



An Exelon Company

A History of Coordinating Energy Efficiency Programs between Gas and Electric Utilities

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February - 2015



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Sustained Excellence

Smart Ideas is funded by ComEd customers in compliance with Illinois Public Act 95-0481.

Presentation Overview

- ✓ Historical Review
- ✓ Current joint and coordinated programs between ComEd, Nicor and Integrys (Peoples Gas and North Shore Gas)
- ✓ Program Blueprints (How to develop and implement joint programs)
 - Agreement models
 - Cost Allocation
 - Participation levels of each party involved
 - Program management and delivery
- ✓ Results and Conclusions

Program Overview

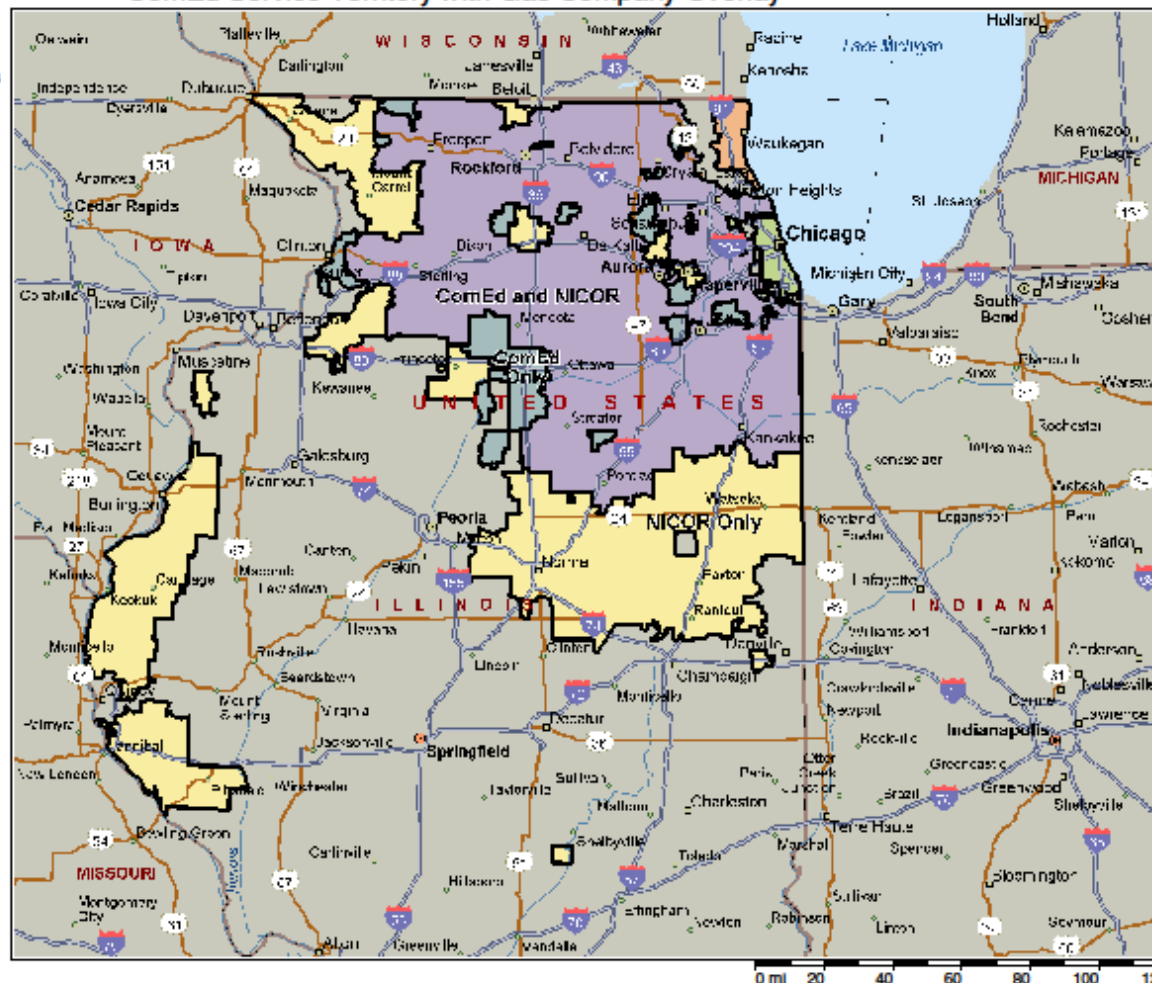
- Custom territories**
- ComEd and NICOR
 - ComEd and Northshore Gas
 - ComEd and Peoples
 - ComEd Only
 - NICOR Only

