



An AGL Resources Company

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FINANCIAL ANALYSIS
DIVISION

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ILLINOIS COMMERCE COMMISSION

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January 14, 2013

ILLINOIS COMMERCE COMMISSION
CHIEF CLERK'S OFFICE

Ms. Elizabeth A. Rolando
Chief Clerk
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, Illinois 62701

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10-0562
Report - 2nd Qtr.

JAN 15 2013

CHIEF CLERK'S OFFICE
Illinois Commerce Commission

Dear Ms. Rolando:

Northern Illinois Gas Company d/b/a Nicor Gas Company (the "Company") respectfully submits to the Commission the attached second quarter quarterly report for the June 2012 through May 2013 annual plan period, as required under Section C of the Company's Rider 30 - Energy Efficiency Plan Cost Recovery ("EEP"), Ill. C.C. No. 16-Gas, 1st Revised Sheet No. 83.4, and in compliance with the Commission's Order in Docket No. 10-0562 and subsection (f)(8) of 220 ILCS 5 Section 8-104 (220 ILCS 5/8-104) of the Public Utilities Act.

EEP program costs for the portfolio of measures, as reported, are operational expenses for the quarterly period ending November 30, 2012, and exclude expenses for DCEO and On-Bill Financing costs.

A copy of this filing is included for delivery to Ms. Mary Selvaggio, Manager of Accounting of the Commission's office in Springfield. One additional copy of the filing is also enclosed for your convenience in acknowledging receipt thereof. If you have any questions concerning this filing please contact me. Thank you for your assistance.

Sincerely,

Bob O. Buckles
Manager, Rates

Enclosures

cc: Ms. Mary Selvaggio

Nicor Gas Energy Efficiency Program - Plan Year 2

Quarterly Report: Second Quarter

June 2012 - November 2012

| Overall EEP Portfolio | | | | Residential Programs | | | | Business Programs | | | | Other Portfolio Costs | | | |
|------------------------------------|-----------------------|---------------|------------------|------------------------------------|-----------------------|---------------|------------------|------------------------------------|-----------------------|---------------|------------------|-----------------------|-------------------------|---------------|------------------|
| Indicator | Cumulative Therms YTD | Goal | PY Pct. Achieved | Indicator | Cumulative Therms YTD | Goal | PY Pct. Achieved | Indicator | Cumulative Therms YTD | Goal | PY Pct. Achieved | Indicator | Cumulative Therms YTD | Goal | PY Pct. Achieved |
| Energy Savings (Net Therms) | | | | Energy Savings (Net Therms) | | | | Energy Savings (Net Therms) | | | | | | | |
| Total | 2,298,368 | 13,652,726 | 17% | Total | 1,165,716 | 6,029,366 | 19% | Total | 1,130,642 | 7,623,370 | 15% | | | | |
| Program Costs | | | | Program Costs | | | | Program Costs | | | | Program Costs | | | |
| Indicator | Cumulative YTD | Budget | PY Pct. Achieved | Indicator | Cumulative YTD | Budget | PY Pct. Achieved | Indicator | Cumulative YTD | Budget | PY Pct. Achieved | Indicator | Cumulative Year to Date | Budget | PY Pct. Achieved |
| Total | \$ 14,408,717 | \$ 42,383,987 | 34% | Total | \$ 6,113,466 | \$ 17,664,937 | 38% | Total | \$ 3,358,208 | \$ 14,105,112 | 24% | Total | \$ 4,939,052 | \$ 10,713,908 | 48% |

