Phone 505-697-3831
Fax 505-697-4487

June 27, 2025

Ms. Melanie Sandoval
New Mexico Public Regulation Commission
P. O. Box 1269
Santa Fe, New Mexico 87504-1269

RE: New Mexico Gas Company Inc.'s 2024 Energy Efficiency Program Annual Report
NMPRC Case No. 22-00232-UT

Dear Ms. Sandoval:

Pursuant to New Mexico Public Regulation Commission's ("NMPRC" or the "Commission") Final Order in Case No. 22-00232-UT and Rule 17.7.2.8 NMAC, New Mexico Gas Company, Inc. ("NMGC" or the "Company") hereby submits its 2024 Energy Efficiency Program Annual Report ("2024 Report"). The Company's 2024 Report includes the Annual Reconciliation, Rate 1-15 calculations, and Evaluation of the Company's 2024 Energy Efficiency Programs - Measurement and Verification Report ("M&V Report") submitted by the independent program evaluation firm EcoMetric Consulting LLC, as designated by the Commission.

In accordance with NMPRC Rule 17.7.2.14 NMAC, NMGC will post separately its 2024 Report and M&V Report to its website at www.nmgco.com.

If you have any questions or require any additional information, please do not hesitate to contact me at (505) 697-3831. Thank you for your assistance in this matter.

Sincerely,

/s/Lisa Trujillo

Lisa Trujillo
Project Manager, Regulatory Affairs

Enclosures

cc: Certificate of Service

2024

Energy Efficiency Program

Annual Report

June 27, 2025

NEW MEXICO GAS COMPANY, INC.
2024 ENERGY EFFICIENCY PROGRAM
ANNUAL REPORT

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Introduction

New Mexico Gas Company, Inc. ("NMGC" or the "Company") hereby submits its 2024 Energy Efficiency Program Annual Report ("2024 Report") for the period of April 1, 2024, through March 31, 2025 ("2024 Program Year"). Additionally, included as Appendix C to the 2024 Report is the independent evaluator's, EcoMetric Consulting ("EcoMetric"), final report entitled "PY 2024 Evaluation of New Mexico Gas Company Energy Efficiency Programs," ("M&V Report"), which was completed on June 20, 2025.

On August 31, 2022, NMGC filed its 2023 - 2025 Program Plan ("Program") with the New Mexico Public Regulation Commission ("NMPRC" or "Commission") docketed as Case No. 22-00232-UT. The Program was approved by the NMPRC on March 22, 2023, and became available to customers on April 1, 2023. The 2024 Report covers all costs incurred in the implementation of the programs and customer participation during the 2024 Program Year.

The following programs and offerings are included in the 2024 Report:

1. Water Heating – tankless water heaters, condensing tank water heaters, high efficiency showerheads and faucet aerators and pipe wrap measures.
2. Space Heating – furnaces, boilers, insulation and smart thermostat measures.
3. New Homes – incentives to home builders to build high performance homes through several methodologies including high efficiency furnaces, boilers and water heaters, tightening of envelope and ductwork, location of equipment, and increased insulation values.
4. Income Qualified – multiple natural gas saving measures for individual low-income residences including Native American and Manufactured Home communities.
5. Multi-Family – multiple natural gas saving measures for both low-income and market-rate multi-family facilities.
6. Efficient Buildings – multiple natural gas saving measures for commercial and school facilities including direct install, prescriptive and custom.
7. Home Energy Reports – reports delivered to NMGC customers that provide energy savings information and recommendations for their specific home.

The 2024 Report includes an Executive Summary that presents a high-level assessment of the program performance for the 2024 Program Year, followed by a summary of the findings of the M&V Report and the impacts on the future of the programs. The 2024 Report also includes specific program information as required by 17.7.2 NMAC ("EE Rule") as well as additional program information.

Executive Summary

This is NMGC's sixteenth annual report on the Company's Program, that includes detailed results of the Company's seven programs for the 2024 Program Year as approved in NMPRC Case No. 22-00232-UT.

The following table reflects the total number of customer participants, savings, and program costs for the 2024 Program Year. The savings for each program are net savings (which are adjusted for free-ridership) derived from the final conclusions in the M&V Report reached by EcoMetric's evaluation of NMGC's 2024 Program Year.

M&V Program Savings and UCT Results						
Program	Participants	Total Annual Net Savings (Therms)*	Lifetime Net Savings (Therms)*	Total Program Costs	UCT**	Cost per Therm Saved
Water Heating	13,777	197,210	2,820,103	$1,315,081	1.04	$0.47
Space Heating	25,713	664,406	8,506,493	$2,089,825	1.99	$0.25
New Homes	1,345	369,192	7,486,443	$1,288,848	2.52	$0.17
Income Qualified	980	427,047	5,870,810	$3,546,125	0.97	$0.60
Multi-Family	1,455	101,445	1,524,155	$753,349	1.11	$0.49
Efficient Buildings	310	1,993,988	15,885,983	$5,092,650	1.71	$0.32
Home Energy Reports	194,470	1,240,513	1,240,513	$782,811	1.74	$0.63
Portfolio Costs	N/A	N/A	N/A	$293,703	N/A	N/A
Total	238,050	4,993,801	43,334,500	$15,162,392	1.53	$0.35

Net savings adjusted for free-ridership and derived from M&V Report

****Low UCT for the Income Qualified Program is addressed below***

Although the overall portfolio Utility Cost Test ("UCT") ratio of 1.53 surpassed the required UCT criteria of 1.00, the Income Qualified program did not achieve the 1.00 UCT as stand-alone programs.

The Income Qualified program did not meet the UCT as anticipated in NMGC's Report on Income Qualified Program filed with the Commission on June 30, 2023, in NMPRC Case No. 22-00232-UT.

The Final Order in NMPRC Case No. 22-00232-UT required NMGC to consult with the New Mexico Department of Justice ("NMDOJ") and revise the Income Qualified program to address the backlog of weatherization requests of qualified customers that the New Mexico Mortgage Finance Authority ("MFA") was experiencing. NMGC met with the NMDOJ and MFA and came up with a proposal to provide MFA with an additional $300,000 in funding to help reduce MFA's backlog. The additional funding provides eligible NMGC customers with weatherization/energy-related home repair services that would normally be provided using Department of Energy

("DOE") funds, but which would not be utilized for these customers due to DOE prioritization criteria. Since the additional funding increases costs but does not necessarily increase savings, NMGC expected that the Income Qualified program would most likely not meet the 1.00 criteria, but NMGC expected that the overall portfolio would continue to satisfy the UCT. This is the case for the 2024 Program Year.

The following table indicates the Program's costs by category for its energy efficiency portfolio during the 2024 Program Year.

Program Year 2024*	Total Actual Costs
Administration (Internal and External)	$6,132,638
Promotion/Marketing	$188,940
Measurement and Verification	$251,000
Rebates	$8,296,111
Portfolio Costs	$293,703
Total	$15,162,392

*Program Year 2024 - NMPRC Case No. 22-00232-UT

Administration

The figures in this category include both internal and external administration of the Program. Internal administration is the labor and administrative costs for the NMGC Energy Efficiency Department Staff ("EE Staff"), expended on energy efficiency programs in research, development and oversight of the Program, as well as NMPRC compliance reporting and ongoing interface with the Company's program administrators and M&V activity. External administration are costs associated with third party program administration of NMGC's programs. ICF Resources, LLC ("ICF") administers the Water Heating, Space Heating, New Homes and Home Energy Reports programs. MFA administers the Income Qualified program, including the Weatherization Assistance Program. EnergyWorks administers the Native American Energy Efficiency, Manufactured Home Communities, and Community Energy Efficiency Programs. CLEAResult administers the Efficient Buildings program and ICAST administered the Multi-Family program. All five of the third-party program administrators were under contract with NMGC during the 2024 Program Year. Third-party administration costs include labor and other direct expenses related to program implementation planning, program marketing and website materials development and management, outreach and marketing of the programs to eligible participants, energy efficiency opportunity identification and assessment, energy engineering and energy

savings validation, some direct installation of weatherization measures including high efficiency faucet aerators and low flow pre-rinse spray valves, rebate processing and quality control inspections. The cost for ICF, MFA, EnergyWorks, ICAST and CLEAResult to review rebate applications and determine eligibility of customers for their respective programs is also included in the third-party administration costs.

Promotion/Marketing

This cost category contains all promotional costs expended on the Program including brochures, direct mail costs, newspaper, radio, television, media design and production expended by NMGC and all other promotional or marketing costs not included in third-party contracts.

Measurement and Verification

The M&V costs include final invoices received from EcoMetric since April 1, 2024, for performing final M&V activities for the prior program year and also includes costs for invoices received and paid through March 31, 2025, for their continued evaluation of NMGC's 2024 Program Year.

Rebates

The rebate cost category includes all rebates paid directly to participating customers or for measures and services provided under the Income Qualified, Multi-Family and Efficient Buildings programs. Labor and materials necessary for some direct-install measures are also included in this category.

Portfolio Costs

This cost category includes all costs related to the energy efficiency portfolio but not directly associated to an individual program such as legal expenses, training, research and development, and general education activities.

The EE Rule requires that an independent evaluator conduct M&V assessments of all energy efficiency programs. For the 2024 Program Year, the NMPRC selected EcoMetric to provide an M&V Report on all seven of the energy efficiency programs offered by NMGC and approved by the Commission in NMPRC Case No. 22-00232-UT.

Tariff Collections

As of April 1, 2024, when the 2024 Program Year began, NMGC was charging eligible sales service and transportation customers the approved Rider rate of $0.0304/therm (Advice Notice No. 94), for recovery of program costs. The rate remained in effect from April 1, 2024, through July 31, 2024. On June 26, 2024, NMGC submitted Advice Notice No. 99, updating the rate charged by Rate No. 1-15 - Rate Rider No. 15 Energy Efficiency Rider ("Rider 15") in alignment with the annual reconciliation. This Advice Notice was accompanied by supporting testimony and exhibits which included the annual Rider 15 reconciliation report pursuant to 17.7.2.13(C) NMAC, requiring reconciliation of collections from the prior year, along with proposals to make up under or over-collections. The new rate of $0.0257/therm for Rider 15 was approved with an effective date of the first billing cycle for August 2024. Total cost recoveries through Rider 15 from April

1, 2024, to March 31, 2025, were $13,615,437. Rider 15 continues at the current rate of $0.0257 as of this filing.

Tariff Reconciliation

Pursuant to the provisions of 17.7.2.13 NMAC and NMGC's Second Rule No. 37 – Rate Rider No. 15 Details ("Rule No. 37"), which require reconciliation of collections from the prior year, along with proposals to make up under or over-collections, attached as Appendix B is the Program Reconciliation and Cost Recovery Calculation and the Program Cost Rider Calculation reports.

The beginning balance in the Energy Efficiency account on March 31, 2024, was an over-collection of $1,694,667. Expenses incurred between April 1, 2024, through March 31, 2025, totaled $15,640,870 (this included a carry-over from the prior Program Year, as well as additional expenses attributed to the 2024 Program Year incurred after March 31, 2025). Additional expenses of $1,570,314 were incurred after March 31, 2025, but attributable to the 2024 Program Year, mostly due to invoices received from contractors after March 31, 2025. Actual carrying charges of $114,953 charged to customers for the same period increased the expense to $15,755,823. Total collections for the period totaled $13,615,437. Collections included $1,070,796 for Incentives, of which $102,246 was over-collected. Collections not including Incentives were $12,646,888, resulting in a net under-collection of $3,108,935. Including the beginning balance of an over-collection of $1,694,667 on April 1, 2024, the total net under-collection on March 31, 2025, was $1,414,268. Based on the above and pursuant to NMPRC Case No. 22-00232-UT, approving NMGC's 2025 Program Year budget of $16,310,201, NMGC's calculated Surcharge Factor of $0.0380/therm for the 2025 Program Year will, upon approval, be implemented and charged through the 2025 Program Year for the recovery of the Program costs.

Regulatory Proceedings

NMGC filed its energy efficiency application for the 2023 – 2025 Program Years on August 31, 2022. It subsequently was assigned NMPRC Case No. 22-00232-UT.

The Hearing for NMPRC Case No. 22-00232-UT was held January 9, 2023. The Hearing Examiner provided a Recommended Decision ("RD") to the Commission and the RD was approved through a Final Order on March 22, 2023. Included in the Final Order was a directive for NMGC to consult with the NMDOJ to address MFA's weatherization waiting list and report no later than July 1, 2023, as to how it plans to reduce the list.

NMGC consulted with the NMDOJ and MFA and agreed that NMGC would provide MFA an additional $300,000 to specifically target reducing the waiting list. The agreement reached included the understanding that the UCT for the Income Qualified program would most likely result in the program not reaching the 1.00 criteria but would not necessarily have an adverse effect on the overall portfolio's UCT. The agreement was reported to the NMPRC in June 2023.

NMGC received the final M&V Report for its 2023 Program Year from EcoMetric on June 21, 2024. On June 26, 2024, NMGC filed with the Commission its M&V and its 2023 Program Year Annual Reports.

Also, on June 26, 2024, NMGC submitted a report on the rate charged by Rider 15. The Rider 15 reconciliation report is pursuant to 17.7.2.13(C) NMAC, requiring reconciliation of collections from the prior year, along with proposals to make up under or over-collections. NMGC filed Advice Notice No. 99 to decrease the Energy Efficiency Fee to $0.0257 per therm as of the first billing cycle for August 2024.

NMGC received the final M&V Report for its 2024 Program Year from EcoMetric on June 20, 2025. On June 27, 2025, NMGC filed with the Commission its M&V and its 2024 Program Year Annual Reports.

Also, on June 27, 2025, NMGC submitted a report on the rate charged by Rider 15. The Rider 15 reconciliation report is pursuant to 17.7.2.13(C) NMAC, requiring reconciliation of collections from the prior year, along with proposals to make up under or over-collections. NMGC filed Advice Notice No. 108 to increase the Energy Efficiency Fee to $0.0380 per therm as of the first billing cycle for August 2025.

Summary of M&V Report Findings

Background and Purpose of Independent Evaluation

The NMPRC selected EcoMetric to perform an independent evaluation, measurement, and verification of NMGC's Energy Efficiency Programs for Program Years 2023 through 2025. NMGC and its program administrators worked with EcoMetric to provide the data necessary to complete the 2024 M&V Report. This included providing rebate processing files, budget data by program, net and gross savings assumptions, and avoided cost information.

The primary purpose of the independent evaluation is to assess the cost-effectiveness of the programs using the UCT. A second purpose of the evaluation is to perform a basic process evaluation of the program to determine customer satisfaction with how the programs operated.

2024 M&V Report

The 2024 Program Year evaluation consists of an analysis of NMGC's Water Heating, Space Heating, Multifamily, the Strategic Energy Management portion of NMGC's Efficient Buildings Program, as well as Home Energy Reports. Attached as Appendix C is the complete M&V Report.

Summary of Findings and NMGC Comments

EcoMetric concluded that the overall portfolio UCT for the seven programs was 1.53. NMGC believes that EcoMetric has conducted a professional assessment of programs offered under the 2024 Program Year and agrees with their findings and recommendations.

NMGC concurs with EcoMetric's report that overall NMGC is operating high quality programs that are achieving significant energy savings and producing satisfied participants.

It is important to note that under the 2024 Program Year, a portion of the savings under the Efficient Buildings program were through direct-install measures. These direct-install measures include energy efficient showerheads, pre-rinse valves and faucet aerators that reduce water usage. Although NMGC maintains that the reduction in water usage from energy efficient showerheads, faucet aerators, and pre-rinse spray valves does directly affect energy usage by reducing the quantity of water pumped by the water utility or municipality, NMGC does not include these savings in calculating the UCT for its programs.

Below is a summary of their findings and recommendations along with NMGC's responses.

Water & Space Heating Program

The M&V evaluation team determined that the Water Heating Program received a UCT ratio of 1.04. In NMPRC Case 22-00232-UT NMGC estimated net annual therm savings for the Water Heating Program to be 228,464. M&V verified actual savings of 197,210.

The M&V evaluation team determined that the Space Heating Program received a UCT ratio of 1.99. In NMPRC Case 22-00232-UT NMGC estimated net annual therm savings for the Space Heating Program to be 220,800. M&V verified actual savings of 664,406.

M&V Participant Recommendations:

- Support emergency and proactive replacements: Continue offering easy-to-access rebates that support urgent replacements. Explore proactive outreach to promote early replacement before equipment failure.
- Leverage contractor influence: Strengthen contractor training and engagement, particularly around presenting multiple equipment options and discussing efficiency benefits.
- Improve marketing and accessibility: Enhance program marketing, especially through online channels and retail partners. Simplify website navigation to access rebate information more directly.
- Streamline communication: Review communication channels and materials to reduce confusion and improve the customer experience throughout the rebate process.
- Expand pre-decision awareness channels: Develop targeted pre-purchase education strategies that reach consumers before emergency replacement situations arise. This could include retail partnerships, digital campaigns targeting homeowners researching equipment options, and simplified eligibility guides that both consumers and contractors can easily reference during initial discussions.

New Mexico Gas Company Response:

- NMGC agrees with the recommendations provided by the M&V evaluation team and will work with its Water and Space Hearing program implementation contractor on increasing education, increased marketing, proactive customer outreach and additional contractor training and engagement in the 2025 Program Year.

M&V Contractor Recommendations:

- Provide optional training materials or talking points for contractors to use with field technicians, clarifying rebate eligible products and the importance of presenting rebates at the point of sale. This may help reduce missed opportunities and improve consistency in customer-facing interactions.
- Explore options to automate distributor notifications within the rebate processing system to reduce communication gaps and improve approval efficiency.

New Mexico Gas Company Response:

- NMGC agrees with the recommendations provided by the M&V evaluation team and will work with its Water and Space Hearing program implementation contractor on additional contractor talking points as well as exploring ways to automate distributor notifications within the rebate processing system in the 2025 Program Year.

M&V Gross Impact Recommendations:

- Ensure ex-ante analyses align with documented R-values from project files.
- Ensure to standardize the use of AHRI-certified AFUE ratings, to maintain consistency in savings estimates.
- Ensure to match furnace savings to actual equipment capacity and quantity. Use appropriate commercial categories from the NM TRM that reflect operating hours and building use characteristics when estimating effective full load hours for heating (EFLH_h).
- Ensure baseline AFUE values align with NM TRM assumptions to maintain consistency with deemed savings.
- Verify and use the actual equipment capacity from AHRI certificates in savings calculations to ensure accurate estimates.

New Mexico Gas Company Response:

- NMGC agrees with the recommendations provided by the M&V evaluation team and will work with its Water and Space Hearing program implementation contractor in the 2025 Program Year.

Efficient Buildings/Strategic Energy Management ("SEM") Program

The M&V evaluation team determined that the Efficient Buildings program received a UCT of 1.71. In NMPRC Case 22-00232-UT NMGC estimated net annual therm savings for the Efficiency Buildings Program to be 1,570,777 (which included an estimated therm savings for the SEM portion of the program of 357,425). M&V verified actual savings of 285,545 for the SEM program and 1,708,443 for the remainder of the measures included in the Efficient Buildings Program resulting in total actual savings of 1,993,988 for the Efficient Buildings Program.

M&V Gross Impact Recommendation:

- We commend the SEM team for their excellent work. The use of industry-standard regression techniques, selection of independent variables, and comprehensive documentation reflects a high level of analytical rigor and quality. We encourage the team to continue applying these best practices in future evaluations.

New Mexico Gas Company Response:

- NMGC agrees with the recommendation provided by the M&V evaluation team.

Home Energy Reports

The M&V evaluation team determined that the Home Energy Reports Program received a UCT ratio of 1.74. In NMPRC Case 22-00232-UT NMGC estimated net annual therm savings for the Water Heating Program to be 1,210,000. M&V verified actual savings of 1,240,513

M&V Recommendation:

- If NMGC is interested in the relative effectiveness of the print and email treatment, separate control groups should be identified by providing the billing method of the control. (Presumably, billing method was used to determine delivery mode in the treatment group.)

New Mexico Gas Company Response:

- NMGC appreciates the recommendation and will explore this in the 2025 Program Year.

Energy Efficiency Rule Reporting Requirements

This section of the 2024 Report follows the reporting requirements and section headings as specified in 17.7.2.14(D) NMAC of the EE Rule.

D(1) Independent Measurement and Verification Report

As required by the NMPRC, NMGC contracted with EcoMetric to conduct the independent evaluation of its energy efficiency programs. Their report entitled "PY2024 Evaluation of New Mexico Gas Company Energy Efficiency Programs" is submitted with this report (Appendix C) and includes an analysis of the energy savings realized by all seven programs.

D(2) Program Expenditures Not Included in the M&V Report

The M&V Report for the 2024 Program Year contains an analysis of all seven programs. Therefore, all expenditures were included in the M&V Report. The expenditures for all programs for the 2023 Program Year were $15,162,392. These expenditures include all expenses incurred by NMGC to develop and implement the programs.

D(3) Material Variances in Program Costs

The table below provides comparisons on estimated savings and monetary costs to actual savings and costs for each program for the 2024 Program Year. The information for each program was derived from the final conclusions reached by EcoMetric's evaluation of NMGC's 2024 Program Year and documented in the attached 2024 M&V report (see Appendix C). Avoided costs used to calculate savings can be found in Appendix A of this document.

2024 Program Budget and UCT Estimated in NMPRC Case 22-00232-UT						
Program	Estimated Participation	Estimated Annual Therms Saved*	Estimated Lifetime Therms Saved *	Total Program Budget	UCT	Cost per Therm Saved
Water Heating	16,171	228,464	2,852,630	$1,235,791	1.09	$0.43
Space Heating	2,688	220,800	3,731,994	$1,182,884	1.38	$0.32
New Homes	1,150	400,752	10,018,800	$1,139,662	3.46	$0.11
Income Qualified	1,787	528,208	8,280,092	$4,096,699	1.17	$0.49
Multi-Family**	4,000	372,969	5,594,535	$2,266,700	1.27	$0.41
Efficient Buildings**	269	1,570,777	17,204,937	$4,405,722	1.85	$0.26
Home Energy Reports	220,000	1,210,000	1,210,000	$727,745	1.10	$0.60
Portfolio Costs	N/A	N/A	N/A	$238,000	N/A	N/A
Total		4,531,970	48,892,988	$15,293,203	1.55	$0.31

** Adjusted for free ridership as derived from the M&V report and/or the NMTRM*

***Efficient Buildings participation are projects associated with that program and Multi-Family are units associated with that program*

Program Savings and UCT Results per M&V						
Program	Participants*	Total Annual Net Savings (Therms)**	Lifetime Net Savings (Therms)*	Total Program Costs	UCT**	Cost per Therm Saved
Water Heating	13,777	197,210	2,820,103	$1,315,081	1.04	$0.47
Space Heating	25,713	664,406	8,506,493	$2,089,825	1.99	$0.25
New Homes	1,345	369,192	7,486,443	$1,288,848	2.52	$0.17
Income Qualified	980	427,047	5,870,810	$3,546,125	0.97	$0.60
Multi-Family	1,455	101,445	1,524,155	$753,349	1.11	$0.49
Efficient Buildings	310	1,993,988	15,885,983	$5,092,650	1.71	$0.32
Home Energy Reports	194,470	1,240,513	1,240,513	$782,811	1.74	$0.63
Portfolio Costs	N/A	N/A	N/A	$293,703	N/A	N/A
Total	238,050	4,993,801	43,334,500	$15,162,392	1.53	$0.35

The 2023 Program Year costs were approximately $2 million under the expected budget. This was mainly due to the scale and scope of the program expansion approved in NMPRC Case No. 22-00232-UT. In the 2023 Program Year, NMGC nearly doubled the energy efficiency program, including adding two new programs. It took some time to implement the full magnitude of the changes proposed, including increasing staffing and customer participation. Now that NMGC's

proposals have been implemented, NMGC expects costs for the 2024 Program Year to reach the approved budget of $15,293,203.

