

## Peoples Gas (PGL) and North Shore Gas (NSG)

### Summary of NTG Approach and Consensus Values for GPY1 through GPY5

March 1, 2015 Final Version for GPY5

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	<b>Residential Programs Home Energy Jumpstart</b>
GPY1	<p><b>Peoples Gas NTG: 0.86</b>  <b>Free ridership</b> Not estimated separately from NTG  <b>Spillover</b> Not estimated separately from NTG  <b>Water Efficient Showerheads NTG 0.93</b>  <b>Water Efficient Kitchen Aerators NTG 0.94</b>  <b>Water Efficient Bath Aerators NTG 0.94</b>  <b>Pipe Wrap NTG 0.67</b>  <b>Method and Source:</b> Program launched in Peoples Gas in the fourth quarter of GPY1 and experienced limited participation for the year. GPY1 NTG was based on evaluation review and recommended acceptance of program administrator ex ante NTG assumptions by measure, weighted by program-level measure savings to a single NTG ratio for the program.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.00</b>  <b>North Shore Gas: Verified Gross Realization Rate: no program</b></p>
GPY2	<p><b>Peoples Gas: NTG 0.96; Free ridership 8%; Participant Spillover: 4%</b>  <b>North Shore Gas: NTG 0.96; Free ridership 8%; Participant Spillover: 4%</b>  <b>Method and Source:</b> Evaluation research consisting of GPY2 participating customer self-reports. In GPY2, the Peoples Gas program distributed measures to 4,004 participants, and the North Shore Gas program distributed measures to 348 participants. A total of 80 participants were sampled from the combined population (71 from Peoples Gas, 9 from North Shore Gas).</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 0.93</b>  <b>North Shore Gas: Verified Gross Realization Rate: 0.89</b></p>
GPY3	<p><b>Peoples Gas: Deemed NTG 0.96; Free ridership 8%; Participant Spillover: 4%</b>  <b>North Shore Gas: Deemed NTG 0.96; Free ridership 8%; Participant Spillover: 4%</b>  <b>Method and Source:</b> Deemed by SAG consensus from GPY2 evaluation research.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 0.99</b>  <b>North Shore Gas: Verified Gross Realization Rate: 0.98</b></p>
GPY4	<p><b>Peoples Gas: Deemed NTG 0.96; Free ridership 8%; Participant Spillover: 4%</b>  <b>North Shore Gas: Deemed NTG 0.96; Free ridership 8%; Participant Spillover: 4%</b>  <b>Method and Source:</b> Deemed by SAG consensus. Values from GPY2 evaluation research.</p>
GPY5	<p><b>Peoples Gas and North Shore Gas:</b>  <b>Deemed NTG 0.96; Free ridership 8%; Participant Spillover: 4%</b>  <b>Method and Source:</b> Values from GPY2 evaluation research.</p>

