



PEOPLES GAS[®]
ENERGY EFFICIENCY PROGRAM

NORTH SHORE GAS[®]
ENERGY EFFICIENCY PROGRAM

2nd Quarter Report

Program Year 2022 | 04.01.22 – 06.30.22

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The Peoples Gas Light and Coke Company and North Shore Gas Company provide these qualitative Quarterly Reports containing a program brief on Q2 and cumulative of Program Year 2022 activities. These reports are accompanied by the quantitative reports, which detail the program savings, costs, and results. These reports are provided pursuant to Section 6.6 of the Illinois Energy Efficiency Policy Manual Version 2.0 (effective January 1, 2020).

Data presented in this document is based on preliminary results and is subject to revision and evaluation adjustments.

Q2 Environmental and Community Impact

ENVIRONMENTAL IMPACT

21,623

Acres of trees planted

18,272

Carbon reduction (tons)

3,937

Cars removed from the road

2,301

Homes' energy use offset

COMMUNITY IMPACT

3,495

Residential homes served

7,876

Income qualified homes served

197

Businesses served

103

Direct portfolio jobs



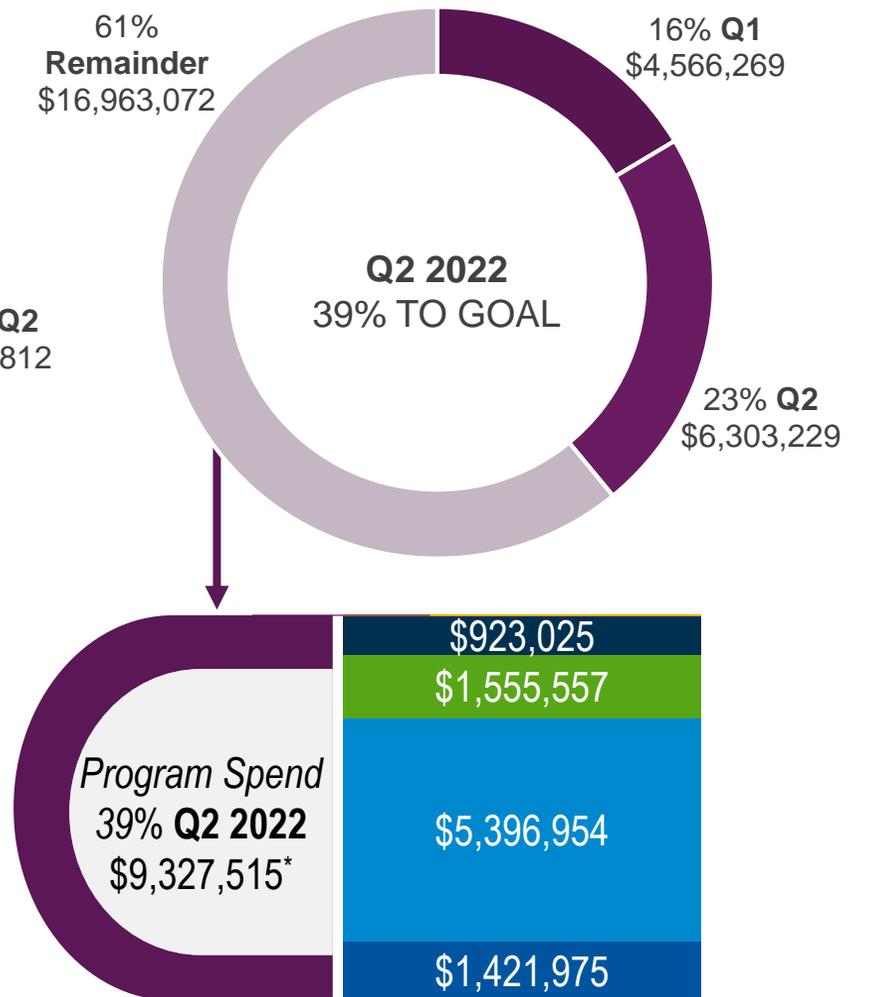
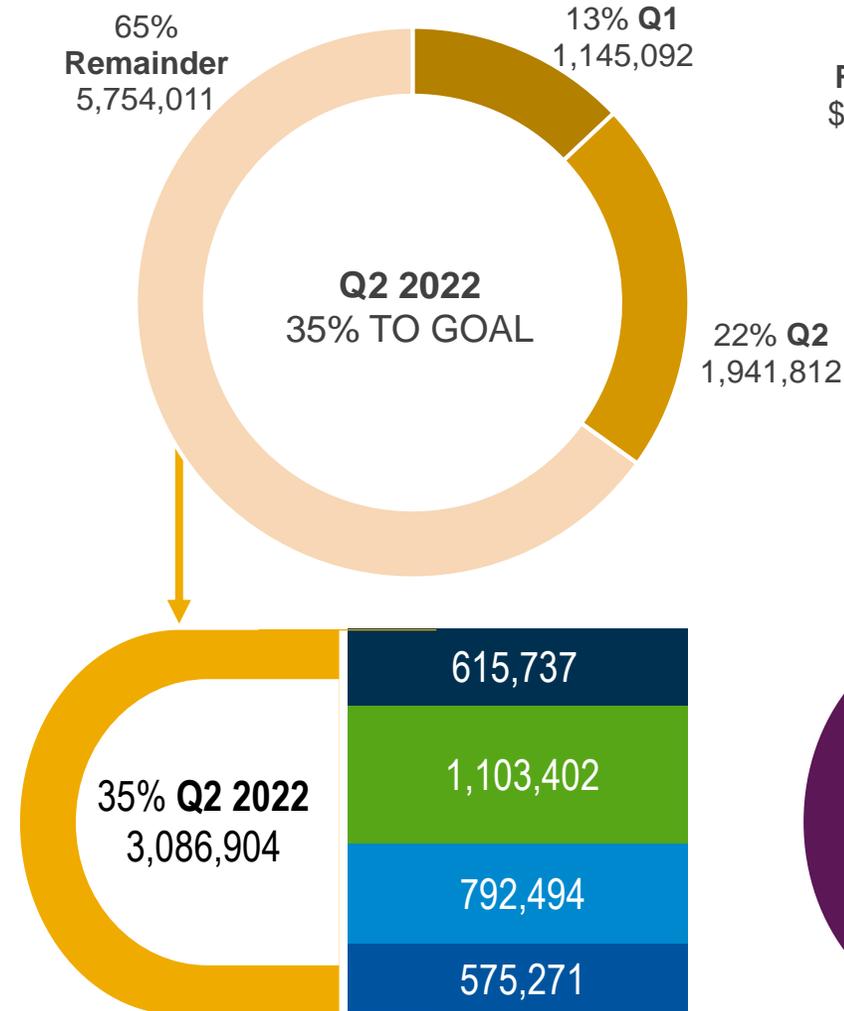
PEOPLES GAS[®]
ENERGY EFFICIENCY PROGRAM

SAVINGS

SPEND

As of Q2 2022, the Peoples Gas portfolio achieved 35% of the savings goal of 8,840,915 therms, spent 39% of the \$23,725,279 program budget, and spent 39% of the \$27,832,571 portfolio budget.

- Public Sector Program achieved 119% of the savings goal, spending 38% of the budget.
- Business Program achieved 29% of the savings goal, spending 27% of the budget.
- Income Eligible Program achieved 35% of the savings goal, spending 47% of the budget.
- Residential Program achieved 25% of the savings goal, spending 38% of the budget.



*Includes \$30,005 in MDI Research

Commercial and 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.

Business Program

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. The review of several operating parameters determines the energy savings.</p>
New Construction Rebates	<p>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.</p>
Gas Optimization Studies	<p>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.</p>
Retro-Commissioning	<p>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.</p>
Engineering Studies	<p>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.</p>
Smart Check Studies	<p>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.</p>
Staffing Grant	<p>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.</p>
Strategic Energy Management	<p>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.</p>

Commercial and Industrial

HIGHLIGHTS

Performance

- ✓ Continuing to see strong performance, pipeline, and cost-effectiveness
- ✓ Private Sector Business Programs have 98% of the savings booked including pipeline and forecast achieving 111% of the savings goal at 92% of the budget
- ✓ Cost-effectiveness enabling additional gas optimization studies

Customer Engagement

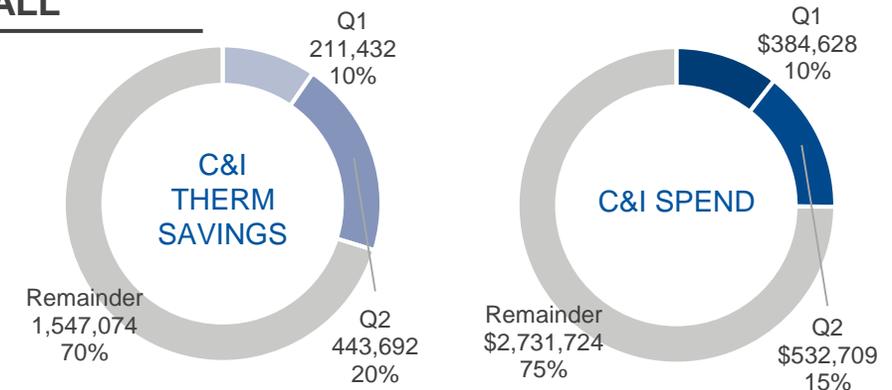
- ✓ Customer Highlights: Pullman Innovations (first project in two years), Wilber Wright and Kennedy-King Colleges completed gas optimization studies, Northwestern Medical complete a process boiler project, and The Art Institute is starting phase two of a machine learning project in August that came from the R&D program

Trade Ally Engagement

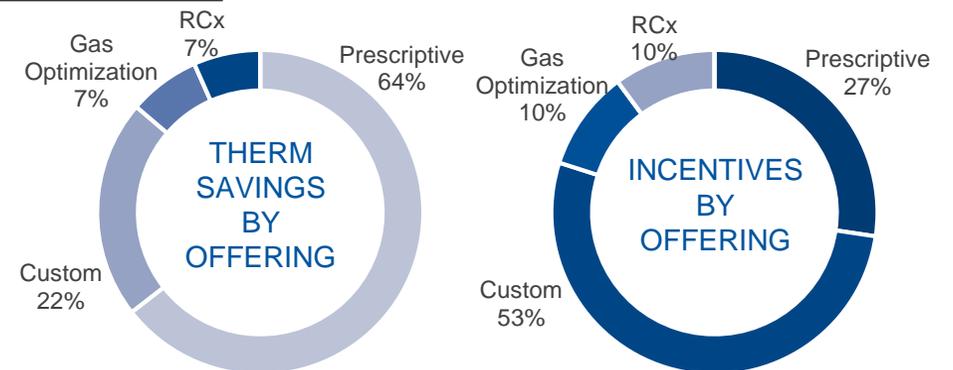
- ✓ Ramping up Trade Ally to Trade Ally networking
- ✓ Large interest in chemical descaling, steam trap, and pipe insulation projects

RESULTS

OVERALL



OFFERING



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.

