



2022-2025

Peoples Gas and North

Shore Gas Evaluation Plan

Presentation to SAG

December 6, 2023

Introduction

2022 to 2025 Portfolio Evaluation

Agenda

- Introduction to 2022-2025 evaluation activities and timeline
 - Key 2024 evaluation activities
- Program-Level Research
 - Impact
 - Net-to-Gross (NTG)
 - Process
 - Income Eligible / Income Qualified
 - Market Transformation
- Portfolio-Level Research
- Budget Allocation
- Coordination
- Q&A + Feedback

The PGL and NSG Portfolios, 2024

Sector / Program	Peoples Gas (PGL)		North Shore Gas (NSG)	
	Program Budget	Net Therms	Program Budget	Net Therms
Income Eligible				
•Single Family	22%	10%	12%	5%
•Multi-Family	30%	12%	11%	2%
Residential				
•Single Family	3%	3%	5%	3%
•Multi-Family	10%	20%	5%	5%
Small / Mid-size Business	9%	15%	10%	11%
C&I Sector	10%	19%	21%	40%
Public Sector	10%	6%	11%	3%
Commercial Food Service	1%	1%	4%	3%
Outreach and Education (EEE)	<1%	<%	1%	1%
Home Energy Rebates	5%	13%	21%	26%
Portfolio Total	\$23,670,499	8,185,912	\$3,349,923	1,500,606

Introduction to 2022-2025 Evaluation

Program-Level Research	Portfolio-Level Research and Activities	Key Activities for 2024
<p>Gross Impact Research</p> <ul style="list-style-type: none">• Conducted annually, all* programs <p>Net-to-Gross (NTG) Research</p> <ul style="list-style-type: none">• Conducted once per cycle for most programs <p>Process Research</p> <ul style="list-style-type: none">• Conducted based on program need, cost, and joint opportunities <p>Market Transformation (MT)</p> <ul style="list-style-type: none">• Advise statewide efforts• Research and verification of implemented initiatives <p>Income Eligible</p> <ul style="list-style-type: none">• Explore joint research opportunities targeting program outreach and delivery• Conduct research	<p>TRM Update Support</p> <ul style="list-style-type: none">• TRM v13, Q1 through Q3• Prioritize support for future updates• Refine NTG and MT protocols <p>Non-Energy Impacts (NEIs)</p> <ul style="list-style-type: none">• Joint research on Societal, Utility, and Participant NEIs <p>Annual Reporting</p> <ul style="list-style-type: none">• Verified savings and TRC• Economic impacts <p>Collaboration</p> <ul style="list-style-type: none">• With ComEd on joint programs and research• Statewide	<p>Program-Level</p> <ul style="list-style-type: none">• Gross impact on 2024 programs, starting mid-year,<ul style="list-style-type: none">• Custom sampling in 2024 Q3/Q4• End-of Year in 2025 Q1/Q2• NTG for selected programs starting 2024 Q1 <p>Portfolio-Level/Statewide</p> <ul style="list-style-type: none">• Finish 2023• 2025 Planning• TRM v13 update participation• Other research is under consideration and could begin 2024

* A program that accounts for less than 3% of portfolio savings and has a history of consistent verified savings realization rates with values close to 100% at both the measure level and program level will be considered for applying the previous year's realization rates

Program-Level Research

Summary of 2022-2025 evaluation activities
and timelines

Overview of 2022-2025 Evaluation

Program-Level Research

Gross Impact Evaluation Research

Timing

- End-of-Year on most programs
 - Small programs with history of realization rates consistently near 1.0 receive 2023 RR
- Larger programs and new measures receive mid-year review
- Large or complex custom projects receive parallel path / early review

Methodology

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

Approach

- TRM measures: Census review
- Custom Projects: File review on a sample, site M&V for a subset
- Consumption Data Regression: single project or population

NTG Research

Timing

- Once per cycle for most programs
- Change in program or market
- Prioritize need

