

DIRECT TESTIMONY
OF
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ILLINOIS COMMERCE COMMISSION

INVESTIGATION INTO COMPLIANCE WITH THE EFFICIENCY STANDARD REQUIREMENT OF
SECTION 8-104 OF THE PUBLIC UTILITIES ACT.

NORTH SHORE GAS COMPANY
THE PEOPLES GAS LIGHT AND COKE COMPANY

ICC DOCKET No. 15-0298

JUNE 7, 2016

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ATTACHMENTS

STAFF EXHIBIT 1.1 – SUMMARY OF ENERGY SAVINGS GOALS AND EVALUATOR VERIFIED SAVINGS ACHIEVEMENTS IN THE NORTH SHORE GAS SERVICE TERRITORY FOR THE PERIOD, JUNE 1, 2011 – MAY 31, 2014, GAS PLAN 1

STAFF EXHIBIT 1.2 – SUMMARY OF ENERGY SAVINGS GOALS AND EVALUATOR VERIFIED SAVINGS ACHIEVEMENTS IN THE PEOPLES GAS SERVICE TERRITORY FOR THE PERIOD, JUNE 1, 2011 – MAY 31, 2014, GAS PLAN 1

1 **I. INTRODUCTION**

2 **A. WITNESS QUALIFICATIONS**

3 **Q. Please state your name, business address, and job title.**

4 A. My name is Jennifer H. Morris. My business address is 527 East Capitol Avenue,
5 Springfield, Illinois 62701. I am employed as an Economic Analyst in the Policy
6 Division of the Bureau of Public Utilities at the Illinois Commerce Commission (“ICC”
7 or “Commission”).

8 **Q. What are your responsibilities within the Commission’s Policy Division?**

9 A. My work with the Commission primarily focuses on energy efficiency. I monitor,
10 review, and analyze filings and participate as a witness and case manager as
11 assigned in docketed Commission proceedings. I review compliance filings and
12 various reports from utilities. I offer testimony to the Commission on various
13 energy efficiency issues such as compliance with energy savings goals, energy
14 efficiency plan filings, and energy efficiency rider reconciliations. I monitor the
15 independent evaluation process for the Illinois Program Administrators’¹ energy
16 efficiency programs. I participate in the Illinois energy efficiency Stakeholder
17 Advisory Group (“SAG”), various SAG subcommittees, and the Illinois Net-to-
18 Gross Working Group. I participate in the annual update process for the Illinois
19 Statewide Technical Reference Manual for Energy Efficiency.

¹ Program Administrators refers to the Illinois Department of Commerce and Economic Opportunity and the utilities offering energy efficiency programs pursuant to Section 8-103, Section 8-104, and/or Section 16-111.5B of the Illinois Public Utilities Act.

20 **Q. Please describe your educational background.**

21 A. I graduated from Illinois State University with a Master of Science degree in Applied
22 Economics with a specialization in the Electricity, Natural Gas, and
23 Telecommunications Economics Regulatory sequence in May of 2010. I earned a
24 Bachelor of Arts degree in Economics with a Financial Certificate and graduated
25 summa cum laude from the University Honors Program at Armstrong State University
26 in Savannah, Georgia in May of 2008.

27 **Q. Please describe your professional experience prior to your employment at the**
28 **ICC.**

29 A. Prior to joining the Commission Staff ("Staff") in April of 2010, I worked as a
30 Graduate Assistant in the Applied Economics Department at Illinois State
31 University. I was an intern in the Regulatory Department at AT&T Illinois in
32 Chicago during the summer of 2009. During my time at AT&T, I compiled and
33 analyzed data and provided detailed recommendations on AT&T Illinois'
34 Alternative Regulation Plan on individual service margins. In addition, I reviewed
35 the tariffing process and assisted in the filing of wholesale tariffs.

36 **B. PURPOSE**

37 **Q. What is the purpose of this proceeding?**

38 A. The purpose of this proceeding is to review whether North Shore Gas Company
39 ("North Shore Gas"), The Peoples Gas Light and Coke Company ("Peoples Gas"),
40 and the Illinois Department of Commerce and Economic Opportunity ("DCEO" or
41 "Department") have each met its respective energy savings goal set forth in

42 Section 8-104 of the Illinois Public Utilities Act (“Act”) in a cost-effective manner for
43 the gas Plan 1 time period, which runs from June 1, 2011 through May 31, 2014.
44 Illinois Commerce Comm’n v. North Shore Gas Co. and The Peoples Gas Light
45 and Coke Co., ICC Initiating Order Docket No. 15-0298, 1 (April 22, 2015).

46 **Q. What is the purpose of your direct testimony?**

47 A. The purpose of my direct testimony is to address whether North Shore Gas, Peoples
48 Gas, and DCEO have each met its respective energy savings goal in a cost-effective
49 manner for gas Plan 1, and whether the overall Section 8-104(c)(3) statutory energy
50 savings goal has been met in the North Shore Gas and Peoples Gas service territory
51 for gas Plan 1.

52 **C. IDENTIFICATION OF ATTACHMENTS**

53 **Q. Are you sponsoring any exhibits with your direct testimony?**

54 A. Yes, Staff Exs. 1.1 and 1.2 will be referenced throughout this testimony.

55 • Staff Ex. 1.1 – Summary of Energy Savings Goals and Evaluator Verified Savings
56 Achievements in the North Shore Gas Service Territory for the period, June 1, 2011
57 – May 31, 2014, Gas Plan 1.

