



An Exelon Company

Coordinating Energy Efficiency Programs between Gas and Electric Utilities

Tim Melloch, ComEd

February, 2012



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

Presentation Overview

- ✓ History
- ✓ Current joint and coordinated programs between ComEd, Nicor Gas and Integrys (North Shore Gas/Peoples Gas)
- ✓ Program Blueprints
 - Agreement models
 - Cost Allocation
 - Participation levels of each party involved
 - Program management
- ✓ Preliminary Results

Program Overview

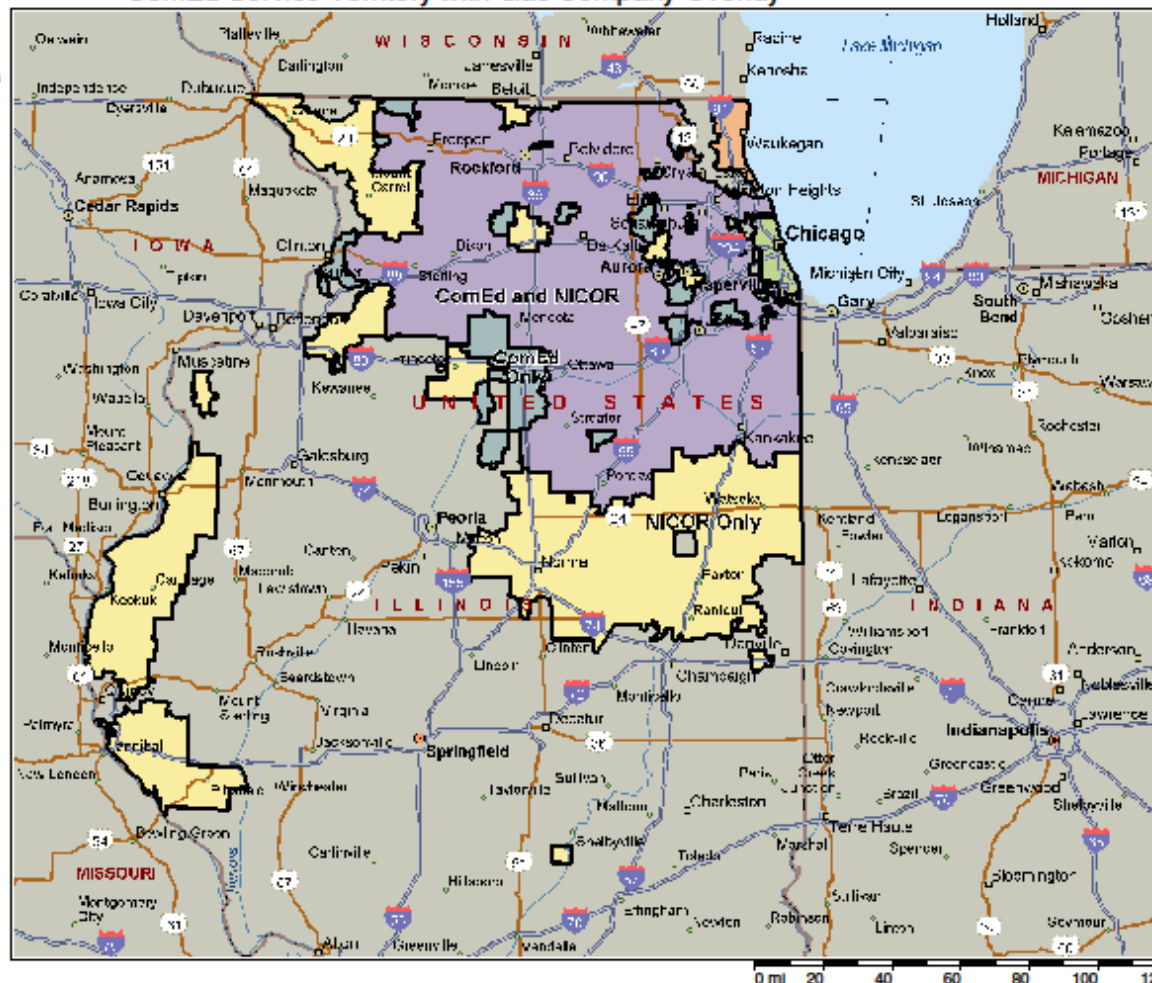
- Custom territories**
- ComEd and NICOR
 - ComEd and Northshore Gas
 - ComEd and Peoples
 - ComEd Only
 - NICOR Only

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

- ✓ Electric energy efficiency - August 2007
- ✓ ComEd *Smart Ideas* launched June 2008
- ✓ Natural gas EE law created August 2009
- ✓ ComEd began collaborating with gas utilities through pilots in Fall 2009
- ✓ The utilities worked closely and filed their plans with the ICC – Fall 2010
- ✓ Launched joint and coordinated programs –Summer 2011

