



PEOPLES GAS®
ENERGY EFFICIENCY PROGRAM

NORTH SHORE GAS®
ENERGY EFFICIENCY PROGRAM

1st Quarter Report

Program Year 2020 | 01.01.20 – 03.31.20

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ENERGY EFFICIENCY PROGRAM

PORTFOLIO SUMMARY

PEOPLES GAS

The North Shore Gas Company and the Peoples Gas Light and Coke Company provide this qualitative Quarterly Report containing a program brief on Q1 of Program Year 2020, January through March activities. This report is accompanied by the quantitative report, which details the program results from a savings and cost perspective. These reports are provided pursuant to Section 6.6 of the Illinois Energy Efficiency Policy Manual Version 2.0 (effective January 1, 2020).

Through Q1, the Peoples Gas portfolio achieved 19% of the savings goal of 9,291,937 therms.

- Business Program achieved 15% of the savings goal, spending 16% of the budget.
- Residential Program achieved 26% of the savings goal, spending 22% of the budget.
- Income Eligible Program achieved 18% of the savings goal, spending 20% of the budget.
- The Research and Development program has initiated phase II of the venturi steam trap field installation process of this project
- 2020 marketing strategies were applied in Q1 across residential and business programs. Residential program launched a win back email campaign targeting pre-engaged customer leads.
- Through an email and webinar, business customers received tips to help reduce energy usage while their businesses are closed or at reduced occupancy while stay-at-home orders are in place.

Portfolio Summary

Actual Net Therm Savings	1,767,698	Total Low-Income Homes Served	508
Actual Net Therm Savings %	19%	Total Business Projects Completed	135
Actual Net Budget Spend %	19%	Total Residential Projects Completed	2,259
Direct Portfolio Jobs	83	Carbon Reduction (Tons)	9,353

ENVIRONMENTAL IMPACT



2,021
Cars off the road



12,214
Acres of trees planted



1,079
Homes powered



382,343
Propane cylinders for home BBQ's

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ENERGY EFFICIENCY PROGRAM

BUSINESS PROGRAM

COMMERCIAL & INDUSTRIAL

The Commercial and Industrial program seeks to engage customers using 400,000 therms or more per year, within the utility’s territory. The program offers several outreach strategies aimed at reaching top-down and bottom-up stakeholders in delivering program funds to assist in improving the customer’s operations and system reliability.

Q1 2020 YTD Savings

Actual Net Therm Savings 206,464
 Actual Net Therm Savings %8%
 Actual Net Budget Spend %12%
 Actual Completed Projects135

Program Name	Description
Prescriptive and Custom Rebates	Prescriptive rebates are standard incentive amounts for common energy efficiency measures, typically, with deemed energy savings in the Illinois Technical Resource Manual. 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	Rebates are provided towards new building projects or deep renovations, which are designed to exceed regional energy-efficiency code requirements. This is a joint program implemented with partnering utility, ComEd.
Gas Optimization Studies	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	This comprehensive study provides insights into the performance of a facility’s existing energy-using systems. To help facilities perform optimally, this program focuses on identifying no- and low-cost energy-saving operational improvements with a simple payback within 18 months. This is a joint program with ComEd, and an approved 3rd party engineering firm conducts the study.
Engineering Studies	These studies focus on large, custom, capital-intensive energy-saving projects. An in-depth implementation study, investment-grade audit, or process evaluation is provided focused on one process or project. Customers may receive up to \$15,000 to offset the costs of a 3rd Party engineering firm to conduct the study.
Smart Check Studies	This no-cost assessment provides a steam trap survey, pipe insulation audit, and a boiler tune-up. Customers receive a blueprint of low-cost energy efficiency projects at their facility.
Staffing Grant	Customer grant recipients are provided up to \$50,000 to support a full- or part-time employee to oversee the implementation of natural gas efficiency projects that would otherwise not be implemented due to limited staffing.
Strategic Energy Management	Strategic Energy Management engages customers in long-term continuous energy efficiency improvements at their facilities by involving site management, leveraging data, and promoting best practices at the site.

COMMERCIAL & INDUSTRIAL

Program Changes

Enhanced program incentive levels.

Increased steam trap testing and domestic hot water pipe insulation incentives, and reduced boiler incentive levels to incentivize steam trap maintenance in commercial and industrial facilities. The program also waived its three-year testing interval requirement to encourage customers to monitor and detect leaking steam traps early to prevent wasted energy.

Program Challenges

COVID-19 health crisis.

As safety is at the center of all we do at Peoples Gas and North Shore Gas, we took preventive measures as to address the evolving COVID-19 health crisis. The program suspended all in-person customer outreach activities and where possible, postponed to a later date.

Program Successes

Forecast accuracy.

Program savings are in line with forecast expectations.

Focused and targeted outreach.

Scheduled regular checkpoints with three of the largest C&I customers to ensure eligible projects are found and implemented. Customer-focused outreach efforts provided the opportunity to explore a unique custom project that will result in 180,000 therm savings from one of the largest C&I customers.

Expanded Strategic Energy Management program.

On January 28, twelve industrial sector customers graduated from the first Strategic Energy Management cohort offered jointly by Peoples Gas, North Shore Gas, and ComEd. The SEM program rendered a total of 157,196 therm savings in 2019. The graduation ceremony included remarks from Melissa Hulting, Section Chief of the Environmental Protection Agency's ENERGY STAR® Industrial Challenge.

Eight of the 13 customer facilities enrolled in the 2019 SEM cohort have opted to stay enrolled in the alumni 2020 SEM cohort. Whereby existing participants have committed to increasing energy savings and will build on the groundwork already established in 2019 to capitalize on energy conservation. One-on-one meetings with alumni cohort participants occurred in Q1.

Enhanced Trade Ally engagement efforts.

The C&I program continues to strengthen collaboration with its partner Trade Allies, ensuring continued monitoring and feedback where areas of improvement are found.

In Q1, the program team worked with Trade Allies to implement virtual and remote project inspections for project approvals that will serve the program while social distancing and stay-at-home orders are in place.

Launched a combined heat and power (CHP) landing page for our website.

BUSINESS PROGRAM

PUBLIC SECTOR

The Public Sector Program seeks to engage all Public Sector entities that have significant gas usage in aggregate in the utility’s territory. The program offers several outreach initiatives aimed at reaching top-down and bottom-up stakeholders in delivering program funds to assist in improving the customer’s operations and system reliability.