58 • Staff Ex. 1.2 – Summary of Energy Savings Goals and Evaluator Verified Savings
59 Achievements in the Peoples Gas Service Territory for the period, June 1, 2011 –
60 May 31, 2014, Gas Plan 1.

61 **II. NORTH SHORE GAS SERVICE TERRITORY**

62 **A. NORTH SHORE GAS: GOALS, ACHIEVEMENTS**

63 **Q. What is North Shore Gas’ Plan 1 energy savings goal?**

64 A. I estimate North Shore Gas' Plan 1 energy savings goal to be 3,330,215 therms.
65 (Staff Ex. 1.1, 2.)

66 **Q. Did North Shore gas meet its portion (80%) of the statutory energy savings**
67 **goal set forth in Section 8-104(c) or its Plan 1 energy savings goal of 3,330,215**
68 **therms?**

69 A. Yes. The independent evaluator estimates that North Shore Gas' energy efficiency
70 programs implemented during Plan 1 achieved savings of 3,895,802 net therms.
71 (Staff Ex. 1.1, 3.) Based upon my review of the evaluations, I believe the
72 evaluator's reported savings provides a reasonable estimate of the net energy
73 savings achieved as a result of North Shore Gas' energy efficiency programs
74 during Plan 1. Therefore, I recommend the Commission find that North Shore Gas
75 has met the gas efficiency standard specified in Section 8-104(c) of the Act, as
76 modified by subsections (d) and (e), for purposes of gas Plan 1.

77 **Q. Does your recommendation mean that you are endorsing every single**
78 **evaluation methodology contained within the various evaluation reports filed**
79 **in this proceeding?**

80 A. No. I believe that collectively the evaluations filed provide a reasonable estimate
81 of the net savings achieved for purposes of gas Plan 1 and this proceeding. I do
82 not contest any particular evaluation methodology in my testimony here because
83 doing so would not change the resultant outcome. My decision not to challenge
84 any evaluation methodology has been made in the interest of administrative
85 efficiency and should not be construed as an endorsement of such methods in this

86 or future proceedings, or foreclose Staff from contesting such evaluation
87 methodologies in the future if appropriate.

88 **B. DCEO: GOALS, ACHIEVEMENTS**

89 **Q. What is DCEO's Plan 1 energy savings goal in the North Shore Gas service**
90 **territory?**

91 A. I estimate DCEO's Plan 1 energy savings goal in the North Shore Gas service
92 territory to be 832,554 therms. (Staff Ex. 1.1, 2.)

93 **Q. Did DCEO meet its gas Plan 1 energy savings goal of 832,554 therms in the**
94 **North Shore Gas service territory?**

95 A. No. The independent evaluator reports that DCEO achieved savings of 676,653
96 net therms in the North Shore Gas service territory for gas Plan 1. (Staff Ex. 1.1,
97 3.) Based upon DCEO missing its goal and pursuant to the provisions of Section
98 8-104(e), DCEO provides proposed modifications to its Plan as a result of the
99 evaluator's recommendations in DCEO Ex. 1.2. In my opinion, DCEO's proposed
100 modifications to its Plan as set forth in DCEO Ex. 1.2 are reasonable and
101 implementation of such modifications should help improve the DCEO efficiency
102 programs going forward.

103 **III. PEOPLES GAS SERVICE TERRITORY**

104 **A. PEOPLES GAS: GOALS, ACHIEVEMENTS**

105 **Q. What is Peoples Gas' Plan 1 energy savings goal?**

106 A. I estimate Peoples Gas' Plan 1 energy savings goal to be approximately
107 16,840,268 therms. (Staff Ex. 1.2, 2.)

108 **Q. Did Peoples Gas meet its portion (80%) of the statutory energy savings goal**
109 **set forth in Section 8-104(c) or its Plan 1 energy savings goal of 16,840,268**
110 **therms?**

111 A. Yes. The independent evaluator reports that Peoples Gas achieved savings of
112 21,586,878 net therms for gas Plan 1. (Staff Ex. 1.2, 3.) Therefore, I recommend
113 the Commission find that Peoples Gas has met the gas efficiency standard
114 specified in Section 8-104(c) of the Act, as modified by subsections (d) and (e) for
115 purposes of gas Plan 1.

116 **B. DCEO: GOALS, ACHIEVEMENTS**

117 **Q. What is DCEO's Plan 1 energy savings goal in the Peoples Gas service**
118 **territory?**

119 A. I estimate DCEO's Plan 1 energy savings goal in the Peoples Gas service territory
120 to be 4,210,068 therms. (Staff Ex. 1.2, 2.)

121 **Q. Did DCEO meet its gas Plan 1 energy savings goal of 4,210,068 therms in the**
122 **Peoples Gas service territory?**

123 A. Yes. The independent evaluator reports that DCEO achieved savings of 6,405,466
124 net therms in the Peoples Gas service territory for gas Plan 1. (Staff Ex. 1.2, 3.)
125 Therefore, I recommend the Commission find that DCEO has met the
126 Department's share of the gas efficiency standard specified in Section 8-104(e) in
127 the Peoples Gas service territory for gas Plan 1.