Business Program

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.

Small and Midsize Business

HIGHLIGHTS

Performance

- ✓ Continuing to see strong performance, pipeline, and cost-effectiveness
- ✓ Trade Allies continue to actively participate and bring in new and returning customers

Customer Engagement

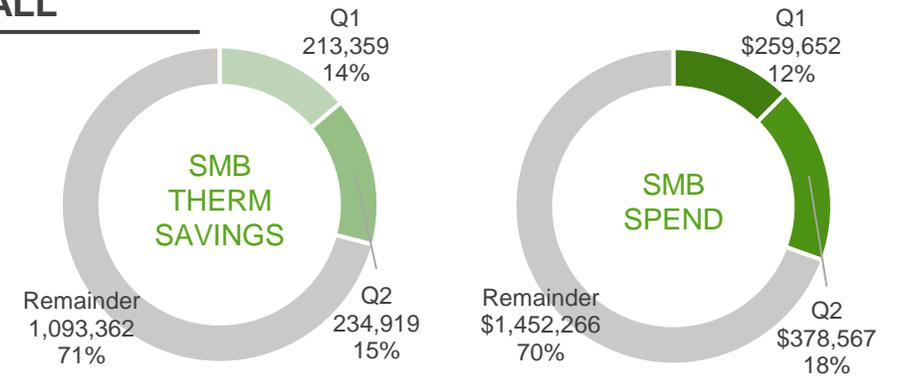
- ✓ Q2 project examples include:
 - The Berghoff Adams Street location completed their first project, installing process pipe insulation
 - Reliable Plating completed a steam trap testing and replacement project

Trade Ally Engagement

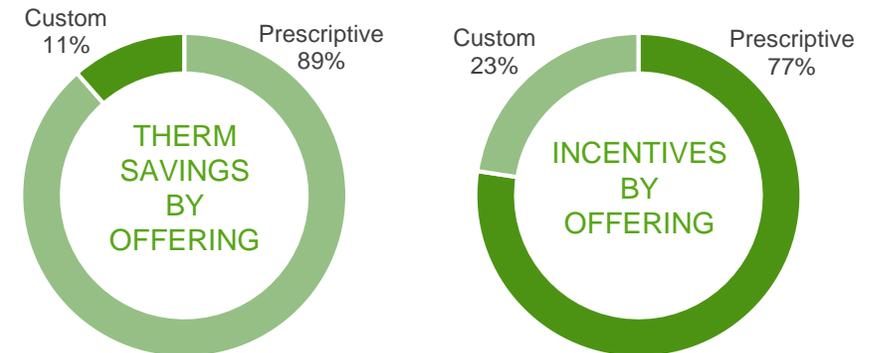
- ✓ Ramping up Trade Ally to Trade Ally networking
- ✓ Large interest in chemical descaling, steam trap, and pipe insulation projects

RESULTS

OVERALL



OFFERING



Public Sector

The Public Sector Program seeks to engage Public Sector entities in the utility's territory.

The program offers several outreach initiatives aimed at reaching top-down and bottom-up stakeholders within the Public Sector to facilitate program participation and assist in improving the customer's operations and system reliability.

Business Program

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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.

Public Sector

HIGHLIGHTS

Performance

- ✓ Continuing to see strong performance is on target to exceed both savings and spend goals with a very strong and cost-effective pipeline
- ✓ 239% of the savings achieved with pipeline and forecast achieving 263% of the savings goal at 120% of the budget

Customer Engagement

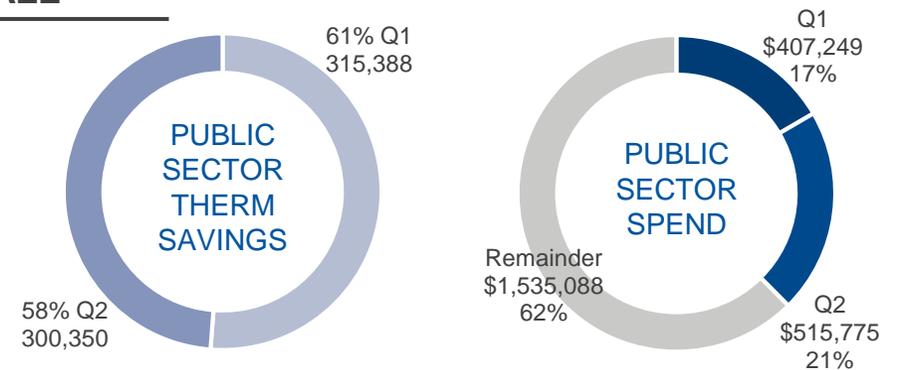
- ✓ Customer Highlights: Navy Pier completed a roof insulation and boiler reset controls project, Chicago Transit Authority (CTA) completed a BAS project at Howard Station, and City of Chicago completed boiler tune-ups at 40 locations
- ✓ Cook County, CTA, and Chicago Public Schools account for 88% of the savings and 71% of the spend

Outreach Efforts

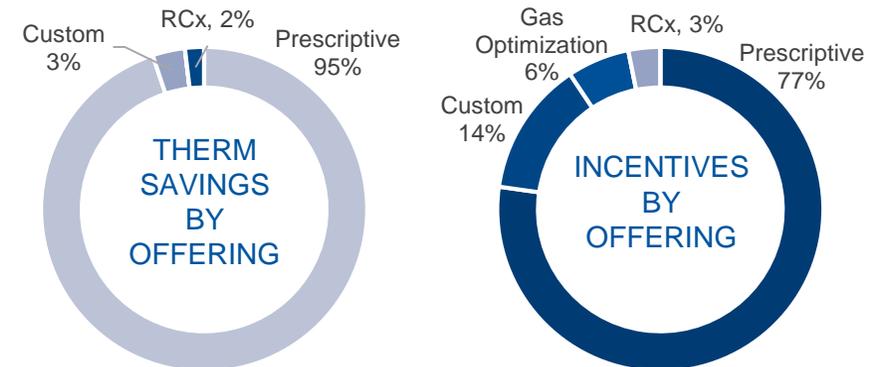
- ✓ The outreach team continues to work with customers, facilitating participation through developing project plans, completing paperwork, and providing resources and information for their stakeholders

RESULTS

OVERALL



OFFERING





C&I Spotlight: The Art Institute of Chicago

Research and Development project being piloted at The Art Institute

- ✓ The Art Institute continues to complete projects and collaborate in trying new technologies
- ✓ They agreed to participate in an AI machine-learning project to control humidity in their second-floor galleries
- ✓ This project is a successful transition from ideation through the R&D program to realization in C&I Custom
- ✓ Phase 1 was completed in September 2021 for a portion of the galleries and Phase 2 is scheduled to start August 2022

Research and Development and Market Transformation

Program Highlights

The Commercial Food Service Phase 4 pilot is underway in 2022. Seeing challenges with product supply

The IIT Battery Operated Radiator Controller (BORC) project made further refinements to the device, with battery testing and optimization, and reduced servo mechanism energy use. Steam trap monitoring, using ultrasonic and thermal sensing was undertaken to map the failure signature and performance character, allowing for reliable prototype development

The Building Operator Certification (BOC) training classes launched for 2022, with in-person training

Stretch Codes and Building Performance Standard initiative got underway with IOU stakeholders, led by Slipstream and MEEA, and designed to accelerate EE savings

Evaluation of HFC leakage issues was undertaken to inform SAG and TRM decisions

Research and Development (R&D) 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 (MT) 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.

Single Family and Multi-Family

Residential single-family offerings provide residential customers access to energy efficiency via two paths—Home Energy Assessment and Home Energy Rebates. 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.

Residential Multi-Family Program offers a comprehensive program of assessments, direct install, prescriptive and custom rebates, and partner trade ally projects.

Residential Program

Home Energy Assessment

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.

Smart Thermostats

A joint utility offering that provides residential customers discounted smart thermostats through the ComEd Marketplace.

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.

Elementary Education

The Elementary Education Program is a free energy efficiency educational program provided in partnership with the 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.

Multi-Family Energy Savings

The Multi-Family Energy Savings program is a 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.

Prescriptive and Custom Rebates, and Partner Trade Ally (PTA)

A Peoples Gas and North Shore Gas-only offering provided in partnership with vetted Trade Allies. 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.