Current Residential Joint Programs

- ✓ **Multi-Family Direct Install → Multi-Family Home Savings**
 - Provides owners of multi-family buildings no-cost direct installation of energy efficiency measures in all tenant units (CFLs, low-flow showerhead and aerators). Joint program with Nicor Gas and Integrys.
- ✓ **Single Family Home Performance Tune-Up → Home Energy Savings**
 - Offers homeowners a comprehensive whole house energy assessment, installation of CFLs, low-flow showerheads and aerators, and provides a proposal to install airsealing and insulation upgrades that includes instant rebates. Joint program with Nicor Gas.
- ✓ **Residential New Construction**
 - Encourages homebuilders to install ENERGY STAR qualified home appliances, lighting and HVAC systems through new construction incentives and marketing communications support designed to help promote their value proposition. This joint program with Nicor Gas is scheduled to launch during Program Year 5.
- ✓ **Elementary Energy Education (w/Nicor)**
 - Provide kits to students to install and track energy efficiency measures.

Current Commercial Joint Programs

- ✓ **Retro-commissioning**
 - Whole Building: Provides incentives to help customers re-optimize building systems and operations through the proper use of controls and other low cost operational modifications.

- ✓ **C&I New Construction**
 - Offers incentives to encourage energy efficient building design practices across three participation tracks: (1) a systems track, (2) a comprehensive track, (3) a small buildings track. Joint program with Nicor only.

- ✓ **Small Business Direct Install**
 - Identifies immediate installation projects or longer-term projects and engages the customer through three elements: (1) initial comprehensive site survey, (2) immediate direct installation, and (3) schedule direct installation.