<b>Residential Programs Home Energy Rebate</b>	
GPY1	<p><b>Peoples Gas: NTG 0.72; Free ridership 28%; Participant Spillover 0%</b>  <b>North Shore Gas: NTG 0.67; Free ridership 33%; Participant Spillover 0%</b>  <b>Method and Source:</b> Evaluation research consisting of GPY1 participating customer self-reports and participating trade ally interviews. For Peoples Gas: 68 NTG interviews completed from a population of 1,363 participants. For North Shore Gas: 71 NTG interviews completed from a population of 991 participants. No quantifiable participant spillover was found from customer self-reports. Significant qualitative evidence of spillover was found from 30 trade ally interviews, but was not quantified.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.00</b>  <b>North Shore Gas: Verified Gross Realization Rate: 1.00</b></p>
GPY2	<p><b>Peoples Gas: NTG 0.82; Deemed Free ridership 28%; Non-Participant Spillover: 10%</b>  <b>North Shore Gas: NTG 0.80; Deemed Free ridership 33%; Non-Participant Spillover: 13%</b>  <b>Method and Source:</b> Spillover results for GPY2 based on evaluation research to estimate spillover from non-participating trade allies. Non-participating trade ally spillover rates were calculated for GPY2. For the spillover calculation, 59 interviews were conducted sampled from two groups of non-participating trade allies: 1) Trade allies that dropped out of the program (so-called “drop out” trade allies): those who had participated in GPY1, but did not participate in GPY2; and 2) True non-participating trade allies - those who reported that they were aware of the program, but had never participated. Free-ridership for GPY2 was deemed from GPY1 evaluation research based on SAG consensus. Evaluation did not research free-ridership in GPY2.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.01</b>  <b>North Shore Gas: Verified Gross Realization Rate: 1.02</b></p>
GPY3	<p><b>Peoples Gas: Deemed NTG 0.82; Free ridership 28%; Non-Participant Spillover: 10%</b>  <b>North Shore Gas: Deemed NTG 0.80; Free ridership 33%; Non-Participant Spillover: 13%</b>  <b>Method and Source:</b> Deemed by SAG consensus from GPY1 and GPY2 evaluation research.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.00</b>  <b>North Shore Gas: Verified Gross Realization Rate: 1.00</b></p>
GPY4	<p><b>Peoples Gas: Deemed NTG 0.82; Free ridership 28%; Non-Participant Spillover: 10%</b>  <b>North Shore Gas: Deemed NTG 0.80; Free ridership 33%; Non-Participant Spillover: 13%</b>  <b>Method and Source:</b> Deemed by SAG consensus. Values from GPY1 and GPY2 evaluation research.</p>
GPY5	<p><b>Peoples Gas and North Shore Gas:</b>  <b>NTG 0.81; Free ridership 30%; Non-Participant Spillover: 11%</b>  <b>Method and Source:</b> A single value was developed for both PGL and NSG programs based on weighting GPY4 values 60% PGL to 40% NSG. Weighting based on GPY5 planning values.</p>

	<b>Multifamily Comprehensive Energy Efficiency Program (MCEEP)</b>
GPY1	<p><b>Direct Install Program NTG: 0.90</b>  <b>Free ridership 10%</b>  <b>Spillover 0%</b>  <b>Method and Source:</b> Evaluation research consisting of participating GPY1 customer self-reports (tenants and property decision-makers). NTG based on CATI telephone survey with participating decision-makers (21 property managers for Peoples Gas and North Shore Gas interviewed from a GPY1 population of 343). Program was delivered an assessment and direct installation offering.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.00</b>  <b>North Shore Gas: Verified Gross Realization Rate: 1.00</b></p>
GPY2	<p><b>Peoples Gas: Deemed NTG 0.90; Free ridership 10%; Participant Spillover: 0%</b>  <b>North Shore Gas: Deemed NTG 0.90; Free ridership 10%; Participant Spillover: 0%</b>  <b>Method and Source:</b> Deemed by SAG consensus from GPY1 evaluation research.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.00</b>  <b>North Shore Gas: Verified Gross Realization Rate: 0.98</b></p>
GPY3	<p><b>Peoples Gas: Deemed NTG 0.90; Free ridership 10%; Participant Spillover: 0%</b>  <b>North Shore Gas: Deemed NTG 0.90; Free ridership 10%; Participant Spillover: 0%</b>  <b>Method and Source:</b> Deemed by SAG consensus from GPY1 evaluation research.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.00</b>  <b>North Shore Gas: Verified Gross Realization Rate: 1.00</b></p>
GPY4	<p><b>Peoples Gas and North Shore Gas:</b></p> <p><b>In-Unit Direct Installation: NTG 0.90; Free ridership 10%; Spillover: 0%</b>  <b>Method and Source:</b> No new research. Value from GPY1 evaluation research.</p> <p><b>Prescriptive Rebates: NTG 0.84 (PGL); 0.90 (NSG)</b>  <b>Method and Source:</b> Based on a weighting of the C&amp;I Prescriptive GPY4 NTG value (0.58) and Multifamily DI NTG (0.90) to reflect decision-makers, measure types, and decision scenario indicated by rate classification.</p> <p><b>TAPI Incentives: NTG 0.99</b>  <b>Method and Source:</b> Based on GPY1 evaluation research of the joint utility Small Business Energy Savings Program.</p> <p><b>Custom Incentives: NTG 0.68</b>  <b>Method and Source:</b> Based on the C&amp;I Custom Rebate Program GPY4 NTG value.</p> <p><b>Gas Optimization: NTG 1.02</b>  <b>Method and Source:</b> Based on GPY1 evaluation research of the joint utility Retro-Commissioning Program.</p>