Note: Does not include DCEO, Start-up Expenses or On-Bill Financing

| Nicor Residential Programs | | | | |
|-------------------------------------|---------------------------|----------------------|--------------------|--|
| Energy Savings (Therm) | | | | |
| Programs | Cumulative Net Therms YTD | Goals | PY 2 Pct. Achieved | Comments |
| Home Energy Efficiency Rebate | 724,492 | 2,235,590 | 32.41% | New incentive levels were implemented in November to improve participation through the remainder of the program year, and IMEA funding will open bundled AC/furnace measure offer to municipal utility customers. |
| Home Energy Savings | 94,566 | 545,466 | 17.34% | Participants and therm savings both exceeded forecast in recent months, bringing YTD totals up to approximately 86% of forecast through November. Pipeline very strong into February. |
| Multi-Family Home Energy Savings | 296,847 | 2,225,025 | 13.34% | Comprehensive (common areas, HVAC, building shell, etc.) MF RFP issued in November. New program offerings for second half of program year will assist in additional therms. |
| New Construction | 48,352 | 45,875 | 105.40% | The pipeline is strong with 417 homes enrolled in the program, with a target of 600 completions in PY2 |
| Elementary Energy Education | - | 207,900 | 0.00% | Final student participation Nicor/ComEd: 13,992 students and 160 schools. Nicor Only: 1,007 student participants and 13 schools. |
| Behavioral Energy Savings | 1,459 | 769,500 | 0.19% | The number of participants showing interest in the Behavioral Energy Pilot Program is continuing to grow. The online advertising component of the program will stop during the holidays and pick up again in January 2013. |
| Residential Programs - Total | 1,165,716 | 6,029,366 | 19.33% | |
| Program Costs | | | | |
| Programs | Cumulative Costs YTD | Budget | PY 2 Pct. Achieved | Comments |
| Home Energy Efficiency Rebate | \$ 3,845,494 | \$ 9,773,329 | 39.35% | Total budget spending is at 45% to the filed goal and 41% of the filed budget has been spent. New incentive levels will bring the program budget over the expectations in the original filing for PY2. |
| Home Energy Savings | \$ 851,455 | \$ 2,367,522 | 35.98% | Program costs are in line with energy savings to date. |
| Multi-Family Home Energy Savings | \$ 406,301 | \$ 3,301,571 | 12.31% | Program costs are in line with energy savings to date. |
| New Construction | \$ 293,673 | \$ 754,011 | 38.95% | If momentum continues at its current pace, the program will exceed the incentive budget. |
| Elementary Energy Education | \$ 437,376 | \$ 594,980 | 73.51% | Program costs are in line with energy savings to date. |
| Behavioral Energy Savings | \$ 279,158 | \$ 773,524 | 36.09% | Program costs are in line with budget forecasts. |
| Residential Programs - Total | \$ 6,113,466 | \$ 17,664,937 | 34.80% | |

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Nicor Gas Energy Efficiency Program - Plan Year 2

Quarterly Report: Second Quarter

June 2012 - November 2012

| Overall EEP Portfolio | | | | Residential Programs | | | | Business Programs | | | | Other Portfolio Costs | | | |
|------------------------------------|-----------------------|---------------|------------------|------------------------------------|-----------------------|---------------|------------------|------------------------------------|-----------------------|---------------|------------------|-----------------------|-------------------------|---------------|------------------|
| Indicator | Cumulative Therms YTD | Goal | PY Pct. Achieved | Indicator | Cumulative Therms YTD | Goal | PY Pct. Achieved | Indicator | Cumulative Therms YTD | Goal | PY Pct. Achieved | Indicator | Cumulative Therms YTD | Goal | PY Pct. Achieved |
| Energy Savings (Net Therms) | | | | Energy Savings (Net Therms) | | | | Energy Savings (Net Therms) | | | | | | | |
| Total | 2,296,368 | 13,652,728 | 17% | Total | 1,185,718 | 8,029,368 | 19% | Total | 1,130,642 | 7,823,370 | 16% | | | | |
| Program Costs | | | | Program Costs | | | | Program Costs | | | | Program Costs | | | |
| Indicator | Cumulative YTD | Budget | PY Pct. Achieved | Indicator | Cumulative YTD | Budget | PY Pct. Achieved | Indicator | Cumulative YTD | Budget | PY Pct. Achieved | Indicator | Cumulative Year to Date | Budget | PY Pct. Achieved |
| Total | \$ 14,408,717 | \$ 42,383,967 | 34% | Total | \$ 6,113,466 | \$ 17,664,937 | 36% | Total | \$ 3,356,208 | \$ 14,106,112 | 24% | Total | \$ 4,939,062 | \$ 10,713,908 | 48% |

