



Energy
Efficiency
Program

Portfolio Overview

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Portfolio Design Objectives

1. Budget

- Remain within the 2% statutory budget
- Meet other statutory constraints (e.g., IE, public sector)

2. Cost effectiveness

- Cost-effective portfolio

3. Savings

- Annual
- Lifecycle
- Greenhouse gas reductions

4. Fairness

- Provide diverse cross-section of opportunities

5. Diversity

- Increase opportunities for diverse vendors
- Elevate savings opportunities in underserved communities

6. Market

- Maintain stability for trade partners

7. Economic development

- Provide jobs and economic benefits for Nicor Gas communities



Portfolio and Program Structure

Residential

Home Energy Efficiency Rebates (HEER)*
Home Energy Savings (HES)*
Multi-Family (MF)*
Energy Education and Outreach*
Residential New Construction (RNC)

Income-Eligible

Weatherization (Wx)*
Public Housing Authority (PHA)*
Affordable Housing New Construction (AHNC)*
Energy-Saving Kits (IQ-ESK)*

Business

Business Energy Efficiency Rebates (BEER)
Custom*
Small Business (SB)
Strategic Energy Management (SEM)*
Commercial and Industrial New Construction (CINC)*
Business Optimization (BOP)
Central Plant Optimization (CPOP)

Portfolio

Management, Marketing, Evaluation, Emerging Technology (ET), Market Transformation (MT)

**Joint or coordinated programs with ComEd and/or Ameren Illinois and/or Peoples Gas/North Shore Gas*



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Balancing the Portfolio Under Section 8-104 Requirements

Total Budget: 2% revenue cap

- \$45.7M annual budget
- \$182.8M 4-year budget

Evaluation (3%): \$1.37M annual budget

Emerging Technology (3%): \$1.37M annual budget

Market Transformation (5%): \$2.26M annual budget

Public Sector: “A minimum of 10% of the entire portfolio of cost-effective energy efficiency measures shall be procured from local government, municipal corporations, school districts, and community college districts.”

Income Eligible: “The utilities shall also present a portfolio of energy efficiency measures proportionate to the share of total annual utility revenues in Illinois from households at or below 150% of the poverty level.”

Cost Effectiveness: Portfolio TRC ratio > 1.0

Fairness: “...a diverse cross section of opportunities for customers of all rate classes to participate in the programs”

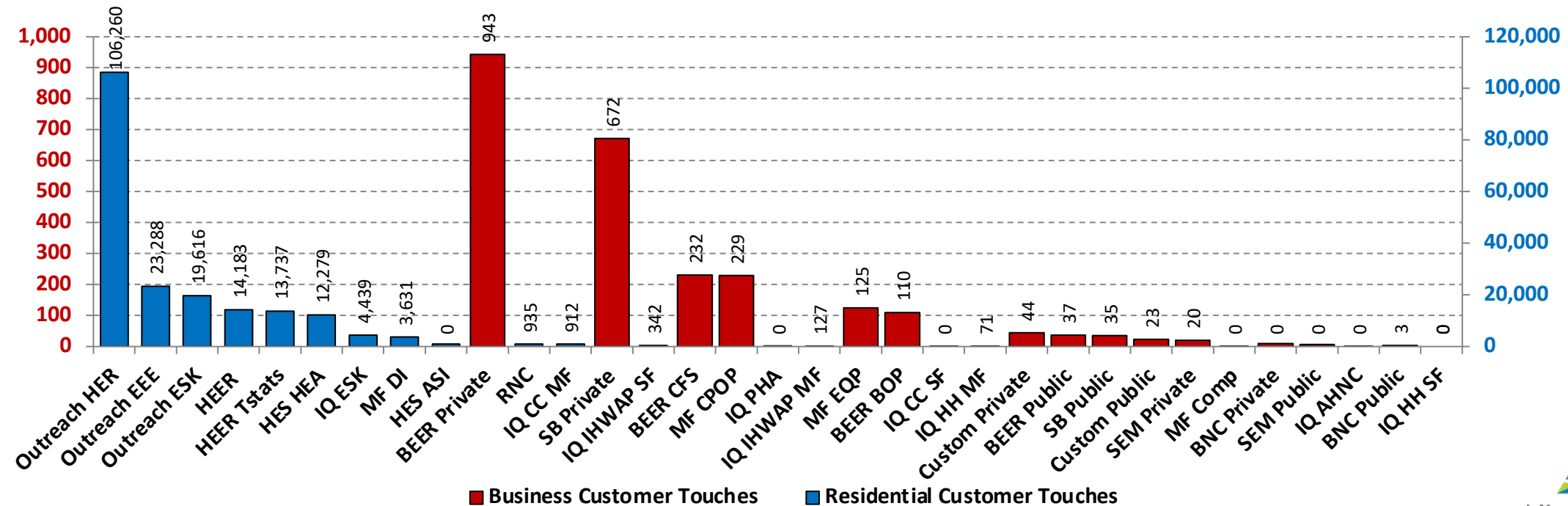
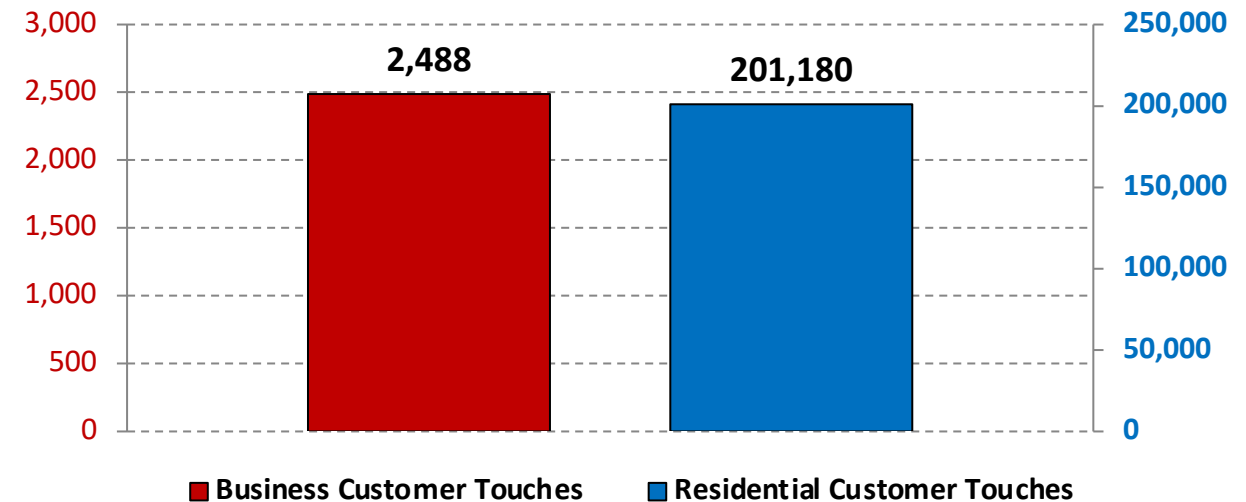