Residential Single Family

HIGHLIGHTS

Performance

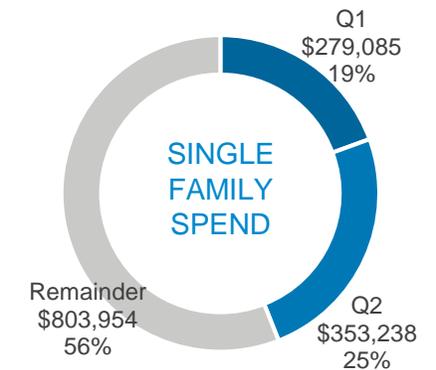
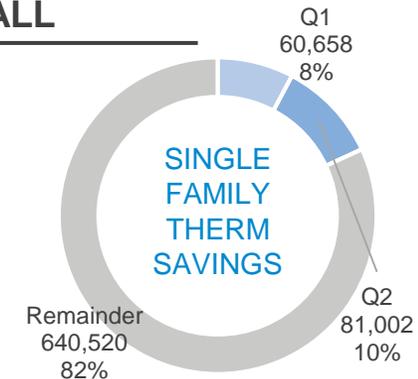
- ✓ Program participation is strong but offering mix varies from forecast impacting the overall cost-effectiveness
 - Assessment participation is stronger than anticipated and running cost-effectively
 - Weatherization participation and interest is running higher than expected, this is good, but runs at a higher dollar per therm
- ✓ Working with ComEd on allocation adjustments resulting from CEJA legislation changes

Offering Highlights

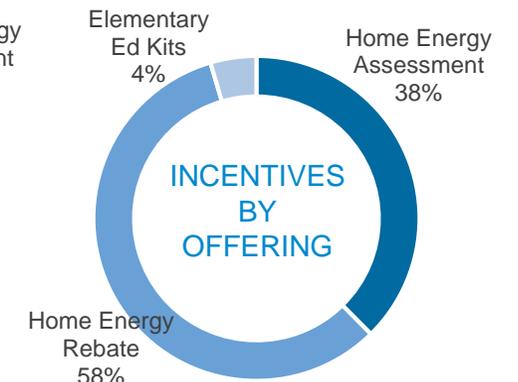
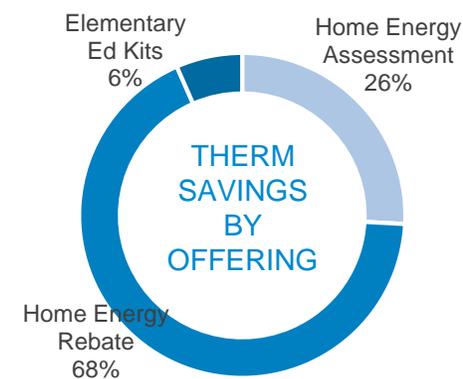
- ✓ Home Energy Rebate: 543 HVAC Rebate and 53 Weatherization projects have been completed to date
 - The top measures based upon savings: high-efficiency furnaces, boilers, smart thermostats, and attic insulation
- ✓ Elementary Education Kits: 895 Kits were distributed in Q2 for a total of 985 so far this year

RESULTS

OVERALL



OFFERING



Residential Multi-Family

HIGHLIGHTS

Performance

- ✓ Program participation is strong but offering mix varies from forecast impacting the overall cost-effectiveness
- ✓ Majority of the savings is from the Multi-Family Prescriptive, Custom, and PTA offering

Offering Highlights

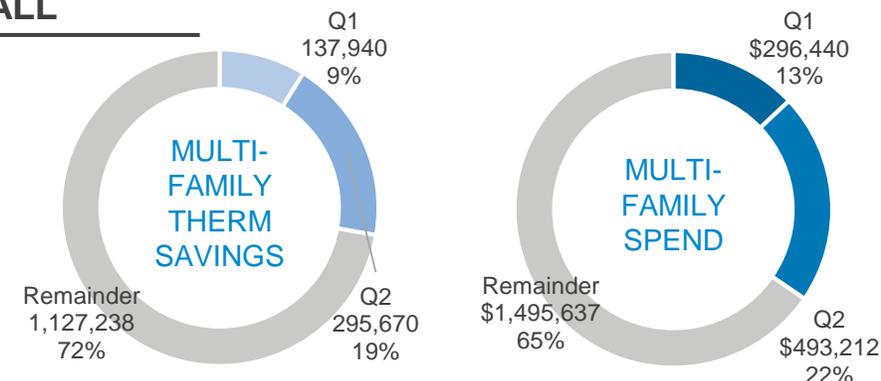
- ✓ Multi-Family Energy Savings: 38 building participants to date
- ✓ Prescriptive, Custom, Partner Trade Ally: 110 projects to date. The Partner Trade Allies completed the majority of projects. Pipe insulation, steam traps, and boilers were the top three measure by savings
- ✓ By incentive budget, Market Rate Multi-Family accounts for 1% of the Multi-Family programs (market rate + income eligible)
- ✓ 64% of Peoples Gas residential customer participants are multi-family versus only 1% of North Shore Gas customers

Trade Ally Highlights

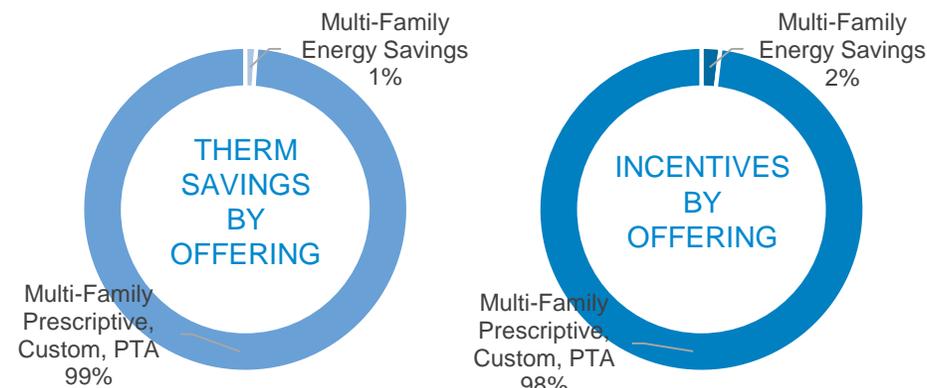
- ✓ 79 participating trade allies and 33 are diverse (20 certified and 13 non-certified)
- ✓ Incentive fact sheets in development for trade ally use

RESULTS

OVERALL



OFFERING



Income Eligible Single Family and Multi-Family

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

Illinois Home Weatherization Assistance Program (IHWAP)

Leverage's 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.

Home Energy Assessment

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.

Home Energy Savings Retrofits

Offers direct install products 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.

Income Eligible Multi-Family Savings

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 offering.

Public Housing Energy Savings

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.

Multi-Family Income Eligible Partner Trade Ally

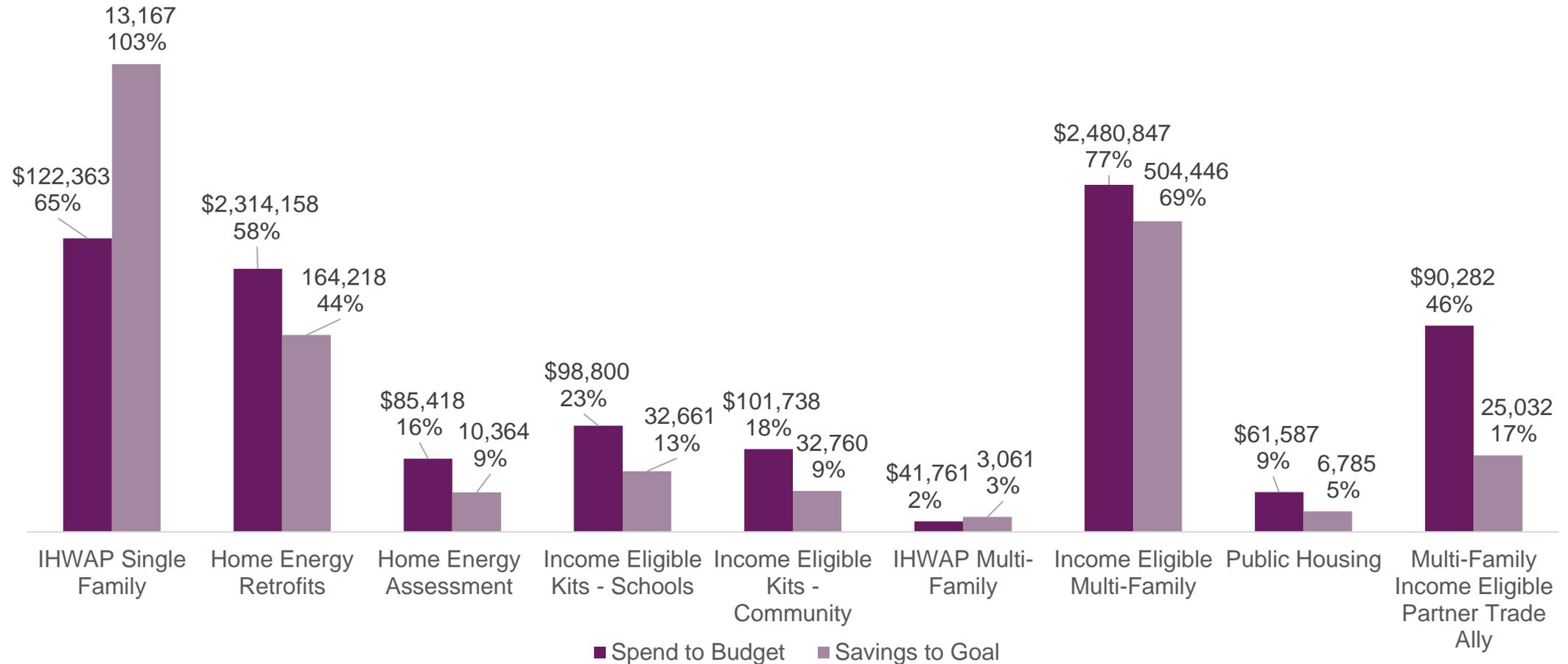
A Peoples Gas and North Shore Gas-only offering, delivered by vetted Partner Trade Allies. Trade Allies are given higher rebate amounts to serve geographically income-eligible customers with retrofit measures.

