



**Date:** July 14, 2016

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

***Program Year 5, 4<sup>th</sup> Quarter Qualitative Report, March 2016 - June 2016***

Pursuant to the Illinois Commerce Commission (“Commission”) final order in Docket No. 13-0550, attached is the Program Year 5 (PY5), Fourth Quarter (4Q) qualitative report accompanying the PY5, 4Q quantitative report which details program results from a savings and cost perspective.

By utility and each of the five programs in the portfolio, 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 6.

# Peoples Gas

## Portfolio Performance Overview

- At the end of the fourth quarter, the Peoples Gas Natural Gas Savings Programs have achieved 107% realized savings, utilizing 73% of the budget. These numbers will change as we continue to review and finalize all data for the Program Year, receive final invoices from sub-contractors, evaluated savings results, and process customer applications.

### 1. Residential Programs

#### a. Program Activities

- The PGL Residential Programs (Home Energy Jumpstart and Home Energy Rebates) achieved 90% of the revised savings goal for this path through Q4 for PY5. The Home Energy Jumpstart Program accounted for two-thirds of Residential Program savings realized throughout PY5. Q4 saw an increase in both Home Energy Jumpstart and Home Energy Rebate participation due to targeted marketing campaigns and the successful implementation of the Partner Trade Ally Program.
- The Home Energy Jumpstart therm savings increased 14% from Q3 to Q4. This increase is primarily attributable to an increase in the number completed homes.

#### b. Implementation Modifications

- None during Q4

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

- None during Q4

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

- None during Q4

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

- None during Q4

## **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 in Q4, achieving 159% of the revised savings goal for this path. The Multi-Family Partner Trade Ally program saw a large increase in realized savings through several large steam trap projects, accounting for approximately 35% of the achieved savings.
- Due to strong savings delivered in the Partner Trade Ally portion, Jumpstart was scaled back from 2 crews to 1 crew throughout the majority of Q4.

### **b. Implementation Modifications**

- None during Q4

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

- None during Q4

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

- None during Q4

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

- None during Q4

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

### **a. Program Activities**

- The Home Energy Reports Program continued to deliver strong savings. Final reports were sent at the end of February, and final savings are being analyzed. Preliminary results show 2,608,598 therms, or 195% of the goal. Final savings results are expected in the coming weeks.
- The Elementary Education Program completed enrollment in Q3, meeting the goal of 4,250 kits.

### **b. Implementation Modifications**

- None during Q4

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

- None during Q4

- d. Changes Due to EM&V Input, IL TRM Changes, NTG Changes, or Market Research Findings
  - None during Q4
- e. For new measures added, TRC screening results
  - None during Q4

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

- a. Program Activities
  - The PGL Business Programs (Jumpstart, Engineering Studies, Prescriptive, Custom, and Gas Optimization) achieved 67% realized savings through Q4 using 60% of the budget.
  - As the Program Year comes to an end, some larger Retro-commissioning and Gas Optimization projects are still being finalized with final PY5 results will be available in the coming weeks. PGL Business Program performance was tempered in Q4 to balance the overall portfolio.
- b. Implementation Modifications
  - None during Q4
- c. Additions or Discontinuation of Specific Measures or Services
  - None during Q4
- d. Changes Due to EM&V Input, IL TRM changes, NTG Changes, or Market Research Findings
  - None during Q4
- e. For New Measures Added, TRC Screening Results
  - None during Q4

## 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 Q4.

### b. Implementation Modifications

- None during Q4

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

- None during Q4

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

- None during Q4

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

- None during Q4

## North Shore Gas

### Portfolio Overview

- At the end of the fourth quarter, the North Shore Gas Natural Gas Savings Programs have achieved 140% realized savings, utilizing 90% of the budget. These numbers will change as we continue to review and finalize all data for the Program Year, receive final invoices from sub-contractors, evaluated savings results, and process customer applications.

#### 1. Residential Programs

##### a. Program Activities

- The NSG Residential Programs (Home Energy Jumpstart and Home Energy Rebates) achieved 225% of the revised savings goal through Q4 for PY5. The Home Energy Rebate program has contributed more than 80% of total Residential Program savings – an increase of 7.5% from Q3.
- As part of the Home Energy Rebate program, Weatherization measures such as attic insulation, air sealing, and duct sealing significantly increased their share of realized therms. Through Q4 these measures made up 60% of all NSG Home Energy Rebate therms. In Q3 these measures only made up 31% of the total program realized therms.

##### b. Implementation Modifications

- None during Q4

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

- None during Q4

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

- None during Q4

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

- None during Q4

## **2. Multi-Family Programs**

### **a. Program Activities**

- The NSG Multi-Family Program (Multi-Family Jumpstart, Prescriptive, Partner Trade Ally, Custom and Gas Optimization Programs) delivered stronger results than anticipated, achieving 114% of their revised savings goal. During Q3 the focus was building the pipeline and during Q4 the focus shifted to closing out the pipeline projects.
- The majority of the savings in this program path are delivered through through the prescriptive program. This is a significant change from our plan, where the majority of savings were expected through the Jumpstart program.

### **b. Implementation Modifications**

- None during Q4

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

- None during Q4

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

- None during Q4

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

- None during Q4

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

### **a. Program Activities**

- Home Energy Report mailings have completed their heating season report mailings. Final reports were sent at the end of February, and final savings are being analyzed. The projected final results are 1,076,363 therms, or 153% of the savings goal. Final savings results are expected in the coming weeks.
- The Elementary Education Program exceeded its goal of 700 kits, enrolling 768 students by the end of Q2. The program held a local media event in May with Prairie Trail School.

### **b. Implementation Modifications**

- None during Q4

- c. Additions or Discontinuation of Specific Measures or Services
  - None during Q4
- d. Changes Due to EM&V Input, IL TRM Changes, NTG Changes, or Market Research Findings
  - None during Q4
- e. For New Measures Added, TRC Screening Results
  - None during Q4

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

- a. Program Activities
  - The NSG Business Programs achieved 49% of realized savings through Q4 with all projects closed for the Program Year. NSG Business Program performance was tempered in Q4 to balance the overall portfolio.
- b. Implementation Modifications
  - None during Q4
- c. Additions or Discontinuation of Specific Measures or Services
  - None during Q4
- d. Changes Due to EM&V Input, IL TRM changes, NTG Changes, or Market Research Findings
  - None during Q4
- e. For New Measures Added, TRC Screening Results
  - None during Q4



## 5. Small Business Program

### a. Program Activities

- The NSG Small Business Programs (Energy Assessment and Direct Install, Prescriptive, Partner Trade Ally, and Custom) achieved 142% realized savings in Q4.

### b. Implementation Modifications

- None during Q4

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

- None during Q4

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

- None during Q4

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

- None during Q4