-pocket expenses incurred as a result of participation in the program, plus any increases to utility bills.
- The RIM Test measures what happens to a customer's bills or rates due to changes in utility revenues and operating costs caused by a program. The benefits are the savings from avoided supply costs. The costs are the program costs incurred by the utility and/or other entities for creating or administering the program, incentives paid to the participant, decreased revenues for

any periods for which demand decreased, and increased supply costs for instances when demand increased.

- The PACT measures the net costs of a program as a resource option based on the costs incurred by the program administrator, excluding any net costs incurred by the participant. The benefits are the avoided supply costs of energy and demand (similar to the TRC benefits). The costs are the program costs incurred by the administrator, the incentives paid to the customers, and the increased supply costs for the periods in which demand is increased.

A comprehensive benefit-cost analysis was conducted on a wide range of measures that affect natural gas consumption across all customer classes to determine which energy efficiency measures should be considered opportunities for achievable energy savings. Measures were grouped into programs, and budget amounts were allocated. Then, the TRC test was run for each program, or bundle of measures, to determine cost-effectiveness.

Table 5 in Section 2.2 above includes the TRC test results for each proposed program and the total portfolio.

The benefit-cost tests were performed using data specific to NSG. For this Plan, the avoided costs include a Societal and Participant NEI estimate developed by Guidehouse. These values are specific for NSG based on an analysis using 2023 portfolio savings. Additionally, an estimate for carbon reductions was included. The carbon adder was sourced from the US EPA November 2023 report on the Social Cost of Greenhouse Gases, assuming a 2 percent discount rate.¹⁰ The IL-TRM¹¹ was used to calculate savings for measures specified in the IL-TRM. Section 8- 104(f) requires that North Shore Gas meet a TRC of 1.0 or higher at the portfolio level.

In addition to the results of the four-year benefit-cost tests, the Plan also provides the cost per therm saved based on levelized (life cycle) savings. This measures the lifetime savings against the program costs rather than just the first-year savings.

3.1.2 Current and Future Coordination with Stakeholders

North Shore Gas recognizes the importance of obtaining agreement among stakeholders in all phases of the Plan life cycle, from planning and program design to implementation, evaluation, tracking, and cost recovery. North Shore Gas participated in a collaborative process led by the Stakeholder Advisory Group (“SAG”) facilitator and made periodic presentations to the SAG on proposed plans, design changes, etc. Negotiations were held with non-financially interested stakeholders that chose to participate and signed a non-disclosure agreement. Plan 5 budgets and program delivery plans were further defined during these discussions. Non-negotiating stakeholders were provided an opportunity to provide input for this revised Plan 5.

Following the passage of PA 104-0458, North Shore Gas proposed to increase its energy efficiency investments above the previously legislated 2% cap and initiated a process to revise the approved plan

¹⁰ EPA Report on the Social Cost of Greenhouse Gases: Estimates Incorporating Recent Scientific Advances, November 2023.

¹¹ Illinois Statewide Technical Reference Manual for Energy Efficiency Version 14 (Sept. 2025) , developed by members of the Illinois Energy Efficiency Stakeholder Advisory Group.

(Docket No. 25-0210). At that point, SAG participants had the opportunity to provide input on North Shore Gas' Revised Plan 5. Negotiations on Revised Plan 5 were held with non-financially interested stakeholders that chose to participate and signed a non-disclosure agreement. Budgets and program delivery plans were further defined during these discussions.

North Shore Gas will continue to actively participate in the SAG and the Technical Advisory Committee of the SAG ("TAC"). These forums allow all stakeholders to work together to ensure high-quality, high-performance energy efficiency programs in the State of Illinois. In addition, North Shore Gas will continue to have conversations with stakeholders to discuss what's working, what's not working, and how to improve coordination where it makes sense and is mutually beneficial for customers, stakeholders, and North Shore Gas.

3.2 Risk Management

Risk management aims to limit the liability to North Shore Gas and develop a proactive plan to identify and resolve the most critical and/or most likely potential risk events. It is particularly important in the planning and development stages to document risks and identify mitigation and contingency options that can be applied to risks.

North Shore Gas defines a risk as any factor (event) that may potentially interfere with the success of the portfolio in reaching its objectives. A risk is not a problem; a risk is the possibility that a problem might occur. By recognizing potential problems, North Shore Gas can attempt to avoid a problem through proper actions or risk responses. The best mitigation is to take action upfront to prevent a risk event from occurring. If a risk cannot be prevented, contingency planning involves the preparation of prescribed actions should a risk event be triggered.

North Shore Gas' assessment of the portfolio concluded that there are currently five main risks that require responses. These risks are:

- Performance risk: The risk that the programs do not deliver expected results.
- Market risk: The risk that the program participation will suffer as a result of poor economic conditions.
- Technology risk: The risk that certain technologies or measures will fail to deliver expected savings.
- Evaluation risk: The risk that independent evaluation, measurement and verification ("EM&V") will conclude that either deemed savings, plan assumptions, or estimates fall short of what implementers have estimated.
- Regulatory risk: The risk that achievements are not recognized, and cost recovery is affected.

North Shore Gas' risk responses to these identified risks are as follows. They do not necessarily correlate to the above risks on a one-on-one basis.

- Mitigate technology and market risks by designing a diversified portfolio that does not rely heavily on one single program or technology.

- Mitigate market risks by designing programs that help overcome many market challenges and barriers.
- Mitigate technology risk by incorporating technologies and measures based on market research and technologies with proven results in similar markets.
- Mitigate evaluation risk by using IL-TRM algorithms if available and seek agreement from SAG on the net-to-gross (“NTG”) ratios to be used in planning assumptions using EM&V results. The Policy Manual allows for annual energy savings goals adjusted to align with (1) changes to IL-TRM values and (2) the evaluator’s recommended NTG values for the entire Plan period prior to the start of the first Plan year (i.e., prior to CY 2026.)
- Mitigate regulatory risk by clearly stating objectives, expectations, and assumptions in the Plan and obtaining approval of these expectations and assumptions. Continue to work closely with SAG to develop processes and expectations that minimize negative retrospective applications that exacerbate regulatory risk.

Risk management is an ongoing process; it is not performed once and then set aside. Risk identification, management, and resolution continue after the portfolio is launched. New risks will develop as the programs evolve and external and internal situations change.

3.3 Implementation

Most programs outlined in Plan 5 are currently being implemented by North Shore Gas, with ongoing adjustments applied to improve program processes. Implementation planning involves a continual assessment of the program and measure mix to ensure that the portfolio is on track to meet goals. As a result, in subsequent years, North Shore Gas may add/subtract measures or modify the scope of a program based on market data, changes in technology, or other relevant information, while maintaining commitments made in the negotiated stipulation.

In addition to ensuring that North Shore Gas reaches savings and budget goals in a cost-effective way, some of the key goals identified in implementation planning are:

- Continue to implement new measures or remove less cost-effective measures in a seamless manner, working in close partnership with trade allies.
- Continue building and working to develop the trade ally network.
- Work more closely with local organizations and communities to increase awareness of and activity in the programs.
- Make all reasonable attempts to offer jointly delivered programs to customers in partnership with ComEd.

North Shore Gas will prioritize and continue working with local energy efficiency vendors to perform implementation services for income eligible offerings. North Shore Gas will continue to leverage program resources currently present with the Illinois Home Weatherization Assistance Program (“IHWAP”).

The Research & Development and Market Transformation budgets will build on momentum from our previous efforts to continue to bring to life effective, affordable, highly efficient solutions for today and into the future. Efforts include the following areas, in addition to other initiatives yet to be determined:

- Energy Efficiency Performance Standards - North Shore Gas will continue to assess the feasibility of promoting the adoption of energy efficiency performance standards for existing buildings and may implement an initiative funded by the Market Transformation budget.
- Triple Glazed Windows - North Shore Gas will consider supporting a statewide market transformation initiative to promote triple-glazed windows at the time of sale.
- Continue building a pipeline of potentially transformative solutions by supporting technologies such as smart radiator controls, steam trap monitoring systems, advanced weatherization technologies, and natural gas heat pumps within the budgets outlined in this plan and stipulation.

3.3.1 Overall Management Strategy

North Shore Gas shall directly provide overall strategy, management, and oversight of the energy efficiency portfolio in Plan 5. North Shore Gas' internal energy efficiency team provides oversight and management of Portfolio activities, goal achievement, budget and reporting, regulatory activities, research & development, market transformation, marketing and outreach, planning, and program implementation.

Additionally, North Shore Gas may contract for services including, but not limited to, the following program implementation and portfolio delivery functions:

- Program design, planning, and implementation for residential, income eligible, and business offerings
- MDI implementation
- Administration support, including, planning, technical services and evaluation, and QA/QC
- Marketing, outreach, and trade ally engagement
- Research & development and market transformation
- Program data management, tracking, and reporting

For portions of this work where external support is necessary, NSG will conduct a competitive RFP process following standards as agreed upon in our stipulated agreement (NS-PGL Exhibit 7.7).

3.3.2 Communications/Marketing

Each program in the portfolio has a specific marketing and communication strategy to recruit customers in the target audience for the services being delivered. Some offerings may also have an individual marketing and communication strategy. However, at the portfolio level, a broad communication plan that addresses program branding, communication and collateral standards, messaging, and customer service standards for all implementation contractors will be reviewed and revised as needed.

North Shore Gas will develop a portfolio-level communication plan, as well as detailed plans for individual programs, and provide branding guidelines, including trademarks, communication styles and color palettes. Market drivers are consistently reviewed for the North Shore Gas territory, allowing for adjustments to these marketing strategies, messaging, and specific unique program tactics. In general, the goals of the communication plan are to:

- Ensure awareness and drive participation to meet energy saving goals during the Plan 5 period, to the extent possible within the budget.
- Deliver a clear, consistent, compelling message about the benefits of energy efficiency and provide a call to action.
- Build a strong marketing channel through the trade allies.
- Manage expectations regarding program availability, offerings, and incentives.
- Coordinate closely with other utilities, energy efficiency program providers, as well as key industry and trade ally associations and organizations.

A multi-pronged marketing communication approach will be utilized to establish awareness of the portfolio. Primary channels for overall program awareness:

- Mass Communications Outlets – Bill messaging, newsletters, website promotions, and digital ads are a few of the existing low-cost mass communication vehicles available to build program awareness.
- Program Field Staff – North Shore Gas and implementation teams conduct targeted outreach to relevant customer groups and industry associations as well as daily communications with customers.
- Account Managers – North Shore Gas will leverage the existing relationships utility account managers have with larger customers. Utility account managers will serve as a conduit to inform customers of the energy efficiency programs.
- Trade Allies – This channel reaches customers through existing relationships so that the program can influence a decision to participate in energy efficiency programs. North Shore Gas provides marketing materials and training to ensure trade allies understand the various programs available, terms and conditions to which they must comply, and required procedures.
- Direct Delivery – North Shore Gas will develop marketing materials that are incorporated into program training sessions, mailed directly to customers, and distributed at events.
- Targeted Relationship Marketing – Strategies by sector, region, business type, or end-use to target specific audiences to increase the effectiveness of promotional activities.

Marketing effectiveness will be closely monitored so that marketing strategies and tactics can be altered based on program performance and marketplace opportunities. Increased marketing effectiveness will result in improved cost-effectiveness of the portfolio.

3.3.3 Customer Service/Contact Center

Contact center operations are critical operational components of the energy efficiency portfolio. North Shore Gas will contract with an energy efficiency implementation contractor who will be responsible for establishing, staffing, and reporting on contact center activities to support the North Shore Gas programs. The contact center goals are to:

- Support the portfolio of energy efficiency programs.
- Minimize impact on the utility contact center.
- Facilitate regular communication between contact centers to cultivate smooth relationship management.
- Respond to customer inquiries on energy efficiency programs.

- Enable and encourage participation in energy efficiency programs.
- Provide cross-promotion on utility financial assistance programs as appropriate.

The contact center will handle inquiries about customer and measure eligibility, completing program applications, requests to participate in a program, scheduling, and supporting documentation requirements. Each person handling phone calls will be proficient in North Shore Gas offerings, customer qualifications, program business rules, paperwork, and procedures. Furthermore, contact center staff will have completed introductory training on all core technologies, which comprise the majority of trade ally and customer inquiries. Ongoing and refresher training is performed as needed. Contact center staff has access to a wide variety of bilingual resources to communicate with customers as needed.

The contact center shall meet the expectations regarding North Shore Gas customer care protocol and call center standards. Furthermore, metrics are closely followed to provide the best customer experience. Call volumes, wait times, and callback turnaround are closely monitored.

3.3.4 Joint Program Delivery

North Shore Gas has been jointly implementing programs with ComEd throughout Plan 1, Plan 2, Plan 3, and Plan 4 periods and has coordinated with ComEd during the development of Plan 5.

With respect to joint program delivery with ComEd in Plan 5, North Shore Gas will:

- Coordinate with ComEd on sharing public sector project leads to help ensure each Company meets their statutory spending goals, eases customer access to the program and minimizes ratepayer costs.
- Work with ComEd to comprehensively serve customers through income eligible programs, including but not limited to:
 - Income Eligible Single-Family and Multi-Family programs such as IHWAP, Home Energy Assessments, Retrofits and Public Housing.
- Work with ComEd to identify opportunities to streamline customer experience and reduce potential customer confusion over available programs and incentives.
- Make all reasonable efforts to reach an agreement with ComEd on joint processes, including joint enrollment forms, customer intake portals, and program marketing materials. Additionally, North Shore Gas will work to reach an agreement with ComEd on a common set of electric and gas measures offered and report to the SAG on measures included in jointly funded programs, and consistent with the commitments made in the stipulation.
- North Shore Gas will also work with ComEd to identify and enact processes to prevent individual multi-family business owners from being recruited by multiple vendors.
- For any non-IHWAP utility-only and contractor channel income eligible single family and multi-family programs, and market rate residential single family and multi-family weatherization programs where an agreement for joint delivery cannot be reasonably reached, North Shore Gas will work with ComEd to coordinate selling net lifecycle kWh savings at a cost determined by the utilities.
- For any non-IHWAP utility-only and contractor channel income eligible single family and multi-family programs, and market rate residential single family and multi-family weatherization

programs where an agreement for joint delivery cannot be reasonably reached, North Shore Gas will work with ComEd to coordinate purchasing net lifecycle therm savings from ComEd at a cost determined by the utilities.