D(4) Number of Program Participants

Total number of participants for each program for 2024 Program Year is reflected in the table titled "2024 Actual Program Budget and UCT Results" above.

D(5) Economic Benefits

The table below reflects the economic benefits from the 2023 Program Year and are derived from the M&V Report.

Program	Cost per Therm Saved	2024 Economic Benefits*	NPV of Total Economic Benefits*
Water Heating	**$0.47**	**$95,899**	**$1,371,356**
Space Heating	**$0.25**	**$325,232**	**$4,163,988**
New Homes	**$0.17**	**$160,415**	**$3,252,878**
Income Qualified	**$0.60**	**$251,336**	**$3,455,228**
Multi-Family	**$0.49**	**$55,786**	**$838,156**
Efficient Buildings	**$0.32**	**$1,094,029**	**$8,716,064**
Home Energy Reports	**$0.63**	**$1,364,469**	**$1,364,469**
All Programs	**$0.35**	**$3,347,166**	**$23,162,139**
*Numbers derrived by Ecometric from M&V Report.			

D(6) Self-Direct Programs

There were no customer applications for the self-direct program in the 2024 Program Year.

D(7) Other Information of Interest to the Commission

Cost Allocation and Expenses by Program

All energy efficiency expenses are tracked through a unique set of account numbers. The following table shows the allocation of costs to the various programs for the 2024 Program Year.

NEW MEXICO GAS COMPANY, INC.
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Program Year 2024	Rebates	Internal Administration	External Administration	Promotion	M&V Expenses	Total Program Costs
Water Heating	$544,123	$86,537	$621,600	$26,964	$35,857	$1,315,081
Space Heating	$1,343,381	$86,537	$597,086	$26,964	$35,857	$2,089,825
New Homes	$906,972	$86,537	$232,455	$27,027	$35,857	$1,288,848
Income Qualified	$3,072,820	$86,537	$323,884	$27,027	$35,857	$3,546,125
Multi-Family	$515,896	$86,537	$88,033	$27,027	$35,857	$753,349
Efficient Buildings	$1,912,920	$86,537	$3,030,372	$26,964	$35,857	$5,092,650
Home Enrgy Reports	N/A	$86,537	$633,452	$26,964	$35,857	$782,811
Portfolio Costs	N/A	N/A	N/A	N/A	N/A	$293,703
Total	$8,296,111	$605,757	$5,526,881	$188,940	$251,000	$15,162,392

Internal administration is the labor and administrative costs expended on energy efficiency programs by the Company's Energy Efficiency Department. During the 2024 Program Year, NMGC's Energy Efficiency Department increased from three full-time staff members to nine full-time staff members. Internal Administration costs were spent on oversight of the existing energy efficiency programs, vetting programs and measures for potential future filings, preparing and submitting NMPRC compliance reporting, ongoing interface with NMGC's program administrators and M&V activity. The increased personnel in the 2024 Program Year were added, as explained by NMGC in NMPRC Case 22-00232-UT, to augment coordination, communication, generate leads and to directly interface with customers to educate and further market NMGC's portfolio of programs.

External administration are costs associated with third-party program administration of NMGC's programs. Third-party administration costs include labor and other direct expenses related to program implementation planning, energy efficiency opportunity identification and assessment, energy engineering and energy savings validation, rebate processing, quality control inspections, and some direct installation of high efficiency showerheads, faucet aerators, pre-rinse spray valves, weatherstripping, and bay door brush seals. Review of rebate applications and qualifying of customers is also included.

Promotional expenses for the 2024 Program Year were used primarily for raising awareness on all programs through advertising campaigns and were allocated equally among the energy efficiency programs except those costs specific to individual programs.

M&V expenses for the 2024 Program Year include final invoices received from Evergreen since April 1, 2024, for performing final M&V activities for the 2023 Program Year and their annual independent program evaluation report for the 2023 Program Year, completed June 2024. Also included in the costs are invoices received and paid through March 31, 2025, from EcoMetric for their continued evaluation of NMGC's 2024 Program Year.

Portfolio costs include all costs related to the energy efficiency portfolio but not directly associated to an individual program such as legal, training, research and development, and general education activities.

Compliance with Final Order in NMPRC Case No. 22-00232-UT

As stated in Paragraph 7 in the findings and conclusions of the Recommended Decision "the Commission require[d] NMGC to include in its annual report the success of the plan in its implementation, including any behind the meter leak remediation, and whether the anticipated energy savings are being realized, and if anticipated savings are not realized, proposals for plan revisions that will result in meeting savings goals."
The success of the plan and savings are addressed throughout this report. For meter leak remediation, as part of NMGC's income-qualified energy efficiency programs, EnergyWorks conducts a natural gas safety inspection of each home. This includes testing the ambient air and then leak detection testing from the meter to the home and the gas connections at all appliances.

In Program Year 2024, EnergyWorks provided energy efficiency services to 740 customers. The Native American Energy Efficiency program celebrated six years of success and has now served over 650 customers across thirteen tribal communities. The Community Energy Efficiency Program supported projects with the City of Albuquerque, Town of Bernalillo, and local organizations working to reduce the energy burden of income qualified residents. The Manufactured Home Communities Energy Efficiency Program served a record number of customers through improved outreach strategies and a streamlined service model. These programs also coordinated with El Paso Electric in shared service territory so customers were able to receive both natural gas and electric energy saving services. EnergyWorks completes a natural gas safety inspection at every home and installs carbon monoxide detectors when a customer needs one. In program year 2024, EnergyWorks discovered eight gas leaks which were quickly resolved after notifying the New Mexico Gas Company Operations team.

Non-Energy Benefits

Third-party contractors are utilized to implement NMGC's energy efficiency programs. The continued growth of NMGC's portfolio has contributed to an increase in jobs created to successfully administer the programs. In a survey of its implementers by NMGC, the equivalent of approximately 46 full time employees ("FTE") are required to implement all the programs in its portfolio. The majority of these FTE's reside in New Mexico. Additional implementer resources are utilized periodically for engineering and quality control inspections.

NMGC's programs also have an impact on the environment. The following table shows the CO_2 emission reductions associated with the portfolio of programs. The annual and lifetime avoided emissions are determined by multiplying the emissions rates times the annual and lifetime therms saved by the portfolio of programs.[1] In addition, three of NMGC's energy efficiency measures contribute directly to water savings. The Efficient Buildings program direct-install measures of low flow pre-rinse valves and faucet aerators combined with the Water Heating, Income Qualified,

[1]The avoided CO_2 emissions rate for gas combustion was taken from U.S. Department of Energy - Energy Information Administration's Annual Energy Outlook 2023.

and Multi-Family measures account for more than 54,830,051 gallons of water saved annually. The expected lifetime for those measures is 10 years as determined by New Mexico's TRM.

2024 Program Year Non Energy Benefits			
Emission Impact	Annual Avoided Gas Emissions Rate (lbs/ Per Million Btu)*	Annual Avoided Gas Emissions Rate (Metric tons)	Lifetime Avoided Emissions (Metric tons)
CO_2	116.65	291,263	2,527,485
Water Impact		Annual Water Saved (gallons)	Lifetime Water Saved (gallons)
Water Savings		54,830,051	548,300,510

*The avoided CO_2 emissions rate for Natural Gas was obtained from U.S. Department of Energy - Energy Information Administration's website (link below) published in September 2024.
https://www.eia.gov/environment/emissions/co2_vol_mass.php

Promotional Activities

Promotional and marketing activities for NMGC's programs are shared between NMGC and third-party implementers and consist of working with builders, contractors, distributers, manufacturers, architects and other trade allies to educate and make them aware of NMGC's programs. Outreach directly to NMGC's customers is a joint effort with shared budgets. For NMGC's 2024 Program, activities included the following:

Mass Media Communications

NMGC began its promotional effort after receiving the Final Order in NMPRC Case No. 22-00232-UT approving the 2024 Program Year. Promotional efforts and program information for the 2024 Program Year began in April 2024 updating rebate applications, promoting the continuation of existing programs and marketing the new programs. A brochure that outlines all the approved programs continued to be distributed throughout the State at NMGC offices. The brochures and promotion of the programs are offered at various events throughout the year including, but not limited to, the Albuquerque Home & Garden Show, the Albuquerque Home & Lifestyle Show, the New Mexico Municipal League Annual Conference and the Albuquerque Home & Remodeling Show. Radio ads informing and promoting NMGC's energy efficiency programs to the public ran throughout the year along with internet banner ads and social media.

Targeted Communications

In conjunction with ICF and CLEAResult, NMGC held meetings throughout the State with contractors, vendors, and suppliers to inform them of the programs and began signing them up as participating contractors in April 2024. Additional contractors were added throughout the 2024 Program Year and all participating contractors were communicated with regarding the 2024 Program Year to solicit continued participation. To participate, contractors are required to have a license and insurance and understand the program criteria. They are then listed on NMGC's website including the areas they serve. In addition, NMGC held meetings and promotions with pueblos, ran social media campaigns, and provided bill messages promoting its programs along

with the Home Energy Analyzer that helps homeowners determine the most effective measures to make their home more energy efficient.

NMGC understands the value of promotion and education of its energy efficiency programs and the importance of expanding the outreach. The EE Staff has continued to work with NMGC offices throughout the State to better educate NMGC employees about its energy efficiency programs. The intent is to have more employees understand the background of the energy efficiency programs and be able to transfer that knowledge to customers in their region of the State.

Appendix A

Appendix B

Appendix C

Appendix A

Energy Efficiency Avoided Costs

2024 Program Year

Year	NMGC Projected Avoided Cost (per MMBtu)	Per Therm
2021	$ 6.60	$ 0.66
2022	$ 6.42	$ 0.64
2023	$ 6.08	$ 0.61
2024	$ 5.71	$ 0.57
2025	$ 5.51	$ 0.55
2026	$ 5.48	$ 0.55
2027	$ 5.59	$ 0.56
2028	$ 5.77	$ 0.58
2029	$ 5.92	$ 0.59
2030	$ 6.03	$ 0.60
2031	$ 6.12	$ 0.61
2032	$ 6.14	$ 0.61
2033	$ 6.21	$ 0.62
2034	$ 6.21	$ 0.62
2035	$ 6.19	$ 0.62
2036	$ 6.19	$ 0.62
2037	$ 6.20	$ 0.62
2038	$ 6.21	$ 0.62
2039	$ 6.21	$ 0.62
2040	$ 6.25	$ 0.62
2041	$ 6.25	$ 0.63
2042	$ 6.23	$ 0.62
2043	$ 6.23	$ 0.62
2044	$ 6.19	$ 0.62
2045	$ 6.16	$ 0.62
2046	$ 6.16	$ 0.62
2047	$ 6.15	$ 0.62
2048	$ 6.17	$ 0.62
2049	$ 6.15	$ 0.62
2050	$ 6.15	$ 0.61

Appendix B

NEW MEXICO GAS COMPANY, INC.

Program Reconciliation and Cost Recovery Calculation
2024-2025

Line No.		Over/(Under) Recovered Amounts
1	Reconciliation Amounts at 3/31/2025	$ (1,414,268)
2	2024 Plan expenses incurred after 3/31/2025	$ (1,570,314)
3	Net Under Collection for Program Year 2024	$ (2,984,582)
4	Actual Cost recovery 4/1/2025 - 5/31/2025 (net incentive)	$ 1,712,777
5	Cost recovery estimate 6/1/2025 - 7/31/2025 (net incentive)	$ 774,052
6	Program Cost - 2025 (see Exhibit CJS-3, Page 1, Line 12)	$ (15,975,674)
7	Cost recovery estimate 8/1/2025 - 3/31/2026 (see calculation below)	$ (16,473,427)

Rate 10 - Residential

	June 2025 through July 2025 (Based on 2023 Rate Case)	Therms Distribution	Therms Transmission	Therms Commodity	Bills	Number of Customers	Current Recovery Rate	Rider No. 15 Recovery
8	6/1/2025- 7/31/2025	17,782,418	17,080,974	17,793,269	1,037,136	512,678	$ 0.0235	$ 418,142
9	Total	17,782,418	17,080,974	17,793,269	1,037,136	512,678		418,142

Rate 54 - Small Volume Service

	June 2025 through July 2025 (Based on 2023 Rate Case)	Therms Distribution	Therms Transmission	Therms Commodity	Bills	Number of Customers	Current Recovery Rate	Rider No. 15 Recovery
10	6/1/2025- 7/31/2025	10,107,138	9,779,802	10,144,149	82,995	41,262	$ 0.0235	$ 238,387
11	Total	10,107,138	9,779,802	10,144,149	82,995	41,262		238,387

Rate 56 - Medium Volume Service

	June 2025 through July 2025 (Based on 2023 Rate Case)	Therms Distribution	Therms Transmission	Therms Commodity	Bills	Number of Customers	Current Recovery Rate	Rider No. 15 Recovery
12	6/1/2025- 7/31/2025	4,193,532	4,736,540	5,000,980	208	106	$ 0.0235	$ 117,523
13	Total	4,193,532	4,736,540	5,000,980	208	106		$ 117,523
14	Total Rates 10, 54 & 56	32,083,089	31,597,316	32,938,397	1,120,339	554,045		$ 774,052

-

Rate 10 - Residential

	August 2025 through March 2026 (Based on 2023 Rate Case)	Therms Distribution	Therms Transmission	Therms Commodity	Bills	Number of Customers	Proposed Recovery Rate	Rider No. 15 Recovery
15	8/1/2025 - 3/31/2026	269,915,805	259,268,307	270,080,535	4,159,773	514,065	$ 0.0380	$ 10,263,060
16	Total	269,915,805	259,268,307	270,080,535	4,159,773	514,065		$ 10,263,060

Rate 54 - Small Volume Service

	August 2025 through March 2026 (Based on 2023 Rate Case)	Therms Distribution	Therms Transmission	Therms Commodity	Bills	Number of Customers	Proposed Recovery Rate	Rider No. 15 Recovery
17	8/1/2025 - 3/31/2026	129,415,226	125,009,366	129,908,985	332,249	41,295	$ 0.0380	$ 4,936,541
18	Total	129,415,226	125,009,366	129,908,985	332,249	41,295		$ 4,936,541

Rate 56 - Medium Volume Service

	August 2025 through March 2026 (Based on 2023 Rate Case)	Therms Distribution	Therms Transmission	Therms Commodity	Bills	Number of Customers	Proposed Recovery Rate	Rider No. 15 Recovery
19	8/1/2025 - 3/31/2026	28,133,431	31,649,727	33,422,983	832	106	$ 0.0380	$ 1,270,073
20	Total	28,133,431	31,649,727	33,422,983	832	106		$ 1,270,073
21	Total Rates 10, 54 & 56	427,464,462	415,927,400	433,412,504	4,492,853	555,466		$ 16,469,675

April 2025 through May 2025 actuals at $0.0235 ($0.0257 net incentive of $0.0022)
June 2025 through July 2025 estimates at $0.0235 ($0.0257 net incentive of $0.0022)
August 2025 through March 2026 estimates at $0.0380

NEW MEXICO GAS COMPANY, INC.

Line No.		8/1/25 - 3/31/26			
	Program Budget Costs				
1	Internal Administration	$ 1,017,500			
2	External Administration	$ 5,377,412			
3	Rebates	$ 8,214,291			
4	Promotional Costs	$ 195,000			
5	Measurement & Verification Costs	$ 251,000			
6	Portfolio Costs	$ 238,000			
7	**TOTAL for EE Plan Budget**	**$ 15,293,203**			
8	Incentive Rate	$ 1,016,998			
9	Incentive Reconciliation - Over-Recovered 2024 Program Year	$ (102,246)			
10	Actual Incentive recovery 4/1/2025 - 5/31/2025	$ (159,817)			
11	Incentive recovery estimate 6/1/2025 - 7/31/2025	$ (72,464)			
12	**Total Cost to be Recovered**	**$ 15,975,674**			
13	Cost recovery 8/1/2025 - 3/31/2026 (See CJS-3, Page 1, Line 7)	$ (16,473,427)			
	Revenues by Rate Class - Projected for 8/1/2025 through 3/31/2026				
	Based on Rate Case Rates & Determinants	Revenues	Bills	Therms	
14	Residential (Rates 10 and 70)	$ 245,566,731	4,159,773	270,080,535	
15	Small Volume (Rates 54 and 70)	$ 81,302,233	332,249	129,908,985	
16	Medium Volume (Rates 56 and 70)	$ 15,129,006	832	33,422,983	
17	**Totals**	$ 341,997,970	4,492,853	433,412,504	
	Program Cost Rider				
18	Program Costs to be Recovered	$ (16,473,427)			
19	Revenues 8/1/25 - 3/31/26	$ 341,997,970			
20	Percentage of Revenues	-4.817%			
21	Rider 15 as a Charge per Therm	(0.0380)			
	Proof of Revenue				
22	Charge per Therm	$ (0.0380)			
23	Therms	433,412,504			
24	Rider 15 Revenue Generated	$ (16,473,427)			
	Cost Per Therm Saved - 2024 Program Year				
25	Therms Saved Over the Life of the Measures		43,334,501		
26	Cost of the Programs		$ 15,162,393		
27	Cost per therm Saved		$ 0.3499		
28	Cost of Gas Purchases Avoided (before FF & GRT)		$ 0.5250		
29	Savings per therm		$ 0.1751		
30	Total Avoided Cost of Gas Purchases		$ 22,750,613		
31	Net Savings to Customers from Energy Efficiency Programs		$ 7,588,220		

Appendix C

PY2024 EVALUATION OF ENERGY EFFICIENCY PROGRAMS

NEW MEXICO GAS COMPANY

Date:	June 20, 2025
Prepared for:	Carey Salaz, Eric Martinez
Prepared by:	EcoMetric Consulting LLC

EVERGREEN ECONOMICS

ECOMETRIC

Demand Side Analytics

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The Evaluation Team would like to acknowledge the many talented individuals who contributed to this evaluation, measurement, and verification (EM&V) report for the New Mexico Gas Company (NMGC) portfolio of energy efficiency and load management programs.

The NMGC staff participated in ongoing evaluation deliverable reviews and discussions, attended regular meetings, and responded to follow-up questions, data requests and document requests. They are an ongoing partner in our evaluation efforts. We also wish to thank the implementation teams, and their staff, for their insights and information.

Additionally, we would like the evaluation staff who supported the creation of this report.

EcoMetric Staff

Cory Read | Managing Consultant

Ryan Brown | Senior Managing Consultant

Jenna Bagnall | Senior Managing Consultant

Glenn Gavi | Senior Managing Consultant

Melissa Culbertson | Associate Vice President

Michael Frischmann | Senior Vice President

Evergreen Staff

Blake Killingsworth | Consultant

Martha Wudka | Principal Consultant

Liandra Chapman | Senior Analyst

Charles Hanks | Senior Analyst

Isaac Johnson | Senior Analyst

Alex Weirth | Analyst

Demand Side Analytics Staff

Steve Morris | Senior Consultant

Jesse Smith | Partner

Abhi Aurobindo | Quantitative Analyst

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FIGURES

TABLES

ABBREVIATIONS

NMGC	New Mexico Gas Company
EM&V	Evaluation, Measurement, and Verification
TRM	Technical Reference Manual
NM TRM	New Mexico Technical Reference Manual
NTG	Net-to-Gross
EAF	Engineering Adjustment Factor
UCT	Utility Cost Test
PY	Program Year
HER	Home Energy Reports
SEM	Strategic Energy Management
HVAC	Heating, Ventilation, and Air Conditioning
EUEA	Efficient Use of Energy Act
NMPRC	New Mexico Public Regulation Commission
WAP	Weatherization Assistance Program
kWh	Kilowatt-hour
AHRI	Air-Conditioning, Heating, and Refrigeration Institute
ISR	In-Service Rate
LDV	Lagged Dependent Variable

Executive Summary

NMGC Energy Efficiency Evaluation

Gross and Net Impact Evaluation Research Objectives

- Evaluate implementation successes and obstacles
- Review the reach and influence of outreach.
- Explore customer interactions and challenges.
- Review feedback from active trade partners.

Process Evaluation Activities:

- Implementer Interviews
- Materials Review
- Trade Partner Interviews
- Participating and Partial Participating Customer Interviews

Impact Evaluation Findings and Recommendations

Gross Key Findings	Recommendations
Programs resulted in **meaningful realized savings**	Tracking data to project file consistency **is imperative**
Outdated **workpapers** assumptions **require updating**	**Resolve calculation gaps** from outdated or unverifiable sources in workpapers
Engineering assumptions require careful consideration	NEAT inputs and ex-ante baseline assumptions **led to largest deviations**

Net Key Findings
Updated **net-to-gross values deviated within reasonable levels** comparable to previous estimates

Experience Key Findings	Recommendations
Program influence positively impacted adoption of efficiency improvements	**Continue targeting those less likely to install equipment without incentives**
Participants are **exhibiting higher free ridership** rates, which are **undetermined if motivational or behavioral** triggers	Update free ridership instruments to distinguish early adopters from program-influenced adopters
Lower NTG ratios for Space and Water Heating will impact PY2025 savings	Determine **if program changes resulted** in lower scores

Trade Partners Key Findings

Interest exists to **maintain and expand** program manager engagement role increasing satisfaction

Provide ongoing **support for new distributor staff** including quick-start materials and refreshers

Process Evaluation Research Objectives

Identify insights into the effectiveness of marketing and outreach efforts to provide decision makers with information about improving energy efficiency

Assess barriers for and characteristics of participation

Assess how to enhance program delivery to maximize participation to achieve program goals

Develop near-term and long-term strategies to improve program delivery

Process Evaluation Research Findings and Recommendation

Barriers Key Findings

Suggest **streamlining the invoicing process** or improving instructions **to reduce friction**

Confusion surrounding rebate-eligible equipment and **delays in learning about rebates**

Opportunities for Outreach Key Findings	Recommendation
Timing Mismatch Between Awareness and Decision-Making	Increase program awareness beyond point-of-sales and emergencies

Contractors Key Findings

Contractors reported high satisfaction with rebate processing and overall program support

Rebate availability and administrative **support encouraged** higher-efficiency options for customers

Cost-Effectiveness Evaluation Findings and Recommendation

Key Findings

A total of 43,334,501 therms in ex-post net lifetime savings and a portfolio EUL of 8.7 years.