Income Eligible Gas Kits

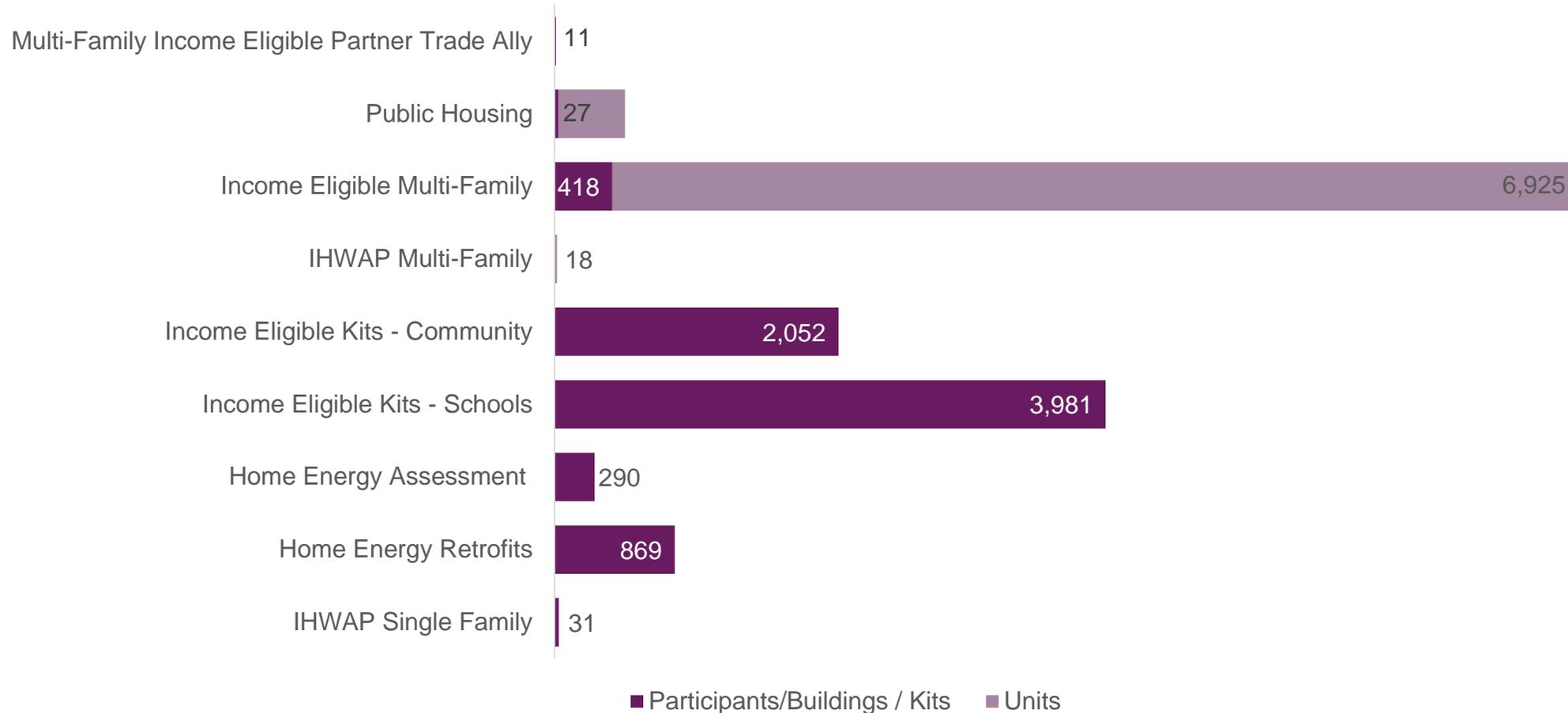
Provides income-qualified customers with a kit of energy efficiency measures to self-install. The Income Eligible Gas Kits are distributed by ground mail to qualified customers vetted by the Low-Income Home Energy Assistance Program (LIHEAP). Provided in partnership with the Peoples Gas, North Shore Gas and ComEd

Income Eligible Program

2022 Program Offerings Savings and Spend



Income Eligible Program 2022 Program Offering Participants



Income Qualified Single Family

HIGHLIGHTS

Performance

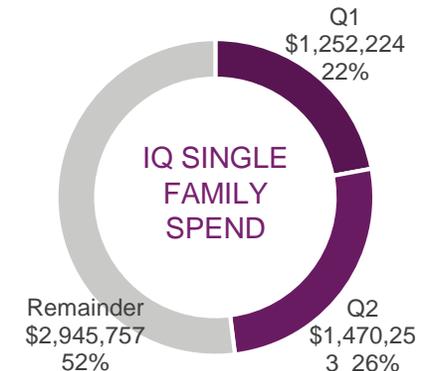
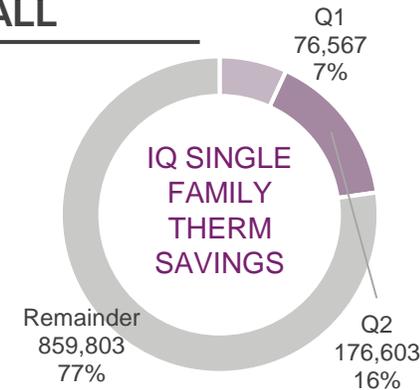
- ✓ Program participation is very strong, with some offerings already achieving their forecast savings, but offering mix varies from forecast impacting the overall cost-effectiveness
 - CEDA is helping IHWAP exceed anticipated participation
 - Weatherization participation is strong, but measure mix is different than anticipated and the program is running more expensive
 - Assessments, Elementary Education Kits, and Community Kits are off to a slower start, but showing progress
- ✓ Working with ComEd on allocation adjustments resulting from CEJA legislation changes

Offering Highlights

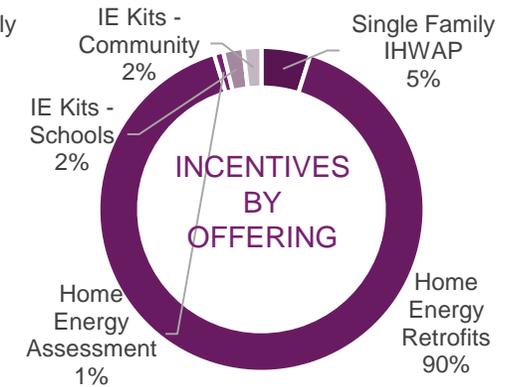
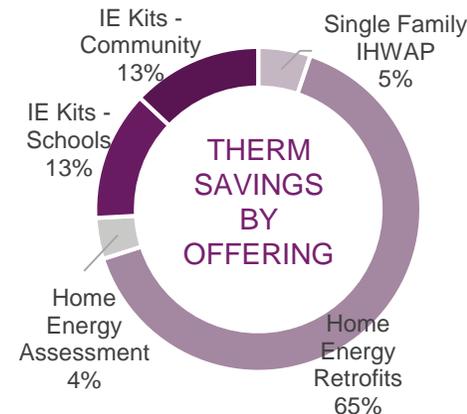
- ✓ IHWAP Single Family is at 103% of the annual savings goal and only at 65% of the budget, showing continued strong interest and operating more cost effectively than forecast
- ✓ 5,811 Elementary Ed and Community Kits were distributed in Q2 for a total of 6,033 to date

RESULTS

OVERALL



OFFERING



Income Qualified Multi-Family

HIGHLIGHTS

Performance

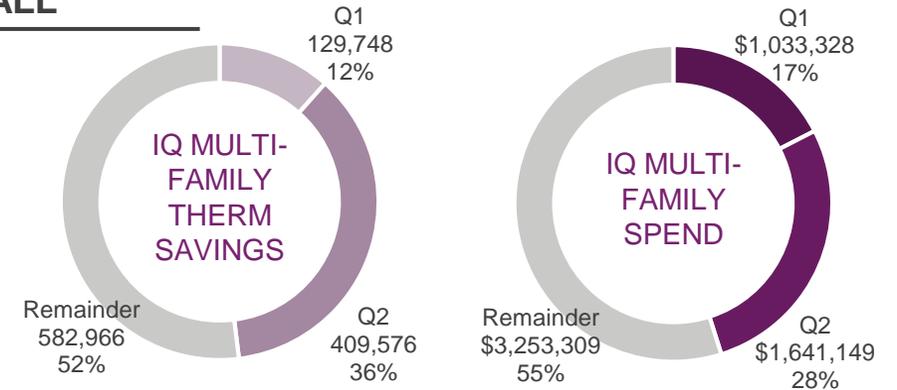
- ✓ Program participation is very strong, but offering mix varies from forecast impacting the overall cost-effectiveness
 - IE Multi-Family is exceeding anticipated participation at 69% of the savings goal and 77% of budget

Offering Highlights

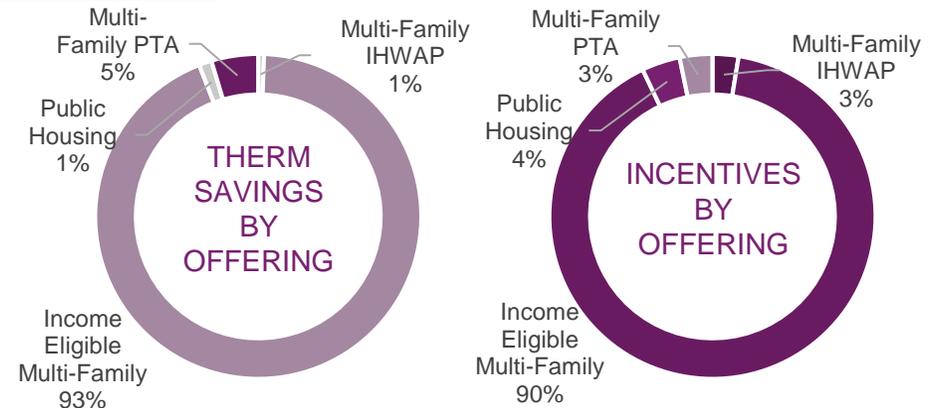
- ✓ Income Eligible Multi-Family Energy Savings: 418 Buildings and 6,925 units participated to date
- ✓ Multi-Family Partner Trade Ally: 11 projects completed to date.
- ✓ Top prescriptive measures by savings: Steam traps and pipe insulation
- ✓ Top direct install measures by savings: Water-saving devices (shower-heads, aerators, etc.)
- ✓ Multi-Family program planned incentive budget distribution: 31% IHWAP, 54% Income Eligible, 12% Public Housing, 3% PTA. Actual spend to-date distribution: 3% IHWAP, 90% Income Eligible, 4% Public Housing, 3% PTA

RESULTS

OVERALL



OFFERING





Residential Multi-Family Spotlight: Multi-Family Partner Trade Ally

Repeat customer continues to find value in participation

- ✓ The condo association for 4300 North Marine Drive has been participating in the Residential Multi-Family offering since 2014
- ✓ Completing measures such as boiler tune-ups, pipe insulation, and steam traps
- ✓ In 2022 they completed steam trap replacements in 90 units, steam pipe insulation, and steam trap testing.

Income Eligible Spotlight: Elementary Education Kits

James Ward Elementary School

- ✓ Was constructed in 1875 and is the oldest public school still in use in Chicago
- ✓ 65 kits were provided to teacher Pauline Yau for her students
- ✓ These kits will help the students' families save 517 therms, 12,621 kWh, and 92,010 gallons of water



A young girl with curly hair, wearing a dark blue sweater over a striped shirt, is smiling and looking towards a man. The man, wearing a light blue denim jacket over a white t-shirt, is smiling and petting a beagle dog. The dog is wearing a red collar. The girl is holding a small yellow and pink toy. The background is a bright, indoor setting, possibly a living room.