ComEd
3.7 million
customers

Nicor
2.2 million
customers

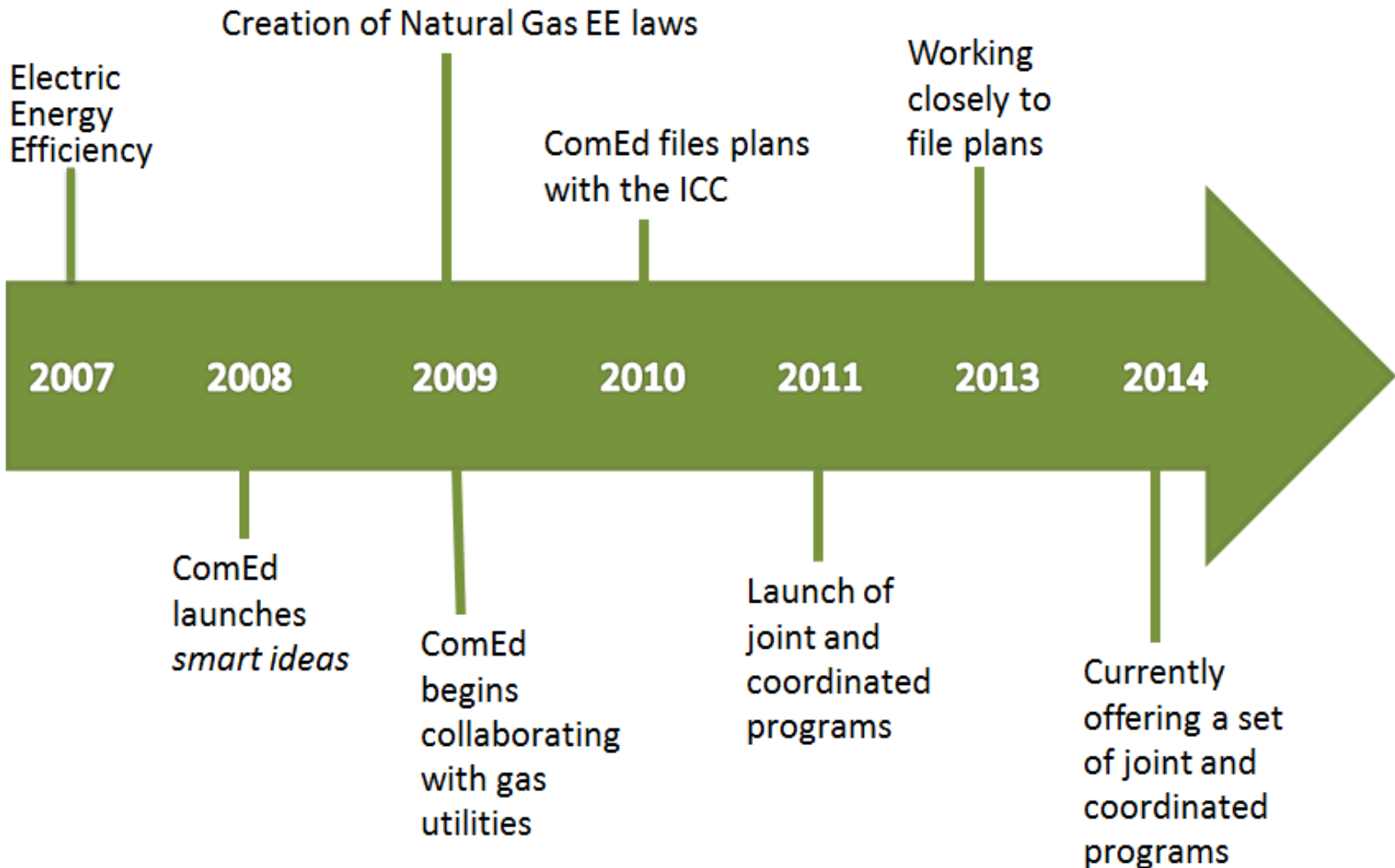
North Shore
Gas Company
and Peoples
Gas (Integrys)
1 million
customers