E.1 EVALUATION OVERVIEW

This report presents the independent evaluation results for the New Mexico Gas Company (NMGC) energy efficiency programs for program year 2024 (PY2024). To accomplish this, NMGC contracted with EcoMetric Consulting, Evergreen Economics, Demand Side Analytics, and Research & Polling (herein referred to as 'the Evaluation team'). The team roles are as follows:

- EcoMetric was the prime contractor and managed all evaluation tasks and deliverables.
- EcoMetric provided engineering capabilities and led the review of NMGC's savings estimates.
- Evergreen Economics conducted process evaluations and conducted phone surveys.
- Demand Side Analytics conducted an impact evaluation of the behavioral programs.
- Research & Polling fielded all the phone surveys that Evergreen did not complete.

The table below outlines an overview of the evaluation in PY2024.

Table 1-1 PY2024 Program Evaluation Summary

Program	Subprogram	Impact	NTG Research	Process
Water Heating			✓	✓
Space Heating		✓	✓	✓
New Homes				
Income Qualified	Native American Communities	✓		
	Multi-Family (Low-Income)	✓		✓
	Community Energy Efficiency			
	Manufactured Homes			
Multifamily (Market Rate)			✓	✓
Efficient Buildings		✓	✓	✓
Strategic Energy Management (SEM)				
Home Energy Reports		✓		
Large Customer Self-Direct				

For each of the evaluated programs, the Evaluation team estimated realized gross and net impacts (therms) and calculated program cost effectiveness using the UCT. Brief process evaluations were also conducted for the Efficient Buildings, Water Heating, and Space Heating programs. A summary of the analysis methods for each of the PY2024 programs that were evaluated is included in the section below.

E.2 SAVINGS RESULT

The Evaluation team compared the verified savings (ex-post) to the NMGC program claimed savings (ex-ante) to determine the realization rate (RR) which the Evaluation team portrays as the Engineering Adjustment Factor calculated as the ratio between verified and estimated savings. Each realization rate is a percentage showing how accurately the program estimated the savings. Projects or measures with a realization rate above 100% indicate that the customer is achieving more savings than initially predicted by NMGC. Conversely, those projects with a realization rate of less than 100% show that customers did not realize the estimated savings amounts. An RR above 100% indicates greater-than-expected savings, while an RR below 100% suggests lower-than-expected savings. The therm savings results of the PY2024 impact evaluation are shown in **Table 1-2** below, with the programs evaluated in 2024 bolded.

Table 1-2 PY2024 First Year Savings Summary (therms)

Program	# of Projects	Expected FY Gross therms Savings	Engineering Adjustment Factor	Realized FY Gross therms Savings	NTG Ratio	Realized Net therms Savings
Water Heating	13,777	336,880	1.0000	336,880	0.5854	197,210
Space Heating	25,713	904,408	0.9418	851,778	0.7800	664,406
Furnace & Insulation	1,715	197,472	0.9477	187,150	0.7313	136,863
Smart Thermostats	12,655	645,798	0.8892	574,231	0.7700	442,158
Direct Mail Space Heating Kits	1,693	9,312	1.4881	13,856	0.7313	10,133
Direct Mail Space Heating Kits - IQ	351	1,931	1.4881	2,873	1.0000	2,873
IQ Kits	8,200	45,100	1.5271	68,872	1.0000	68,872
Franklin SH	1,099	4,796	1.0000	4,796	0.7313	3,507
New Homes	1,345	533,644	1.0002	533,746	0.6917	369,192
Income Qualified	1,862	461,630	1.0853	501,010	1.0000	501,010
NA Communities	119	52,411	0.9344	48,973	1.0000	48,973
Multi-Family LI	882	73,963	1.0000	73,963	1.0000	73,963
Community EE	131	47,028	1.0000	47,028	1.0000	47,028
Manufactured Homes	490	167,219	1.0000	167,219	1.0000	167,219
Weatherization	240	121,009	1.3538	163,827	1.0000	163,827
Efficient Buildings	303	2,075,100	0.9888	2,051,937	0.8326	1,708,443
Custom	45	344,817	0.9731	335,541	0.8326	279,372
Direct Install	218	921,241	1.0000	921,241	0.8326	767,025
Prescriptive	31	188,245	0.8959	168,655	0.8326	140,422
Steam Trap	9	620,797	1.0092	626,499	0.8326	521,623
Multifamily (Market Rate)	573	34,000	1.0000	34,000	0.8083	27,482
Strategic Energy Management (SEM)	7	285,545	1.0000	285,545	1.0000	285,545
Home Energy Reports	194,470	1,136,234	1.0918	1,240,513	1.0000	1,240,513
Large Customer Self-Direct	0	0	1.0000	0	1.0000	0
Total	**238,050**	**5,767,441**	**1.0118**	**5,835,409**	**0.8558**	**4,993,800**

The impact evaluation, which included engineering desk reviews for a sample of Efficient Buildings, Space Heating, and Income Qualified projects, resulted in engineering adjustment factors that varied from 1.000 for realized gross savings. Adjustments to savings based on the desk reviews resulted in minor changes at the program or portfolio level.

The process evaluation activities included phone surveys with Efficient Buildings, Water Heating, and Space Heating, participants and interviews with participating contractors. Based on the data collection and analysis conducted for this evaluation, the Evaluation team found that overall, NMGC is operating programs that are resulting in energy savings and satisfied participants.

Table 1-3 PY2024 Lifetime Savings Summary (therms)

Program	# of Projects	Expected LT Gross therms Savings	Engineering Adjustment Factor	Realized LT Gross therms Savings	NTG Ratio	Realized LT Net therms Savings
Water Heating	13,777	14,284,501	0.3372	4,817,395	0.5854	2,820,103
Space Heating	25,713	14,389,722	0.7679	11,050,332	0.7800	8,506,493
Furnace & Insulation	1,715	7,037,618	0.5904	4,154,737	0.7313	3,038,359
Smart Thermostats	12,655	6,759,618	0.8892	6,010,521	0.7700	4,628,101
Direct Mail Space Heating Kits	1,693	93,115	1.4881	138,561	0.7313	101,330
Direct Mail Space Heating Kits - IQ	351	19,305	1.4881	28,727	1.0000	28,727
IQ Kits	8,200	451,000	1.5271	688,720	1.0000	688,720
Franklin SH	1,099	29,066	1.0000	29,066	0.7313	21,256
New Homes	1,345	10,821,183	1.0002	10,823,251	0.6917	7,486,443
Income Qualified	1,862	6,545,845	1.0853	6,997,206	1.0000	6,997,206
NA Communities	119	806,078	0.9344	753,199	1.0000	753,199
Multi-Family LI	882	1,126,396	1.0000	1,126,396	1.0000	1,126,396
Community EE	131	737,856	1.0000	737,856	1.0000	737,856
Manufactured Homes	490	2,450,475	1.0000	2,450,475	1.0000	2,450,475
Weatherization Assistance	240	1,425,040	1.3538	1,929,280	1.0000	1,929,280
Efficient Buildings	303	19,016,374	0.9888	18,737,015	0.8326	15,600,438
Custom	45	3,469,962	0.9731	3,376,620	0.8326	2,811,374
Direct Install	218	10,114,834	1.0000	10,114,834	0.8326	8,421,611
Prescriptive	31	2,083,073	0.8959	1,866,299	0.8326	1,553,880
Steam Trap	9	3,348,505	1.0092	3,379,262	0.8326	2,813,573
Multifamily (Market Rate)	573	492,093	1.0000	492,093	0.8083	397,759
Strategic Energy Management (SEM)	7	285,545	1.0000	285,545	1.0000	285,545
Home Energy Reports	194,470	1,136,234	1.0918	1,240,513	1.0000	1,240,513
Large Customer Self-Direct	0	0	1.0000	0	1.0000	0
Total	**238,050**	**66,971,497**	**0.8129**	**54,443,351**	**0.7960**	**43,334,501**

1 Introduction

The NMGC programs and evaluation requirements were first established in 2005 by the New Mexico legislature's passage of the 2005 Efficient Use of Energy Act (EUEA).[1] The EUEA requires public utilities in New Mexico, in collaboration with other parties, to develop cost-effective programs that reduce energy consumption. Utilities are required to submit their proposed portfolio of programs to the New Mexico Public Regulation Commission (NMPRC) for approval. As a part of its approval process, the NMPRC must find that the program portfolio is cost effective based on the Utility Cost Test (UCT).

An additional requirement of the EUEA is that each program must be evaluated at least once every three years. As part of the evaluation requirement, NMGC must submit to the NMPRC a comprehensive evaluation report prepared by an independent program evaluator. As part of the reporting process, the evaluator must measure and verify energy savings, determine program cost effectiveness, assess how well the programs are implemented, and provide recommendations for program improvements as needed.

1.1 GROSS IMPACT RESULTS

The following report outlines New Mexico Gas Company (NMGC) Program Year (PY) 2024 Preliminary Evaluation Results and Findings. The intention of this report is to provide NMGC with early findings to help improve energy efficiency programs in PY2025 and beyond. The PY2024 results are derived from evaluated projects sampled from projects completed in the calendar year of 2024.

The impact evaluation primarily involves engineering desk reviews of a stratified sample of projects, designed to encompass diverse measure types and energy savings levels. The Evaluation team verified gross realized impacts through engineering desk reviews. The team primarily reviewed NMGC's Excel-based calculators to estimate savings for weatherization, furnaces, smart thermostats and many other types of projects, as well as the review of deemed savings for each applicable program. The factors and assumptions used in these calculators were reviewed by the Evaluation team and compared to source material methodologies provided. Project files were cross-referenced with sources, such as the New Mexico Technical Reference Manual (NM TRM), to validate their reasonableness and ensure reliable realized energy savings estimates.

Evaluation efforts prioritize evaluation of savings calculation methodologies to ensure accuracy and consistency. The NM TRM or documented custom savings are prioritized over other resources if calculations are sufficiently sourced or applied. When applicable, evaluators rely on established TRMs in the following order: NM TRM, Texas TRM, and the Illinois TRM with appropriate weather

[1] NMSA §§ 62-17-1 et seq (SB 644). Per the New Mexico Public Regulation Commission Rule Pursuant to the requirements of the EUEA, the NMPRC issued its most recent Energy Efficiency Rule (17.7.2 NMAC) effective September 26, 2017, that sets forth the NMPRC's policy and requirements for energy efficiency and load management programs.

adjustments. In instances where these resources are insufficient, other TRMs or credible sourced references are utilized to validate savings.

1.1.1 Realization Rates

Program realization rates are shown in **Table 1-1**. The program results, table rows are provided to give NMGC and implementors insight to subprogram performance to understand underlying discrepancies leading to program realization rates.

Table 1-1 PY2024 Program Evaluation Summary

Program Subprogram	Reported FY therms	Verified FY therms	Reported LT therms	Verified LT therms	Realization Rate (therms)
Efficient Buildings	**2,075,100**	**2,051,937**	**19,016,374.00**	**18,737,014.64**	**0.9888**
Custom	344,817	335,541	3,469,962.00	3,376,620.02	0.9731
Direct Install	921,241	921,241	10,114,834.00	10,114,834.00	1.0000
Prescriptive	188,245	168,655	2,083,073.00	1,866,298.75	0.8959
Steam Trap	620,797	626,499	3,348,505.00	3,379,261.87	1.0092
Income Qualified	**173,420**	**212,800**	**2,231,118**	**2,682,479**	**1.2271**
Native American Communities	52,411	48,973	806,078	753,199	0.9344
Weatherization (WAP)	121,009	163,827	1,425,040	1,929,280	1.3538
Space Heating	**904,408**	**851,778**	**14,389,722**	**11,050,332**	**0.9418**
Furnace & Insulation	197,472	187,150	7,037,618	4,154,737	0.9477
Smart Thermostats	645,798	574,231	6,759,618	6,010,521	0.8892
Direct Mail Space Heating Kits	9,312	13,856	93,115	138,561	1.4881
Direct Mail Space Heating Kits - IQ	1,931	2,873	19,305	28,727	1.4881
IQ Kits	45,100	68,872	451,000	688,720	1.5271
Franklin SH	4,796	4,796	29,066	29,066	1.0000
Strategic Energy Management (SEM)	**285,545**	**285,545**	**285,545**	**285,545**	**1.0000**
Home Energy Reports (HER)	**1,136,234**	**1,240,513**	**1,136,234**	**1,240,513**	**1.0918**
Evaluated Programs Total	**4,574,707**	**4,642,573**	**37,058,993**	**33,995,884**	**1.0148**

The Efficient Buildings and Income Qualified programs showed the most notable deviations between reported and verified savings. For Efficient Buildings, variances stemmed from updates to engineering assumptions and discrepancies in baseline conditions across custom and prescriptive measures, with realization rates ranging from 89.6% to 100.9%. In the Income Qualified program, large positive adjustments—particularly for the Weatherization subprogram—were driven by corrected NEAT model inputs and more accurate assessments of ex-ante savings, resulting in a higher than normal, program-wide realization rate. These differences highlight the importance of aligning tracking data with TRM methodologies and maintaining accurate baseline documentation across all project types.

1.2 NET IMPACT RESULTS

The impact evaluation moved to applying new net-to-gross (NTG) ratios prospectively in future years, rather than retrospectively as had been done in prior years. Therefore, the Evaluation team will apply the PY2023 calculated NTG ratios to the PY2024 realized evaluated savings. The NTG ratios calculated in PY2024 will then be applied to the PY2025 results.

1.2.1 Net-to-Gross Ratios

Net-to-gross (NTG) ratios are updated prospectively using a self-report methodology that estimates free ridership through structured participant surveys. These surveys include three components: program influence, program component, and no-program component questions, each scored and averaged to determine individual free ridership levels. This method is based on the Illinois TRM framework and includes timing adjustments to improve accuracy. For prescriptive programs with low survey response or direct install measures, a default NTG of 1.0 may be applied.

The table below summarizes the updates to the NTG ratios for PY2024, with the updated values bolded.

Table 1-2 Net-to-Gross Ratios for PY2024 and PY2025

Program	PY2024 NTG Ratio	PY2025 NTG Ratio
Water Heating	0.5854	0.5488
Space Heating	-	0.7010
Furnace & Insulation	0.7313	-
Smart Thermostat	0.7700	-
New Homes	0.6917	0.6917
Income Qualified	1.0000	1.0000
Multifamily (Market Rate)	0.8083	0.8083
Efficient Buildings	0.8326	0.8408
Strategic Energy Management (SEM)	1.0000	1.0000
Home Energy Reports	1.0000	1.0000
Large Customer Self-Direct	1.0000	1.0000

1.3 PROCESS EVALUATION FINDINGS

The PY2024 process evaluation assessed the effectiveness and implementation quality of New Mexico Gas Company's (NMGC) portfolio of energy efficiency programs. Using participant surveys, contractor interviews, and a review of program documentation, the evaluation aimed to understand customer satisfaction, awareness channels, market engagement, and implementation strengths and challenges. Across the portfolio, participants expressed high levels of satisfaction with program participation, particularly in the Efficient Buildings and Space Heating programs. Respondents reported that rebates and program support played a significant role in their decision to install higher-efficiency equipment.

Program-specific findings revealed actionable insights, such as a need for clearer guidance on rebate-eligible equipment and improved timing of outreach to better align with purchasing decisions. Additionally, trade allies emphasized the value of ongoing program support and training, especially for onboarding new staff. These findings inform targeted improvements to enhance customer experience and increase program uptake.

1.4 COST-EFFECTIVENESS RESULTS

Using net realized savings from this evaluation and cost information provided by NMGC, the Evaluation team calculated the ratio of benefits to costs for each of NMGC's programs and for the portfolio overall. The Evaluation team calculated cost effectiveness using the UCT, which compares the benefits and costs to the utility or program administrator implementing the program.[2] The Evaluation team conducted this test in a manner consistent with the California Energy Efficiency Policy Manual.[3] The results of the UCT are shown below.

Table 1-3 PY2024 Cost Effectiveness by Program

Program	UCT Ratio
Income Qualified	0.97
Efficient Buildings	1.71
Multifamily	1.11
New Homes	2.52
Water Heating	1.04
Space Heating	1.99
Home Energy Reports	1.74
Overall Portfolio	**1.53**

[2] The Utility Cost Test is sometimes referred to as the Program Administrator Cost Test, or PACT.

[3] California Public Utilities Commission. 2020. California Energy Efficiency Policy Manual – Version 6. https//www.cpuc.ca.gov/-/media/cpuc-website/files/legacyfiles/e/6442465683-eepolicymanualrevised-march-20-2020-b.pdf

2 Evaluation Methodology

This section describes the evaluation methods used to evaluate each program. An overview of evaluation activities by program is found in the table below. The Evaluation team estimated realized gross and net impacts (therms) and calculated program cost effectiveness using UCT.

Table 2-1 Summary of PY2024 Evaluation Methods by Program

Sector	Program	Impact	Process	NTG Research
Residential	Water Heating		✓	✓
	Space Heating	✓	✓	✓
	ThermSmart New Homes			
	Home Energy Reports	✓		
	Income Qualified	✓		
	Multifamily (LI)			
	Multifamily (Market Rate)			
Commercial	Efficient Buildings	✓	✓	✓
	Large Customer Self-Direct			

The portfolio evaluation included a combination of the following components listed below:

- Verify gross and net savings for energy (therms).
- Utilize PY2024 net-to-gross ratios as detailed in the PY2023 evaluation report.
- Calculate net-to-gross ratios for use in PY2025 and beyond.
- Identify process-related findings and advise on recommendations for improvement.
- Estimate program cost-effectiveness and report results.
- Assisting NMGC as needed in providing real-time feedback on programs.
- Coordinate evaluation activities with the New Mexico Public Regulation Commission (PRC).

The evaluation report still summarizes programs that were not evaluated in PY2024. For any program that was not evaluated, the Evaluation team applied an engineering adjustment factor of 100% for that program as well as a net-to-gross (NTG) ratio that was specified in the PY2023 evaluation report. These programs have the following elements compiled and reported:

- Gross impacts (therms) using NMGC's ex ante values for savings.
- Net impacts calculated using the existing ex ante net-to-gross ratio.

- Cost-effectiveness calculations using the ex-ante net impact values.

2.1 PROGRAM DESCRIPTIONS

Programs require leveraging different techniques for program evaluation based on measure type and program delivery. This section describes the program offerings the team evaluated in PY2024. The table below summarizes the types of energy savings methodologies used in each of the evaluated programs.

Table 2-2 Summary of PY2024 Evaluation Methods by Program

Program	Surveys	Modeling	Prescriptive	Custom
Water Heating	✓			
Space Heating			✓	✓
ThermSmart New Homes				
Home Energy Reports		✓		
Income Qualified	✓		✓	✓
Multifamily (LI)				
Multifamily (Market Rate)				
Efficient Buildings			✓	✓
Large Customer Self-Direct				

Space Heating. The Evaluation team evaluated projects in the Space Heating program through a deemed and prescriptive savings review, phone survey verification and project documentation reviews on a representative sample. The Evaluation team relied on project documentation to verify installations and calculate savings. The savings review for prescriptive measures focused on verifying appropriate savings values are applied based on the equipment installed and per the referenced source of savings, whether that is the New Mexico TRM (NM TRM) or another source if the savings equations did not exist in the NM TRM. The team used phone surveys to verify program-related measures that are installed and functional as well as gathered information to calculate a free ridership rate, as described in more detail in the Net Impacts section below. Finally, desk reviews conducted by engineers examined the savings assumptions and calculations specific to each project.

Efficient Buildings. Many projects in the Efficient Buildings program were prescriptive in nature, and as such a significant portion of the evaluation of this program centered on a deemed savings review, phone survey verification, and project desk reviews. The custom projects with more complicated savings calculations were evaluated using a desk review and participant phone survey. The deemed savings review for prescriptive and direct install measures focused on verifying that the appropriate savings values were applied based on the equipment installed and per the referenced source of savings, whether from the NM TRM or another source. The phone survey verified that program-rebated measures were installed and functional and gathered information to calculate a free ridership rate, as described in more detail in the Net Impacts section below. Finally, desk reviews

conducted by engineers examined the savings assumptions and calculations specific to each project. Net-to-Gross (NTG) ratios from PY2022 were applied to the impact evaluation findings.

Home Energy Reports. This program provides participating customers with information on their energy consumption by providing a comparison with a matched set of similar households. The feedback on energy use, combined with tips for reducing energy use, was designed to create sustained reductions in consumption. Net impacts were estimated using billing regression and data from both the participants and control group customers.

Income Qualified. The Income Qualified program provides weatherization and other efficiency improvements at no cost to low-income customers. These were a combination of prescriptive and custom measures, and as such, the focus of the evaluation for this program was a deemed and custom savings review. As a low-income program, the net-to-gross (NTG) ratio was deemed to be 1.0. The Income Qualified program included a sub-program that offers the same efficiency improvements at no cost, but with a focus on Native American Housing Authorities across New Mexico.

2.2 PHONE SURVEYS

Phone surveys were fielded in October of 2024 through February of 2025 for participants in the Energy Saver, Residential Comprehensive, and Residential Marketplace programs. The phone surveys ranged from 15 to 20 minutes in length and covered the following topics:

- Verification of measures included in NMGC's program tracking database.
- Satisfaction with the program experience.
- Survey responses for use in the free ridership calculations.
- Participation drivers and barriers.
- Customer characteristics.

The final survey instruments for the Water and Space Heating, New Homes and Income Qualified programs are included in the Appendix A-D.

2.3 ENGINEERING DESK REVIEWS AND DEEMED SAVINGS

To verify gross savings estimates, the Evaluation team conducted deemed savings reviews and engineering desk reviews for a sample of the projects in the Space Heating, Strategic Energy Management (SEM), Income Qualified, and Efficient Buildings programs.

Deemed, prescriptive, and custom savings reviews were completed for the PY2024 NM Water Heating, New Homes, Income Qualified and Efficient Buildings programs. Both prescriptive and custom projects received desk reviews that included the following

- Review of project description, documentation, specifications, and tracking system data.
- Confirmation of installation using invoices and post-installation reports.
- Review of post-installation reports detailing differences between installed equipment and documentation, and subsequent adjustments made by the program implementer.

For those programs and projects that are used deemed savings values, the review process included the following

- Review of measures available in the New Mexico TRM to determine the most appropriate algorithms that apply to the installed measures.
- Recreation of savings calculations using TRM algorithms and inputs as documented by submitted specifications, invoices, and post-installation inspection reports.
- Review of New Mexico TRM algorithms to identify candidates for future updates and improvements.
- ISR calculations to determine rates at which provided kit measures were installed by kit recipients.

2.4 NET IMPACT ANALYSIS

The Evaluation team estimated net impacts for some programs using the self-report approach. This method uses responses to a series of carefully constructed survey questions to learn what participants would have done in the absence of the utility's program. The goal was to ask enough questions to paint an adequate picture of the influence of the program activities (rebates and other program assistance) within the confines of what can reasonably be asked during a phone survey.