	<b>Multifamily Comprehensive Energy Efficiency Program (MCEEP)</b>
GPY5	<p><b>Peoples Gas and North Shore Gas:</b></p> <p><b>In-Unit Direct Installation: NTG 0.92; Free ridership 10%; Spillover: 2%</b>  <b>Method and Source:</b> Free-ridership value from GPY4. Spillover value from Nicor Gas CATI telephone survey with participating GPY3 decision-makers (74 property managers).</p> <p><b>Prescriptive Rebates: NTG 0.87 (PGL); 0.92 (NSG)</b>  <b>Method and Source:</b> Based on a weighting of the C&amp;I Prescriptive GPY5 NTG value (0.63) and Multifamily DI NTG (0.92) to reflect decision-makers, measure types, and decision scenario indicated by rate classification.</p> <p><b>TAPI Incentives: NTG 0.99</b>  <b>Method and Source:</b> No new research. Value from GPY4.</p> <p><b>Custom Incentives: NTG 0.78</b>  <b>Method and Source:</b> Based on the C&amp;I Custom Rebate Program GPY5 NTG value.</p> <p><b>Gas Optimization: NTG 1.02</b>  <b>Method and Source:</b> No new research. Value from GPY4.</p>

	<b>Behavioral Energy Savings - Home Energy Reports</b>
GPY1	NA <b>Launched in GPY3</b>
GPY2	NA <b>Launched in GPY3</b>
GPY3	NTG 1.00 <b>Free ridership</b> N/A <b>Spillover</b> N/A <b>Method:</b> GPY3 billing analysis will yield a net savings value that includes FR and participant SO impacts.
GPY4	NTG 1.00 <b>Free ridership</b> N/A <b>Spillover</b> N/A <b>Method:</b> GPY4 billing analysis will yield a net savings value that includes FR and participant SO impacts.
GPY5	NTG 1.00 <b>Free ridership</b> N/A <b>Spillover</b> N/A <b>Method:</b> GPY5 billing analysis will yield a net savings value that includes FR and participant SO impacts.

	<b>Targeted Outreach and Education</b>
GPY1	No Program
GPY2	No Program
GPY3	No Program
GPY4	<p><b>Program NTG:</b> 0.79  <b>Free ridership</b> 21%  <b>Spillover</b> 0%</p> <p><b>Method and Source:</b> PGL and NSG have joined the Elementary Energy Education (EEE) Program offered by Nicor Gas and ComEd. The EEE Program NTG and free-ridership values were the recommended values for Nicor Gas for GPY4. Nicor Gas GPY4 values were based on evaluation research conducted on the EEE Program for Nicor Gas for GPY1.</p>
GPY5	<p><b>NTG</b> 1.05  <b>Free ridership</b> 0.14  <b>Spillover</b> 0.19</p> <p><b>Method:</b> No new Illinois research. Free-ridership was estimated as the average of values from three Elementary Energy Education impact evaluation reports (weighted 2/3 showerheads, 1/3 aerators): NIPSCO (FR=12%; final report June 2013), Nicor Gas Rider 29 (FR=3%; final report September 2011), and GPY1 Nicor Gas (FR=27%; final report (July 2013). Rider 29 did not estimate spillover; the spillover is the average of results from NIPSCO (SO=21.5%) and GPY1 Nicor Gas (SO=17%).</p>

