

VERIFIED DIRECT TESTIMONY OF ROBERT C. SEARS

IURC
PETITIONER'S

EXHIBIT NO. 2
DATE 6-17-21 REPORTER AT

1 Q1. Please state your name, business address and title.

2 A1. My name is Robert C. Sears. My business address is 150 W. Market Street,
3 Suite 600, Indianapolis, Indiana 46204. I am employed by Northern Indiana
4 Public Service Company LLC ("NIPSCO" or the "Company") as Director of
5 Regulatory Policy.

6 Q2. Please summarize your educational background and professional
7 experience.

8 A2. I earned a Bachelor of Science degree in electrical engineering technology
9 from the University of Southern Indiana in 1986. I also earned a Certificate
10 of Recognition for completion of the studies and requirements of the Kelley
11 Partnership for Leadership Development from the Indiana University
12 Kelley School of Business in 2003. I have served in the role of Director of
13 Regulatory Policy since August 2020 and the interim Director of Demand
14 Side Management since October 2020. Prior to that time, I was employed
15 by Vectren Utility Holdings, Inc. ("Vectren") or its predecessor companies
16 since 1987 in a variety of positions. Previously, I was Vice President of

1 Energy Solutions and Planning with the primary responsibility for the
2 overall planning and operation of the Company's emerging technology,
3 DSM and conservation programs, market research, resource planning and
4 economic development activities. Prior to that, I was Director of
5 Conservation. In that role, I was responsible for managing all aspects of gas
6 and electric conservation, energy efficiency and demand response
7 programs for Vectren's three regulated utilities. I also held a variety of
8 other positions, including Director of Revenue Administration (with
9 responsibility for the management of all aspects of revenue cycle
10 operations, Director of Customer Service (with responsibility for customer
11 service, billing and customer systems support for all Vectren utility
12 operations), Manager of Energy Services and Manager of DSM Services
13 (with responsibility for the development and delivery of energy efficiency
14 and demand response programs, and Residential and Commercial
15 Marketing Supervisor and New Business Service Representative.

16 **Q3. What are your responsibilities as Director of Regulatory Policy?**

17 A3. As Director of Regulatory Policy, I am responsible for working internally
18 and with key external regulatory stakeholders on gas and electric
19 regulatory policies, initiatives and other key issues for NIPSCO. I am also

1 currently responsible, on an interim basis, for overseeing the design,
2 implementation and day-to-day responsibilities of NIPSCO's demand side
3 management and energy efficiency programs. This includes leading the
4 DSM team, supporting the integrated resource planning process as it relates
5 to energy efficiency, and collaboratively working with NIPSCO's vendors
6 and customers, Customer Service, Communications, and Regulatory
7 departments to assure that all programs are run in an efficient and effective
8 way.

9 **Q4. What is the purpose of your direct testimony?**

10 A4. The purpose of my direct testimony is to describe NIPSCO's current gas
11 energy efficiency plan. I also provide support for NIPSCO's proposed gas
12 energy efficiency programs for the period January 1, 2022 through
13 December 31, 2023 (the "2022-2023 Plan" or "Plan") for gas service,
14 including NIPSCO's energy efficiency goals, the proposed programs to
15 achieve those goals, the program budgets and costs (including lost revenue
16 projections), and the evaluation, measurement, and verification ("EM&V")
17 procedures for the Plan.

18 **Q5. Are you sponsoring any attachments to your direct testimony?**

1 A5. Yes. I am sponsoring the following attachments, all of which were prepared
2 by me or under my direction and supervision:

Attachment 2-A	Examples of NIPSCO's "The Hoosier Knows" marketing campaign
Attachment 2-B	NIPSCO's gas scorecard for the program period January through December 2019
Attachment 2-C	NIPSCO's gas scorecard for the program period January through December 2020 (as of September 30, 2020)
Attachment 2-D	Proposed 2022-2023 program budgets and program costs
Attachment 2-E	NIPSCO's proposed EM&V process

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5 **NIPSCO's Current Plan**

6 **Q6. Please describe NIPSCO's current gas energy efficiency plan.**

7 A6. On November 21, 2018, the Commission issued an Order in Cause No.
8 45012 (the "45012 Order") approving a Stipulation and Settlement
9 Agreement among NIPSCO, the Indiana Office of Utility Consumer
10 Counselor and Citizens Action Coalition of Indiana, Inc. for approval of
11 NIPSCO's proposed energy efficiency programs for the period January 1,
12 2019 through December 31, 2021 (the "Current Plan") for gas service,
13 including NIPSCO's proposed energy efficiency goals, the proposed
14 programs to achieve those goals, the program budgets and costs, the EM&V

1 procedures for the programs, associated ratemaking and accounting
2 treatment, and modification of Rider 472 – Gas Demand Side Management
3 (“GDSM”) Rider. The ratemaking and accounting treatment included
4 timely recovery through NIPSCO’s GDSM Rider of Program Operating
5 Costs (direct and indirect program-specific costs, including EM&V,
6 administrative, and marketing costs) along with recovery of lost revenues
7 (the lost component of fixed costs resulting from implementation of those
8 programs) associated with measures installed as part of any gas energy
9 efficiency program offered by NIPSCO beginning with the month of
10 January 2019 through the GDSM Mechanism pending reconciliation in
11 subsequent periods, and authority to defer any Program Operating Costs
12 incurred in implementing the 2019-2021 Plan prior to the date of the
13 Commission’s Final Order in that Cause.

14 On September 19, 2018, the Commission issued an Order in Cause No.
15 44988 (the “44988 Order”) approving, among other things, NIPSCO’s Rider
16 172 – Gas Demand Side Management (“GDSM”) Rider and Appendix C –
17 GDSM Factors (the “GDSM Mechanism”). The 44988 Order also approved
18 new allocators.

NIPSCO's Current Plan includes the following residential and commercial and industrial ("C&I") programs for the 2020 program period, which are currently administered by TRC Companies, Inc. ("TRC"):¹

Residential Programs

- HVAC Energy Efficient Rebates
- Home Energy Analysis (HEA)
- School Education
- Multifamily Direct Install
- Home Energy Report
- Residential New Construction
- HomeLife EE Calculator
- Employee Education
- Income Qualified Weatherization (IQW)
- Residential Online Marketplace

C&I Programs²

- Prescriptive
- Custom

¹ In November 2019, TRC acquired Lockheed Martin Distributed Energy Solutions, the program implementer previously selected by NIPSCO with input from the OSB. As a result of this purchase, and with the understanding that TRC would retain all employees with whom NIPSCO had been working, the Company agreed to continue the contract.

² The C&I program is offered only to customers receiving sales service (Rates 421 and 425) or participating in the NIPSCO *Choice* program (Rate 451), and is not available for transportation customers served under Rates 428 and 438 ("C&I Customers").

- C&I New Construction
- Small Business Direct Install (SBDI)
- C&I Online Marketplace

Q7. Have the energy efficiency goals and program budgets changed for the 2020 program period since the Current Plan was first approved?

A7. Yes. NIPSCO worked with its Oversight Board ("OSB") and TRC throughout the year to maintain a balanced and cost effective portfolio of programs to support customer participation through the end of the 2020 program year. Since funding has shifted between programs, energy efficiency goals and program budgets have also changed. The NIPSCO Gas Programs Energy Efficiency Scorecard for the program period January 2020 through December 2020 (as of September 30, 2020 referred to below and attached as Attachment 2-C) shows, by program, the energy efficiency goals and program budgets approved for the 2020 program year. The NIPSCO OSB approved the Residential and C&I Online Marketplace programs (including startup costs) on November 4, 2020 which are not reflected in Attachment 2-C.

1 **Q8. What has NIPSCO done to educate customers and increase customer**
2 **participation in its energy efficiency programs?**

3 A8. Throughout the Current Plan, NIPSCO has continued to look for ways to
4 educate customers, increase customer participation and enhance customer
5 experiences with NIPSCO's energy efficiency programs. In 2019, NIPSCO
6 created "The Hoosier Knows" campaign to help set a new benchmark for
7 program awareness, customer experience and ultimately drive increased
8 participation in NIPSCO's energy efficiency programs. The goal behind the
9 campaign was to increase energy efficiency program awareness throughout
10 NIPSCO's service territory. Research showed that increased
11 communication efforts outside of Lake, Porter, LaPorte, St. Joseph, and
12 Elkhart Counties would help to increase awareness outside of these areas
13 by approximately 45%. The success of the campaign has been measured by
14 pre- and post-campaign customer awareness surveys and year-over-year
15 web page traffic. The Hoosier Knows campaign was developed with the
16 following criteria in mind: (1) clearly communicate that NIPSCO offers
17 energy efficiency programs; (2) be memorable to ensure the message can be
18 recalled by customers when making energy efficiency decisions; and (3)
19 leverage a sense of state pride. The Indiana state bird, the cardinal, was

1 utilized to embody one's sense of Hoosier pride in thriftiness – perhaps
2 even one's conscience – and became the creative focal point of the
3 campaign. If a customer forgets to take advantage of NIPSCO's energy and
4 money saving programs, the cardinal will show up to remind them –
5 including in cinemas, billboards, social media news feeds, even coming out
6 the side of trucks. In terms of campaign results, NIPSCO's energy efficiency
7 web page saw a significant increase in unique page views for the same time
8 period from the previous year, with over 80% sourced from the campaign's
9 digital ads. The communications and efforts in more rural areas resulted in
10 nearly a million impressions from each of television and cinema, and nearly
11 38 million from out of home communications, the campaign helped
12 increase reported awareness of NIPSCO's energy efficiency programs by
13 7%. Some marketing examples from "The Hoosier Knows" campaign
14 (shared with the OSB) are included in Attachment 2-A. NIPSCO and TRC
15 have also encouraged residential participation through bill inserts, cross
16 promotional efforts through the home energy reports, and community
17 outreach events. For C&I customers, TRC continues to educate customers
18 and trade allies through training sessions, and event appearances.

1 **Q9. How has NIPSCO's Current Plan performed under the current energy**
2 **efficiency goals?**

3 A9. As shown in the NIPSCO Gas Programs Energy Efficiency Scorecard for the
4 program period January 2019 to December 2019 (as of December 31, 2019)
5 attached as Attachment 2-B, the Current Plan performed very well in 2019
6 with achievement of 122% of the residential and 100% of the C&I therm
7 savings. As shown in the NIPSCO Gas Programs Energy Efficiency
8 Scorecard for the program period January through December 2020 (as of
9 September 30, 2020) attached in Attachment 2-C, NIPSCO's programs
10 achieved 86% of its total therm savings and is forecasted to exceed 100% of
11 the current energy efficiency goals by December 31, 2020. More specifically:

12 **Residential Programs**

- 13 • HVAC Energy Efficiency Rebates –This program has achieved 132%
14 of its energy efficiency goal. This program has performed well in
15 2020. NIPSCO continues to monitor the budget in the context of the
16 overall portfolio and has kept the OSB apprised. This program has
17 already significantly exceeded its goal for 2020.
- 18 • HEA – This program has achieved 20% of its energy efficiency goal.
19 For the safety of NIPSCO's customers, this program is currently
20 suspended from any in-home work due to COVID-19. In mid-
21 September TRC implemented a virtual HEA program and is
22 working with customers that were on the waiting list at the time this
23 program was suspended. Customers are being provided with the
24 option of participating in the virtual HEA program on a first-come,

1 first-served basis. This program is expected to achieve 33% of its
2 goal for 2020.

- 3 • School Education – This program has achieved 36% of its energy
4 efficiency goal. During the spring semester before school closures,
5 4,336 kits were delivered. Once schools were closed due to COVID-
6 19, the program was placed on hold. To make up for the shortfall,
7 TRC offered the program to sixth grade students that were not able
8 to participate as fifth graders. This program is expected to slightly
9 exceed the goal for 2020.

- 10 • Multifamily Direct Install (MFDI) - This program has not achieved
11 any of its energy efficiency goal. The program had not started prior
12 to COVID-19. For the safety of NIPSCO's customers, this program
13 was suspended from any in-home work due to COVID-19. TRC
14 continues to communicate with interested customers. This program
15 is not expected to achieve any of its goal for 2020.

- 16 • Home Energy Report – This program has achieved 122% of its
17 energy efficiency goal. This program has performed very well this
18 year even with the increased amount of time customers are spending
19 at home due to COVID-19. This program has already exceeded its
20 goal for 2020.

- 21 • Residential New Construction - This program has achieved 165% of
22 its energy efficiency goal. This program has performed very well
23 this year with the increase of new home construction driven
24 primarily by low interest rates. NIPSCO continues to monitor the
25 budget in the context of the overall portfolio and has kept the OSB
26 apprised. This program has already exceeded its goal for 2020.

- 27 • HomeLife EE Calculator – This program has achieved 23% of its
28 energy efficiency goal. This program is expected to achieve 33% of
29 its goal for 2020.

- 30 • Employee Education - This program has achieved 3% of its energy
31 efficiency goal. For the safety of NIPSCO's customers, this program
32 was suspended due to COVID-19 and the program is expected to
33 remain at 3% of its goal for 2020.

