



Q3 Results, Q4 Update, PY2 Overview

Peoples Gas / North Shore Gas - Natural Gas Savings Program

Program Year 1

Q3 Program Results, Q4 Update, PY2 Plan Overview

Illinois Stakeholder Advisory Group

May 29, 2012

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Points to Address

1. Realized savings, budget allocation through Q3
 - NSG, PGL Portfolio
 - Residential, C&I Program Overview
2. Expected results end of Q4, Program Year 1 Overall
3. Individual program trends, observations
4. PY2 Plan Overview – NSG and PGL

Your questions, suggestions at any time

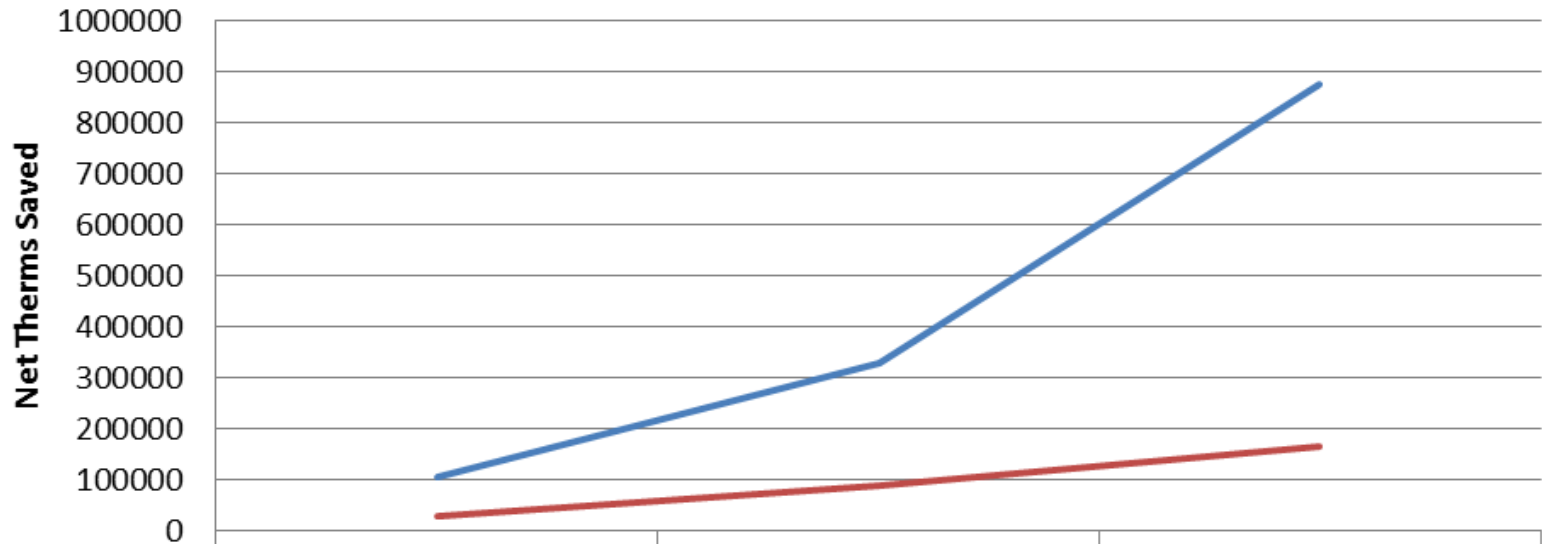
Results through End of Q3

NSG - Overall EEP Portfolio			
Energy Savings (NetTherms)			
Indicator	Cumulative Net Therms YTD	Current PY1 Goal	PY Pct. Achieved
Total	164,450	555,035	30%
Program Costs			
Indicator	Cumulative Costs YTD	Current Budget*	Pct. Invoiced
Total	\$739,922	\$1,585,547	47%

PGL - Overall Utility EEP Portfolio			
Energy Savings (NetTherms)			
Indicator	Cumulative Net Therms YTD	Current PY1 Goal	PY Pct. Achieved
Total	874,148	2,806,711	31%
Program Costs			
Indicator	Cumulative Costs YTD	Current Budget*	Pct. Invoiced
Total	\$3,538,202	\$9,889,200	36%

Savings Trend

PY1 PGL, NSG Programs



	Q1 Net Therms Realized	Q2 Net Therms Realized	Q3 Net Therms Realized
— PGL	102974	329213	874149.11
— NSG	26437	86727	164450.54

