



THE PEOPLES GAS AND NORTH SHORE GAS ENERGY EFFICIENCY PROGRAMS

2019 Program Review IL SAG Meeting March 10, 2020

Agenda

- Introductions
- Goals and Priorities
- Budgets
- 2019 Program Results
 - ✓ Business Programs
 - ✓ Residential Programs
 - ✓ Income Eligible Programs
- Market Transformation and Research & Development
- 2020 Outlook and Priorities
- Questions



Goals and Priorities

- Provide energy efficiency programs that are accessible to all Peoples Gas and North Shore Gas customers
- Educate our customer base about energy efficiency opportunities and become a trusted partner and resource in all their energy efficiency initiatives
- Partner with key stakeholders and community organizations to make larger energy saving impacts in the community
- Facilitate market transformation by making energy efficient products and services the standard choice
- Achieve quadrennial savings goals and annual spend targets through innovative program design, effective market engagement, and high quality program delivery



Annual Budgets (2018-2021)

- PGL: \$27.5 million
 - ✓ Income eligible minimum spend: \$8.8 million
 - ✓ Public sector minimum spend must be 10% of portfolio = \$2.7 million
- NSG: \$4.1 million
 - ✓ Income eligible minimum spend: \$466K
 - ✓ Public sector minimum spend: must be 10% of portfolio = \$414K
- 3% of annual EE budget is allocated for Evaluation, Measurement and Verification





2019 Portfolio Results

2019 PGL/NSG Portfolio Results

PGL Portfolio Results			
Energy Savings (Net Therms)			
	Cumulative Net Therms	2019 Goal	% Goal Achieved
Total	9,750,506	9,505,671	103%
Program Budget			
	Cumulative Costs	2019 Budget	% Budget Spend
Total	\$26,859,116	\$27,492,564	98%

NSG Portfolio Results			
Energy Savings (Net Therms)			
	Cumulative Net Therms	2019 Goal	% Goal Achieved
Total	1,981,706	1,941,719	102%
Program Budget			
	Cumulative Costs	2019 Budget	% Budget Spend
Total	\$3,955,918	\$4,141,043	96%



2019 Business Programs

Who We Serve – Business Customers



How We Serve – Business Customers

Studies

- Engineering and gas optimization studies
- Custom solution development specific to customers industry and business
- Energy roadmap development

Rebates

- Prescriptive and Custom incentives
- Incentives offered for capital energy efficiency improvements
- Strategic Energy Management, Retro-commissioning services



Business Programs – 2019 At a Glance

Commercial & Industrial

- PGL – 102 Customers / 113 Projects
- NSG – 19 Customers / 16 Projects

Small and Midsize

- PGL – 297 Customers / 298 Projects
- NSG – 74 Customers / 74 Projects

Public Sector

- PGL – 43 Customers / 39 Projects
- NSG – 12 Customers / 15 Projects

Total Public Sector \$ Spent

- Peoples Gas \$931,251
- North Shore Gas \$281,080

Total Private Sector \$ Spent

- Peoples Gas \$5,417,260
- North Shore Gas \$789,046

Total Therms Achieved

- Peoples Gas 3,923,474
- North Shore Gas 1,020,240

2019 Business Program Performance

PGL Business Program Portfolio Results			
Energy Savings (Net Therms)			
	Cumulative Net Therms	2019 Goal	% Goal Achieved
Total	3,923,474	4,595,110	85%
Program Budget			
	Cumulative Costs	2019 Budget	% Budget Spend
Total	\$6,348,512	\$8,828,641	72%

NSG Business Program Portfolio Results			
Energy Savings (Net Therms)			
	Cumulative Net Therms	2019 Goal	% Goal Achieved
Total	1,020,240	1,158,536	88%
Program Budget			
	Cumulative Costs	2019 Budget	% Budget Spend
Total	\$1,070,126	\$1,657,911	65%

Business Program Strategies

Commercial & Industrial

- Build relationships with key customers
- Leverage Engineering Studies
- Develop new methods to capture savings and incentivize pipe insulation projects



Small and Midsize

- Facilitate workshops
- Trade Ally engagement
 - ✓ Monthly Webinars
 - ✓ Quarterly Lunch & Learns
- Free boiler tune-ups and facility assessments
- Restaurant EE kits
 - ✓ 5 faucet aerators
 - ✓ 1 pre-rinse sprayer
- Market to specific segments
 - ✓ House of worship
 - ✓ Commercial businesses