- For business programs, North Shore Gas will continue to coordinate with ComEd to offer programs and fund measures in alignment with North Shore Gas' portfolio goals and available budgets.

3.4 Tracking and Reporting

North Shore Gas will take a comprehensive approach to tracking and reporting for the upcoming 2026-2029 portfolio. Accurate reporting is essential to the successful administration of a program. Program reporting reflects the progress or results of the programs, helps determine program changes that need to be made, and is a key tool used in the decision-making process. Program changes made as a result of reporting can have financial implications, which add to the importance of accurate reporting.

Accurate reporting is also important because it provides information to track whether mandated requirements are being met. Most energy efficiency programs have specific goals and benchmarks that must be achieved by certain dates. Accurate reporting provides the vehicle to evaluate whether these goals and benchmarks are being achieved cost-effectively in the allotted time frame and whether goals or programs need to be adjusted.

The portfolio tracking system will continue to provide real-time access and visibility into energy efficiency projects and applications at every stage while providing consistent tracking of projected energy savings and other key program information, such as marketing leads, outbound marketing campaign success rates, and trade ally activity. In addition to tracking completed projects, North Shore Gas will work closely with program implementers to monitor the pipeline of incoming projects to estimate contributions from marketing and promotion campaigns and develop forecasts for program performance.

Program reporting serves three key objectives:

- Provide information to regulators needed to assess the programs and their achievements.
- Provide timely information to program implementers needed to manage the programs, including progress toward goals and expenses versus budgets.
- Provide information and transparency to the public on the Companies' energy efficiency spending and energy savings achievement.

Quarterly and annual reports will be prepared to meet these objectives.

Program evaluation relies heavily on data tracking and reporting to be comprehensive, reliable, and robust. Evaluation determines whether the portfolio results were cost-effective and feeds into the identification of potential adjustments to the IL-TRM. Evaluation is a key aspect in gauging the success of the programs because it:

- Reports if the utilities have met their portfolio goals.
- Reports if a program has met its goals.
- Presents reasons why a program has succeeded or failed.

- May be used for compliance with regulations.

The most important data pieces to track are the total annual energy savings, the total yearly participation, and accurately categorized costs. The first two data points are the benchmark for all goals and targets. The costs associated with the savings allow us to track where we are in terms of reaching the budget cap as well as reviewing cost-effectiveness of the program at year-end.

North Shore Gas will work closely with the EM&V Contractor to ensure the appropriate and needed data is being collected and that the EM&V Contractor has access to the tracking system to enable timely and direct downloading of data needed for evaluation purposes.

North Shore Gas will provide additional MDI reporting metrics per the stipulated agreement. Please see Exhibit 7.7 for more detail on new reporting metrics.

3.5 Evaluation

Evaluation is the process of determining and documenting the results, benefits, and lessons learned from an energy efficiency program. An evaluation should be viewed as one part of an ongoing process to improve planning and implementation to maximize the effectiveness of the program.

There are limited evaluation resources. Therefore, all activity should focus first on programs that have not been evaluated, have been significantly modified, provide the most savings, or have activities that were not fully evaluated in an earlier round of evaluations, such as quantification of spillover as defined in the latest Policy Manual.

Two types of evaluation generally undertaken for energy efficiency programs include process and impact evaluations (discussed in detail below). A third type of evaluation that is sometimes performed is a market transformation evaluation. Market transformation evaluations attempt to quantify the adoption of a measure in the marketplace. They analyze the availability and adoption of a product, along with changes in pricing if available and relevant.

North Shore Gas will cooperate with an independent third-party evaluation firm to evaluate the programs and measures. The third-party evaluator will perform evaluations consistent with generally accepted rules for evaluation and will address NTG matters consistent with the Policy Manual and IL-TRM.

Many issues associated with evaluations and the application of evaluation results have been discussed during SAG meetings and in separate meetings focusing on evaluation. North Shore Gas has participated in these meetings. SAG meetings have also been a forum for the development of the Policy Manual, which details evaluation policies. North Shore Gas will continue to actively participate in these meetings and evaluation efforts.

In Plan 5, North Shore Gas shall also contract with a separate, independent, third-party entity to provide evaluation services for the MDI funded by the EM&V budget. For more details on this component, please see Exhibit 7.7 Stipulated Agreement.

3.5.1 Impact Evaluation

The primary objective of impact evaluation is to estimate gross and net energy savings for the programs. These results are used to validate program-claimed savings and adjust estimates of savings to improve their accuracy.

Although the plan is to evaluate the most important measures offered in the programs, not all measures will be evaluated with the same level of rigor. An important part of the planning will be to prioritize the programs and their measures and define the level of rigor that will be applied to the evaluation of each component. New measures and processes will be given a higher priority than measures that have already been evaluated or are standard. Evaluation planning, with opportunities for Stakeholders to provide feedback and input, occurs regularly in the SAG, and as referenced in the Commission-approved Policy Manual.¹²

3.5.2 Process Evaluation

Timely process evaluations are critical for ensuring (1) that the appropriate information is being tracked and (2) that the program is being implemented effectively and efficiently. Process evaluations provide insights and recommendations to improve each program as well as to ensure the reliability of inputs to the impact evaluation.

Where relevant (particularly where a program is expected to go beyond energy savings to influence various aspects of a market), we will also conduct research to understand and document the relevant market. The primary objective of this effort will be to help North Shore Gas to achieve cost-effective savings and reduce barriers to participation while maintaining high levels of customer satisfaction.

The process evaluation for each program will include in-depth qualitative interviews with North Shore Gas' staff and program implementers. These interviews will be used to develop a complete understanding of the final design, procedures, and implementation strategies for each program. Through these interviews, available program materials, including marketing and outreach materials such as web-based promotional content, point of purchase (POP) materials, print and radio advertising copy, and any cooperative marketing materials developed, will be collected.

3.6 Proposed Program Details

This section details the programs that North Shore Gas proposes to include in its gas energy efficiency portfolio.

North Shore Gas is committed to meeting the proposed energy savings targets within the budget allocations in the most cost-effective way. To this end, North Shore Gas requests the latitude to reallocate funding between programs, to add or delete cost-effective measures, and to increase or decrease incentive amounts at their discretion (consistent with the Policy Manual and subject to the terms of Exhibit 7.7 Stipulated Agreement), to ensure performance criteria are met. North Shore Gas envisions the nature of the portfolio adjustments would relate to specific designs developed in response

¹² See the latest Illinois Energy Efficiency Policy Manual, available at <https://www.ilsag.info/policy/>

to customer/implementer feedback and/or rebalancing the portfolio based on individual program performance or emerging market/technology opportunities. Lastly, as North Shore Gas continues to learn from the market response to these and other utility programs, additional programs may be added to enhance the portfolio performance.

3.6.1 Core Program Details

The proposed portfolio is a comprehensive set of proven programs that reach all customer classes. All of the programs in the proposed portfolio, with the exception of Income Eligible offerings, screened as cost-effective for the 4-year plan period. Furthermore, all programs are scalable, meaning they can easily expand to incorporate additional measures in the future or remove measures that are no longer cost-effective.

Savings estimates for individual measures or programs have been developed in various manners. This includes calculating impacts using algorithms in the IL-TRM if the measure is listed in the IL-TRM or generally accepted engineering algorithms based on a set of reasonable assumptions to input variables and building simulation modeling. Because of the diversity in equipment and energy consumption patterns across multiple building types and end-uses, there exists a variability in the savings estimates as they relate to program design and target markets. A collaborative effort throughout the planning process between the utilities allowed for comparison of the measures and has led to consistency in approach, even if the saving values differed. The proposed rebate levels are based primarily on current incentives or on an incentive level we believe is needed to encourage customers to pursue efficiency during a time of lower gas costs and longer payback periods. We have also tried to balance the impact of higher incentives against the impact of reaching our budget cap.

Details on each program are provided in the following pages.

3.7 Proposed Program Details – Income Eligible Program

3.7.1 Income Eligible Single Family

Income Eligible Single Family is designed to help income eligible customers save energy and reduce their utility bills.

Duration	Utility Collaboration
January 1, 2026 through December 31, 2029.	North Shore Gas will, subject to the cooperation of ComEd, jointly delivery these programs with ComEd and collaborate with a variety of partners wherever possible

Target Market
North Shore Gas will target single family or duplex residences within the North Shore Gas service territory. Households deemed to be at or below 80% of the AMI. Both owner-occupied and rental premises are eligible.

Offering	Utility Collaboration	Type	Support Summary
Home Energy Assessment	Joint	Whole Building	Assessment, DI
Home Energy Savings Retrofits	Joint	Whole Building	Assessment, DI, Comprehensive Measures, Weatherization, Health & Safety
Illinois Home Weatherization Assistance Program (IHWAP)	Braided	Whole Building	Assessment, DI, Weatherization, Health & Safety
Elementary Education Kits	Joint	Kits	Kits
Community Kits	Gas Only	Kits	Kits






3.7.1.1 Delivery Strategy

The delivery strategy will include the use of local experts wherever practicable. Costs and savings will be based upon an allocation agreement with ComEd, as appropriate. The allocation may be periodically reviewed to ensure the allocations are appropriate. The retrofits will not require any funding from the customer. North Shore Gas will conduct outreach to ensure opportunities are provided to local, diverse implementers, subcontractors and trade allies, as consistent with its commitments in the stipulation and MDI goals.

3.7.1.2 Marketing Strategy

North Shore Gas will work with a variety of partners to create awareness.

3.7.1.3 Offering Descriptions

<p>Home Energy Assessment</p>	<p>Offers energy-saving products installed in homes at no-cost to the customer. The Home Energy Assessment program is a joint program offering provided in partnership with Peoples Gas, North Shore Gas, and ComEd. Homeowners can reduce their energy and water use with the installation of products available to owners of single family homes, two-flats, and individually metered condos and townhomes. Renters are also eligible with permission from their landlords.</p>
	
<p>Home Energy Savings Retrofits</p>	<p>Offers direct install products, comprehensive measures, and no-cost weatherization services for Income Eligible Single Family home customers. It is delivered jointly with ComEd through approved agencies or partners (e.g., Chicago Bungalow Association).</p>
	
<p>Illinois Home Weatherization Assistance Program (IHWAP)</p>	<p>Leverages state and federal funds to supplement incentives from utility programs. The program was designed to help low-income residents save energy and money while increasing the comfort of their homes, with a mission to insulate low-income customers, particularly the elderly, persons with disabilities, families with children, high residential energy users, and households with a high energy burden, to conserve needed energy and to aid those persons least able to afford higher utility costs. Weatherization services are provided to low-income residents through local community action agencies or not-for-profit agencies.</p>
	
<p>Community Kits</p>	<p>Provides income-qualified customers with a kit of energy efficiency measures to self-install. The Income Eligible Gas Kits are distributed by ground mail to qualified customers vetted by the Low-Income Home Energy Assistance Program (“LIHEAP”).</p>
	
<p>Elementary Education Kits</p>	<p>The Elementary Education Program is a free energy efficiency educational program provided in partnership with Peoples Gas, North Shore Gas and ComEd. The program offers 5th grade energy efficiency lesson plans, equipping teachers with activity guides and take-home kits for students and their families to learn how to save energy by installing no-cost energy-saving products in their homes.</p>
	

3.7.1.4 Eligible Measures

Eligible retrofit measures may include, but are not limited to:

- Air Sealing

- Attic Insulation
- Wall Insulation
- Basement Sidewall Insulation
- Rim Joist Insulation
- Floor Insulation Above Crawlspace
- Boiler
- Furnace
- Water Heater
- Weatherstripping & Door Sweeps
- Heating System Clean and Tune-Up
- Health and Safety

Eligible Direct Install Measures may include, but are not limited to:

- Low Flow Bathroom & Kitchen Aerators
- Low Flow Showerhead
- Shower Timer
- Weatherstripping
- Outlet and Switch Gaskets
- Door Sweep

3.7.1.5 Targets

Table 9. Participation

	Participation Unit	2026	2027	2028	2029
Home Energy Assessment	Assessments	150	172	172	172
Home Energy Savings Retrofits	Assessments	12	33	33	33
IHWAP	Assessments	0	0	0	0
Elementary Education Kits	Kits	0	500	500	495
Community Kits	Kits	650	650	650	650

Table 10. Annual Savings in Therms

	2026	2027	2028	2029
Non-IHWAP - Single Family	28,106	43,658	43,660	43,441
IHWAP - Single Family	0	0	0	0

Table 11. Program Budget

Budget Category	2026	2027	2028	2029
Incentives	\$150,772	\$466,230	\$466,233	\$466,055
Implementation	\$78,204	\$151,456	\$153,615	\$155,135
Marketing	\$8,700	\$11,533	\$11,801	\$12,051
Total	\$237,675	\$629,219	\$631,649	\$633,241

Table 12. Cost-Effectiveness

Ratepayer Impact Measure Test	Utility Cost Test	Total Resource Cost Test	Participant Test
0.38	0.46	3.06	n/a

Table 13. Levelized Cost Per Therm Saved

2026	2027	2028	2029
\$0.56	\$0.93	\$0.94	\$0.94

3.7.2 Income Eligible Multi-Family

Income Eligible Multi-Family is designed to offer a comprehensive, one-stop-shop to multi-family building owners whose buildings are targeted to income eligible residents. Participating multi-family building owners and managers will benefit directly from free energy assessments, financial guidance, enhanced rebates, installation support, project oversight, and continuing engagement.