- 1 • IQW – This program has achieved 14% of its energy efficiency goal.
2 For the safety of NIPSCO's customers, this program continues to be
3 suspended due to COVID-19. Interested participants are being
4 contacted to participate in a virtual audit through the HEA program
5 on a first-come, first-served basis. NIPSCO anticipates the program
6 will likely resume in 2021. This program is expected to achieve 14%
7 of its goal for 2020.

8 **C&I Programs**

- 9 • Prescriptive – This program achieved 13% of its energy efficiency
10 goal. For C&I programs, TRC has a "pipeline" of anticipated savings
11 to track program expectations. These anticipated savings are based
12 on those applications that require preapproval due to the larger
13 incentive amount and are in addition to the savings already
14 achieved. There are 6,448 therms of savings associated with the
15 projects in the pipeline. This program is expected to achieve 34% of
16 its goal for 2020.
- 17 • Custom – This program has achieved 41% of its energy efficiency
18 goal. As with most Custom projects, the timing for the completion
19 of such major projects is often difficult to predict. Complex custom
20 projects tend to have longer planning cycles from development to
21 implementation. The uncertainty from March through July caused
22 a decrease in new project submissions which resulted in a decreased
23 pipeline and delay in some projects. There are 267,102 therms of
24 savings associated with projects in the pipeline. This program is
25 expected to achieve 70% of its goal for 2020.
- 26 • C&I New Construction – This program has achieved 129% of its
27 energy efficiency goal. Approximately 306,424 therms of savings
28 associated with projects are in the pipeline. This program has
29 already exceeded its goal for 2020.
- 30 • SBDI – This program has achieved 32% of its energy efficiency goal.
31 This program has been impacted by concerns related to COVID-19
32 and access to business facilities for any non-essential work. This
33 program is expected to achieve 48% of its goal for 2020.

1 **Q10. Please explain the role NIPSCO's Oversight Board ("OSB") has in**
2 **program design and budget modifications.**

3 A10. The NIPSCO OSB for its gas energy efficiency programs was first
4 established in the Commission's May 9, 2007 Order in Cause No. 43051.
5 NIPSCO continues to build on the strong relationship it has with its OSB
6 and works with its members on any changes to program designs.
7 NIPSCO's OSB provides recommendations throughout the year and
8 approves program design changes and budgets as provided within
9 Commission approval and the OSB governance document. Over the course
10 of the program year, the OSB monitors the programs and provides
11 oversight of and approval for programmatic changes.

12 **Q11. Has the OSB approved any program changes for the energy efficiency**
13 **programs included in years 2020 and 2021?**

14 A11. Yes. NIPSCO received OSB approval on November 4, 2020 to proceed with
15 start-up of a Residential and C&I Online Marketplace program. This
16 program is an online marketplace enabling customers to purchase
17 discounted energy efficient products.

1 Q12. Have these program changes been incorporated into the design of the
2 2022-2023 Plan?

3 A12. Yes. The 2022-2023 Plan includes the new Residential and C&I Online
4 Marketplace programs.

5 **NIPSCO's 2022-2023 Energy Efficiency Goals**

6 Q13. What energy efficiency goals were established for NIPSCO's proposed
7 2022-2023 Plan?

8 A13. NIPSCO's energy efficiency goals for its proposed 2022-2023 Plan are
9 shown in Table 1 as follows:

10 **Table 1**

Projected Energy Savings (Therms)			
Residential Programs	2022	2023	2022-2023
Home Rebates	1,258,946	1,258,946	2,517,892
Home Energy Analysis	59,888	59,888	119,776
School Education	222,340	222,340	444,680
Multifamily Direct Install	108,823	108,823	217,646
Home Energy Report	1,119,213	1,134,873	2,254,086
Residential New Construction	194,495	194,495	388,990
Home Life EE Calculator	19,173	19,173	38,346
Income Qualified Weatherization	300,070	300,070	600,140
Residential Online Marketplace	38,799	38,799	77,598
Residential Portfolio	3,321,747	3,337,407	6,659,154

C&I Programs	2022	2023	2022-2023
Prescriptive	319,416	324,420	643,836
Custom	620,723	600,875	1,221,598
C&I New Construction	246,410	251,232	497,642
SBDI	242,552	248,151	490,703
C&I Online Marketplace	90,773	92,629	183,402
Smart Energy Engagement	21,032	50,588	71,620
C&I Portfolio	1,540,906	1,567,895	3,108,801
Total Plan	4,862,653	4,905,302	9,767,955

1

2 **Energy Efficiency Programs to Achieve Energy Efficiency Goals**

3 **Q14. Please list the proposed programs included in NIPSCO's 2022-2023 Plan**
4 **to achieve NIPSCO's proposed energy efficiency goals.**

5 **A14. The proposed programs included in NIPSCO's 2022-2023 Plan to achieve**
6 **NIPSCO's proposed energy efficiency goals are as follows:**

7 **Residential Programs**

- 8 • Home Rebates
- 9 • Home Energy Analysis (HEA)
- 10 • School Education
- 11 • Multifamily Direct Install
- 12 • Home Energy Report
- 13 • Residential New Construction
- 14 • HomeLife Energy Efficiency Calculator
- 15 • Income Qualified Weatherization (IQW)
- 16 • Residential Online Marketplace

1 **C&I Programs³**

- 2 • Prescriptive
- 3 • Custom
- 4 • C&I New Construction
- 5 • Small Business Direct Install (SBDI)
- 6 • C&I Online Marketplace
- 7 • Smart Energy Engagement

8

9 **Residential Programs**

10 **Q15. Please describe the Home Rebates program.**

11 A15. The Home Rebates program is designed to provide incentives to residential

12 customers to replace inefficient HVAC equipment and other home

13 products with energy-efficient alternatives. These measures are paid per-

14 unit installed, reimbursing customers for a portion of their cost. The

15 program's intent is to help remove the financial barrier associated with the

16 initial cost of these energy-efficient alternatives. The gas program promotes

17 high efficiency gas boilers and furnaces and smart Wi-Fi thermostats.

18 **Q16. Please describe the Home Energy Analysis (HEA) program.**

³ The C&I program is offered only to customers receiving sales service (Rates 421 and 425) or participating in the NIPSCO *Choice* program (Rate 451), and is not available for transportation customers served under Rates 428 and 438 ("C&I Customers").

1 A16. The Home Energy Analysis (HEA) program is designed to help eligible
2 customers improve the efficiency and comfort of their homes, as well as
3 deliver an immediate reduction in gas (therm) consumption and promote
4 additional efficiency work. This program, provides homeowners with the
5 direct installation of low-cost, energy-efficient measures followed by the
6 delivery of a Comprehensive Home Assessment report to the customer.
7 This program is unique in that it provides a whole home assessment leading
8 to easy to achieve therm savings opportunities.

9 **Q17. Please describe the School Education program.**

10 A17. The School Education program is designed to produce cost-effective gas
11 savings by influencing fifth grade students and their families to focus on
12 the efficient use of gas. It provides classroom instruction, posters, and
13 activities aligned with national and state learning standards and energy
14 education kits filled with energy-saving products and advice. Students
15 participate in an energy education presentation at school, learning about
16 basic energy concepts through class lessons and activities. Students also
17 receive an energy education kit of quality, high-efficiency products and are
18 instructed to install the energy-efficient products at home with their

families as well as complete a worksheet. The experience at home completes the learning cycle started at school.

Q18. Please describe the Multifamily Direct Install program.

A18. The Multifamily Direct Install program is designed to provide a “one-stop shop” to multifamily building owners, managers, and tenants of multifamily units containing three or more residences receiving service from NIPSCO. With flexible and affordable options, the program generates immediate energy savings and improvements in two distinct program phases. Phase I is a walkthrough assessment of each property, which is conducted to determine eligibility for direct installation services provided by the Multifamily Direct Install Program, along with complementary incentive offers available through other NIPSCO programs. Property managers are presented with an Energy Improvement Plan that prioritizes recommendations along with a proposal to provide the direct installation services outlined in Phase II. Phase II is an in-unit direct installation of energy-efficient devices at no-cost or low-cost to the tenant or landlord, such as low-flow showerheads, faucet aerators, pipe wrap, and programmable thermostats. Educational materials about home operation, maintenance, and behavior that may reduce energy consumption are

provided to tenants in each living unit. TRC will utilize a qualified subcontractor for the implementation of this program.

Q19. Please describe the Home Energy Report program.

A19. The Home Energy Report program (also known as the Behavioral program) is designed to encourage energy savings through behavioral modification. The program provides customers with home energy reports that contain personalized information about their energy use and provide ongoing recommendations to make their homes more efficient. Customers are randomly chosen to participate in the program and may opt-out if they do not wish to participate. The reports engage customers and drive them to take action to bring their energy usage in line with similar homes and encourage participation in other complimentary residential programs. The program empowers customers to understand their energy usage better and uses competition through neighbor comparisons to influence customers to act on this knowledge, resulting in changed behavior.

Q20. Please describe the Residential New Construction program.

A20. The Residential New Construction program is designed to increase awareness and understanding by home builders of the benefits of energy-

1 efficient building practices, with a focus on capturing energy efficiency
2 opportunities during the design and construction of single family homes.
3 This program produces long-term, cost-effective savings as a result of the
4 training they receive to achieve the various Home Energy Rating System
5 tiers, along with strategies for incorporating the Silver, Gold, and Platinum
6 designations into their marketing efforts to attract home buyers.

7 **Q21. Please describe the HomeLife EE Calculator program.**

8 A21. The HomeLife EE Calculator program is designed to offer NIPSCO's
9 residential customers an online "do-it-yourself" audit and an energy
10 savings kit for carrying out this audit, at no cost to the customer. The audit
11 tool effectively: (1) identifies low-cost/no-cost measures that a NIPSCO
12 residential customer can easily implement to manage gas consumption; (2)
13 allows eligible customers to request a free home energy kit; (3) educates
14 customers about the variety of programs available to them through the
15 residential energy efficiency portfolio; and (4) assists customers in finding
16 qualified and experienced contractors through a network of trade allies.

17 **Q22. Please describe the Income Qualified Weatherization (IQW) program.**

1 A22. The Income Qualified Weatherization (IQW) program is designed to
2 provide energy efficiency services to qualifying low-income households.
3 For a household to be eligible to participate in the IQW program, the
4 customer must be a NIPSCO residential customer with active service that
5 receives Low-Income Home Energy Assistance (LIHEAP), Temporary
6 Assistance for Needy Families (TANF), Supplemental Security Income (SSI)
7 or Supplemental Security Disability Income (SSDI) and has not received
8 weatherization services in the past 10 years from the date of application.
9 Qualifying participants receive the direct installation of no-cost energy
10 efficiency measures and a Comprehensive Home Assessment to identify
11 areas of the home where additional energy savings can be achieved to make
12 the home more comfortable and reduce energy costs.

13 **Q23. Please describe the Residential Online Marketplace program.**

14 A23. The Residential Online Marketplace program provides an online store for
15 NIPSCO gas customers to purchase and install energy efficiency measures
16 with instant incentive applied at the time of purchase. The Online
17 Marketplace ensures only NIPSCO customers are eligible to purchase and
18 limits are set on the quantities purchased to ensure timely installation.

1 **C&I Programs**

2 **Q24. Please describe the Prescriptive program.**

3 A24. The Prescriptive program is designed to provide incentives for a set list of
4 energy efficient measures and are paid based on per unit installed,
5 reimbursing the customer for a portion of the cost. The Prescriptive
6 Program offers incentives to NIPSCO's C&I customers that are making gas
7 energy efficiency improvements in existing buildings.

8 **Q25. Please describe the Custom program.**

9 A25. The Custom program is available to qualifying C&I customers for installing
10 new energy-saving equipment. Custom incentives are designed for more
11 complicated projects, retro-commissioning ("RCx" projects) or those that
12 incorporate alternative technologies. Project pre-approval is required for
13 all Custom incentives to ensure that only cost-effective projects are
14 approved. Qualifying measures must have a Total Resource Cost test score
15 greater than 1.0, have a simple payback greater than 12 months (less than
16 12 months for RCx measures) and not be included as an energy efficiency
17 measure in the Prescriptive program. RCx projects examine energy
18 consuming systems for cost-effective savings opportunities. The RCx

1 process identifies operational inefficiencies that can be removed or reduced
2 to yield energy savings.

3 **Q26. Please describe the C&I New Construction program.**

4 A26. The C&I New Construction program is designed to encourage construction
5 of energy efficient C&I facilities within the NIPSCO service territory. This
6 program offers financial incentives to encourage building owners,
7 designers and architects to exceed standard building practices and achieve
8 efficiency, above and beyond the 2010 Indiana Energy Conservation Code.
9 The goal of the New Construction program is to produce newly constructed
10 and expanded buildings that are efficient from the start. New construction
11 projects that may be eligible for incentives under the New Construction
12 Program may include any of the following: (1) new building projects
13 wherein no structure or site footprint presently exists; (2) addition to or
14 expansion of an existing building or site footprint; and (3) a total "gut"
15 rehabilitation for a change of purpose requiring replacement of all
16 mechanical systems and equipment.