ComEd Service Territory with Gas Company Overlay



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History



Reasons for Joint Programs

- ✓ Joint Programs provide customers with comprehensive solutions through streamlined channels
- ✓ Cost sharing leverages each utility's resources and stretched budgets to achieve higher savings – lower cost to achieve
- ✓ Certain programs are very expensive to deliver by a utility as a stand-alone. Cost to achieve these programs cause them to be eliminated from conventional portfolios

Programs that are Good Candidates for Joint Delivery

Residential

- ✓ Multi Family Direct Install
- ✓ Multi Family Common Areas
- ✓ Home Energy Assessments and DI
- ✓ New Construction
- ✓ Elementary Energy Education Kits
- ✓ Home Energy Rebates (A/C, air-sealing + insulation)
- ✓ Conferences, training, and workshops.

Commercial

- ✓ Retro-commissioning
- ✓ New Construction
- ✓ Small Business Direct Install
- ✓ Energy Efficiency Expo
- ✓ Trade Ally Workshops
- ✓ Process Heat
- ✓ Strategic Energy Management

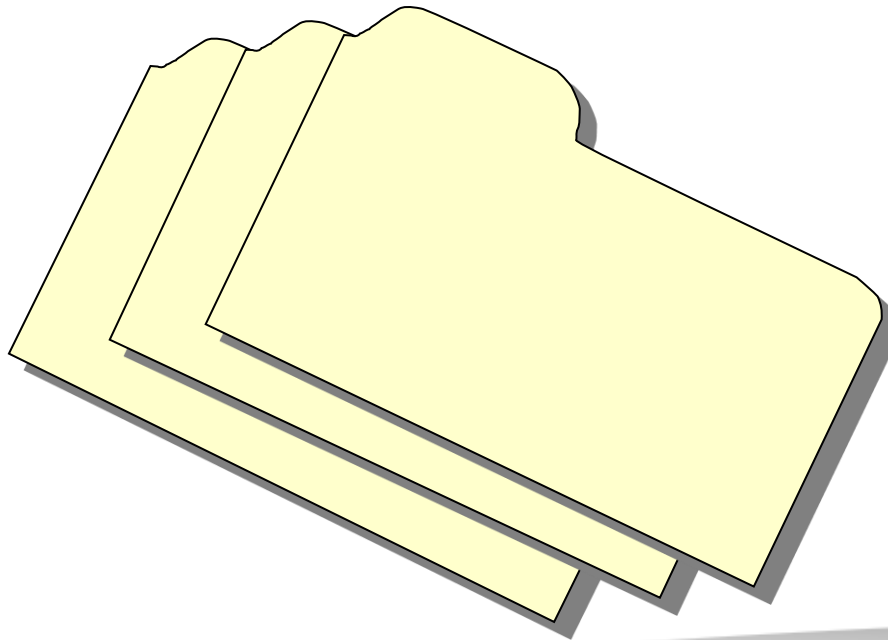
Joint Program Blueprints

- ✓ Utility and Third Party Provider Agreements
- ✓ Cost Allocation
- ✓ Participation Levels - Budgets
- ✓ Program Management and Delivery