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Extensive Customer Engagement

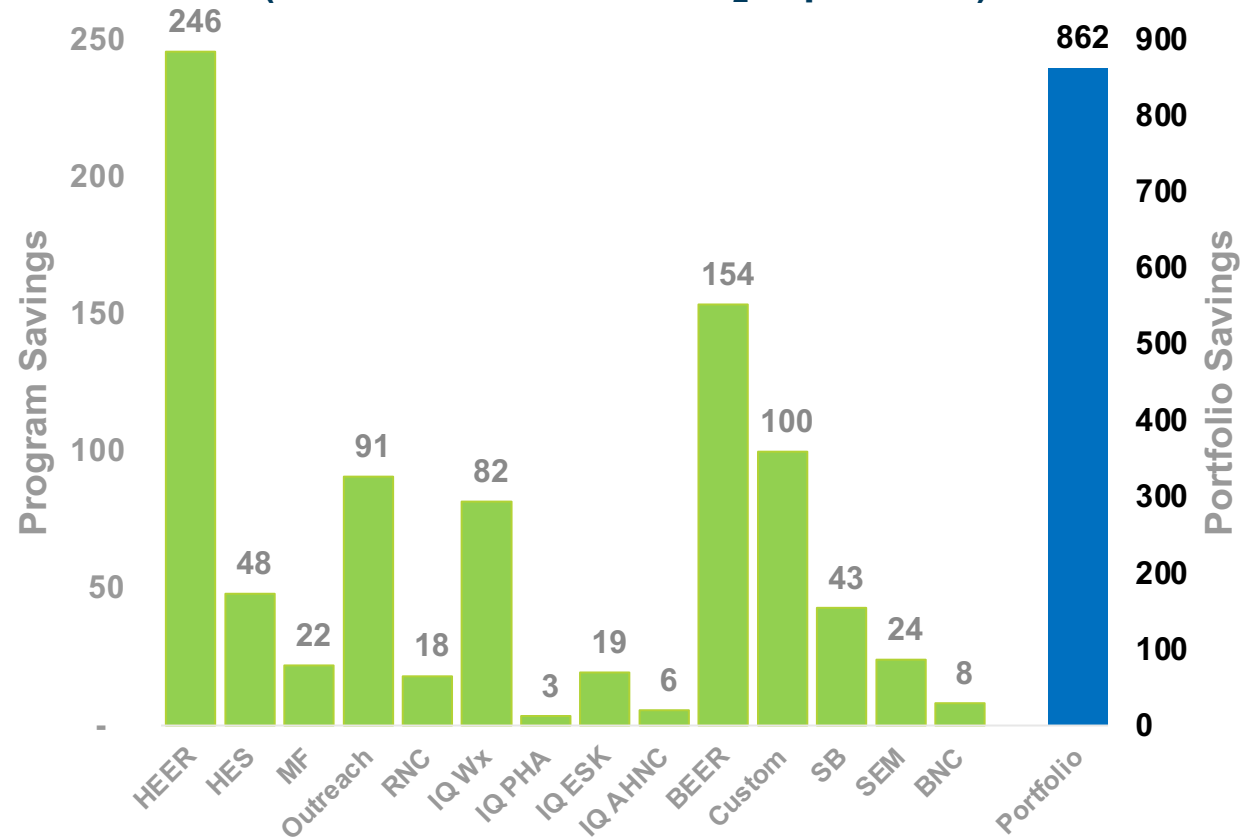
Proposed plan serves:

