

Peoples Gas Energy Efficiency Program - Plan Year 3

PY3 Fourth Quarter Report: March 2014 - May 2014

| Overall Utility EEP Portfolio | | | | Utility EEP Residential Programs | | | | Utility EEP Business Programs | | | | Other Portfolio Costs | | | |
|-------------------------------|---------------------------|---------------------|------------------|----------------------------------|---------------------------|---------------------|------------------|-------------------------------|---------------------------|---------------------|------------------|-----------------------------|---------------------------|---------------------|------------------|
| Energy Savings (Net Therms) | | | | Energy Savings (Net Therms) | | | | Energy Savings (Net Therms) | | | | Energy Savings (Net Therms) | | | |
| Indicator | Cumulative Net Therms YTD | Current PY3 Goal* | PY Pct. Achieved | Indicator | Cumulative Net Therms YTD | Current PY3 Goal* | PY Pct. Achieved | Indicator | Cumulative Net Therms YTD | Current PY3 Goal* | PY Pct. Achieved | Indicator | Cumulative Net Therms YTD | Current PY3 Goal | PY Pct. Achieved |
| Total | 9,075,766 | 6,692,030 | 136% | Total | 6,291,098 | 3,449,030 | 182% | Total | 2,784,668 | 3,243,000 | 86% | Total | 0 | 0 | NA |
| Program Costs | | | | Program Costs | | | | Program Costs | | | | Program Costs | | | |
| Indicator | Cumulative Costs YTD | Current Budget | Pct. Invoiced | Indicator | Cumulative Costs YTD | Current Budget | Pct. Invoiced | Indicator | Cumulative Costs YTD | Current Budget | Pct. Invoiced | Indicator | Cumulative Costs YTD | Current Budget | Pct. Invoiced |
| Total | \$26,244,539 | \$36,316,858 | 72% | Total | \$13,308,502 | \$10,080,550 | 132% | Total | \$5,163,531 | \$15,593,474 | 33% | Total | \$7,772,506 | \$10,642,834 | 73.03% |

*PY3 Goal is now updated (initial was 7,538,669 net therms, now 6,692,030). PY3 final goal represents net therms needed for PGL to meet three year, Phase I goal. PY3 Goal adjusted in Q3 given final PY2 EM&V Adjustments. Three Year Goal of 16,840,268 Net Therms - PY1 2,045,995 Verified Net Therms - PY2 8,102,243 Verified Net Therms = 6,692,030 Net Therms to achieve in PY3

Note: all savings/cost information is current through 6/30/14, with final savings/spend information to be available in August 2014 after all PY3 projects are reviewed, processed, and paid.

Savings (Therms) values are based on TRM, subject to final evaluation adjustments. PY2 final EM&V values applied to all PY3 projects found in this Q3 report.

| EEP Residential Programs | | | | |
|-------------------------------------|---------------------------|---------------------|-------------------|--|
| Energy Savings (Therm) | | | | |
| PGL Residential Programs | Cumulative Net Therms YTD | Current PY3 Goal | PY3 Pct. Achieved | Comments |
| Residential - Home Energy Rebate | 810,487 | 266,308 | 304.3% | Strong performance and response to final PY3 promotions in Q3 and 4 |
| Residential - Home Energy Reports | - | 798,924 | 0.0% | Draft EM&V results expected by end of July 2014. Final results in August 2014 |
| Multi-Family Home Energy Savings | 5,181,967 | 2,123,120 | 244.1% | Overwhelming response to Common Area Incentives in Q4 |
| Residential Home Energy Jumpstart | 298,644 | 260,678 | 114.6% | Actual programmable thermostat installs lower vs. savings forecast |
| Residential Programs - Total | 6,291,098 | 3,449,030 | 182.4% | |
| Program Costs | | | | |
| PGL Residential Programs | Cumulative Costs YTD | Current Budget | PY3 Pct. Invoiced | Comments |
| Residential - Home Energy Rebate | \$2,883,188 | \$3,651,539 | 79.0% | Processing final PY3 applications, expect to be fully processed by mid-July 2014 |
| Residential - Home Energy Reports | \$808,964 | \$1,239,468 | 65.3% | |
| Multi-Family Home Energy Savings | \$8,483,003 | \$4,363,040 | 194.4% | Overwhelming response to Common Area Incentives in Q4 |
| Residential Home Energy Jumpstart | \$1,133,347 | \$826,503 | 137.1% | |
| Residential Programs - Total | \$13,308,502 | \$10,080,550 | 132.0% | |