With the self-report approach, specific questions that were explored include the following:

- What were the circumstances under which the customer decided to implement the project (i.e., new construction, retrofit/early replacement, replace-on-burnout)?
- To what extent did the program accelerate installation of high efficiency measures?
- What were the primary influences on the customer's decision to purchase and install the high efficiency equipment?
- How important was the program rebate on the decision to choose high efficiency equipment?
- How would the project have changed if the rebate had not been available (e.g., would less efficient equipment have been installed, would the project have been delayed)?
- Were there other programs or utility interactions that affected the decision to choose high efficiency equipment (e.g., was there an energy audit done, had the customer participated before, was there an established relationship with a utility account representative, was the installation contractor trained by the program)?

The method for estimating free ridership (and NTG ratio) using the self-report approach is based on the 2017 Illinois (IL) TRM.[4] For the NMGC programs, questions regarding free ridership were divided into several primary components:

- A **Program Component** series of questions that asked about the influence of specific program activities (rebate, customer account representative, contractor recommendations, other assistance offered) on the decision to install energy efficient equipment.
- A **Program Influence** question, where the respondent was asked directly to provide a rating of how influential the overall program was on their decision to install high efficiency equipment.
- A **No-Program Component** series of questions, based on the participant's intention to carry out the energy-efficient project without program funds or due to influences outside of the program.

Each component was assessed using survey responses that rated the influence of various factors on the respondent's equipment choice. Since opposing biases potentially affect the main components, the No-Program Component typically indicates higher free ridership than the Program

[4] IL TRM can be found at http//www.ilsag.info/il_trm_version_6.html

Component/Influence questions. Therefore, combining these opposing influences helps mitigate the potential biases. This framework also relies on multiple questions that are crosschecked with other questions for consistency. This prevents any single survey question from having an excessive influence on the overall free ridership score.

2.5 GROSS AND NET REALIZED SAVINGS CALCULATIONS

The final step in the impact evaluation process is calculating the realized gross and net savings based on the program-level analysis described above. The Evaluation Team applied appropriate impact analysis methods described above and calculate gross realized savings by modifying the original ex-ante savings values from the participant tracking databases using an Installation Adjustment factor and an Engineering Adjustment factor

$$Gross\ Realized\ Savings\ =\ \alpha_{install} * \alpha_{engineer} * ExAnte\ Savings$$

Where:

- Installation Adjustment Factor ($\alpha_{install}$) installation rate verified by phone surveys.
- Engineering Adjustment Factor ($\alpha_{engineer}$) factor from engineering analysis or desk reviews.

Net realized savings were then determined by multiplying the Gross Realized Savings by a free ridership adjustment factor as described in the Net Savings Estimation section.

2.6 COST EFFECTIVENESS

The EUEA requires that utilities include in their publicly available annual reports "the most recent measurement and verification report of the independent program evaluator, which includes documentation, at both the portfolio and individual program levels of expenditures, savings, and cost-effectiveness of all energy efficiency measures and programs and load management measures and programs, expenditures, savings, and cost-effectiveness of all self-direct programs, and all assumptions used by the evaluator." [5] The UCT is the method used for cost-effectiveness testing.

In preparation for the cost-effectiveness analysis, the Evaluation team requested key assumptions and inputs from NMGC, including:

[5] https//www.srca.nm.gov/parts/title17/17.007.0002.html, Section 17.7.2.14 - D1

- Avoided cost of energy – time differentiated production costs per therm over a 20+ year time horizon.
- Discount rate – used to calculate the net present value of future savings.
- Administrative costs – all non-incentive expenditures associated with program delivery.

The verified savings values were gathered as part of the primary impact evaluation analysis effort and used to calculate benefits for each program. The Evaluation team compiled incentive payments from program tracking data for use in calculating UCT costs.

3 Efficient Buildings

The Efficient Buildings program provides commercial, institutional, and multifamily customers with financial incentives and technical support to install high-efficiency natural gas equipment. The program includes a combination of prescriptive, direct install, and custom measure pathways to address the diverse needs of participating facilities. Eligible measures include high-efficiency boilers, furnaces, water heaters, pipe insulation, and advanced heating controls, among others. The program is designed to reduce natural gas consumption, lower participant energy costs, and support New Mexico's energy efficiency goals. In PY2024, the program continued to serve a broad mix of building types through collaboration with trade allies and facility managers, with savings claims verified through engineering desk reviews, TRM validation, and participant outreach.

3.1 GROSS IMPACTS

The Efficient Buildings program supports commercial and institutional customers through prescriptive, direct install, and custom offerings. In PY2024, most evaluated projects were prescriptive in nature, with a smaller number of custom and direct install projects. The evaluation team reviewed project documentation and conducted engineering desk reviews to assess claimed savings.

Gross realized savings were calculated using engineering review methods described in Section 2, including verification of TRM-aligned assumptions and review of calculation workbooks. Realization rates were derived from stratified random sampling based on project type and therm savings magnitude.

The realized gross savings were adjusted using project-specific engineering adjustment factors (EAF), which accounted for discrepancies in input parameters, baseline assumptions, and inconsistent use of interactive effects. Where available, deemed savings values from the New Mexico TRM v3.3 were prioritized.

3.1.1 Realized Gross Impacts

The Gross Realized Savings are calculated by taking the original ex ante savings values from the participant tracking databases and adjusting them using an Installation Adjustment factor (based on the count of installed measures verified through the phone surveys) and an Engineering Adjustment factor (based on the engineering analysis, desk reviews, etc.)

$$Gross\ Realized\ Savings = (Ex\ Ante\ Savings) * (Installation\ Adjustment) * (Engineering\ Adjustment\ Factor)$$

The ex-ante PY2024 impacts for the Efficient Buildings program are summarized in **Table 3-1**, **Table 3-2**, and **Table 3-3**.

Table 3-1 Efficient Buildings First Year Savings Summary (therms)

Program	Sub-Program	# of Projects	Expected Gross therm Savings	Engineering Adjustment Factor	Realized Gross therm Savings
Efficient Buildings	Custom	45	344,817	0.9731	335,541
	Direct Install	218	921,241	1.0000	921,241
	Prescriptive	31	188,245	0.8959	168,655
	Steam Trap	9	620,797	1.0092	626,499
Total		**303**	**2,075,100**	**0.9888**	**2,051,937**

Table 3-2 Efficient Buildings Lifetime Savings Summary (therms)

Program	Sub-Program	# of Projects	Expected Gross therm Savings	Engineering Adjustment Factor	Realized Gross therm Savings
Efficient Buildings	Custom	45	3,469,962	0.9731	3,376,620
	Direct Install	218	10,114,834	1.0000	10,114,834
	Prescriptive	31	2,083,073	0.8959	1,866,299
	Steam Trap	9	3,348,505	1.0092	3,379,262
Total		**303**	**19,016,374**	**0.9853**	**18,737,015**

Table 3-3 Efficient Buildings Desk Review Sample

Program	Sub-Program	Count	Average therms	Total therms savings	% of savings	Current Sample
Efficient Buildings	Custom	45	7,663	344,817	17%	9
	Direct Install	218	4,226	921,241	44%	8
	Prescriptive	31	6,072	188,245	9%	3
	Steam Trap	9	68,977	620,797	30%	6
Total		**303**		**2,075,100**		**26**

The gross impact analysis for the Efficient Buildings program revealed strong overall alignment between reported and verified savings, with a high portfolio-level realization rate. Most subprograms demonstrated high accuracy in savings estimation, particularly Direct Install and Steam Trap projects, which achieved realization rates at or above 100%. Variances in Prescriptive and Custom projects were primarily due to outdated input assumptions, misapplied baselines, or inconsistent documentation of operating conditions. The evaluation identified opportunities to improve consistency in applying TRM algorithms and recommended refining workpapers for common prescriptive measures. These adjustments will help ensure more accurate savings claims and enhance the credibility of program-reported impacts.

3.2 NET IMPACTS

Net impacts were calculated using the self-report method, consistent with NMGC evaluation protocols. Free ridership was assessed via a structured phone survey instrument fielded to program participants. Respondents were asked about decision-making influences, timing of program awareness, and likely actions in the absence of the program.

The net-to-gross (NTG) ratio applied for PY2024 is 0.8326, as established in the PY2023 evaluation for prospective application. This ratio was applied to the realized gross savings to estimate net savings.

3.2.1 Realized Net Impacts

The net-to-gross evaluation process calculates the Net-to-Gross (NTG) savings, which reflect the effectiveness of the program in achieving energy savings. The NTG ratio is calculated by comparing the Net Realized Savings (i.e., the savings that result directly from the program's influence on participants) to the Gross Realized Savings (the total savings from all measures installed from the impact evaluation above). This ratio accounts for factors such as free ridership (participants who would have implemented the measures without the program) and spillover (savings from participants who were influenced by the program but did not directly participate). The NTG ratio is crucial for assessing the overall impact of the program.

Net Realized Savings are then determined by multiplying the Gross Realized Savings by the NTG ratio:

$$Net\ Realized\ Savings = (Net - to - Gross\ Ratio) * (Gross\ Realized\ Savings)$$

Table 3-4 and **Table 3-5** summarize the PY2024 net impacts for the Efficient Buildings program using the prospective NTG ratios calculated by the evaluation team during the PY2023 evaluation.

Table 3-4 Efficient Buildings First Year Net Impact Summary (therms)

Program	Sub-Program	# of Projects	Realized Gross therm Savings	NTG Ratio	Realized Net therm Savings
Efficient Buildings	Custom	45	335,541	0.8326	279,372
	Direct Install	218	921,241	0.8326	767,025
	Prescriptive	31	168,655	0.8326	140,422
	Steam Trap	9	626,499	0.8326	521,623
Total		**303**	**2,051,937**	**0.8326**	**1,708,443**

Table 3-5 Efficient Buildings Lifetime Net Impact Summary (therms)

Program	Sub-Program	# of Projects	Realized Gross therm Savings	NTG Ratio	Realized Net therm Savings
Efficient Buildings	Custom	45	3,376,620	0.8326	2,811,374
	Direct Install	218	10,114,834	0.8326	8,421,611
	Prescriptive	31	1,866,299	0.8326	1,553,880
	Steam Trap	9	3,379,262	0.8326	2,813,573
Total		**303**	**18,737,015**	**0.8326**	**15,600,438**

3.2.2 Net-to-Gross Ratio Update for PY2024

For the net impact self-report analysis, we completed interviews with 34 of the 82 customers who had valid contact data. Of the 34 surveyed, 30 were direct install or steam trap audit customers and were assigned a net-to-gross value of 1.0. The remaining four customers from the custom subprogram were asked the free-ridership question battery.

Based on the self-approach method described earlier, we calculated a free-ridership rate of 0.1592 that resulted in an overall net-to-gross ratio of 0.8408.[6] This new ratio includes direct install and steam trap customers along with custom subprogram customers and will be applied to the Efficient Buildings program beginning in PY2025.

Table 3-6 Efficient Buildings NTG Ratio Update for PY2024

Program	PY2024 NTG Ratio	PY2025 NTG Ratio
Efficient Buildings	0.8326	0.8408

3.3 PROCESS EVALUATION

3.3.1 Participant Surveys

New Mexico Gas Company provided the evaluation team with 82 valid customer contacts who had participated in the Efficient Buildings program in PY2024. From this population, the evaluation team was able to conduct phone surveys with representatives from 34 participating companies (27 direct install and 7 non-direct install) that received rebates through the program. Efforts were made to ensure that the individuals surveyed were key decision-makers at the participating companies. These surveys were completed in April 2025 and ranged from 15 to 20 minutes in length.

[6] This is nearly the same as the value calculated in PY2023 (0.8326) and represents a slight increase. Responses to free-ridership questions in PY2024 were generally consistent with those from PY2023.

The participant survey was designed to cover the following topics:

- Verification of the measure installations included in the program tracking database.
- Collection of information on participants' satisfaction with the program experience.
- Survey responses for use in the free ridership calculations.
- Participant drivers and barriers.
- Additional process evaluation topics.

The following subsections report results on company demographics, sources of program awareness, motivations for participation, and program satisfaction. Throughout the analysis described here, we present the survey results as weighted percentages based on the proportion of savings represented by survey respondents relative to the total savings of all program respondents.

3.3.1.1 Company Demographics

Survey respondents were asked whether their company owns or leases the building where the project was completed. 82 percent of respondents with direct install projects and 99 percent of respondents with non-direct install projects reported that they own their building (**Figure 3-1**). The large majority of respondents also reported that their companies paid their own electric bills (100% of non-direct install respondents and 91% of direct install respondents).

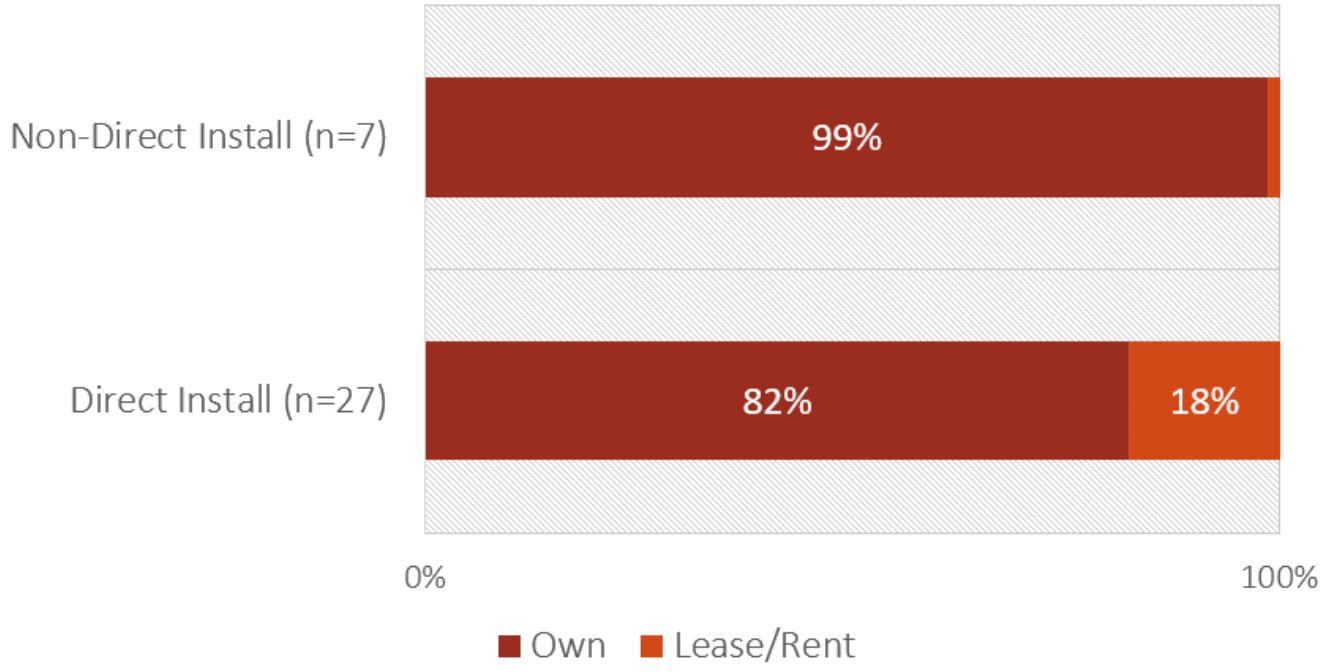

Figure 3-1 Company Building Ownership

All survey respondents were also asked about their company's building size. **Figure 3-2** shows the building square footage reported by respondents. Direct install projects were conducted across a range of building sizes, with 46 percent in buildings between 10,000 and 49,999 square feet, followed by 18 percent in buildings between 5,000 and 9,999 square feet and 17 percent each in buildings between 2,000 and 4,999 square feet and buildings with 100,000 square feet or more.

Non-direct install projects were predominantly in larger buildings, with 54 percent in buildings of 100,000 square feet or more, 27 percent in buildings between 10,000 and 49,999 square feet, 13 percent in buildings between 2,000 and 4,999 square feet, and 6 percent in buildings between 50,000 and 99,999 square feet.

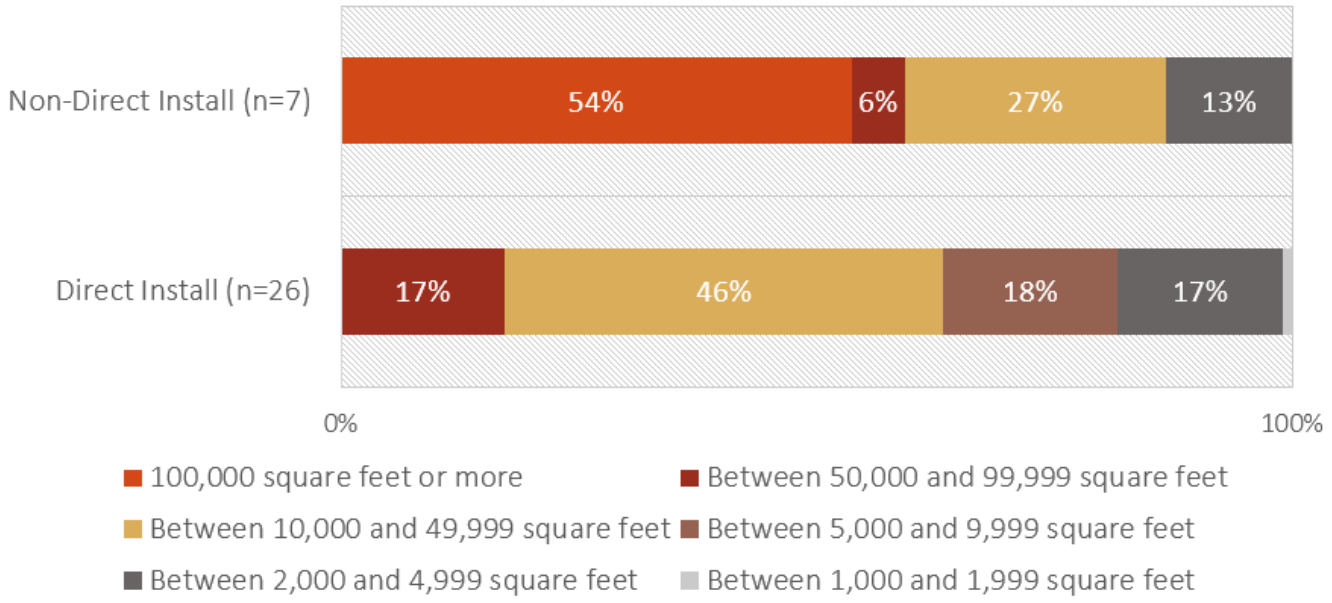

Figure 3-2: Company Building Square Footage

Data were also collected on the number of full-time employees that companies had in the state of New Mexico. As shown in **Figure 3-3**, direct install projects were distributed across various company sizes, with 42 percent reporting between 20 and 49 employees, 26 percent with fewer than 5 employees, 17 percent with 5 to 9 employees, and 14 percent with 10 to 19 employees.

In contrast, non-direct install projects were more commonly completed by larger businesses, with 69 percent reporting 1,000 to 2,500 employees. The remaining non-direct install respondents were distributed among smaller company sizes. This aligns with the previous findings that companies participating in the program through the non-direct install track also had larger building square footage sizes, which is logical given that larger companies typically occupy larger facilities.

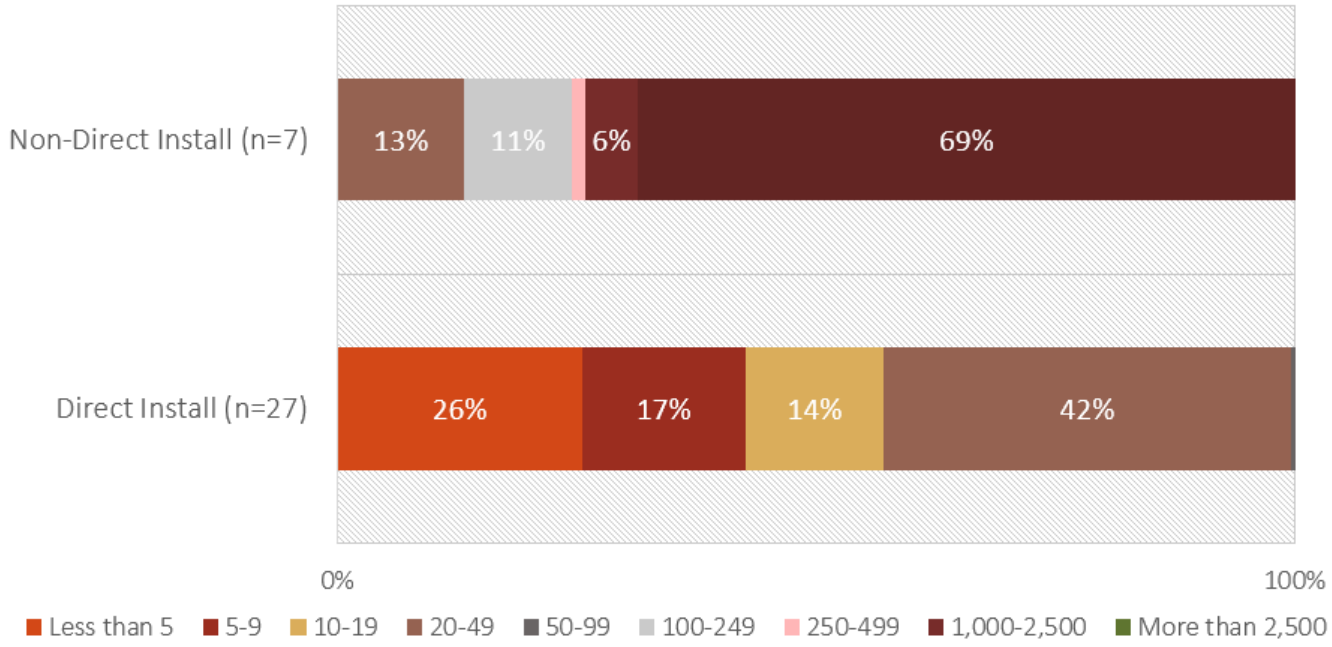

Figure 3-3: Company Number of Full Time Employees in New Mexico

When asked about the year their companies' buildings were built, both direct install and non-direct install respondents indicated a wide range of building ages (**Figure 3-4**). For direct install respondents, the largest segment (30%) reported buildings constructed between 1990 and 1999, followed by 20 percent with buildings built in 2020 or later.

Nearly half (49%) of non-direct install respondents reported their companies' buildings were constructed in the 1980s, followed by 26 percent built in the 1950s, 14 percent in the 1960s, and smaller percentages in other years.