Note: Does not include DCEO, Start-up Expenses or On-Bill Financing

| Nicor Business Programs | | | | |
|---------------------------------------|---------------------------|----------------------|--------------------|---|
| Energy Savings (Therm) | | | | |
| Programs | Cumulative Net Therms YTD | Goals | PY 2 Pct. Achieved | Comments |
| Business Energy Efficiency Rebate | 513,326 | 2,026,860 | 25.33% | The program has developed several initiatives to encourage participation in the measure offer, with the largest savings potential (steam traps) within the commercial kitchen market segment. |
| Business Custom Incentive | 378,966 | 3,417,000 | 11.09% | Pipeline for November is 3,514,482 gross therms. Completed projects plus pipeline is 3,988,569 gross therms, representing 90% of PY2 goal. |
| Economic Redevelopment | 10,321 | 240,000 | 4.30% | The current pipeline of projects for PY2 is at 93% to goal. |
| Retro-Commissioning | 8,946 | 1,024,308 | 0.87% | The RCx program had a delay with a huge project (100K therms) that won't complete until PY3. Working with Ameren on an additional joint project with over 100K therms to fill gap. |
| Small Business Energy Savings | 196,672 | 616,753 | 31.89% | Small Business is projected to finish the year at 67%-75% of goal. Gas-only Trade Allies are being added to the program; Focus on gas measures - Multi-state thermostats and steam traps. |
| New Construction | 14,118 | 198,450 | 7.11% | Projects for PY2 are weighted more heavily as the year progresses. The current pipeline for PY2 forecasts the savings for the year to be 80% of goal. |
| Building Performance with ENERGY STAR | 8,294 | 100,000 | 8.29% | The hospitality market segment has fragmented ownership structures which has delayed potential projects. Add'l projects are filling pipeline. |
| Business Programs - Total | 1,130,642 | 7,623,370 | 14.83% | |
| Program Costs | | | | |
| Programs | Cumulative Costs YTD | Budget | PY 2 Pct. Achieved | Comments |
| Business Energy Efficiency Rebate | \$ 896,702 | \$ 2,601,764 | 34.47% | Program costs are in line with energy savings to date. |
| Business Custom Incentive | \$ 1,446,448 | \$ 6,594,599 | 21.93% | Program costs for PY2 are below forecast, however increases will occur as the Facility Assessment Program efforts commence. |
| Economic Redevelopment | \$ 373,739 | \$ 827,858 | 45.16% | Program costs are close to expectations for the 1st quarter of PY2 with project delays contributing to being under budget. |
| Retro-Commissioning | \$ 130,064 | \$ 2,031,548 | 6.40% | Program costs are expected to be under budget for PY2. However, the program is very cost effective at an average of \$.68/therm. |
| Small Business Energy Savings | \$ 429,115 | \$ 1,439,579 | 29.81% | The budget is tracking slightly below projected and should finish under for the program year. |
| New Construction | \$ 75,579 | \$ 445,307 | 16.97% | Due to the lower than expected project completions, the costs have lagged behind. As the projects begin completion, the costs will begin to fall more in line with projections. |
| Building Performance with ENERGY STAR | \$ 4,562 | \$ 164,457 | 2.77% | BPwES is a pay for performance pilot program and hasn't incurred anticipated costs due to delay in project completions. |
| Business Programs - Total | \$ 3,356,208 | \$ 14,106,112 | 23.79% | |

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Nicor Gas Energy Efficiency Program - Plan Year 2