128 **IV. COST-EFFECTIVENESS**

129 **Q. Were the energy efficiency portfolios implemented during gas Plan 1 by North**
130 **Shore Gas, Peoples Gas, and DCEO cost-effective?**

131 A. Yes. Based upon a review of the total resource cost (“TRC”) test cost-
132 effectiveness reports filed in this proceeding and various work papers supporting
133 those analyses, I conclude that the gas Plan 1 energy efficiency portfolios
134 administered by Peoples Gas, North Shore Gas, and DCEO, in aggregate, and
135 even including the low income programs, produced a TRC ratio above 1.0,
136 meaning they are cost-effective and are expected to produce positive net benefits
137 for ratepayers.

138 **V. CONCLUSION AND SUMMARY OF FINDINGS AND RECOMMENDATIONS**

139 **Q. Please summarize your findings and recommendations.**

140 A. North Shore Gas and DCEO in combination achieved a cumulative total savings
141 of 4,572,455 net therms, which exceeds the overall Section 8-104(c)(3) statutory
142 energy savings goal of 4,162,769 therms in the North Shore Gas service territory
143 for gas Plan 1. (Staff Ex. 1.1, 1.) North Shore Gas met its energy savings goal in
144 a cost-effective manner for gas Plan 1. DCEO did not meet its energy savings
145 goal in the North Shore Gas service territory for gas Plan 1. DCEO’s proposed
146 modifications to its Plan as set forth in DCEO Ex. 1.2 are reasonable. Accordingly,
147 I recommend the Commission find that North Shore Gas has cost-effectively met
148 the gas efficiency standard specified in Section 8-104(c) of the Act, as modified by
149 subsections (d) and (e). I recommend the Commission find that the DCEO has not

150 met the Department's share of the gas efficiency standard specified in Section 8-
151 104(e) in the North Shore Gas service territory. Pursuant to the provisions of
152 Section 8-104(e), I recommend the Commission approve DCEO's proposed
153 modifications to its Plan as summarized in DCEO Ex. 1.2.

154 Peoples Gas and DCEO in combination achieved a cumulative total savings of
155 27,992,343 net therms, which exceeds the overall Section 8-104(c)(3) statutory
156 energy savings goal of 21,050,336 therms in the Peoples Gas service territory for
157 gas Plan 1. (Staff Ex. 1.2, 1.) Both Peoples Gas and DCEO met their respective
158 energy savings goals in a cost-effective manner in the Peoples Gas service territory
159 for gas Plan 1. Therefore, I recommend the Commission find that Peoples Gas has
160 cost-effectively met the gas efficiency standard specified in Section 8-104(c) of the
161 Act, as modified by subsections (d) and (e). I recommend the Commission find that
162 DCEO has cost-effectively met the Department's share of the gas efficiency standard
163 specified in Section 8-104(e) in the Peoples Gas service territory.

164 Finally, I recommend the Commission find that the gas Plan 1 energy efficiency
165 portfolios administered by Peoples Gas, North Shore Gas, and DCEO, in aggregate,
166 and even including the low income programs, are cost-effective and expected to
167 produce positive net benefits for ratepayers.

168 **Q. Does this conclude your prepared direct testimony?**

169 **A.** Yes.

Summary of Energy Savings Goals and Evaluator Verified Savings Achievements in the North Shore Gas Service Territory for the period, June 1, 2011 – May 31, 2014, Gas Plan 1.

| Table 1. North Shore Gas Service Territory Gas Plan 1 Savings Goals and Savings Achievements | | | |
|---|---|--|---|
| | Gas Plan 1, North Shore Gas Service Territory | Gas Plan 1, June 1, 2011 - May 31, 2014 | Source |
| (a) | Section 8-104(c) Cumulative Gas Plan 1 Savings Requirement | 1.20% | 220 ILCS 5/8-104(c)(3). |
| (b) | Total Amount of Gas Delivered to North Shore Gas Retail Customers, other than the customers described in Section 8-104(m) during 2009 | 346,897,375 | ICC Docket No. 10-0564 Compliance Plan Filing of North Shore Gas and Peoples Gas, p. 3; ICC Docket No. 13-0550, NS-PGL Ex. 2.1. Note this amount is 1,093,136 lower than the amount Staff relied upon to calculate savings goals in ICC Docket No. 10-0564 because DCEO made minor revisions to the list of customers qualifying for exclusion under Section 8-104(m) subsequent to the utilities' 9/30/2010 initial Plan filing. |
| (c)=(a)x(b) | Section 8-104(c) Cumulative Gas Plan 1 Savings Requirement - North Shore Territory (Therms) | 4,162,769 | 220 ILCS 5/8-104(c); ICC Docket No. 10-0564 Compliance Plan Filing of North Shore Gas and Peoples Gas Attachment A, p. 6, Table 2A. |
| (d)=(g)+(j) | Total Cumulative Savings Achieved by North Shore Gas and DCEO (First-Year Therms) | 4,572,455 | See Staff Ex. 1.1, p. 3, Table 3. |
| (e)=(d)/(c) | % Section 8-104(c) Savings Goal Achieved in North Shore Gas Service Territory for Gas Plan 1 | 110% | |
| (f)=(c)x80% | North Shore Gas Plan 1 Savings Goals (Therms) | 3,330,215 | 220 ILCS 5/8-104(e); ICC Docket No. 10-0564 Compliance Plan Filing of North Shore Gas and Peoples Gas Attachment A, p. 6, Table 2A. |
| (g) | North Shore Gas Net Therm Savings | 3,895,802 | See Staff Ex. 1.1, p. 3, Table 3. |
| (h)=(g)/(f) | % Savings Goal Achieved by North Shore Gas | 117% | |
| (i)=(c)x20% | DCEO Plan 1 Savings Goals - NSG Territory (Therms)* | 832,554 | 220 ILCS 5/8-104(e); ICC Docket No. 10-0564 Compliance Plan Filing of North Shore Gas and Peoples Gas Attachment A, p. 6, Table 2A. See also *Important Note below for an explanation of the discrepancy between the goals calculated by Staff in ICC Docket No. 10-0564 and those reported herein. |
| (j) | DCEO Net Therm Savings - NSG Territory | 676,653 | See Staff Ex. 1.1, p. 3, Table 3. |
| (k)=(j)/(i) | % Savings Goal Achieved by DCEO - NSG Territory | 81% | |

