

ET Summit 2019

Presented by



What's Happening Outside of California

Illinois, Nicor Gas

Randy Opdyke

EEP Manager, Planning, Evaluation and Analytics
Market Transformation and Emerging Technologies

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



Randy Opdyke

EEP Manager, Planning, Evaluation and Analytics
Market Transformation and Emerging Technologies

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

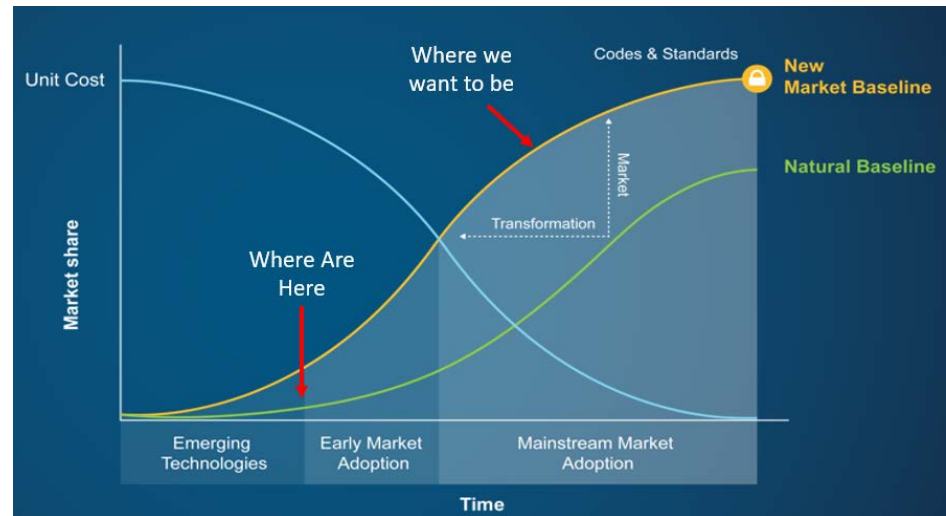
The Three-Legged Stool



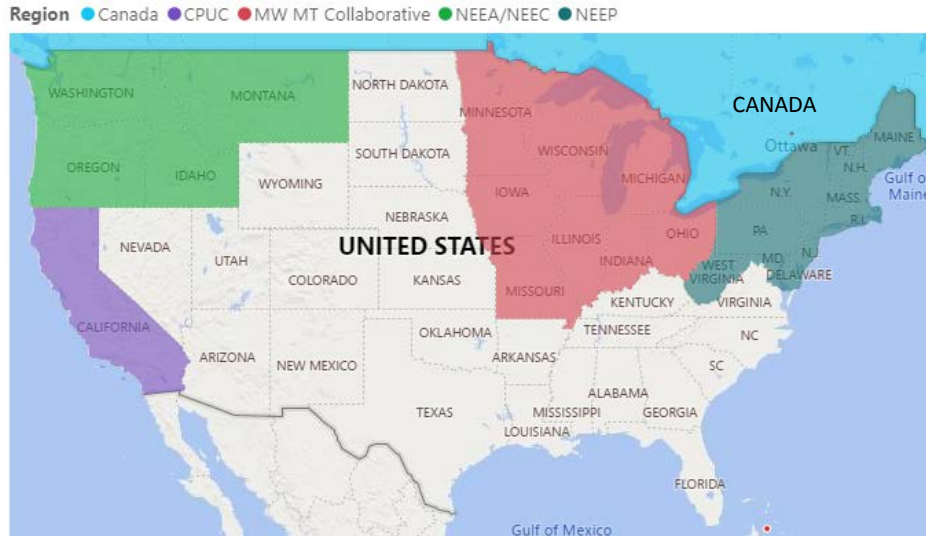
Illinois developed a TRM protocol to claim MT savings!

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



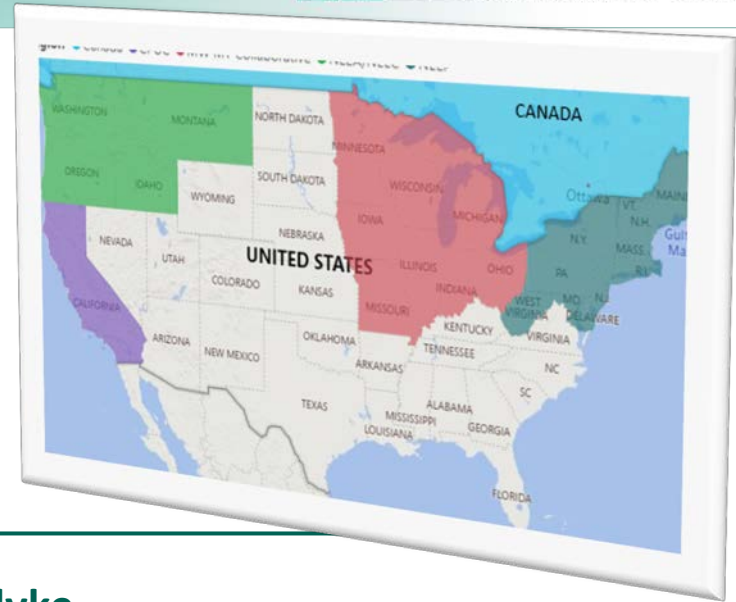
Market Transformation Vision



- 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!



Randy Opdyke

EPP Manager, Planning, Evaluation and Analytics
Market Transformation and Emerging Technologies
Nicor Gas

rwopdyke@southernco.com

www.nicorgas.com