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| EEP Business Programs | | | | |
|----------------------------------|---------------------------|---------------------|-------------------|---|
| Energy Savings (Therm) | | | | |
| PGL Business Programs | Cumulative Net Therms YTD | Current PY3 Goal | PY3 Pct. Achieved | Comments |
| Small Business Efficiency | 841,589 | 798,924 | 105.3% | |
| C&I - Custom Rebates | 896,615 | 2,033,769 | 44.1% | Includes one project (67,165 therms) paid in PY2, claimed now in PY3 due to EM&V findings which were addressed in PY3. Savings were not claimed for PY2, only PY3 |
| C&I - Prescriptive Rebates | 853,509 | 216,923 | 393.5% | Two drivers for achievement: 1) increase in NTG from .43 to .63, 2) lower cost (\$/therm) steam trap success |
| C&I - Retro-Commissioning | 192,955 | 193,384 | 99.8% | |
| Business Programs - Total | 2,784,668 | 3,243,000 | 85.9% | |
| Program Costs | | | | |
| PGL Business Programs | Cumulative Costs YTD | Current Budget | PY3 Pct. Invoiced | Comments |
| Small Business Efficiency | \$1,362,343 | \$2,069,954 | 65.8% | |
| C&I - Custom Rebates | \$2,139,387 | \$6,278,128 | 34.1% | |
| C&I - Prescriptive Rebates | \$1,298,732 | \$6,723,436 | 19.3% | PY3 actuals will be underspent vs. budget -> participation with lower cost measures, improved NTG, limited need for bonuses. |
| C&I - Retro-Commissioning | \$363,068 | \$521,956 | 69.6% | |
| Business Programs - Total | \$5,163,531 | \$15,593,474 | 33.1% | |

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| Other Portfolio Costs | | | | |
|---------------------------------------|----------------------|---------------------|-------------------|----------|
| Program Costs | | | | |
| Programs | Cumulative Costs YTD | Current Budget | PY3 Pct. Invoiced | Comments |
| Administration | \$70,951 | \$122,000 | 58.2% | |
| EM&V | \$384,557 | \$774,244 | 49.7% | |
| Utility Verification of DCEO Invoices | \$4,716 | \$6,050 | 77.9% | |
| DCEO - Implementation | \$7,309,465 | \$9,734,490 | 75.1% | |
| OBF Program Support | \$2,817 | \$6,050 | 46.6% | |
| Other EE Programs - Total | \$7,772,506 | \$10,642,834 | 73.0% | |

| EEP Portfolio | | | | | |
|---------------------------------------|----------------------|---------------------|-------------------|---|-------------------------|
| Program Costs by Budget Category | | | | | |
| Budget Category | Cumulative Costs YTD | Current Budget | PY3 Pct. Invoiced | Comments | As a % of Total PY3 PGL |
| Administration | \$70,951 | \$122,000 | 58.2% | | 0.3% |
| Implementation | \$3,182,639 | \$2,681,191 | 118.7% | Final PY3 Impim budget now reflects unspent PY2 Impim funds. No change in overall 3 year budget | 12.1% |
| Incentives | \$11,930,069 | \$16,287,992 | 73.2% | | 45.5% |
| Incentive Delivery | \$3,012,733 | \$6,018,283 | 50.1% | | 11.5% |
| Marketing | \$346,592 | \$686,557 | 50.5% | Final PY3 Mktng budget now reflects unspent PY2 Mktng funds. No change in overall 3 year budget | 1.3% |
| Utility Verification of DCEO Invoices | \$4,716 | \$6,050 | 77.9% | | 0.0% |
| DCEO - Implementation | \$7,309,465 | \$9,734,490 | 75.1% | | 27.9% |
| OBF Program Support | \$2,817 | \$6,050 | 46.6% | | 0.0% |
| EM&V | \$384,557 | \$774,244 | 49.7% | | 1.5% |
| EEP Portfolio - Total | \$26,244,539 | \$36,316,857 | 72.3% | | |