Q1 2020 YTD Savings

- Actual Net Therm Savings181,034
- Actual Net Therm Savings % 16%
- Actual Net Budget Spend %12%
- Actual Completed Projects47

Program Name	Description
Prescriptive and Custom Rebates	Prescriptive rebates are standard incentive amounts for common energy efficiency measures, typically, with deemed energy savings in the Illinois Technical Resource Manual. 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. This is based on the review of several operating parameters that determine energy savings.
New Construction Rebates	Rebates are provided to new buildings or deep renovations, which design beyond regional code requirements to improve the building’s energy efficiency.
Gas Optimization Studies	A GOS provides Customers up to \$15,000 for onsite engineering assistance from a 3rd party engineering firm. A Gas Optimization Study is like an ASHRAE Level 2 Audit to identify Custom and Prescriptive Program Opportunities.
Retro-Commissioning	Offers full-building commissioning through a systematic evaluation of mechanical and electrical systems to help facilities perform optimally. This program focuses on identifying low-cost energy-saving operational improvements with a simple payback within 18 months.
Engineering Studies	Provides customers up to \$15,000 to offset the costs of a 3rd Party engineering firm to perform an implementation study, investment-grade audit, or process evaluation required for large custom, capital-intensive energy-saving projects. This study is typically an in-depth focus on one process or project, not the comprehensive facility review offered through a Gas Optimization Study.
Smart Check Studies	This no-cost assessment provides recipients funding and support for a steam trap survey, pipe insulation audit, and a boiler tune-up to develop a blueprint of low-cost energy efficiency projects at their facility.
Staffing Grant	Staffing Grants provide customer grantees up to \$50,000 to support a full- or part-time employee to oversee the implementation of natural gas efficiency projects that would otherwise not be implemented due to limited staffing.

PUBLIC SECTOR

Program Changes

Enhanced program incentive levels.

Increased steam trap testing and domestic hot water pipe insulation incentives, and reduced boiler incentive levels to incentivize steam trap maintenance in Public Sector facilities. The program also waived its three-year testing interval requirement to encourage customers to monitor and detect leaking steam traps early to prevent wasted energy.

Program Challenges

COVID-19 health crisis.

As safety is at the center of all we do at Peoples Gas and North Shore Gas, we took preventive measures as to address the evolving COVID-19 health crisis. The program suspended all in-person customer outreach activities and where possible, postponed to a later date.

Program cost-effectiveness.

The program is analyzing cost-effective opportunities to increase incentive amounts that can support the Public Sectors program goal spend while balancing therm savings achievement.

Unique sector challenges.

Program challenges experienced in this sector are mostly due to long procurement timelines, leadership changes, and low to no prioritization of budget allotments in support of energy efficiency.

Launched a combined heat and power (CHP) landing page for our website.

PUBLIC SECTOR

Program Successes

Increased Public Sector engagement and program participation.

In Q1, contractors completed over 50 boiler tune-up projects in several Chicago Public Schools at no-cost to the customer and will continue to ramp up once safety protocols and procedures are in place to reduce health risks to our customers and partners. Contractors also completed 12 site assessments conducted at several City of Chicago buildings. The Fleet and Facility Management Office of the City of Chicago obtained a report identifying energy efficiency opportunities for consideration.

The Future Energy Champions initiative.

On February 25, students from the Citizens Climate Lobby, Illinois Institute of Technology Chapter, and the University of Chicago participated in the utility's Future Energy Champions initiative. Students learned how to identify energy efficiency opportunities and use best practices to conduct an energy audit. Students were paired with industry experts from Peoples Gas and ComEd. Together they performed a Level 1 Energy Audit and site assessment at a Chicago Public School facility. The students presented their results to key stakeholders, and their plan has been added to the Chicago Public Schools' planning meetings to schedule project implementation.

Increased Trade Ally partnership.

In Q1, the program team worked with Trade Allies to implement virtual and remote project inspections for project approvals that will serve the program while social distancing and stay-at-home orders are in place.



BUSINESS PROGRAM

SMALL AND MIDSIZE BUSINESS

The Small and Midsize Business Program seeks to engage businesses with an annual gas use below 400,000 therms. Outreach and rebates are designed to support the unique needs of these businesses in improving their operations and reducing their energy costs.



Program Name	Description
Prescriptive and Custom Rebates	<p>Prescriptive rebates are standard incentive amounts for common energy efficiency measures, typically, with deemed energy savings in the Illinois Technical Resource Manual.</p> <p>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. This is based on the review of several operating parameters that determine energy savings.</p>
New Construction Rebates	<p>Rebates are provided to new buildings or deep renovations, which design beyond regional code requirements to improve the building's energy efficiency.</p>

Q1 2020 YTD Savings

Actual Net Therm Savings 295,913
 Actual Net Therm Savings %37%
 Actual Net Budget Spend %41%
 Actual Completed Projects74

SMALL AND MIDSIZE BUSINESS

Program Changes

Enhanced program incentive levels.

Increased steam trap testing and domestic hot water pipe insulation incentives, and reduced boiler incentive levels to incentivize steam trap maintenance in small and midsize facilities.

The program also waived its three-year testing interval requirement to encourage customers to monitor and detect leaking steam traps early to prevent wasted energy.

Program Successes

Forecast accuracy.

In Q1, the program realized 37% of its savings forecast.

Trade Ally re-engagement focused initiatives.

Through Energy Advisor outreach efforts, the program re-engaged previous partner contractors with high volume project submittals, resulting in increased participation and project completions at one customer with several dispersed buildings.

Recognized top-performing Trade Allies that achieved their 2019 project goals with \$1,000 bonuses.

Program Challenges

COVID-19 health crisis.

Through Q1, this program is performing above forecast. As this customer segment may be particularly affected by current business conditions, we will be evaluating the impact of the stay-at-home order.

Additionally, targeted segment outreach is being developed to include possible new approaches to this market through virtual assessments, kits, and other low- and no- touch program offerings.

SINGLE-FAMILY

Residential single-family offerings provide residential customers access to energy efficiency through two paths. The programs are designed to help customers save energy immediately through the direct installation of measures while identifying major upgrades (i.e. furnace or boiler replacement, attic insulation) for future consideration. The Home Energy Jumpstart path includes a direct installation service paired with a home energy assessment. Eligible improvements identified during the Jumpstart visit are eligible for an incentive through the Home Energy Rebate path.

Q1 2020 YTD Savings

Actual Net Therm Savings355,999
 Actual Net Therm Savings % ..26%
 Actual Net Budget Spend % ...12%
 Actual Completed Projects1,148

RESIDENTIAL PROGRAM SINGLE-FAMILY OFFERING

Program Name	Description
Home Energy Jumpstart	Offers energy-saving products installed in homes at no-cost to the customer. The Home Energy Jumpstart program is a joint program offering provided in partnership with the 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.
Home Energy Reports	an opt-out behavioral program that provides residential customers no-cost reports with their energy usage compared to their neighbors. Home Energy Reports offer customers energy conservation tips to help inform energy cost reduction opportunities in their homes and encourage action.
Home Energy Rebate	Provided in collaboration with local Trade Allies. Offers rebates on energy-efficient heating, ventilation, and air conditioning, water heating equipment and qualifies weatherization projects for residential customers.
Elementary Education	The Elementary Education, Super Savers Program is a free energy efficiency education program. 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.