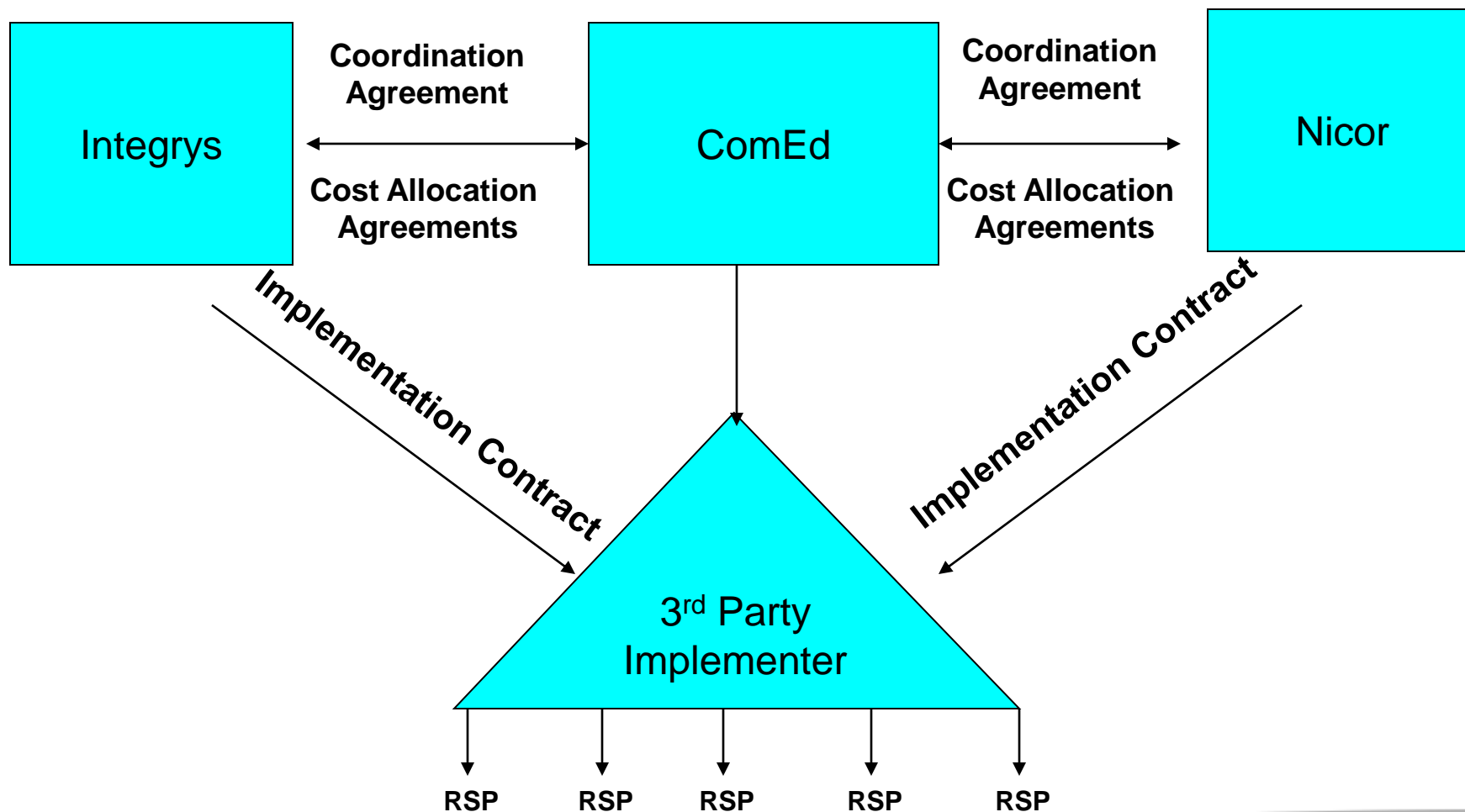


Utility and Third Party Provider Agreements

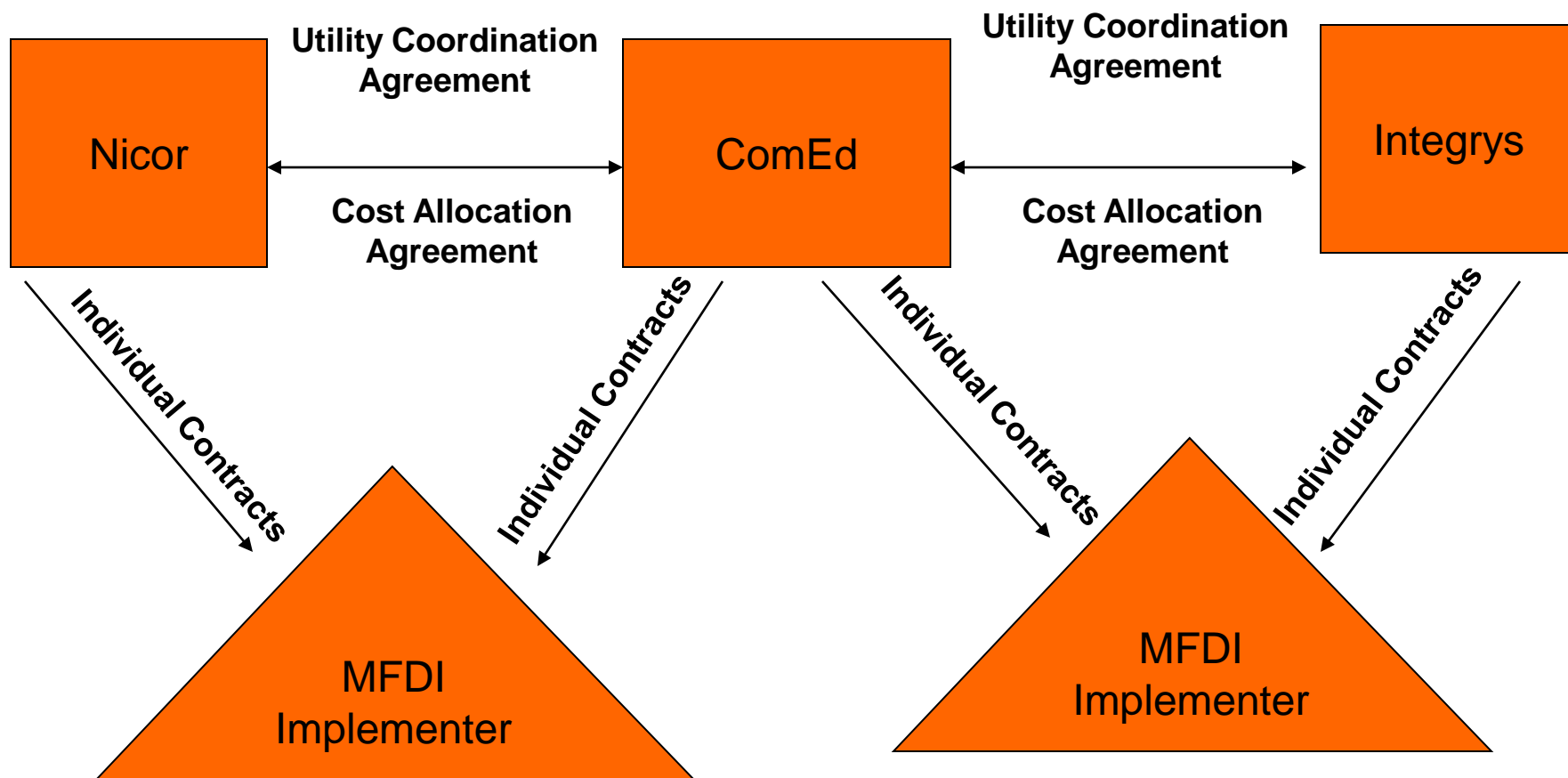
- ✓ An overall Energy Efficiency Coordination Agreement between the utilities to establish structure, cross license of marks, warranty, indemnify, etc...
- ✓ A program by program Cost Allocation Agreement between the utilities
- ✓ Separate contracts between each utility and the program implementer



Agreement Model Used Previously in Retro-Commissioning (RCx) Program



Agreement Model Used in the Multi Family Program



Cost Allocation

- ✓ Consider benefits to each utility
- ✓ Pull out all single utility related services
- ✓ Determine all mutual benefit services
- ✓ Use Avoided Cost as basis for allocation of mutual benefit items
- ✓ Need to be re-visited over time
- ✓ Precedent did not exist