- ~204,000 customers per year
- ~816,000 customers across the four-year plan or about 40% of our customers
 - Low-, moderate- and higher-income families
 - Renters and homeowners
 - Small, medium, and large businesses



Other Key Outcomes

**Annual New Lifecycle GHG Reductions
(Thousands of tons CO₂ Equivalent)**



- ~900,000 tons of lifecycle GHG reduced for each year's savings
- ~3.5 million tons for the entire plan, equivalent to:
 - 350 million gallons of gasoline
 - 2.5 billion pounds of coal (or 20,000 train cars)
 - 7.5 billion car miles

Annual Economic Impact





Forward means taking bold steps
toward a clean energy future.

A net-zero energy future is possible.
That's why we're fueling forward with
a goal of becoming net-zero methane
emissions from our operations by 2030.
Learn more at [nicorgas.com](https://www.nicorgas.com).



Natural gas is key to the clean energy transition

- 75% of energy needs are met with natural gas in Illinois
- 80% of customers and many industries depend on natural gas
- 32% reduction in CO2 emissions since 2005
- Access to natural gas keeps energy costs low
- Business and residential customers saved \$24 billion over a 10-year period because of access to natural gas
- Limiting energy choice may force customers to use higher-cost energy
- 8% growth in natural gas use by Illinois businesses over a 10-year period



Supporting Community Sustainability Goals

Community-focused energy efficiency



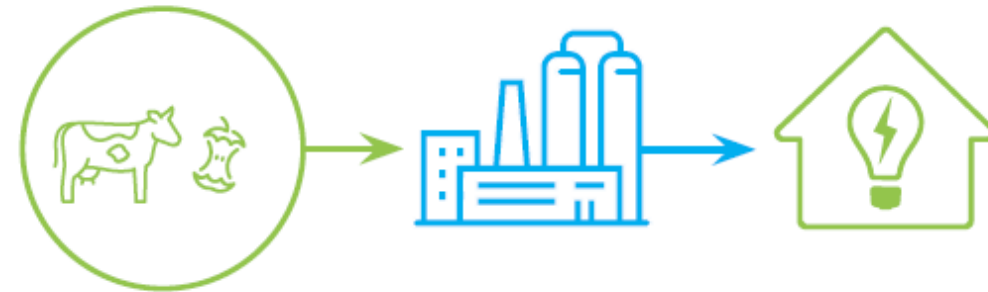
Customers have saved more than 168 million therms



CO2 emissions reduced by more than 893,000 metric tons

Affordable and reliable clean energy is the foundation for the future

- Renewable natural gas (RNG) is a sustainable and alternative fuel produced from several sources



Acronym Key

- **HEER** – Home Energy Efficiency Rebates
- **EEE** – Elementary Energy Education
- **ESK** – Energy-Saving Kits
- **HES** – Home Energy Savings
- **HEA** – Home Energy Assessment
- **ASI** – Air Sealing & Insulation
- **IE** – Income-Eligible
- **MF** – Multi-Family
- **DI** – Direct Install
- **CPOP** – Central Plant Optimization Program
- **RNC** – Residential New Construction
- **PHA** – Public Housing Authority
- **BEER** – Business Energy Efficiency Rebates
- **SB** – Small Business
- **CFS** – Commercial Food Service
- **BOP** – Business Optimization Program
- **SEM** – Strategic Energy Management
- **BNC** – Business New Construction
- **HH** – Healthy Homes
- **SF** – Single Family
- **AHNC** – Affordable Housing New Construction

Questions?

- **Visit:** nicorgas.com/saveathome
- **Email:** eeinfo@nicorgas.com
- **Call:** 877.886.4239



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