17 **Q27. Please describe the Small Business Direct Install (SBDI) program.**

1 A27. The Small Business Direct Install (SBDI) program is designed to facilitate
2 participation in the NIPSCO business energy efficiency program of small
3 businesses that do not possess the in-house expertise or capital budget to
4 develop and implement an energy efficiency plan. The SBDI program
5 offers a variety of ways for small businesses to improve the efficiency of
6 their existing facilities. Measures are paid out on a per unit basis, much the
7 same way as the Prescriptive program, but with slightly higher incentive
8 rates to encourage energy efficient investment from these smaller
9 commercial customers. Incentive payments to the approved trade allies
10 occurs following measure implementation and submission of all required
11 paperwork. If additional incentives are available through other programs,
12 customers are directed to the appropriate application.

13 **Q28. Please describe the C&I Online Marketplace program.**

14 A28. The Online Marketplace program provides an online store for NIPSCO gas
15 customers to purchase and install energy efficiency measures with instant
16 incentive applied at the time of purchase. The Online Marketplace ensures
17 only NIPSCO customers are eligible to purchase and limits are set on the
18 quantities purchased to ensure timely installation.

1 **Q29. Please describe the Smart Energy Engagement program.**

2 A29. The Smart Energy Engagement program provides NIPSCO customers with
3 a tailored self-service platform when they opt-in to the program. The Smart
4 Energy Engagement platform provides customers with the knowledge and
5 insights to make meaningful and energy efficient choices in their facilities.
6 Through personalized energy efficiency suggestions, the program provides
7 uplift to other commercial and industrial programs while providing
8 behavioral savings based upon the changes made at the facility outside of
9 other commercial and industrial programs.

10 **Q30. Will the programs described above change through the term of the 2022-**
11 **2023 Plan?**

12 A30. NIPSCO is committed to the program portfolio detailed above and has
13 worked with its OSB to obtain feedback on the proposed program offerings.
14 The program descriptions set out above are based on TRC's proposals,
15 however, NIPSCO will continue to work with its OSB to refine the program
16 offerings so each of the programs deliver the greatest value to NIPSCO's
17 customers.

1 **Q31. Are there any other programs NIPSCO plans to include in its 2022-2023**
2 **Plan?**

3 A31. Not at this time. However, NIPSCO remains open to consider other
4 programs for inclusion in its portfolio to support savings opportunities
5 within its service territory. Consistent with the Governance document,
6 NIPSCO will continue to work with its OSB prior to the implementation of
7 any additional programs and will advise the Commission of any changes
8 as part of its annual GDSM tracker proceedings (Cause No. 44001-GDSM-
9 X).

10 **Q32. You stated above that NIPSCO selected TRC as administrator of the 2022-**
11 **2023 Plan. Are there benefits in utilizing one administrator for the**
12 **residential programs and C&I programs?**

13 A32. Yes. The experience of utilizing one administrator for both the residential
14 and C&I programs has provided benefits by having fewer vendors with
15 which to directly work and coordinate on issues related to design,
16 implementation, marketing, reporting, and evaluation efforts.

17 **Q33. How does NIPSCO propose to offer programs in its combined gas and**
18 **electric service territory?**

1 A33. Where savings accrue to both fuels, the programs will be offered as a
2 portfolio of offerings to NIPSCO's (gas and electric) combination customers
3 to make sure they are aware of the several ways they can become more
4 energy efficient. This results in a more cost effective delivery of programs
5 because a single vendor can visit a home and install both gas and electric
6 measures in homes with both gas and electric service. Moreover, offering
7 coordinated programs in both the gas and electric service territory
8 promotes administrative efficiency for all customers. Because TRC will be
9 the primary vendor for NIPSCO's energy efficiency programs, its network
10 of providers will be able to more effectively market both gas and electric
11 programs to NIPSCO's combination customers. The combined
12 administration of both gas and electric programs to combination customers
13 was included in the program designs by TRC.

14 **Program Budgets and Program Costs**

15 **Q34. How did NIPSCO determine its proposed program budgets and program**
16 **costs for its 2022-2023 Plan?**

17 A34. To determine program costs, NIPSCO first determined the program
18 budgets by taking the proposed implementation budgets offered by TRC
19 and added projected NIPSCO administrative costs (5% of the proposed

1 vendor implementation budget), projected EM&V costs (5% of the
2 proposed vendor implementation budgets), and projected NIPSCO
3 marketing expenses (2.5% of proposed vendor implementation budget).
4 NIPSCO then determined the amount of forecasted lost revenues
5 anticipated to be collected over the two year period by determining the
6 projected lost revenues for measures that will be installed under the Gas
7 Plan. Attachment 2-D shows, by program, the Total Program Budget
8 (Implementation Cost, NIPSCO Administrative Costs, NIPSCO Marketing
9 Cost, EM&V), Lost Revenues, and Total Program Costs.

10 **Q35. What are NIPSCO's proposed program budgets and program costs for the**
11 **2022-2023 Plan?**

12 **A35.** Based on the foregoing, the proposed program budgets and program costs
13 for the 2022-2023 Plan are shown in Table 2 as follows:

14

Table 2

	Residential	C&I	Total
Vendor Implementation Cost	\$ 9,640,200	\$ 3,890,481	\$ 13,530,681
NIPSCO Admin	\$ 482,011	\$ 194,525	\$ 676,536
NIPSCO Marketing	\$ 241,006	\$ 97,263	\$ 338,269
EM&V	\$ 482,011	\$ 194,525	\$ 676,536
Total Program Budget	\$ 10,845,228	\$ 4,376,794	\$ 15,222,022
Lost Revenues	\$ 1,195,863	\$ 382,997	\$ 1,578,860
Total Program Costs	\$ 12,041,091	\$ 4,759,791	\$ 16,800,882

Q36. What are NIPSCO's proposed program costs for the Residential programs included in the 2022-2023 Plan?

A36. NIPSCO's proposed program costs for its Residential programs included in the Plan are \$12,041,091, broken down by program as shown in Table 3 as follows:

Table 3

	Program Budget	Lost Revenues	Total Program Costs
Home Rebates	\$ 4,053,818	\$ 354,938	\$ 4,408,756
Home Energy Analysis	\$ 336,092	\$ 24,156	\$ 360,248
School Education	\$ 931,362	\$ 99,257	\$ 1,030,619
Multifamily Direct Install	\$ 402,225	\$ 47,201	\$ 449,426
Home Energy Report	\$ 922,025	\$ 470,068	\$ 1,392,093
Residential New Construction	\$ 568,828	\$ 45,555	\$ 614,383
Home Life EE Calculator	\$ 78,975	\$ 8,029	\$ 87,004
Income Qualified Weatherization	\$ 3,470,389	\$ 129,829	\$ 3,600,218
Residential Online Marketplace	\$ 81,514	\$ 16,830	\$ 98,344
Residential Portfolio	\$ 10,845,228	\$ 1,195,863	\$ 12,041,091

1
2 **Q37. What are NIPSCO's proposed program costs for the C&I programs**
3 **included in the Gas Plan?**

4 A37. NIPSCO's proposed program costs for its C&I programs included in the
5 Plan are \$4,759,791, broken down by program as shown in Table 4 as
6 follows:

7 **Table 4**

8

	Program Budget	Lost Revenues	Total Program Costs
Prescriptive	\$ 821,615	\$ 77,411	\$ 899,026
Custom	\$ 1,826,470	\$ 156,207	\$ 1,982,677
C&I New Construction	\$ 744,478	\$ 47,550	\$ 792,028
SBDI	\$ 743,711	\$ 65,827	\$ 809,538
C&I Online Marketplace	\$ 215,833	\$ 26,151	\$ 241,984
Smart Energy Engagement	\$ 24,687	\$ 9,851	\$ 34,538
C&I Portfolio	\$ 4,376,794	\$ 382,997	\$ 4,759,791

9
10
11 **Q38. Does NIPSCO expect energy efficiency goals, program designs, program**
12 **budgets and program costs to change over time?**

13 A38. The program designs, program budgets and program costs are not final. As
14 stated above, the program budgets and program costs constitute NIPSCO's
15 best projections at this time. NIPSCO will continue to work with its OSB
16 on program designs and program budget and, if approvals outside of the

1 authority of its OSB are necessary, NIPSCO will request approval of those
2 changes in its annual GDSM tracker proceedings (Cause No. 44001-GDSM-
3 X). Since NIPSCO is proposing a two year program, which is susceptible to
4 technology and market changes, it is expected that NIPSCO and the OSB
5 will continue to make adjustments to the programs (energy efficiency goals,
6 program designs, program budgets, and program costs) throughout the
7 program term. As shown in Attachment 2-C, the energy efficiency goals for
8 2020 have already changed since they were first approved. As approved in
9 the 45012 Order, NIPSCO and the OSB have authority and flexibility to shift
10 costs within a program budget, as needed, shift funds among programs so
11 long as the overall Plan budget is not exceeded including budget flexibility,
12 and design and implement new programs so long as they are cost-effective
13 and the overall Plan budget is not exceeded. Specific cost recovery will be
14 addressed in NIPSCO's annual GDSM tracker proceedings (Cause No.
15 44001-GDSM-X).

16 Specifically, once the Plan has been approved by the Commission, NIPSCO
17 proposes that the NIPSCO OSB have the ability to increase any individual
18 program funding by up to 20% of the total program budget, even if this
19 exceeds the overall 2022-2023 Plan budget approved by the Commission.

1 NIPSCO may also roll over unspent budget amounts from one program
2 year to the next within the two year 2022-2023 period, with a corresponding
3 increase to the savings goal. To the extent NIPSCO has unspent budget
4 amounts available at the conclusion of the 2021 program year, it may utilize
5 those unspent budget amounts in the 2022 program year, for the purpose
6 of paying program expenses related to the 2021 program year. The savings
7 goal for the 2022 program year will be increased by the same amount.
8 NIPSCO will continue to work with the OSB and its vendors to use the flex
9 funding to increase savings as available and appropriate (e.g., cost-
10 effective). An individual program can be increased by up to 20% of the
11 annual total portfolio budget, if cost effective, and with OSB approval, but
12 the annual total portfolio budget cannot be increased by more than 20%,
13 regardless of whether the amount is all utilized for one program or for
14 multiple programs within the portfolio.

15 **Q39. How does NIPSCO propose to allocate program costs associated with its**
16 **2022-2023 Plan?**

17 A39. As approved in the 45012 Order, Program Operating Costs will be allocated
18 to either residential or non-transport only commercial and industrial

1 customers; the costs will then be divided by the number of customers, on a
2 forecasted and reconciled basis.

3 **Forecasted Lost Revenues**

4 **Q40. Please describe NIPSCO's forecasted lost revenues associated with the**
5 **implementation of the 2022-2023 Plan.**

6 A40. Assuming there is not a base rate case in the intervening time period,
7 NIPSCO projects \$1,578,860 of lost revenues associated with the
8 implementation of the 2022-2023 Plan period, \$1,195,863 for Residential gas
9 customers and \$382,997 for C&I gas customers.

10 **Q41. How did NIPSCO forecast lost revenues associated with its 2022-2023**
11 **Plan?**

12 A41. NIPSCO forecasted the costs of the lost revenues for the measures
13 forecasted to be installed as part of the Plan, which is the best estimate
14 NIPSCO has at this time of the collection of lost revenues during the period
15 January 1, 2022 through December 31, 2023.

16 **Q42. How is NIPSCO proposing to collect lost revenues associated with the**
17 **2022-2023 Plan?**

1 A42. Consistent with the 45012 Order, the only lost revenues to be recovered are
2 lost revenues that results from its 2022-2023 Plan and that accrue during the
3 2022-2023 Plan. Neither lost revenues resulting from measures installed
4 under previous plans, nor lost revenues resulting from measures installed
5 under the 2022-2023 Plan but accruing after the end of the Plan period, shall
6 be recovered. Additionally, the reconciliation of lost revenues will take
7 place once per year, with the variance spread over the succeeding 12 month
8 period.

9 **Q43. Is NIPSCO proposing to change how it allocates costs associated with lost**
10 **revenues?**

11 A43. No. Consistent with the 45012 Order, lost revenues will be allocated as
12 follows: the projected period's cumulative net therm savings will be
13 allocated to the individual rate classes eligible to participate in the program.
14 The allocation will be based on the number of customers for those rate
15 classes. For programs that are applicable only to a specific rate class, 100%
16 of the savings will be assigned to that class. For programs that are
17 applicable to more than one rate class, the percentage of therms allocated
18 to each rate class will be based on the number of customers for those rate

1 classes as a proportion of the total number of customers for the customer
2 class.

3 **Q44. Is NIPSCO proposing to change its methodology for the reconciliation of**
4 **lost revenues?**

5 A44. No. Consistent with the 45012 Order, reconciliation of lost revenues will
6 take place in several steps. First, NIPSCO will determine the actual number
7 of measures installed by the rate class for all programs except Home Energy
8 Reports. Because Home Energy Reports are not eligible to multi-family
9 units, NIPSCO will allocate the measures to Rate 111. The next step will be
10 to adjust the deemed savings based on the ex post gross savings and the
11 net-to-gross adjustment from the most recent EM&V report. This provides
12 the ex post net savings, which is the number to which NIPSCO will
13 reconcile and use for its forecast going forward.