NSG – Program Results through Q3

NSG - EEP Residential Programs				NSG - EEP Business Programs			
Energy Savings (NetTherms)				Energy Savings (NetTherms)			
Indicator	Cumulative Net Therms YTD	Current PY1 Goal	PY Pct. Achieved	Indicator	Cumulative Net Therms YTD	Current PY1 Goal	PY Pct. Achieved
Total	81,854	158,157	52%	Total	82,596	396,878	21%
Program Costs				Program Costs			
Indicator	Cumulative Costs YTD	Current Budget**	Pct. Invoiced	Indicator	Cumulative Costs YTD	Current Budget**	Pct. Invoiced
Total	\$284,561	\$374,419	76%	Total	\$248,913	\$656,082	38%

PGL – Program Results through Q3

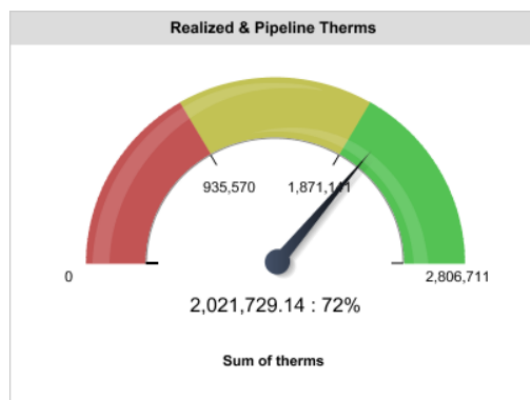
PGL - Utility EEP Residential Programs				PGL - Utility EEP Business Programs			
Energy Savings (NetTherms)				Energy Savings (NetTherms)			
Indicator	Cumulative Net Therms YTD	Current PY1 Goal	PY Pct. Achieved	Indicator	Cumulative Net Therms YTD	Current PY1 Goal	PY Pct. Achieved
Total	420,078	1,072,900	39%	Total	454,070	1,733,811	26%
Program Costs				Program Costs			
Indicator	Cumulative Costs YTD	Current Budget**	Pct. Invoiced	Indicator	Cumulative Costs YTD	Current Budget**	Pct. Invoiced
Total	\$990,112	\$3,108,755	32%	Total	\$1,055,030	\$3,400,252	31%



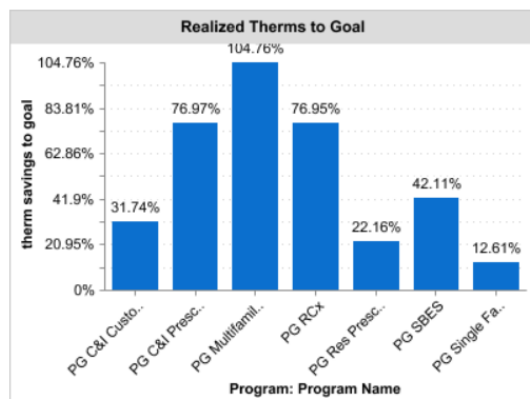
2. Expected Results through Q4, Close PY1

PGL – Expected Results through Q4, Close PY1

Therm Savings YTD vs. Goal



Activity vs. Goal Therm Savings

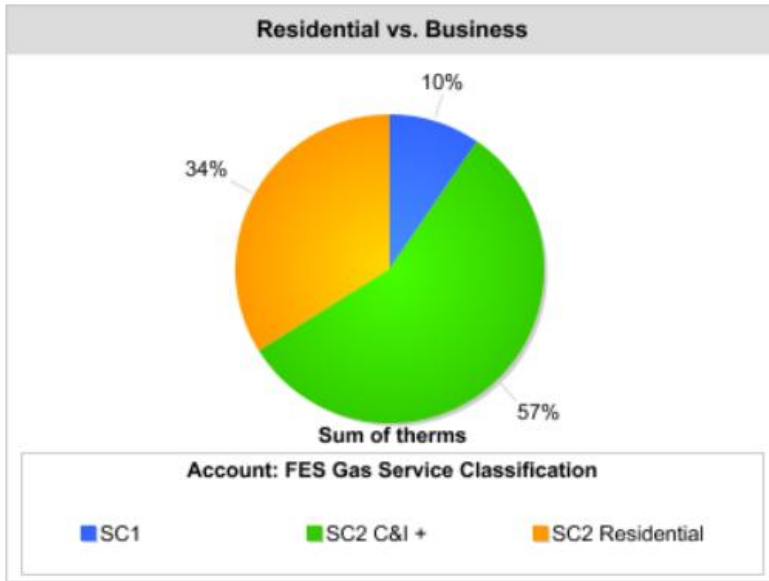


- Expect to close PY1 at 72% - 77% of PY1 Goal
- Final variability due to outstanding RCx project which will be verified in June
- From goal achievement standpoint, solid performance from Residential Multi Family, C&I Prescriptive, C&I RCx Programs
- Served 2,316 Peoples Gas customers in PY1