Quarterly Report: Second Quarter

June 2012 - November 2012

| Overall EEP Portfolio | | | | Residential Programs | | | | Business Programs | | | | Other Portfolio Costs | | | |
|------------------------------------|-----------------------|---------------|------------------|------------------------------------|-----------------------|---------------|------------------|------------------------------------|-----------------------|---------------|------------------|-----------------------|-------------------------|---------------|------------------|
| Indicator | Cumulative Therms YTD | Goal | PY Pct. Achieved | Indicator | Cumulative Therms YTD | Goal | PY Pct. Achieved | Indicator | Cumulative Therms YTD | Goal | PY Pct. Achieved | Indicator | Cumulative Therms YTD | Goal | PY Pct. Achieved |
| Energy Savings (Net Therms) | | | | Energy Savings (Net Therms) | | | | Energy Savings (Net Therms) | | | | | | | |
| Total | 2,298,359 | 13,862,728 | 17% | Total | 1,165,718 | 6,029,366 | 19% | Total | 1,130,642 | 7,823,370 | 15% | | | | |
| Program Costs | | | | Program Costs | | | | Program Costs | | | | Program Costs | | | |
| Indicator | Cumulative YTD | Budget | PY Pct. Achieved | Indicator | Cumulative YTD | Budget | PY Pct. Achieved | Indicator | Cumulative YTD | Budget | PY Pct. Achieved | Indicator | Cumulative Year to Date | Budget | PY Pct. Achieved |
| Total | \$ 14,408,717 | \$ 42,383,957 | 34% | Total | \$ 6,113,466 | \$ 17,564,937 | 35% | Total | \$ 3,366,208 | \$ 14,106,112 | 24% | Total | \$ 4,939,062 | \$ 10,713,908 | 46% |

Note: Does not include DCEO, Start-up Expenses or On-Bill Financing

| Emerging Technology Program | | | | |
|--|---------------------------|---------------------|--------------------|---|
| Energy Savings (Therm) | | | | |
| Programs | Cumulative Net Therms YTD | Goals | PY 2 Pct. Achieved | Comments |
| Emerging Technology | - | - | 100.00% | Energy savings goals not assigned to program, but pilot savings should be identified over remainder of PY2. |
| Emerging Technology Program - Total | - | - | 0.00% | |
| Program Costs | | | | |
| Programs | Cumulative Costs YTD | Budget | PY 2 Pct. Achieved | Comments |
| Emerging Technology | \$ 560,291 | \$ 1,332,000 | 42.06% | Program costs are increasing, associated with pilot implementation. |
| Emerging Technology Program - Total | \$ 560,291 | \$ 1,332,000 | 42.06% | |

| EEP Portfolio | | | | |
|---------------------------------|----------------------|---------------------|--------------------|----------|
| Program Costs | | | | |
| Programs | Cumulative Costs YTD | Budget | PY 2 Pct. Achieved | Comments |
| Portfolio Technology | \$ 456,018 | \$ 1,000,000 | 45.60% | |
| Portfolio Marketing | \$ 1,019,915 | \$ 1,895,750 | 53.80% | |
| Portfolio Management - External | \$ 1,123,959 | \$ 2,297,135 | 48.93% | |
| Portfolio Management - Internal | \$ 1,048,024 | \$ 3,068,000 | 34.09% | |
| EM&V | \$ 732,845 | \$ 1,121,023 | 65.37% | |
| EEP Portfolio - Total | \$ 4,378,761 | \$ 9,381,908 | 46.67% | |

| Combined Emerging Technology and EEP Portfolio Costs | | | | |
|--|---------------------|----------------------|---------------|--|
| EEP Portfolio Costs Total | \$ 4,939,062 | \$ 10,713,908 | 46.10% | |

| DCEO Program | | | | |
|--|----------------------|----------------------|--------------------|----------|
| Program Costs | | | | |
| Programs | Cumulative Costs YTD | Budget | PY 2 Pct. Achieved | Comments |
| DCEO | \$ 1,431,641 | \$ 12,544,330 | 11.41% | |
| Other Nicor EE Programs - Total | \$ 1,431,641 | \$ 12,544,330 | 11.41% | |

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