

**Date:** February 15, 2018

**Quarterly Report of the Peoples Gas Light and Coke Company and the North Shore Gas Company**

***Program Year 6, 7<sup>th</sup> Quarter Qualitative Report, December 2017***

Pursuant to the Illinois Commerce Commission (“Commission”) final order in Docket No. 13-0550, attached is the Program Year 6 (PY6), Seventh Quarter (7Q) qualitative report accompanying the PY6, Q7 quantitative report which details program results from a savings and cost perspective.

By utility and each of the five programs in the portfolio, as well as bridge period programs (Public Sector, Income Eligible, and Market Transformation) the following is summarized:

- a. Program activities
- b. Implementation modifications
- c. Additions or discontinuations of specific measures or services
- d. Changes due to EM&V Input, TRM changes, NTG changes, or market research findings, and
- e. TRC screening results for new measures added.

The Peoples Gas Light and Coke Company (PGL) program highlights begin on Page 2; North Shore Gas Company (NSG) program highlights begin on Page 7.

# Peoples Gas

## Portfolio Performance Overview

- At the end of the seventh quarter, the Peoples Gas Natural Gas Savings Programs have achieved 83% realized savings, utilizing 91% of the budget, per the updated PY6+ filed budget and savings in the Joint Verified Petition. All programs are proceeding as forecast, and per Joint Petition 17-0212 approved goals. Due to overperformance in PY4 and PY5, the Peoples Gas portfolio is on track to achieve the revised compliance filing triennial goals.
- The seventh quarter consisted of continued integration of the former DCEO programs into the portfolio, close monitoring of portfolio forecasts to achieve triennial goals, and planning for Phase III program design and launch.

### 1. Residential Programs

#### a. Program Activities

- The PGL Residential Programs (Home Energy Jumpstart and Home Energy Rebates) achieved 72% of the savings goal through Q7 using 77% of the budget.
- Home Energy Rebate savings make up 56% of Residential Program realized savings.

#### b. Implementation Modifications

- None in Q7

#### c. Addition or Discontinuation of Specific Measures or Services

- None in Q7

#### d. Changes Due to EM&V Input, IL TRM Changes, NTG Changes, or Market Research Findings

- None in Q7

#### e. For New Measures Added, TRC Screening Results

- None in Q7

### 2. Multi-Family Programs

#### a. Program Activities

- The PGL Multi-Family Program (Multi-Family Jumpstart, Prescriptive, Partner Trade Ally, Custom and Gas Optimization Programs) delivered strong results through Q7, realizing 96% of the savings goal and utilizing 104% of the budget while focusing on closing the pipeline for the end of the program year
- 54% of realized savings have been generated through our Partner Trade Ally Program.

- Steam traps and Boiler Tune Ups are the top performing measures for Multi-Family customers.
- b. Implementation Modifications
  - None in Q7
- c. Addition or Discontinuation of Specific Measures or Services
  - None in Q7
- d. Changes Due to EM&V Input, IL TRM Changes, NTG Changes, or Market Research Findings
  - None in Q7
- e. For New Measures Added, TRC Screening Results
  - None in Q7

### **3. Residential Outreach and Education Programs**

- a. Program Activities
  - Residential outreach and education realized 32% of the savings goal while utilizing 73% of the budget. PY6 had smaller program goals due to overperformance in PY4 and PY5 for the Home Energy Report program.
  - Home Energy Reports were sent throughout the winter which resulted in an estimated 400,861 therms saved since June 1, 2016. The program reached 98,847 households.
  - The Elementary Education Program served 128 schools and 22,145 kits. 42.5% of student surveys have been received.
- b. Implementation Modifications
  - None in Q7
- c. Additions or Discontinuation of Specific Measures or Services
  - None in Q7
- d. Changes Due to EM&V Input, IL TRM Changes, NTG Changes, or Market Research Findings
  - None in Q7
- e. For new measures added, TRC screening results
  - None in Q7

#### **4. Business Programs**

##### a. Program Activities

- The PGL Business Programs (Jumpstart, Engineering Studies, Prescriptive, Custom, and Gas Optimization) achieved 101% realized savings through Q7 using 84% of the budget.