Duration	Utility Collaboration
January 1, 2026 through December 31, 2029.	North Shore Gas will, subject to the cooperation of ComEd, jointly delivery these programs with ComEd and collaborate with a variety of partners wherever possible

Target Market
The program will target owners and managers of income eligible multi-family buildings in North Shore Gas service territory. Rents must be affordable to households at or below 80% of the AMI.

Offering	Utility Collaboration	Type	Support Summary
Multi-Family Energy Savings Retrofits	Joint	Whole Building	Assessment, DI, Health & Safety, Retrofits (HVAC, Weatherization, etc.)
Public Housing	Joint	Whole Building	Assessment, DI, Health & Safety, Retrofits (HVAC, Weatherization, etc.)
IHWAP	Braided	Whole Building	Assessment, DI, Weatherization, Health & Safety

3.7.2.1 *Delivery Strategy*

North Shore Gas will work with the other Illinois utilities and continue its commitment to providing a seamless one-stop-shop multi-family program design. The utilities will continue to create a single point of contact (including, but not limited to, the use of a common online portal) for multi-family building owners to access the multi-family pathways.




The delivery strategy will include the use of local experts wherever practicable. North Shore Gas will conduct outreach to ensure opportunities are provided to local, diverse implementers, subcontractors and trade allies, as consistent with its commitments in the stipulation and MDI goals

Costs and savings will be based upon an allocation agreement with ComEd for measures that affect both electric and gas usage. The allocation may be periodically reviewed to ensure the allocations are appropriate.

3.7.2.2 *Marketing Strategy*

North Shore Gas will work with a variety of partners to create awareness.

3.7.2.3 *Offering Descriptions*

<p>Multi-Family Energy Savings Retrofits</p>	<p>Building owners receive free technical assistance to identify energy efficiency opportunities and install measures. The program fully covers most expenses, including the energy assessment, direct installation of energy efficiency products in tenants' units (thermostats, aerators, showerheads, etc.), and most common area measures. More extensive or capital investment measures (furnace, water heater, boiler replacement, etc.) may require a building owner co-pay. This program is a joint utility program offering.</p>
	
<p>Public Housing</p>	<p>Offers prescriptive and custom rebates for gas measures in housing owned by Public Housing Authorities. This program is a joint program offering provided in partnership with Peoples Gas, North Shore Gas, and ComEd.</p>
	
<p>Illinois Home Weatherization Assistance Program (IHWAP)</p>	<p>Leverages state and federal funds to supplement incentives from utility programs. The program was designed to help low-income residents save energy and money while increasing the comfort of their homes, with a mission to insulate low-income customers, particularly the elderly, persons with disabilities, families with children, high residential energy users, and households with a high energy burden, to conserve needed energy and to aid those persons least able to afford higher utility costs. Weatherization services are provided to low-income residents through local community action agencies or not-for-profit agencies.</p>
	

3.7.2.4 Eligible Measures

Eligible measures may include, but are not limited to:

- Air Sealing
- Attic Insulation
- Exterior Wall Insulation
- Floor Insulation Above Crawlspace
- Foundation Sidewall Insulation
- Pipe Insulation
- Boiler and Furnace Tune-Up
- Boiler Reset/Cutout
- Boiler
- Water Heater
- Weatherstripping & Door Sweeps
- Steam Boiler
- Steam Boiler Averaging Controls
- Steam Traps
- On-Demand Circulating Hot Water Pump
- A/C Cover and Gap Sealer
- Furnace
- Shut Off Flue Damper
- Health and Safety

3.7.2.5 Targets

Table 14. Participation

Participation Unit		2026	2027	2028	2029
Multi-Family Energy Savings	Assessments	25	25	25	25
Public Housing	Assessments	0	0	0	0
IHWAP	Assessments	0	0	0	0

Table 15. Annual Savings in Therms

	2026	2027	2028	2029
Non-IHWAP - Multi-Family	75,905	75,905	75,905	75,890
IHWAP - Multi-Family	0	0	0	0

Table 16. Program Budget

Budget Category	2026	2027	2028	2029
Incentives	\$172,134	\$172,134	\$172,134	\$172,127
Implementation	\$250,000	\$270,076	\$276,216	\$281,013
Marketing	\$20,000	\$20,469	\$20,952	\$21,217
Total	\$442,134	\$462,679	\$469,302	\$474,357

Table 17. Cost-Effectiveness

Ratepayer Impact Measure Test	Utility Cost Test	Total Resource Cost Test	Participant Test
1.83	0.97	8.02	n/a

Table 18. Levelized Cost Per Therm Saved

2026	2027	2028	2029
\$0.40	\$0.42	\$0.42	\$0.43

3.8 Proposed Program Details – Residential Program

3.8.1 Residential Single Family

Residential Single Family is designed to help residential customers save energy and reduce their utility bills.

Duration	Utility Collaboration
January 1, 2026 through December 31, 2029.	It is the intent of North Shore Gas to offer Home Energy Rebate and Home Energy Assessment programs. Should ComEd express interest in jointly offering these, North Shore Gas would be interested as there are some measures that could benefit both gas and electric energy use.

Target Market
Customers with individually metered residences that are either single family or duplexes and have natural gas heating. Customers must be an active North Shore Gas residential customer. Both owner-occupied and rental premises are eligible provided the purpose of the premises is for a residential dwelling.

Offering	Utility Collaboration	Type	Support Summary
Home Energy Rebate	Gas-only	Whole Building	Retrofits (HVAC, Weatherization, etc.)
Elementary Education Kits	Joint	Kits	Kits
Epic Savers Kits	Gas-only	Kits	Kits
Home Energy Assessment	Gas-only	Whole Building	Assessment, DI

3.8.1.1 Delivery Strategy

Home Energy Rebates. In general, incentives for high-efficiency equipment are based on approximately 50% of incremental costs. Actual incentives are provided in the table of eligible measures. North Shore Gas requests authority to revise eligible measures and incentives as driven by current market conditions, changes to codes and standards, technology, EM&V results, and management knowledge.

North Shore Gas will develop a network of weatherization trade allies based upon qualified contractors that apply to participate. North Shore Gas will conduct outreach to ensure opportunities are provided to local, diverse implementers, subcontractors and trade allies, as consistent with its commitments in the stipulation and MDI goals. Customers will be required to utilize a partner trade ally to receive weatherization incentives. An online and hardcopy application will be available to customers and trade allies.

Home Energy Assessment. A technician will perform a high-level assessment and install low cost energy and water savings measures. The assessment will identify energy savings opportunities as well

as estimates of costs and savings so the resident can prioritize future actions based on payback if desired. Customers will be educated on available financial incentives offered by North Shore Gas.

Quality Control. Activities will include:

- Field inspections to confirm installation and eligibility for at least 2.5% of rebated equipment.
- Transaction surveys to measure customer satisfaction and identify potential measure and process improvements.
- Trade ally advisory groups and surveys to ensure the process is easy to work with and helpful to trade allies in selling high efficiency equipment.

3.8.1.2 Marketing Strategy







The marketing strategy will continue to build awareness of the offerings available for participation. Messaging will be aimed at two audiences:

1. Property owners and;
2. Dealers, distributors, contractors, and other trade allies.

Campaigns directed at homeowners will include bill inserts, newsletters, public relations, and other special events, all supported by the North Shore Gas website. North Shore Gas will also work with community and neighborhood organizations to promote

The tactics for trade ally involvement will be to provide marketing support and periodic trade ally incentives. Trade ally support and engagement is a key element to the success of energy efficiency programs. The Implementer will establish trade ally advisory groups to educate and ultimately champion the program. Different trade ally groups will be established for equipment versus building envelope improvements versus new home construction.

3.8.1.3 Offering Descriptions

Home Energy Rebate	This is a gas-only offering provided in collaboration with local Trade Allies. The program offers rebates on energy-efficient heating, ventilation, air conditioning and water heating equipment and qualifying weatherization projects for residential customers.
 	
Epic Savers Kits	Provides residential customers with high-energy usage a kit of energy efficiency measures to self-install.
 	
Home Energy Assessment	Offers energy-saving products installed in homes at no-cost to the customer. Homeowners can reduce their energy and water use with the installation of products available to owners of single family homes, two-flats, and individually metered condos and townhomes. Renters are also eligible with permission from their landlords.
 	

Elementary Education Kits



The Elementary Education Program is a free energy efficiency educational program provided in partnership with Peoples Gas, North Shore Gas and ComEd. The program offers 5th grade energy efficiency lesson plans, equipping teachers with activity guides and take-home kits for students and their families to learn how to save energy by installing no-cost energy-saving products in their homes.

3.8.1.4 Eligible Measures

Epic Savings Kits. The measures may include, but not be limited to,

- Low Flow Bathroom Aerator
- Thermostatic Restrictor Shower Valve
- Door Sweep
- Advanced Thermostat

Home Energy Rebate. Eligible measures and their incentives may include the following:

Measure	Per Unit Incentive
Advanced Thermostat Replace Manual	\$25 per Unit
Advanced Thermostat Replace Programmable	\$25 per Unit
Programmable Thermostat	\$15 per Unit
Boiler - Hot Water ≥88% AFUE, <300MBh	\$350 per Unit
Boiler - Steam ≥82.5% AFUE, <300 MBh	\$150 per Unit
Boiler - DHW Two-in-One ≥88% AFUE, ≤300 MBh	\$500 per Unit
Furnace ≥95% AFUE	\$200 per Unit
Furnace ≥97% AFUE	\$225 per Unit
Furnace (2029+) 97.5% AFUE	\$200 per Unit
Air Source Heat Pumps - Centrally Ducted	\$4900 per Unit
Air Source Heat Pumps - Ductless	\$5800 per Unit
Gas High Efficiency Combination Boiler	\$825 per Unit
Natural Gas Engine-Driven Heat Pumps	\$900 per Unit
Smart Radiator Controls	\$0.3 per Unit
Boiler Chemical Descaling	\$0.2 per MBH
Gas Heat Pump HVAC/Combi	\$900 per Unit
Indirect Water Heater ≥88% AFUE	\$400 per Unit
Water Heater Tankless, >0.95 UEF	\$100 per Unit
Gas Heat Pump Water Heater	\$425 per Unit
Air Sealing	\$1 per CFM
Attic Insulation with Air Sealing	\$1.3 per Sq Ft
Duct Sealing	\$2.5 per CFM
Foundation Insulation	\$0.35 per Sq Ft
Wall Insulation	\$1 per Sq Ft
Ozone Laundry	\$150 per Unit

Home Energy Assessment. Eligible measures and incentives may include the following:

- Low Flow Bathroom Aerator
- Low Flow Kitchen Aerator
- Low Flow Showerhead
- Pipe Insulation
- Programmable Thermostat
- Advanced Thermostat
- Shower Timer
- Weatherstripping
- Door Sweep

3.8.1.5 Targets

Table 19. Participation

Participation Unit		2026	2027	2028	2029
Home Energy Rebate	Projects	356,061	403,415	391,316	387,201
Elementary Education Kits	Kits	0	890	891	928
Epic Savers Kits	Kits	2,500	2,500	2,502	2,607
Home Energy Assessment	Assessments	400	410	410	428
Smart Thermostat	Smart T-Stats	150	121	101	81

Table 20. Annual Savings in Therms

	2026	2027	2028	2029
Single Family	266,123	218,577	214,094	147,971

Table 21. Program Budget

Budget Category	2026	2027	2028	2029
Incentives	\$958,055	\$1,485,529	\$1,449,822	\$1,329,925
Implementation	\$300,888	\$312,091	\$312,661	\$221,528
Marketing	\$57,454	\$51,501	\$52,110	\$43,657
Total	\$1,316,397	\$1,849,121	\$1,814,592	\$1,595,110

Table 22. Cost-Effectiveness

Ratepayer Impact Measure Test	Utility Cost Test	Total Resource Cost Test	Participant Test
0.54	0.84	4.04	1.93

Table 23. Levelized Cost Per Therm Saved

2026	2027	2028	2029
\$0.29	\$0.51	\$0.51	\$0.72

3.8.2 Residential Multi-Family

Residential Multi-Family targets customers who live in multi-family buildings and multi-family building owners/property managers. The program is designed as a one-stop-shop, meaning that the target audience will be able to access all offerings through one point of contact with assistance as needed and requested. North Shore Gas intends to work with local organizations with expertise in the multi-family market.

Duration	Utility Collaboration
January 1, 2026 through December 31, 2029.	It is the intent of North Shore Gas to offer Residential Multi-Family programs. Should ComEd express interest in jointly offering these, North Shore Gas would be interested as there are some measures that could benefit both gas and electric energy use.

Target Market
The program targets individually metered and central metered multi-family buildings not served by the Residential market offering. Customers must be an active North Shore Gas customer. Community Development housing projects not served by the DCEO and Federally-owned multi-family housing structures will be a target market sector. Assisted living and nursing homes may also be possible market targets.

Offering	Utility Collaboration	Type	Support Summary
Prescriptive and Custom	Gas-only	Whole Building	Retrofits and non one-for-one replacements (HVAC, Weatherization, etc.)
Multi-Family Energy Assessment	Joint	Whole Building	Assessment, DI

3.8.2.1 Delivery Strategy

- **Multi-Family Energy Assessment.** An energy advisor will perform a comprehensive energy audit of the entire complex and provide recommendations for direct install, trade ally partner, and standard installation opportunities. A report is provided to building owners/managers on the energy saving opportunities. Technicians will install low-cost energy and water savings measures in customer units and common areas.
- **Prescriptive and Custom Rebates.** Incentives will be offered to building owners.
 - Standard incentives for high-efficiency equipment are based on approximately 30-70% of incremental costs. Actual incentives are provided in the table of eligible measures.
 - Custom incentives are based on the lesser of a buy down to a 1-year payback, 50% of the project cost, or a \$/therm saved during the first year.

North Shore Gas requests authority to revise eligible measures and incentives as driven by current market conditions, changes to codes and standards, technology, EM&V results, and management knowledge. An online and hardcopy application will be available to customers and trade allies.

Quality Control. Activities will include:

- Field inspections to confirm installation and eligibility for at least 2.5% of rebated equipment.
- Transaction surveys to measure customer satisfaction and identify potential measure and process improvements.
- Trade ally advisory groups and surveys to ensure the process is easy to work with and helpful to trade allies in selling high efficiency equipment.