<b>Business Programs Energy Jumpstart Direct Installation</b>	
GPY4	<p><b>NTG 0.81; Free ridership 19%;</b></p> <p><b>Method and Source:</b> Value drawn from free-ridership results from small business owners interviewed in the GPY1 Small Business Energy Savings Program. Free-ridership reflects separate evaluation analysis of direct install responses.</p>
GPY5	<p><b>NTG 0.82; Free ridership 18%</b></p> <p><b>Method and Source:</b> Value drawn from free-ridership results from small business owners interviewed in the GPY1 Small Business Energy Savings Program. Free-ridership reflects results of small business owner responses as reported directly in the Small Business GPY1 evaluation report.</p>



	<b>Business Programs Prescriptive Rebate</b>
GPY1	<p><b>NTG 0.43</b>  <b>Free ridership 57%</b>  <b>Participant Spillover 0%</b>  <b>Method and Source:</b> Evaluation research consisting of participating customer self-reports: 37 NTG interviews completed covering 40 projects from a population of 137 projects. No quantifiable participant spillover was found from customer self-reports. Customer participant self-reported free-ridership was 57 percent.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.00</b>  <b>North Shore Gas: Verified Gross Realization Rate: 1.00</b></p>
GPY2	<p><b>NTG 0.63</b>  <b>Free ridership 41%</b>  <b>Participant Spillover 2%</b>  <b>Non-Participant Spillover 2%</b>  <b>Method and Source:</b> Evaluation research consisting of GPY2 participating customer self-reports, GPY2 participating trade ally self-reports, and non-participating trade ally self-reports. Free-ridership of 41% and participant spillover of 0.1% from 58 participating customer NTG interviews completed covering 127 projects from a population of 793 projects. Participant spillover of 2% from 9 participating trade ally interviews. Non-participant spillover of 2% from 5 non-participating trade ally interviews.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.00</b>  <b>North Shore Gas: Verified Gross Realization Rate: 1.00</b></p>
GPY3	<p><b>NTG 0.63; Free ridership 41%; Participant Spillover: 2%; Non-Participant Spillover: 2%</b>  <b>Method and Source:</b> Deemed by SAG consensus from GPY2 evaluation research.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.00</b>  <b>North Shore Gas: Verified Gross Realization Rate: 1.00</b></p>
GPY4	<p><b>NTG 0.58; Free ridership 45%; Participant Spillover: 1%; Non-Participant Spillover: 2%</b>  <b>Method and Source:</b> Based on GPY2 evaluation research, with minor adjustments based on consideration of planned measure mix.</p>
GPY5	<p><b>NTG 0.63; Free ridership 41%; Participant Spillover: 2%; Non-Participant Spillover: 2%</b>  <b>Method and Source:</b> Based on GPY2 evaluation research of the C&amp;I Prescriptive Program, but with no adjustments for a forecasted measure mix.</p>