SINGLE-FAMILY OFFERING

HOME ENERGY JUMPSTART

Program Changes

Online scheduling platform.

Began late in 2019 and was well underway for Q1, 2020. In Q1, 213 customers scheduled an online appointment.

New program offerings.

Added a new Honeywell T6 Smart Thermostat option and rolled out leave behind gas kits which include a shower timer, weather stripping and a door sweep.

Program Challenges

COVID-19 health crisis.

At the onset of the COVID-19 health crisis, the program suspended several Earth Week surprises and onsite partner outreach efforts. Social distancing guidelines and stay-at-home orders resulted in postponing all scheduled Home Energy Jumpstart assessments starting on March 17, 2020.

Suspensions will impact Q2 program forecast, outreach and events, and overall program goal attainment.

HOME ENERGY REPORT

Program Changes

Enhanced reporting cadence.

New for 2020, the Home Energy Report program will send emails to customers year-round, rather than only during the heating season.

Continuance energy-saving tips.

Spring and summer emails will not focus on neighbor comparisons; they will provide ongoing energy-saving tips, promotion of other energy efficiency program offerings, and insights into customers' gas usage throughout the year.

Program Successes

Digital engagement.

Average open rate of 34.3% for email reports in Q1.

Program Challenges

Due to strong savings in Q4 of 2019, the program is currently forecasting below the original 2020 goals, however eligible and active participants will be refreshed before the 2020 heating season to minimize savings shortfall.

The Home Energy Report was put on hold on March 18 due to COVID-19 health crisis. Email reports will resume with appropriate, approved messaging and energy-saving tips in April 2020.

SINGLE-FAMILY OFFERING

HOME ENERGY REBATE

Program Changes

Multi-touch marketing campaigns.

Developed a comprehensive, multi-touch marketing campaigns including reach-back postcards, emails, and leveraged Peoples Gas Facebook to target zip codes based on customer segmentation data, informing them with additional opportunities to save on energy costs. The reach back postcard campaign launched in January 2020. However, the program postponed digital touch strategies in response to the stay-at-home orders.

As of Q1, Heating, Ventilation, and Air Conditioning distributor partners are displaying rebate information in their showrooms.

Modified rebate levels to manage portfolio cost-effectiveness.

Rebate amounts for Hot Water Boilers are now \$350 (down from \$450 in 2019), and Boiler + Integrated Domestic Hot Water Two-in-One Units are now \$500 (down from \$600 in 2019).

Attic insulation rebate requirements for qualifying homes changed to allow homes with existing insulation levels of R-14 or below to participate (compared to R-19 level requirement in 2019).

Program Successes

Forecast accuracy and performance levels.

In Q1, the Home Energy Rebates program was on target with forecast. Weatherization projects are producing higher therm savings per project than forecast largely due to the change in the existing insulation requirements.

Marketing and outreach campaigns.

Conducted 17 outreach events for HVAC contractors and distributors to increase program awareness and encourage the use of rebate offerings. Encouraged contractors to enroll in the online rebate portal for a streamlined rebate processing experience for them and their customers. To better serve the neighborhood and community served by the Peoples Gas utility, the HVAC rebate application is now available in Spanish. A Polish version is in development.

Expedited, efficient, and sustainable Trade Ally rebate application processing.

Program Challenges

The smart thermostat marketplace integration efforts with ComEd and Uplight are on hold as other program options are evaluated. The Illinois Home Performance program was suspended in 2020, eliminating the home energy savings certificate that is leveraged as a sales strategy for weatherization contractors.

SINGLE-FAMILY OFFERING

ELEMENTARY EDUCATION

Program Changes

New kit measure.

In 2020, changes to the student take-home kits include a new Furnace Whistle Alarm. Designed to sound an alarm when the furnace filter is clogged, indicating a filter indicating a filter change is needed to improve efficiency and air quality.

Program Challenges

COVID-19 health crisis.

Forecast underperformance due to COVID-19 health crisis and stay-at-home orders resulting in school closures. The program is forecasting to be under goal by 10,800 kits, or 30% with the closure of all schools in the service territory.

Furthermore, the program is developing multiple plans to implement the program in Fall 2020 if the COVID-19 health crisis impacts the Fall semester.



MULTI-FAMILY

The Residential Multi-Family program offers a comprehensive program of assessments, direct install, prescriptive and custom, and partner Trade Ally projects. The Multi-Family program is a joint offering with ComEd.

RESIDENTIAL PROGRAM MULTI-FAMILY OFFERINGS

Program Name	Description
Multi-Family Energy Jumpstart	Offers free direct installation of energy-saving measures for Multi-Family buildings.
Prescriptive and Custom Rebates	Prescriptive rebates are standard incentive amounts for common types of energy efficiency measures. Custom incentives are awarded for the non-standard technologies or for projects that do not include a one-for-one replacement. This is based on the review of several operating parameters that determine energy savings.
Gas Optimization	Analysis of energy-using systems to identify no- and low-cost improvements to achieve natural gas savings.
New Construction Prescriptive and Custom Rebates	Incentives are provided for new construction that surpasses the region's building codes to improve energy efficiency.

Q1 2020 YTD Savings

Actual Net Therm Savings471,104

Actual Net Therm Savings % ..26%

Actual Net Budget Spend % ...35%

Actual Completed Projects1,111

RESIDENTIAL PROGRAM

MULTI-FAMILY OFFERINGS

Program Changes

Enhanced incentive levels.

Minimum incentive levels for domestic hot water recirculating pump controllers increased to a \$1,750 minimum incentive for the Partner Trade Ally Program. Incentives for boiler replacements were reduced due to cost-effectiveness.

New kit measure.

In 2020, the program introduced a shower timer as a leave behind for tenants receiving direct install.

Program Successes

Forecast accuracy.

The program is on track to meet the 2020 program goal.

New program fact sheets.

Developed new fact sheets for pipe insulation and steam trap measures.

Trade Ally and partner associations engagement.

The program maintains partnerships with Chicago Apartment Association and the Rogers Park Builder's Group.

Trade Allies are benefiting from having a designated staff member to assist with program applications and field visits.

Program Challenges

COVID-19 health crisis.

Due to COVID-19 health crisis, specific measures such as steam traps, which require tenant-unit access, are not being realized in Q1.

Trade Allies have voiced concern that customers may not follow through with pipeline projects due to COVID-19 health concerns.

INCOME ELIGIBLE PROGRAM

Income Eligible programs target the underserved income eligible market, providing services designed to make it easy for single-family and multi-family income eligible customers to take advantage of cost-effective energy saving retrofits.