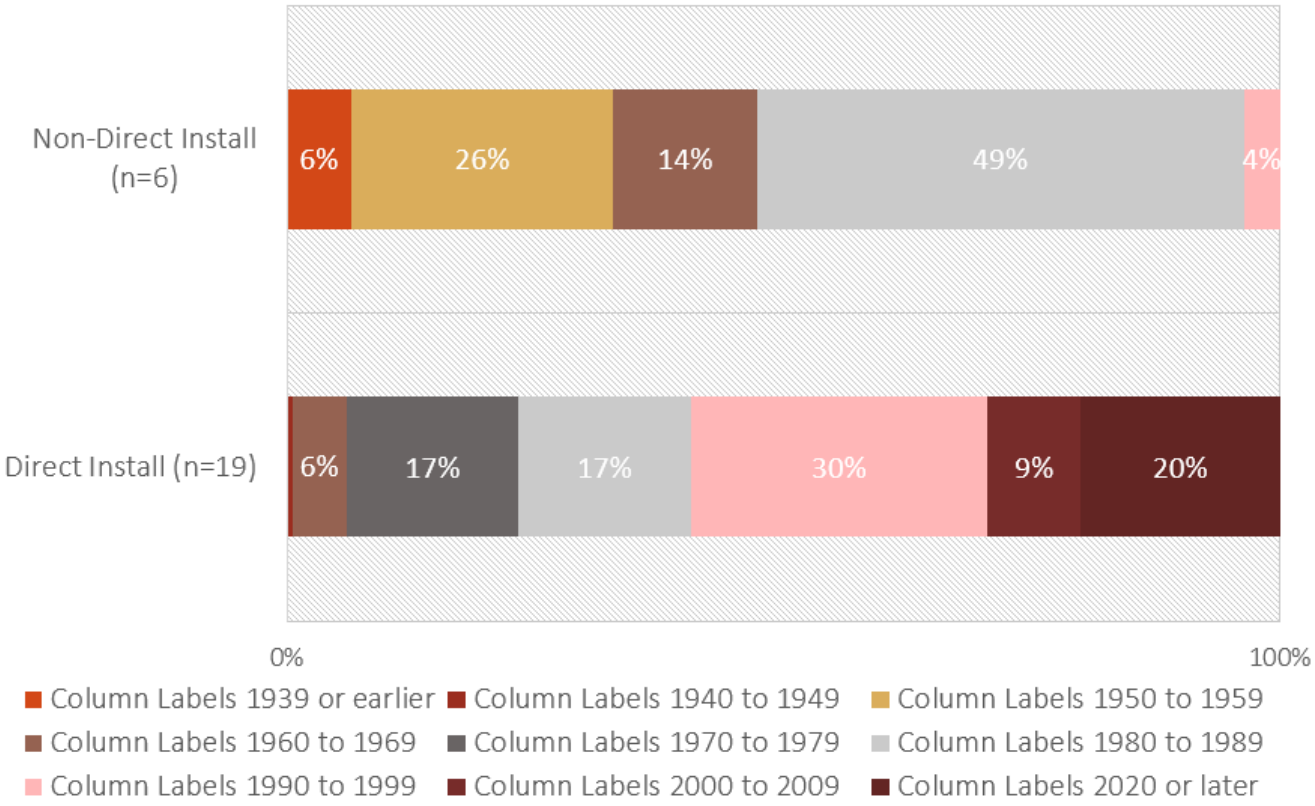

Figure 3-4: Company Building Year Built

3.3.1.2 Sources of Awareness

Efficient Buildings program respondents became aware of the program's available rebates and assistance through various sources, including contractors, distributors, suppliers, utility representatives or utility marketing, and friends/referrals.

Figure 3-5 shows that most non-direct install respondents reported first hearing about the program from having participated in the program or received a rebate before (42%), followed by other sources (40%), which included involvement with CLEAResult (either being on a project with them or approached by them) and being approached by equipment installation companies.[7] For direct install respondents, contractors or distributors were the most common initial source of awareness (43%), followed by utility representatives (32%) and word of mouth (13%).

[7] It is possible this is also referring to CLEAResult.

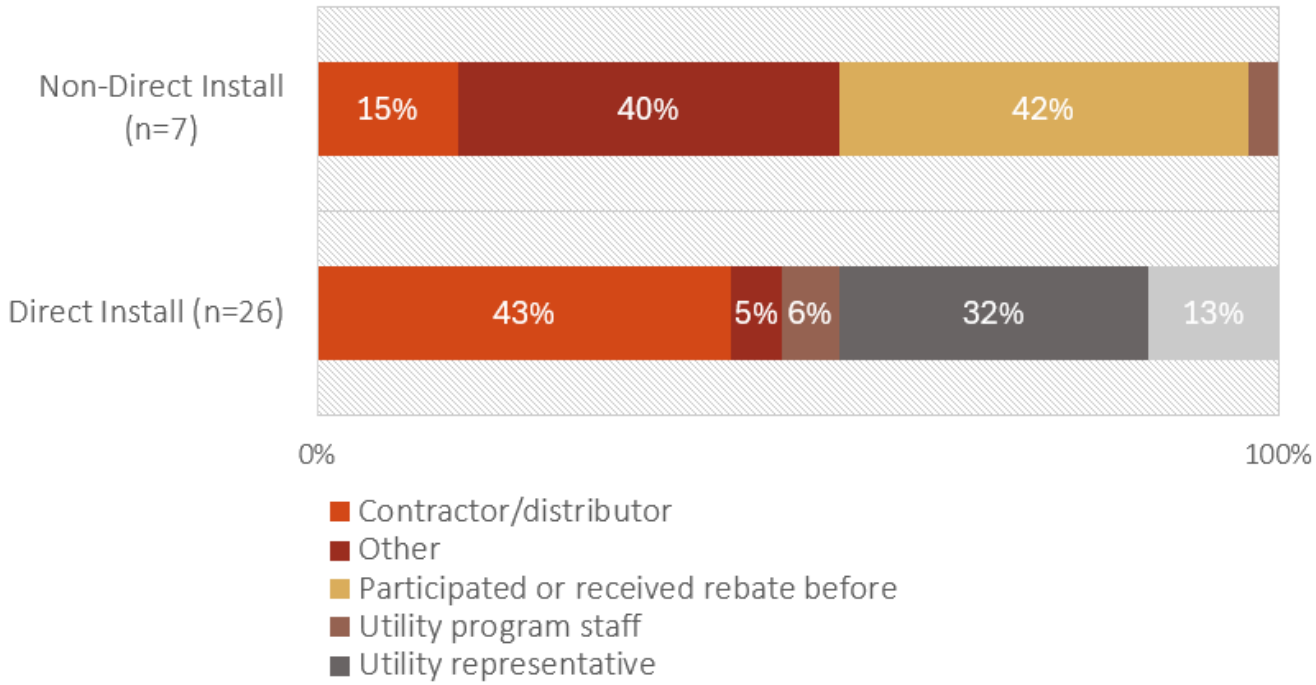

Figure 3-5 Initial Source of Awareness

Respondents were then asked to elaborate on other sources their company used to gather information about the program, beyond the initial source of awareness. As shown in **Figure 3-6**, the sample size for this question was smaller, with only two non-direct install respondents and seven direct install respondents providing answers.

Among the non-direct install respondents, the additional sources were evenly split between personal knowledge (50%) and word of mouth (50%). For direct install respondents, word of mouth was the most frequently cited additional source (54%), followed by utility representatives (28%), with a contractor/distributor and neighbors each accounting for 9 percent of responses.

Respondents were also asked which source was the most useful in their decision to participate in the program. Respondents most frequently cited their contractor, with one respondent specifically mentioning that they were happy with the product their contractor was offering. Other useful sources mentioned included a business next door to their company that was participating in the program, and past participation in the program by their own company. This feedback suggests that contractors play a particularly important role in influencing participation decisions for direct install projects.

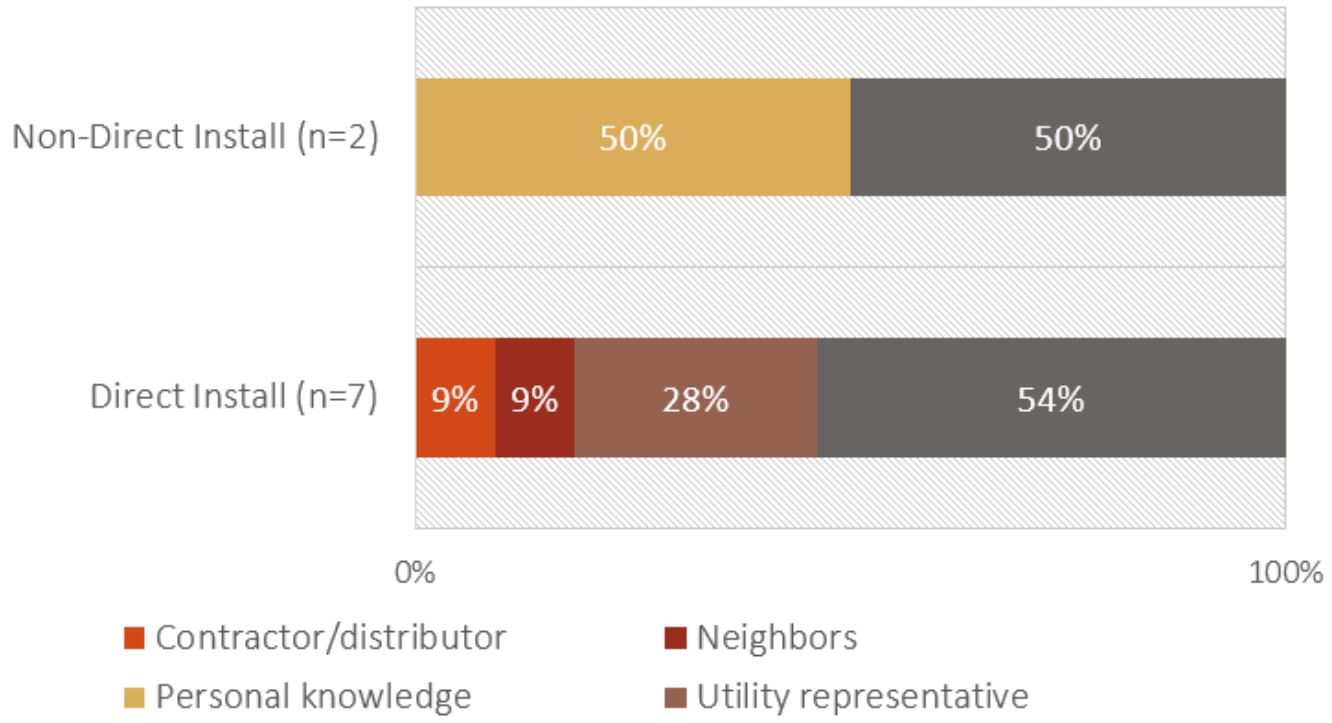

Figure 3-6: Other Sources of Awareness

3.3.1.3 Motivations for Participation

Non-direct install respondents were asked about the level of importance they placed on various factors that might have influenced their participation in the program. As shown in **Figure 3-7**, receiving the rebate was rated as the most important factor, with 90 percent of respondents rating it as very important. The contractor recommendation was also highly valued, with 75 percent rating it as very important. Contractors seem to have been highly influential in motivating participation overall, as contractors were also one of the most common initial sources of program awareness for direct install respondents.

Upgrading out-of-date equipment was another significant motivation, with all non-direct install respondents rating it as either extremely important or very important. Reducing energy bill amounts was also a strong driver, with nearly all respondents rating it as extremely or very important.

Improving comfort at the business and improving air quality showed more mixed responses, though most respondents still rated these factors as important. Environmental concerns were rated as relatively less important, with most respondents considering reducing environmental impact as somewhat important.

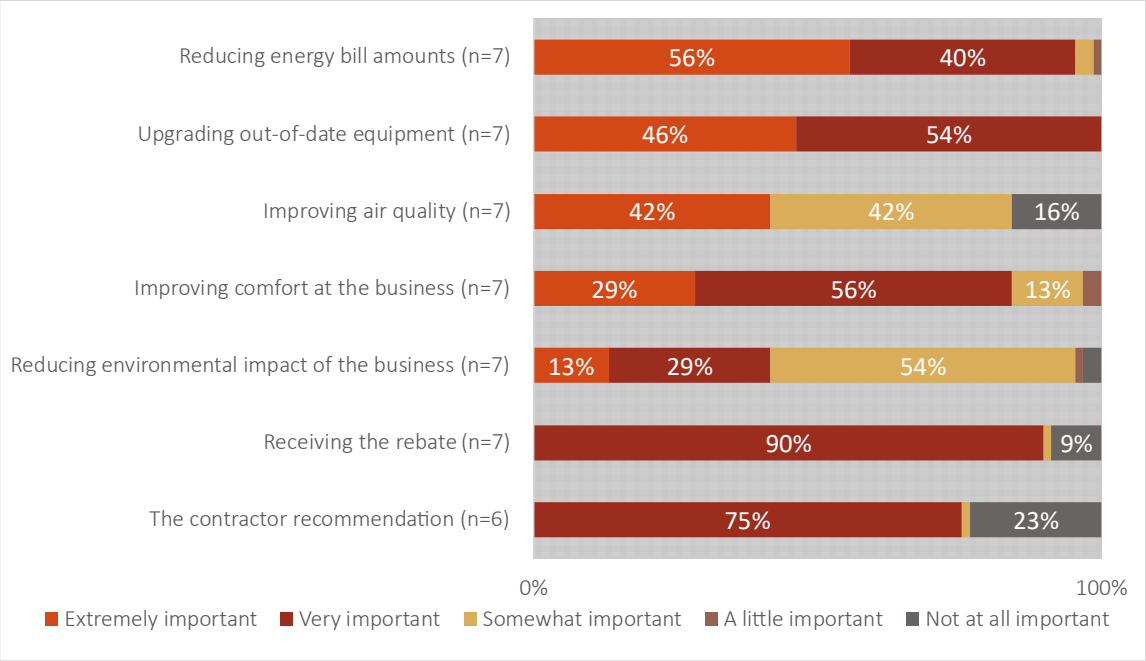

Figure 3-7 Motivations for Participation, Non-Direct Install Respondents

In addition to being asked about motivations for participating, non-direct install respondents were given a list of potential program and non-program factors that may have influenced their decision about how energy efficient their equipment would be. They were then asked to rate the importance of those factors on a 0-to-10-point scale.[8] For program related factors, **Figure 3-8** shows that technical assistance/project economic analysis and the contractor who performed the work were rated as extremely important by nearly all respondents (98% and 94%, respectively). The contractor recommendation and the rebate amount were also highly valued (67% rated each as extremely important), while utility marketing materials, staff endorsements, and previous participation were somewhat less influential but still important to most respondents.

[8] On the 0-to-10-point scale, 0 indicated "not at all important" and 10 indicated "extremely important."

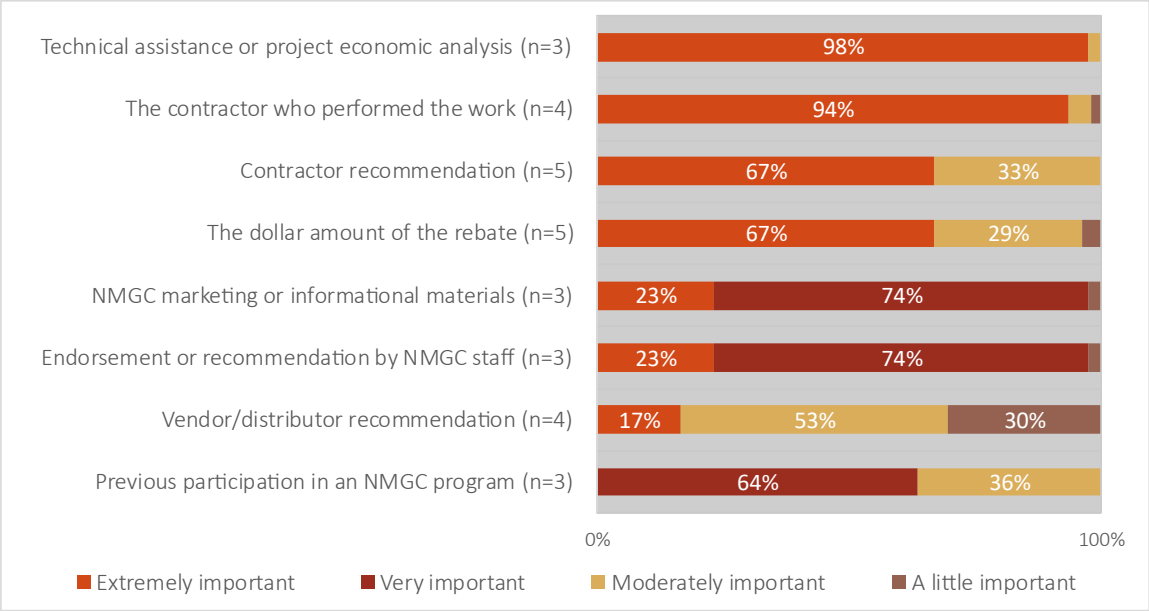

Figure 3-8: Importance of Program Factors, Non-Direct Install Participants

Figure 3-9 shows the importance of non-program factors for non-direct install respondents. The age or condition of the old equipment was the most influential factor, with 80 percent rating it as extremely important and 17 percent rating it as very important. Minimizing operating cost was also significant, with 61 percent rating it extremely important. Scheduled time for routine maintenance was considered extremely important by 43 percent and very important by 54 percent of respondents. Corporate policy or guidelines was rated as moderately important by most respondents (84%).

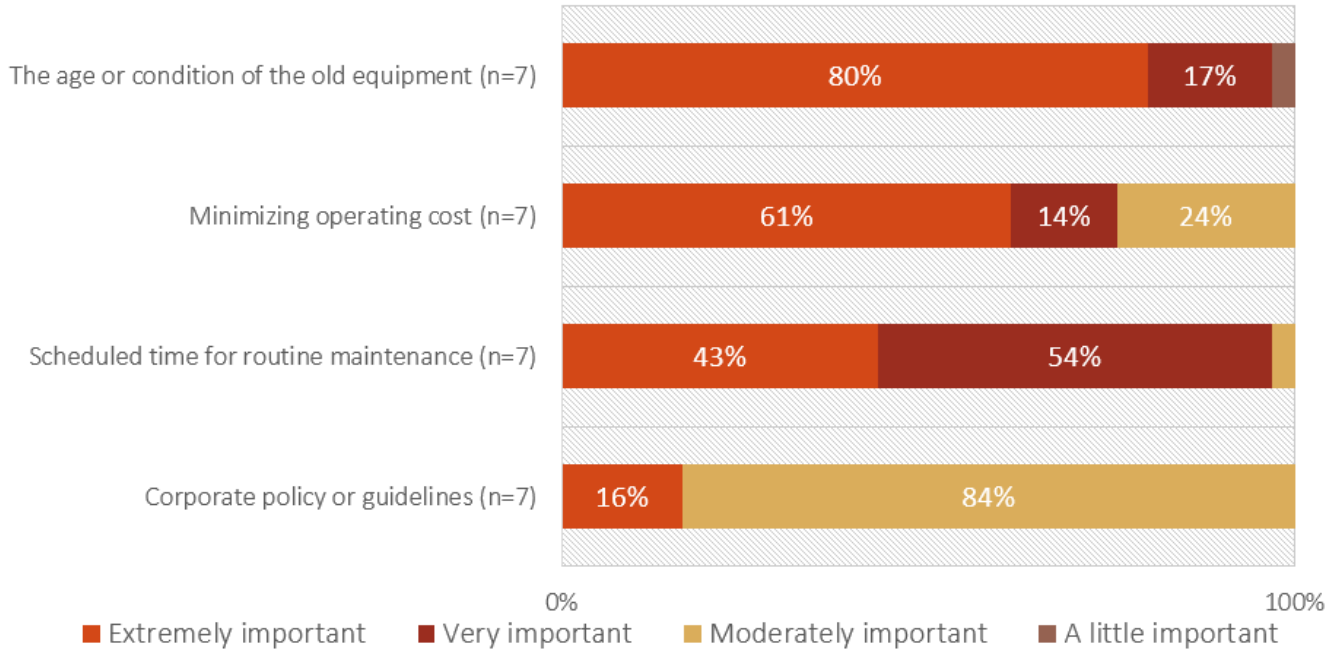

Figure 3-9: Importance of Non-Program Factors, Non-Direct Install Respondents

3.3.1.4 Participant Satisfaction

Respondents evaluated their satisfaction with various components of the Efficient Buildings program on the following scale: very satisfied, somewhat satisfied, neither satisfied nor dissatisfied, somewhat dissatisfied, and very dissatisfied. The individual components that respondents were asked to rank their satisfaction with included:

- NMGC as an energy provider.
- The rebate program overall.
- The equipment installed through the program.
- The contractor who installed the equipment.
- Overall quality of the equipment installation.
- The time it took to receive the rebate.
- The dollar amount of the rebate.
- Interactions with NMGC.
- The overall value of the equipment for the price they paid.
- The time and effort required to participate.
- The project application process.

Overall, direct install respondents expressed high levels of satisfaction across all program components, as shown in **Figure 3-10**. Time and effort required to participate received the highest satisfaction ratings, with 94 percent of respondents being very satisfied, suggesting ease of participation. The project application process and equipment installation quality were both rated as very satisfied by 73 percent of respondents.

The equipment installed through the program and the rebate program overall also received high satisfaction ratings, with 71 percent and 67 percent respectively reporting being very satisfied. NMGC as an energy provider received somewhat lower but still positive ratings, with 47 percent very satisfied and 35 percent somewhat satisfied. Some minor dissatisfaction was noted with the equipment installed (7%) and installation quality (7%).

