

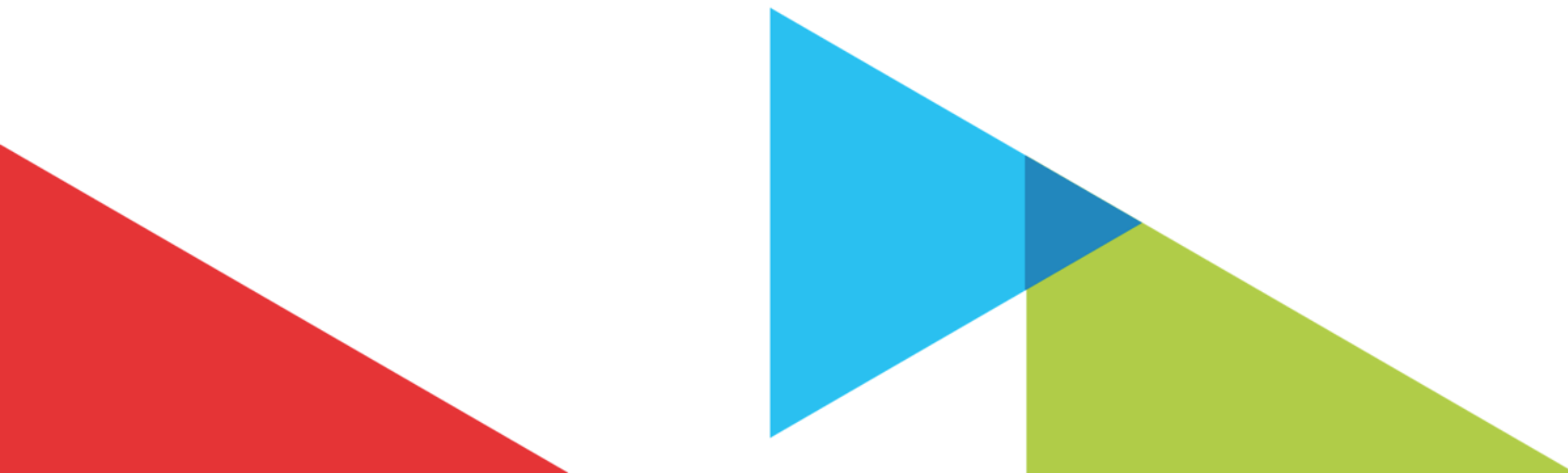


2018 Portfolio Overview

IL SAG Meeting 5/14/19

Nicor Gas

Presented by Christopher Vaughn



2018 Program-by-Program Overview



Section 8-103B/8-104 (EEPS) Program	Net Energy Savings Achieved (MWh or therms)	2018 Original Plan Savings Goal (MWh or therms)****	Approved Net Energy Savings Goal (MWh or therms)***	Implementation Plan Savings Goal (MWh or therms)	% Savings Achieved Compared to Implementation Plan Savings Goal	Program Costs YTD	Incentive Costs YTD	Non-Incentive Costs YTD	2018 Original Plan Budget*	2018 Approved Budget**	% of Costs YTD Compared to Approved Budget
Commercial & Industrial Programs											
Business Energy Efficiency Rebate	1,796,060	2,859,285	2,859,285	2,859,285	62.8%	\$ 2,454,244	\$ 822,430	\$ 1,631,814	\$ 2,775,245	\$ 2,775,245	88.4%
Custom Incentives	1,620,240	3,517,892	3,517,892	3,517,892	46.1%	\$ 2,952,517	\$ 1,049,962	\$ 1,902,555	\$ 4,296,307	\$ 4,296,307	68.7%
Small Business	935,668	486,827	486,827	486,827	192.2%	\$ 1,839,639	\$ 786,356	\$ 1,053,283	\$ 1,832,432	\$ 1,832,432	100.4%
Business New Construction	177,939	314,272	314,272	314,272	56.6%	\$ 560,584	\$ 268,902	\$ 291,682	\$ 776,126	\$ 776,126	72.2%
Strategic Energy Management	964,605	965,804	965,804	965,804	99.9%	\$ 918,504	\$ 617,081	\$ 301,423	\$ 1,123,045	\$ 1,123,045	81.8%
C&I Programs Subtotal	5,494,512	8,144,080	8,144,080	8,144,080	67.5%	\$ 8,725,488	\$ 3,544,731	\$ 5,180,757	\$ 10,803,155	\$ 10,803,155	80.8%
<i>C&I Programs - Private Sector Total</i>	5,064,900	n.a.	n.a.	n.a.	n.a.	\$ 6,371,827	\$ 2,878,374	\$ 3,493,453	n.a.	n.a.	n.a.
<i>C&I Programs - Public Sector Total</i>	429,612	n.a.	n.a.	n.a.	n.a.	\$ 2,353,661	\$ 666,357	\$ 1,687,304	n.a.	n.a.	n.a.
Residential Programs											
Home Energy Efficiency Rebate	3,538,435	3,706,226	3,706,226	3,706,226	95.5%	\$ 5,404,401	\$ 3,078,824	\$ 2,325,577	\$ 6,160,730	\$ 6,160,730	87.7%
Home Energy Savings	715,703	537,661	537,661	537,661	133.1%	\$ 3,302,061	\$ 1,312,052	\$ 1,990,009	\$ 3,079,554	\$ 3,079,554	107.2%
Multi Family	323,569	573,562	573,562	573,562	56.4%	\$ 1,085,104	\$ 335,465	\$ 749,639	\$ 1,428,102	\$ 1,428,102	76.0%
Residential New Construction	139,588	162,338	162,338	162,338	86.0%	\$ 655,904	\$ 252,439	\$ 403,465	\$ 827,662	\$ 827,662	79.2%