Q1 2020 YTD Savings

Actual Net Therm Savings257,184
 Actual Net Therm Savings %18%
 Actual Net Budget Spend %20%
 Actual Completed Projects508

INCOME ELIGIBLE PROGRAM

Program Name	Description
Illinois Home Weatherization Assistance Program (IHWAP)	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.
Income Eligible (IEMS)	Building owners receive free technical assistance to identify energy efficiency opportunities and install measures. Expenses are fully covered by the program, from the direct installation of energy efficiency products into tenants' units (light bulbs, aerators, showerheads, etc.), to common area measures, and more extensive measures requiring building owner co-pay. This program is a joint utility program offerings.
Public Housing (PHES)	Offers prescriptive and custom rebates for gas measures in housing owned by Public Housing Authorities. This program is a joint utility offering.
Affordable Housing New Construction	Works with affordable housing developers to integrate energy efficiency best practices into rehab and new construction plans of Multi-Family and Single-Family buildings.
Income Eligible Weatherization	Offers direct install products and no-cost weatherization services for Income-Eligible Single-Family home customers. It is delivered jointly with ComEd, and outreach and intake are performed by the Chicago Bungalow Association (CBA).
Multi-Family Income Eligible	A Peoples Gas only offering, delivered by vetted Partner Trade Allies. Trade Allies are given higher rebate amounts to serve geographically income-eligible customers with retrofit measures.
Income Eligible Gas Kits	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 Eligible Home Energy Assistance Program (LIHEAP).

INCOME ELIGIBLE PROGRAM

Q1 PROGRAM OFFERING SAVINGS

Program	Net Therms Achieved	% of Annual Goal	Total Spend	% of Annual Spend	# of Participants
Illinois Home Weatherization Assistance Program (IHWAP)	15,122	50%	\$135,249	31%	29
Income Eligible (IEMS)	39,898	26%	\$275,266	25%	42
Public Housing (PHES)	3,873	5%	\$105,645	23%	1
Affordable Housing New Construction	7,790	18%	\$39,814	23%	1
Income Eligible Weatherization	89,935	28%	\$1,027,830	24%	235
Multi-Family Income Eligible	1,00,566	20%	\$151,340	15%	57
Income Eligible Gas Kits	0	0%	\$0	0%	0

INCOME ELIGIBLE PROGRAM

MULTI-FAMILY INCOME ELIGIBLE

Program Changes

New Trade Ally application.

In Q1, the program launched a new Trade Ally Application. As a new program offering, the incentive levels increased for all retrofit measures.

Program Successes

Forecast accuracy.

The program is trending above initial forecast expectations.

Program launch and coordination.

Trade Allies began enrolling projects into the program within one day of completing the rollout and training. Partner Trade Allies are directly leading outreach for the program. The program coordinates with other Peoples Gas and North Shore Gas energy efficiency programs to identify qualified customers.

Program Challenges

COVID-19 health crisis.

Due to the COVID-19 health crisis, and stay-at-home orders, tenant-unit measures such as steam traps may not realize in 2020.

INCOME ELIGIBLE GAS KIT

Program Changes

The Income Eligible Gas Kit Program 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 Eligible Home Energy Assistance Program (LIHEAP).

Kit measures include: 1.5 gallons per minute chrome showerhead; 1.5 gallons per minute kitchen aerator; 1.5 gallons per minute bath aerator; Weather-stripping (17' closed-cell foam); Switch and outlet gaskets (10 each).

The program is a continuation of the 2019 pilot kit program launched in Q4. The program will send out 20,000 kits compared to the 10,000 kits originally forecasted in Q3 of 2020 and is on track to meet or exceed the program goal.

INCOME ELIGIBLE PROGRAM

IHWAP (ILLINOIS HOME WEATHERIZATION ASSISTANCE PROGRAM)

Program Changes

Improved implementation guidelines.

The program improved implementation guidelines for contractors on the program's cost-effectiveness. Resource Innovations, as the implementor of the program provided agencies measure level guidelines for better project scoping. Rather than identifying projects and offerings needed per home, they were asked to identify cost-effective measures in the homes that would yield more savings and less costs.

Program Successes

Streamlined program coordination.

The Illinois Department of Commerce and Economic Opportunity is funding agencies to keep staff afloat throughout the COVID-19 health crisis. Coordination efforts with program stakeholders are key to the program's success. Resource Innovations and Agencies are coordinating and collaborating on these efforts on an ongoing basis, hosting virtual meetings to maintain open lines of communication, transparency, ensuring momentum.

Program Challenges

COVID-19 health crisis.

While social distancing and stay-at-home orders are in place goal attainment will be a challenge. As of the latest forecast, the program savings is expected to achieve 80-90% of the goal.

IEMS/PHES PROGRAM

Program Changes

NA.

Program Successes

Forecast on track.

In Q1, program savings exceeded forecast. However, with the COVID-19 health crisis, the savings forecast for 2020 may be impacted.

Program Challenges

COVID-19 health crisis.

Despite a healthy pipeline of projects, while social distancing and stay-at-home orders are in place, it may impact program goal attainment. From contractor staff on the field, material availability, customer reluctance to allow contractors in their homes, to name a few. The program team continues to engage its partners and contractors to evaluate low- and no-touch opportunities. The program team is taking active steps in developing a mitigation plan.

All emergency situations are assessed on a case by case basis. There are guidelines followed by all agencies/contractors to make sure when visiting a home they are following certain precautionary measures. An emergency case is approved depending on severity of the health and safety concerns for the customer; for example, if they will be without hot water, it is likely to be approved.

INCOME ELIGIBLE PROGRAM

AFFORDABLE HOUSING NEW CONSTRUCTION

Program Changes

NA.

Program Successes

Forecast accuracy.

The AHNC program will meet the savings goal for the year. Resulting from a healthy pipeline obtained in 2019. A significant portion of those projects is estimated to complete in Q1, Q3, and Q4 of 2020.

Program Challenges

COVID-19 health crisis.

Social distancing, stay-at-home orders, and latent effects on customer's ability to complete pipeline projects will impact savings goal attainment.

INCOME ELIGIBLE WEATHERIZATION

Program Changes

Exploring savings opportunities.

The program will be completing a small number of attic energy efficiency improvements, which are already insulated to R19-30. The program will be assessing additional home energy efficiency improvements with other savings opportunities to maintain cost-effectiveness.

Program Successes

Forecast accuracy.

Despite social distancing guidelines, stay-at-home orders, and halting onsite project fieldwork, program savings are presently at 27% of the goal.

Established partner relationships.

CBA has an established reputation in many Chicago neighborhoods. They have recently focused outreach on increasing their presence in the Latinx community. CBA maintains its rapport with several council members on the Chicago City Council, to promote the program. The Trade Ally supporting the program has expressed its contentment and transparent communication with the program.

Program Challenges

COVID-19 health crisis.

The program is on track to meet savings goal. However, this is dependent on the latent effects caused by social distancing guidelines and stay-at-home orders.