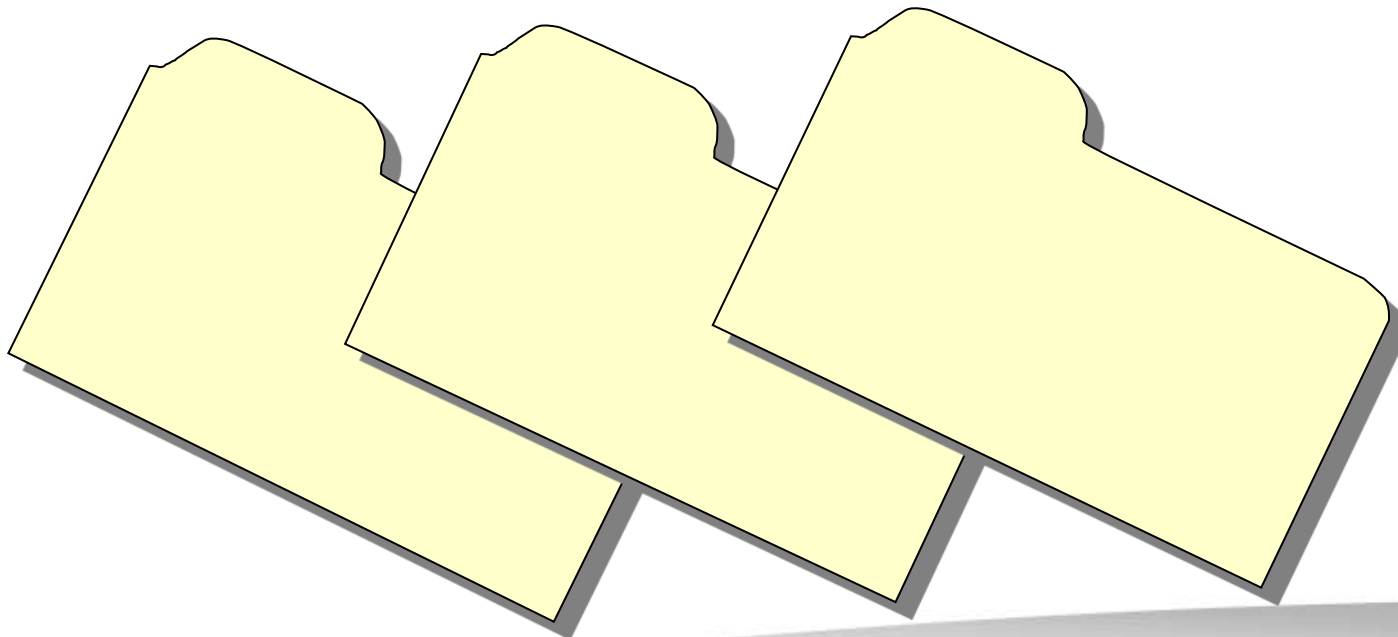
Joint Program Blueprint

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

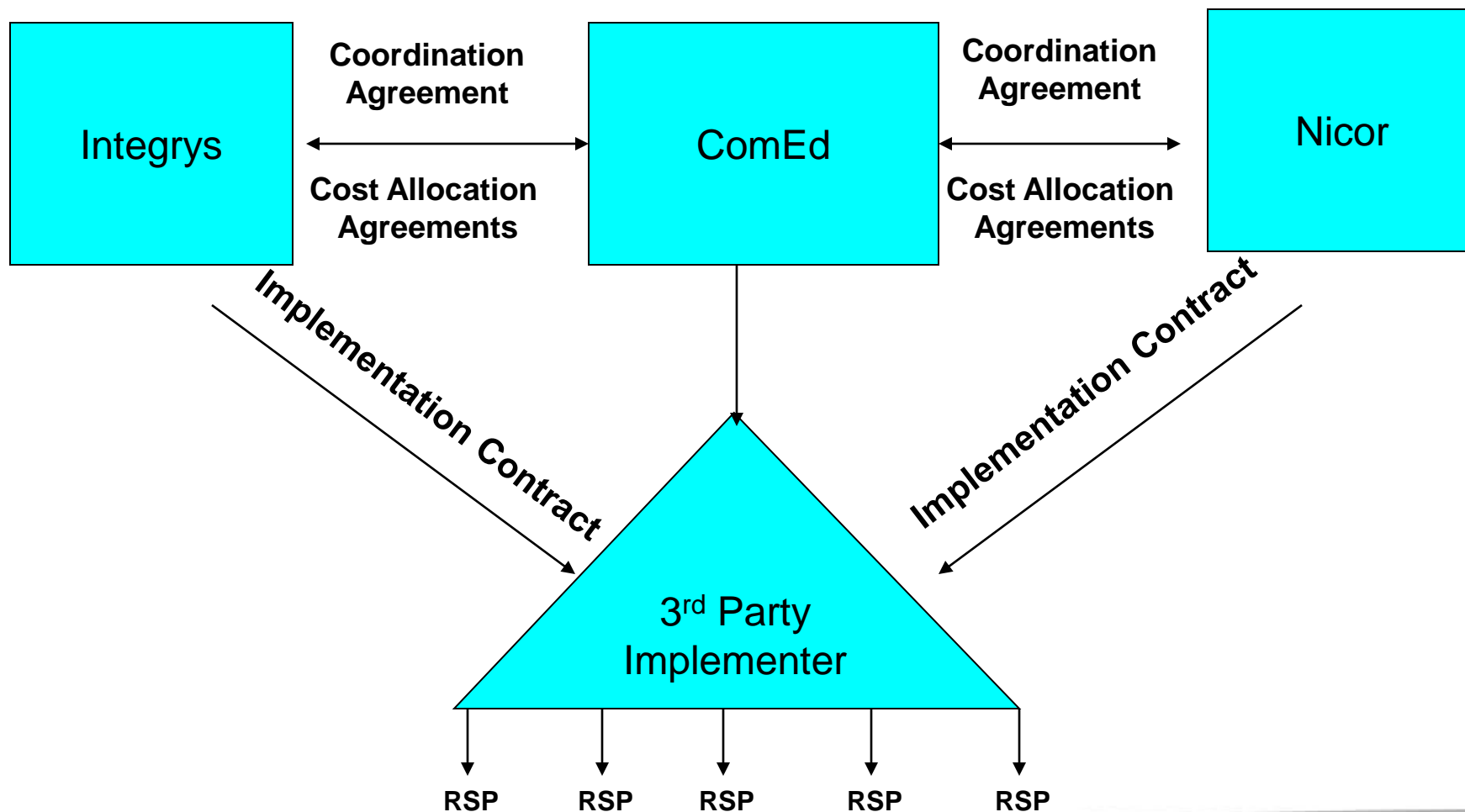


Utility and Third Party Provider Agreements

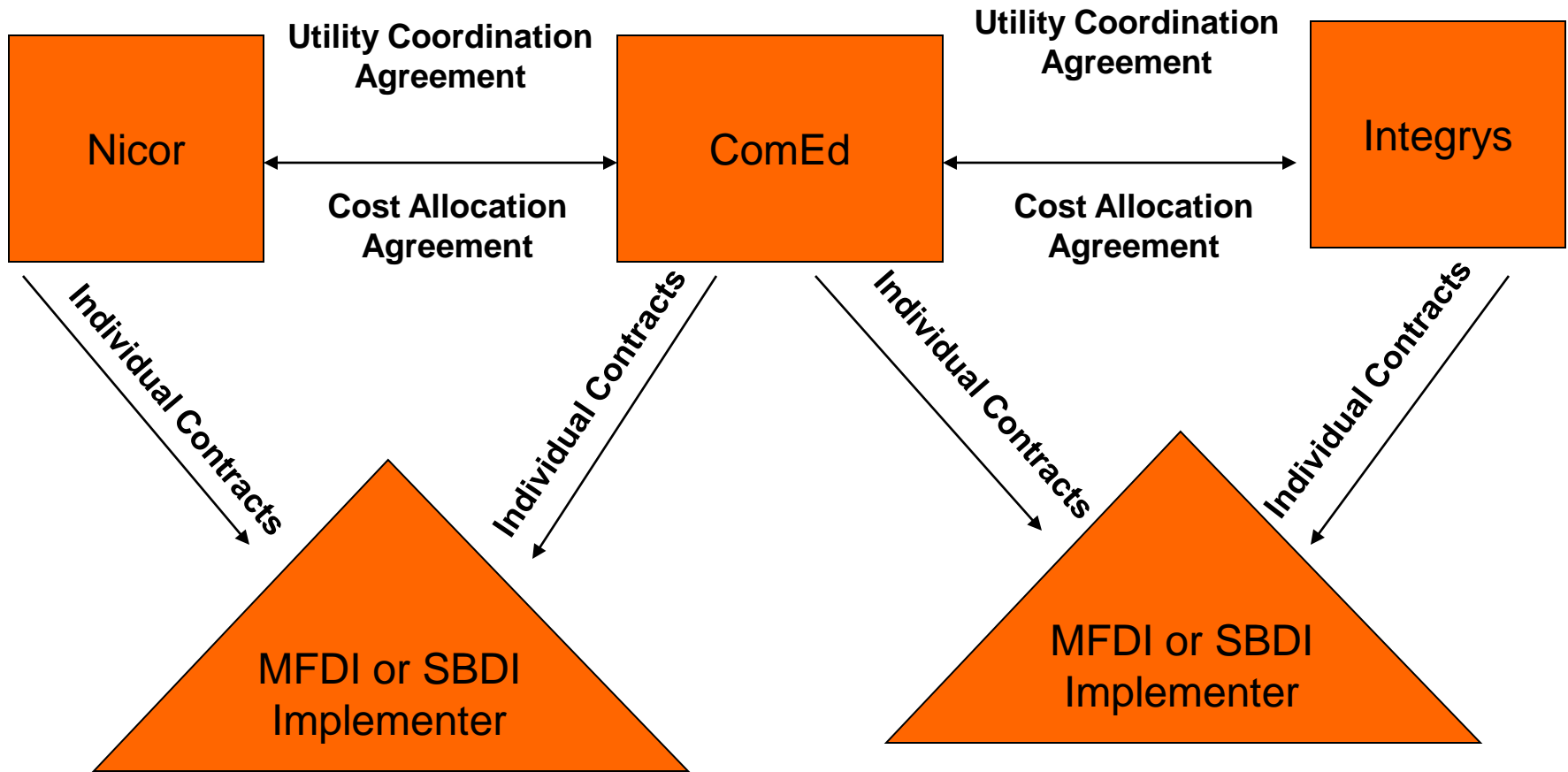
- ✓ An overall Energy Efficiency Coordination Agreement between the utilities to establish structure, cross license of marks, warrant, indemnify, etc...
- ✓ A program by program Cost Allocation Agreement between the utilities
- ✓ Separate contracts between each utility and the program implementer



Agreement Model Retro-Commissioning (RCx)



Agreement Model Multi Family and Small Business



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 doesn't exist!



Cost Allocation

Illustrative Example (Numbers are 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%	

Participation Levels

- ✓ Budget imbalances between utilities
- ✓ Certain programs can be undoable as stand alone for one utility
- ✓ Determination of 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

- ✓ Potential Challenges
- ✓ 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 reporting expectations
 - Coordinate your Call Center needs

Example Area of Potential Challenge: Marketing Materials

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

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FREE installation of energy-saving products.



Preliminary Results – Collaboration Works

Residential program cost reduction for ComEd

Program \ Net cost	Per kWh stand alone	Per kWh joint program	Cost Reduction
MF direct install	\$0.154	\$0.114	26%
SF whole house retrofit	\$2.280	\$0.384	83%

Preliminary Results – Collaboration Works

C&I Program cost reduction for ComEd

Program \ Net cost	Per kWh stand alone	Per kWh joint program	Cost Reduction
Small Business Direct Install	\$0.466	\$0.358	23%
Retrocommissioning	\$0.175	\$0.127	28%
New Construction	\$0.295	\$0.278	5%

Thank You!

Tim Melloch

Tel: 630-576-6789

Timothy.melloch@ComEd.com