Notes: North Shore Gas ("NSG"). All therm savings reported are first-year incremental net therm savings.
 *Important Note: The savings goals reported herein differ from the ones reported in DCEO's compliance filing in ICC Docket No. 10-0564 and ICC Final Order Docket No. 10-0564 because DCEO made minor revisions to the list of customers qualifying for exclusion under Section 8-104(m) subsequent to the utilities' 9/30/2010 initial Plan filing. The savings goals reported herein are based upon a lower 'Total Amount of Gas Delivered to North Shore Gas Retail Customers, other than the customers described in Section 8-104(m) during 2009' in comparison to the amount Staff relied upon to calculate savings goals in ICC Docket No. 10-0564.

Table 2. North Shore Gas Service Territory Gas Plan Years 1-3 Savings Goals and Achievements for Gas Plan 1

| | Gas Plan 1, North Shore Gas Service Territory | GPY1 (6/1/11-5/31/12) | GPY2 (6/1/12-5/31/13) | GPY3 (6/1/13-5/31/14) | Gas Plan 1 (6/1/11-5/31/14) | Source |
|---------------------|--|-----------------------|-----------------------|-----------------------|-----------------------------|--|
| (a) | 8-104(c) Incremental Savings Requirement | 0.20% | 0.40% | 0.60% | 1.20% | 220 ILCS 5/8-104(c)(1)-(3). |
| (b)=(a)x346,897,375 | 8-104(c) Incremental Annual Net Therm Savings Requirement - NSG Territory | 693,795 | 1,387,590 | 2,081,384 | 4,162,769 | 220 ILCS 5/8-104(c); ICC Docket No. 10-0564 Compliance Plan Filing of North Shore Gas and Peoples Gas Attachment A, p. 6, Table 2A. |
| (c)=(b)x80% | North Shore Gas Plan 1 Incremental Savings Goals | 555,036 | 1,110,072 | 1,665,107 | 3,330,215 | 220 ILCS 5/8-104(e); ICC Docket No. 10-0564 Compliance Plan Filing of North Shore Gas and Peoples Gas Attachment A, p. 6, Table 2A. |
| (d)=(b)x20% | DCEO Plan 1 Incremental Savings Goals - NSG Territory* | 138,759 | 277,518 | 416,277 | 832,554 | 220 ILCS 5/8-104(e); ICC Docket No. 10-0564 Compliance Plan Filing of North Shore Gas and Peoples Gas Attachment A, p. 6, Table 2A. <i>See also</i> *Important Note below for an explanation of the discrepancy between the goals calculated by Staff in ICC Docket No. 10-0564 and those reported herein. |
| (e)=(f)+(h) | Total Cumulative Savings Achieved by North Shore Gas and DCEO (First-Year Therms) | 486,501 | 1,283,331 | 2,802,623 | 4,572,455 | See Staff Ex. 1.1, p. 3, Table 3. |
| (f)=(e)/(b) | % Section 8-104(c) Savings Goal Achieved in North Shore Gas Service Territory for Gas Plan 1 | 70% | 92% | 135% | 110% | |
| (g) | North Shore Gas Net Therm Savings | 370,075 | 1,011,467 | 2,514,260 | 3,895,802 | See Staff Ex. 1.1, p. 3, Table 3. |
| (h)=(g)/(c) | % Savings Goal Achieved by North Shore Gas | 67% | 91% | 151% | 117% | |
| (i) | DCEO Net Therm Savings - NSG Territory | 116,426 | 271,864 | 288,363 | 676,653 | See Staff Ex. 1.1, p. 3, Table 3. |
| (j)=(i)/(d) | % Savings Goal Achieved by DCEO - NSG Territory | 84% | 98% | 69% | 81% | |

Note: Gas Plan Year ("GPY"), North Shore Gas ("NSG"). All therm savings reported are first-year incremental net therm savings.

**Important Note:* The savings goals reported herein differ from the ones reported in DCEO's compliance filing in ICC Docket No. 10-0564 and ICC Final Order Docket No. 10-0564 because DCEO made minor revisions to the list of customers qualifying for exclusion under Section 8-104(m) subsequent to the utilities' 9/30/2010 initial Plan filing. The savings goals reported herein are based upon a lower 'Total Amount of Gas Delivered to North Shore Gas Retail Customers, other than the customers described in Section 8-104(m) during 2009' in comparison to the amount Staff relied upon to calculate savings goals in ICC Docket No. 10-0564.