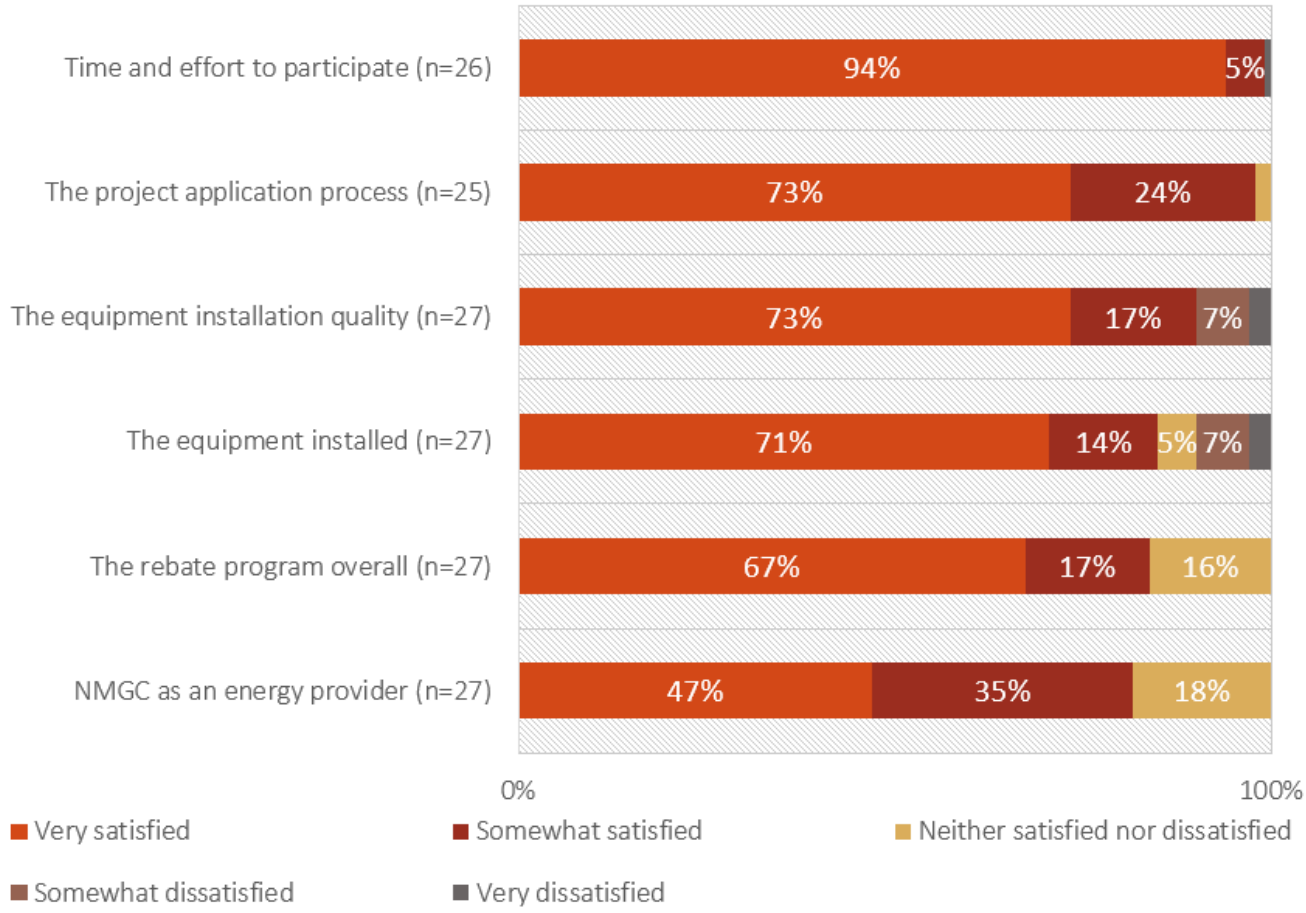

Figure 3-10 Direct Install Participant Program Satisfaction

As shown in **Figure 3-11**, non-direct install respondents also expressed generally high levels of satisfaction with the program components. The equipment installed received the highest satisfaction ratings, with 77 percent very satisfied and 23 percent somewhat satisfied. NMGC as an energy provider was similarly well-regarded, with 74 percent of respondents very satisfied.

The project application process, rebate amount, and time to receive the rebate all received positive ratings, with 61 to 65 percent of respondents very satisfied and the remainder somewhat satisfied. Time and effort required to participate was rated favorably by all respondents, with 56 percent very satisfied and 44 percent somewhat satisfied.

The overall rebate program was rated very satisfied by 48 percent of respondents, somewhat satisfactory by 39 percent, and neither satisfied nor dissatisfied by 13 percent. The contractor who installed the equipment received mixed reviews, with most respondents (79%) somewhat satisfied, while equipment installation quality received the most neutral responses, with 42 percent neither satisfied nor dissatisfied.

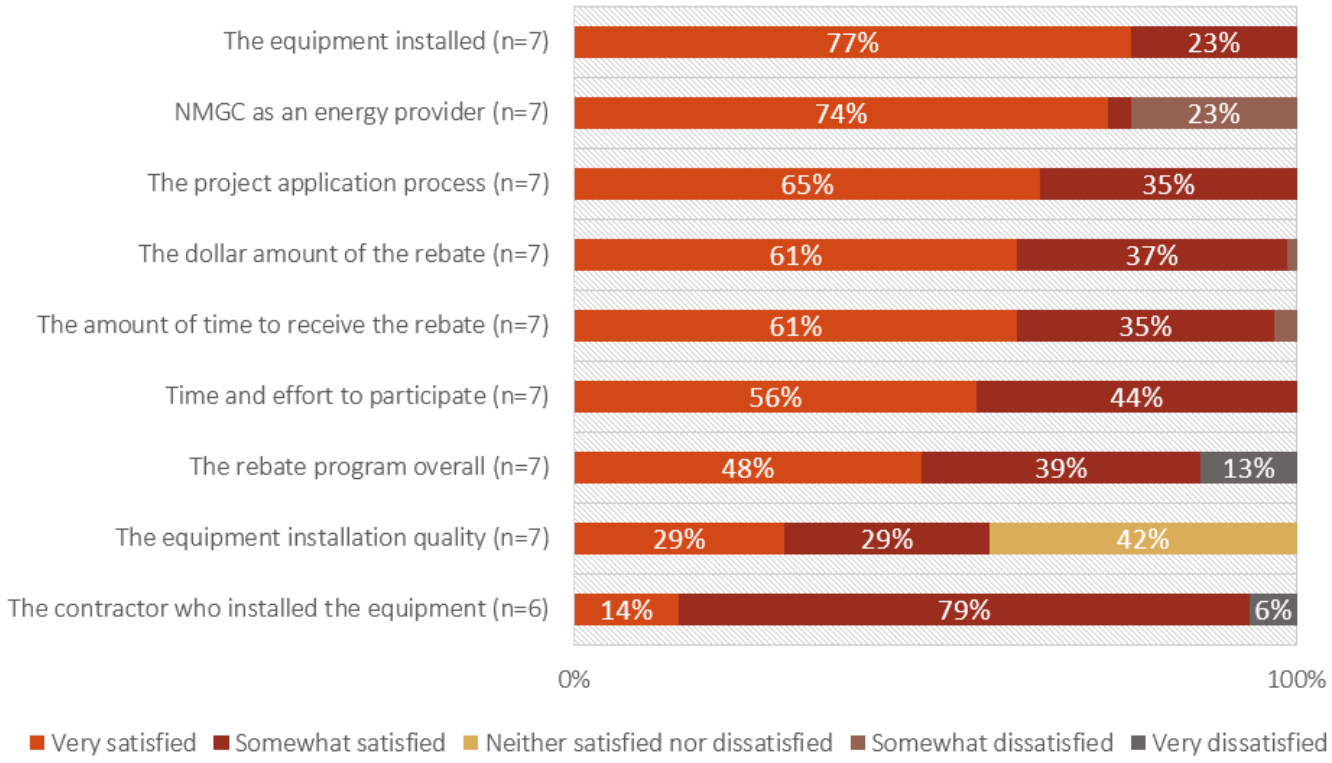

Figure 3-11: Non-Direct Install Participant Program Satisfaction

When asked for recommendations to improve the Efficient Buildings program, respondents provided several suggestions. Multiple comments focused on installation quality, with specific concerns about the quality of installation work, the need for "better installers," and recommendations to "use appropriate screws" and "better quality screws." Some participants reported difficulty contacting contractors to fix installation issues, suggesting a need for better post-installation support. Marketing and program awareness were also mentioned, with suggestions to "get the word out" and try "direct marketing" since "more people need to know about this program." One respondent noted that compared to other utility programs, "the rebates are considerably smaller," suggesting a potential for increased incentives.

Another recommendation was to provide "a descriptive list of projects and equipment that qualify for the program," which would help customers "identify future savings" opportunities. One respondent also expressed uncertainty about maintenance of equipment associated with the program.

It is worth noting that despite these suggestions for improvement, participants showed a strong likelihood to recommend the program to others. When asked how likely they were to recommend the Efficient Buildings program to a colleague or professional contact on a scale from 0 to 10,[9] 25 out

[9] On the 0-to-10-point scale, 0 indicated “not at all likely” and 10 indicated “extremely likely.”

of 34 respondents gave high ratings, with three respondents scoring it a 9, and 22 respondents giving it the highest possible score of 10. This high rate of potential program advocacy reflects the overall positive experience of most respondents.

3.3.1.5 Findings and Recommendations

Efficient Buildings program survey respondents reported high levels of satisfaction across most program components. Most participants (74%) indicated they would be highly likely to recommend the program to a colleague or a professional contact (scoring a 9 or 10 on a 10-point scale). Direct install participants primarily learned about the program through contractors or utility representatives, while non-direct install participants most commonly heard about it through previous participation, highlighting the program's strong reputation among repeat customers. Cost savings, rebates, and equipment upgrades were the primary motivations for participation across both participant types. While satisfaction was high overall, respondents mentioned some installation quality concerns and difficulties contacting contractors for post-installation support.

Table 3-7 Key Findings and Recommendations

Finding	Recommendation
1. Installation quality concerns: Several direct-install respondents mentioned issues with installation quality, specifically noting "sloppy" installation work and problems with the quality of screws used. Some participants reported difficulty contacting contractors to address installation issues after completion.	Strengthen contractor quality control standards and create a clear process for participants to report and resolve post-installation issues. Consider instituting a post-installation check-in call one month after installation to ensure continued satisfaction.

2. Program awareness and marketing: Multiple respondents suggested expanding program marketing efforts, noting that "more people need to know about this program." One respondent additionally asked for “a descriptive list of projects and equipment that qualify for the program.” While contractor referrals are effective for direct install projects, broader awareness about the program and rebate-eligible equipment could increase participation.	Enhance direct marketing efforts to reach potential participants who may not be connected with participating contractors. Develop and circulate a comprehensive list of qualifying equipment and projects to help businesses identify future energy-saving opportunities.
3. Variation in satisfaction between direct-install and non-direct install respondents: While satisfaction with the program was generally high, non-direct install respondents exhibited more neutral responses around installation quality and satisfaction with contractors. Direct-install satisfaction levels tended to be slightly higher.	Explore whether delivery models (direct-install, non-direct install) need tailored engagement strategies, such as targeted contractor training or added QA steps, to ensure consistency in experience across participant types.

3.4 CONCLUSIONS AND RECOMMENDATIONS

3.4.1 Gross Impact

Finding	Recommendation
1. For EA-0003210230 and EA-0003270815, the ex-ante analysis followed a prescriptive approach, referring to the NMGC-CFS workpaper for the Commercial Fryer measure. Both ex-ante and ex-post analyses relied on the same assumptions from the project documents and EnergyStar certificate, but the ex-ante savings could not be recreated, leading to an unresolved therms discrepancy.	Recommendation: Ensure ex-ante analyses align by using consistent, verified data sources from project documents. Clearly document and validate any assumptions or deviations from standard approaches to maintain consistency.

Finding	Recommendation
2. EA-0003270815, for Domestic Hot Water Boiler measure, the ex-ante analysis classified the installed A.O. Smith 199-300 boiler as a residential instantaneous type with deemed savings of 557 therms and a 20-year EUL from the workpapers. For the ex-post, the evaluation team identified the boiler as a commercial storage type based on the AHRI certificate, invoice, and specification sheet, applying deemed savings of 2.96 therms/kBtuh and an EUL of 15 years.	Recommendation: Ensure accurate equipment classification by cross-verifying project documents and AHRI certificates to determine equipment type, input ratings, and appropriate deemed savings from NM TRM. Additionally, apply the correct EUL based on the equipment's classification to ensure consistency in reported savings.
3. For EA-0001635905, the tracking data reported one savings value, while project documents and post-inspection reports listed another for the steam trap replacement/repair measure. For the ex-post, the evaluation team relied on project documents for the savings estimate.	Recommendation: Align tracking data with verified project documents and post-inspection reports to ensure consistency in reported savings values.
4. For EA-0003517751, discrepancies between ex-ante and ex-post analyses stemmed from differences in steam trap counts. The ex-ante analysis included more steam traps than post-inspection documents verified and rounded the steam leak discharge rates (lb/hr), which overstated thermal savings.	Recommendation: Ensure consistency in analyses by aligning data sources for steam trap counts across pre-inspection, application, and post-inspection records. Avoid rounding savings calculations and use the most accurate data to improve the reliability of reported results.
5. For all sampled projects for Steam Trap Replacement or Repair measures, the ex-ante analysis rounded down the calculated leak discharge rates, whereas the ex-post analysis used calculated values without rounding. This difference contributed to realization rates slightly greater than 1.	Recommendation: Ensure that future ex-ante analyses use unrounded leak discharge rates to maintain consistency with ex-post evaluations and improve the accuracy of reported savings.

Finding	Recommendation
6. For all sampled custom projects under Building Envelope – Infiltration, the ex-ante analysis applied custom-calculated sensible heat load constants (0.90–0.95 BTU/hr·CFM·°F), adjusted for elevation and other location-specific factors, instead of the industry-standard 1.08 BTU/hr·CFM·°F. This adjustment was inconsistently applied—limited only to Building Envelope projects—while other custom projects, such as heater replacements, used the standard constant, resulting in a methodological inconsistency.	Recommendation: Apply a consistent methodology for determining the sensible heat load constant across all custom project types. If elevation-based adjustments are used, document and implement them uniformly to ensure transparency and consistency in savings calculations.
7. EA-0002204284, Custom boiler project. The ex-ante analysis used a prescriptive approach with deemed savings referenced from the NMGC workpaper for the installed boilers. This approach is inconsistent with the expectations for custom projects. The ex-post evaluation, however, employed regression analysis using utility billing and weather data to estimate actual natural gas savings. While this approach provided a more accurate estimate of realized savings, it did not account for individual boiler staging due to the lack of operational data. The evaluation modeled the three-boiler system as a single aggregated load, potentially overlooking the impact of boiler sequencing (lead-lag) on gas consumption.	Recommendation: Apply project-specific, data analysis—such as weather-normalized regression modeling—for all custom boilers retrofit projects instead of using prescriptive deemed values. This approach ensures more accurate savings estimates and better reflects actual system performance.

4 Income Qualified

The Income Qualified program delivers free or deeply subsidized energy efficiency upgrades to income-eligible residential customers, including single-family homes, manufactured housing, and multifamily units. The program is primarily delivered through a direct install model that emphasizes whole-home energy savings and addresses health, safety, and comfort in addition to therm reduction. Common measures include high-efficiency space and water heating equipment, insulation, air sealing, and pipe wrap. The program also incorporates targeted outreach strategies to reach underserved communities and leverages partnerships with community-based organizations and weatherization agencies. In PY2024, the program continued to prioritize equity and accessibility while achieving measurable energy savings and non-energy benefits across participating households.

4.1 GROSS IMPACTS

Gross verified savings for the Income Qualified program were calculated based on a review of tracking data, deemed savings values from the New Mexico TRM v3.3, and measure-level documentation. The program primarily installed measures using direct install protocols, which enabled consistent data collection and standardized measure assumptions.

The engineering desk reviews verified installation quantities and measure applicability for a stratified sample of projects across dwelling types and measure categories. Installation Adjustment Factors (IAFs) were applied based on the verification of measure counts and installation quality, while Engineering Adjustment Factors (EAFs) accounted for deviations from TRM assumptions or misclassification of baseline conditions.

The gross impact evaluation focused on the Native American Communities, Weatherization Assistance, and Multifamily Program evaluations. The Manufactured Homes and Community Energy Efficiency program evaluations will occur in PY2025 due to an NMGC request to review when the programs have matured.

4.1.1 Realized Gross Impacts

The Gross Realized Savings are calculated by taking the original ex ante savings values from the participant tracking databases and adjusting them using an Installation Adjustment factor (based on the count of installed measures verified through the phone surveys) and an Engineering Adjustment factor (based on the engineering analysis, desk reviews, etc.)

$$Gross\ Realized\ Savings = (Ex\ Ante\ Savings) * (Installation\ Adjustment) * (Engineering\ Adjustment\ Factor)$$

The ex-ante PY2024 impacts for the Income Qualified programs are summarized in **Table 4-1**, **Table 4-2**, and **Table 4-3**.

Table 4-1 Income Qualified First Year Savings Summary (therms)

Subprogram	# of Projects	Expected FY Gross therms Savings	Engineering Adjustment Factor	Realized FY Gross therms Savings
NA Communities	119	52,411	0.9344	48,973
Weatherization (WAP)	240	121,009	1.3538	163,827
Total	**359**	**173,420**	**1.2271**	**212,800**

Table 4-2 Income Qualified Lifetime Savings Summary (therms)

Subprogram	# of Projects	Expected LT Gross therms Savings	Engineering Adjustment Factor	Realized LT Gross therms Savings
NA Communities	119	806,078	0.9344	753,199
Weatherization Assistance	240	1,425,040	1.3538	1,929,280
Total	**359**	**2,231,118**	**1.2023**	**2,682,479**

Table 4-3 Income Qualified Desk Review Sample

Sub-Program	Count	Average therms	Total therms savings	% of savings	Current Sample
NA Communities	119	440	52,411	11%	12
Multi-Family LI	882	84	73,963	16%	0
Community EE	131	359	47,028	10%	0
Manufactured Homes	490	341	167,219	36%	0
Weatherization	240	504	121,009	26%	18
Totals	**1,862**		**461,630**		**30**

The gross impact analysis for the Income Qualified program showed a strong positive realization rate driven primarily by the Weatherization Assistance subprogram. Engineering desk reviews found that reported savings were often conservative, and evaluator adjustments—particularly to NEAT model inputs—resulted in higher verified savings. While most subprograms maintained consistent tracking and documentation, some discrepancies in measure-level assumptions were identified and corrected during review. The evaluation team recommends continued alignment with updated TRM values and closer collaboration with implementation staff to ensure accurate savings estimation, especially for complex weatherization projects. Discrepancy is also explained by the evaluator approach to validate savings through a direct ratio comparison of NEAT inputs vs. NM TRM equation ratios. Further alignment between implementors and evaluators will lead to more accurate results from future program evaluations.

4.2 NET IMPACTS

Net impacts for the Income Qualified program were determined using a deemed net-to-gross (NTG) ratio of 1.00, consistent with NMGC evaluation protocols and prior regulatory precedent. Because program participants are income-qualified and receive no-cost or deeply subsidized measures, they are assumed to have minimal free ridership. As such, no primary NTG research was conducted for PY2024. The 1.00 NTG ratio was applied directly to the realized gross savings to calculate net savings.

4.2.1 Realized Net Impacts

The net-to-gross evaluation process calculates the Net-to-Gross (NTG) savings, which reflect the effectiveness of the program in achieving energy savings. The NTG ratio is calculated by comparing the Net Realized Savings (i.e., the savings that result directly from the program's influence on participants) to the Gross Realized Savings (the total savings from all measures installed from the impact evaluation above). This ratio accounts for factors such as free ridership (participants who would have implemented the measures without the program) and spillover (savings from participants who were influenced by the program but did not directly participate). The NTG ratio is crucial for assessing the overall impact of the program.

Net Realized Savings are then determined by multiplying the Gross Realized Savings by the NTG ratio:

$$Net\ Realized\ Savings = (Net - to - Gross\ Ratio) * (Gross\ Realized\ Savings)$$

Table 4-4 and **Table 4-5** summarize the PY2024 net impacts for the Income Qualified program using the prospective NTG ratios calculated by the evaluation team during the PY2023 evaluation.

Table 4-4 Income Qualified First Year Net Impact Summary (therms)

Subprogram	# of Projects	Realized FY Gross therms Savings	NTG Ratio	Realized Net therms Savings
NA Communities	119	48,973	1.0000	48,973
Weatherization (WAP)	240	163,827	1.0000	163,827
Total	**359**	**212,800**	**1.0000**	**212,800**

Table 4-5 Income Qualified Lifetime Net Impact Summary (therms)

Subprogram	# of Projects	Realized LT Gross therms Savings	NTG Ratio	Realized LT Net therms Savings
NA Communities	119	753,199	1.0000	753,199
Weatherization Assistance	240	1,929,280	1.0000	1,929,280
Total	**359**	**2,682,479**	**1.0000**	**2,682,479**

4.2.2 Net-to-Gross Ratio Update for PY2024

Net savings applied a NTG ratio of 1.00, consistent with regulatory precedent and prior evaluation findings. This ratio assumes that, in the absence of the program, income-qualified customers would not have installed the efficiency measures independently due to financial or informational barriers.

4.3 PROCESS EVALUATION

No process evaluation activities were conducted for the Income Qualified program during PY2024. The evaluation team deferred process research for this program to a future cycle.

4.4 CONCLUSIONS AND RECOMMENDATIONS

4.4.1 Gross Impact

Finding	Recommendation
1. The ex-ante savings could not be replicated for all Weatherization sampled projects using the NEAT report input. For ex-post, the evaluation team recalculated savings using NEAT-reported values and NM TRM algorithms.	Recommendation: Ensure ex-ante savings calculations align with NEAT report inputs and use NM TRM algorithms for consistency and verifiability.

Finding	Recommendation
2. 103068, 102676, 103396, 103813, 104316. The NEAT Audit Report did not specify whether the aerators were installed in the kitchen or bathroom, nor did it mention their flowrate. It assumed a default savings of 586 kWh per aerator; program data converted this to therms using a factor of 29.71. For ex-post, the evaluation team identified aerator locations from the provided photos and applied a typical flowrate consistent with the NM TRM to calculate verified savings.	Recommendation: Ensure whether the aerators are installed in the kitchen or bathroom and include their flowrates in the NEAT Audit Report to support accurate energy savings calculations.
3. 103721, 103559, 102117, 102832, 104316, 104108, the NEAT Audit Report listed the average GPM under the Water Heating section but did not clarify whether it referred to the existing or installed showerhead, or whether it was the actual or rated flow rate. For ex-post, the evaluation team treated the reported average GPM as the nominal flow rate of the existing showerhead and used a typical flow rate for the installed showerhead, consistent with the NM TRM.	Recommendation: Ensure in the NEAT Audit Report whether the reported flow rate refers to the existing or installed showerhead and specify if it is an actual or rated value to ensure accurate savings estimates.
4. 100380, the NEAT Audit Report did not provide specific details about the water heater replacement, such as type, efficiency, or capacity. For ex-post, the evaluation team reviewed site photos and applied deemed savings consistent with the NM TRM based on the equipment photos.	Recommendation: Ensure to include key water heater details—such as type, efficiency rating, and capacity—in the NEAT Audit Report to support accurate savings calculations and verification.
5. 102676, the Program Data reported zero therm savings for the General Air Sealing measure, while the NEAT Audit Report included calculated savings for it. For ex-post, the evaluation team treated the Program Data as the correct source and considered the General Air Sealing measure as a zero-savings measure. Verified savings were calculated using inputs from the NEAT Audit Report for other measures, as applicable.	Recommendation: Ensure alignment between NEAT Audit Report calculations and Program Data savings. Clearly document zero-savings decisions for specific measures in both sources to avoid discrepancies during evaluation.