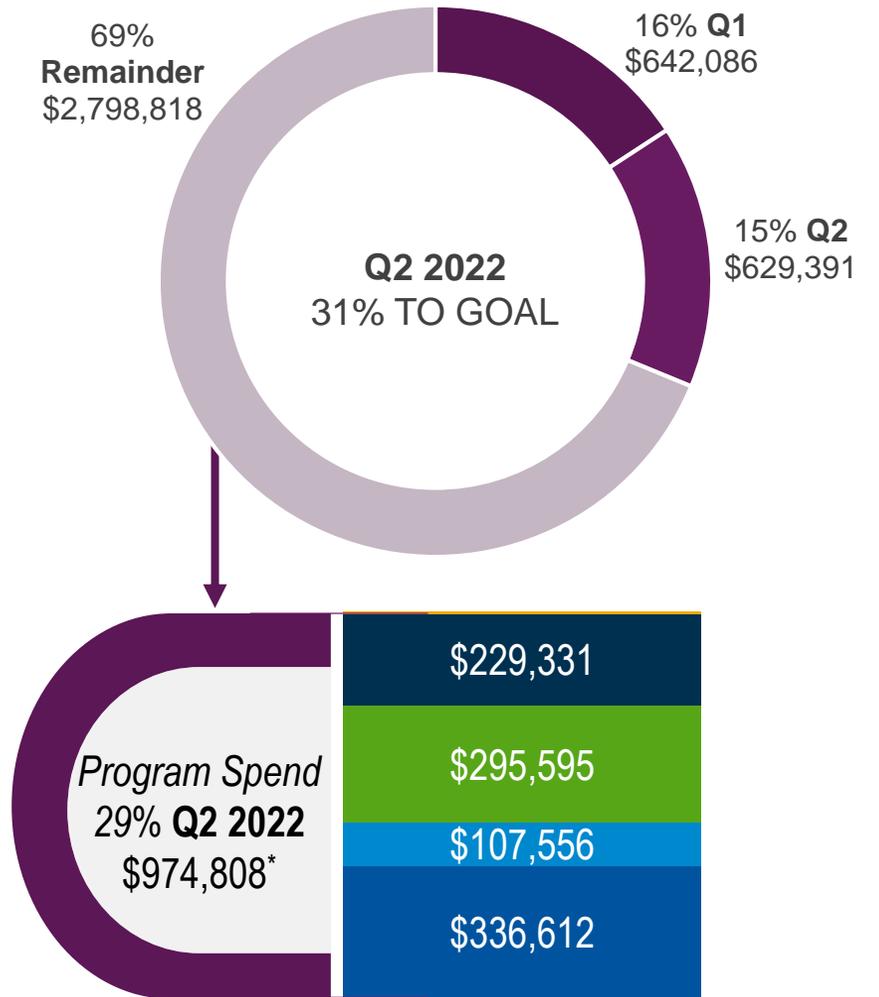
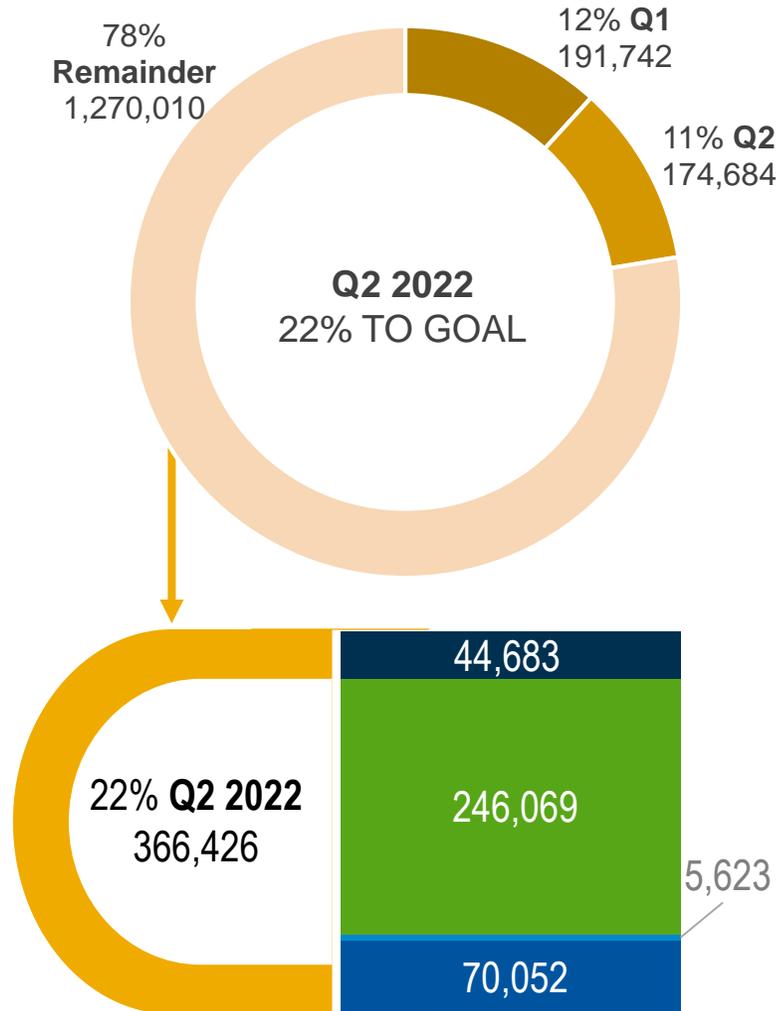
NORTH SHORE GAS[®]
ENERGY EFFICIENCY PROGRAM

SAVINGS

SPEND

As of Q2 2022, the North Shore Gas portfolio achieved 22% of the savings goal of 1,636,436 therms, spent 29% of the \$3,327,561 program budget, and spent 31% of the \$4,070,296 portfolio budget.

- Public Sector Program achieved 36% of the savings goal, spending 67% of the budget.
- Business Program achieved 29% of the savings goal, spending 24% of the budget.
- Income Eligible Program achieved 5% of the savings goal, spending 15% of the budget.
- Residential Program achieved 13% of the savings goal, spending 34% of the budget.



*Includes \$5,715 in MDI Research

Commercial and Industrial

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Smart Check Studies	<p>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.</p>
Staffing Grant	<p>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.</p>
Strategic Energy Management	<p>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.</p>

Commercial and Industrial

HIGHLIGHTS

Performance

- ✓ Continuing to see strong performance, pipeline, and cost-effectiveness
- ✓ Private Sector Business Programs have 61% of the savings booked including pipeline and forecast achieving 112% of the savings goal at 76% of the budget
- ✓ Cost-effectiveness enabling additional gas optimization studies

Customer Engagement

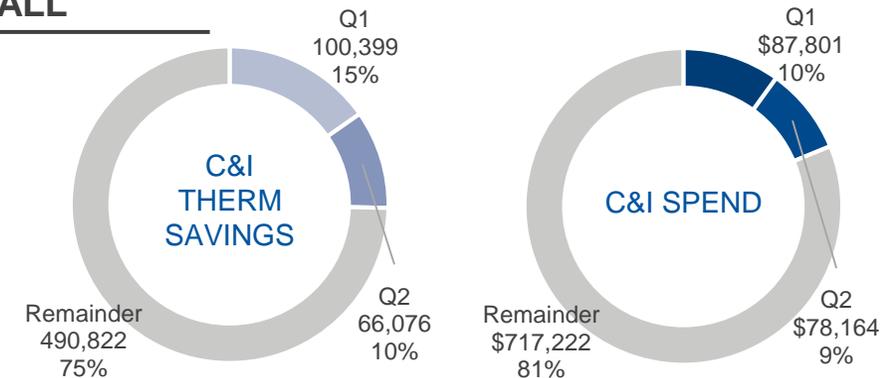
- ✓ Great Lakes Naval Base has completed multiple projects already in 2022, including steam trap replacements and boiler tune-ups and has more on the docket
- ✓ The James A. Lovell VA Medical Center completed process boiler tune-ups in Q1, replaced steam traps in Q2 and audited another one-third of the steam traps on site

Trade Ally Engagement

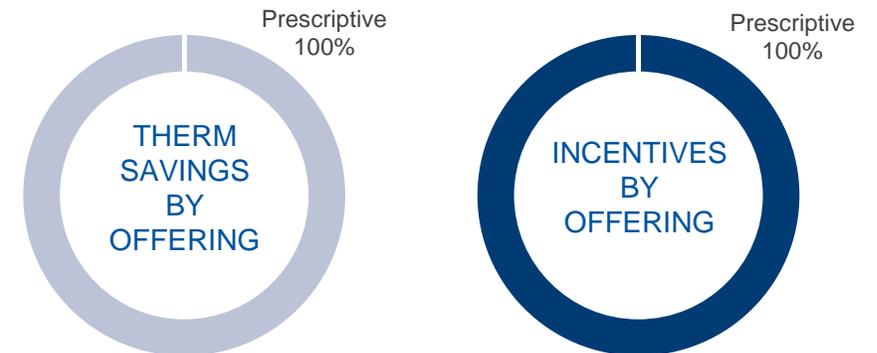
- ✓ Ramping up Trade Ally to Trade Ally networking
- ✓ Large interest in chemical descaling, steam trap, and pipe insulation projects

RESULTS

OVERALL



OFFERING



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.

Business Program

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.