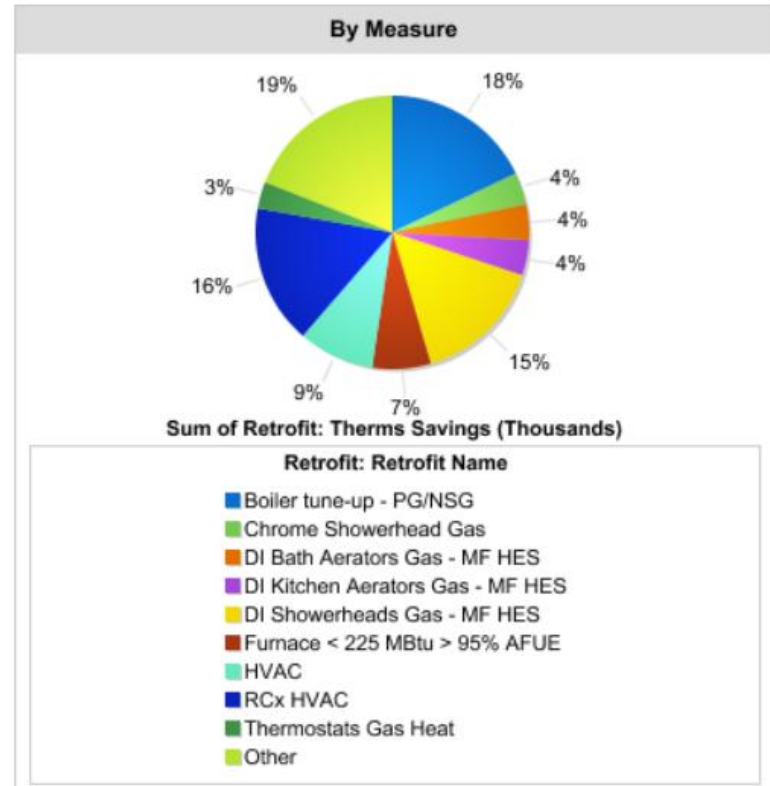
Program Data Through 5/25/12

PGL – Expected Results through Q4, Close PY1

Realized Therm Savings by Gas Service Type



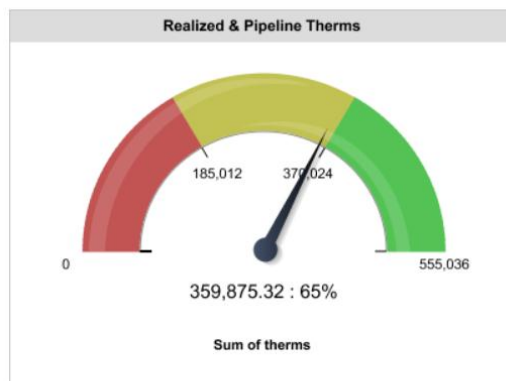
Realized Therm Savings



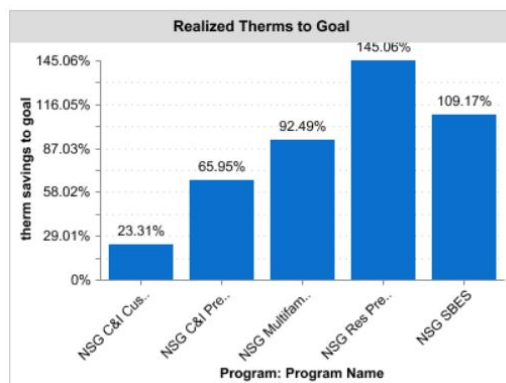
Program Data Through 5/25/12

NSG Expected Results through Q4, Close PY1

Therm Savings YTD vs. Goal



Activity vs. Goal Therm Savings

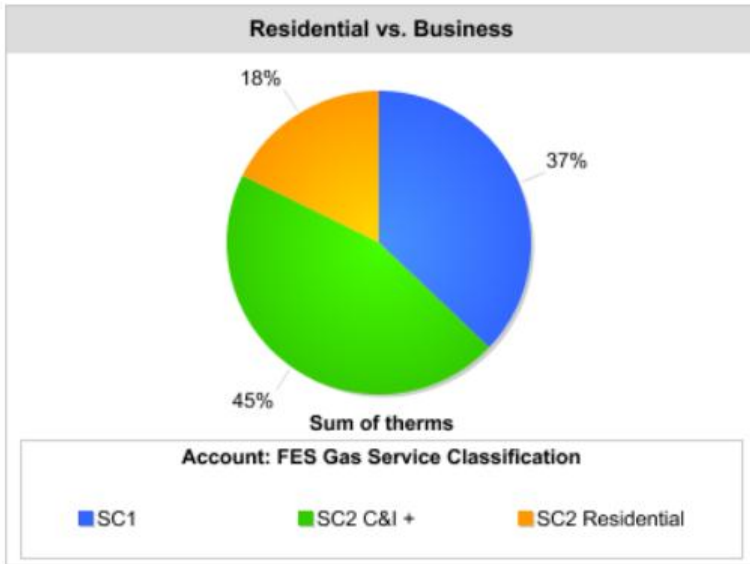


- Expect to close PY1 at 65% - 70% of PY1 Goal
- Final variability due to outstanding RCx projects which will be verified in June
- From goal achievement standpoint, solid performance from Residential Prescriptive, Small Business, Multi Family Programs
- Served 1,349 North Shore Gas customers in PY1

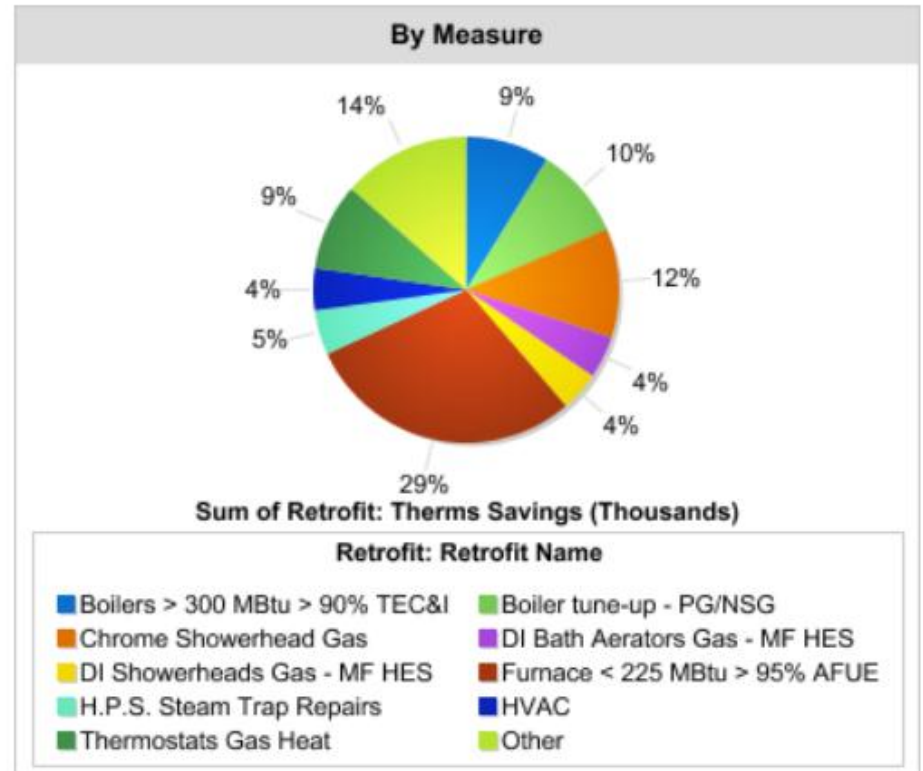
Program Data Through 5/25/12

NSG – Expected Results through Q4, Close PY1

Realized Therm Savings by Gas Service Type



Realized Therm Savings



Program Data Through 5/25/12



3. Program Trends, Observations

Key Accomplishments – PY1

- Launched 7 new programs, 3 of which are jointly delivered with ComEd
- Established local, dedicated staffing, infrastructure, and contacts with key trade allies, customer groups, and stakeholders
- Coordinate efforts with neighboring utilities, refine the joint program approach. Figured out administration, reporting for three (3) different utilities (NSG, PGL, ComEd)
- Coordinated Residential Prescriptive offering with On Bill Finance
- Exceeded goals for several programs ... Documented barriers and made revised plans for programs which fell short ... e.g. Residential Prescriptive within PGL and lessons from HVAC Distributor Advisory Group