Finding	Recommendation
6. In all sampled Residential HVAC and Water Measures projects, for the Programmable Thermostat measure, the Effective Full Load Hours for heating (EFLH_h) values used in the ex-ante analysis do not align with those specified in the 2023 NM TRM. For ex-post, the evaluation team used the appropriate EFLH_h values from the NM TRM to calculate verified savings.	Recommendation: Ensure the ex-ante savings calculations refers to the EFLH_h values specified in the NM TRM to ensure consistency.
7. In all sampled Residential HVAC and Water Measures projects, the ex-ante analysis for the Water Heater Pipe Insulation measure used an incorrect surface area factor to calculate pipe surface area based on its diameter. Specifically, it applied a factor of 0.23 × pipe length for a 0.75-inch diameter pipe, while the NM TRM and geometric calculations specify 0.2 × pipe length. For the ex-post, we confirmed that the TRM-referenced value of 0.2 is consistent with geometric surface area formulas.	Recommendation: Review and update the surface area calculation for the Water Heater Pipe Insulation measure using the correct TRM value of 0.2 for 0.75-inch diameter pipe to ensure alignment with TRM for accurate savings estimation

5 Space and Water Heating

The Space and Water Heating programs offer prescriptive rebates to residential customers for the installation of high-efficiency space heating and water heating equipment, including furnaces, boilers, water heaters, and smart thermostats. In PY2024, the Space Heating program underwent a full impact evaluation, including engineering desk reviews to verify gross savings. Water Heating received a gross impact evaluation previously and did not require a new evaluation in PY2024. Both programs received updated net-to-gross (NTG) and process evaluations based on participant surveys and trade ally interviews. These activities assessed program influence, customer decision-making, and contractor engagement to inform net savings calculations and identify opportunities for program improvement.

5.1 GROSS IMPACTS

The Space and Water Heating programs incentivized customers to install high-efficiency furnaces, boilers, tank and tankless water heaters, and smart thermostats. For PY2024, realized gross savings were verified through engineering desk reviews using deemed savings values drawn from the NM TRM v3.3, supplemented with project documentation. All sampled projects were reviewed for measure eligibility, installation verification, and appropriate savings attribution. No substantial deviations from ex ante estimates were identified, and an engineering adjustment factor of 1.000 was applied to both programs

5.1.1 Realized Gross Impacts

The Gross Realized Savings are calculated by taking the original ex ante savings values from the participant tracking databases and adjusting them using an Installation Adjustment factor (based on the count of installed measures verified through the phone surveys) and an Engineering Adjustment factor (based on the engineering analysis, desk reviews, etc.)

$$Gross\ Realized\ Savings = (Ex\ Ante\ Savings) * (Installation\ Adjustment) * (Engineering\ Adjustment\ Factor)$$

The ex-ante PY2024 impacts for the Space Heating program is summarized in **Table 5-1**, **Table 5-2** Water Heating First Year Savings Summary (therms)

Program	# of Projects	Expected LT Gross therms Savings	Engineering Adjustment Factor	Realized LT Gross therms Savings
Water Heating	13,777	336,880	1.0000	336,880
Total	13,777	336,880	1.0000	336,880

Table 5-3, and **Table 5-5**.

As part of the PY2024 evaluation, the Evaluation Team incorporated updates to cost-effectiveness assumptions by aligning effective useful life (EUL) values with industry standards. Specifically, while the initial cost-effectiveness (CE) tables indicated high EULs for Space and Water Heating measures, these were adjusted downward to reflect more realistic estimates consistent with regional and national benchmarks. The EUL for water heaters was reduced from 42.4 years to 14.3 years, and the EUL for space heating equipment—such as furnaces and insulation—was revised from 35.6 years to 22.2 years, as shown in **Table 5-2** Water Heating First Year Savings Summary (therms)

Program	# of Projects	Expected LT Gross therms Savings	Engineering Adjustment Factor	Realized LT Gross therms Savings
Water Heating	13,777	336,880	1.0000	336,880
Total	13,777	336,880	1.0000	336,880

Table 5-3 and **Table 5-4**. These adjustments only impact the calculation of lifetime therm savings.

Table 5-1 Space Heating First Year Savings Summary (therms)

Program	# of Projects	Expected FY Gross therms Savings	Engineering Adjustment Factor	Realized FY Gross therms Savings
Space Heating	25,713	904,408	0.9418	851,778
Total	25,713	904,408	0.9418	851,778

Table 5-2 Water Heating First Year Savings Summary (therms)

Program	# of Projects	Expected LT Gross therms Savings	Engineering Adjustment Factor	Realized LT Gross therms Savings
Water Heating	13,777	336,880	1.0000	336,880
Total	13,777	336,880	1.0000	336,880

Table 5-3 Space Heating Lifetime Savings Summary (therms)

Program	# of Projects	Expected LT Gross therms Savings	Engineering Adjustment Factor	Realized LT Gross therms Savings
Space Heating	25,713	14,389,722	0.7679	11,050,332
Total	25,713	14,389,722	0.7679	11,050,332

Table 5-4 Water Heating Lifetime Savings Summary (therms)

Program	# of Projects	Expected LT Gross therms Savings	Engineering Adjustment Factor	Realized LT Gross therms Savings
Water Heating	13,777	14,284,501	0.3372	4,817,395
Total	**13,777**	**14,284,501**	**0.3372**	**4,817,395**

Table 5-5 Space Heating Desk Review Sample

Sub-Program	Count	Average therms	Total therms savings	% of savings	Current Sample
Furnace & Insulation	1,715	115	197,472	22%	27
Smart Thermostats	12,655	51	645,798	71%	12,655
Direct Mail Space Heating Kits	1,693	6	9,312	1%	1,693
Direct Mail Space Heating Kits - IQ	351	6	1,931	0%	351
IQ Kits	8,200	6	45,100	5%	8,200
Franklin SH[10]	1,099	0	4,796	1%	N/A
Totals	**25,713**		**904,408**		**22,926**

5.2 NET IMPACTS

The evaluation team completed a total of 49 interviews for the net impact self-report analysis: 44 with program participants, three with distributors, and two with contractors. These interviews covered both the Space Heating and Water Heating programs (**Table 5-6**).

Table 5-6 Interview Completes

Program	*Participants*	*Distributors*	*Contractors*
Space Heating	22	1	1
Water Heating	22	3	2
*Total**	44	3	2

*Some distributors and contractors participated in both Space Heating and Water Heating programs

Based on the self-approach method described earlier, we calculated a free-ridership rate for each group (participants, contractors, distributors) and program (Space Heating and Water Heating). We then grouped the values by program and averaged them. This calculation method gives equal weight to each group when determining the overall free-ridership rate for each program.

[10] Energy efficiency kits were distributed through a partnership between NMGC and the Public Service Company of New Mexico (PNM). Due to timing efforts, evaluation of these kits will occur in PY2025. For the PY2024 evaluation, the Franklin SH kits will receive a 1.0 engineering adjustment factor and net-to-gross ratio.

This resulted in a free-ridership rate of 0.299 for Space Heating and 0.4512 for Water Heating, and an overall net-to-gross ratio of 0.701 for Space Heating and 0.5488 for Water Heating (**Table 5-7**). These new ratios will be applied to the programs beginning in PY2025.

Table 5-7: NTG Ratios

Program	*Participants*	*Distributors*	*Contractors*	*NTG (average)*
Space Heating	0.6364	0.7	0.7667	0.701
Water Heating	0.4631	0.5333	0.65	0.5488

5.2.1 Realized Net Impacts

The net-to-gross evaluation process calculates the Net-to-Gross (NTG) savings, which reflect the effectiveness of the program in achieving energy savings. The NTG ratio is calculated by comparing the Net Realized Savings (i.e., the savings that result directly from the program's influence on participants) to the Gross Realized Savings (the total savings from all measures installed from the impact evaluation above). This ratio accounts for factors such as free ridership (participants who would have implemented the measures without the program) and spillover (savings from participants who were influenced by the program but did not directly participate). The NTG ratio is crucial for assessing the overall impact of the program.

Net Realized Savings are then determined by multiplying the Gross Realized Savings by the NTG ratio:

$$Net\ Realized\ Savings = (Net - to - Gross\ Ratio) * (Gross\ Realized\ Savings)$$

Table 5-8 and **Table 5-9** Water Heating First Year Net Impact Summary (therms)

Program	# of Projects	Realized LT Gross therms Savings	NTG Ratio	Realized LT Net therms Savings
Water Heating	13,777	336,880	0.5854	197,210
Total	13,777	336,880	0.5854	197,210

Table 5-10 summarize the PY2024 net impacts for the Income Qualified program using the prospective NTG ratios calculated by the evaluation team during the PY2023 evaluation.

The adjustment to effective useful life (EUL) values for Space and Water Heating measures also applies to the net impacts analysis. While these updates affected the calculation of lifetime net savings, they had no bearing on first-year net savings, which remain unchanged. The revised EULs—14.3 years for water heaters and 22.2 years for space heating measures such as furnaces and insulation—were incorporated to reflect industry-standard assumptions and ensure consistency in cost-effectiveness reporting and long-term impact estimation, as shown in **Table 5-8** and **Table 5-9** Water Heating First Year Net Impact Summary (therms)

Program	# of Projects	Realized LT Gross therms Savings	NTG Ratio	Realized LT Net therms Savings
Water Heating	13,777	336,880	0.5854	197,210
Total	13,777	336,880	0.5854	197,210

Table 5-10.

Table 5-8 Space Heating First Year Net Impact Summary (therms)

Program	# of Projects	Realized FY Gross therms Savings	NTG Ratio	Realized Net therms Savings
Space Heating	25,713	851,778	0.7780	664,406
Total	25,713	851,778	0.7780	664,406

Table 5-9 Water Heating First Year Net Impact Summary (therms)

Program	# of Projects	Realized LT Gross therms Savings	NTG Ratio	Realized LT Net therms Savings
Water Heating	13,777	336,880	0.5854	197,210
Total	13,777	336,880	0.5854	197,210

Table 5-10 Space Heating Lifetime Net Impact Summary (therms)

Program	# of Projects	Realized LT Gross therms Savings	NTG Ratio	Realized LT Net therms Savings
Space Heating	25,713	11,043,332	0.7678	8,501,374
Total	25,713	11,043,332	0.7786	8,501,374

Table 5-11 Water Heating Lifetime Net Impact Summary (therms)

Program	# of Projects	Realized LT Gross therms Savings	NTG Ratio	Realized LT Net therms Savings
Water Heating	13,777	4,817,395	0.5854	2,820,103
Total	13,777	4,817,395	0.5854	2,820,103

5.2.2 Net-to-Gross Ratio Update for PY2024

The evaluation team completed a total of 49 interviews for the net impact self-report analysis: 44 with program participants, three with distributors, and two with contractors. These interviews covered both the Space Heating and Water Heating programs (**Table 5-12**).

Table 5-12 Interview Completes

Program	Participants	Distributors	Contractors
Space Heating	22	1	1
Water Heating	22	3	2
*Total**	44	3	2

Based on the self-approach method described earlier, we calculated a free-ridership rate for each group (participants, contractors, distributors) and program (Space Heating and Water Heating). We then grouped the values by program and averaged them. This calculation method gives equal weight to each group when determining the overall free-ridership rate for each program.

This resulted in a free-ridership rate of 0.299 for Space Heating and 0.4512 for Water Heating, and an overall net-to-gross ratio of 0.7010 for Space Heating and 0.5488 for Water Heating (**Table 5-13**). These new ratios will be applied to the programs beginning in PY2025.

Table 5-13 NTG Ratios Updates for PY2025

Program	Participants	Distributors	Contractors	NTG (average)
Space Heating	0.6364	0.7	0.7667	0.7010
Water Heating	0.4631	0.5333	0.65	0.5488

5.3 PROCESS EVALUATION

5.3.1 Participant Survey Overview

This report presents findings from a participant survey conducted in early 2025 to support the evaluation of New Mexico Gas Company's (NMGC) Space Heating and Water Heating programs for program year 2024. The primary objective of the survey was to inform updated free ridership estimates while also gathering insights into participant decision-making, factors that influence participation, and key motivations for adopting high-efficiency equipment.

The phone survey targeted recent program participants who received rebates for qualifying space heating or water heating equipment. A total of 44 surveys were completed, with 22 respondents each from the space heating and water heating programs. **Table 5-14** shows the number of available contacts and the number of surveys completed by program.

Table 5-14 Phone Survey Sample

Program	Available Sample	Completed Surveys
Space Heating	414	22
Water Heating	432	22
Total	846	44

5.3.1.1 Contractor Role and Influence

Participants were first asked how their equipment was purchased and installed and whether a contractor was involved in the decision-making process. Most respondents reported working with a contractor. As shown in **Figure 5-1**, 83 percent of Water Heating respondents and 69 percent of Space Heating respondents said they purchased their equipment through a contractor rather than directly from a retailer.

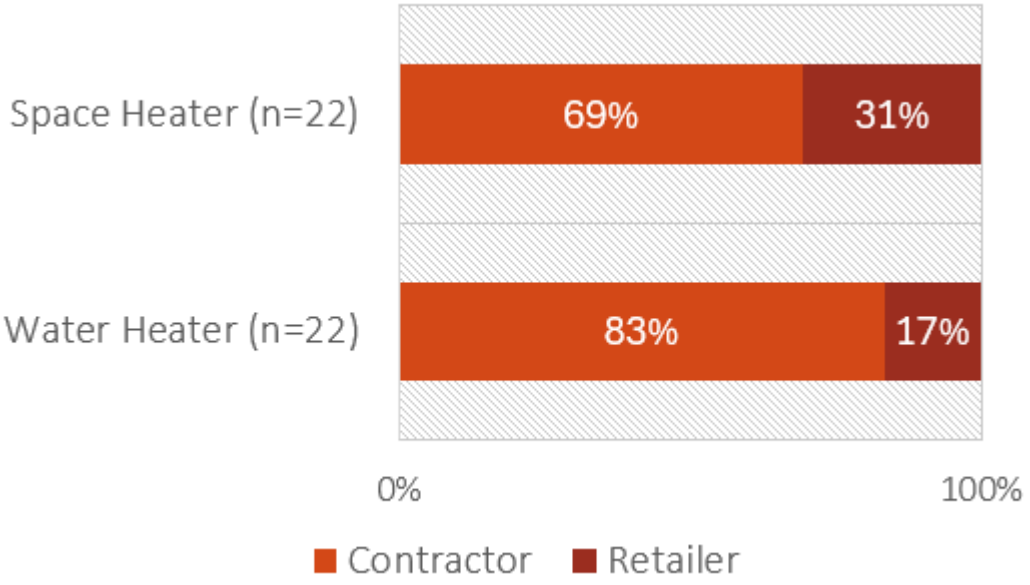

Figure 5-1 Purchased Through Contractor or Retailer

Contractors were also the primary source of installation support. As shown in **Figure 5-2**, 94 percent of Water Heating and 72 percent of Space Heating respondents had their equipment installed by a contractor, while the remainder performed the installation themselves.

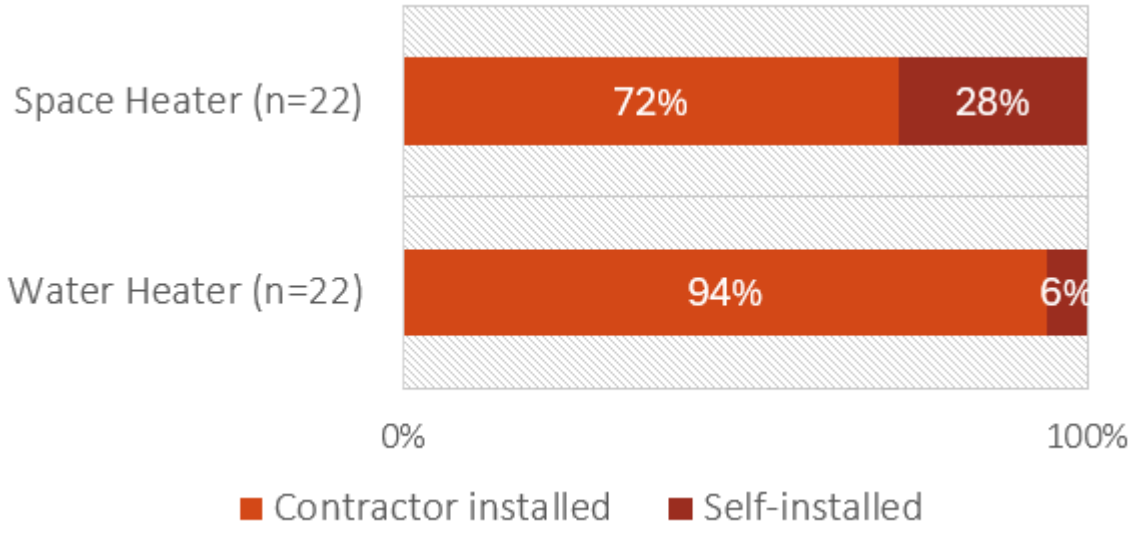

Figure 5-2 Who Installed the Equipment

Before engaging with a contractor, participants were asked whether they had conducted any research to inform their purchase. As shown in **Figure 5-3**, Water Heating respondents were relatively less likely to conduct research—only 50 percent reported conducting research ahead of time, compared to 80 percent of Space Heating respondents.

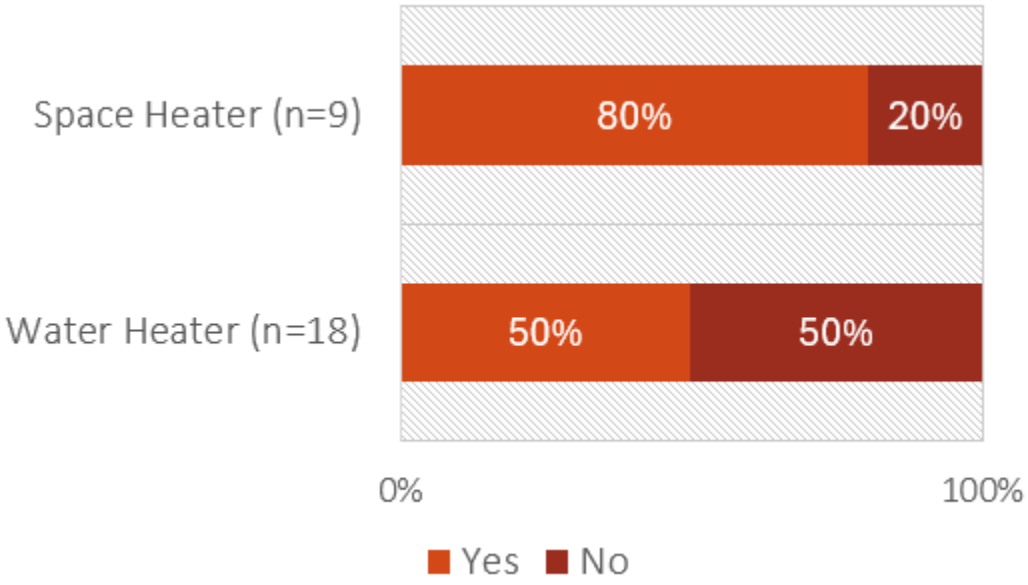

Figure 5-3 Research Conducted Prior to Discussing Purchase with Contractor

Contractors commonly presented multiple equipment options to respondents. As shown in **Figure 5-4**, 80 percent of Space Heating respondents and 50 percent of Water Heating respondents said the contractor presented more than one option.

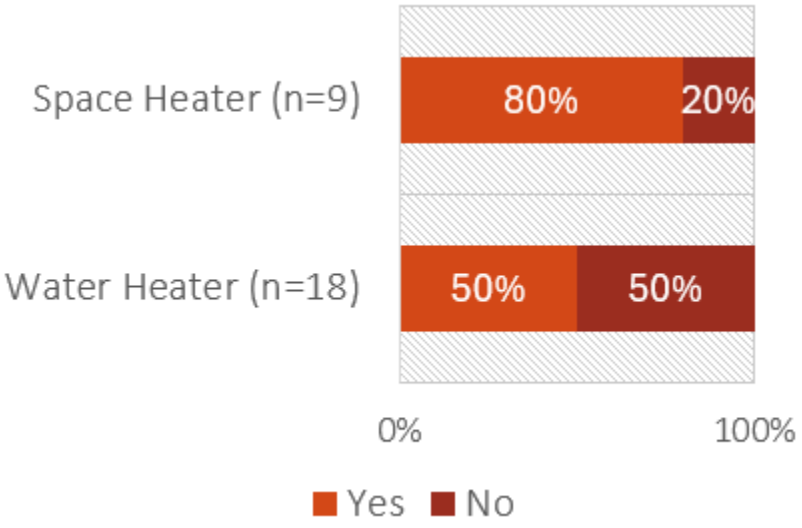

Figure 5-4 Contractor Presented Multiple Equipment Options

A majority of respondents recalled that their contractor discussed energy efficiency as part of their initial conversation. As seen in **Figure 5-5**, 91 percent of Space Heating and 72 percent of Water Heating respondents said the contractor discussed energy efficiency with them.

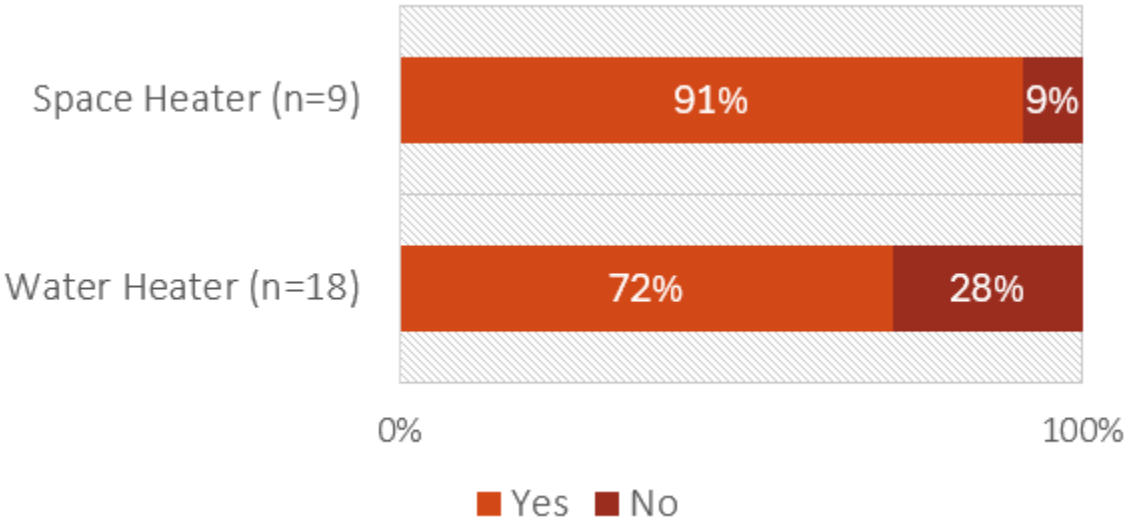

Figure 5-5 Contractor Discussed Energy Efficiency

Among those who already had a sense of the efficiency level of the heater they intended to install, relatively few changed their mind after speaking with the contractor. As shown in **Figure 5-6**, 46 percent of Water Heating respondents reported changing their planned efficiency level following that conversation, while none of the Space Heating respondents reported a change.