Table 3. Program Savings North Shore Gas Service Territory Gas Plan Years 1-3

| Gas Plan 1, North Shore Gas Service Territory | GPY1 (6/1/11-5/31/12) | GPY2 (6/1/12-5/31/13) | GPY3 (6/1/13-5/31/14) | Gas Plan 1 (6/1/11-5/31/14) | Source |
|---|-----------------------|-----------------------|-----------------------|-----------------------------|---|
| North Shore Programs | Net Therms | Net Therms | Net Therms | Net Therms | |
| Residential Prescriptive Rebate | 104,992 | 264,489 | 576,055 | 945,536 | NS-PGL Ex. 1.3, p. 1-3, 16-18, Tables 3-3, 3-4, 3-5. |
| Single Family Direct Install | 0 | 20,984 | 47,781 | 68,765 | NS-PGL Ex. 1.3, p. 1-3, 16-18, Tables 3-3, 3-4, 3-5. |
| Home Energy Reports | 0 | 0 | 652,718 | 652,718 | NS-PGL Ex. 1.3, p. 1-3, 16-18, Tables 3-3, 3-4, 3-5. |
| Multifamily Direct Install | 79,254 | 139,176 | 90,301 | 308,731 | NS-PGL Ex. 1.3, p. 1-3, 16-18, Tables 3-3, 3-4, 3-5. |
| C&I Prescriptive Rebate | 42,542 | 130,597 | 88,623 | 261,762 | NS-PGL Ex. 1.3, p. 16, 18, Tables 3-3, 3-5; GPY2 Peoples North Shore C&I Prescriptive Rebate Evaluation, p. 2, Table E-1. |
| C&I Custom | 26,975 | 194,360 | 685,751 | 907,086 | NS-PGL Ex. 1.3, p. 1-3, 16-18, Tables 3-3, 3-4, 3-5. |
| Retro-Commissioning | 68,927 | 0 | 23,585 | 92,512 | NS-PGL Ex. 1.3, p. 1-3, 16-18, Tables 3-3, 3-4, 3-5. |
| Small Business Energy Savings | 47,385 | 261,861 | 349,446 | 658,692 | GPY1 Peoples North Shore ComEd Small Business Evaluation, p. 6, Table E-5; GPY2 Peoples North Shore ComEd Small Business Evaluation, p. 50, Table 7-6; NS-PGL Ex. 1.3, p. 18, Table 3-5. |
| Total Net Therm Savings North Shore Gas Portfolio | 370,075 | 1,011,467 | 2,514,260 | 3,895,802 | North Shore Gas Evaluation Reports were filed in ICC Docket No. 15-0298 on March 11, 2016 and May 20, 2016. |
| DCEO Programs - NSG | GPY1 | GPY2 | GPY3 | Plan 1 Therms | |
| Public Sector Custom | 62,505 | 72,233 | 134,907 | 269,645 | GPY1 DCEO Public Sector C&S CN, p. ES-4, Table ES-6; GPY2 DCEO Public Sector C&S CN, p. 1-4; EPY6/GPY3 DCEO Cost Effectiveness Report, p. 7. |
| Public Sector Standard (Prescriptive) | 4,635 | 4,430 | 3,645 | 12,710 | GPY1 DCEO Public Sector C&S CN, p. ES-4, Table ES-7; GPY2 DCEO Public Sector C&S CN, p. 1-4; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Public Sector Retro-Commissioning | 0 | 132,229 | 81,419 | 213,648 | GPY2 DCEO Public Sector Retro-Commissioning, p. ES-1; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Public Sector Boiler Tune-Up | 2,210 | 9,873 | 29,964 | 42,047 | GPY1 DCEO Public Sector Boiler Tune-Up, p. ES-1, Table ES-1; GPY2 DCEO Public Sector Boiler Tune-Up, p. ES-1; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Green Nozzle | 0 | 442 | 4,064 | 4,506 | GPY2 DCEO Green Nozzle and STEP - Direct Install Programs (June 2014), p. ES-2, Table ES-2; GPY3 DCEO STEP and Green Nozzle (May 2015), p. ES-2, Table ES-2; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Savings Through Energy Efficient Products (STEP) | 0 | 0 | 13,899 | 13,899 | GPY3 DCEO STEP and Green Nozzle (May 2015), p. ES-3, Table ES-4; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Smart Energy Design Assistance (SEDAC) | 13,070 | 9,094 | 0 | 22,164 | GPY1 DCEO SEDAC (Oct. 2013), p. ES-2, Table ES-3; GPY2 DCEO SEDAC (March 2015), p. ES-2, Table ES-3; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Building Operator Certification | 48 | 287 | 7 | 342 | GPY1 DCEO Building Operator Certification, p. ES-3, Table ES-5; GPY2 DCEO Building Operator Certification, p. ES-3; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Low Income Residential Retrofit | 4,065 | 28,067 | 19,181 | 51,313 | GPY1 DCEO Low Income Residential Retrofit, p. ES-2, Table ES-2; GPY2 DCEO Low Income Residential Retrofit, p. ES-2; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Low Income Affordable Housing Construction | 19,064 | 744 | 0 | 19,808 | GPY1 DCEO Affordable Housing Construction, p. ES-1, Table ES-2; GPY2 DCEO Affordable Housing Construction (March 2015), p. ES-2; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Low Income Public Housing Authority | 10,829 | 14,465 | 1,276 | 26,570 | GPY1 DCEO Public Housing Authority (Oct. 2013), p. ES-1, Table ES-2 (Note that the EPY4/GPY1 DCEO Cost Effectiveness Report (May 2015), p. 6, Table 3, reports net savings for Peoples as 10,829 therms and North Shore as 21,143 therms for the Public Housing Authority Program, which differs from the GPY1 DCEO Public Housing Authority, p. ES-1, Table ES-2, program evaluation reported net savings for Peoples of 21,143 therms and North Shore of 10,829 therms. It appears that the EPY4/GPY1 DCEO Cost Effectiveness Report erroneously switched the Peoples and North Shore savings amounts in Table 3 for the Public Housing Authority Program, which results in a net savings discrepancy of 10,314 therms. Staff relies upon the savings presented within the GPY1 DCEO Public Housing Authority Efficient Living Program Evaluation Report (Oct. 2013), p. ES-1, Table ES-2; GPY2 DCEO Public Housing Authority, p. ES-1; EPY6/GPY3 DCEO Cost Effectiveness Report, p. 7. |
| Total Net Therm Savings DCEO Portfolio - NSG Service Territory | 116,426 | 271,864 | 288,363 | 676,653 | DCEO Evaluation Reports were filed in ICC Docket No. 15-0298 on May 19, 2016, May 20, 2016, and May 27, 2016. |
| Total Incremental Net Therm Savings North Shore Gas Territory | 486,501 | 1,283,331 | 2,802,623 | 4,572,455 | |