Strategic Energy Management (SEM) Highlights

2019 Realized Savings

- 322,983 therms

2020 Alumni Cohort

- Pipeline operational savings: 360,000 therms
- Boiler tune-ups and steam trap projects
- Identifying capital projects for future implementation

2020 Focus

- Pursue operational and capital projects savings
- Further engagement with customers and continuing relationships with key energy personnel



Public Sector Strategies

Public Sector

- Engagement with key customers:
 - ✓ Chicago Public Schools
 - ✓ City of Chicago
 - ✓ Cook County
 - ✓ Chicago Transportation Authority
 - ✓ Chicago Parks District
- Bundling projects to remove financial barriers
- Supporting Retrofit Chicago
- C-Suite outreach focus



Future Energy Champions: Peoples Gas Program for Students



- Partnered with Citizens' Climate Lobby's student chapter at IIT and University of Chicago to lead and mentor 11 college students in an energy audit at local CPS high school
- College students regrouped after the audit to discuss their findings and calculate scope of opportunities identified in the audits
- Peoples Gas EE program engineers provided mentorship, office-hours and coaching to students on reporting methods and calculations
- Final presentations by the students to key CPS stakeholders was held on March 4th
- Students received letters of recognition, t-shirts and a monetary contribution to support their future energy education endeavors

Customer Engagement: Qualawash Holdings

- Qualawash has been an active participant since PY6 and has since completed the following projects:
 - ✓ Custom pipe insulation
 - ✓ Steam trap jackets
 - ✓ Condensing economizer
 - ✓ Temp regulating valves
- Peoples Gas presented Qualawash with a check for \$95k in energy efficiency incentives (November 2019)



Customer Appreciation Luncheons

- 39 business customers were recognized for advancing energy efficiency in their facilities

- ✓ Presidential Towers
- ✓ Schulze and Burch Biscuits Co
- ✓ University of Chicago
- ✓ UChicago Medicine
- ✓ South Chicago Packing
- ✓ Archdiocese of Chicago
- ✓ William Wrigley Jr. Company
- ✓ W Chicago-City Center
- ✓ 625 North Michigan Avenue
- ✓ Mickey's Linen
- ✓ Qualawash Holdings
- ✓ Vantage Specialty Chemicals
- ✓ Leider Horticultural Companies Inc
- ✓ Walgreens
- ✓ Pfanstiehl Laboratories Inc
- ✓ Ivanhoe Industries Inc
- ✓ A.W. Zengeler





2019 Residential Programs

Who We Serve – Residential Customers



How We Serve – Residential Customers

Home Energy Jumpstart

- FREE energy assessment of single and multi-family buildings
- Direct installation of energy and water efficient measures

Rebates

- Prescriptive and Custom incentives
- Rebates include HVAC, weatherization, system controls, steam traps, and pipe insulation

Education

- Home Energy Reports mailed to customers
- 5th grade student education of energy usage



Residential Programs – 2019 At a Glance

Peoples Gas

- Total customers served
 - ✓ 5,663 HEJ homes
 - ✓ 9,165 MF units
 - ✓ 903 MF projects
 - ✓ 144 weatherization projects
 - ✓ 1,176 furnaces

4,846,594 Total Therms Savings

North Shore Gas

- Total customers served
 - ✓ 1,467 HEJ homes
 - ✓ 1,401 MF units
 - ✓ 18 MF projects
 - ✓ 205 weatherization projects
 - ✓ 1,078 furnaces

927,337 Total Therms Savings



2019 Residential Program Performance

PGL Residential Portfolio Results

Energy Savings (Net Therms)

	Cumulative Net Therms	2019 Goal	% Goal Achieved
Total	4,846,594	3,425,922	141%

Program Budget

	Cumulative Costs	2019 Budget	% Budget Spend
Total	\$7,166,527	\$5,852,246	122%

NSG Residential Portfolio Results

Energy Savings (Net Therms)

	Cumulative Net Therms	2019 Goal	% Goal Achieved
Total	927,337	701,982	132%

Program Budget

	Cumulative Costs	2019 Budget	% Budget Spend
Total	\$1,700,700	\$1,354,619	126%

Residential Program Strategies

Single Family

- Focused on increasing customer satisfaction
- HVAC Trade Ally outreach - “lunch & learns”