Residential Programs – Observations

Residential Prescriptive

- PGL – venting challenge, contractor reluctance, demographics, warm winter...a fraction of participation planned for PY1. Will elevate homeowner marketing/awareness, contractor training, and cross-promotion with Single Family D.I. effort
- NSG – good participation, exceeded goal, start to prepare for 2013 Federal Code Change, more emphasis on boilers, attic insulation, DHW

Residential Multi Family

- PGL, NSG – good participation and interest for both NSG, PGL. Turn focus in PY2 to harvesting common area retrofit opportunities to balance direct install savings. Work with City of Chicago on targeted areas to promote the Multi Family Program

Residential Single Family D.I.

- PGL, NSG – new offer as of Q3 PY1. Building a strong pipeline, and adding measures to this effort (thermostats as D.I.). Will use as a mechanism to cross promote the Prescriptive measures, and IL Home Performance with Energy Star/EI2 incentives. 15,000 homes planned to be served in PY2 between NSG and PGL. Work with City of Chicago to promote.

Business Programs - Observations

C&I Prescriptive / Custom

- PGL, NSG – adding measures PY2, better positioning, knowledge of players, timing for large equipment replacement, formal tie in to “SC2-C&I” multi family buildings and retrofit projects (boilers, steam traps), excellent progress made with several key PGL/NSG accounts that are starting to result in large projects (Merchandise Mart, Trib Towers, PQ Corp)

C&I Small Business

- PGL, NSG – solid goal achievement on electric side of this program, need to balance gas savings. HVAC TAs have been difficult to reach in this market, some tweaking to the model will be necessary. Dedicated PM will ensure goal attainment. Significant strides in steam systems within this program

C&I RCx

- PGL, NSG – solid performance in PGL, off goal in NSG but pipeline building for PY2. Targeting NSG Key Accounts in Manufacturing and Healthcare to reach NSG goal.



4. PY2 Plan Overview

PY2 Plan Highlights

- Concentrate on more outreach, awareness
- Recognize that Residential Prescriptive within PGL will continue to be tough. Increase awareness, outreach through trusted community groups, cross market efforts (Single Family D.I.) to secure more SC1 Residential Savings, add on DHW and Attic Insulation measures
- Active, regular communication with HVAC Distributors and Contractors – Advisory Group
- Complete System Replacement (CSR) / On-Bill Finance – continue to cross promote
- Coordinate where it makes sense with EI2, City of Chicago, and Alderman / Districts
- More emphasis and staffing dedicated to the C&I Programs – adding staff, focused outreach on large industrial process heat efficiency opportunities

NSG PY2 Overview

NSG - Planned Savings		PY2 Filed Therm		PY2 Updated	
		Savings	%	Therm Savings	%
Residential		450,512	41%	565,100	43%
<u>C&I</u>		<u>659,560</u>	<u>59%</u>	<u>741,000</u>	<u>57%</u>
Total		1,110,072		1,306,100	
NSG - Planned Budget		PY2 Filed Budget		PY2 Updated	
		Budget	%	Budget	%
Residential		\$ 1,006,788	48%	\$ 1,088,278	45%
C&I		\$ 1,064,985	51%	\$ 1,325,452	55%
<u>Support</u>		<u>\$ 33,320</u>	<u>2%</u>	<u>\$ 11,750</u>	0.5%
Total		\$ 2,105,093		\$ 2,425,480	

PGL PY2 Overview

PGL - Planned Savings		PY2 Filed Therm Savings		PY2 Updated Therm Savings	
			%		%
	Residential	2,661,195	47%	2,464,900	39%
	C&I	<u>2,952,227</u>	<u>53%</u>	<u>3,885,155</u>	<u>61%</u>
	Total	5,613,423		6,350,055	
PGL - Planned Budget		PY2 Filed Budget		PY2 Updated Budget	
			%		%
	Residential	7,613,723	57%	6,581,906	40%
	C&I	5,613,958	42%	9,622,656	59%
	<u>Support</u>	<u>188,814</u>	<u>1%</u>	<u>188,814</u>	<u>1%</u>
	Total	13,416,494		16,393,375	



Questions, Additional Information

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