14 **Q45. Is NIPSCO's 2020-2023 Plan cost-effective and achievable?**

15 A45. Yes. NIPSCO understands that it must be able to show that an incentive
16 paid by the utility to the customer, when combined with the reduction in
17 the participants' utility bills, reflects the net benefit to the utility and all
18 customers and that cross-subsidies are minimized between customer

1 groups and between participants and nonparticipants within a customer
2 group. The cost benefit tests discussed by NIPSCO Witness Morgan
3 address these concerns.

4 **EM&V Procedures**

5 **Q46. Has NIPSCO selected an EM&V vendor for its Gas Plan?**

6 A46. Yes. NIPSCO, after approval by the OSB, proposes to continue utilizing
7 ILLUME Advising, LLC based on a request for proposal conducted in 2019
8 to select the vendor to evaluate the Current Plan. A detailed description of
9 NIPSCO's proposed EM&V process is attached as Attachment 2-E.

10 **Q47. Does this complete your prepared direct testimony?**

11 A47. Yes.

VERIFICATION

I, Robert C. Sears, Director of Regulatory for Northern Indiana Public Service Company LLC, affirm under penalties of perjury that the foregoing representations are true and correct to the best of my knowledge, information and belief.

/s/ Robert C. Sears

Robert C. Sears

Date: November 18, 2020

“The Hoosier Knows” Outreach and Education Samples

ASSET SUMMARY BY PROGRAM

- **Rebates**

- ✓ Billboards x 3 messages
- ✓ Digital display x 3 messages (each with A/B versions)
- ✓ Bill insert x 1 message
- ✓ Social media x 2 messages
- ✓ Radio

- **HomeLife E.E. Calculator**

- ✓ Digital display x 1 message (A/B versions)

- **SBDI**

- ✓ Billboards x 1 message
- ✓ Digital display x 1 message (A/B versions)
- ✓ Radio

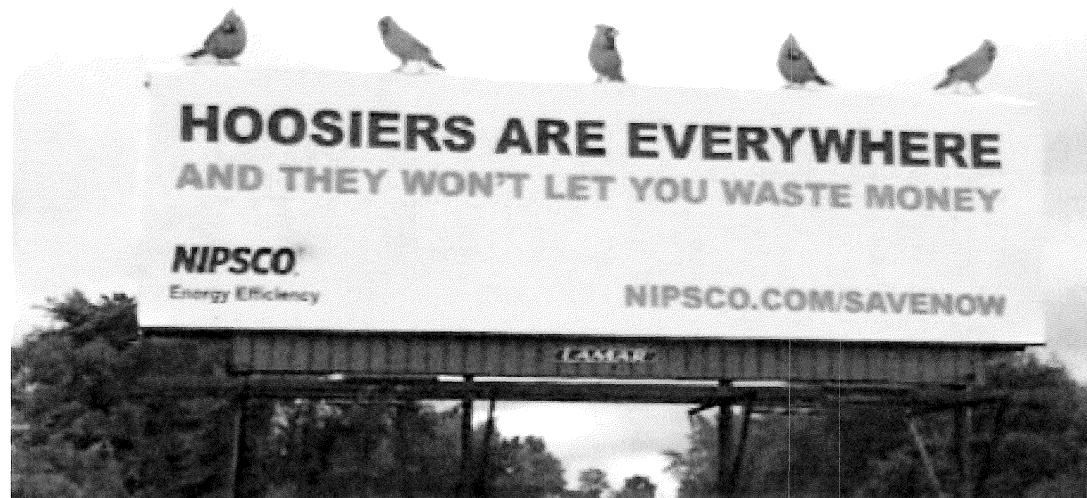
- **General E.E.**

- ✓ Billboard spectacular x 1 message
- ✓ Digital display x 1 message (A/B version)
- ✓ Homepage takeover x 1 message
- ✓ Social media x 1 message

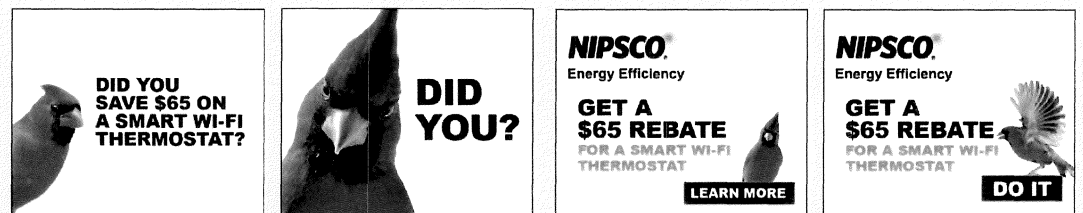
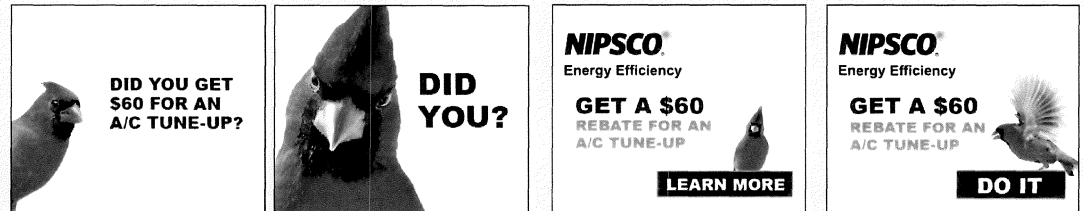
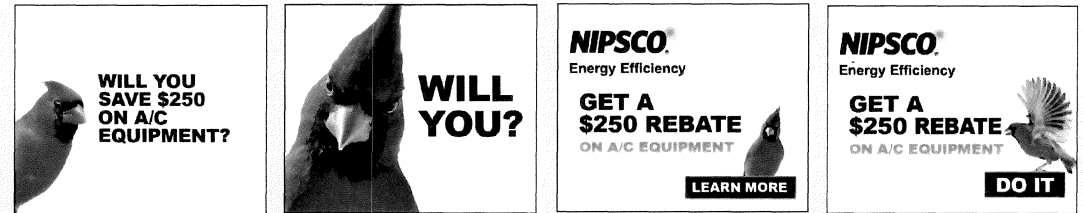
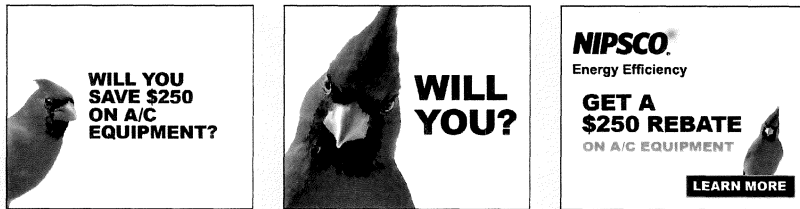
Out of Home - Billboards



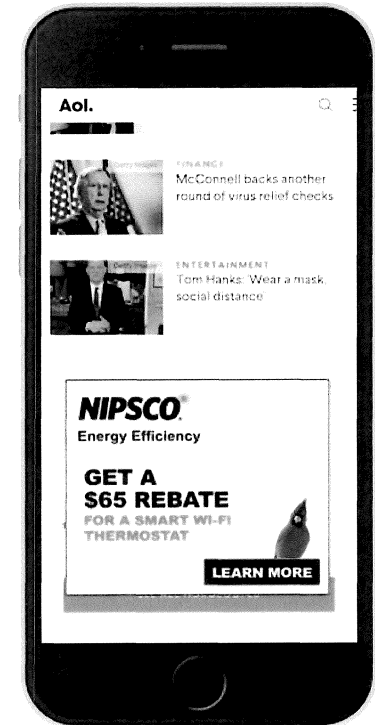
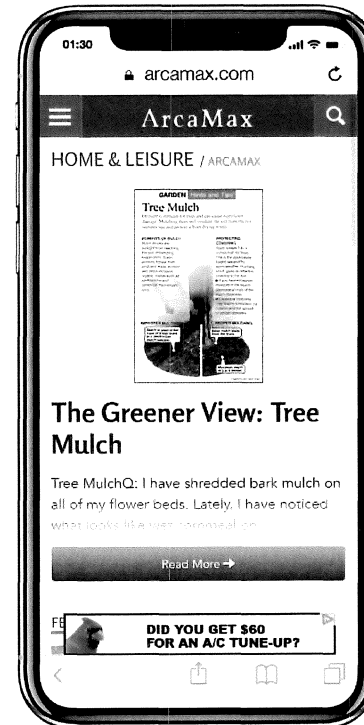
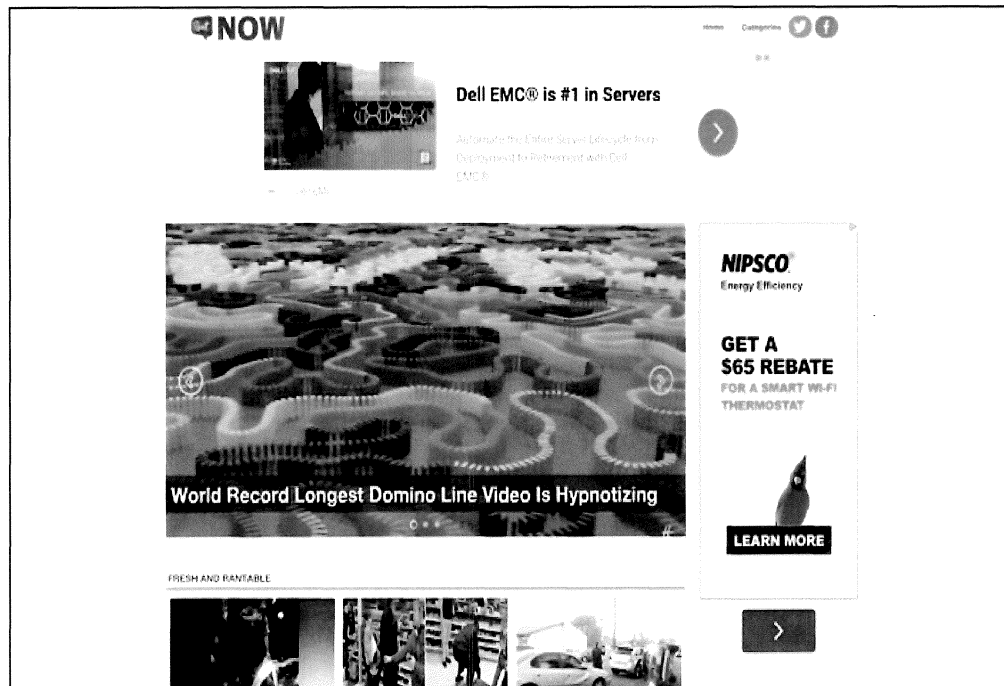
Out of Home - Billboards



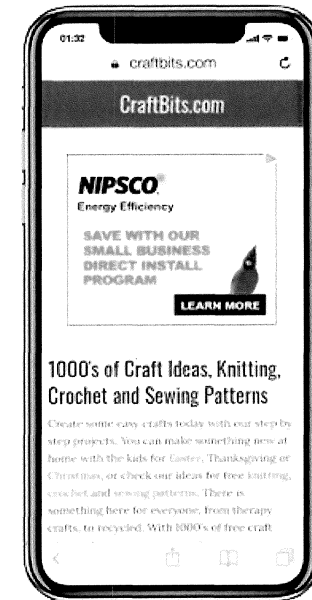
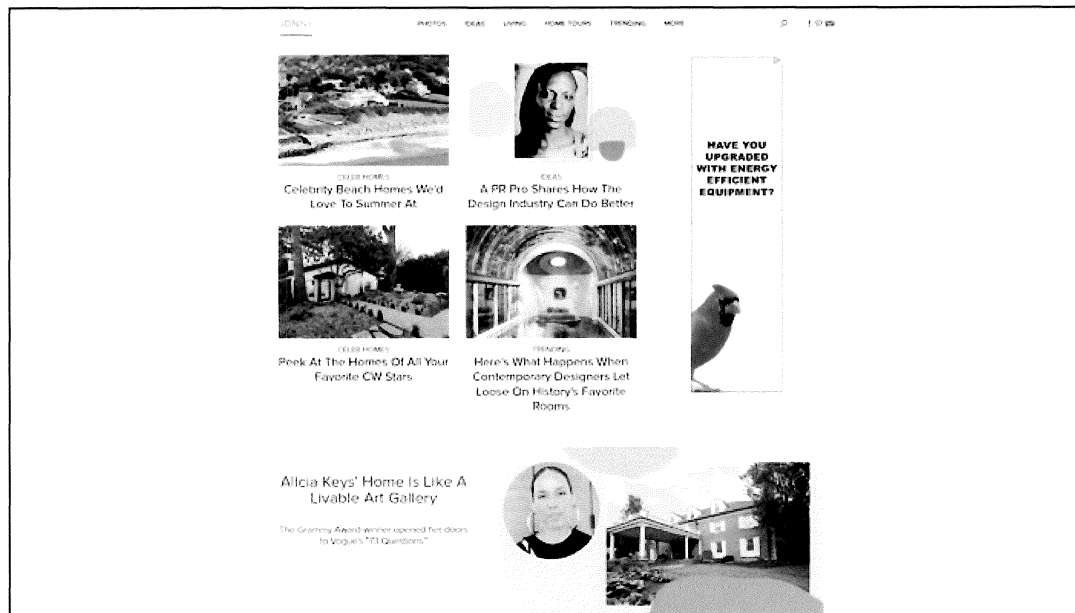
DIGITAL DISPLAY SAMPLES