3.8.2.2 Marketing Strategy

The program will be marketed primarily through partnerships with building owners, property managers, and real estate professionals. North Shore Gas and its partners will use strategic communication channels to inform building owners about the program and recruit new participants. The primary outreach strategies will involve working with key businesses, institutions, associations, and organizations already connected with a broad range of local property owners. Case studies, testimonials, and presentations will feature successes of participation.

3.8.2.3 Offering Descriptions

Prescriptive and Custom



Prescriptive rebates are standard incentive amounts for common types of energy efficiency measures. Custom incentives are awarded for non-standard technologies or projects that do not include a one-for-one replacement. This is based on the review of several operating parameters that determine energy savings.

Multi-Family Energy Assessment



Joint program offering provided in partnership with Peoples Gas, North Shore Gas, and ComEd. The program offers free direct installation of energy-saving measures for multi-family buildings.

3.8.2.4 Eligible Measures

Eligible measures and their incentives may include the following:

Table 24. Eligible Measures

Measure	Per Unit Incentive
Custom	\$1 per Therm

Measure	Unit	Std Per Unit Incentive	PTA Per Unit Incentive
A/C Cover & Gap Cover	Per Unit	\$35.00	n/a
Advanced Thermostat Replace Unknown	Per Unit	\$50.00	\$100.00
Advanced Thermostat (In-Unit) Replace Unknown	Per Unit	\$25.00	\$50.00
Attic Air Sealing	Per Linear Foot	\$0.50	n/a
Attic Insulation with Air Sealing	Per Sq Ft	\$1.25	n/a
Boiler - Hot Water ≥88% AFUE, <300MBh	Per MBH	\$1.25	\$1.50
Boiler - Steam >300 MBH, ≥83%	Per MBH	\$2.00	\$2.25
Boiler Reset Controls	Per MBH	\$0.40	\$0.60
Boiler Tune-Up DHW, 11-25 Tenant Units	Per Unit	\$50.00	\$50.00
Boiler Tune-Up DHW, 26-50 Tenant Units	Per Unit	\$125.00	\$125.00
Boiler Tune-Up DHW, 3-10 Tenant Units	Per Unit	\$20.00	\$20.00
Boiler Tune-Up DHW, 50+ Tenant Units	Per Unit	\$250.00	\$250.00
Boiler Tune-Up Process, ≥300 MBH	Per MBH	\$0.40	\$0.60
Boiler Tune-Up Space Heating, ≥ 100 MBH	Per MBH	\$0.30	\$0.40
Condensing Unit Heater ≥ 90% TE	Per MBH	\$6.00	\$8.00
Crawl Space Floor Insulation R ≥ 13	Per Sq Ft	\$1.25	n/a
DCV - Kitchen	Per HP	\$650.00	\$750.00
Demand Controlled Ventilation Space Heating	Per Sq Ft	\$0.05	\$0.06
Direct Fired Heaters	Per MBH	\$5.00	\$6.00
Dock Door Seals	Per Unit	\$750.00	\$850.00
Door Sweep	Per Unit	\$10.00	n/a
Door Weatherstripping	Per Unit	\$10.00	n/a
Envelope Air Sealing Door & Window Frames	Per Linear Foot	\$0.20	n/a
Exterior Wall (including Kneewall) R ≥ 13	Per Sq Ft	\$0.75	n/a
Foundation Sidewall Insulation (including Band Joist) R ≥ 13	Per Sq Ft	\$0.25	n/a
Furnace Common Areas, ≥95% AFUE	Per Unit	\$200.00	\$375.00
Furnace In-Unit, ≥95% AFUE	Per Unit	\$200.00	\$275.00
Furnace (2029+) In-Unit, 97.5% AFUE	Per Unit	\$0.00	\$0.00
High Speed Washer	Per Lbs	\$4.00	\$6.00
Infrared Heater	Per MBH	\$1.25	\$1.75
Modulating Commercial Gas Clothes Dryer Laundromat & MF Dorms	Per Unit	\$300.00	\$350.00
On-Demand Circulating Hot Water Pump Building >5 Living Units	Per Apartment	\$20.00	\$25.00
Pipe Insulation DHW, Large >2"	Per Linear Foot	\$1.50	\$5.50
Pipe Insulation DHW, Medium 1.26" to 2"	Per Linear Foot	\$1.25	\$4.50
Pipe Insulation DHW, Small <1.25"	Per Linear Foot	\$1.00	\$3.25
Pipe Insulation Hydronic Boiler, Large >4"	Per Linear Foot	\$1.50	\$5.50
Pipe Insulation Hydronic Boiler, Medium 2.1" to 4"	Per Linear Foot	\$1.25	\$4.50
Pipe Insulation Hydronic Boiler, Small 1" to 2"	Per Linear Foot	\$1.00	\$3.25
Pipe Insulation Steam - Large 5.1" to 8"	Per Linear Foot	\$5.50	\$10.00
Pipe Insulation Steam - Med 2.1" to 5"	Per Linear Foot	\$4.00	\$7.50
Pipe Insulation Steam - Small 1" to 2"	Per Linear Foot	\$2.50	\$5.00
Pipe Insulation Steam - X-Large >8"	Per Linear Foot	\$10.00	\$18.00
Pipe Insulation Steam Large Fitting	Per Unit	\$7.00	\$18.00
Pipe Insulation Steam Large Valve	Per Unit	\$20.00	\$30.00
Pipe Insulation Steam Med Fitting	Per Unit	\$5.00	\$10.00
Pipe Insulation Steam Med Valve	Per Unit	\$13.00	\$20.00
Pipe Insulation Steam Small Fitting	Per Unit	\$3.00	\$7.00
Pipe Insulation Steam Small Valve	Per Unit	\$8.00	\$15.00
Pipe Insulation Steam X-Large Fitting	Per Unit	\$14.00	\$30.00
Pipe Insulation Steam X-Large Valve	Per Unit	\$28.00	\$40.00
Programmable Thermostat Replace Unknown	Per Unit	\$15.00	\$15.00
Steam Boiler Averaging Controls Dual-Pipe	Per Living Unit	\$50.00	\$100.00
Steam Boiler Averaging Controls Single-Pipe	Per Living Unit	\$50.00	\$100.00
Steam Trap Monitoring System Process	Per Unit	\$150.00	\$175.00
Steam Trap Monitoring System Space Heating	Per Unit	\$50.00	\$55.00
Steam Traps HVAC Repair/Replacement - Audit	Per Unit	\$100.00	\$150.00
Steam Traps HVAC Repair/Replacement - No Audit	Per Unit	\$30.00	\$50.00
Steam Traps Industrial/Process Audit - 125 ≤ psig < 175	Per Unit	\$300.00	\$325.00
Steam Traps Industrial/Process Audit - 15 ≤ psig < 30	Per Unit	\$300.00	\$325.00
Steam Traps Industrial/Process Audit - 175 ≤ psig < 250	Per Unit	\$300.00	\$325.00
Steam Traps Industrial/Process Audit - 250 ≤ psig	Per Unit	\$300.00	\$325.00
Steam Traps Industrial/Process Audit - 30 ≤ psig < 75	Per Unit	\$300.00	\$325.00
Steam Traps Industrial/Process Audit - 75 ≤ psig < 125	Per Unit	\$300.00	\$325.00
Steam Traps Test	Per Unit	\$10.00	\$15.00
Tank Insulation Boiler Condensate	Per Sq Ft	\$8.00	\$9.00
Tank Insulation DHW Storage	Per Sq Ft	\$4.50	\$6.50
Thermostatic Radiator Valves	Per Valve	\$20.00	\$25.00
Unitary HVAC Condensing Furnace DOAS/MUAS	Per CFM	\$0.08	\$0.10
Water Heater <75 MBH, ≥0.67 UEF, >30 gallons	Per Unit	\$200.00	\$225.00
Water Heater 75 ≤ 400 MBH, ≥88% TE	Per MBH	\$2.50	\$3.00
Water Heater Central/Indirect MF ≥88% TE	Per Living Unit	\$8.00	\$10.00
Water Heater - Tankless <200 MBH, ≥90% TE	Per MBH	\$4.00	\$5.00

3.8.2.5 Targets

Table 25. Participation

Participation Unit		2026	2027	2028	2029
Prescriptive, Custom, PTA	Projects	11,301	13,028	13,028	13,028
Multi-Family Energy Assessment	Assessments	2	2	2	2

Table 26. Annual Savings in Therms

	2026	2027	2028	2029
Multi-Family	11,845	14,995	14,995	14,995

Table 27. Program Budget

Budget Category	2026	2027	2028	2029
Incentives	\$7,219	\$8,108	\$8,108	\$8,108
Implementation	\$62,884	\$83,510	\$85,351	\$87,268
Marketing	\$7,184	\$8,398	\$8,590	\$8,786
Total	\$77,287	\$100,015	\$102,048	\$104,162

Table 28. Cost-Effectiveness

Ratepayer Impact Measure Test	Utility Cost Test	Total Resource Cost Test	Participant Test
2.02	0.58	5.37	3.86

Table 29. Levelized Cost Per Therm Saved

2026	2027	2028	2029
\$0.68	\$0.70	\$0.71	\$0.73

3.9 Proposed Program Details – Business Programs

3.9.1 Small/Mid-Size Business

Small business owners are often time-constrained, unaware of energy efficiency opportunities, and lack dedicated staff who concentrate on the facility’s energy use. As such, they are a hard-to-reach target audience. While some business owners are also the property owner, many lease their space and consequently have little motivation to make major improvements to their tenant’s premises.

Duration	Utility Collaboration
January 1, 2026 through December 31, 2029.	It is the intent of North Shore Gas to cooperate with ComEd to offer this program. Measures that could benefit both gas and electric energy use may be offered jointly, where possible, and be made transparent to the customer. In addition, the utilities will collaborate in raising awareness of and educating customers on the benefits of energy efficiency.

Target Market

The program is targeted to small business customers with an annual usage of approximately less than 400,000 therms per year. Both owner-occupied and rental properties are eligible. Likely business types include strip malls, main street businesses, business district establishments, theaters, restaurants, convenience stores, houses of worship, non-profit establishments, office buildings, small manufacturers, etc. Customers must be an active North Shore Gas C&I customer.

Offering	Utility Collaboration	Type	Support Summary
Prescriptive/Partner Trade Ally (“PTA”)	Gas-only	Retrofit	Retrofits (HVAC, Industrial Process Systems, Water, etc.)
Custom	Gas-only/Coordinated	Retrofit, Study	Non One-for-One Retrofits (gas-only), Gas Optimization (gas-only), Retro-Commissioning (coordinated)

3.9.1.1 Delivery Strategy

The program utilizes a mix of staff and a list of qualified contractors to perform high-level assessments and deeper retrofits on a shared cost basis. The trade allies will continue to promote high-efficiency equipment whenever possible.

- **Prescriptive/Partner Trade Ally (“PTA”).** Prescriptive incentives will be offered along with an option to use a group of registered trade ally partners who will offer upgrades at a higher incentive. North Shore Gas will utilize and expand the value network of partner trade allies based upon qualified contractors that apply to participate.
- **Custom.** The offering is comprised of customer rebates for non-prescriptive measures and studies in the form of gas optimization and retro-commissioning.
 - **Custom Rebates** are based on the lesser of a buy down to a 1-year payback, 50% project cost, or a \$/therm saved during the first year.

- **Gas Optimization.** North Shore Gas will engage staff and/or vendors to conduct studies that focus on identifying low-cost or no-cost "actionable" measures for building heating, central steam plant, and/or process heating energy optimization. The studies will incorporate limited monitoring and testing as necessary. Customers may receive up to \$15,000 for the cost of the study, provided they agree to implement the lesser of \$10,000 or all quick-payback measures identified.
- **Retro-Commissioning ("RCx").** Three options are available to serve customers of all sizes:
 - Retro-Commissioning Flex (RCx) for any building using more than 0.5GWh a year. Fully-funded study covering the costs of engineering services. Performance-based incentive up to implementation cost, with a commitment to spend a minimum amount on identified measures.
 - Monitoring-Based Commissioning (MBCx) > 150,000 sq. ft and > 3GWh in annual usage receive a fully-funded study covering the costs of monitoring software and engineering services, along with performance-based incentive up to implementation cost.
 - Virtual Commissioning (VCx) any building with peak demand < 500kW receive a fully-funded remote analysis of energy usage and technical assistance.

North Shore Gas requests authority to revise eligible measures and incentives as driven by current market conditions, changes to codes and standards, technology, EM&V results, and management knowledge.

Quality control activities will include:

- Field inspections to confirm installation and eligibility.
- Transaction surveys to measure customer satisfaction and identify potential eligible measure and process improvements.
- Trade ally advisory groups and surveys to ensure the process is easy to work with and helpful to trade allies in selling high efficiency equipment.

3.9.1.2 Marketing Strategy

The marketing strategy includes provisions for trade allies to drive activity by marketing services to small business customers as part of the trade allies' normal day-to-day business. North Shore Gas will also look at geographic-focused marketing (i.e., business districts within North Shore Gas territory) and industry targeting to increase awareness of the offering. This will involve working directly with established groups such as local chambers of commerce or business associations (e.g., restaurant association, dry cleaners association).

3.9.1.3 Offering Descriptions

Prescriptive Rebates



Prescriptive rebates are standard incentive amounts for common energy efficiency measures, typically, with deemed energy savings in the IL-TRM.

Custom Rebates



Custom rebates (gas-only) are awarded for the non-standard applications of energy efficiency measures or for projects that do not follow a one-for-one replacement. The review of several operating parameters determines the energy savings.

Gas Optimization studies (gas-only) identify custom and prescriptive opportunities to improve gas systems.

RCx studies (coordinated with ComEd) provide insights to help facilities perform optimally.