Methodology

- Apply statewide protocol in TRM or approved by SAG NTG Working Group

Approach

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

Target

- Participating Customers
- Trade Allies
- Non-Participants

Process and Other Research

Timing

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

Methodology

- Evaluation best practices

Approach

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

Target

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

Impact Evaluation Timeline, 2024 Programs

Activity	Target	2024				2025			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Interim Impact Review and Reporting	TRM-Based Measures			Interim Data					
	Sampled Custom Projects			Wave 1	Wave 2				
Annual Impact Evaluation and Reporting	Program-Level Impacts					2024 End of Year			
	Verified Portfolio Cost and Savings Results							2024	
Parallel Path Review	Large or Complex Projects in Pre-App Stage	Reviews occur when program brings project to evaluators							

Impact Evaluation – Residential

Program / Market Offering	Gross Impact Evaluation Approach	Custom Project Path Review	Parallel Interim TRM Review
Residential Programs			
Outreach & Education			
Energy Efficiency Education*	2023 RR		TRM†
Home Energy Jumpstart*			
Assessments and DI	2023 RR		TRM†
Advanced Thermostats	2023 RR		TRM†
Home Energy Rebate			
Space & Water Heating	TRM		TRM
Weatherization	TRM		TRM
Advanced Thermostats	TRM		TRM
Multi-Family Program			
Assessments and DI	TRM		TRM
Rebates: Prescriptive/PTA	TRM		TRM
Rebates: Custom	Custom	If Requested	Q3, Q4 Samples
Gas Optimization	Custom	If Requested	Q3, Q4 Samples

*Jointly implemented with ComEd.

†Interim review will be conducted only if our review of the tracking database finds substantial changes from 2023.

Source: Guidehouse

Impact Evaluation –Income Eligible

Program / Market Offering	Gross Impact Evaluation Approach	Custom Project Parallel Path Review	Interim TRM Review
Income Eligible Programs			
Single Family			
Retrofits	TRM		TRM
Elementary Energy Education	TRM		TRM
Home Energy Assessment	TRM		TRM
Income Eligible Kits	2023 RR		TRM*
Multi-Family			
Retrofits and New Construction	TRM & Custom	If Requested	TRM
Partner Trade Ally (PTA)	TRM		TRM
Income Eligible Kits	2023 RR		TRM*
Public Housing Authority	2023 RR		TRM*

*Interim review will be conducted only if our review of the tracking database finds substantial changes from 2023.

Source: Guidehouse

Impact Evaluation – Business and Public Sector

Program / Market Offering	Gross Impact Evaluation Approach	Custom Project Parallel Path Review	Interim Review Type
Business and Public Sector Programs			
Small/Mid-Size Business			
Assessments and DI	TRM		TRM
Rebates: Prescriptive/PTA	TRM		TRM
Rebates: Custom	Custom		Q3, Q4 Samples
Commercial Food Service	TRM		TRM
C&I Programs			
Prescriptive Rebates	TRM		TRM
Custom Rebates	Custom	If Requested	Q3, Q4 Samples
Gas Optimization	Custom	If Requested	Q3, Q4 Samples
Strategic Energy Management	Custom	If Requested	
Coordinated Retro-Commissioning	Custom	If Requested	Quarterly Sample
Coordinated New Construction	Custom	If Requested	Q3 Sample
Public Sector Programs			
Prescriptive Rebates	TRM		TRM
Custom Rebates	Custom	If Requested	Q3, Q4 Samples
Gas Optimization	Custom	If Requested	Q3, Q4 Samples
Strategic Energy Management	Custom	If Requested	
Coordinated Retro-Commissioning	Custom	If Requested	Quarterly Sample
Coordinated New Construction	Custom	If Requested	Q3 Sample