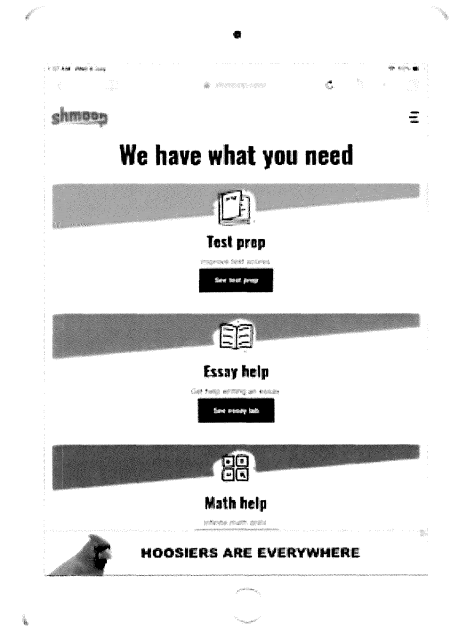
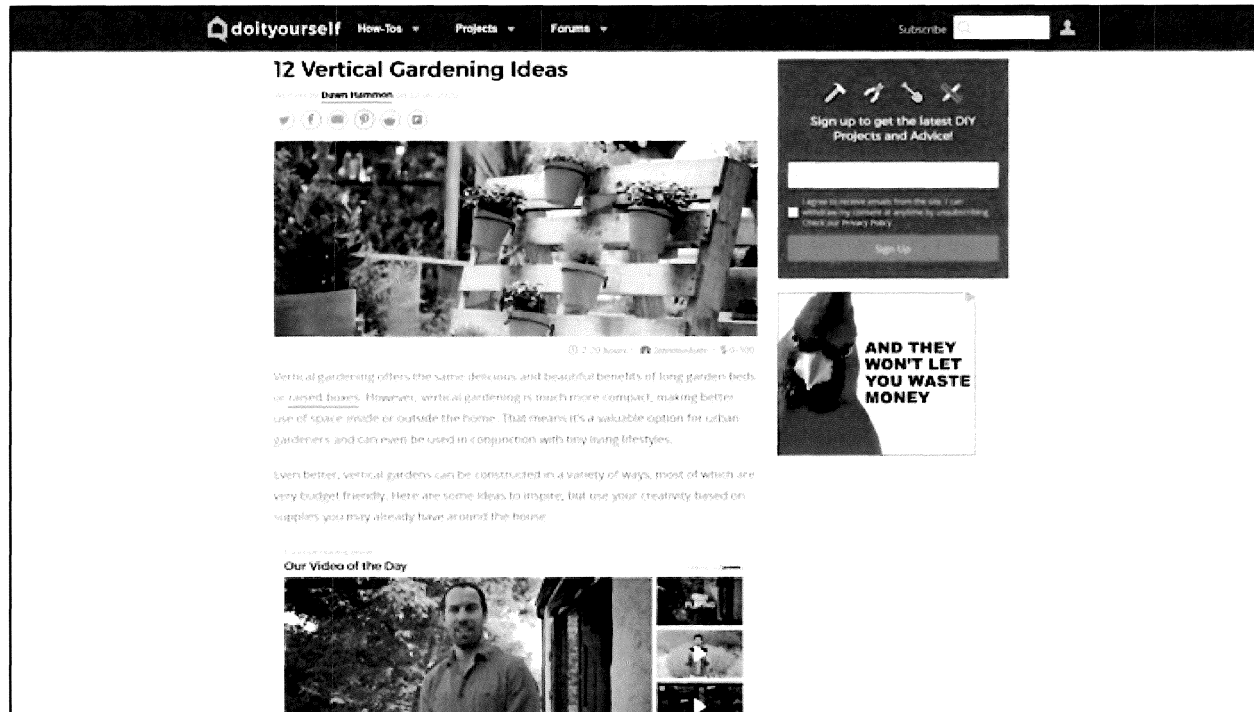
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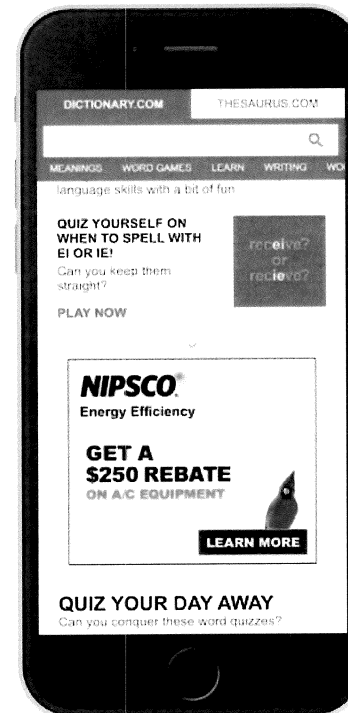
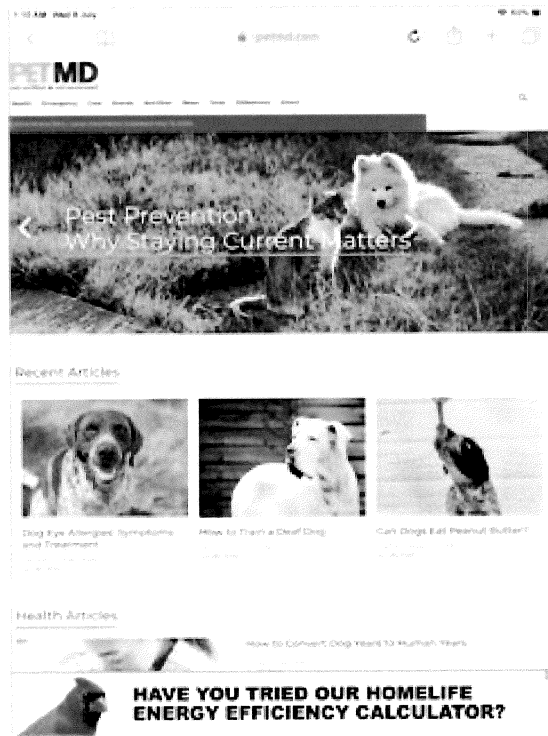
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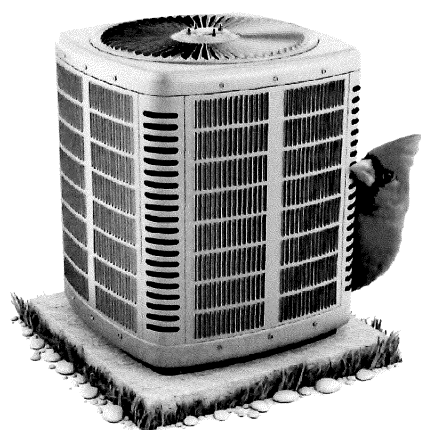
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DIGITAL DISPLAY SAMPLES



BILL INSERT - REBATES



**SAVE WHEN
YOU BUY A NEW
AIR CONDITIONER**

IT'S THE RIGHT THING TO DO

NIPSCO
A NISource Company

GET REBATES UP TO
\$250
FOR A NEW A/C



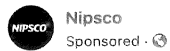
ELIGIBILITY

- Rebates are available for NIPSCO residential electric customers who are replacing existing equipment.
- Current rebates are available for qualifying equipment purchased and installed between January 1, 2020 and November 30, 2020. Rebate offers are subject to change. Funds are limited and are available on a first-come, first-served basis.
- The rebate application and invoice(s) must be postmarked within 60 days of installation. Applications for installations completed after October 31, 2020 must be postmarked no later than November 30, 2020.
- Equipment must be installed in a property owned by the applicant, or the applicant must have received permission from the property owner to install the equipment.

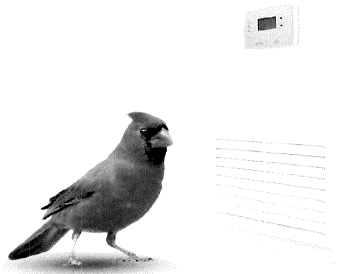
VISIT [NIPSCO.COM/REBATES](https://www.nipSCO.com/rebates)
TO COMPLETE AN APPLICATION

NIPSCO
A NISource Company

FACEBOOK



Stay cool and save money with rebates of up to \$250 for a new air conditioner.



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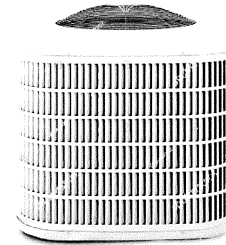
Get a rebate

It's the right thing to do

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Keep that air conditioner running at peak performance with an A/C tune-up and save \$60.

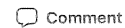


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Get \$60

It's the right thing to do

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A little birdie told us you could save on your NIPSCO bill with our Energy Efficiency Programs. Have you?



NIPSCOSAVES.COM

Save on your NIPSCO

It's the right thing to do



RADIO/DIGITAL AUDIO :30

NIPSCO Energy Efficiency Program

Audio :30

SFX: *Song Bird*

AVD: In a recent breakthrough, scientists have been able to translate the calls of the Indiana Cardinal. This one we call Hoosier.

SFX: *Cardinal call 1:*

AVD: Ah yes, that is a reminder that NIPSCO has rebates of up to two hundred and fifty dollars on new A/C Equipment.

ALT: ...on new furnaces.

SFX: *Cardinal call 2:*

AVD: Long thought to be a mating call, this is actually an alert to upgrade your small business equipment with the NIPSCO Small Business Direct Install Program.

SFX: *Cardinal call 3:*

AVD: And here he's asking, have you visited NIPSCO.com/SaveNow to save with their Energy Efficiency Programs? Well, have you?

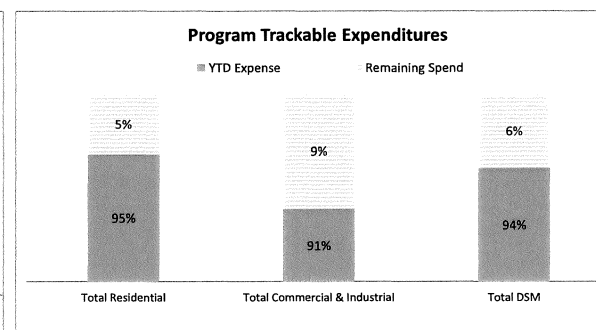
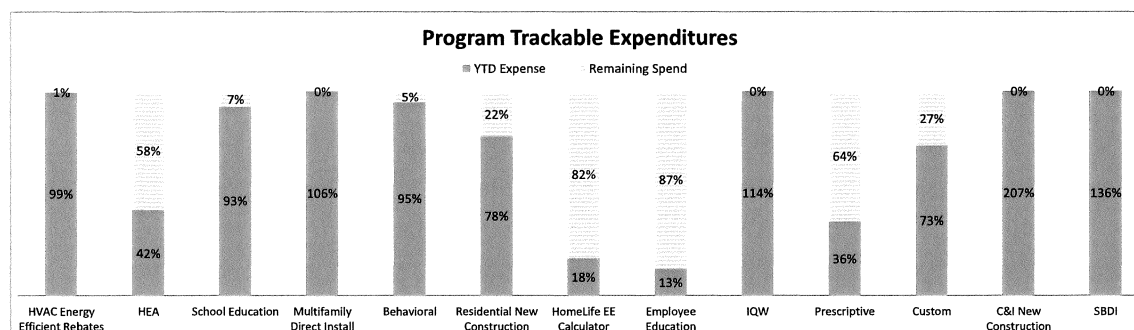
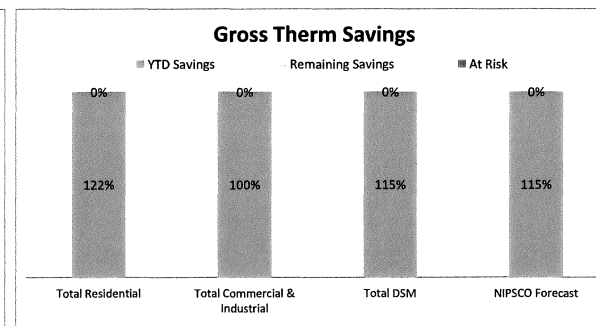
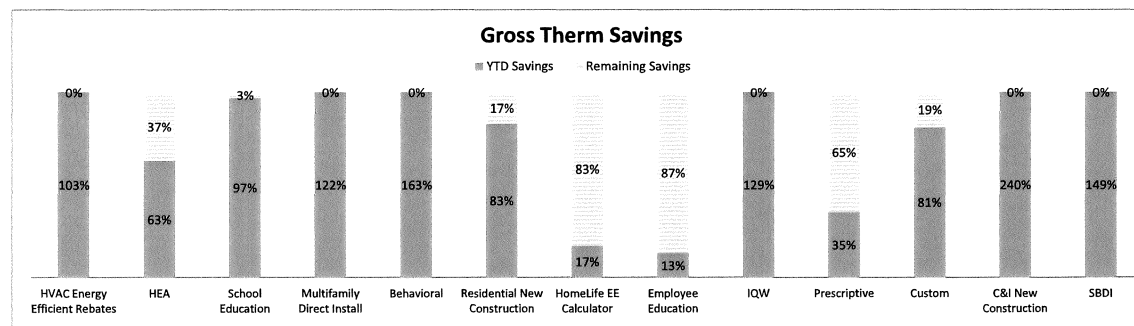




