

PY2023 Q3 Energy Efficiency Review Illinois Stakeholder Advisory Group

Presented by: Nicor Gas Energy Efficiency Team

November 14, 2023



Energy
Efficiency
Program

2023 Production



Energy
Efficiency
Program

Impact

 **252M+**
in incentives since 2011

- Residential and multi-family customers: energy-saving kits and home assessments
- Commercial and public sector customers: building system optimization, energy-saving projects
- Income-qualified customers: comprehensive energy upgrades at no cost
- Rebates for energy-efficient products and improvements



219M+
first year therms
saved since 2011

- Avoids more than 1.16M metric tons of CO2 emissions
- Equivalent to the CO2 emissions generated by 257K passenger vehicles over the course of a year



1.33M+
customers in
643 communities
Have participated

- \$190 average incentive per customer
- Engaged 201K elementary school students in energy efficiency education



\$2.02B
Economic activity
spurred since 2011

- 10.4K jobs supported since 2011
- \$110M spent with diverse suppliers
- \$821M wages supported since 2011

Stipulations

Plan Year

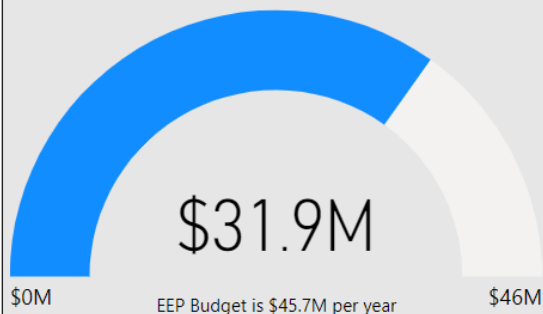
2023

Budget Stipulations - PY2022-PY2023

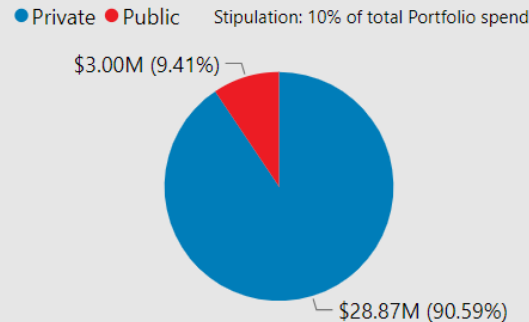
Accounting actuals through:

September 2023

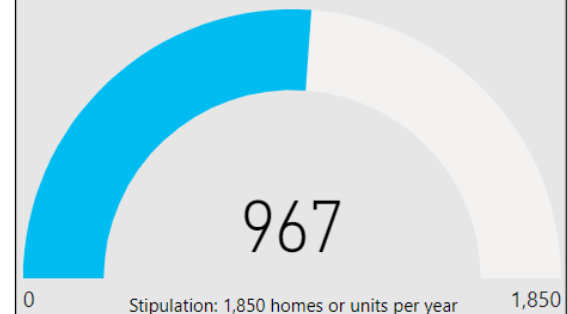
Total EEP Spend



Total EEP Spend - Public Sector



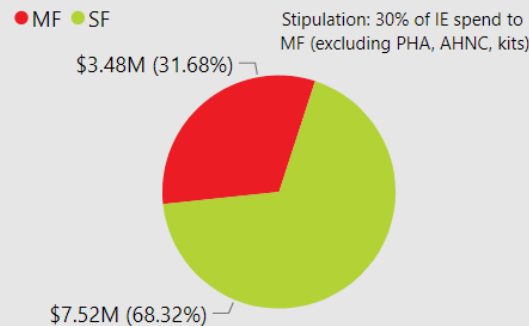
Number of ASI Homes/MF Units



Income Eligible Spend



Income Eligible Spend - Multi-Family



Income Eligible Spend - Retrofits Only



Weighted Average
Measure Life

13.06yrs

Stipulation: ≥ 11.91 years

Tier 1 Diverse Spend

\$14.55M

Tier 2 Diverse Spend

\$5.31M

% of Total Eligible Spend

87.8%

Portfolio Summary

Year to Date Results January 1, 2023-September 30, 2023

7.55M

Net savings to date

53.5%

Percent of planned savings

14.1M

Annual savings goal

\$31.9M

Spend to date

69.7%

Percent of planned spend

\$45.7M

Annual budget

Key portfolio highlights

- Targeted outreach campaigns and proactive customer follow-ups, within the Business Energy Efficiency Rebates program, played a pivotal role in creating awareness and driving engagement within the public sector where 19 projects were completed in just one school district.
- The addition of gas heat pump business custom projects to our pipeline represents a significant innovation milestone, showcasing the program team's commitment to integrating advanced energy efficiency solutions into the program offerings
- In 2023, so far, we have served over 35,000 customers through the Nicor Gas Energy Efficiency Program.

Residential Programs

5

Programs

3.24M

Net therm savings to date

\$7.93M

Spend to date

Key highlights

- In the third quarter, the HEER program incentivized over 3,000 high-efficiency furnaces, boilers and tankless water heaters, as well as over 3,400 smart thermostats to our customers.
- The Air Sealing and Insulation offering of HES served 339 homes within the third quarter, which is 72 more homes than what the offering achieved this time last year.
- Residential New Construction completed and provided incentives for 530 homes, within the third quarter.