##### b. Implementation Modifications

- None in Q7

##### c. Additions or Discontinuation of Specific Measures or Services

- None in Q6

##### d. Changes Due to EM&V Input, IL TRM changes, NTG Changes, or Market Research Findings

- None during Q7

##### e. For New Measures Added, TRC Screening Results

- None in Q7

#### **5. Small Business Programs**

##### a. Program Activities

- The PGL Small Business Programs (Energy Assessment and Direct Install, Prescriptive, Partner Trade Ally, and Custom) achieved 102% realized savings in Q7 using 113% of the budget.

##### b. Implementation Modifications

- None during Q7

##### c. Additions or Discontinuation of Specific Measures or Services

- None during Q7

##### d. Changes due to EM&V Input, IL TRM changes, NTG change, market research findings

- None during Q7

##### e. For new measures added, TRC screening results

- None during Q7

#### **6. Public Sector**

##### a. Program Activities

- Public Sector programs achieved 73,996 realized therms and spent \$485,724
  - The bridge period PGL Public Sector Programs (Prescriptive and Custom) realized six projects through Q7. The bridge period PGL Public Sector Assessment Program completed eight assessment during Q6.
- b. Implementation Modifications
- None in Q7
- c. Additions or Discontinuation of Specific Measures or Services
- None in Q7
- d. Changes due to EM&V Input, IL TRM changes, NTG change, market
- NTG for public programs will be evaluated at the end of PY7
- e. For new measures added, TRC screening results
- None in Q7

## **7. Income Eligible**

- a. Program Activities
- Income Eligible programs achieved 341,224 realized therms and spent \$5,001,230.
  - The Chicago Bungalow Association Program has maintained the forecasted production and will achieve unit goals in early December.
  - The Multi-Family income eligible program experienced an increase of DI production and completed 800 unit installs.
  - The Public Housing Authority program submitted 3 prescriptive rebate projects for completion in 2017.
  - The IHWAP program has had program activity during the bridge period, but no final data has been received to process payment and realize therms.
- b. Implementation Modifications
- Incorporated all DCEO vendors into portfolio program implementation.
- c. Additions or Discontinuation of Specific Measures or Services
- None in Q7
- d. Changes due to EM&V Input, IL TRM changes, NTG change, market
- None in Q7
- e. For new measures added, TRC screening results
- None in Q7

## 8. Market Transformation

- a. Program Activities
  - Implementation of all bridge period Market Transformation programs continued through Q6 according to plan. Programs included the Building Operator Certification (BOC), Illinois Home Performance (IHP), Savings Through Efficient Products (STEP), and the Building Industry Training and Education (BITE) Program.
- b. Implementation Modifications
  - None in Q7
- c. Additions or Discontinuation of Specific Measures or Services
  - N/A
- d. Changes due to EM&V Input, IL TRM changes, NTG change, market
  - N/A
- e. For new measures added, TRC screening results
  - N/A

## North Shore Gas

### Portfolio Overview

- At the end of the seventh quarter, the North Shore Gas (NSG) Natural Gas Savings Programs have achieved 62% realized savings, utilizing 103% of the budget, per the updated PY6+ filed budget and savings in the Joint Verified Petition. All programs are proceeding as forecast, and per Joint Petition 17-0212 approved goals. Due to overperformance in PY4 and PY5, the North Shore Gas portfolio is on track to achieve the revised compliance filing triennial goals.
- The seventh quarter consisted of continued integration of the former DCEO programs into the portfolio, close monitoring of portfolio forecasts to achieve triennial goals, and planning for Phase III program design and launch.

#### 1. Residential Programs

##### a. Program Activities

- The NSG Residential Programs (Home Energy Jumpstart and Home Energy Rebates) achieved 246% of the Q7 savings goal using 152% of the budget.
- Strong performance continued in the weatherization portion of the Home Energy Rebate program, achieving 85% of Residential Program savings.

##### b. Implementation Modifications

- None in Q7

##### c. Addition or Discontinuation of Specific Measures or Services

- None in Q7

##### d. Changes Due to EM&V Input, IL TRM Changes, NTG Changes, or Market Research Findings

- None in Q7

##### e. For New Measures Added, TRC Screening Results

- None in Q7

#### 2. Multi-Family Programs

##### a. Program Activities

- The NSG Multi-Family Program (Multi-Family Jumpstart, Prescriptive, Partner Trade Ally, Custom and Gas Optimization Programs) achieved 21% of the savings goal through Q6 and utilized 74% of the budget.