Note: Gas Plan Year ("GPY"), Commercial and Industrial ("C&I"). All therm savings reported are first-year incremental net therm savings.

Summary of Energy Savings Goals and Evaluator Verified Savings Achievements in the Peoples Gas Service Territory for the period, June 1, 2011 – May 31, 2014, Gas Plan 1.

| Table 1. Peoples Gas Service Territory Gas Plan 1 Savings Goals and Savings Achievements | | | |
|---|---|--|--|
| | Gas Plan 1, Peoples Gas Service Territory | Gas Plan 1, June 1, 2011 - May 31, 2014 | Source |
| (a) | Section 8-104(c) Cumulative Gas Plan 1 Savings Requirement | 1.20% | 220 ILCS 5/8-104(c)(3). |
| (b) | Total Amount of Gas Delivered to Peoples Gas Retail Customers, other than the customers described in Section 8-104(m) during 2009 | 1,754,194,737 | ICC Docket No. 10-0564 Compliance Plan Filing of North Shore Gas and Peoples Gas, p. 3; ICC Docket No. 13-0550, NS-PGL Ex. 2.1. Note this amount is 526,493 higher than the amount Staff relied upon to calculate savings goals in ICC Docket No. 10-0564 because DCEO made minor revisions to the list of customers qualifying for exclusion under Section 8-104(m) subsequent to the utilities' 9/30/2010 initial Plan filing. |
| (c)=(a)x(b) | Section 8-104(c) Cumulative Gas Plan 1 Savings Requirement (Therms) - Peoples Gas Territory | 21,050,336 | 220 ILCS 5/8-104(c); ICC Docket No. 10-0564 Compliance Plan Filing of North Shore Gas and Peoples Gas Attachment A, p. 7, Table 2B. Due to rounding of each incremental goal, the cumulative goal has also been rounded, resulting in a single digit discrepancy in comparison to multiplying Row (a) by Row (b). |
| (d)=(g)+(j) | Total Cumulative Savings Achieved by Peoples Gas and DCEO (First-Year Therms) | 27,992,343 | See Staff Ex. 1.2, p. 3, Table 3. |
| (e)=(d)/(c) | % Section 8-104(c) Savings Goal Achieved in Peoples Gas Service Territory for Gas Plan 1 | 133% | |
| (f)=(c)x80% | Peoples Gas Plan 1 Savings Goals (Therms) | 16,840,268 | 220 ILCS 5/8-104(e); ICC Docket No. 10-0564 Compliance Plan Filing of North Shore Gas and Peoples Gas Attachment A, p. 7, Table 2B. |
| (g) | Peoples Gas Net Therm Savings | 21,586,878 | See Staff Ex. 1.2, p. 3, Table 3. |
| (h)=(g)/(f) | % Savings Goal Achieved by Peoples Gas | 128% | |
| (i)=(c)x20% | DCEO Plan 1 Savings Goals - PG Territory (Therms)* | 4,210,068 | 220 ILCS 5/8-104(e); ICC Docket No. 10-0564 Compliance Plan Filing of North Shore Gas and Peoples Gas Attachment A, p. 7, Table 2B. See also *Important Note below for an explanation of the discrepancy between the goals calculated by Staff in ICC Docket No. 10-0564 and those reported herein. |
| (j) | DCEO Net Therm Savings - PG Territory | 6,405,466 | See Staff Ex. 1.2, p. 3, Table 3. |
| (k)=(j)/(i) | % Savings Goal Achieved by DCEO - PG Territory | 152% | |

Notes: Peoples Gas ("PG"). All therm savings reported are first-year incremental net therm savings.
 **Important Note:* The savings goals reported herein differ from the ones reported in DCEO's compliance filing in ICC Docket No. 10-0564 and ICC Final Order Docket No. 10-0564 because DCEO made minor revisions to the list of customers qualifying for exclusion under Section 8-104(m) subsequent to the utilities' 9/30/2010 initial Plan filing. The savings goals reported herein are based upon a higher 'Total Amount of Gas Delivered to Peoples Gas Retail Customers, other than the customers described in Section 8-104(m) during 2009' in comparison to the amount Staff relied upon to calculate savings goals in ICC Docket No. 10-0564.