Source: Guidehouse

NTG Evaluation Timeline

Activity	Timing	2023			2024												2025	
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	
Interview program staff, design survey instruments. Two months per program	October 1 to January 15	█	█	█	█													
Prepare survey for fielding and launch. Field data collection lasts 4 weeks up to 5 to 6 months when rolling interviews are employed	January 15 to April 30				█	█	█	█										
Evaluators analyze data and report NTG results	May 1 to July 15								█	█	█							
Finalize all NTG research memos	July 15 to August 31										█	█						
Evaluators present NTG recommendations to SAG and Utilities, and make best effort to reach consensus	September 1 to September 30												█					
Final consensus NTG ratios deemed	October 1													█				
New consensus NTG ratios in effect	January 1																	█

NTG Evaluation Draft Timeline

Program (s)	Target/Measures	Research	2022				2023				2024				2025				2026
			Q1	Q2	Q3	Q4	Q1												
Home Energy Jumpstart	Direct Install	FR, PSO									EFF								
Residential	Advanced Thermostats	FR									EFF								
Multi-Family	Partner Trade Allies	FR, PSO, NPSO									EFF								
Residential Sector	All Non-IE Non-Participants	NPSO									EFF								
Non-Res New Construction	All C&I and Public Sector	FR									EFF								
Multi-Family	Property Manager	FR, PSO																	
Home Energy Rebates	HVAC, Water Htg	FR, PSO																	
Home Energy Rebates	Weatherization	FR, PSO																	
Multi-Family	Asessments & Direct Install	FR, PSO																	
Multi-Family	Standard/Custom Rebates	FR, PSO																	
C&I Programs	Custom Rebates	FR, PSO																	
Coordinated RCx	All C&I and Public Sector	FR, PSO																	
Small/Mid-Size Business	Asessments & Direct Install	FR, PSO																	
Small/Mid-Size Business	Prescriptive/PTA & Custom Rebates	FR, PSO																	
Commercial Food Service	Rebates	FR, PSO																	
C&I Programs	Prescriptive/PTA Rebates	FR, PSO																	
Public Sector	Prescriptive/Custom Rebates	FR, PSO																	
Non-Res New Construction	All C&I and Public Sector	FR																	
Gas Optimization	All MF, C&I and Public Sector	FR, PSO																	
Net-to-Gross Key FR= Free-rideship PSO = Participant Spillover NPSO=Non-Participant Spillover		Survey Design/Sample Prep																	
		Fielding																	
		NTG Analysis and Reporting																	
		Year NTG Effective																	

Market Transformation

1. The Evaluator's role in MT depends on the maturity of the initiative and the Companies' involvement

- **Company and stakeholders are engaged in MT concept and strategy development of an initiative**
 - Evaluators provide “as needed” support to the effort
 - Evaluators advise on key elements of the MT savings protocol of promising initiatives
 - Program Theory and Logic Model, Natural Market Baseline, Savings per Unit / Energy Savings Framework, Gross Market Potential, Market Progress Indicators, Data Collection, Attribution and Allocation
- **Company implements an initiative and expects to claim savings**
 - Evaluators conduct research and verification to estimate savings attributable to the Company following IL TRM Attachment C

Market Transformation

2. **PGL and NSG are engaged in Building Performance Standards**

3. **MT is coordinated with Nicor Gas, ComEd, Ameren Illinois, Third-Parties, SAG**
 - Other initiatives are being developed, led by other parties
 - Coordination is within Illinois and Nationally
 - Evaluation for PGL and NSG will be coordinated with other evaluation teams

Portfolio-Level Topics

Research, Budget, Coordination

Overview of 2022-2025 Evaluation

Portfolio-Level Topics

TRM Support and Research

TRM Update Support

- TRM v13, Q1 through Q3 2024
- Submit / review workpapers
- Participate in subcommittees
- Participate in late October “Evaluation Priorities” discussion led by TRM Administrator
- Refine NTG and MT protocols via Working Groups

TRM Research

- Prioritize by need, impact, and cost
- Additional evaluation priorities are being considered: modest scope and budget, meaningful impact

Other Research Under Consideration

Opportunities to conduct joint research with ComEd, Ameren, Nicor Gas

- NEIs: Research on Societal, Utility, and Participant NEIs
- Program-Specific Topics
- Building Performance Standards MT