BREAKTHROUGH EQUIPMENT & DEVICES

Program Changes

- We increased funding going to Market Transformation to take advantage of the opportunities they afford. To do this, we reduced our budget of energy efficiency funds going towards our continued support of the Gas Technology Institute Utilization Technology Program.
- Shifted the Art Institute of Chicago dehumidification optimization project with a machine learning system to programs extending to the entirety of the Art Institute.
- Created a new Combined Heat and Power landing page that will be ready to go live in the next quarter.
- Created a new residential fact sheet showcasing gas heat pump (GHP) energy savings advantages in space heating applications profiling GHP energy and carbon benefits.
- Moving the venturi steam trap project into a field pilot with installations in three separate facilities. The initial focus is on commercial laundries with joint project participants (Nicor and SoCal Gas) doing field installation in other C&I facilities. These installations, in combination with new TRM measures, will help inform Trade Allies of its value.
- The Illinois Home Performance ended in Q4 of 2019.

Program Successes

The Commercial Food Service pilot project exceeded its rebate goals getting more participation than anticipated.

Research and development evaluate innovative technologies and projects for possible future inclusion in programs to achieve additional therm savings. Projects are implemented in collaboration with research organizations, educational institutions, and non-profit organizations. This team is also engaged in market transformation activities to shift the market to greater adoption of energy-efficient technologies. Market Transformation initiatives are expanding new project launches and existing projects as joint IOU MT initiatives.

MARKETING AND OUTREACH

Residential Program

Home Energy Jumpstart—Outreach Activities

- Participated in 29 community hosted events.
- Captured 248 customer leads.
- Engaged more than 350 customers.

Business Program

Business—Future Energy Champions Audit and Presentation

College students were equipped with branded PPE to conduct an energy audit.

Students were given \$250 gift cards towards their education in energy efficiency, a certificate of completion, a thank you letter signed by the Chicago Public Schools and Peoples Gas, a branded shirt, and a gift basket filled with eco-friendly products.

Business—Strategic Energy Management Graduation

Recognized several businesses for their program participation and energy saving success. The following companies received awards:

- American Zinc Recycling
- Tootsie Roll





NORTH SHORE GAS[®]
ENERGY EFFICIENCY PROGRAM

PORTFOLIO SUMMARY

NORTH SHORE GAS

The North Shore Gas Company and the Peoples Gas Light and Coke Company provide this qualitative Quarterly Report containing a program brief on Q1 of Program Year 2020 (January through March) activities. This report is accompanied by the quantitative report, which details the program results from a savings and cost perspective. These reports are provided pursuant to Section 6.6 of the Illinois Energy Efficiency Policy Manual Version 2.0 (effective January 1, 2020).

Through Q1, the North Shore Gas portfolio achieved 16% of the savings goal of 1,771,603 therms.

- Business Program achieved 6% of the savings goal, spending 13% of the budget.
- Residential Program achieved 33% of the savings goal, spending 12% of the budget.
- Income Eligible Program achieved 3% of the savings goal, spending 3% of the budget.
- The Research and Development program has initiated phase II of the venturi steam trap field installation process of this project
- 2020 marketing strategies were applied in Q1 across residential and business programs. Residential program launched a win back email campaign targeting pre-engaged customer leads.
- Through an email and webinar, business customers received tips to help reduce energy usage while their businesses are closed or at reduced occupancy while stay-at-home orders are in place.

Portfolio Summary

Actual Net Therm Savings	278,959
Actual Net Therm Savings %	16%
Actual Net Budget Spend %	11%
Direct Portfolio Jobs	12

Total Low-Income Homes Served	5
Total Business Projects Completed	22
Total Residential Projects Completed	568
Carbon Reduction (Tons)	1,476

ENVIRONMENTAL IMPACT



319

Cars off the road



1,928

Acres of trees planted



170

Homes powered



60,337

Propane cylinders for home BBQ's

NORTH SHORE GAS
ENERGY EFFICIENCY PROGRAM

BUSINESS PROGRAM

COMMERCIAL & INDUSTRIAL

The Commercial and Industrial program seeks to engage customers using 400,000 therms or more per year, within the utility's territory. The program offers several outreach strategies aimed at reaching top-down and bottom-up stakeholders in delivering program funds to assist in improving the customer's operations and system reliability.

Q1 2020 YTD Savings

Actual Net Therm Savings254
 Actual Net Therm Savings %0%
 Actual Net Budget Spend %9%
 Actual Completed Projects1

Program Name	Description
Prescriptive and Custom Rebates	Prescriptive rebates are standard incentive amounts for common energy efficiency measures, typically, with deemed energy savings in the Illinois Technical Resource Manual. 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	Rebates are provided towards new building projects or deep renovations, which are designed to exceed regional energy-efficiency code requirements. This is a joint program implemented with partnering utility, ComEd.
Gas Optimization Studies	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	This comprehensive study provides insights into the performance of a facility's existing energy-using systems. To help facilities perform optimally, this program focuses on identifying no- and low-cost energy-saving operational improvements with a simple payback within 18 months. This is a joint program with ComEd, and an approved 3rd party engineering firm conducts the study.
Engineering Studies	These studies focus on large, custom, capital-intensive energy-saving projects. An in-depth implementation study, investment-grade audit, or process evaluation is provided focused on one process or project. Customers may receive up to \$15,000 to offset the costs of a 3rd Party engineering firm to conduct the study.
Smart Check Studies	This no-cost assessment provides a steam trap survey, pipe insulation audit, and a boiler tune-up. Customers receive a blueprint of low-cost energy efficiency projects at their facility.
Staffing Grant	Customer grant recipients are provided up to \$50,000 to support a full- or part-time employee to oversee the implementation of natural gas efficiency projects that would otherwise not be implemented due to limited staffing.
Strategic Energy Management	Strategic Energy Management engages customers in long-term continuous energy efficiency improvements at their facilities by involving site management, leveraging data, and promoting best practices at the site.

COMMERCIAL & INDUSTRIAL

Program Changes

Enhanced program incentive levels.

Increased steam trap testing and domestic hot water pipe insulation incentives, and reduced boiler incentive levels to incentivize steam trap maintenance in commercial and industrial facilities. The program also waived its three-year testing interval requirement to encourage customers to monitor and detect leaking steam traps early to prevent wasted energy.

Program Challenges

COVID-19 health crisis.

As safety is at the center of all we do at Peoples Gas and North Shore Gas, we took preventive measures as to address the evolving COVID-19 health crisis. The program suspended all in-person customer outreach activities and where possible, postponed to a later date.

Program Successes

Forecast accuracy.

Program savings are in line with forecast expectations.

Large pipeline projects.

We have a significant pipeline of confirmed projects for industrial customers representing up to 880k therm savings. Scheduled meetings with several large customers were held to reintroduce new staff and to build program relationships to ensure that eligible projects are identified early and receive program support.

Expanded Strategic Energy Management program.