NIPSCO Gas Programs Energy Efficiency Scorecard
Program Period January 2019 to December 2019
As of December 31, 2019

	Gross Therm Savings					Program Trackable Expenditures					Lost Revenues (a)	
	Q4 Savings	Year To Date	Current Full Year Plan	Actual % Achieved	NIPSCO Forecast	Q4 Program Expense	Q4 Admin Expense	Q4 Total Expense	Year To Date	Current Full Year Plan	Projected Lost Revenues	Actual Lost Revenues based upon Net Therm Savings
RESIDENTIAL PROGRAMS												
Residential HVAC Energy Efficient Rebates (1)	251,134	1,279,813	1,241,146	103%	99%	\$ 327,618	\$ 13,430	\$ 341,049	\$ 1,725,100	\$ 1,737,402	\$ 103,113	
Residential Home Energy Assessment (1)	10,227	51,336	81,205	63%	74%	\$ 31,265	\$ 3,283	\$ 34,548	\$ 173,013	\$ 414,699	\$ 14,938	
Residential School Education	56,632	186,715	192,060	97%	97%	\$ 122,445	\$ 3,611	\$ 126,056	\$ 415,997	\$ 449,473	\$ 17,447	
Residential Multifamily Direct Install	-	102,278	83,831	122%	> 100%	\$ -	\$ 1,280	\$ 1,280	\$ 169,308	\$ 159,362	\$ 13,353	
Residential Behavioral	309,545	1,524,235	933,740	163%	> 100%	\$ -	\$ 2,694	\$ 2,694	\$ 317,554	\$ 335,242	\$ 68,076	
Residential New Construction	9,372	24,342	29,432	83%	> 100%	\$ 11,362	\$ 330	\$ 11,692	\$ 31,935	\$ 41,109	\$ 2,109	
Residential HomeLife EE Calculator	3,923	6,689	39,625	17%	18%	\$ 8,082	\$ 745	\$ 8,827	\$ 17,029	\$ 92,722	\$ 13,958	
Residential Employee Education	3,841	3,841	30,115	13%	10%	\$ 6,916	\$ 566	\$ 7,482	\$ 9,273	\$ 70,469	\$ 6,804	
Residential IQW (1) (2)	101,202	386,972	299,772	129%	> 100%	\$ 400,013	\$ 7,654	\$ 407,667	\$ 1,771,070	\$ 1,550,577	\$ 13,569	
TOTAL 2019 RESIDENTIAL PROGRAMS (122% of goal)	745,877	3,566,221	2,930,924	122%	> 100%	\$ 907,701	\$ 33,594	\$ 941,295	\$ 4,630,279	\$ 4,851,054	\$ 253,368	
COMMERCIAL & INDUSTRIAL PROGRAMS												
C&I Prescriptive (1)	38,070	98,887	283,068	35%	35%	\$ 41,489	\$ 10,658	\$ 52,148	\$ 128,289	\$ 355,536	\$ 16,098	
C&I Custom (1)	326,519	520,193	645,642	81%	83%	\$ 363,052	\$ 27,362	\$ 390,414	\$ 653,431	\$ 894,051	\$ 31,217	
C&I New Construction	203,383	404,284	168,747	240%	> 100%	\$ 216,243	\$ 7,201	\$ 223,444	\$ 483,803	\$ 234,039	\$ 7,205	
C&I Small Business Direct Install (1)	31,025	216,521	145,296	149%	> 100%	\$ 34,920	\$ 5,775	\$ 40,695	\$ 275,146	\$ 202,174	\$ 7,816	
TOTAL 2019 C&I PROGRAMS (100% of goal)	598,997	1,239,885	1,242,753	100%	> 100%	\$ 655,705	\$ 50,996	\$ 706,701	\$ 1,540,670	\$ 1,685,800	\$ 62,336	
TOTAL 2019 NIPSCO DSM PROGRAMS (115% of goal)	1,344,874	4,806,106	4,173,677	115%	> 100%	\$ 1,563,406	\$ 84,590	\$ 1,647,996	\$ 6,170,949	\$ 6,536,854	\$ 315,703	

a. Lost Revenues are calculated from ex-post net therm savings. Once NIPSCO obtains their annual EM&V Report, the cells in gray will be populated and a final scorecard will be submitted for the program year.





NIPSCO Gas Programs Energy Efficiency Scorecard

Program Period January 2019 to December 2019

As of December 31, 2019

Program Name	Program Description	Program Update
Residential HVAC Rebates	The Heating, Ventilation and Air Conditioning ("HVAC") Program, which will be marketed as the Energy Efficiency Rebate Program, is designed to incentivize natural gas and electric customers to replace inefficient HVAC equipment with energy efficient alternatives. These measures are paid per-unit installed, reimbursing the customer for a portion of their cost. The program's intent is to help remove the financial barrier associated with the initial cost of these energy efficient alternatives. The primary marketing driver for these programs is the construction of a strong and active network of trade allies who are capable of promoting the program to NIPSCO customers directly.	7,335 rebates have been paid out to 5,736 participants.
Residential Home Energy Analysis	The Home Energy Analysis Program, which will be marketed as the Home Energy Assessment ("HEA") Program, provides homeowners with the direct install of low-cost, energy-efficient measures followed by the delivery of a Comprehensive Home Assessment ("CHA") report to the customer. The HEA Program is designed to help homeowners improve the efficiency, safety, and comfort of their homes, as well as deliver an immediate reduction in electricity (kWh) and/or natural gas (therm) consumption savings and promote additional efficiency work. Lockheed Martin will train and utilize several contractors within NIPSCO's service territory to execute this program.	Reported savings reflect 684 home energy assessments.
Residential School Education	The School Education Program, which will be marketed as the Energy Efficiency Education Program, produces cost-effective electric and natural gas savings by influencing 5th grade students and their families to focus on conservation and the efficient use of electricity and natural gas. It provides classroom instruction, posters, and activities aligned with national and state learning standards and energy education kits filled with energy-saving products and advice. Students participate in an energy education presentation at school, learning about basic energy concepts through class lessons and activities. The students also receive an energy education kit of quality, high-efficiency products, that they are instructed to install at home with their families. The experience at home completes the learning cycle started at school. Lockheed Martin will be utilizing the services of the National Energy Foundation ("NEF") to administer this program.	11,444 combo kits and 361 gas only kits have been shipped to participating schools.
Residential Multi Family Direct Install	The Multifamily Direct Install Program ("MFDI") is designed to provide a "one-stop shop" to multifamily building owners, managers, and tenants of multifamily units containing three or more residences receiving service from NIPSCO. The program generates immediate energy savings and improvements in two distinct program phases. Phase I is a walkthrough assessment of each property, while Phase II is an in-unit direct installation of energy-efficient devices at no-cost or low-cost to the tenant or landlord, such as low-flow showerheads, faucet aerators, pipe wrap, and programmable thermostats.	Reported savings reflect 1,324 multifamily units.
Residential Behavioral	The Behavioral Program, which will be marketed as the Home Energy Report, significantly increases energy efficient behavior through customer engagement across a selected population within the NIPSCO service territory. Home Energy Reports are sent to the select population to: 1) show large-scale, measurable, and cost-effective energy savings over a one year period; 2) to increase program participation in select NIPSCO energy efficiency programs; and 3) increase customer satisfaction through an improved customer experience. Lockheed Martin will be utilizing the services of Oracle to administer this program.	186,981 combo customers and 40,530 gas only customers are enrolled and receive a home energy report.
Residential New Construction	The Residential New Construction Program is designed to increase awareness and understanding by home builders of the benefits of energy-efficient building practices, with a focus on capturing energy efficiency opportunities during the design and construction of single family homes. This program will produce long-term, cost-effective savings as a result of the training they have received to achieve the various Home Energy Rating System ("HERS") tiers, along with strategies for incorporating the Silver, Gold, and Platinum approaches and for creating energy efficiency messages into their marketing efforts to home buyers.	Reported savings reflect 453 new construction rebates.
Residential Home Life EE Calculator	The HomeLife Energy Efficiency ("EE") Calculator Program is designed to offer NIPSCO residential customers an online "do-it-yourself" audit and an energy savings kit for carrying out this audit, at no cost to the customer. The audit tool effectively: 1) identifies low-cost/no-cost measures that a NIPSCO residential customer can easily implement to manage their gas consumption; 2) allows eligible customers to request a free home energy kit; 3) educates customers about the variety of programs available to them through the residential EE portfolio; and 4) assists customers in finding qualified and experienced contractors through NIPSCO's trade ally network.	401 kits have been shipped to customers who completed the online HomeLife EE Calculator tool.
Residential Employee Education	The Employee Education Program is designed to offer valuable information to employees of NIPSCO C&I customers by providing residential energy efficiency training seminars at the place of employment. At these seminars, educational materials will be provided to inform residential customers of energy savings opportunities and methods to proactively manage their energy consumption. At the completion of the energy efficiency seminar, employees will be instructed to complete a postcard included in the information packet if they wish to receive an EE kit. Lockheed Martin will be utilizing the services of NEF to administer this program.	230 kits have been shipped to customers who participated in a training seminar and completed a postcard.
Residential IQW	The Income Qualified Weatherization ("IQW") Program provides energy efficiency services to qualifying low-income households. Qualifying participants receive an in-home energy assessment to identify the areas of the home that can be improved so that energy is used more efficiently to help make the home more comfortable and reduce energy costs. The income-qualified appliance replacement measure has been incorporated within this program. Lockheed Martin will utilize the services of the Community Action Program Agencies and its associated contractors within NIPSCO's service territory for the completion of the home assessments.	Reported savings reflect 1,050 income qualified assessments.
C&I Prescriptive	The C&I Prescriptive Program offers a menu of incentives to commercial and industrial customers for installing energy efficient measures by reimbursing a portion of their cost of those pre-selected measures. Customers may have concerns about the initial cost associated with implementing larger energy efficiency upgrades; the incentives provided by this program help remove that barrier.	56 customers have participated in the program.
C&I Custom	The C&I Custom Program is available to commercial and industrial customers for non-prescriptive efficiency measure projects. This program is designed for more complicated projects, or those that incorporate alternative technologies where incentives are based on calculated energy savings. Each project will be specially designed by the customer and will be thoroughly reviewed by Lockheed Martin. The purpose of this program is to provide customers with additional ways for saving energy outside of the traditional rebate program. In 2019, the Custom Program absorbed the Retro-Commissioning Program measures that were previously offered in 2016-2018.	46 customers have participated in the program.
C&I New Construction	The C&I New Construction Program is designed to encourage energy efficient new construction of commercial and industrial facilities within NIPSCO's service territory. This program offers financial incentives to encourage building owners, designers and architects to exceed standard building practices and achieve efficiency, above and beyond the current statewide building code requirements. The goal of the New Construction Program is to produce newly constructed and expanded buildings that are among the most efficient in the nation.	32 customers have participated in the program.
C&I Small Business Direct Install	The C&I Small Business Direct Install ("SBDI") Program is designed to assist small and medium commercial customers throughout NIPSCO's service territory by minimizing energy costs. The SBDI Program provides energy-saving measures paying up to the total cost (material and labor) of the measure by SBDI trade allies.	25 customers have participated in the program.

The NIPSCO forecast was updated on September 30, 2019.

NIPSCO admin expense includes NIPSCO admin, NIPSCO marketing, and charges for the market potential study. EM&V is not included in the scorecard. Beginning with the July 2019 scorecard, admin expense includes NIPSCO marketing. The annual marketing expense is \$132k.