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

Annual Reporting

Annual Reporting

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

Timing

- Q3 each year, when final data is available
- Q2 / Q3 2026 four-year summary

Ad Hoc Reporting

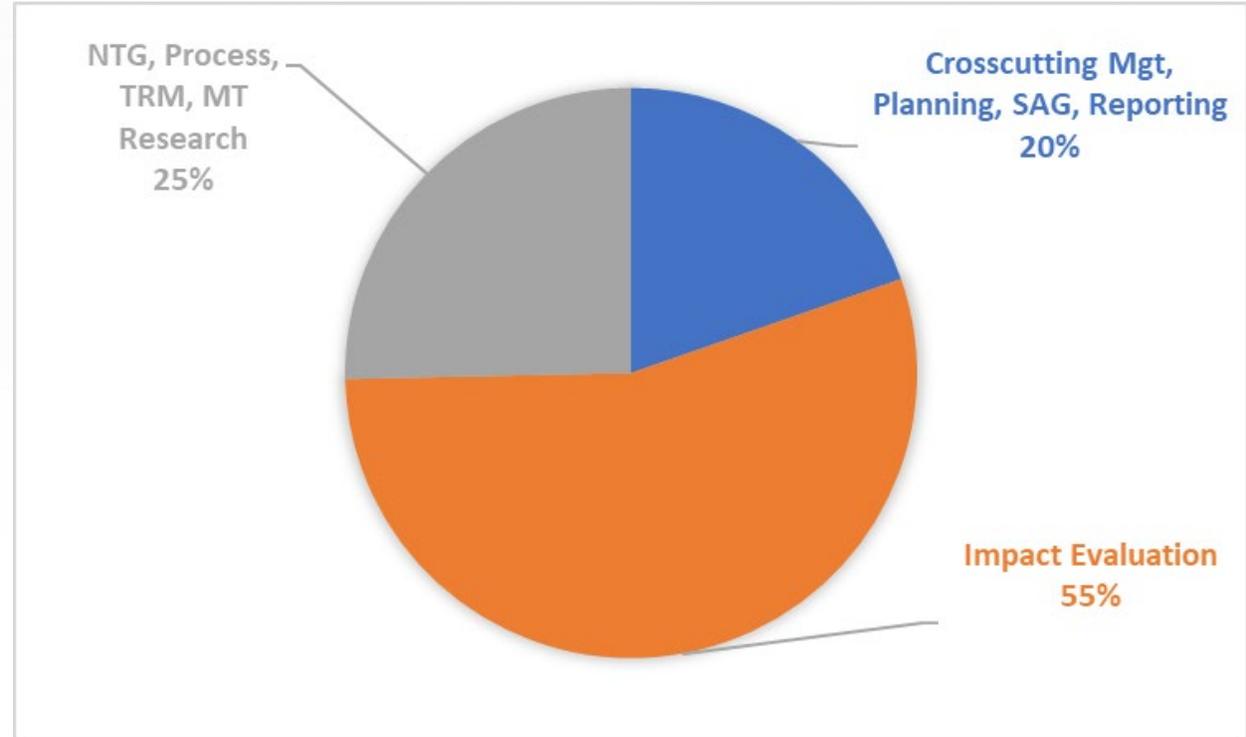
Evaluation Budget

1. Overall Budget is split between

- Impact Evaluation
- Crosscutting Activities (Management, Planning, and Reporting)
- Research (NTG, Process, MT, Other)

2. Prioritizing Resources

- Meet requirements for savings verification and reporting
- ICC Orders and SAG input
- Program contribution to portfolio net savings
- Program / Implementer needs and effectiveness
- Opportunities to leverage joint research with other utilities