Energy Education and Outreach	416,422	1,569,325	1,569,325	1,569,325	26.5%	\$ 1,265,182	\$ 388,117	\$ 877,065	\$ 2,260,105	\$ 2,260,105	56.0%
Residential Programs Subtotal	5,133,717	6,549,112	6,549,112	6,549,112	78.4%	\$ 11,712,652	\$ 5,366,897	\$ 6,345,755	\$ 13,756,153	\$ 13,756,153	85.1%
Income Qualified Programs											
Income Qualified Energy Efficiency	181,327	1,816,459	1,816,459	1,816,459	10.0%	\$ 3,798,051	\$ 1,811,109	\$ 1,986,942	\$ 8,075,021	\$ 8,075,021	47.0%
Income Qualified Programs Subtotal	181,327	1,816,459	1,816,459	1,816,459	10.0%	\$ 3,798,051	\$ 1,811,109	\$ 1,986,942	\$ 8,075,021	\$ 8,075,021	47.0%
Third Party Programs (Section 8-103B - Beginning in 2019)											
Third Party Programs (Section 8-103B - Beginning in 2019) Subtotal	0	0	0	0	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
Demonstration of Breakthrough Equipment and Devices											
Emerging Technology Program	0	0	0	0	-	\$ 679,169	n.a.	\$ 679,169	\$ 1,204,210	\$ 1,204,210	56.4%
Demonstration of Breakthrough Equipment and Devices Subtotal	0	0	0	0	-	\$ 679,169	\$ -	\$ 679,169	\$ 1,204,210	\$ 1,204,210	56.4%
Overall Total Nicor Gas Section 8-103B/8-104 (EEPS) Programs	10,809,555	16,509,651	16,509,651	16,509,651	65.5%	\$ 24,915,360	\$ 10,722,737	\$ 14,192,623	\$ 33,838,539	\$ 33,838,539	73.6%

Portfolio Overview



Savings

- 65% of Forecasted Annual Goal
- 10% of IQ Goal
- EE Education and Outreach underperformed

Spending

- 73% of Projected Annual Budget
- 8% Public Sector Spend
- 47% of Projected IQ Annual Budget

2018 Residential Program Overview



Section 8-103B/8-104 (EEPS) Program	Net Energy Savings Achieved (MWh or therms)	2018 Original Plan Savings Goal (MWh or therms)****	% Savings Achieved Compared to Implementation Plan Savings Goal	Program Costs YTD	% of Costs YTD Compared to Approved Budget
Residential Programs					
Home Energy Efficiency Rebate	3,538,435	3,706,226	95.5%	\$ 5,404,401	87.7%
Home Energy Savings	715,703	537,661	133.1%	\$ 3,302,061	107.2%
Multi Family	323,569	573,562	56.4%	\$ 1,085,104	76.0%
Residential New Construction	139,588	162,338	86.0%	\$ 655,904	79.2%
Energy Education and Outreach	416,422	1,569,325	26.5%	\$ 1,265,182	56.0%
Residential Programs Subtotal	5,133,717	6,549,112	78.4%	\$ 11,712,652	85.1%