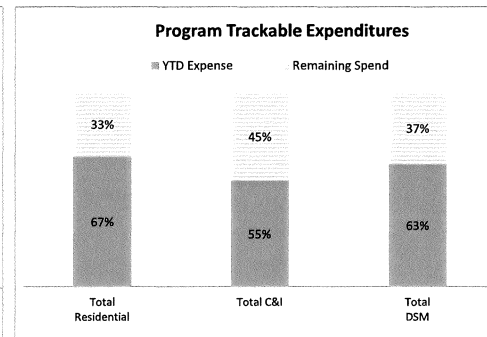
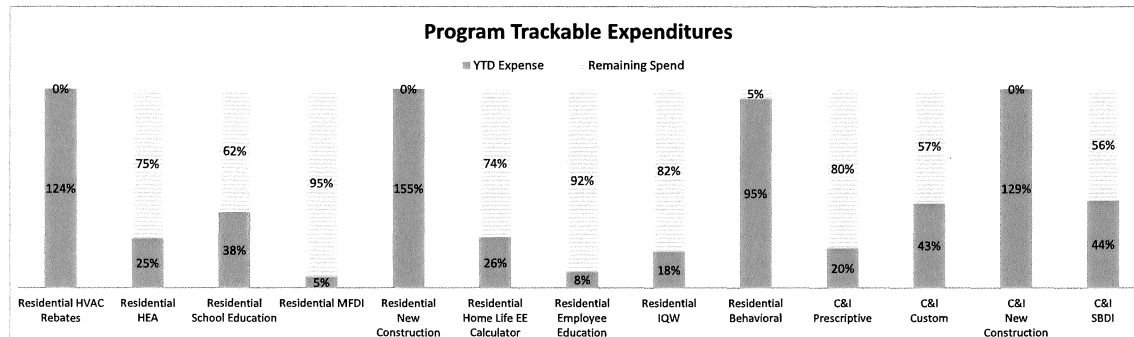
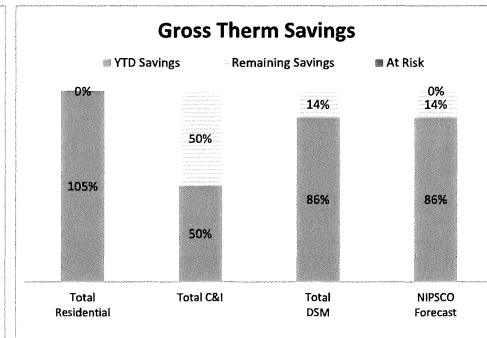
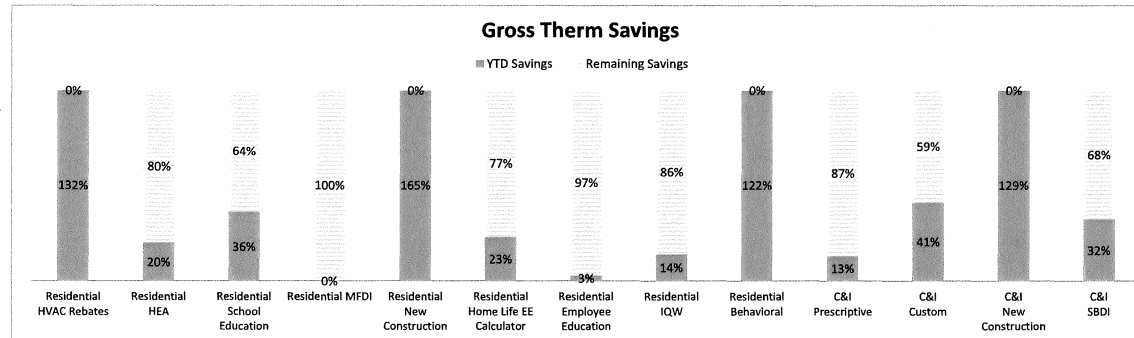
Lockheed Martin is the program implementer for the 2019 Residential and C&I portfolio.

As savings and spend are reported throughout the year, any prior month corrections will be reflected in the YTD column. As such, the sum of monthly/quarterly scorecards may not equal the YTD balance. (1) Planned savings and spend have been updated to reflect 2018 projects that were processed in 2019. The Residential plan increased by 71,654 therms and \$179,819 across HVAC Rebates, HEA, and IQW. The C&I plan increased by 37,418 therms and \$36,947 across Prescriptive, Custom, and SBDI. (2) On October 25, 2019, the OSB approved NIPSCO's request for additional money for the IQW program to meet the projected savings goal based on authority granted by the Indiana Utility Regulatory Commission and outlined in NIPSCO's Governance Document. The updated budget and savings goal are included beginning with the October results.



NIPSCO Gas Programs Energy Efficiency Scorecard
Program Period January 2020 to December 2020
As of September 30, 2020

	Gross Therm Savings					Program Trackable Expenditures					Lost Revenues
	Q3 Savings	Year To Date	Current Full Year Plan	Actual % Achieved	NIPSCO Forecast	Q3 Program Expense	Q3 Admin Expense	Q3 Total Expense	Year To Date	Current Full Year Plan	Projected Lost Revenues
RESIDENTIAL PROGRAMS											
Residential HVAC Rebates	381,039	1,405,489	1,064,221	132%	> 100%	\$ 488,193	\$ 21,494	\$ 509,687	\$ 1,901,483	\$ 1,529,165	\$ 86,765
Residential Home Energy Analysis (HEA)	-	12,032	59,784	20%	33%	\$ -	\$ 2,987	\$ 2,987	\$ 53,102	\$ 213,188	\$ 8,128
Residential School Education	-	67,646	186,804	36%	> 100%	\$ -	\$ 6,616	\$ 6,616	\$ 178,203	\$ 470,432	\$ 16,108
Residential Multi Family Direct Install (MFDI)	-	-	101,856	0%	0%	\$ -	\$ 2,574	\$ 2,574	\$ 9,863	\$ 182,942	\$ 9,359
Residential New Construction	13,371	64,389	38,956	165%	> 100%	\$ 17,472	\$ 784	\$ 18,257	\$ 86,430	\$ 55,727	\$ 2,356
Residential Home Life EE Calculator	989	3,571	15,707	23%	33%	\$ 2,166	\$ 552	\$ 2,718	\$ 10,080	\$ 39,457	\$ 3,252
Residential Employee Education	-	505	15,707	3%	3%	\$ -	\$ 552	\$ 552	\$ 3,258	\$ 39,368	\$ 2,527
Residential Income Qualified Weatherization (IQW)	-	27,884	196,522	14%	14%	\$ -	\$ 18,781	\$ 18,781	\$ 242,523	\$ 1,334,093	\$ 18,353
RESIDENTIAL PROGRAMS SUBTOTAL	395,399	1,581,516	1,679,556	94%	> 100%	\$ 507,831	\$ 54,340	\$ 562,171	\$ 2,484,943	\$ 3,864,372	\$ 146,848
Residential Behavioral	47,252	1,289,714	1,060,936	122%	> 100%	\$ -	\$ 5,482	\$ 5,482	\$ 370,621	\$ 389,606	\$ 196,331
TOTAL 2020 RESIDENTIAL PROGRAMS (105% of goal)	442,651	2,871,230	2,740,492	105%	> 100%	\$ 507,831	\$ 59,822	\$ 567,653	\$ 2,855,563	\$ 4,253,979	\$ 343,179
COMMERCIAL & INDUSTRIAL PROGRAMS (C&I)											
C&I Prescriptive	17,647	37,722	294,292	13%	34%	\$ 30,473	\$ 5,078	\$ 35,551	\$ 76,077	\$ 379,539	\$ 19,293
C&I Custom	98,382	289,529	711,652	41%	70%	\$ 114,184	\$ 13,375	\$ 127,559	\$ 425,754	\$ 999,614	\$ 41,883
C&I New Construction (1)	40,476	337,734	262,819	129%	>100%	\$ 64,989	\$ 4,939	\$ 69,928	\$ 474,124	\$ 368,802	\$ 7,255
C&I Small Business Direct Install (SBDI)	33,254	46,673	144,471	32%	48%	\$ 63,496	\$ 2,824	\$ 66,320	\$ 92,794	\$ 211,073	\$ 10,332
TOTAL 2020 C&I PROGRAMS (50% of goal)	189,759	711,659	1,413,233	50%	79%	\$ 273,142	\$ 26,216	\$ 299,359	\$ 1,068,750	\$ 1,959,029	\$ 78,763
TOTAL 2020 NIPSCO DSM PROGRAMS (86% of goal)	632,410	3,582,889	4,153,725	86%	> 100%	\$ 780,973	\$ 86,038	\$ 867,012	\$ 3,924,313	\$ 6,213,008	\$ 421,942





NIPSCO Gas Programs Energy Efficiency Scorecard

Program Period January 2020 to December 2020

As of September 30, 2020

Attachment 2-C

Page 2 of 2

Program Name	Program Description	Program Update
Residential HVAC Rebates	The Heating, Ventilation and Air Conditioning ("HVAC") Rebates Program, which will be marketed as the Energy Efficiency Rebate Program, is designed to incentivize natural gas and electric customers to replace inefficient HVAC equipment with energy efficient alternatives. These measures are paid per-unit installed, reimbursing the customer for a portion of their cost. The program's intent is to help remove the financial barrier associated with the initial cost of these energy efficient alternatives. The primary marketing driver for these programs is the construction of a strong and active network of trade allies who are capable of promoting the program to NIPSCO customers directly.	7,875 rebates have been paid out to 6,147 participants.
Residential Home Energy Analysis	The Home Energy Analysis Program, which will be marketed as the Home Energy Assessment ("HEA") Program, provides homeowners with the direct install of low-cost, energy-efficient measures followed by the delivery of a Comprehensive Home Assessment ("CHA") report to the customer. The HEA Program is designed to help homeowners improve the efficiency, safety, and comfort of their homes, as well as deliver an immediate reduction in electricity (kWh) and/or natural gas (therm) consumption savings and promote additional efficiency work. TRC will be utilizing the services of Solutions for Energy Efficient Logistics ("SEEL") to administer this program.	Reported savings reflect 144 home energy assessments.
Residential School Education	The School Education Program, which will be marketed as the Energy Efficiency Education Program, produces cost-effective electric and natural gas savings by influencing 5th grade students and their families to focus on conservation and the efficient use of electricity and natural gas. It provides classroom instruction, posters, and activities aligned with national and state learning standards and energy education kits filled with energy-saving products and advice. Students participate in an energy education presentation at school, learning about basic energy concepts through class lessons and activities. The students also receive an energy education kit of quality, high-efficiency products, that they are instructed to install at home with their families. The experience at home completes the learning cycle started at school. TRC will be utilizing the services of the National Energy Foundation ("NEF") to administer this program.	4,247 combo kits and 89 gas only kits have been shipped to participating schools.
Residential Multi Family Direct Install	The Multi Family Direct Install Program ("MFDI") is designed to provide a "one-stop shop" to multifamily building owners, managers, and tenants of multifamily units containing three or more residences receiving service from NIPSCO. The program generates immediate energy savings and improvements in two distinct program phases. Phase I is a walkthrough assessment of each property, while Phase II is an in-unit direct installation of energy-efficient devices at no-cost or low-cost to the tenant or landlord, such as low-flow showerheads, faucet aerators, pipe wrap, and programmable thermostats. TRC will be utilizing the services of SEEL to administer this program.	Reported savings reflect 0 multifamily units.
Residential New Construction	The Residential New Construction Program is designed to increase awareness and understanding by home builders of the benefits of energy-efficient building practices, with a focus on capturing energy efficiency opportunities during the design and construction of single family homes. This program will produce long-term, cost-effective savings as a result of the training they have received to achieve the various Home Energy Rating System ("HERS") tiers, along with strategies for incorporating the Silver, Gold, and Platinum approaches and for creating energy efficiency messages into their marketing efforts to home buyers.	Reported savings reflect 1,193 new construction rebates.
Residential Home Life EE Calculator	The Home Life Energy Efficiency ("EE") Calculator Program is designed to offer NIPSCO residential customers an online "do-it-yourself" audit and an energy savings kit for carrying out this audit, at no cost to the customer. The audit tool effectively: 1) identifies low-cost/no-cost measures that a NIPSCO residential customer can easily implement to manage their gas consumption; 2) allows eligible customers to request a free home energy kit; 3) educates customers about the variety of programs available to them through the residential EE portfolio; and 4) assists customers in finding qualified and experienced contractors through NIPSCO's trade ally network.	207 kits have been shipped to customers who completed the online HomeLife EE Calculator tool.
Residential Employee Education	The Employee Education Program is designed to offer valuable information to employees of NIPSCO C&I customers by providing residential energy efficiency training seminars at the place of employment. At these seminars, educational materials will be provided to inform residential customers of energy savings opportunities and methods to proactively manage their energy consumption. At the completion of the energy efficiency seminar, employees will be instructed to complete a postcard included in the information packet if they wish to receive an EE kit. TRC will be utilizing the services of NEF to administer this program.	23 kits have been shipped to customers who participated in a training seminar and completed a postcard.
Residential Income Qualified Weatherization	The Income Qualified Weatherization ("IQW") Program provides energy efficiency services to qualifying low-income households. Qualifying participants receive an in-home energy assessment to identify the areas of the home that can be improved so that energy is used more efficiently to help make the home more comfortable and reduce energy costs. The income-qualified appliance replacement measure has been incorporated within this program. TRC will be utilizing the services of SEEL to administer this program.	Reported savings reflect 155 income qualified assessments.
Residential Behavioral	The Income Qualified Weatherization ("IQW") Program provides energy efficiency services to qualifying low-income households. Qualifying participants receive an in-home energy assessment to identify the areas of the home that can be improved so that energy is used more efficiently to help make the home more comfortable and reduce energy costs. The income-qualified appliance replacement measure has been incorporated within this program. Lockheed Martin will utilize the services of the Community Action Program Agencies and its associated contractors within NIPSCO's service territory for the completion of the home assessments.	193,180 combo customers and 38,731 gas only customers are enrolled and receive a home energy report.
C&I Prescriptive	The Income Qualified Weatherization ("IQW") Program provides energy efficiency services to qualifying low-income households. Qualifying participants receive an in-home energy assessment to identify the areas of the home that can be improved so that energy is used more efficiently to help make the home more comfortable and reduce energy costs. The income-qualified appliance replacement measure has been incorporated within this program. Lockheed Martin will utilize the services of the Community Action Program Agencies and its associated contractors within NIPSCO's service territory for the completion of the home assessments.	11 customers have participated in the program, and pipeline savings total 6,448 therms.
C&I Custom	The Income Qualified Weatherization ("IQW") Program provides energy efficiency services to qualifying low-income households. Qualifying participants receive an in-home energy assessment to identify the areas of the home that can be improved so that energy is used more efficiently to help make the home more comfortable and reduce energy costs. The income-qualified appliance replacement measure has been incorporated within this program. Lockheed Martin will utilize the services of the Community Action Program Agencies and its associated contractors within NIPSCO's service territory for the completion of the home assessments.	29 customers have participated in the program, and pipeline savings total 267,102 therms.
C&I New Construction	The Income Qualified Weatherization ("IQW") Program provides energy efficiency services to qualifying low-income households. Qualifying participants receive an in-home energy assessment to identify the areas of the home that can be improved so that energy is used more efficiently to help make the home more comfortable and reduce energy costs. The income-qualified appliance replacement measure has been incorporated within this program. Lockheed Martin will utilize the services of the Community Action Program Agencies and its associated contractors within NIPSCO's service territory for the completion of the home assessments.	25 customers have participated in the program, and pipeline savings total 306,424 therms.
C&I Small Business Direct Install	The Income Qualified Weatherization ("IQW") Program provides energy efficiency services to qualifying low-income households. Qualifying participants receive an in-home energy assessment to identify the areas of the home that can be improved so that energy is used more efficiently to help make the home more comfortable and reduce energy costs. The income-qualified appliance replacement measure has been incorporated within this program. Lockheed Martin will utilize the services of the Community Action Program Agencies and its associated contractors within NIPSCO's service territory for the completion of the home assessments.	4 customers have participated in the program, and pipeline savings total 0 therms.
a) The NIPSCO forecast will be updated on a quarterly basis and was updated on September 30, 2020. TRC provided the gas Q3 forecast to include the COVID-19 impact on Residential and C&I DSM programs. The current list of postponed Residential programs include HEA, MFDI, School Education, Employee Education and IQW.		
b) NIPSCO admin expense includes NIPSCO admin (\$274k), NIPSCO marketing (\$149k), and charges for the market potential study (\$206k). EM&V is not included in the scorecard.		
TRC is the program implementer for the 2020 Residential and C&I portfolio.		
As savings and spend are reported throughout the year, any prior month corrections will be reflected in the YTD column. As such, the sum of monthly/quarterly scorecards may not equal the YTD balance. 1) C&I New Construction planned savings were increased by 75,542 therms and plan expense increased by \$95,742 to account for savings that were not achieved in 2019.		