3.9.1.4 Eligible Measures

Eligible measures and their incentives may include the following:

Table 30. Eligible Measures

Measure	Per Unit Incentive
Custom	\$1 per Therm

Measure	Unit	Prescriptive Per Unit Incentive	PTA Per Unit Incentive
Boiler - Hot Water ≥88% AFUE, <300MBH	Per MBH	\$1.25	\$1.50
Boiler - Steam >300 MBH, ≥83%	Per MBH	\$2.00	\$2.25
Boiler Blowdown Heat Recovery	Per MBH	\$0.20	\$0.25
Boiler Chemical Descaling High Pressure (>15 psig)	Per MBH	\$0.50	\$0.60
Boiler Chemical Descaling Low Pressure (<15 psig)	Per MBH	\$0.30	\$0.40
Boiler Reset Controls	Per MBH	\$0.50	\$1.00
Boiler Tune-Up Process, ≥300 MBH	Per MBH	\$0.40	\$0.60
Boiler Tune-Up Space Heating, ≥ 100 MBH	Per MBH	\$0.30	\$0.40
Condensate Recovery System	Per MBH	\$2.00	\$2.50
Condensing Unit Heater ≥90 TE	Per MBH	\$6.00	\$8.00
DCV - Kitchen	Per HP	\$650.00	\$750.00
Demand Controlled Ventilation	Per Sq Ft	\$0.05	\$0.06
Direct Fired Heaters	Per MBH	\$5.00	\$6.00
Dock Door Seals	Per Unit	\$750.00	\$850.00
Energy Recovery Ventilator	Per CFM	\$0.75	\$1.25
Furnace ≥95% AFUE	Per Unit	\$200.00	\$375.00
Furnace/RTU Tune-Up ≥ 60 MBH	Per MBH	\$0.30	\$0.40
Heat Recovery Grease Trap Filter	Per Unit	\$410.00	\$450.00
High Speed Washer Hotel/Motel/Hospital	Per Lbs	\$4.00	\$9.00
High Speed Washer Laundromat	Per Lbs	\$2.50	\$3.00
Hotel Low Flow Faucet Aerators or Restrictors ≤1.5 GPM replace ≥2.2 GPM	Per Unit	\$1.50	\$2.00
Hotel Low Flow Showerheads or Restrictors ≤2.0 GPM replace ≥2.5 GPM	Per Unit	\$6.00	\$8.00
Infrared Heater	Per MBH	\$1.25	\$1.75
Laminar Flow Restrictor, Healthcare ≤0.5 GPM replace ≥2.2 GPM	Per Unit	\$25.00	\$27.00
Laminar Flow Restrictor, Healthcare ≤1.0 GPM replace ≥2.2 GPM	Per Unit	\$20.00	\$22.00
Laminar Flow Restrictor, Healthcare ≤1.5 GPM replace ≥2.2 GPM	Per Unit	\$15.00	\$17.00
Laminar Flow Restrictor, Healthcare ≤2.2 GPM replace ≥2.75 GPM	Per Unit	\$10.00	\$12.00
Linkageless Controls	Per MBH	\$1.00	\$1.20
Modulating Commercial Gas Clothes Dryer Hotels & Hospitals	Per Unit	\$300.00	\$400.00
Modulating Commercial Gas Clothes Dryer Laundromat & MF Dorms	Per Unit	\$300.00	\$350.00
On-Demand Circulating Hot Water Pump Dorm >30 Units	Per Living Unit	\$18.00	\$25.00
On-Demand Circulating Hot Water Pump Hotel/Motel >30 Units	Per Living Unit	\$7.00	\$10.00
Ozone Laundry Laundromat	Per Lbs	\$10.00	\$15.00
Ozone Laundry On-Premise Laundry	Per Lbs	\$25.00	\$35.00
Pipe Insulation DHW, Large >2"	Per Linear Foot	\$1.50	\$5.50
Pipe Insulation DHW, Medium 1.26" to 2"	Per Linear Foot	\$1.25	\$4.50
Pipe Insulation DHW, Small <1.25"	Per Linear Foot	\$1.00	\$3.25
Pipe Insulation Hydronic Boiler, Large >4"	Per Linear Foot	\$1.50	\$5.50
Pipe Insulation Hydronic Boiler, Medium 2.1" to 4"	Per Linear Foot	\$1.25	\$4.50
Pipe Insulation Hydronic Boiler, Small 1" to 2"	Per Linear Foot	\$1.00	\$3.25
Pipe Insulation Process - Dry Cleaning, Small (0.5 to 2 inches)	Per Linear Foot	\$3.00	\$4.00
Pipe Insulation Steam - Large 5.1" to 8"	Per Linear Foot	\$5.50	\$10.00
Pipe Insulation Steam - Med 2.1" to 5"	Per Linear Foot	\$4.00	\$7.50
Pipe Insulation Steam - Small 1" to 2"	Per Linear Foot	\$2.50	\$5.00
Pipe Insulation Steam - X-Large >8"	Per Linear Foot	\$10.00	\$18.00
Pipe Insulation Steam Large Fitting	Per Unit	\$7.00	\$18.00
Pipe Insulation Steam Large Valve	Per Unit	\$20.00	\$30.00
Pipe Insulation Steam Med Fitting	Per Unit	\$5.00	\$10.00
Pipe Insulation Steam Med Valve	Per Unit	\$13.00	\$20.00
Pipe Insulation Steam Small Fitting	Per Unit	\$3.00	\$7.00
Pipe Insulation Steam Small Valve	Per Unit	\$8.00	\$15.00
Pipe Insulation Steam X-Large Fitting	Per Unit	\$14.00	\$30.00
Pipe Insulation Steam X-Large Valve	Per Unit	\$28.00	\$40.00
Pre-Rinse Sprayer	Per Unit	\$28.00	\$35.00
Programmable Thermostat	Per Unit	\$15.00	\$15.00
Advanced Thermostat	Per Unit	\$50.00	\$100.00
Shut Off Flue Damper	Per MBH	\$0.15	\$0.20
Stack Economizer for Boilers Condensing, HVAC Boilers	Per MBH	\$1.60	\$1.70
Stack Economizer for Boilers Condensing, Process Boilers	Per MBH	\$2.50	\$2.75
Stack Economizer for Boilers Conventional, HVAC Boilers	Per MBH	\$1.40	\$1.50
Stack Economizer for Boilers Conventional, Process Boilers	Per MBH	\$2.00	\$2.25
Steam Trap Jacket Insulation	Per Unit	\$8.00	\$9.00
Steam Trap Monitoring System Dry Cleaner/Laundromat	Per Unit	\$100.00	\$125.00
Steam Trap Monitoring System Process	Per Unit	\$150.00	\$175.00
Steam Trap Monitoring System Space Heating	Per Unit	\$50.00	\$55.00
Steam Traps Dry Cleaner/Laundromat - Audit	Per Unit	\$150.00	\$175.00
Steam Traps Dry Cleaner/Laundromat - No Audit	Per Unit	\$30.00	\$50.00
Steam Traps HVAC Repair/Replacement - Audit	Per Unit	\$100.00	\$150.00
Steam Traps HVAC Repair/Replacement - No Audit	Per Unit	\$30.00	\$50.00
Steam Traps Industrial/Process Audit - 125 ≤ psig < 175	Per Unit	\$300.00	\$325.00
Steam Traps Industrial/Process Audit - 175 ≤ psig < 250	Per Unit	\$300.00	\$325.00
Steam Traps Industrial/Process Audit - 250 ≤ psig	Per Unit	\$300.00	\$325.00
Steam Traps Industrial/Process Audit - 30 ≤ psig < 75	Per Unit	\$300.00	\$325.00
Steam Traps Industrial/Process Audit - 75 ≤ psig < 125	Per Unit	\$300.00	\$325.00
Steam Traps Industrial/Process Audit - psig < 15	Per Unit	\$300.00	n/a
Steam Traps Test	Per Unit	\$20.00	\$20.00
Tank Insulation Boiler Condensate	Per Sq Ft	\$8.00	\$9.00
Tank Insulation DHW Storage	Per Sq Ft	\$4.50	\$6.50
Unitary HVAC Condensing Furnace DOAS/MUAS	Per CFM	\$0.08	\$0.10
Water Heater <75 MBH, ≥0.67 UEF, >30 gallons	Per Unit	\$200.00	\$225.00
Water Heater 75 ≤ 400 MBH, ≥88% TE	Per MBH	\$2.50	\$3.00
Water Heater Central Lodging, ≥0.67 UEF or ≥88% TE	Per MBH	\$2.50	\$3.00
Water Heater - Laundromat ≥95% TE	Per MBH	\$1.50	\$2.00
Water Heater - Laundromat 88% < 95% TE	Per MBH	\$1.00	\$1.50
Water Heater - Tankless <200 MBH, ≥90% TE	Per MBH	\$4.00	\$5.00
Wireless Pneumatic Thermostat Large Building (300,001+ SF)	Per Sq Ft	\$0.10	\$0.12
Wireless Pneumatic Thermostat Medium Building (10,001-300,000 SF)	Per Sq Ft	\$0.12	\$0.14
Wireless Pneumatic Thermostat Small Building (0-10,000 SF)	Per Sq Ft	\$0.14	\$0.16

3.9.1.5 Targets

Table 31. Participation

Participation Unit		2026	2027	2028	2029
Prescriptive	Projects	126,879	131,986	132,082	132,082
Custom	Projects	1	1	1	1
Gas Optimization	Studies	0	0	0	0
RCx	Studies	0	0	0	0

Table 32. Annual Savings in Therms

	2026	2027	2028	2029
Small and Midsize Business	217,293	221,090	221,154	221,701

Table 33. Program Budget

Budget Category	2026	2027	2028	2029
Incentives	\$212,015	\$219,864	\$220,009	\$220,604
Implementation	\$142,280	\$144,119	\$147,221	\$152,012
Marketing	\$19,346	\$18,762	\$19,198	\$19,900
Total	\$373,642	\$382,745	\$386,428	\$392,517

Table 34. Cost-Effectiveness

Ratepayer Impact Measure Test	Utility Cost Test	Total Resource Cost Test	Participant Test
0.76	2.50	5.95	1.48

Table 35. Levelized Cost Per Therm Saved

2026	2027	2028	2029
\$0.16	\$0.16	\$0.16	\$0.16

3.9.2 Commercial and Industrial (“C&I”) Program

The C&I Program is designed as a one-stop-shop that allows all business customers to access all offerings based on their needs.

Duration	Utility Collaboration
January 1, 2026 through December 31, 2029.	It is the intent of North Shore Gas to cooperate with ComEd to offer this program. Measures that could benefit both gas and electric energy use may be offered jointly, where possible, and be made transparent to the customer. In addition, the utilities will collaborate in raising awareness of and educating customers on the benefits of energy efficiency.

Target Market
The program is targeted to C&I customers where annual usage is equal to or greater than 400,000 therms. Both owner-occupied and leased commercial and industrial buildings under this customer classification are eligible.

Offering	Utility Collaboration	Type	Support Summary
Prescriptive	Gas-only	Retrofit	Retrofits (HVAC, Industrial Process Systems, Water, etc.)
Custom	Gas-only	Retrofit, Study	Non One-for-One Retrofits, Engineering Studies, New Construction
Gas Optimization	Gas-only	Study	Comprehensive facility gas optimization review and project opportunity identification
Retro-Commissioning	Coordinated	Study	Comprehensive facility system study and no/low-cost optimization identification

3.9.2.1 Delivery Strategy

The program will be offered through a combination of the implementer and vendors.

- **Prescriptive.** Rebates are based on approximately 50% of incremental costs. Actual incentives are provided in the table of eligible measures.
- **Custom.** The offering is comprised of incentives for non-prescriptive measures, new construction, and engineering studies.
 - **Custom Rebates** are based on the lesser of a buy down to a 1-year payback, 50% of project costs, or a \$/therm saved during the first year.
 - **Engineering Studies.** Incentives to offset the costs of energy audits or implementation studies. Based on the findings of such studies, customers can select improvements that qualify for prescriptive or custom rebates. Customers may receive up to \$15,000 to offset the costs of a 3rd party engineering firm to conduct the study.
 - **New Construction.** Rebates are provided towards new building projects or deep renovations, which are designed to exceed regional energy efficiency code requirements.

- **Gas Optimization.** North Shore Gas will engage staff and/or vendors to conduct studies focusing on identifying low-cost or no-cost “actionable” measures for building heating, central steam plant, and/or process heating energy optimization. The studies will incorporate limited monitoring and testing as necessary. Customers may receive up to \$15,000 for the cost of the study, provided they agree to implement the lesser of \$10,000 or all quick-payback measures identified.
- **RCx.** Three options are available to serve customers of all sizes:
 - Retro-Commissioning Flex (RCx) for any building using more than 0.5GWh a year. Fully-funded study covering the costs of engineering services. Performance-based incentive up to implementation cost, with a commitment to spend a minimum amount on identified measures.
 - Monitoring-Based Commissioning (MBCx) > 150,000 sq. ft and > 3GWh in annual usage receive a fully-funded study covering the costs of monitoring software and engineering services, along with performance-based incentive up to implementation cost.
 - Virtual Commissioning (VCx) any building with peak demand < 500kW receive a fully-funded remote analysis of energy usage and technical assistance.

North Shore Gas requests authority to revise eligible measures and incentives as driven by current market conditions, changes to codes and standards, technology, EM&V results, and management knowledge.

Quality control activities will include field inspections will be performed on a minimum of 2.5% of installations with incentives less than \$10,000 and on all projects with incentives greater than \$10,000.

3.9.2.2 Marketing Strategy

The program will market to both end use customers and trade allies. Trade ally support and engagement are a key element to the success of energy efficiency programs. The Implementer will establish and educate trade ally working groups who will ultimately champion the program. The program will rely on wholesale and retail trade allies to assist in marketing.

The implementer will evaluate the possible use of direct mail, email, case studies, technical fact sheets, brochures, training sessions, point of purchase materials, collateral materials, and various public relations activities to raise awareness. North Shore Gas will also pursue opportunities to cooperatively promote the program with ComEd, especially for new construction projects.