On January 28, twelve industrial sector customers graduated from the first Strategic Energy Management cohort offered jointly by Peoples Gas, North Shore Gas, and ComEd. The SEM program rendered a total of 165,787 therm savings in 2019. The graduation ceremony included remarks from Melissa Hulting, Section Chief of the Environmental Protection Agency's ENERGY STAR® Industrial Challenge. Five of the 13 customer facilities enrolled in the 2019 SEM cohort have opted to stay enrolled in the alumni 2020 SEM cohort. Whereby existing participants have committed to increasing energy savings and will build on the groundwork already established in 2019 to capitalize on energy conservation. One-on-one meetings with alumni cohort participants occurred in Q1.

Enhanced Trade Ally engagement efforts.

The C&I program continues to strengthen collaboration with its partner Trade Allies, ensuring continued monitoring and feedback where areas of improvement are found. In Q1, the program team worked with Trade Allies to implement virtual and remote project inspections for project approvals that will serve the program while social distancing and stay-at-home orders are in place.

Launched a combined heat and power (CHP) landing page for our website.

BUSINESS PROGRAM

PUBLIC SECTOR

The Public Sector Program seeks to engage all Public Sector entities that have significant gas usage in aggregate in the utility's territory. The program offers several outreach initiatives aimed at reaching top-down and bottom-up stakeholders in delivering program funds to assist in improving the customer's operations and system reliability.

Q1 2020 YTD Savings

Actual Net Therm Savings4,982

Actual Net Therm Savings %2%

Actual Net Budget Spend %6%

Actual Completed Projects2

Program Name	Description
Prescriptive and Custom Rebates	Prescriptive rebates are standard incentive amounts for common energy efficiency measures, typically, with deemed energy savings in the Illinois Technical Resource Manual. 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. This is based on the review of several operating parameters that determine energy savings.
New Construction Rebates	Rebates are provided to new buildings or deep renovations, which design beyond regional code requirements to improve the building's energy efficiency.
Gas Optimization Studies	A GOS provides Customers up to \$15,000 for onsite engineering assistance from a 3rd party engineering firm. A Gas Optimization Study is like an ASHRAE Level 2 Audit to identify Custom and Prescriptive Program Opportunities.
Retro-Commissioning	Offers full-building commissioning through a systematic evaluation of mechanical and electrical systems to help facilities perform optimally. This program focuses on identifying low-cost energy-saving operational improvements with a simple payback within 18 months.
Engineering Studies	Provides customers up to \$15,000 to offset the costs of a 3rd Party engineering firm to perform an implementation study, investment-grade audit, or process evaluation required for large custom, capital-intensive energy-saving projects. This study is typically an in-depth focus on one process or project, not the comprehensive facility review offered through a Gas Optimization Study.
Smart Check Studies	This no-cost assessment provides recipients funding and support for a steam trap survey, pipe insulation audit, and a boiler tune-up to develop a blueprint of low-cost energy efficiency projects at their facility.
Staffing Grant	Staffing Grants provide customer grantees up to \$50,000 to support a full- or part-time employee to oversee the implementation of natural gas efficiency projects that would otherwise not be implemented due to limited staffing.

PUBLIC SECTOR

Program Changes

Enhanced program incentive levels.

Increased steam trap testing and domestic hot water pipe insulation incentives, and reduced boiler incentive levels to incentivize steam trap maintenance in Public Sector facilities. The program also waived its three-year testing interval requirement to encourage customers to monitor and detect leaking steam traps early to prevent wasted energy.

Program Challenges

COVID-19 health crisis.

As safety is at the center of all we do at Peoples Gas and North Shore Gas, we took preventive measures as to address the evolving COVID-19 health crisis. The program suspended all in-person customer outreach activities and where possible, postponed to a later date.

Unique sector challenges.

Program challenges experienced in this sector are mostly due to long procurement timelines, leadership changes, and low to no prioritization of budget allotments in support of energy efficiency.

Program Successes

Increased Public Sector engagement and program participation.

Engaged several school districts to participate in energy efficiency programs to identify low- and no-cost measures.

Established a network of building engineers that directly support public schools.

The program team dedicated time to raising program awareness and setting up strategic discussions. As a result of these established relationships, several site visits were scheduled with six districts and projects continue to be identified and funded through the energy efficiency incentive programs.

Increased Trade Ally partnership.

Engagement with trade allies during the changing landscape of the current health crisis has allowed program modifications to occur to support the ongoing work of the program. Based on input from trade allies in Q1 after stay-at-home orders were issued, the process for project approvals was changed to allow for virtual and remote project inspections.

This change allowed for continued momentum on projects that were already in progress. Feedback on this change has been positive with one trade ally partner sharing that this flexibility in the approvals process for a large project application was a major help for their business as much of their other work had come to a halt.

Launched a combined heat and power (CHP) landing page for our website.

BUSINESS PROGRAM

SMALL AND MIDSIZE BUSINESS

The Small and Midsize Business Program seeks to engage businesses with an annual gas use below 400,000 therms. Outreach and rebates are designed to support the unique needs of these businesses in improving their operations and reducing their energy costs.



Q1 2020 YTD Savings

- Actual Net Therm Savings52,937
- Actual Net Therm Savings %71%
- Actual Net Budget Spend %107%
- Actual Completed Projects19

Program Name	Description
Prescriptive and Custom Rebates	<p>Prescriptive rebates are standard incentive amounts for common energy efficiency measures, typically, with deemed energy savings in the Illinois Technical Resource Manual.</p> <p>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. This is based on the review of several operating parameters that determine energy savings.</p>
New Construction Rebates	<p>Rebates are provided to new buildings or deep renovations, which design beyond regional code requirements to improve the building's energy efficiency.</p>

SMALL AND MIDSIZE BUSINESS

Program Changes

Enhanced program incentive levels.

Increased steam trap testing and domestic hot water pipe insulation incentives, and reduced boiler incentive levels to incentivize steam trap maintenance in small and midsize facilities.

The program also waived its three-year testing interval requirement to encourage customers to monitor and detect leaking steam traps early to prevent wasted energy.

Program Successes

Trade Ally re-engagement focused initiatives.

Through Energy Advisor outreach efforts, the program re-engaged previous partner contractors with high volume project submittals, resulting in increased participation and project completions at one customer with several dispersed buildings.

Recognized top-performing Trade Allies that achieved their 2019 project goals with \$1,000 bonuses.

Program Challenges

COVID-19 health crisis.

Through Q1, this program is performing below forecast. As this customer segment may be particularly affected by current business conditions, we will be evaluating the impact of the stay-at-home order.

Additionally, targeted segment outreach is being developed to include possible new approaches to this market through virtual assessments, kits, and other low- and no- touch program offerings.

SINGLE-FAMILY

Residential single-family offerings provide residential customers access to energy efficiency through two paths. The programs are designed to help customers save energy immediately through the direct installation of measures while identifying major upgrades (i.e. furnace or boiler replacement, attic insulation) for future consideration. The Home Energy Jumpstart path includes a direct installation service paired with a home energy assessment. Eligible improvements identified during the Jumpstart visit are eligible for an incentive through the Home Energy Rebate path.