Small and Midsize Business

HIGHLIGHTS

Performance

- ✓ Continuing to see strong performance, pipeline, and cost-effectiveness
- ✓ Trade Allies continue to actively participate and bring in new and returning customers

Customer Engagement

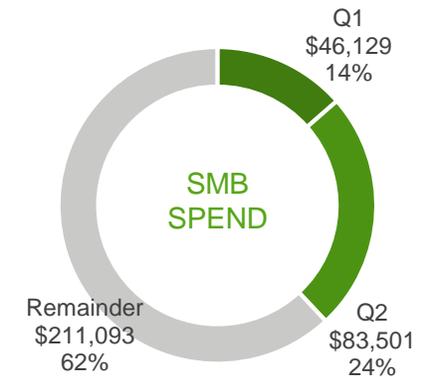
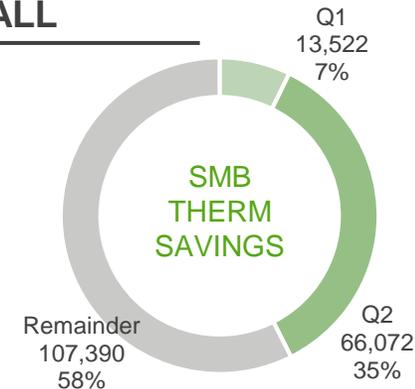
- ✓ Q2 project example:
 - Skokie Valley Laundry who completed their first project at their main location which included process pipe insulation
 - Steam trap testing, steam trap replacement, pipe insulation, and process pipe insulation account for over 90% of the therm savings

Trade Ally Engagement

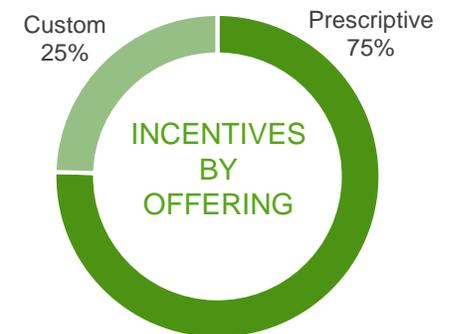
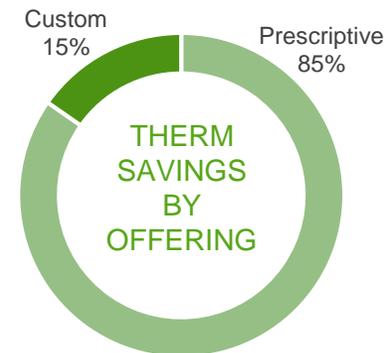
- ✓ Ramping up Trade Ally to Trade Ally networking
- ✓ Large interest in chemical descaling, steam trap, and pipe insulation projects

RESULTS

OVERALL



OFFERING



Public Sector

The Public Sector Program seeks to engage Public Sector entities in the utility's territory.

The program offers several outreach initiatives aimed at reaching top-down and bottom-up stakeholders within the Public Sector to facilitate program participation and assist in improving the customer's operations and system reliability.

Business Program

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.

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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.

Public Sector

HIGHLIGHTS

Performance

- ✓ Continuing to see strong performance is on target to exceed both savings and spend goals
- ✓ 90% of the savings booked with pipeline and forecast achieving 104% of the savings goal at 140% of the budget

Customer Engagement

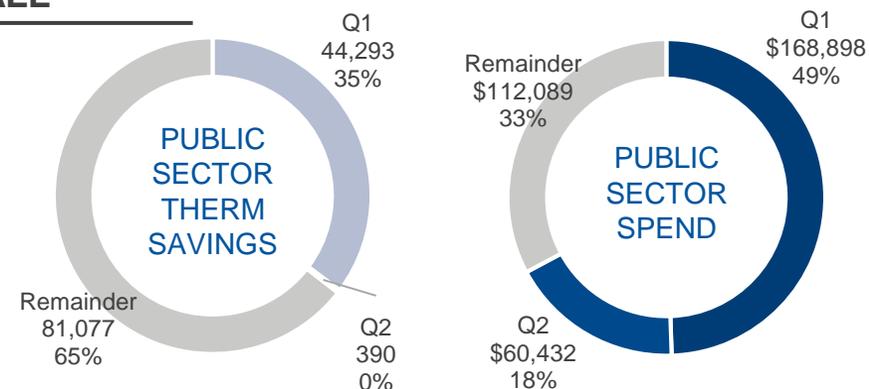
- ✓ North Shore Gas continues to see strong interest from school districts with projects being completed by Waukegan, Winnetka, and Gurnee School Districts
- ✓ K-12 Schools account for 95% of the savings and 97% of the spend to date
- ✓ Waukegan School District is lining up additional projects for fall
- ✓ Other participants include the North Shore Gas Sanitary District and Glencoe Library

Outreach Efforts

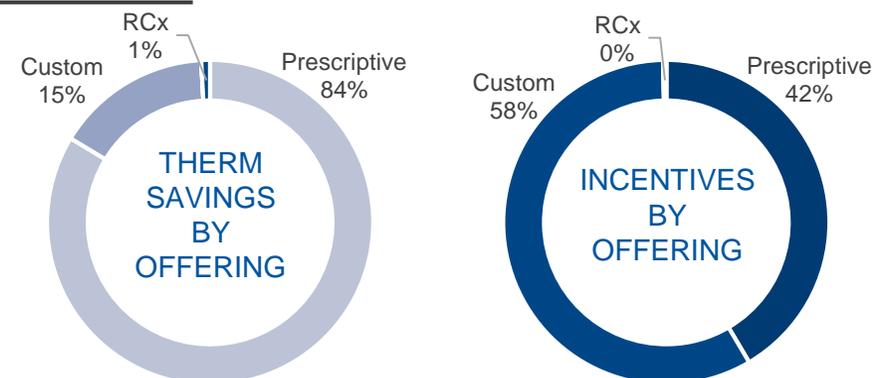
- ✓ The outreach team continues to work with customers, facilitating participation through developing project plans, completing paperwork, and providing resources and information for their stakeholders

RESULTS

OVERALL



OFFERING



Small Business Spotlight: Skokie Valley Laundry

First project

- ✓ Skokie Valley Laundry has been serving the North Shore area since 1965 and use only eco-friendly, non-carcinogenic solvents
- ✓ They completed their first project with Small and Midsize Business program in Q2
 - Project: Process Pipe Insulation





C&I Spotlights: U.S. Navy and Veterans Hospital

Proactive and regular program outreach helped kick off participation in 2021

- ✓ The Great Lakes Naval Base started their first project in 2021 after multiple years of program outreach effort
- ✓ So far in 2022, three projects have been completed at the Naval Base and two projects at James A. Lovell VA Hospital
- ✓ The Naval Base has additional projects planned including a gas optimization study, hot water heater, and steam trap replacements

Research and Development and Market Transformation

Program Highlights

The Commercial Food Service Phase 4 pilot is underway in 2022. Seeing challenges with product supply

The IIT Battery Operated Radiator Controller (BORC) project made further refinements to the device, with battery testing and optimization, and reduced servo mechanism energy use. Steam trap monitoring, using ultrasonic and thermal sensing was undertaken to map the failure signature and performance character, allowing for reliable prototype development

The Building Operator Certification (BOC) training classes launched for 2022, with in-person training

Stretch Codes and Building Performance Standard initiative got underway with IOU stakeholders, led by Slipstream and MEEA, and designed to accelerate EE savings

Evaluation of HFC leakage issues was undertaken to inform SAG and TRM decisions

Research and Development (R&D) 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 (MT) 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.

Single Family and Multi-Family

Residential single-family offerings provide residential customers access to energy efficiency via two paths—Home Energy Assessment and Home Energy Rebates. 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.

Residential Multi-Family Program offers a comprehensive program of assessments, direct install, prescriptive and custom rebates, and partner trade ally projects.

Residential Program

Home Energy Assessment

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.

Smart Thermostats

A joint utility offering that provides residential customers discounted smart thermostats through the ComEd Marketplace.

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.

Elementary Education

The Elementary Education Program is a free energy efficiency educational program provided in partnership with the 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.

Multi-Family Energy Savings

The Multi-Family Energy Savings program is a 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.

Prescriptive and Custom Rebates, and Partner Trade Ally (PTA)

A Peoples Gas and North Shore Gas-only offering provided in partnership with vetted Trade Allies. 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.

Residential Single Family

HIGHLIGHTS

Performance

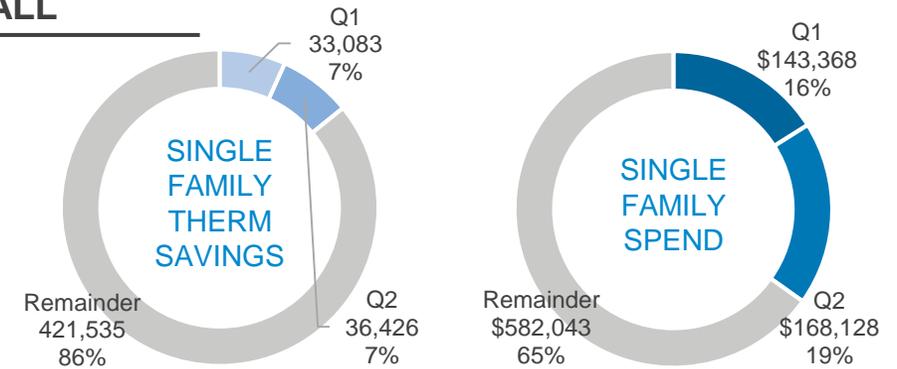
- ✓ Program participation is strong but offering mix varies from forecast impacting the overall cost-effectiveness
 - Assessment participation is stronger than anticipated and running cost-effectively
 - Weatherization participation and interest is going well, but running at a higher dollar per therm than forecast
- ✓ Working with ComEd on allocation adjustments resulting from CEJA legislation changes

Offering Highlights

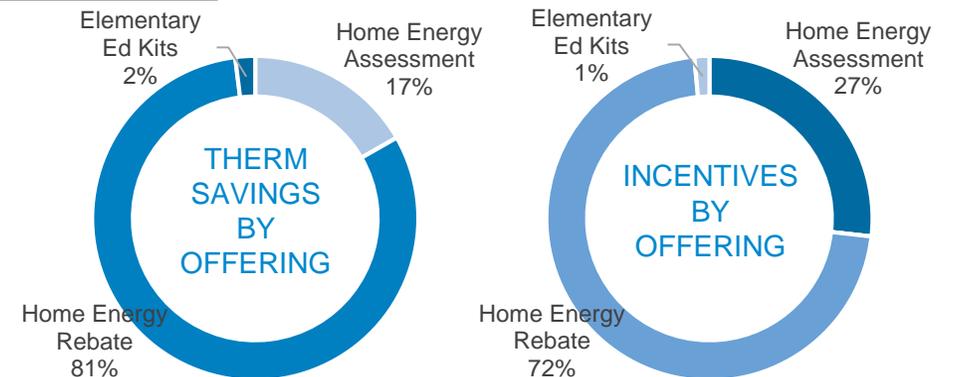
- ✓ Home Energy Rebate: 315 HVAC Rebate and 26 Weatherization projects have been completed to date
 - The top measures based upon savings: high-efficiency furnaces, smart thermostats, and attic insulation
- ✓ Elementary Education Kits: 367 Kits were distributed in Q2 for a total of 367 so far this year