Business Programs

5

Programs

5.76M

Net therm savings to date

\$10.1M

Spend to date

Key portfolio highlights

- The addition of gas heat pump projects, to our Custom Program pipeline, represents a significant innovation milestone. This showcases the program team's commitment to integrating advanced energy efficiency solutions into the program offerings.
- Collaborating with Cook County has not only brought in valuable leads but highlights our strength in establishing strategic partnerships that enhance the program performance.
- In the third quarter of 2023, Nicor Gas completed 14 commercial/industrial projects. Of which, 12 were private sector projects and 2 were public sector projects.

Income-eligible Programs

3

Programs

1.06M

Net therm savings to date

\$11.0M

Spend to date

Key highlights

- Through the end of Q3, the DeKalb Housing Authority completed and scheduled projects for a combined total of \$152,000 in incentives. Furnace and boiler tune-ups, weatherization, HVAC upgrades, and appliance upgrades were completed.
- The SF Retrofits offering served over 832 single-family customers within the first three quarters of 2023, 117 of which were served in Q3. The success of the SF Retrofits offering is attributed to the partnerships with 21 community-based organizations.
- The SF and MF DI to Comprehensive project conversion rate is 85% and 80% respectively.

Innovation and Engagement



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Emerging Technology 2023 TRM Submissions

- **Insulated Concrete Forms (ICF)** are a type of energy efficient building wall assembly providing continuous insulation, high strength, and durability. Heating and cooling energy savings derived from higher and continuous thermal resistance provided by ICF walls are covered in this measure.

Sector: Residential new construction



- **Tankless Water heater Array** is a type of domestic hot water heating system formed by array of tankless water heating units to increase overall system capacity, turndown capability and to reduce standby losses. Hot water energy savings due to reduction in standby losses and improved system efficiency is detailed in this measure.

Sector: Commercial

MDI Curriculum/Recap

WTE Overview

- Focused on increasing the delivery of energy efficiency funds to underserved and disadvantaged communities
- Enhancing the participation of local and diverse talent at all levels of the energy efficiency workforce
- Included on-the-job & classroom training, as well as virtual webinars
- The first WTE skilled cohort graduated on 8/14



TAD Overview

- Recruiting, training, supporting, developing and mentoring a diverse group of 10 contractors
- Focus on technical assistance in diverse certification process, back-office support, business resources and funding for industry certifications
- First TAD cohort graduation will be held in Q4



Ongoing Efforts



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EEP Advertising Campaign

EEP Campaign - Saving energy is music to our ears!

- Earlier this year, the Energy Efficiency Program launched its first new campaign in over a year that included TV, radio, print and digital advertising
- The campaign focuses on connecting energy efficiency solutions with music in a way that is unique and meaningful to all customers
- We want our customers to know that the Energy Efficiency Program has a wide variety of offerings to support their individual natural gas-saving needs
- Results to date – 37.8 million impressions
 - Linear TV – 4,500,000
 - OTT – 3,800,000
 - Radio – 4,000,000
 - Print – 70,000
 - Digital – 25,500,000



Community Connection Center



Community Connection Center (C3) Hits the Road in 2023

During 2023, the C3 / MOC team attended 200 events with a heavy focus on income eligible communities. The team used multiple avenues to reach customers and share program information. These included 7 grocery resource fairs where more than 7,000 pounds of food was distributed. 3-5 more events yet to conduct, 13,000+ pounds of food in total.

- 2 virtual resource fairs with attendance of 1,339
- Operation Warm coat giveaways – 1,600 coats



C3 at-a-glance stats:

- Connected with **more than 6,300** Nicor Gas customers
- **60%** of customers contacted were in the lowest income bracket
- Over **115** customers participated in energy efficiency offerings
- Over **3,900** customers received **\$11.2M** in LIHEAP grants
- Attended **200** events in 2023; distributed **more than 19,000** IE & C3 flyers
- Since its launch, **more than 800** customers used the CAN tool
- Connected customers with over \$120,000 in Shield of Caring grants

Community Engagement – Q3

59 Community Events

- Income eligible
- Market rate
- Nicor Gas hosted 3 grocery & resource fairs
- Senior citizen focused
- Veteran focused



Grocery Resource Fairs

- Our partnership with Top Box will provide one week's worth of groceries to approximately 1,400* families when the campaign is complete
- More than 1,336 energy-saving kits were distributed
- Customers met with Energy Efficiency, Energy Assistance, LIHEAP reps, Nicor Gas Customer Care staff, Nicor Gas career staff and received free groceries
- Towns served included Bensenville, Alsip/Blue Island/Robbins, and Posen Dixmoor. Q4 plans include Aurora, Broadview, Berwyn, Dolton, Riverside, N Aurora, Batavia, Rockford, Harvey, Markham, South Holland, Bellwood, Maywood, and Melrose Park



** Estimated: events run through 2023 and into early 2024*



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