3.9.2.3 Offering Descriptions

Prescriptive Rebates



Prescriptive rebates are standard incentive amounts for common energy efficiency measures, typically, with deemed energy savings in the IL-TRM.

Custom Rebates



Custom rebates are awarded for the non-standard applications of energy efficiency measures or for projects that do not follow a one-for-one replacement. The review of several operating parameters determines the energy savings.

Engineering Studies focus on large, custom, capital-intensive energy-saving projects.

New Construction rebates are provided towards new building projects or deep renovations, which are designed to exceed regional energy efficiency code requirements.

Gas Optimization



This comprehensive facility review focuses on gas systems and is like an ASHRAE Level 2 Audit. The study aims to identify custom and prescriptive opportunities. Customers may receive up to \$15,000 for onsite engineering assistance from a 3rd party engineering firm.

Retro-Commissioning



A comprehensive study provides insights into the performance of a facility's existing energy-using systems to help facilities perform optimally. This is coordinated with ComEd, and an approved 3rd party engineering firm conducts the study.

3.9.2.4 Eligible Measures

Eligible measures and their incentives may include the following:

Table 36. Eligible Measures

Measure	Per Unit Incentive
Custom	\$1 per Therm
Gas Optimization	\$1 per Therm
Retro-Commissioning	\$1 per Therm

Measure	Unit	Per Unit Incentive
Advanced Thermostat	Per Unit	\$50.00
Air and Water Source Heat Pump Systems	Per Unit	\$250.00
Boiler - Hot Water ≥88% AFUE, <300MBH	Per MBH	\$1.25
Boiler - Steam >300 MBH, ≥83%	Per MBH	\$2.00
Boiler Blowdown Heat Recovery	Per Unit	\$9.20
Boiler Chemical Descaling High Pressure (>15 psig)	Per MBH	\$0.50
Boiler Chemical Descaling Low Pressure (<15 psig)	Per MBH	\$0.30
Boiler Reset Controls	Per MBH	\$0.40
Boiler Tune-Up Process, ≥300 MBH	Per MBH	\$0.50
Boiler Tune-Up Space Heating, ≥ 100 MBH	Per MBH	\$0.40
Building Operator Certification	Per Unit	\$0.01
Commercial Gas Heat Pump	Per Unit	\$900.00
Condensate Recovery System	Per MBH	\$2.00
Condensing Unit Heater ≥ 90% TE	Per Unit	\$2.00
DCV - Kitchen	Per HP	\$650.00
Demand Controlled Ventilation	Per Sq Ft	\$0.05
Destratification Fan	Per Unit	\$3,000.00
Direct Fired Heaters	Per Unit	\$1.00
Dock Door Seals	Per Unit	\$200.00
Double Rack Oven	Per Unit	\$1,000.00
Energy Recovery Ventilator	Per Unit	\$0.75
Energy Star Combination Oven <15 Pans	Per Unit	\$150.00
Energy Star Combination Oven ≥30 Pans	Per Unit	\$550.00
Energy Star Combination Oven 15 < 30 Pans	Per Unit	\$350.00
Energy Star Convection Oven	Per Unit	\$200.00
Energy Star Convection Oven ≥25 inches	Per Unit	\$500.00
ENERGY STAR Dishwasher, High Temperature Multi-Tank Conveyor	Per Unit	\$400.00
ENERGY STAR Dishwasher, High Temperature Stationary Single-Tank Door	Per Unit	\$350.00
ENERGY STAR Dishwasher, High Temperature Under Counter	Per Unit	\$45.00
ENERGY STAR Dishwasher, Low Temperature Multi-Tank Conveyor	Per Unit	\$400.00
ENERGY STAR Dishwasher, Low Temperature Single-Tank Conveyor	Per Unit	\$350.00
ENERGY STAR Dishwasher, Low Temperature Stationary Single-Tank Door	Per Unit	\$350.00
ENERGY STAR Dishwasher, Low Temperature Under Counter	Per Unit	\$90.00
Energy Star Fryer	Per Unit	\$400.00
ENERGY STAR Griddle	Per Unit	\$30.00
Energy Star Steamer ≥6 Pans	Per Unit	\$1,200.00
Energy Star Steamer 3 Pans	Per Unit	\$600.00
Energy Star Steamer 4 Pans	Per Unit	\$800.00
Energy Star Steamer 5 Pans	Per Unit	\$1,000.00
Furnace ≥85% AFUE	Per Unit	\$200.00
Furnace/RTU Tune-Up ≥ 60 MBH	Per MBH	\$0.30
Gas Heat Pump HVAC/Combi	Per Unit	\$900.00
Heat Recovery Grease Trap Filter	Per Unit	\$410.00
High Speed Overhead Doors	Per Unit	\$6,000.00
High Speed Washer Hotel/Motel/Hospital	Per Lbs	\$4.00
High Speed Washer Laundromat	Per Lbs	\$2.50
High Turndown Burner for Space Heating Boilers	Per Unit	\$1.30
Hotel Low Flow Faucet Aerator or Restrictors ≤1.5 GPM replace ≥2.2 GPM	Per Unit	\$1.50
Hotel Low Flow Showerheads or Restrictors ≤2.0 GPM replace ≥2.5 GPM	Per Unit	\$6.00
Industrial Air Curtain	Per Unit	\$2,700.00
Infrared Charbroiler	Per Unit	\$1,000.00
Infrared Heater	Per Unit	\$1.50
Infrared Rotisserie Oven	Per Unit	\$1,000.00
Infrared Salamander Broiler	Per Unit	\$200.00
Infrared Upright Broiler	Per Unit	\$2,200.00
Integrated Air and Water RTU	Per Unit	\$250.00
Laminar Flow Restrictor, Healthcare ≤0.5 GPM replace ≥2.2 GPM	Per Unit	\$25.00
Laminar Flow Restrictor, Healthcare ≤1.0 GPM replace ≥2.2 GPM	Per Unit	\$20.00
Laminar Flow Restrictor, Healthcare ≤1.5 GPM replace ≥2.2 GPM	Per Unit	\$15.00
Laminar Flow Restrictor, Healthcare ≤2.2 GPM replace ≥2.75 GPM	Per Unit	\$10.00
Linkageless Controls	Per MBH	\$0.40
Low Oil Volume Fryer	Per Unit	\$500.00
Modulating Commercial Gas Clothes Dryer Coin-Operated Laundromat & MF Dorms	Per Unit	\$300.00
Modulating Commercial Gas Clothes Dryer Hotels & Hospitals	Per Unit	\$150.00
Natural Gas Engine-Driven Heat Pumps	Per Unit	\$90.00
On-Demand Circulating Hot Water Pump Dorm >30 Units	Per Living Unit	\$18.00
On-Demand Circulating Hot Water Pump Hotel/Motel >30 Units	Per Living Unit	\$7.00
Oxygen Trim Controls for Space Heating Boilers	Per MBH	\$1.50
Ozone Laundry Laundromat	Per Lbs	\$10.00
Ozone Laundry On-Premise Laundry	Per Lbs	\$25.00
Pasta Cooker	Per Unit	\$1,200.00
Pipe Insulation DHW, Large >2"	Per Linear Foot	\$1.50
Pipe Insulation DHW, Medium 1.25" to 2"	Per Linear Foot	\$1.25
Pipe Insulation DHW, Small <1.25"	Per Unit	\$1.00
Pipe Insulation Process - Dry Cleaning, Small (0.5 to 2 inches)	Per Linear Foot	\$3.00
Pipe Insulation Hydronic Boiler, Large >4"	Per Unit	\$1.50
Pipe Insulation Hydronic Boiler, Medium 2.1" to 4"	Per Unit	\$1.25
Pipe Insulation Hydronic Boiler, Small 1" to 2"	Per Unit	\$1.00
Pipe Insulation Steam - Large 5.1" to 8"	Per Linear Foot	\$5.50
Pipe Insulation Steam - Med 2.1" to 5"	Per Linear Foot	\$4.00
Pipe Insulation Steam - Small 1" to 2"	Per Linear Foot	\$2.50
Pipe Insulation Steam - XLarge >8"	Per Linear Foot	\$10.00
Pipe Insulation Steam Large Fitting	Per Unit	\$7.00
Pipe Insulation Steam Large Valve	Per Unit	\$20.00
Pipe Insulation Steam Med Fitting	Per Unit	\$5.00
Pipe Insulation Steam Med Valve	Per Unit	\$13.00
Pipe Insulation Steam Small Fitting	Per Unit	\$3.00
Pipe Insulation Steam Small Valve	Per Unit	\$8.00
Pipe Insulation Steam XLarge Fitting	Per Unit	\$14.00
Pipe Insulation Steam XLarge Valve	Per Unit	\$28.00
Pre-Rinse Sprayer	Per Unit	\$25.00
Programmable Thermostat	Per Unit	\$50.00
Shut Off Flue Damper	Per Unit	\$0.15
Smart Radiator Controls	Per MBH	\$0.30
Stack Economizer for Boilers Conventional, HVAC Boilers	Per Unit	\$1.40
Stack Economizer for Boilers Condensing, HVAC Boilers	Per Unit	\$1.60
Stack Economizer for Boilers Conventional, Process Boilers	Per Unit	\$2.00
Stack Economizer for Boilers Condensing, Process Boilers	Per Unit	\$2.50
Steam Boiler Averaging Controls Dual-Pipe	Per Living Unit	\$50.00
Steam Boiler Averaging Controls Single-Pipe	Per Living Unit	\$30.00
Steam Trap Jacket Insulation	Per Unit	\$8.00
Steam Trap Monitoring System Space Heating	Per Unit	\$50.00
Steam Trap Monitoring System Dry Cleaner/Laundromat	Per Unit	\$100.00
Steam Trap Monitoring System Process	Per Unit	\$150.00
Steam Traps Dry Cleaner/Laundromat - Audit	Per Unit	\$150.00
Steam Traps Dry Cleaner/Laundromat - No Audit	Per Unit	\$30.00
Steam Traps HVAC Repair/Replacement - Audit	Per Unit	\$100.00
Steam Traps HVAC Repair/Replacement - No Audit	Per Unit	\$30.00
Steam Traps Industrial/Process Audit - 125 ≤ psig < 175	Per Unit	\$300.00
Steam Traps Industrial/Process Audit - 15 ≤ psig < 30	Per Unit	\$300.00
Steam Traps Industrial/Process Audit - 175 ≤ psig < 250	Per Unit	\$300.00
Steam Traps Industrial/Process Audit - 250 ≤ psig	Per Unit	\$300.00
Steam Traps Industrial/Process Audit - 30 ≤ psig < 75	Per Unit	\$300.00
Steam Traps Industrial/Process Audit - 75 ≤ psig < 125	Per Unit	\$300.00
Steam Traps Industrial/Process Audit - psig < 15	Per Unit	\$300.00
Steam Traps Test	Per Unit	\$20.00
Tank Insulation Boiler Condensate	Per Sq Ft	\$5.00
Tank Insulation DHW Storage	Per Sq Ft	\$4.50
Ultrasonic	Per Unit	\$15.00
Unitary HVAC Condensing Furnace DOAS/MUAS	Per CFM	\$0.08
Water Heater 15 ≤ 400 MBH, ≥88% TE	Per MBH	\$2.50
Water Heater Central Lodging, ≥0.67 UEF or ≥88% TE	Per MBH	\$2.50
Water Heater <75 MBH, ≥0.67 UEF, ≥30 gallons	Per Unit	\$200.00
Water Heater - Laundromat ≥95% TE	Per MBH	\$1.50
Water Heater - Laundromat 88% ≤ 95% TE	Per MBH	\$1.00
Water Heater - Tankless <200 MBH, ≥90% TE	Per MBH	\$1.00
Wireless Pneumatic Thermostat Large Building (300,001+ SF)	Per Sq Ft	\$0.10
Wireless Pneumatic Thermostat Medium Building (10,001-300,000 SF)	Per Sq Ft	\$0.12
Wireless Pneumatic Thermostat Small Building (0-10,000 SF)	Per Sq Ft	\$0.14

3.9.2.5 Targets

Table 37. Participation

Participation Unit		2026	2027	2028	2029
Prescriptive	Projects	194,408	369,373	369,646	385,172
Custom	Projects	8	8	8	8
Gas Optimization	Studies	1	1	1	1
Engineering Studies	Studies	0	0	0	0
New Construction	Projects	4	4	4	4
Retro-Commissioning	Studies	1	1	1	1

Table 38. Annual Savings in Therms

	2026	2027	2028	2029
Commercial and Industrial	789,025	1,515,453	1,516,520	1,581,680

Table 39. Program Budget

Budget Category	2026	2027	2028	2029
Incentives	\$398,110	\$731,948	\$732,441	\$761,478
Implementation	\$326,154	\$692,427	\$707,833	\$755,228
Marketing	\$15,567	\$31,002	\$31,732	\$33,852
Total	\$739,830	\$1,455,376	\$1,472,006	\$1,550,558

Table 40. Cost-Effectiveness

Ratepayer Impact Measure Test	Utility Cost Test	Total Resource Cost Test	Participant Test
0.79	3.20	12.46	3.69

Table 41. Levelized Cost Per Therm Saved

2026	2027	2028	2029
\$0.12	\$0.13	\$0.13	\$0.13

3.9.3 Public Sector Program

The Public Sector Program is designed as a one-stop-shop that allows all qualifying local government customers to access all offerings based on their needs.

Duration	Utility Collaboration
January 1, 2026 through December 31, 2029.	It is the intent of North Shore Gas to cooperate with ComEd to offer this program. Measures that could benefit both gas and electric energy use may be offered jointly, where possible, and be made transparent to the customer. In addition, the utilities will collaborate in raising awareness of and educating customers on the benefits of energy efficiency.

Target Market
The program targets local government, municipal corporations, school districts, and community college districts. Both owner-occupied and leased buildings are eligible.