Multi-family

- Provided bonus and increased incentives for Partner Trade Allies for the following measures:
 - ✓ Domestic hot water pipe insulation
 - ✓ Hydronic pipe insulation
- Updated On-Demand Domestic Hot Water Recirculating Pump controller rebate



Q4 2019 Program Highlight: Multi-Family

Q4 Highlights

- Q4 savings exceeded forecast
- Pipe insulation and steam traps were large contributors to overall program results
- Program success heavily tied to:
 - ✓ Increased Trade Ally engagement
 - ✓ Focus on meeting with MF property managers
 - ✓ Outreach organization engagement
 - ✓ Increased focus on the on-demand DHW pump controller





2019 Income Eligible Programs

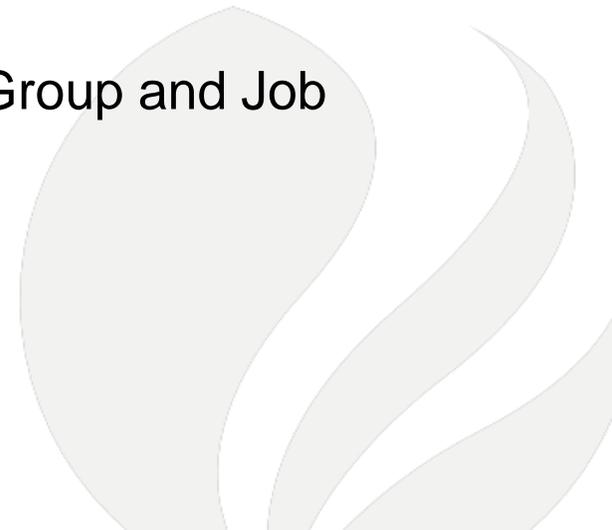
Income Eligible Programs

Program	Partner	Description
Single Family	Chicago Bungalow Association	Provides 100% funded weatherization, direct install, and health and safety measures to vintage homeowners
Single Family & Multi-Family	IHWAP	Leverages state/federal funds and supplements incentives with utility dollars
Multi-Family	Elevate Energy	Provides comprehensive energy efficiency services to any residential building 3 units or more with affordable rents
Public Housing	Elevate Energy	Provides outreach, education and incentives management to eligible PHAs to upgrade old inefficient measures
Affordable New Construction	Slipstream	Program works with affordable housing developers to integrate energy efficiency building practices into the rehab and new construction of multi-family and single-family buildings

All Income Eligible programs are jointly offered or coordinated with ComEd

Income Eligible Programs – 2019 At a Glance

- Continuing to implement programs offered in 2018
 - ✓ 2018 was a start-up year and 2019 proved to be a year of action that allowed programs to take key lessons learned from 2018 and improve program delivery strategies
- On track to meet or exceed income eligible savings and spend targets
 - ✓ Programs were focused on reaching more customers and achieving higher savings cost-effectively
- Implemented an income eligible pilot kit program to LIHEAP grant recipients
 - ✓ Implemented a gas kits pilot program in 2019 that delivered 5,000 kits to LIHEAP recipients
- Continued active participation in the IQ North Program Feedback Working Group and Job Creation Working Group



2019 Income Eligible Program Performance

PGL Income Eligible Portfolio Results			
Energy Savings (Net Therms)			
	Cumulative Net Therms	2019 Goal	% Goal Achieved
Total	980,437	1,484,639	66%
Program Budget			
	Cumulative Costs	2019 Spend Target	% Spend Target
Total	\$9,232,823	\$8,812,867	105%

NSG Income Eligible Portfolio Results			
Energy Savings (Net Therms)			
	Cumulative Net Therms	2019 Goal	% Goal Achieved
Total	34,129	81,201	42%
Program Budget			
	Cumulative Costs	2019 Spend Target	% Spend Target
Total	\$473,657	\$465,948	102%