RESULTS

OVERALL



OFFERING



Residential Multi-Family

HIGHLIGHTS

Performance

- ✓ The North Shore Gas Residential Multi-Family offering is very small, with room for a handful of large projects
- ✓ The offering is starting slower and measure mix is leaning toward the more expensive measures. The team is focusing their efforts on outreach to ensure the pipeline is filled to achieve goal and adjusting project mix

Offering Highlights

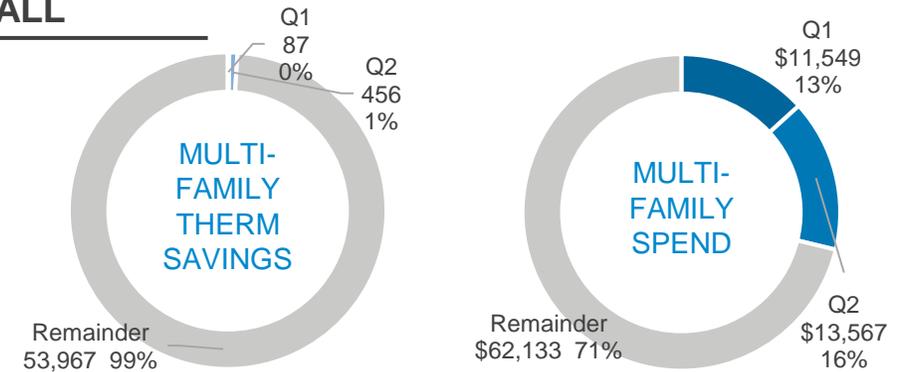
- ✓ Prescriptive, Custom, Partner Trade Ally: 3 projects to date
- ✓ Multi-Family Energy Savings: 1 building participant to date
- ✓ Pipe insulation, boiler tune-up, and water-side direct install measures (aerators) were the top three measure by savings
- ✓ 64% of Peoples Gas residential customer participants are multi-family versus only 1% of North Shore Gas customers

Trade Ally Highlights

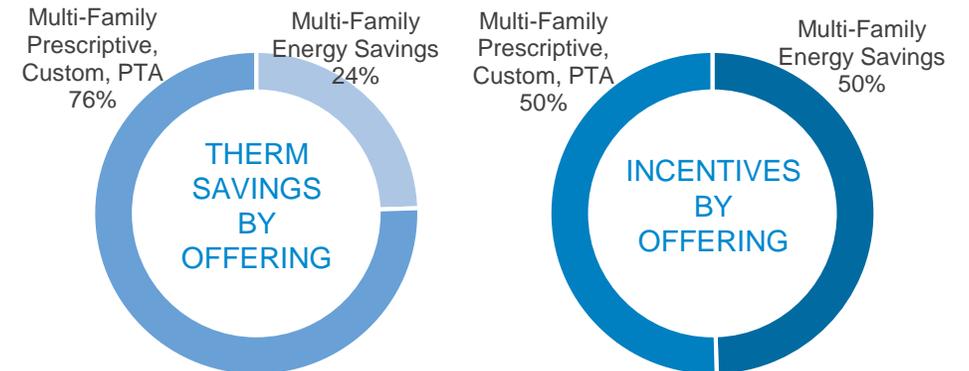
- ✓ 79 participating trade allies and 33 are diverse (20 certified and 13 non-certified)
- ✓ Incentive fact sheets in development for trade ally use

RESULTS

OVERALL



OFFERING



Income Eligible Single Family and Multi-Family

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

Illinois Home Weatherization Assistance Program (IHWAP)

Leverage's 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.

Home Energy Assessment

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.

Home Energy Savings Retrofits

Offers direct install products and no-cost weatherization services for Income-Eligible Single-Family home customers. It is delivered jointly with ComEd through approved agencies or partners.

Income Eligible Multi-Family Savings

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 offering.

Public Housing Energy Savings

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.

Multi-Family Income Eligible Partner Trade Ally

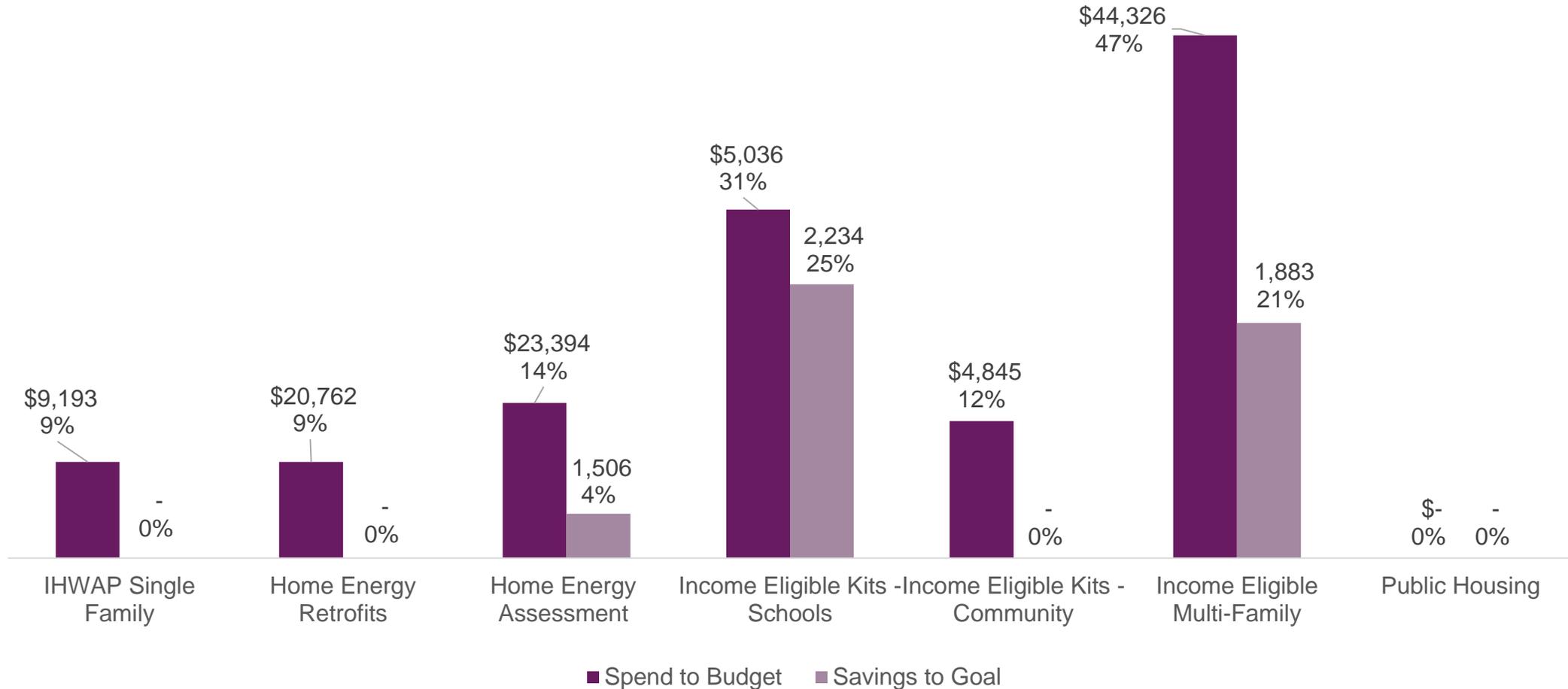
A Peoples Gas and North Shore Gas-only offering, delivered by vetted Partner Trade Allies. Trade Allies are given higher rebate amounts to serve geographically income-eligible customers with retrofit measures.

Income Eligible Gas Kits

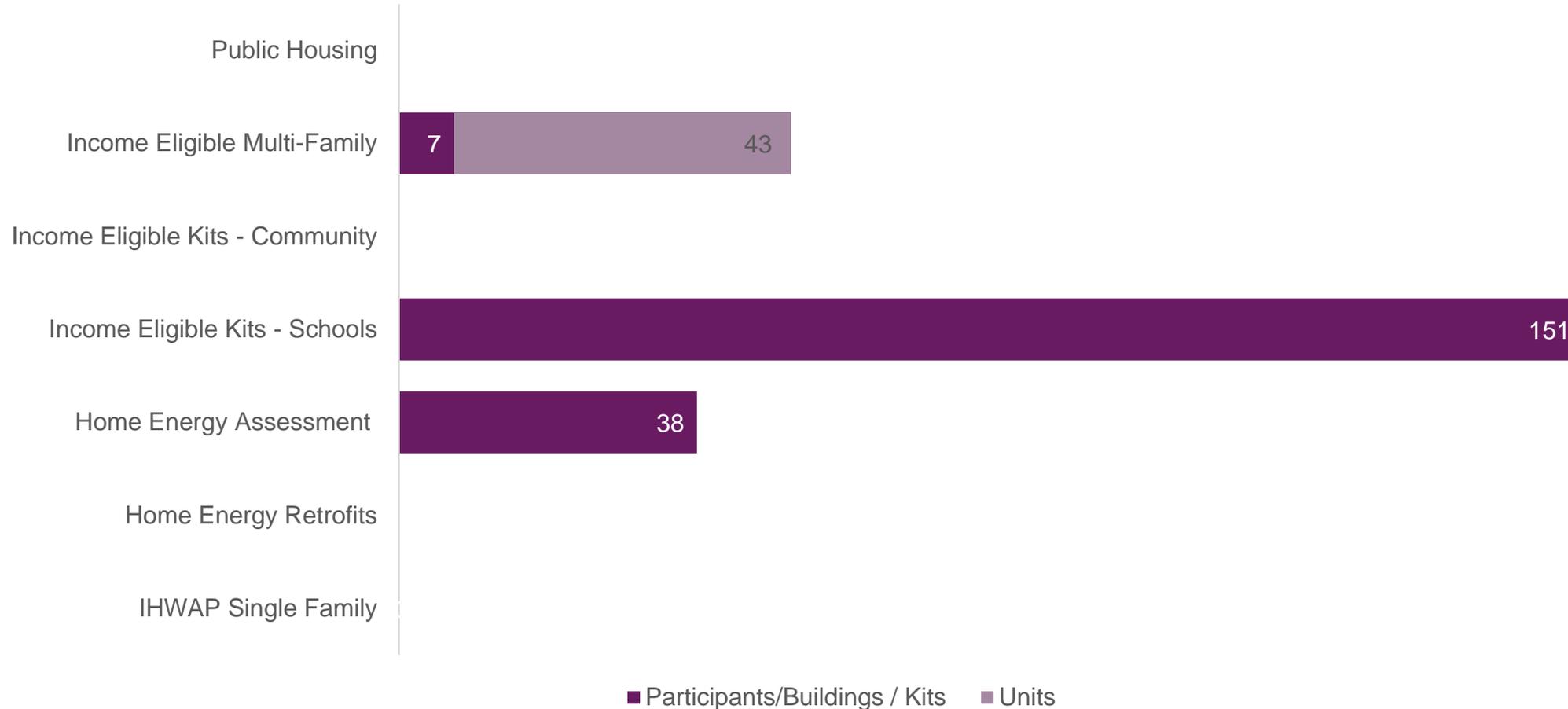
Provides income-qualified customers with a kit of energy efficiency measures to self-install. The Income Eligible Gas Kits are distributed by ground mail to qualified customers vetted by the Low-Income Home Energy Assistance Program (LIHEAP). Provided in partnership with the Peoples Gas, North Shore Gas and ComEd