| Table 2. Peoples Gas Service Territory Gas Plan Years 1-3 Savings Goals and Achievements for Gas Plan 1 | | | | | | |
|--|--|------------------------------|------------------------------|------------------------------|------------------------------------|---|
| | Gas Plan 1, Peoples Gas Service Territory | GPY1 (6/1/11-5/31/12) | GPY2 (6/1/12-5/31/13) | GPY3 (6/1/13-5/31/14) | Gas Plan 1 (6/1/11-5/31/14) | Source |
| (a) | 8-104(c) Incremental Savings Requirement | 0.20% | 0.40% | 0.60% | 1.20% | 220 ILCS 5/8-104(c)(1)-(3). |
| (b)=(a)x 1,754,194,737 | 8-104(c) Incremental Annual Net Therm Savings Requirement - PG Territory | 3,508,389 | 7,016,779 | 10,525,168 | 21,050,336 | 220 ILCS 5/8-104(c); ICC Docket No. 10-0564 Compliance Plan Filing of North Shore Gas and Peoples Gas Attachment A, p. 7, Table 2B. |
| (c)=(b)x80% | Peoples Gas Plan 1 Incremental Savings Goals | 2,806,711 | 5,613,423 | 8,420,134 | 16,840,268 | 220 ILCS 5/8-104(c); ICC Docket No. 10-0564 Compliance Plan Filing of North Shore Gas and Peoples Gas Attachment A, p. 7, Table 2B. |
| (d)=(b)x20% | DCEO Plan 1 Incremental Savings Goals - PG Territory* | 701,678 | 1,403,356 | 2,105,034 | 4,210,068 | 220 ILCS 5/8-104(e); ICC Docket No. 10-0564 Compliance Plan Filing of North Shore Gas and Peoples Gas Attachment A, p. 7, Table 2B. See also *Important Note below for an explanation of the discrepancy between the goals calculated by Staff in ICC Docket No. 10-0564 and those reported herein. |
| (e)=(f)+(h) | Total Cumulative Savings Achieved by Peoples Gas and DCEO (First-Year Therms) | 4,067,981 | 9,012,940 | 14,911,422 | 27,992,343 | See Staff Ex. 1.2, p. 3, Table 3. |
| (f)=(e)/(b) | % Section 8-104(c) Savings Goal Achieved in Peoples Gas Service Territory for Gas Plan 1 | 116% | 128% | 142% | 133% | |
| (g) | Peoples Gas Net Therm Savings | 2,053,902 | 8,127,906 | 11,405,070 | 21,586,878 | See Staff Ex. 1.2, p. 3, Table 3. |
| (h)=(g)/(c) | % Savings Goal Achieved by Peoples Gas | 73% | 145% | 135% | 128% | |
| (i) | DCEO Net Therm Savings - PG Territory | 2,014,079 | 885,035 | 3,506,352 | 6,405,466 | See Staff Ex. 1.2, p. 3, Table 3. |
| (j)=(i)/(d) | % Savings Goal Achieved by DCEO - PG Territory | 287% | 63% | 167% | 152% | |

Note: Gas Plan Year ("GPY"). All therm savings reported are first-year incremental net therm savings.

Important Note: The savings goals reported herein differ from the ones reported in DCEO's compliance filing in ICC Docket No. 10-0564 and ICC Final Order Docket No. 10-0564 because DCEO made minor revisions to the list of customers qualifying for exclusion under Section 8-104(m) subsequent to the utilities' 9/30/2010 initial Plan filing. The savings goals reported herein are based upon a higher 'Total Amount of Gas Delivered to Peoples Gas Retail Customers, other than the customers described in Section 8-104(m) during 2009' in comparison to the amount Staff relied upon to calculate savings goals in ICC Docket No. 10-0564.