Q1 2020 YTD Savings

Actual Net Therm Savings214,406
 Actual Net Therm Savings % .. 33%
 Actual Net Budget Spend % ...9%
 Actual Completed Projects478

RESIDENTIAL PROGRAM SINGLE-FAMILY OFFERINGS

Program Name	Description
Home Energy Jumpstart	Offers energy-saving products installed in homes at no-cost to the customer. The Home Energy Jumpstart program is a joint program offering provided in partnership with the 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.
Home Energy Reports	an opt-out behavioral program that provides residential customers no-cost reports with their energy usage compared to their peers. Home Energy Reports offer customers energy conservation tips to help inform energy cost reduction opportunities in their homes and encourage action.
Home Energy Rebate	Provided in collaboration with local Trade Allies. Offers rebates on energy-efficient heating, ventilation, and air conditioning, water heating equipment and qualifies weatherization projects for residential customers.
Elementary Education	The Elementary Education, Super Savers Program is a free energy efficiency education program. 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.

SINGLE-FAMILY OFFERINGS

HOME ENERGY JUMPSTART

Program Changes

Online scheduling platform.

Began late in 2019 and was well underway for Q1, 2020. In Q1, 77 customers scheduled an online appointment.

New program offerings.

Added a new Honeywell T6 Smart Thermostat option and rolled out leave behind gas kits which include a shower timer, weather stripping and a door sweep.

Program Challenges

COVID-19 health crisis.

At the onset of the COVID-19 health crisis, the program suspended several Earth Week surprises and onsite partner outreach efforts. Social distancing guidelines and stay-at-home orders resulted in postponing all scheduled Home Energy Jumpstart assessments starting on March 17, 2020.

Suspensions will impact Q2 program forecast, outreach and events, and overall program goal attainment.

HOME ENERGY REPORT

Program Changes

Enhanced reporting cadence.

New for 2020, the Home Energy Report program will send emails to customers year-round, rather than only during the heating season.

Continuance energy-saving tips.

Spring and summer emails will not focus on neighbor comparisons; they will provide ongoing energy-saving tips, promotion of other energy efficiency program offerings, and insights into customers' gas usage throughout the year.

Program Successes

Digital engagement.

Average open rate of 44.3% for email reports in Q1.

Program Challenges

Due to strong savings in Q4 of 2019, the program is currently forecasting below the original 2020 goals, however eligible and active participants will be refreshed before the 2020 heating season to minimize savings shortfall.

The Home Energy Report was put on hold on March 18 due to COVID-19 health crisis. Email reports will resume with appropriate, approved messaging and energy-saving tips in April 2020.

SINGLE-FAMILY OFFERINGS

HOME ENERGY REBATE

Program Changes

Increased partnerships with HVAC distributors.

As of Q1, Heating, Ventilation, and Air Conditioning distributor partners are displaying rebate information in their showrooms.

Modified rebate levels to manage portfolio cost-effectiveness.

Rebate amounts for Hot Water Boilers are now \$350 (down from \$450 in 2019), and Boiler + Integrated Domestic Hot Water Two-in-One Units are now \$500 (down from \$600 in 2019).

Attic insulation rebate requirements for qualifying homes changed to allow homes with existing insulation levels of R-14 or below to participate (compared to R-19 level requirement in 2019).

Program Successes

Forecast accuracy and performance levels.

In Q1, the Home Energy Rebates program was on target with forecast. Weatherization projects are producing higher therm savings per project than forecast largely due to the change in the existing insulation requirements.

Marketing and outreach campaigns.

Conducted 17 outreach events for HVAC contractors and distributors to increase program awareness and encourage the use of rebate offerings. Encouraged contractors to enroll in the online rebate portal for a streamlined rebate processing experience for them and their customers. To better serve the neighborhood and community served by the North Shore Gas utility, the HVAC rebate application is now available in Spanish. A Polish version is in development.

Expedited, efficient, and sustainable Trade Ally rebate application processing.

Program Challenges

The smart thermostat marketplace integration efforts with ComEd and Uplight are on hold as other program options are evaluated. The Illinois Home Performance program was suspended in 2020, eliminating the home energy savings certificate that is leveraged as a sales strategy for weatherization contractors.

SINGLE-FAMILY OFFERINGS

ELEMENTARY EDUCATION

Program Changes

New kit measure.

In 2020, changes to the student take-home kits include a new Furnace Whistle Alarm. Designed to sound an alarm when the furnace filter is clogged, indicating a filter indicating a filter change is needed to improve efficiency and air quality.

Program Challenges

COVID-19 health crisis.

Forecast underperformance due to COVID-19 health crisis and stay-at-home orders resulting in school closures. The program is forecasting to be slightly under goal due to the closure of all schools in the service territory.

Furthermore, the program is developing multiple plans to implement the program in Fall 2020 if the COVID-19 health crisis impacts the Fall semester.



MULTI-FAMILY

The Residential Multi-Family program offers a comprehensive program of assessments, direct install, prescriptive and custom, and partner Trade Ally projects. The Multi-Family program is a joint offering with ComEd.

RESIDENTIAL PROGRAM MULTI-FAMILY OFFERINGS

Program Name	Description
Multi-Family Energy Jumpstart	Offers free direct installation of energy-saving measures for Multi-Family buildings.
Prescriptive and Custom Rebates	Prescriptive rebates are standard incentive amounts for common types of energy efficiency measures. Custom incentives are awarded for the non-standard technologies or for projects that do not include a one-for-one replacement. This is based on the review of several operating parameters that determine energy savings.
Gas Optimization	Analysis of energy-using systems to identify no- and low-cost improvements to achieve natural gas savings.
New Construction Prescriptive and Custom Rebates	Incentives are provided for new construction that surpasses the region’s building codes to improve energy efficiency.

Q1 2020 YTD Savings

Actual Net Therm Savings4,110
 Actual Net Therm Savings % ..15%
 Actual Net Budget Spend % ...54%
 Actual Completed Projects90

RESIDENTIAL PROGRAM

MULTI-FAMILY OFFERINGS

Program Changes

Enhanced incentive levels.

Minimum incentive levels for domestic hot water recirculating pump controllers increased to a \$1,750 minimum incentive for the Partner Trade Ally Program. Incentives for boiler replacements were reduced due to cost-effectiveness.

New kit measure.

In 2020, the program introduced a shower timer as a leave behind for tenants receiving direct install.

Program Successes

Forecast accuracy.

The program is on track to meet or exceed the 2020 program goal. The program is nearly at its annual goal due to a large suburban property that needed programmable thermostats on all their furnaces.

New program fact sheets.

Developed new fact sheets for pipe insulation and steam trap measures.

Trade Ally and partner associations engagement.

The program maintains partnerships with the Lake County Property Investors Association.