	<b>Business Programs Custom Rebate</b>
GPY1	<p>NTG 0.68</p> <p><b>Free ridership 32%</b></p> <p><b>Participant Spillover 0%</b></p> <p><b>Method and Source:</b> Evaluation research consisting of participating customer self-reports: 15 NTG interviews completed covering 15 projects from a population of 32 projects. No quantifiable participant spillover was found from customer self-reports.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.02</b></p> <p><b>North Shore Gas: Verified Gross Realization Rate: 1.02</b></p>
GPY2	<p>NTG 0.78</p> <p><b>Free ridership 24%</b></p> <p><b>Participant Spillover 2%</b></p> <p><b>Non-Participant Spillover 0%</b></p> <p><b>Method and Source:</b> Evaluation research consisting of GPY2 participating customer self-reports, GPY2 participating trade ally self-reports, and non-participating trade ally self-reports. Free-ridership of 41% and participant spillover of 0.1% from 40 participating customer NTG interviews completed covering 44 projects from a population of 100 projects. Participant spillover of 2% from 5 participating trade ally interviews. Non-participant spillover of 0% from 5 non-participating trade ally interviews.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 0.81</b></p> <p><b>North Shore Gas: Verified Gross Realization Rate: 0.81</b></p>
GPY3	<p>NTG 0.78; <b>Free ridership 24%; Participant Spillover: 2%; Non-Participant Spillover: 0%</b></p> <p><b>Method and Source:</b> Deemed by SAG consensus from GPY2 evaluation research.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 0.96</b></p> <p><b>North Shore Gas: Verified Gross Realization Rate: 0.96</b></p>
GPY4	<p>NTG 0.68</p> <p><b>Method and Source:</b> Based on GPY2 evaluation research, but with adjustment based on review of other Illinois Custom programs.</p>
GPY5	<p>NTG 0.78; <b>Free ridership 24%; Participant Spillover: 2%; Non-Participant Spillover: 0%</b></p> <p><b>Method and Source:</b> Based on GPY2 evaluation research of the C&amp;I Custom Program, but with no further adjustments based on review of other Illinois Custom Program NTG values for GPY5/EPY8.</p>

	<b>Business Programs Gas Optimization</b>
GPY3	<p><b>NTG 1.02; Free ridership 9%; Participant Spillover: 11%</b>  <b>Method and Source:</b> Evaluation recommendation accepted by SAG based on GPY1 evaluation research of the joint C&amp;I Retro-Commissioning Program.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.00</b>  <b>North Shore Gas: Verified Gross Realization Rate: 1.00</b></p>
GPY4	<p><b>NTG 1.02; Free ridership 9%; Participant Spillover: 11%</b>  <b>Method and Source:</b> Deemed by SAG consensus. Values based on GPY1 evaluation research.</p>
GPY5	<p><b>NTG 1.02; Free ridership 9%; Participant Spillover: 11%</b>  <b>Method and Source:</b> No new research. Values based on GPY1 evaluation research.</p>

	<b>C&amp;I Retro-Commissioning</b>
GPY1	<p>NTG 1.02  <b>Free ridership 9%</b>  <b>Participant Spillover 11%</b>  <b>Method and Source:</b> Evaluation research consisting of GPY1 participating customer and Retro-Commissioning Service Provider self-reports. Interviews conducted with 9 of 15 participants from Peoples Gas and North Shore Gas and eight of nine Service Providers. Participant and Service Provider spillover researched.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.06</b>  <b>North Shore Gas: Verified Gross Realization Rate: 1.20</b></p>
GPY2	<p><b>Peoples Gas: Deemed NTG 1.02; Free ridership 9%; Participant Spillover: 11%</b>  <b>North Shore Gas: Deemed NTG 1.02; Free ridership 9%; Participant Spillover: 11%</b>  <b>Method and Source:</b> Deemed by SAG consensus from GPY1 evaluation research.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.04</b>  <b>North Shore Gas: Verified Gross Realization Rate: no savings installed</b></p>
GPY3	<p><b>Peoples Gas: Deemed NTG 1.02; Free ridership 9%; Participant Spillover: 11%</b>  <b>North Shore Gas: Deemed NTG 1.02; Free ridership 9%; Participant Spillover: 11%</b>  <b>Method and Source:</b> Deemed by SAG consensus from GPY1 evaluation research.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.00</b>  <b>North Shore Gas: Verified Gross Realization Rate: 1.00</b></p>
GPY4	<p>NTG 1.02; <b>Free ridership 9%; Participant Spillover: 11%</b>  <b>Method and Source:</b> Deemed by SAG consensus. Values based on GPY1 evaluation research.</p>
GPY5	<p>NTG 1.02; <b>Free ridership 9%; Participant Spillover: 11%</b>  <b>Method and Source:</b> No new research. Values based on GPY1 evaluation research.</p>