Offering	Utility Collaboration	Type	Support Summary
Prescriptive	Gas-only	Retrofit	Retrofits (HVAC, Industrial Process Systems, Water, etc.)
Custom	Gas-only	Retrofit, Study, Grant	Non One-for-One Retrofits, New Construction, Engineering Study, Staffing Grants
Gas Optimization	Gas-only	Study	Comprehensive facility gas optimization review and project opportunity identification
Retro-Commissioning	Coordinated	Study	Comprehensive facility system study and no/low-cost optimization identification

3.9.3.1 Delivery Strategy

The program will be offered through a combination of the Implementer, local experts, and vendors.

- **Prescriptive.** Rebates are based on approximately 50% of incremental costs. Actual incentives are provided in the table of eligible measures.
- **Custom.** The offering is comprised of incentives for non-prescriptive measures, new construction, engineering studies, and staffing grants.
 - **Custom Rebates** are based on the lesser of a buy down to a 1-year payback, 50% of project costs, or a \$/therm saved during the first year.
 - **New Construction.** Rebates are provided towards new building projects or deep renovations, which are designed to exceed regional energy efficiency code requirements.
 - **Engineering Studies.** Incentives to offset the costs of energy audits or implementation studies. Based on the findings of such studies, customers can select improvements that qualify for prescriptive or custom rebates. Customers may receive up to \$15,000 to offset the costs of a 3rd party engineering firm to conduct the study.

- **Staffing Grants.** Grants to assist in funding new full- or part-time employees, better leverage existing staff, or select a consultant to manage, engineer, or supervise the implementation of natural gas efficiency projects that otherwise would not be implemented due to limited staff time.
- **Gas Optimization.** North Shore Gas will engage staff and/or vendors to conduct studies focusing on identifying low-cost or no-cost “actionable” measures for building heating, central steam plant and/or process heating energy optimization. The studies will incorporate limited monitoring and testing as necessary. Customers may receive up to \$15,000 at no cost of the study, provided they agree to implement the lesser of \$10,000 or all quick-payback measures identified.
- **RCx.** Three options are available to serve customers of all sizes:
 - Retro-Commissioning Flex (RCx) for any building using more than 0.5GWh a year. Fully-funded study covering the costs of engineering services. Performance-based incentive up to implementation cost, with a commitment to spend a minimum amount on identified measures.
 - Monitoring-Based Commissioning (MBCx) > 150,000 sq. ft and > 3GWh in annual usage receive a fully-funded study covering the costs of monitoring software and engineering services, along with performance-based incentive up to implementation cost.
 - Virtual Commissioning (VCx) any building with peak demand < 500kW receive a fully-funded remote analysis of energy usage and technical assistance.

North Shore Gas requests authority to revise eligible measures and incentives as driven by current market conditions, changes to codes and standards, technology, EM&V results, and management knowledge.

Quality control activities will include field inspections which will be performed on a minimum of 2.5% of installations with incentives less than \$10,000 and on all projects with incentives greater than \$10,000.

3.9.3.2 Marketing Strategy

The program will market to both end use customers and trade allies. Trade ally support and engagement is a key element to the success of energy efficiency programs. The Implementer will establish and educate trade ally working groups who will ultimately champion the program. The program will rely on wholesale and retail trade allies to assist in marketing.

The Implementer will evaluate the possible use of direct mail, email, case studies, technical fact sheets, brochures, training sessions, point of purchase materials, collateral materials, and various public relations activities to raise awareness. North Shore Gas will also pursue opportunities to cooperatively promote the program with ComEd, especially for new construction projects.

3.9.3.3 Offering Descriptions

Prescriptive Rebates



Prescriptive rebates are standard incentive amounts for common energy efficiency measures, typically, with deemed energy savings in the IL-TRM.

Custom Rebates



Custom rebates are awarded for the non-standard applications of energy efficiency measures or for projects that do not follow a one-for-one replacement. The review of several operating parameters determines the energy savings.

New Construction rebates are provided towards new building projects or deep renovations, which are designed to exceed regional energy efficiency code requirements.

Engineering Studies focus on large, custom, capital-intensive energy-saving projects.

Staffing Grants. Recipients are provided up to \$50,000 to support a full- or part-time employee to oversee the implementation of natural gas efficiency projects.

Gas Optimization



This comprehensive facility review focuses on gas systems and is like an ASHRAE Level 2 Audit. The study aims to identify custom and prescriptive opportunities. Customers may receive up to \$15,000 for onsite engineering assistance from a 3rd party engineering firm.

Retro-Commissioning



A comprehensive study provides insights into the performance of a facility’s existing energy-using systems to help facilities perform optimally. This is coordinated with ComEd, and an approved 3rd party engineering firm conducts the study.

3.9.3.4 Eligible Measures

Eligible measures and their incentives may include the following:

Table 42. Eligible Measures

Measure	Per Unit Incentive
Custom	\$1.5 per Therm
Gas Optimization	\$1.25 per Therm
Retro-Commissioning	\$1.25 per Therm

Measure	Unit	Per Unit Incentive
Boiler - Hot Water ≥88% AFUE, <300MBH	Per MBH	\$3.00
Boiler - Hot Water ≥88% AFUE, 2,500 ± 300 MBH	Per MBH	\$4.50
Boiler - Hot Water ≥88% AFUE, ≥2,500 MBH	Per MBH	\$5.50
Boiler Blowdown Heat Recovery	Per MBH	\$1.00
Boiler Chemical Descaling Low Pressure (<15 psig)	Per MBH	\$0.75
Boiler Chemical Descaling High Pressure (>15 psig)	Per MBH	\$1.00
Boiler Reset Controls	Per MBH	\$0.75
Boiler Tune-Up Process, ≥300 MBH	Per MBH	\$0.75
Boiler Tune-Up Space Heating, ≥ 100 MBH	Per MBH	\$0.75
Condensate Recovery System	Per MBH	\$5.00
Tank Insulation Boiler Condensate	Per Sq Ft	\$12.00
Tank Insulation DHW Storage	Per Sq Ft	\$7.00
Condensing Unit Heater ≥ 90% TE	Per MBH	\$7.50
DCV - Kitchen	Per HP	\$975.00
Demand Controlled Ventilation	Per Sq Ft	\$0.15
Direct Fired Heaters	Per MBH	\$3.00
Dock Door Seals	Per Unit	\$450.00
Energy Recovery Ventilator	Per CFM	\$2.25
Furnace ≥95% AFUE	Per Unit	\$450.00
Furnace/RTU Tune-Up ≥ 60 MBH	Per MBH	\$0.75
Heat Recovery Grease Trap Filter	Per Unit	\$825.00
High Speed Washer Hotel/Motel/Hospital, Spin Speed 200G	Per Lbs	\$12.00
High Speed Washer Hotel/Motel/Hospital, Spin Speed 400G	Per Lbs	\$18.00
High Speed Washer Laundromat, Spin Speed 200G	Per Lbs	\$6.00
High Speed Washer Laundromat, Spin Speed 400G	Per Lbs	\$9.00
Hotel Low Flow Faucet Aerators or Restrictors ≤1.5 GPM replace ≥2.2 GPM	Per Unit	\$3.00
Hotel Low Flow Showerheads or Restrictors ≤2.0 GPM replace ≥2.5 GPM	Per Unit	\$12.00
Infrared Heater	Per MBH	\$5.00
Laminar Flow Restrictor, Healthcare ≤0.5 GPM replace ≥2.2 GPM	Per Unit	\$40.00
Laminar Flow Restrictor, Healthcare ≤1.0 GPM replace ≥2.2 GPM	Per Unit	\$30.00
Laminar Flow Restrictor, Healthcare ≤1.5 GPM replace ≥2.2 GPM	Per Unit	\$20.00
Laminar Flow Restrictor, Healthcare ≤2.2 GPM replace ≥2.75 GPM	Per Unit	\$10.00
Linkageless Controls	Per MBH	\$1.50
Modulating Commercial Gas Clothes Dryer Hotels & Hospitals	Per Unit	\$335.00
Modulating Commercial Gas Clothes Dryer Laundromat & MF Dorms	Per Unit	\$300.00
On-Demand Circulating Hot Water Pump Apartment >5 Tenant Units	Per Living Unit	\$55.00
On-Demand Circulating Hot Water Pump Dorm >30 Units	Per Living Unit	\$25.00
On-Demand Circulating Hot Water Pump Hotel/Motel >30 Units	Per Living Unit	\$10.00
Ozone Laundry Laundromat	Per Lbs	\$15.00
Ozone Laundry On-Premise Laundry	Per Lbs	\$35.00
Pipe Insulation DHW, Large >2"	Per Linear Foot	\$5.50
Pipe Insulation DHW, Medium 1.26" to 2"	Per Linear Foot	\$4.50
Pipe Insulation DHW, Small <1.25"	Per Linear Foot	\$3.75
Pipe Insulation Hydronic Boiler, Large ≥4"	Per Linear Foot	\$5.50
Pipe Insulation Hydronic Boiler, Medium 2.1" to 4"	Per Linear Foot	\$4.50
Pipe Insulation Hydronic Boiler, Small 1" to 2"	Per Linear Foot	\$3.75
Pipe Insulation Process - Dry Cleaning, Small (0.5 to 2 inches)	Per Linear Foot	\$4.50
Pipe Insulation Steam - Large 5.1" to 8"	Per Linear Foot	\$30.00
Pipe Insulation Steam - Med 2.1" to 5"	Per Linear Foot	\$18.00
Pipe Insulation Steam - Small 1" to 2"	Per Linear Foot	\$8.00
Pipe Insulation Steam - X-Large ≥8"	Per Linear Foot	\$45.00
Pipe Insulation Steam Large Fitting	Per Unit	\$60.00
Pipe Insulation Steam Large Valve	Per Unit	\$120.00
Pipe Insulation Steam Med Fitting	Per Unit	\$23.00
Pipe Insulation Steam Med Valve	Per Unit	\$70.00
Pipe Insulation Steam Small Fitting	Per Unit	\$10.00
Pipe Insulation Steam Small Valve	Per Unit	\$30.00
Pipe Insulation Steam X-Large Fitting	Per Unit	\$75.00
Pipe Insulation Steam X-Large Valve	Per Unit	\$150.00
Programmable Thermostat	Per Unit	\$75.00
Advanced Thermostat	Per Unit	\$75.00
Shut Off Flue Damper	Per MBH	\$0.25
Stack Economizer for Boilers Condensing, HVAC Boilers	Per MBH	\$2.00
Stack Economizer for Boilers Condensing, Process Boilers	Per MBH	\$2.50
Stack Economizer for Boilers Conventional, HVAC Boilers	Per MBH	\$1.75
Stack Economizer for Boilers Conventional, Process Boilers	Per MBH	\$2.00
Boiler - Steam 2,500 ± 300 MBH, ≥83%	Per MBH	\$3.00
Boiler - Steam ≥2,500 MBH, ≥83%	Per MBH	\$2.50
Steam Boiler Averaging Controls Dual-Pipe	Per Living Unit	\$150.00
Steam Boiler Averaging Controls Single-Pipe	Per Living Unit	\$225.00
Steam Trap Jacket Insulation	Per Unit	\$18.00
Steam Trap Monitoring System Dry Cleaner/Laundromat	Per Unit	\$175.00
Steam Trap Monitoring System Process	Per Unit	\$250.00
Steam Trap Monitoring System Space Heating	Per Unit	\$80.00
Steam Traps Dry Cleaner/Laundromat - Audit	Per Unit	\$50.00
Steam Traps Dry Cleaner/Laundromat - No Audit	Per Unit	\$90.00
Steam Traps HVAC Repair/Replacement - Audit	Per Unit	\$300.00
Steam Traps HVAC Repair/Replacement - No Audit	Per Unit	\$30.00
Steam Traps Industrial/Process Audit - 125 ≤ psig < 175	Per Unit	\$500.00
Steam Traps Industrial/Process Audit - 15 ≤ psig < 30	Per Unit	\$500.00
Steam Traps Industrial/Process Audit - 175 ≤ psig < 250	Per Unit	\$500.00
Steam Traps Industrial/Process Audit - 250 ≤ psig	Per Unit	\$500.00
Steam Traps Industrial/Process Audit - 30 ≤ psig < 75	Per Unit	\$500.00
Steam Traps Industrial/Process Audit - 75 ≤ psig < 125	Per Unit	\$500.00
Steam Traps Industrial/Process Audit - psig < 15	Per Unit	\$500.00
Steam Traps Test	Per Unit	\$20.00
Unitary HVAC Condensing Furnace DOAS/MUAS	Per CFM	\$0.15
Water Heater 75 ± 400 MBH, ≥88% TE	Per MBH	\$3.00
Water Heater Central Lodging, ≥0.67 UEF or ≥88% TE	Per MBH	\$3.75
Water Heater <75 MBH, ≥0.67 UEF, >30 gallons	Per Unit	\$375.00
Water Heater - Laundromat ≥95% TE	Per MBH	\$2.25
Water Heater - Laundromat 88% < 95% TE	Per MBH	\$1.50
Water Heater - Tankless <200 MBH, ≥90% TE	Per MBH	\$2.00
Wireless Pneumatic Thermostat Small Building (0-10,000 SF)	Per Sq Ft	\$0.35
Wireless Pneumatic Thermostat Medium Building (10,001-300,000 SF)	Per Sq Ft	\$0.30
Wireless Pneumatic Thermostat Large Building (300,001+ SF)	Per Sq Ft	\$0.25
Energy Star Combination Oven <15 Pans	Per Unit	\$600.00
Energy Star Combination Oven ≥30 Pans	Per Unit	\$1,875.00
Energy Star Combination Oven 15 < 30 Pans	Per Unit	\$825.00
Energy Star Connection Oven	Per Candy	\$975.00
Energy Star Conveyor Oven ≥25 Inches	Per Oven	\$1,875.00
ENERGY STAR Dishwasher, High Temperature Multi-Tank Conveyor	Per Unit	\$1,800.00
ENERGY STAR Dishwasher, High Temperature Stationary Single-Tank Door	Per Unit	\$975.00
ENERGY STAR Dishwasher, High Temperature Under Counter	Per Unit	\$115.00
ENERGY STAR Dishwasher, Low Temperature Multi-Tank Conveyor	Per Unit	\$3,300.00
ENERGY STAR Dishwasher, Low Temperature Single-Tank Conveyor	Per Unit	\$2,700.00
ENERGY STAR Dishwasher, Low Temperature Stationary Single-Tank Door	Per Unit	\$2,700.00
ENERGY STAR Dishwasher, Low Temperature Under Counter	Per Unit	\$715.00
Double Rack Oven	Per Unit	\$3,750.00
Energy Star Fryer	Per Fry Vat	\$1,875.00
ENERGY STAR Griddle	Per Unit	\$30.00
Energy Star Steamer ≥6 Pans	Per Unit	\$1,800.00
Energy Star Steamer 3 Pans	Per Unit	\$1,350.00
Energy Star Steamer 4 Pans	Per Unit	\$1,500.00
Energy Star Steamer 5 Pans	Per Unit	\$1,650.00
Infrared Charbroile Oven	Per Unit	\$1,600.00
Infrared Rotisserie Oven	Per Unit	\$2,000.00
Infrared Salamander Broiler	Per Broiler	\$750.00
Infrared Upright Broiler	Per Unit	\$3,300.00
Pasta Cooker	Per Unit	\$1,500.00
Pre-Rinse Sprayer	Per Unit	\$50.00

