What's Happening Outside of California

Illinois, Nicor Gas

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Nicor Gas
Nicor Gas: Energy Efficiency Program

- **Nicor Gas is a gas utility serving 2.2 million customers in northern Illinois**
  - Parent company: Southern Company

- **Energy Efficiency Portfolio:**
  - 16.5M therms savings/year (Regulatory)
  - $40M annual budget (2% revenue cap)
    - Emerging Technology (3%): $1.2M
    - Market Transformation (5%): $2M
    - Evaluation (3%): $1.2M
  - Stipulation requirements:
    - 20% income-qualified spend
    - 10% public sector spend
    - Weighted Average Measure Life >11.91 years
  - No recovery for lost revenue
  - No incentives or bonus

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Future Energy Efficiency Policy?

There is a more balanced future we should explore to leverage EE and address other societal imperatives:

- **Savings (reduction in therm usage)**
  - Robust savings that are reasonable and achievable (approx. 0.3 – 0.4% of total natural gas deliveries)
  - Leverage innovation: super-efficient gas heat pumps/ZNE gas homes

- **Income-qualified (addressing the most energy-vulnerable customers)**
  - Low income/seniors/fixed-income: can least afford energy spikes
  - But are the most expensive to serve

- **Carbon (reduced carbon intensity and GHG emissions)**
  - Greening the gas supply with renewable/reclaimed natural gas
  - Encouraging new strategies like hydrogen, renewables, and low-to-no emission technologies
Illinois developed a TRM protocol to claim MT savings!

**Midwest Market Transformation Collaborative**

- Working through the protocols in 2020 on MT initiatives to claim savings
- Building MT savings into the 2022 portfolio
- Utilizing MT best practices and methods
- Pooling utility resources
- Accelerating market adoption of new measures
Market Transformation Vision

- MW MT represents ~19% of US population*
- NEEA, CPUC, NEEP deeply involved in MT activities
- Working together, >50% of the US population could send an MT message to markets
- Enormous MT potential
- North American MT Collaborative

* Census and American Community Survey
Transforming markets together allows us to make a much larger impact!

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