Program Cost								
	TRC Implementation Cost	NIPSCO Admin 5%	NIPSCO Marketing 2.5%	EM&V 5%	Program Budget	Lost Revenue	Total Program Costs	
PY2022								
Residential								
Home Rebates	\$ 1,792,838	\$ 89,642	\$ 44,821	\$ 89,642	\$ 2,016,943	\$ 92,284	\$ 2,109,227	
Home Energy Analysis	\$ 148,952	\$ 7,448	\$ 3,724	\$ 7,448	\$ 167,572	\$ 6,344	\$ 173,916	
School Education	\$ 412,374	\$ 20,619	\$ 10,309	\$ 20,619	\$ 463,921	\$ 25,807	\$ 489,728	
Multifamily Direct Install	\$ 178,001	\$ 8,900	\$ 4,450	\$ 8,900	\$ 200,251	\$ 12,272	\$ 212,523	
Home Energy Report	\$ 400,000	\$ 20,000	\$ 10,000	\$ 20,000	\$ 450,000	\$ 233,401	\$ 683,401	
Residential New Construction	\$ 251,444	\$ 12,572	\$ 6,286	\$ 12,572	\$ 282,874	\$ 11,844	\$ 294,718	
Home Life EE Calculator	\$ 34,965	\$ 1,748	\$ 874	\$ 1,748	\$ 39,335	\$ 2,088	\$ 41,423	
Income Qualified Weatherization	\$ 1,540,284	\$ 77,014	\$ 38,507	\$ 77,014	\$ 1,732,819	\$ 33,839	\$ 1,766,658	
Residential Online Marketplace	\$ 35,955	\$ 1,798	\$ 899	\$ 1,798	\$ 40,450	\$ 4,376	\$ 44,826	
Residential Portfolio	\$ 4,794,813	\$ 239,741	\$ 119,870	\$ 239,741	\$ 5,394,165	\$ 422,255	\$ 5,816,420	
C&I								
Prescriptive	\$ 354,362	\$ 17,718	\$ 8,859	\$ 17,718	\$ 398,657	\$ 20,229	\$ 418,886	
Custom	\$ 806,940	\$ 40,347	\$ 20,174	\$ 40,347	\$ 907,808	\$ 40,954	\$ 948,762	
C&I New Construction	\$ 320,333	\$ 16,017	\$ 8,008	\$ 16,017	\$ 360,375	\$ 12,300	\$ 372,675	
SBDI	\$ 319,426	\$ 15,971	\$ 7,986	\$ 15,971	\$ 359,354	\$ 17,168	\$ 376,522	
C&I Online Marketplace	\$ 91,016	\$ 4,551	\$ 2,275	\$ 4,551	\$ 102,393	\$ 6,764	\$ 109,157	
SMBS Energy Engagement	\$ 6,310	\$ 316	\$ 158	\$ 316	\$ 7,100	\$ 2,893	\$ 9,993	
C&I Portfolio	\$ 1,898,387	\$ 94,920	\$ 47,460	\$ 94,920	\$ 2,135,687	\$ 100,308	\$ 2,235,995	
Total Programs 2022	\$ 6,693,200	\$ 334,661	\$ 167,330	\$ 334,661	\$ 7,529,852	\$ 522,563	\$ 8,052,415	

Program Cost								
	TRC Implementation Cost	NIPSCO Admin 5%	NIPSCO Marketing 2.5%	EM&V 5%	Program Budget	Lost Revenue	Total Program Costs	
PY2023								
Residential								
Home Rebates	\$ 1,810,555	\$ 90,528	\$ 45,264	\$ 90,528	\$ 2,036,875	\$ 262,654	\$ 2,299,529	
Home Energy Analysis	\$ 149,795	\$ 7,490	\$ 3,745	\$ 7,490	\$ 168,520	\$ 17,812	\$ 186,332	
School Education	\$ 415,503	\$ 20,775	\$ 10,388	\$ 20,775	\$ 467,441	\$ 73,450	\$ 540,891	
Multifamily Direct Install	\$ 179,532	\$ 8,977	\$ 4,488	\$ 8,977	\$ 201,974	\$ 34,929	\$ 236,903	
Home Energy Report	\$ 419,578	\$ 20,979	\$ 10,489	\$ 20,979	\$ 472,025	\$ 236,667	\$ 708,692	
Residential New Construction	\$ 254,181	\$ 12,709	\$ 6,355	\$ 12,709	\$ 285,954	\$ 33,711	\$ 319,665	
Home Life EE Calculator	\$ 35,235	\$ 1,762	\$ 881	\$ 1,762	\$ 39,640	\$ 5,941	\$ 45,581	
Income Qualified Weatherization	\$ 1,544,507	\$ 77,225	\$ 38,613	\$ 77,225	\$ 1,737,570	\$ 95,990	\$ 1,833,560	
Residential Online Marketplace	\$ 36,501	\$ 1,825	\$ 913	\$ 1,825	\$ 41,064	\$ 12,454	\$ 53,518	
Residential Portfolio	\$ 4,845,387	\$ 242,270	\$ 121,136	\$ 242,270	\$ 5,451,063	\$ 773,608	\$ 6,224,671	
C&I								
Prescriptive	\$ 375,963	\$ 18,798	\$ 9,399	\$ 18,798	\$ 422,958	\$ 57,182	\$ 480,140	
Custom	\$ 816,589	\$ 40,829	\$ 20,415	\$ 40,829	\$ 918,662	\$ 115,253	\$ 1,033,915	
C&I New Construction	\$ 341,425	\$ 17,071	\$ 8,536	\$ 17,071	\$ 384,103	\$ 35,250	\$ 419,353	
SBDI	\$ 341,650	\$ 17,083	\$ 8,541	\$ 17,083	\$ 384,357	\$ 48,659	\$ 433,016	
C&I Online Marketplace	\$ 100,835	\$ 5,042	\$ 2,521	\$ 5,042	\$ 113,440	\$ 19,387	\$ 132,827	
SMBS Energy Engagement	\$ 15,632	\$ 782	\$ 391	\$ 782	\$ 17,587	\$ 6,958	\$ 24,545	
C&I Portfolio	\$ 1,992,094	\$ 99,605	\$ 49,803	\$ 99,605	\$ 2,241,107	\$ 282,689	\$ 2,523,796	
Total Programs 2023	\$ 6,837,481	\$ 341,875	\$ 170,939	\$ 341,875	\$ 7,692,170	\$ 1,056,297	\$ 8,748,467	

2022-2023 Evaluation, Measurement and Verification ("EM&V") Process

NIPSCO proposes to use Illume Advising, LLC (which was approved by the OSB and based on a request for proposal conducted in 2019 to select the vendor to evaluate the Current Plan), a highly qualified and experienced independent evaluator to perform an evaluation, measurement and verification of NIPSCO's Electric and Natural Gas Programs for the program years 2022-2023. The scope of services requires the winning EM&V bidder ("Evaluator") to work directly with the Commercial & Industrial and Residential Energy Efficiency Program vendor, TRC Companies, to obtain and review the necessary data, establish submission dates, and obtain the necessary supporting documentation for the evaluation, measurement and verification of the programs. It is important to note that as part of the process the evaluator should ensure the process is aligned with the applicable environmental regulations, including federal regulations concerning credits for emission reductions.

To comply with the Indiana Utility Regulatory Commission's annual filing requirement by July 1, the Evaluator will deliver to NIPSCO: (1) An annual EM&V report with the details of the evaluation by program year, (2) An executive summary outlining high level details and impacts of the evaluation program year, and (3) An annual binder (Excel format) outlining the gross and net savings of each program by fuel type.

The Evaluator will perform the following overall scope of work:

1. **Planning:** The Evaluator will provide an evaluation plan specific to each of the energy efficiency programs that is expected to be approved for program years 2022-2023. All DSM programs will be evaluated and cost estimated based on a 90% confidence Level with +/- 10% precision level and for the 2-year program cycle (90/10 confidence interval) at the program level. Each program is to be evaluated on an annual basis, unless otherwise directed by NIPSCO and its Oversight Board ("OSB").
2. **Identifying gross and net savings:** In order to validate gross and net savings of programs, the Evaluator will conduct impact evaluations, process evaluations, market effects evaluations, customer satisfaction evaluations, and related studies in relation to the 2022-2023 energy-efficiency programs.
3. **Conducting a thorough process evaluation:** The process evaluation will be conducted for each program to assess the impact, improve program delivery, as well as gauge the targeted budget and quality control. Recommendations for program delivery and implementation over the remaining period of the program will be outlined. Activities to perform process evaluation include conducting NIPSCO and implementer staff interviews, home energy auditor interviews, material review, and participant (customer and trade ally) surveys.
4. **Performing cross-cutting tasks including benchmarking:** Review of market effects that may have occurred outside of the energy efficiency programs will be outlined. Also to be considered are energy and demand savings that resulted from program operations but have not been captured during the program's annual EM&V activities. This includes but may not be limited to:
 - a) Assessment of fundamental shifts in the energy market place using existing NIPSCO data, EM&V data collection, and/or data collected through other NIPSCO studies as relevant.
 - b) Assessment of market baselines, customer needs, target markets, barriers to adoption of energy efficiency and how best to address these issues in terms of program specific details will be discussed. Findings should help NIPSCO decide what constitutes the programs' key markets and clients and how to best serve its customers.
5. **Conducting an impact evaluation:** An impact evaluation will be conducted, which will include performing database and project reviews, onsite verification of measure installation and metering, engineering analysis, TRM review, and assessments of net to gross ("NTG") and spillover. Elements detailed within the impact evaluation include but are not limited to:
 - a) Electric energy savings kilowatt hours ("kWh")
 - b) Electric demand savings: NIPSCO Coincident Peak kilowatts ("kW") and Utility-specific Non-Coincident Peak kW
 - c) Gas energy savings therms
 - d) When applicable, impact of free riders, spillover, rebound effects and calculation of Net Savings
 - e) Hourly customer usage patterns (defined as load shapes of customers participating in a particular program)
 - f) Cost Benefit Analysis