Evaluation Budget – 4 Year: \$3,777,716
Per Program Year: \$944,429

Evaluation Coordination

- 1. Guidehouse coordinates with the other utilities and their evaluation teams on an ongoing basis – this includes Ameren, ComEd, and Nicor Gas**
- 2. Gas / Electric Joint Program Evaluations**
 - Some jointly delivered programs are evaluated by a single-team, producing a single report
 - Joint or coordinated programs and measures are evaluated separately in some cases
 - Evaluators calculate and report joint TRCs
 - Monthly evaluation coordination meetings with all evaluation teams

Evaluation Coordination

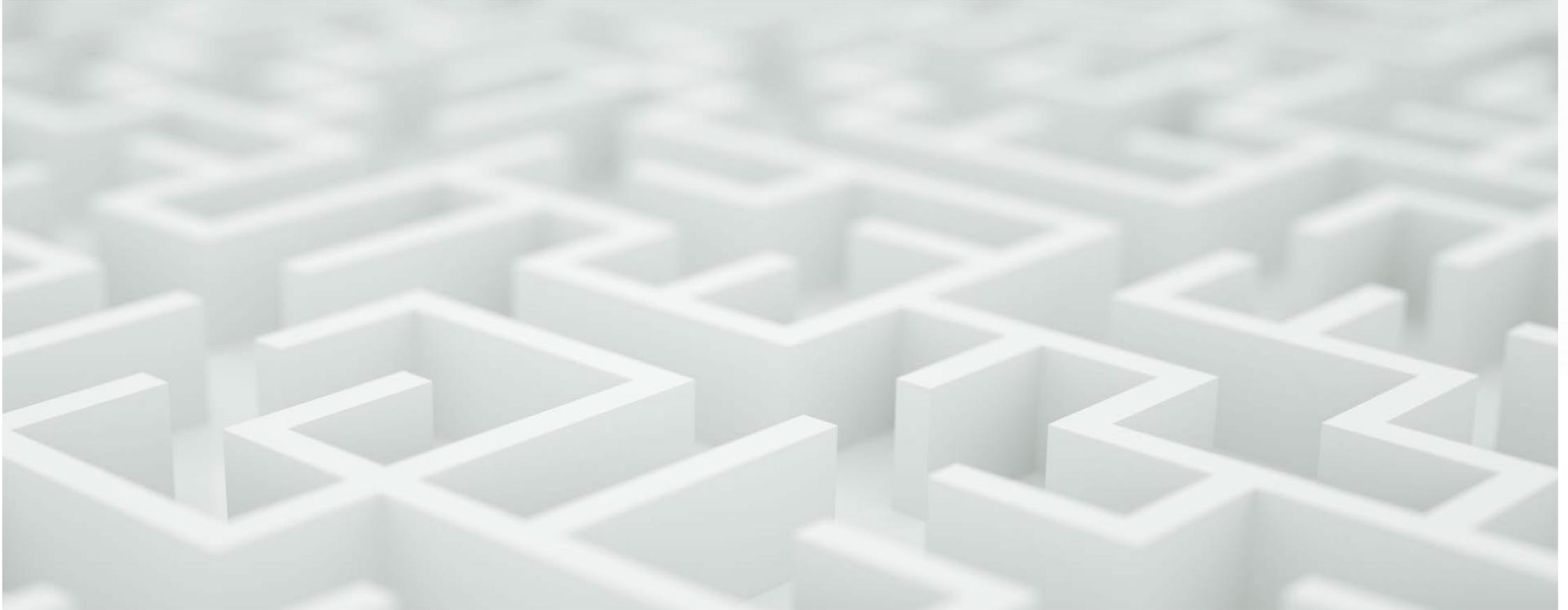
3. Coordination on NTG, Process, and TRM Research

- TRM measure research considered on a case-by-case basis
- Process research is done jointly when it is beneficial to do so
- 2024 collaborative research planned
 - Compressed Air Leak Repair EUL Study
 - Statewide Midstream Food Service NTG Research

4. Coordination beyond specific programs occurs as follows

- SAG meetings, Illinois-wide issues
- Illinois NTG Framework and Protocol Working Group
- Illinois TRM Technical Advisory Committee
- Evaluator coordination calls (monthly)

Questions, Feedback



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