2019 Income Eligible Programs

Total # customers served

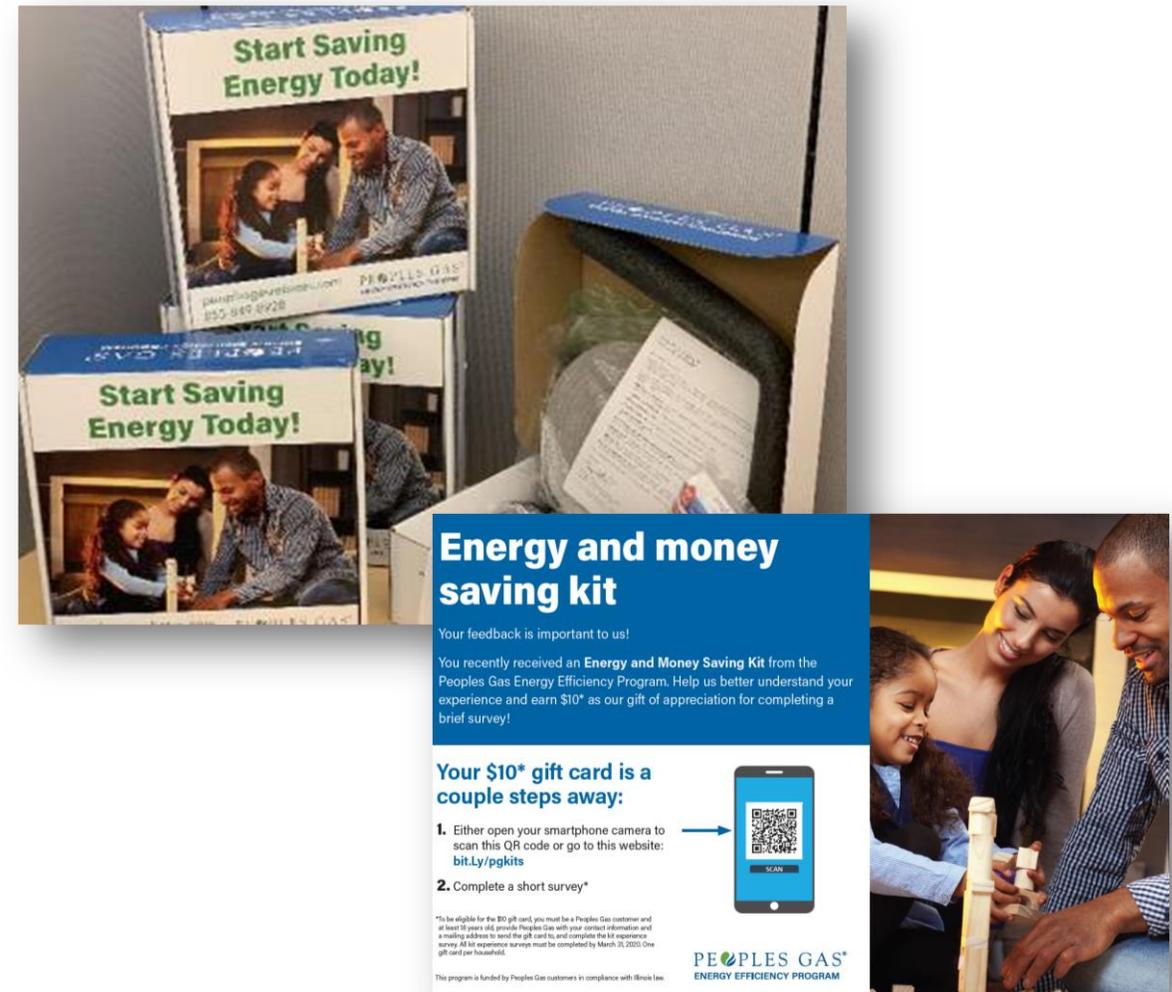
- Chicago Bungalow: 930 units
- Elevate – Multi-Family: 8,688 units
- Elevate – Public Housing: 1,601 units
- IHWAP: 505 units
- Affordable Housing: 25 units
- Income Eligible Kits: 5,000 customers

Peoples Gas		
Program	Therms	Budget
Chicago Bungalow Association	356,372	\$5,297,473
Elevate - Multi-Family	318,511	\$1,632,581
Elevate - Public Housing	62,462	\$470,611
IHWAP - Single Family	39,340	\$730,268
IHWAP - Multi-Family	16,974	\$452,696
Affordable Housing NC	8,062	-\$4,458
Income Eligible Kits	178,716	\$217,000
Admin		\$436,617
	980,437	\$9,232,823

North Shore Gas		
Program	Therms	Budget
Elevate - Multi-Family	1,886	\$25,182
Elevate - Public Housing	3,880	\$29,260
IHWAP - Single Family	4,298	\$112,719
IHWAP - Multi-Family	24,065	\$294,057
Admin		\$12,439
	34,129	\$473,657

