Combining Efficiencies to be Doubly Efficient

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Benefits of collaboration

• Shared costs for cheaper program delivery
• One-energy solution for shared customers
• Not re-creating the wheel
Benefits of collaboration

Example - Elementary Education Program

- Increased number of kits by sharing costs from 5,000 to 20,000
- Now delivered jointly with ComEd, Peoples Gas and North Shore Gas
Benefits of collaboration

Implement otherwise missed opportunities

Examples:
- Home energy assessments
- Complete system replacements
Hurdles and challenges

Lessons learned in 4 years

• Piggy-backing on pending projects doesn’t work
  – EM&V results (Evaluation, Measurement & Verification)

• Partnerships can be outgrown
  – Example: Small Business Program more successful for Nicor Gas when delivered separately

• Utilities need quicker feedback
Fostering collaborative spirit

Unlikely partnerships with ComEd brought to fruition

- Strategic energy management implemented in 2014
  - Serves our largest customers
- CHP (Combined Heat and Power) offering expected summer 2015
  - First joint gas and electric offering of its kind in the nation

Emerging technology national collaborative

- National collaborative with 30+ utilities
- Success story: Rooftop Condensing Units

Download our emerging technology white papers: http://www.nicorgasrebates.com/emerging
The future

What we may see in the coming years

• Fuel switching/CHP
• Collaborative support of energy codes
  – Example: CANDI codes program (ComEd, Ameren, Nicor Gas, DCEO, Integrys)
• Site vs. source
• Regulatory balance – incentives versus penalties
Lessons Learned

What could have gone differently

• Establishing net-to-gross
  – Initially retrospective net-to-gross
  – Resolved in PY3 with a prospective policy
  – Spend up to 3% of budget on EM&V as a net state
  – States getting started should consider gross vs. net
    • Net serves its place in planning, but creates challenges

• Developing the TRM (Technical Resource Manual)
  – Took 1.5 years to complete
  – Now prospective document and a positive for the program
Marketing and outreach center

Economic development with energy efficiency

• 12 local utility jobs created for professionals
• Partnership with schools in under-represented communities to recruit employees
• Marketing and outreach center better serves our customers
  – Roles previously filled by 7 companies across the country
• Outbound and inbound calls
• Represent Nicor Gas at more than 150 community events annually
• Model is working as career path in the industry
  – 3 employees already promoted into supervisor/manager positions within the company
Utilities implementing EEPs

Why utilities are best positioned to deliver EEPs

• Utilities are scalable to respond to changes in goals
• We know our customers best and have:
  – Established and trusted brands
  – Defined roles and relationships with customers
• Can collaborate or implement independently depending on what is best for the customer
• Regulators retain control with reconciliation process
Thank you

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