Residential Program Overview



Program Specific Overview

- HES & HEER were strong performers – Assessments & 95% AFUE furnaces were heavy contributors
- RNC was close to target but new challenges identified
 - RNC cost-effectiveness is a business challenge
- Behavior is launching in 2019

Sector Overview

- Achieved 78% of forecasted therm goal
- Utilized 85% of forecasted budget
- Technologies within HVAC Save

2018 Business Program Overview



Section 8-103B/8-104 (EEPS) Program	Net Energy Savings Achieved (MWh or therms)	2018 Original Plan Savings Goal (MWh or therms)****	% Savings Achieved Compared to Implementation Plan Savings Goal	Program Costs YTD	% of Costs YTD Compared to Approved Budget
Commercial & Industrial Programs					
Business Energy Efficiency Rebate	1,796,060	2,859,285	62.8%	\$ 2,454,244	88.4%
Custom Incentives	1,620,240	3,517,892	46.1%	\$ 2,952,517	68.7%
Small Business	935,668	486,827	192.2%	\$ 1,839,639	100.4%
Business New Construction	177,939	314,272	56.6%	\$ 560,584	72.2%
Strategic Energy Management	964,605	965,804	99.9%	\$ 918,504	81.8%
C&I Programs Subtotal	5,494,512	8,144,080	67.5%	\$ 8,725,488	80.8%
<i>C&I Programs - Private Sector Total</i>	5,064,900	n.a.	n.a.	\$ 6,371,827	n.a.
<i>C&I Programs - Public Sector Total</i>	429,612	n.a.	n.a.	\$ 2,353,661	n.a.

Business Program Overview



Program Specific Overview

- SB & SEM were strong performers
- Custom experienced business challenges i.e.
 - Alsip Mini Mills project delayed due to fire
 - 500K Gross Therms
 - \$350K incentive
- BNC developing new pipeline
- BEER projects delayed until 2019

Sector Overview

- Achieved 67.5% of forecasted therm goal
- Utilized 80.8% of forecasted budget
- Lack of production is attributed to delayed Custom projects

Public Sector Overview

- Education takes time
- Local approval takes time
- Building relationships

IQ Business Program Overview



Section 8-103B/8-104 (EEPS) Program	Net Energy Savings Achieved (MWh or therms)	2018 Original Plan Savings Goal (MWh or therms)****	% Savings Achieved Compared to Implementation Plan Savings Goal	Program Costs YTD	% of Costs YTD Compared to Approved Budget
Income Qualified Programs					
Income Qualified Energy Efficiency	181,327	1,816,459	10.0%	\$ 3,798,051	47.0%
Income Qualified Programs Subtotal	181,327	1,816,459	10.0%	\$ 3,798,051	47.0%

2018 IQ Program Overview



Program Specific Overview

- Slow start-up in 2018
- 9 out of 16 CAAs participated in 2018
- Inaccurate forecasting
- Braided DOE and HHS funding w/EEP funding proved to be difficult

Sector Overview

- 241 single family homes received assistance
- Public housing authority received assistance for 189 units
- Zero safety incidents

2018 Portfolio



On Bill Financing

- New vendor being onboarded
- Launch scheduled tentatively for Q2

Combined Heat and Power

- PepsiCo
- Flame on November 2018
- First CHP commissioned system in the Nicor Gas/ComEd CHP Joint Program

Emerging Technology

- Products in pipeline
- Boiler descaling
- Low E windows – joint with ComEd
- Radiator valve
- Venturi steam trap – joint with Peoples Gas and SoCal Gas

Market Transformation

- Midwest Market Transformation Collaborative
- Initiatives: BOC, IHP, Codes Baseline and Commercial Food Service
- Participating in the IL-TRM Market Transformation Savings Principles

2019 Adjustments



Changes Made

- Diversifying the workforce w/ contractor channel in IQ Program
 - Utilizing a broader net of 5013C agencies (Catholic Charities, Rebuilding Together)
- Expanding Business Custom efforts to increase Public Sector Outreach

Improved Results

- IQ spending increased \$2.3M in Q1
 - New IQ contractor channel will spend \$3M
 - Enhanced pipeline of IQ projects
 - 20% to goal of weatherization for SF
- Will penetrate over 3K MF units in contractor channel
- 132 IQ homes weatherized in Q1 vs. 241 for all of 2018

energySMART 

A Nicor Gas program



Nicor Gas