Peoples Gas Income Eligible Kits Pilot 2019

- 5,000 energy efficiency kits were released to LIHEAP grant recipients
- Kits Measures
 - ✓ Massage showerhead
 - ✓ Kitchen faucet aerator
 - ✓ Bathroom faucet aerator
 - ✓ Weather stripping
 - ✓ Switch and outlet gaskets
 - ✓ Water-heater thermometer card with set-back
 - ✓ Shower timer
 - ✓ Window kit
 - ✓ Water-heater pipe insulation
- Post Card Survey Request
- Additional kits to be deployed in 2020



Customer Outreach: Q4 Highlights

- Outreach team attended more than 80 customer-facing events during Q4
- Events generated more than 900 customer leads for the Home Energy Jumpstart (HEJ) program
- Top 3 lead generating events:
 - ✓ Chicago Housing Authority - Operation Warmth
 - ✓ Greater Harvest Church - Turkey Giveaway
 - ✓ WVON Family Care Expo



Season of Giving

- 'Tis the season to be jolly! In December 2019, the Peoples Gas and North Shore Gas Energy Efficiency Program squad surprised three deserving customers with some holiday cheer.
- Customers were identified and referred by the following community partners:
 - ✓ Chicago Area Policing Strategies
 - ✓ Spanish Coalition for Housing
 - ✓ Greater Harvest Missionary Baptist Church
- Recipients received a basket filled with holiday goodies, free energy efficiency products, and \$500 to use towards energy efficiency improvements in their homes.



On-Bill Financing

- On-Bill Financing (OBF) allows customers to finance a qualifying energy efficiency project and pay it back directly on their utility bill
- “Pay-as-you-save” – the energy savings from the project should be greater than the finance payments during the year
- Available for qualifying high-efficiency furnaces, boilers and weatherization projects
- New OBF provider (Slipstream) was on-boarded and trained in Q4 of 2019



Market Transformation and Research & Development

Market Transformation Projects

Art Institute of Chicago Dehumidification

- Using machine learning to optimize heating and cooling
- Annual energy cost savings of at least \$120k
- Reduced gas consumption of over 200,000 therms



Upstream Commercial Food Service

- Pilot project with Nicor and ComEd
- Incentivize distributors/wholesalers to sell EE equipment
- Looking to move into programs by 2021



Building Operator Certification

- Statewide energy efficiency training
- Focus on cost-effective operational improvements
- Lighting, HVAC, electrical, benchmarking, etc.
- Joint program between electric and gas utilities



Research & Development Projects

Open Source Building Sensors to save energy

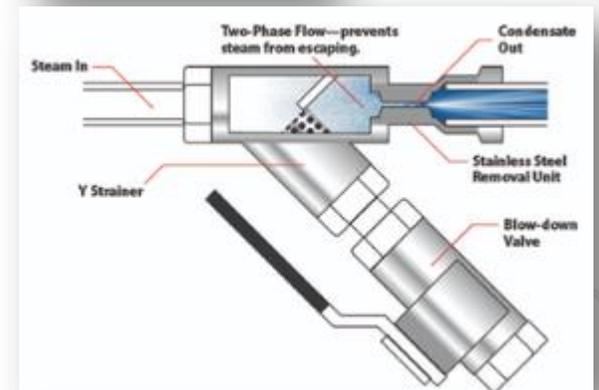
- Project with the Illinois Institute of Technology
- Retrofitting old radiators with inexpensive sensor/control mechanism
- Reduces winter gas consumption by up to 50%

Venturi Steam Traps

- Demonstrated equivalent to mechanical trap performance
- Longer life and potentially less maintenance
- Identifying potential robustness in diverse field applications

Gas Technology Institute (GTI) funded projects

- Gas heat pump water heaters
- High efficiency clothes dryer
- Dozen additional technologies being researched





2020 Outlook

2020 Outlook and Priorities

Residential

- Continue to drive strong participation in Multi-Family, Smart Thermostats, and Home Energy Reports
- Closely monitor higher cost programs (Jumpstart and rebates)

Income Eligible

- On track to exceed IE spend targets
- Continue to focus on customer/partner relationships
- Leveraging relationships with trade allies, service providers and key partners to create awareness and build customer engagement

Business

- Strong pipeline of identified projects; emphasis on low-cost/no-cost measures and driving implementation
- Drive participation in dry cleaners market segment
- Increased North Shore Gas public and private sector outreach
- Ensure successful implementation of opportunities with key public sector customers

Overall Portfolio

- Explore new energy efficiency programs and measures for 2021
- 2022-2025 Portfolio Plan Process



Thank you!

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