Table 3. Program Savings Peoples Gas Service Territory Gas Plan Years 1-3

| Gas Plan 1, Peoples Gas Service Territory | GPY1 (6/1/11-5/31/12) | GPY2 (6/1/12-5/31/13) | GPY3 (6/1/13-5/31/14) | Gas Plan 1 (6/1/11-5/31/14) | Source |
|--|-----------------------|-----------------------|-----------------------|-----------------------------|---|
| Peoples Programs | Net Therms | Net Therms | Net Therms | Net Therms | |
| Residential Prescriptive Rebate | 155,658 | 769,516 | 830,615 | 1,755,789 | NS-PGL Ex. 1.2, p. 1-3, 16-18, Tables 3-3, 3-4, 3-5. |
| Single Family Direct Install | 14,949 | 243,853 | 317,376 | 576,178 | NS-PGL Ex. 1.2, p. 1-3, 16-18, Tables 3-3, 3-4, 3-5. |
| Home Energy Reports | 0 | 0 | 2,054,727 | 2,054,727 | NS-PGL Ex. 1.2, p. 1-3, 16-18, Tables 3-3, 3-4, 3-5. |
| Multifamily Direct Install | 460,280 | 1,643,910 | 5,173,566 | 7,277,756 | NS-PGL Ex. 1.2, p. 1-3, 16-18, Tables 3-3, 3-4, 3-5. |
| C&I Prescriptive Rebate | 227,249 | 2,951,017 | 852,017 | 4,030,283 | NS-PGL Ex. 1.2, p. 16, 18, Tables 3-3, 3-5; GPY2 Peoples North Shore C&I Prescriptive Rebate Evaluation, p. 2, Table E-1. |
| C&I Custom | 171,610 | 1,644,924 | 985,064 | 2,801,598 | NS-PGL Ex. 1.2, p. 1-3, 16-18, Tables 3-3, 3-4, 3-5. |
| Retro-Commissioning | 927,535 | 302,870 | 270,058 | 1,500,463 | NS-PGL Ex. 1.2, p. 1-3, 16-18, Tables 3-3, 3-4, 3-5. |
| Small Business Energy Savings | 96,621 | 571,816 | 921,647 | 1,590,084 | GPY1 Peoples North Shore ComEd Small Business Evaluation, p. 6, Table E-5; GPY2 Peoples North Shore ComEd Small Business Evaluation, p. 50, Table 7-6; NS-PGL Ex. 1.2, p. 18, Table 3-5. |
| Total Net Therm Savings Peoples Gas Portfolio | 2,053,902 | 8,127,906 | 11,405,070 | 21,586,878 | Peoples Gas Evaluation Reports were filed in ICC Docket No. 15-0298 on March 11, 2016 and May 20, 2016. |
| DCEO Programs - PG | GPY1 | GPY2 | GPY3 | Plan 1 Therms | |
| Public Sector Custom | 1,332,839 | 92,992 | 2,313,924 | 3,739,755 | GPY1 DCEO Public Sector C&S CN, p. ES-4, Table ES-6; GPY2 DCEO Public Sector C&S CN, p. 1-4; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Public Sector Standard (Prescriptive) | 14,702 | 5,374 | 4,415 | 24,491 | GPY1 DCEO Public Sector C&S CN, p. ES-4, Table ES-7; GPY2 DCEO Public Sector C&S CN, p. 1-4; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Public Sector Retro-Commissioning | 0 | 305,824 | 208,725 | 514,549 | GPY2 DCEO Public Sector Retro-Commissioning, p. ES-1; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Public Sector Boiler Tune-Up | 527,118 | 93,537 | 249,023 | 869,677 | GPY1 DCEO Public Sector Boiler Tune-Up, p. ES-1, Table ES-1; GPY2 DCEO Public Sector Boiler Tune-Up, p. ES-1; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Green Nozzle | 0 | 2,653 | 238,449 | 241,102 | EPY5/GPY2 DCEO Cost Effectiveness Report, p. 6; GPY3 DCEO STEP and Green Nozzle (May 2015), p. ES-2, Table ES-2; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Savings Through Energy Efficient Products (STEP) | 0 | 0 | 10,928 | 10,928 | GPY3 DCEO STEP and Green Nozzle (May 2015), p. ES-3, Table ES-4; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Smart Energy Design Assistance (SEDAC) | 0 | 23,304 | 22,095 | 45,399 | GPY1 DCEO SEDAC Program (Oct. 2013), p. ES-2, Table ES-3; GPY2 DCEO SEDAC Program (March 2015), p. ES-2, Table ES-3; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Building Operator Certification | 477 | 11,187 | 69 | 11,734 | GPY1 DCEO Building Operator Certification, p. ES-3, Table ES-5; GPY2 DCEO Building Operator Certification, p. ES-3; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Low Income Residential Retrofit | 117,800 | 318,421 | 397,987 | 834,208 | GPY1 DCEO Low Income Residential Retrofit, p. ES-2, Table ES-2; GPY2 DCEO Low Income Residential Retrofit, p. ES-2; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Low Income Affordable Housing Construction | 0 | 29,179 | 56,563 | 85,742 | GPY1 DCEO Affordable Housing Construction, p. ES-1, Table ES-2; GPY2 DCEO Affordable Housing Construction (March 2015), p. ES-2; EPY6/GPY3 DCEO Cost Effectiveness Report (March 2016), p. 7, Table 3. |
| Low Income Public Housing Authority | 21,143 | 2,564 | 4,173 | 27,880 | GPY1 DCEO Public Housing Authority (Oct. 2013), p. ES-1, Table ES-2 (Note that the EPY4/GPY1 DCEO Cost Effectiveness Report (May 2015), p. 6, Table 3, reports net savings for Peoples as 10,829 therms and North Shore as 21,143 therms for the Public Housing Authority Program, which differs from the GPY1 DCEO Public Housing Authority, p. ES-1, Table ES-2, program evaluation reported net savings for Peoples of 21,143 therms and North Shore of 10,829 therms. It appears that the EPY4/GPY1 DCEO Cost Effectiveness Report erroneously switched the Peoples and North Shore savings amounts in Table 3 for the Public Housing Authority Program, which results in a net savings discrepancy of 10,314 therms. Staff relies upon the savings presented within the GPY1 DCEO Public Housing Authority Efficient Living Program Evaluation Report (Oct. 2013), p. ES-1, Table ES-2; GPY2 DCEO Public Housing Authority, p. ES-1; EPY6/GPY3 DCEO Cost Effectiveness Report, p. 7. |
| Total Net Therm Savings DCEO Portfolio - PG Service Territory | 2,014,079 | 885,035 | 3,506,352 | 6,405,466 | DCEO Evaluation Reports were filed in ICC Docket No. 15-0298 on May 19, 2016, May 20, 2016, and May 27, 2016. |
| Total Incremental Net Therm Savings Peoples Gas Service Territory | 4,067,981 | 9,012,940 | 14,911,422 | 27,992,343 | |

Note: Gas Plan Year ("GPY"), Commercial and Industrial ("C&I"), Peoples Gas ("PG"). All therm savings reported are first-year incremental net therm savings.