Income Eligible Program

2022 Program Offerings Savings and Spend



Income Eligible Program 2022 Program Offering Participants



Income Qualified Single Family

HIGHLIGHTS

Performance

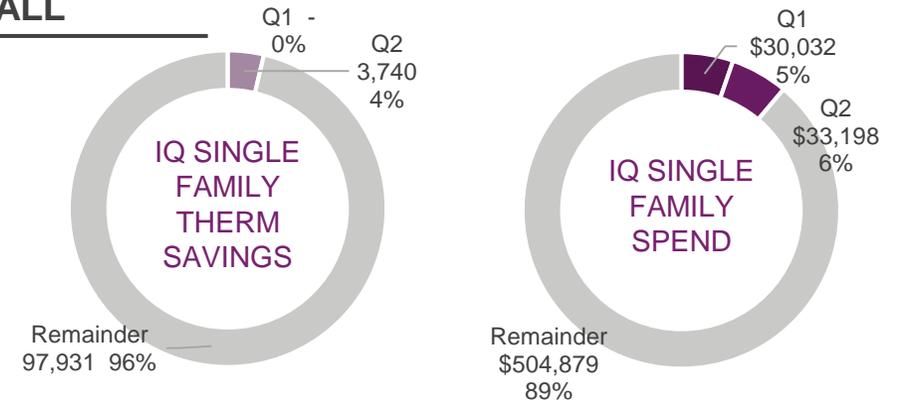
- ✓ Program continues to be slower than forecast, but the team is forecasting increased production in Q3 and Q4. Focusing efforts to bring in projects and leverage partners to complete projects in Q3 and Q4
- ✓ Working with ComEd on allocation adjustments resulting from CEJA legislation changes

Offering Highlights

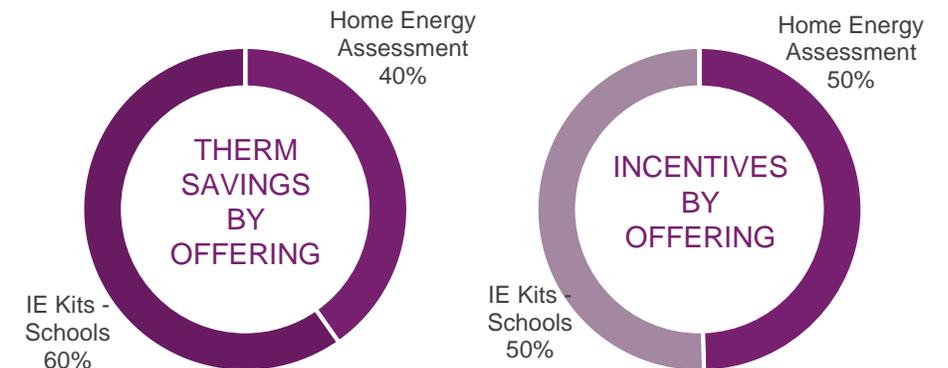
- ✓ New in 2022: Home Energy Savings Retrofits is being offered in North Shore Gas
 - Q2 focus has been on helping partners achieve participation and anticipate coming to fruition in Q3 and Q4
- ✓ North Shore Gas Income Qualified Program is only 6% of the Peoples Gas Budget. This results in less interest from agencies and Trade Allies and a barrier the team continues to work to resolve
- ✓ 151 Elementary Ed Kits were distributed in Q2 for a total of 151 to date

RESULTS

OVERALL



OFFERING



Income Qualified Multi-Family

HIGHLIGHTS

Performance

- ✓ Program continues to be slower than forecast, and the team is focusing outreach efforts to increase projects in Q3 and Q4
- ✓ The North Shore Gas Income Qualified Multi-Family offering is very small, with room for a handful of large projects

Offering Highlights

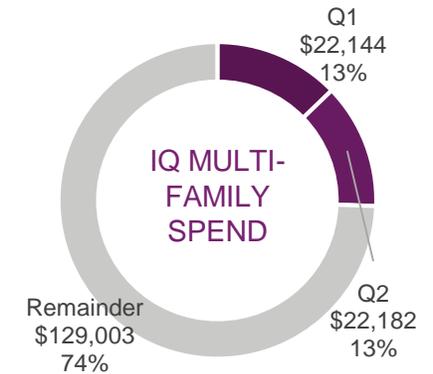
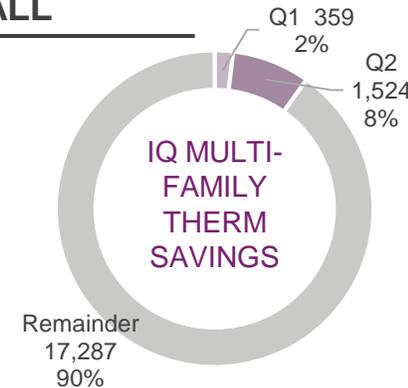
- ✓ Income Eligible Multi-Family Energy Savings
 - 7 Buildings and 43 units participated
 - The top DI measures by quantity: shower timer, kitchen aerator, and programmable thermostat
- ✓ Multi-Family program planned incentive budget distribution: 54% Income Eligible and 49% Public Housing. Actual spend to-date distribution: 100% Income Eligible

Trade Ally Highlights

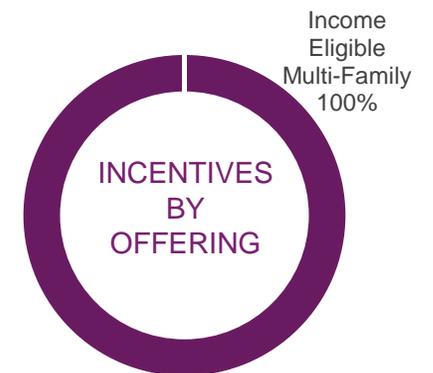
- ✓ 79 participating trade allies and 33 are diverse (20 certified and 13 non-certified)
- ✓ Incentive fact sheets in development for trade ally use

RESULTS

OVERALL



OFFERING



Marketing and Outreach

TREAT YOURSELF
WITH
**ENERGY
SAVINGS**




Scan here
to start saving

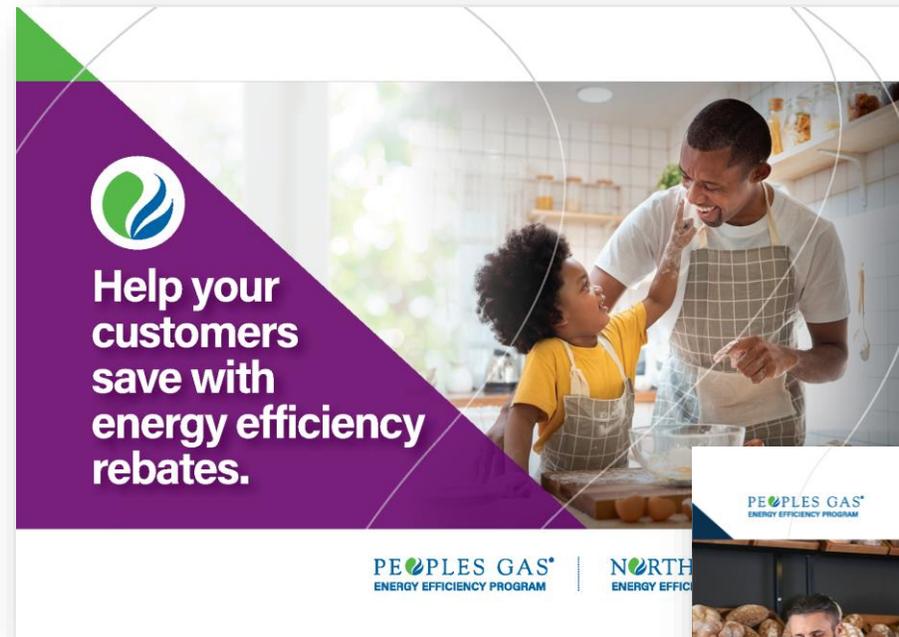
Use promo code "treat"
PeoplesGasRebates.com/treat

PEOPLES GAS
ENERGY EFFICIENCY PROGRAM

Some restrictions apply. Program is subject to change.
This program is funded by Peoples Gas customers in compliance with Illinois law.
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PGTY 110021

Q2 Marketing Update

- ✓ Updating all EE portfolio and program web pages
- ✓ Logo library and collateral refresh
- ✓ Customer and Trade Ally satisfaction surveys developed
- ✓ 2022 content marketing strategy in progress
- ✓ Selected to present at the Annual Behavior, Energy and Climate Change conference in Nov 2022
- ✓ Onboarded new Brand Ambassador team
- ✓ HER reach-back campaign



Offering-specific
Content Example: SMB Ad



Offering-specific
Content Example: SMB Brochure