Cost Allocation

Illustrative Example (Numbers and not actual) – Multi-family DI

Program Cost Allocation Summary						
	Gross			Net		
	Energy Savings	Avoided Cost		Energy Savings	Avoided Cost	
kWh	952,060	\$42,843	42%	740,322	\$ 33,314	47%
therms	136,620	\$60,113	58%	85,739	\$ 37,725	53%

Cost category	Gas Utility Share	Electric Utility Share
Management Fee	53%	47%
Marketing	53%	47%
Unit Visit Fee	53%	47%
Water Saving Fixtures	100%	
CFL Installation		100%
Common Area Lighting Survey		100%
Central Plant Assessment	100%	

Cost Allocation – Examples of Alternate Methodology Used

- Buying therms or kWh at a special rate or at the rate of a custom project. Methodology used by gas utility to pay for savings from retro-commissioning projects.
- Split cost of events – Marketing, trade ally workshops, Expo, etc
- Pay for incentive and processing fee for A/C units as “ride-along” with furnace processing.

Participation Levels Could be Challenge

- ✓ Budget imbalances between utilities limits the one with the higher budgets
- ✓ Similar limitations are caused by goal divergence
- ✓ How to determine participation levels
 - Residential programs established by the gas utilities
 - C&I programs established by ComEd, but could be limited by the gas utilities' budgets
 - Recognize limitations and manage accordingly

Program Management

- ✓ Program Management has a high potential for conflict
- ✓ Lessons learned:
 - Identify program managers early
 - Recognize each others' limitations
 - Communicate a lot
 - Approach with an open mind and be flexible
 - Manage your companies marketing and communication (branding) efforts
 - Assess vendor performance together
 - Establish procedural and reporting expectations
 - Coordinate your Call Center needs

Example Area of Potential Conflict: Marketing Materials

- ✓ Logo Placement
- ✓ Logo Size
- ✓ Corporate guidelines



Peoples Gas, North Shore Gas and ComEd SmartIdeas® are lowering energy costs. You can help us make a difference.

Our valuable program can help you save energy, lower your bills and improve tenant retention.

At no cost to you, our program staff will install energy-efficient fixtures that make a difference to your bills, your tenants' bills, and make your property more comfortable to live in:

- Install low-maintenance, high-quality shower heads, providing natural gas and water savings for tenants
- Replace incandescent bulbs with high-efficiency CFL bulbs (6 per unit), lowering electricity bills
- Outfit kitchen and bath faucets with aerators, potentially lowering water and natural gas bills
- Make recommendations for other improvements and provide information about other valuable programs
- Perform water heater setbacks -- a low-maintenance but effective energy- and cost-saving measure
- Call toll-free 855-849-8928 to schedule your free energy assessment and installation



Peoples Gas and North Shore Gas Savings Programs are funded by Peoples Gas and North Shore Gas customers in compliance with Public Act 96-0033. SmartIdeas® is funded by ComEd customers in compliance with Illinois Public Act 95-0381.

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Home Energy Assessment Report

Electric savings
Brought to you by



ComEd® Energy Efficiency Program

Natural gas savings
Brought to you by



A Nicor Gas® program

John Doe
1122 S. Main Street
Chicago, IL 60611
July 14, 2014

Your home's characteristics

Home size (sq. ft.)
2,000

Year built
1960

Heating
Natural Gas
Furnace

Cooling
Electric
Central AC

Hot water heater
Natural Gas

Name, Energy Advisor

888.652.2955

assessments@customerlinkone.com



In the following report you will find a summary of the findings and recommendations for improvements. Your energy savings have already started with the free products your Energy Advisor installed during the assessment.

Partners for Energy Efficiency



Collaboration Works - But It takes hard work

- ✓ Cost reduction (compared to stand alone)
- ✓ Continuous contact between the utilities provides opportunity to share best practices
- ✓ Implementation contractors are the most critical link and can facilitate or make very difficult

Thank You!

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