	<b>Business New Construction</b>
GPY4	<p><b>NTG 0.52</b></p> <p><b>Method and Source:</b> PGL and NSG have joined the Business New Construction (BNC) Program offered by Nicor Gas and ComEd. The BNC Program NTG value was the recommended value for Nicor Gas for GPY4.</p>
GPY5	<p><b>NTG 0.92; Free ridership 8%, Spillover 0%</b></p> <p><b>Method and Source:</b> Value drawn from gas-weighted free-ridership and spillover results from participant interviews conducted for the Nicor Gas and ComEd GPY3/EPY6 Business New Construction Program.</p>

	<b>Small Business Energy Savings</b>
GPY1	<p><b>NTG 0.99</b>  <b>Free ridership 2%</b>  <b>Participant Spillover 1%</b>  <b>Method and Source:</b> Evaluation research consisting of GPY1 participating customer self-report combined with trade ally input. Customer self-reports: 30 participant NTG interviews completed covering 31 projects from a population of 396 projects. Basic method of participant free ridership analysis was applied. One percent participant spillover was found from customer self-reports. Customer participant self-reported free-ridership was 18 percent for Peoples Gas and North Shore Gas. Trade ally interviews: Three trade allies interviewed representing 98% of ex ante program therm savings. Individual trade ally responses to free-ridership questions were weighted by their respective fuel-specific program savings contributions and combined for a fuel-specific overall free-ridership rate. This approach resulted in an evaluation estimate of 2 percent free-ridership for gas measures.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 0.99</b>  <b>North Shore Gas: Verified Gross Realization Rate: 0.99</b></p>
GPY2	<p><b>Peoples Gas: Deemed NTG 0.99; Free ridership 2%; Participant Spillover: 1%</b>  <b>North Shore Gas: Deemed NTG 0.99; Free ridership 2%; Participant Spillover: 1%</b>  <b>Method and Source:</b> Deemed by SAG consensus from GPY1 evaluation research.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.02</b>  <b>North Shore Gas: Verified Gross Realization Rate: 1.02</b></p>
GPY3	<p><b>Peoples Gas: Deemed NTG 0.99; Free ridership 2%; Participant Spillover: 1%</b>  <b>North Shore Gas: Deemed NTG 0.99; Free ridership 2%; Participant Spillover: 1%</b>  <b>Method and Source:</b> Deemed by SAG consensus from GPY1 evaluation research.</p> <p><b>Peoples Gas: Verified Gross Realization Rate: 1.00</b>  <b>North Shore Gas: Verified Gross Realization Rate: 1.02</b></p>
GPY4	<p><b>NTG 0.99; Free ridership 2%; Participant Spillover: 1%</b>  <b>Method and Source:</b> Based on evaluation recommendation. Did not reach consensus.</p>
GPY5	<p><b>NTG 0.93 (for Direct Install and Retrofit Incentives)</b>  <b>Free ridership 9%</b>  <b>Spillover 2%</b>  <b>Method:</b> The GPY5 NTG value uses an equal-weight average of the free-ridership estimate from participant survey research performed on ComEd participants during EPY7 with the free-ridership estimate derived from PGL/NSG trade ally interviews in GPY1. For participant spillover, the EPY7 ComEd result was 2%, the Nicor Gas GPY1 result was 2%, and PGL/NSG GPY1 result was 1%. A value of 2% for participant spillover was set for all three utilities. This results in a NTGR of 0.93. For ComEd PY7 NTG research, Navigant conducted a CATI survey of 70 program projects drawn at random from a sample frame of 4,441 projects with ex-ante savings of 5,000 kWh or greater, representing 82 percent of PY7 projects and 98 percent of PY7 expected savings. Sample size chosen to attain +/- 10 percent precision at 90 percent confidence.</p>