Trade Allies are benefiting from having a designated staff member to assist with program applications and field visits.

Program Challenges

COVID-19 health crisis.

Due to COVID-19 health crisis, specific measures such as steam traps, which require tenant-unit access, are not being realized in Q1.

Trade Allies have voiced concern that customers may not follow through with pipeline projects due to COVID-19 health concerns.

INCOME ELIGIBLE PROGRAM

Income Eligible programs target the underserved income eligible market, providing services designed to make it easy for single-family and multi-family income eligible customers to take advantage of cost-effective energy saving retrofits.

INCOME ELIGIBLE PROGRAM

Program Name	Description
Illinois Home Weatherization Assistance Program (IHWAP)	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.
Income Eligible Multi-Family Savings (IEMS)	Building owners receive free technical assistance to identify energy efficiency opportunities and install measures. Expenses are fully covered by the program, from the direct installation of energy efficiency products into tenants' units (light bulbs, aerators, showerheads, etc.), to common area measures, and more extensive measures requiring building owner co-pay. These programs are joint utility program offerings.
Affordable Housing New Construction	Works with affordable housing developers to integrate energy efficiency best practices into rehab and new construction plans of Multi-Family and Single-Family buildings.
Income Eligible Gas Kits	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 Eligible Home Energy Assistance Program (LIHEAP).

Q1 2020 YTD Savings

Actual Net Therm Savings 2,270
 Actual Net Therm Savings %3%
 Actual Net Budget Spend %3%
 Actual Completed Projects5

INCOME ELIGIBLE PROGRAM

Q1 PROGRAM OFFERINGS SAVINGS

Program	Net Therms Achieved	% of Annual Goal	Total Spend	% of Annual Spend	# of Participants
Illinois Home Weatherization Assistance Program (IHWAP)	2,675	96%	\$13,452	42%	4
Income Eligible Multi-Family Savings (IEMS)	459	4%	\$7,758	9%	1
Affordable Housing New Construction	0	0%	\$0	0%	0
Income Eligible Gas Kits	0	0%	\$0	0%	0

INCOME ELIGIBLE PROGRAM

INCOME ELIGIBLE GAS KIT

Program Changes

The Income Eligible Gas Kit Program 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 Eligible Home Energy Assistance Program (LIHEAP).

Kit measures include: 1.5 gallons per minute chrome showerhead; 1.5 gallons per minute kitchen aerator; 1.5 gallons per minute bath aerator; Weather-stripping (17' closed-cell foam); Switch and outlet gaskets (10 each).

The program has planned to distribute 5,000 kits in the North Shore Gas territory and is on track to meet or exceed the program goal.

IHWAP (ILLINOIS HOME WEATHERIZATION ASSISTANCE PROGRAM)

Program Changes

Improved implementation guidelines.

The program improved implementation guidelines for contractors on the program's cost-effectiveness. Resource Innovations, as the implementor of the program provided agencies measure level guidelines for better project scoping. Rather than identifying projects and offerings needed per home, they were asked to identify cost effective measures in the homes that would yield more savings and less costs.

Funding realignment.

Program proposed to move North Shore Gas Multi-Family dollars into the North Shore Gas Single-Family budget. The proposal was approved by the utility.

Program Successes

Streamlined program coordination.

The Illinois Department of Commerce and Economic Opportunity is funding agencies to keep staff afloat throughout the COVID-19 health crisis. Coordination efforts with program stakeholders are key to the program's success. Resource Innovations and Agencies are coordinating and collaborating on these efforts on an ongoing basis, hosting virtual meetings to maintain open lines of communication, transparency, ensuring momentum.

Program Challenges

COVID-19 health crisis.

While social distancing and stay-at-home orders are in place goal attainment will be a challenge. As of the latest forecast, the program savings is expected to achieve 80-90% of the goal.

INCOME ELIGIBLE PROGRAM

IEMS PROGRAM

Program Changes

NA.

Program Successes

Forecast on track.

In Q1, program savings exceeded forecast. However, with the COVID-19 health crisis, the savings forecast for 2020 may be impacted.

Program Challenges

COVID-19 health crisis.

Despite a healthy pipeline of projects, while social distancing and stay-at-home orders are in place, it may impact program goal attainment. From contractor staff on the field, material availability, customer reluctance to allow contractors in their homes, to name a few. The program team continues to engage its partners and contractors to evaluate low- and no-touch opportunities. The program team is taking active steps in developing a mitigation plan.

All emergency situations are assessed on a case by case basis. There are guidelines followed by all agencies/contractors to make sure when visiting a home they are following certain precautionary measures. An emergency case is approved depending on severity of the health and safety concerns for the customer; for example, if they will be without hot water, it is likely to be approved.

AFFORDABLE HOUSING NEW CONSTRUCTION

Program Changes

NA.

Program Successes

NA

Program Challenges

COVID-19 health crisis.

Social distancing, stay-at-home orders, and latent effects on customer's ability to complete pipeline projects will impact savings goal attainment. As of Q1, there was one project approval expected to begin construction in 2020 and end in 2021.

BREAKTHROUGH EQUIPMENT & DEVICES

Program Changes

- We increased funding going to Market Transformation to take advantage of the opportunities they afford. To do this, we reduced our budget of energy efficiency funds going towards our continued support of the Gas Technology Institute Utilization Technology Program.
- Shifted the Art Institute of Chicago dehumidification optimization project with a machine learning system to programs extending to the entirety of the Art Institute.
- Created a new Combined Heat & Power landing page that will be ready to go live in the next quarter.
- Created a new residential fact sheet showcasing gas heat pump energy (GHP) savings advantages in space heating applications profiling GHP energy and carbon benefits.
- Moving the venturi steam trap project into a field pilot with installations in three separate facilities. The initial focus is on commercial laundries with joint project participants (Nicor and SoCal Gas) doing field installation in other C&I facilities. These installations, in combination with new TRM measures, will help convince TAs of value.
- The Illinois Home Performance ended in Q4 of 2019.

Program Successes

The Commercial Food Service pilot project exceeded its rebate goals getting more participation than anticipated.

Research and development evaluate innovative technologies and projects for possible future inclusion in programs to achieve additional therm savings. Projects are implemented in collaboration with research organizations, educational institutions, and non-profit organizations. This team is also engaged in market transformation activities to shift the market to greater adoption of energy-efficient technologies. Market Transformation initiatives are expanding new project launches and existing projects as joint IOU MT initiatives.

MARKETING AND OUTREACH

Residential Program

Home Energy Jumpstart—Outreach Activities

Participated in the Community Action Partnership-Energy & Resource Fair and 4 other community events.

- Captured 36 customer leads.
- Scheduled 27 appointments on-site
- Engaged more than 50 customers.

Business Program

Business—Strategic Energy Management Graduation

Recognized several businesses for their program participation and energy saving success. The following companies received awards:

- PQ Corporation
- Vantage Specialty Chemicals