- The majority of the realized savings (88%) achieved in this path were delivered through the Jumpstart (DI) program.
- b. Implementation Modifications
    - None in Q7
  - c. Addition or Discontinuation of Specific Measures or Services
    - None in Q7
  - d. Changes Due to EM&V Input, IL TRM Changes, NTG Changes, or Market Research findings
    - None in Q7
  - e. For New Measures Added, TRC Screening Results
    - None in Q7

### **3. Residential Outreach and Education Programs**

- a. Program Activities
  - Residential outreach and education realized 26% of the savings goal while utilizing 79% of the budget. PY6 had smaller program goals due to overperformance in PY4 and PY5 for the Home Energy Report program
  - Home Energy Reports were sent throughout the winter which resulted in an estimated 293,981 therms saved since June 1, 2016. The program reached 78,893 households.
  - The Elementary Education Program served more than 34 schools and 5,879 households. 39.6% of student surveys have been received.
- b. Implementation Modifications
  - None in Q7
- c. Additions or Discontinuation of Specific Measures or Services
  - None in Q7
- d. Changes Due to EM&V Input, IL TRM Changes, NTG Changes, or Market Research Findings
  - None in Q7
- e. For New Measures Added, TRC Screening Results
  - None in Q7

### **4. Business Programs**

- a. Program Activities
  - The NSG Business Programs (Jumpstart, Engineering Studies, Prescriptive, Custom, and Gas Optimization) achieved 44% realized savings through Q7 using 78% of the budget.
- b. Implementation Modifications
  - None in Q7
- c. Additions or Discontinuation of Specific Measures or Services
  - None in Q7
- d. Changes Due to EM&V Input, IL TRM changes, NTG Changes, or Market Research Findings
  - None in Q7
- e. For New Measures Added, TRC Screening Results
  - None in Q7

## **5. Small Business Program**

- a. Program Activities
  - The NSG Small Business Programs (Energy Assessment and Direct Install, Prescriptive, Partner Trade Ally, and Custom) achieved 165% realized savings in Q7 using 128% of the budget.
- b. Implementation Modifications
  - None in Q7
- c. Additions or Discontinuation of Specific Measures or Services
  - None in Q7
- d. Changes due to EM&V Input, IL TRM changes, NTG change, market research findings
  - None in Q7
- e. For new measures added, TRC screening results
  - None in Q7

## **6. Public Sector**

- a. Program Activities
  - Public Sector programs achieved 16,174 realized therms and spent \$85,178.

- The bridge period NSG Public Sector Programs (Prescriptive and Custom) realized zero projects through Q7. The bridge period NSG Public Sector Assessment Program completed nineteen assessments during Q6.
- b. Implementation Modifications
    - None in Q7
  - c. Additions or Discontinuation of Specific Measures or Services
    - None in Q7
  - d. Changes due to EM&V Input, IL TRM changes, NTG change, market
    - NTG for public programs will be evaluated at the end of PY7
  - e. For new measures added, TRC screening results
    - None in Q7

## **7. Income Eligible**

- a. Program Activities
  - Income Eligible programs achieved 17,470 therms and spent \$497,242.
  - The Public Housing Authority program received a prescriptive rebate application for space heating boilers and domestic hot water system replacement expected to close in December
  - The IHWAP program has had program activity during the bridge period, but no final data has been received to process payment and realize therms.
- b. Implementation Modifications
  - Incorporated all DCEO vendors into portfolio program implementation.
- c. Additions or Discontinuation of Specific Measures or Services
  - None in Q7
- d. Changes due to EM&V Input, IL TRM changes, NTG change, market
  - None in Q7
- e. For new measures added, TRC screening results
  - None in Q7

## **9. Market Transformation**

- a. Program Activities

- Implementation of all bridge period Market Transformation programs continued through Q7 according to plan. Programs included the Building Operator Certification (BOC), Illinois Home Performance (IHP), Savings Through Efficient Products (STEP), and the Building Industry Training and Education (BITE) Program.
- b. Implementation Modifications
- None in Q7
- c. Additions or Discontinuation of Specific Measures or Services
- N/A
- d. Changes due to EM&V Input, IL TRM changes, NTG change, market
- N/A
- e. For new measures added, TRC screening results
- N/A