3.9.3.5 Targets

Table 43. Participation

Participation Unit		2026	2027	2028	2029
Prescriptive	Projects	68,908	112,758	112,841	117,580
Custom	Projects	1	1	1	1
Gas Optimization	Studies	1	1	1	1
Engineering Studies	Studies	0	0	0	0
Strategic Energy Management	Engagements	0	0	0	0
Staffing Grant	Grants	1	1	1	1
New Construction	Projects	0	0	0	0
Retro-Commissioning	Studies	1	1	1	1

Table 44. Annual Savings in Therms

	2026	2027	2028	2029
Public Sector	178,797	279,475	279,590	291,188

Table 45. Program Budget

Budget Category	2026	2027	2028	2029
Incentives	\$180,414	\$273,123	\$273,262	\$284,336
Implementation	\$288,360	\$486,509	\$493,536	\$525,698
Marketing	\$25,097	\$40,020	\$40,952	\$43,625
Total	\$493,871	\$799,652	\$807,750	\$853,658

Table 46. Cost-Effectiveness

Ratepayer Impact Measure Test	Utility Cost Test	Total Resource Cost Test	Participant Test
0.76	1.12	5.75	2.80

Table 47. Levelized Cost Per Therm Saved

2026	2027	2028	2029
\$0.33	\$0.36	\$0.37	\$0.37

3.9.4 Commercial Food Service Program

The upstream commercial food service (“CFS”) program builds on the progress, analysis, and experience gained from a jointly funded pilot program that has been successfully running since 2018. The goal is to support and sustain a comprehensive list of measures for the food service industry to give operators a range of options for improving energy efficiency in their facilities.

Duration		Utility Collaboration	
January 1, 2026 through December 31, 2029.		This is a statewide joint program that is jointly funded by North Shore Gas, Peoples Gas, ComEd, Nicor Gas, and Ameren provides electricity and natural gas savings opportunities to utility customers throughout Illinois.	
Target Market			
Food service equipment manufacturers and distributors.			
Offering	Utility Collaboration	Type	Support Summary
Commercial Food Service	Coordinated	Measures	Point of sale discounts on kitchen equipment

3.9.4.1 Delivery Strategy

The CFS program will provide commercial end-users of participating utilities instant rebates of up to \$4,500 on ENERGY STAR® and other high-efficiency commercial kitchen equipment. The program is designed to increase access to affordable, highly efficient equipment for companies within the food service industry. This is achieved through two interventions. Commercial food service equipment suppliers receive sales incentives when qualifying efficient products are sold, and the end-user (utility customer) receives an instant rebate at the time of purchase.

3.9.4.2 Marketing Strategy

The marketing materials generated for this program will be used to continue generating supplier awareness around the program and equip participating suppliers with marketing collateral to promote the program to their customers. Marketing elements include program brochure, email content, website content, website maintenance, quarterly updates to the Qualifying Products List, management of the P3 cloud-based tool for submitting point-of-sale rebate applications, and supplier engagement provided by an outreach team.

3.9.4.3 Offering Descriptions

Commercial Food Service



The Illinois Commercial Food Service program is offered jointly by the Illinois utilities and provides commercial customers a point-of-sale discount on commercial kitchen equipment through participating distributors.

3.9.4.4 Eligible Measures

Eligible measures and their incentives may include the following:

Table 48. Eligible Measures

Measure	Unit	Per Unit Incentive
Automatic Conveyer Broiler <20" Conveyer Width	Per Unit	\$750.00
Automatic Conveyer Broiler >26" Conveyer Width	Per Unit	\$1,800.00
Automatic Conveyer Broiler 20-26" Conveyer Width	Per Unit	\$1,600.00
Energy Star Combination Oven <15 Pans	Per Unit	\$650.00
Energy Star Combination Oven ≥30 Pans	Per Unit	\$750.00
Energy Star Combination Oven 15 < 30 Pans	Per Unit	\$750.00
Energy Star Steamer 10 Pans	Per Unit	\$2,000.00
Energy Star Steamer 12 Pans	Per Unit	\$2,400.00
Energy Star Steamer 3 Pans	Per Unit	\$600.00
Energy Star Steamer 4 Pans	Per Unit	\$800.00
Energy Star Steamer 5 Pans	Per Unit	\$1,000.00
Energy Star Steamer 6 Pans	Per Unit	\$1,200.00
Energy Star Steamer 8 Pans	Per Unit	\$1,600.00
Energy Star Conveyer Oven ≥25 Inches	Per Unit	\$750.00
Cooktop Cooking Efficiency, ≥43%	Per Unit	\$100.00
Energy Star Convection Oven Double Deck	Per Unit	\$300.00
Energy Star Convection Oven Single Deck	Per Unit	\$150.00
ENERGY STAR Dishwasher, High Temperature Multi-Tank Conveyer, Electric Building - Gas Booster	Per Unit	\$250.00
ENERGY STAR Dishwasher, High Temperature Multi-Tank Conveyer, Gas Building - Electric Booster	Per Unit	\$500.00
ENERGY STAR Dishwasher, High Temperature Multi-Tank Conveyer, Gas Building - Gas Booster	Per Unit	\$1,000.00
ENERGY STAR Dishwasher, High Temperature Pot Pan and Utensil, Electric Building - Gas Booster	Per Unit	\$50.00
ENERGY STAR Dishwasher, High Temperature Pot Pan and Utensil, Gas Building - Electric Booster	Per Unit	\$100.00
ENERGY STAR Dishwasher, High Temperature Pot Pan and Utensil, Gas Building - Gas Booster	Per Unit	\$225.00
ENERGY STAR Dishwasher, High Temperature Single Tank Conveyer, Electric Building - Gas Booster	Per Unit	\$100.00
ENERGY STAR Dishwasher, High Temperature Single Tank Conveyer, Gas Building - Electric Booster	Per Unit	\$200.00
ENERGY STAR Dishwasher, High Temperature Single Tank Conveyer, Gas Building - Gas Booster	Per Unit	\$400.00
ENERGY STAR Dishwasher, High Temperature Stationary Single Tank Door, Electric Building - Gas Booster	Per Unit	\$150.00
ENERGY STAR Dishwasher, High Temperature Stationary Single Tank Door, Gas Building - Electric Booster	Per Unit	\$250.00
ENERGY STAR Dishwasher, High Temperature Stationary Single Tank Door, Gas Building - Gas Booster	Per Unit	\$450.00
ENERGY STAR Dishwasher, High Temperature Under Counter, Electric Building - Gas Booster	Per Unit	\$20.00
ENERGY STAR Dishwasher, High Temperature Under Counter, Gas Building - Electric Booster	Per Unit	\$35.00
ENERGY STAR Dishwasher, High Temperature Under Counter, Gas Building - Gas Booster	Per Unit	\$50.00
ENERGY STAR Dishwasher, Low Temperature Multi-Tank Conveyer, Gas Building	Per Unit	\$500.00
ENERGY STAR Dishwasher, Low Temperature Single Tank Conveyer, Gas Building	Per Unit	\$400.00
ENERGY STAR Dishwasher, Low Temperature Stationary Single Tank Door, Gas Building	Per Unit	\$500.00
ENERGY STAR Dishwasher, Low Temperature Under Counter, Gas Building	Per Unit	\$100.00
Energy Star Fryer Large Vat	Per Unit	\$400.00
Energy Star Fryer Standard	Per Unit	\$500.00
Energy Star Griddle Dual Fuel	Per Unit	\$150.00
Energy Star Griddle Gas	Per Unit	\$100.00
Pressure Fryer Cooking Efficiency, ≥40%	Per Unit	\$400.00
Pre-Rinse Sprayer	Per Unit	\$20.00
Infrared Charbroiler	Per Unit	\$650.00
Infrared Salamander Broiler	Per Unit	\$450.00
Infrared Upright Broiler	Per Unit	\$900.00
DCV - Kitchen	Per Unit	\$600.00
Pasta Cooker	Per Unit	\$600.00
Double Rack Oven	Per Unit	\$650.00
Infrared Rotisserie Oven	Per Unit	\$450.00

3.9.4.5 Targets

Table 49. Participation

	2026	2027	2028	2029
Commercial Food Service	11	11	11	11

Table 50. Annual Savings in Therms

	2026	2027	2028	2029
Commercial Food Service	8,270	8,270	8,270	8,270

Table 51. Program Budget

Budget Category	2026	2027	2028	2029
Incentives	\$8,850	\$8,850	\$8,850	\$8,850
Implementation	\$11,578	\$12,439	\$12,712	\$12,997
Marketing	\$165	\$169	\$173	\$177
Total	\$20,594	\$21,458	\$21,735	\$22,024

Table 52. Cost-Effectiveness

Ratepayer Impact Measure Test	Utility Cost Test	Total Resource Cost Test	Participant Test
0.68	1.88	8.71	5.09

Table 53. Levelized Cost Per Therm Saved

2022	2023	2024	2025
\$0.21	\$0.22	\$0.22	\$0.22

3.10 Proposed Program Details – Market Development Initiative

The goal of the MDI is to expand opportunities for engagement in the energy efficiency industry in the North Shore Gas territory. The MDI works to build the energy efficiency portfolio supplier workforce and provide for diverse business enterprises and Community-Based Organizations (“CBOs”) in developing the skills and capabilities to participate in the delivery of the energy efficiency portfolio.

Duration	Utility Collaboration
January 1, 2026 through December 31, 2029.	Each Illinois utility implements a different MDI approach and separate implementer aligning with the localized market needs. North Shore Gas and Peoples Gas collaborate with the other Illinois utilities and share information.
Target Market	

Underserved job seekers and diverse suppliers looking to engage in energy efficiency.

Offering	Utility Collaboration	Support Summary
Market Development Initiative	Gas-only	Job seekers receive coaching, training, and connections to job opportunities. Diverse suppliers receive coaching, certification support, and connections to implementers to become an implementer and/or Trade Ally.


3.10.1.1 Delivery Strategy

MDI recruits and prepares overlooked job seekers for a job in the Energy Efficiency industry and matches them with energy efficiency employers searching for talent. MDI also recruits, trains, certifies, and grows more diverse suppliers for the Energy Efficiency Programs. MDI partners with local CBOs and agencies to provide job seekers individualized coaching, wrap-around services, and job skills training, we provide energy efficiency training, and upon completion, jobseekers are connected to relevant job openings and energy efficiency program implementation opportunities. In addition, MDI works one-on-one with diverse suppliers supporting them with obtaining their diverse business certification and growing their business through participating in the Energy Efficiency Program.

3.10.1.2 Marketing Strategy

MDI marketing strategy focuses on creating accessible opportunities for job seekers and diverse businesses to enter and succeed in the energy efficiency industry — by providing pathways for them to overcome the barriers and biases faced by underrepresented communities. Strategies include strategic partnerships with organizations/businesses with goals that intersect with the MDI, are already engaging with job seekers and diverse businesses as part of their day-to-day mission, and are leveraging digital and social content and platforms to drive awareness and education.

3.10.1.3 Offering Descriptions

<p>Market Development Initiative</p> 	<p>The MDI improves the diversity and inclusiveness of the Peoples Gas and North Shore Gas energy efficiency portfolio supplier workforce and increases contracting opportunities for diverse business enterprises and CBOs.</p>
---	--

3.11 Portfolio Details

3.11.1 Research and Development

Research and Development (“R&D”) evaluates innovative technologies and projects to possibly include in future programs to achieve additional therm savings. Projects are implemented in collaboration with research organizations, educational institutions, and non-profit organizations.

3.11.2 Market Transformation

Market Transformation (“MT”) is dedicated to fostering innovation and overcoming market barriers to accelerate the adoption of promising, energy-efficient technologies. Through targeted interventions and

collaboration with key stakeholders and other Investor Owned Utilities (IOU), we seek to position these technologies for long-term success, ensuring they become integral components of customer's pathways to decarbonization. Once a technology or approach is market-adoptable, it transitions into the applicable program (e.g., Business and/or Residential).

3.11.3 Evaluation

Reference Section 3.5 Evaluation.

3.11.4 Portfolio Marketing, Education and Outreach

Portfolio Marketing, Education, and Outreach seeks to ensure all customers have the information and resources easily accessible to ensure awareness of, and make informed decisions about, how the Energy Efficiency programs support them on their journey to become more energy efficient. Outreach includes in-field, social, and digital, focusing on under-participating and harder-to-reach customers.

3.11.5 Portfolio Administration

Portfolio Administration includes all other portfolio activities, including but not limited to all portfolio and regulatory data tracking and reporting, portfolio trade ally engagement and support, portfolio oversight, driving innovation, process improvement, strategic planning, IL-TRM and SAG activities, on-bill financing, and internal costs.