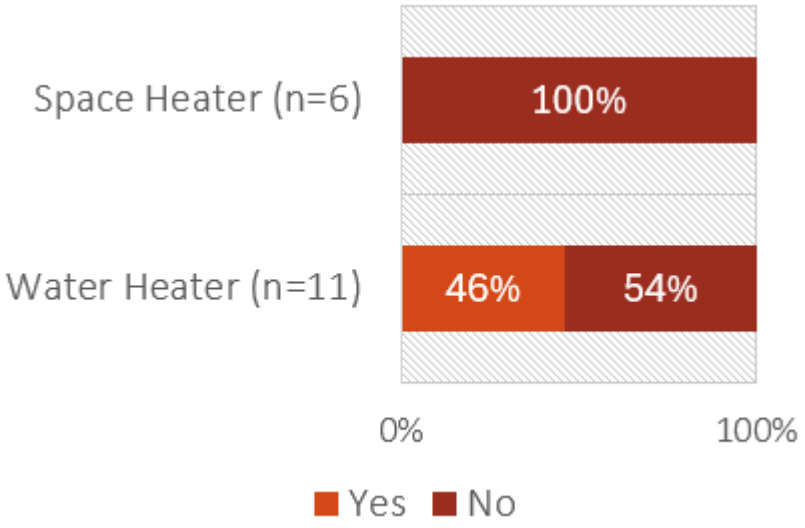

Figure 5-6 Change in Planned Efficiency Level Following Contractor Conversation

Participants were also asked to rate how influential the contractor or retailer was in their decision to purchase energy-efficient equipment. As shown in **Figure 5-7**, 43 percent of Water Heating and 50 percent of Space Heating respondents who worked with a contractor or retailer gave the highest influence rating (10 on a 0–10 scale[11]). Meanwhile, 33 percent of Water Heating and 31 percent of Space Heating respondents rated the contractor or retailer as not influential at all.

These results suggest that while most respondents worked with a contractor, and many received information on energy efficiency, Space Heating respondents were more likely to enter the process with a predetermined plan and to view contractors as an important but non-determinative part of the decision. By contrast, Water Heating respondents appeared slightly more open to influence from a contractor to change their planned efficiency level. However, only a small subset of respondents replied to these questions (6 Space Heating respondents, 11 Water Heating respondents).

[11] On the 0-to-10-point scale, 0 indicated "not at all influential" and 10 indicated "extremely influential."

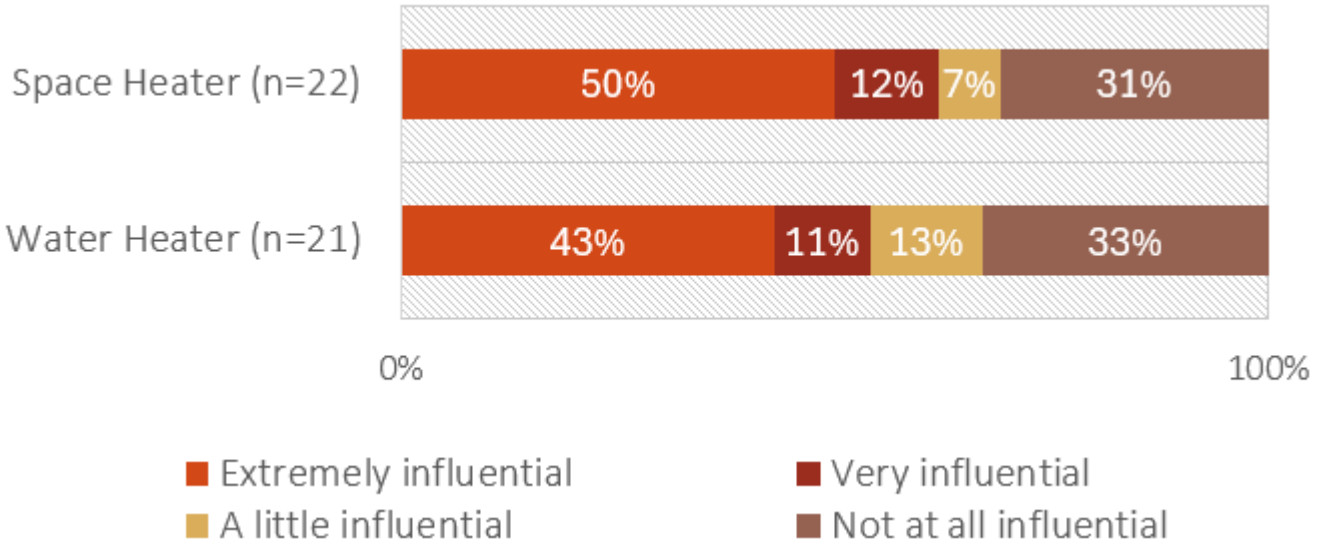

Figure 5-7 Influence of Contractor/Retailer in Purchasing an Energy Efficient Model

5.3.1.2 Equipment Installation and Condition

Participants were asked whether the equipment they installed replaced an existing unit. As shown in **Figure 5-8**, nearly all respondents indicated that their installation was a replacement. Specifically, 93 percent of Water Heating respondents and 94 percent of Space Heating respondents reported that the new equipment replaced existing equipment.

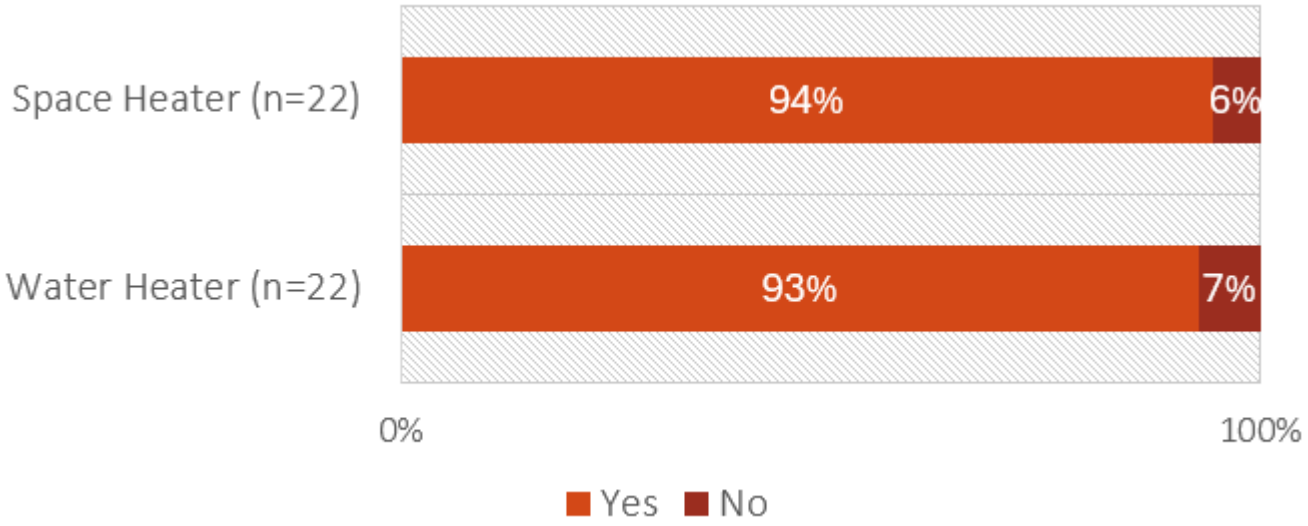

Figure 5-8 Equipment Replaced Existing Unit

Respondents were also asked about the condition of the equipment that was removed. As shown in **Figure 5-9** Condition of Replaced Equipment, the condition varied by program. Among Space Heating respondents, 74 percent reported that the previous equipment was still functional but past its useful

life, while 26 percent said it was no longer working. Water Heating respondents were more likely to be responding to a failure—54 percent reported their old water heater had failed, while 46 percent said it was still functioning but past its useful life.

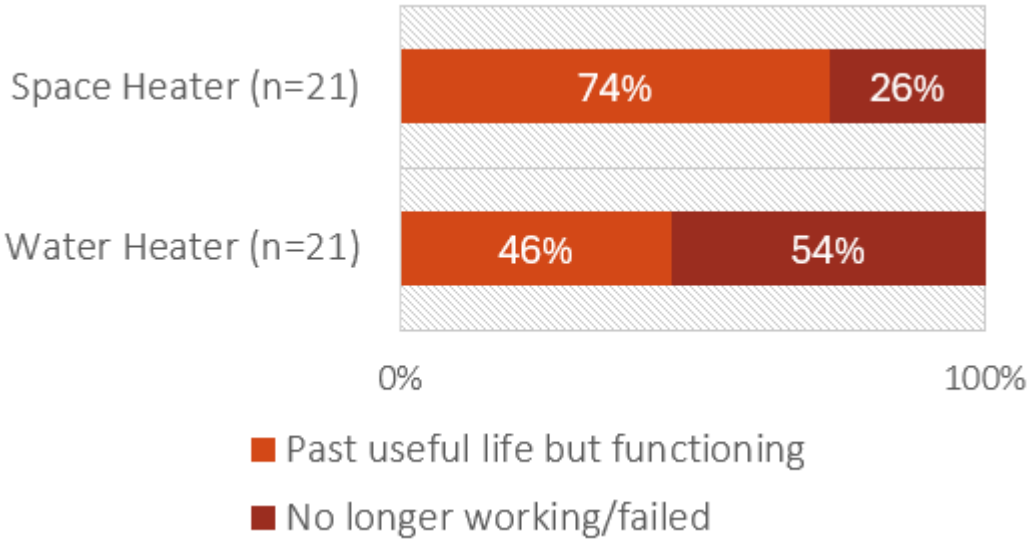

Figure 5-9 Condition of Replaced Equipment

The urgency of the replacement was also explored. As seen in **Figure 5-10**, responses varied between programs. Half (50%) of Water Heating respondents described the replacement as very urgent, and another 42 percent said it was somewhat urgent but could have waited a few weeks. In contrast, 38 percent of Space Heating respondents said the replacement was very urgent, while nearly half (49%) indicated that it was not urgent. These results suggest that space heating equipment may have been replaced more proactively in some cases, while water heating replacements were often driven by equipment failure or immediate need.

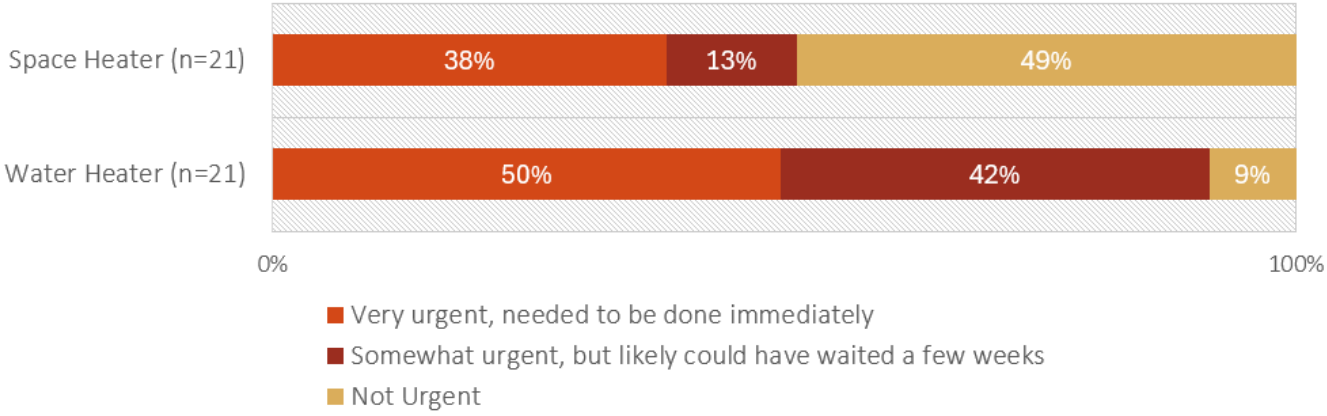

Figure 5-10 Level of Urgency that Equipment was Replaced

5.3.1.3 Participant Motivations for Equipment Choice

Participants were asked a series of questions to understand what motivated them to install high-efficiency space or water heating equipment and what factors influenced their decision-making process.

When asked how they first heard about NMGC's rebate program, contractors were again the most common source. As shown in **Figure 5-11** and **Figure 5-12**, 65 percent of Water Heating respondents and 52 percent of Space Heating respondents cited their contractor. Smaller shares of respondents reported hearing about the program through NMGC's website, a retailer, TV or radio, or previous projects.

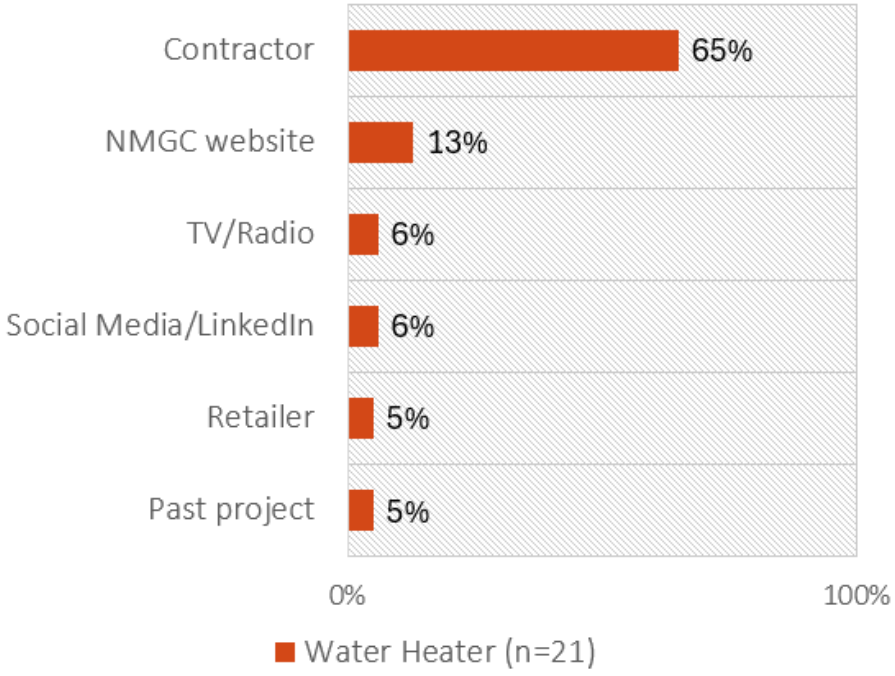

Figure 5-11 Initial Source of Program Awareness, Water Heating

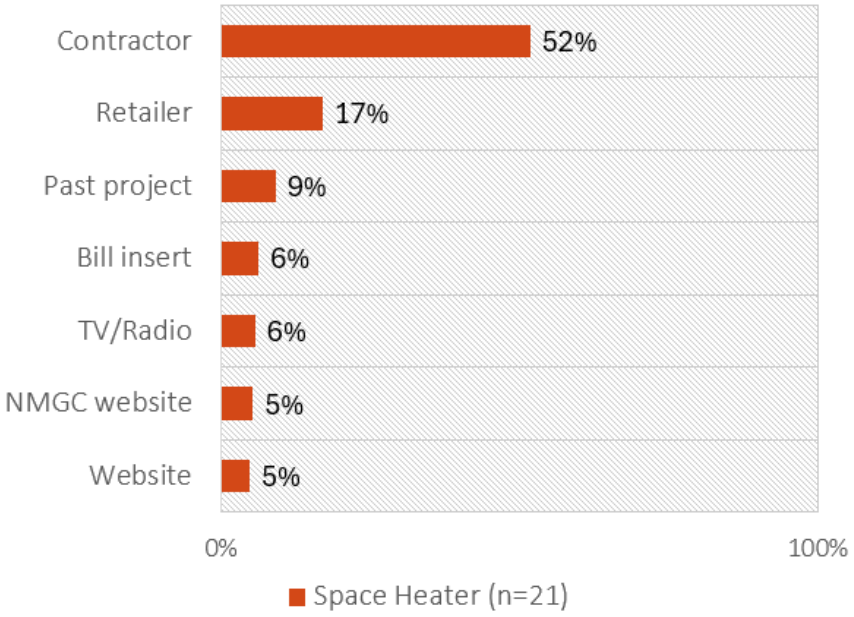

Figure 5-12 Initial Source of Program Awareness, Space Heating

Participants were also asked to rate the importance of various motivations behind their decision to upgrade, using a five-point scale ranging from "Not at all important" to "Extremely important."[12] Respondents' motivations for upgrading their heating equipment revealed distinct priorities across water and space heating upgrades. For water heating (**Figure 5-13**), upgrading out-of-date equipment emerged as the strongest driver, with 65 percent rating it extremely important. Similarly, replacing faulty equipment (55%) and reducing energy bills (52%) were significant motivations.

Space heating decisions (**Figure 5-14**) were primarily driven by comfort considerations, with 52 percent rating improved home comfort as extremely important. The contractor recommendation and out-of-date equipment replacement were the next strongest motivators (48% and 47% rating those as extremely important, respectively). Both Water Heating and Space Heating respondents ranked environmental impact considerations as the least important factor. Overall, practical concerns such as equipment condition and cost savings were consistently important across both Space Heating and Water Heating respondents, while comfort was distinctly prioritized for space heating respondents.

[12] On the 0-to-5-point scale, 0 indicated "not at all important" and 5 indicated "extremely important."

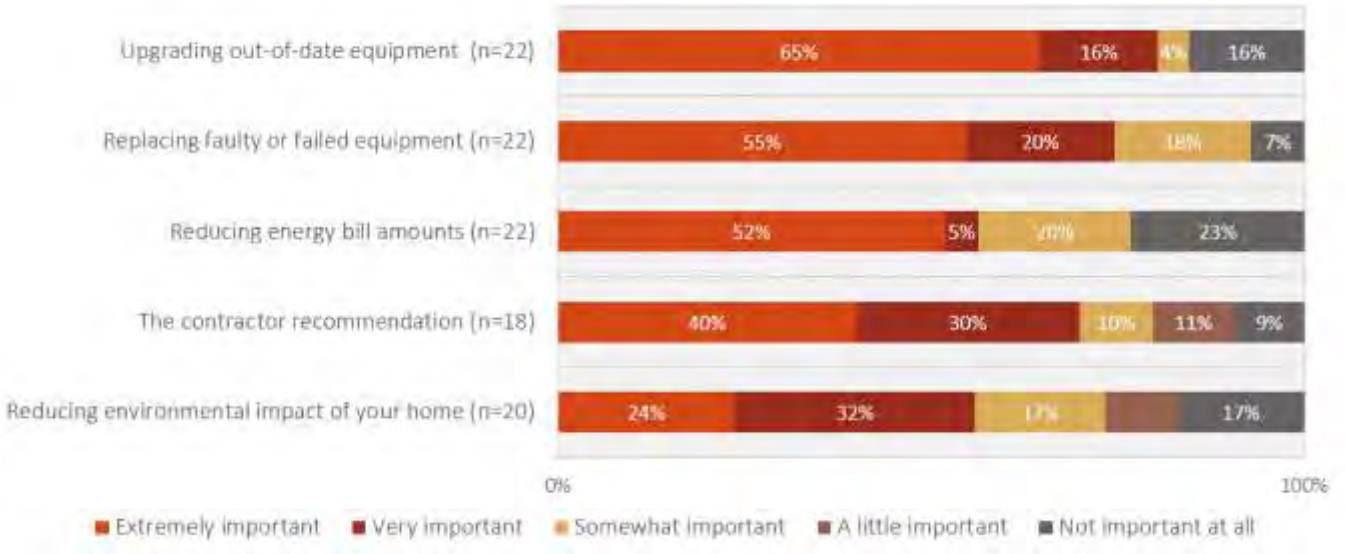

Figure 5-13 Motivations Behind Decision to Upgrade (Water Heating)

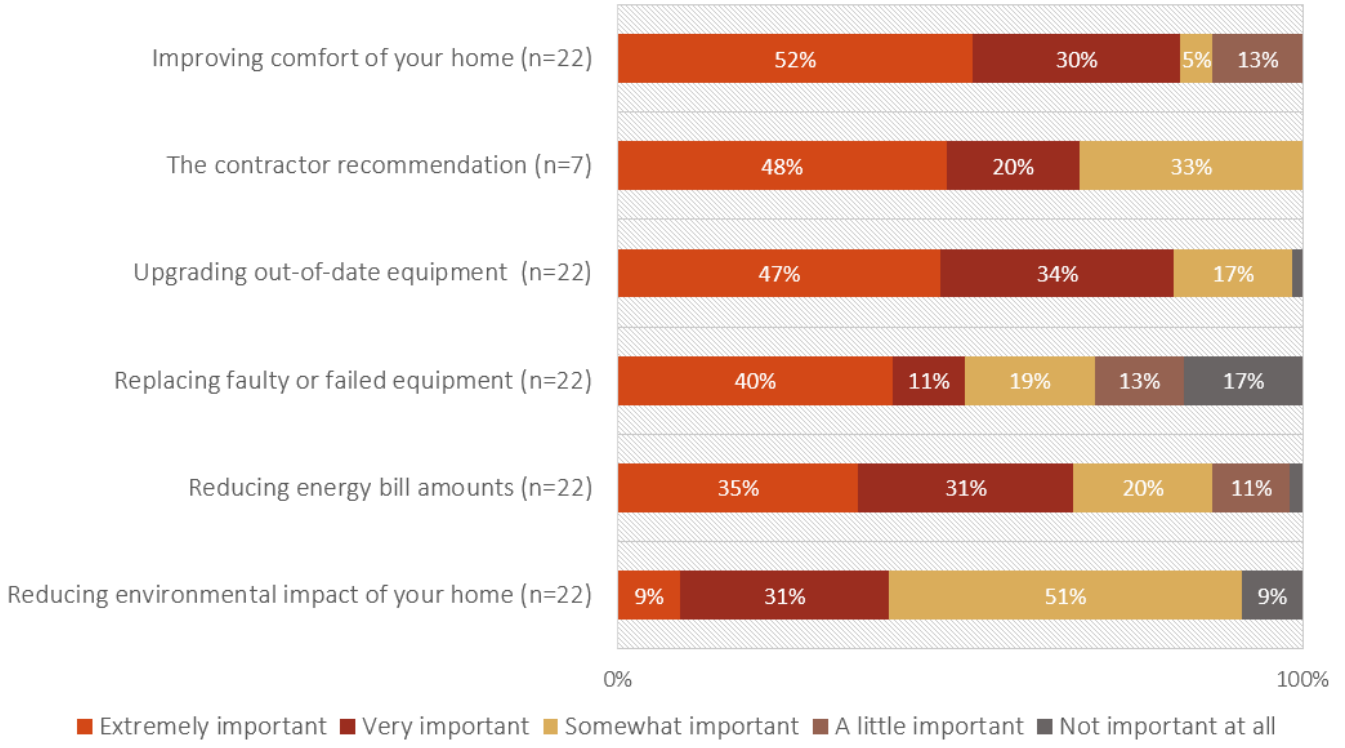

Figure 5-14 Motivations Behind Decision to Upgrade (Space Heating)

5.3.1.4 Influence of the Rebate Program

Participants were asked to reflect on the various ways that NMGC's rebate program may have influenced their decision to install high-efficiency equipment.

First, respondents were asked whether they had previously received a rebate from NMGC for other energy efficiency upgrades. As shown in **Figure 5-15**, prior program participation was relatively uncommon. Only 23 percent of Water Heating and 22 percent of Space Heating respondents recalled receiving a past rebate, suggesting that for most, this was their first experience with NMGC's incentive offerings.

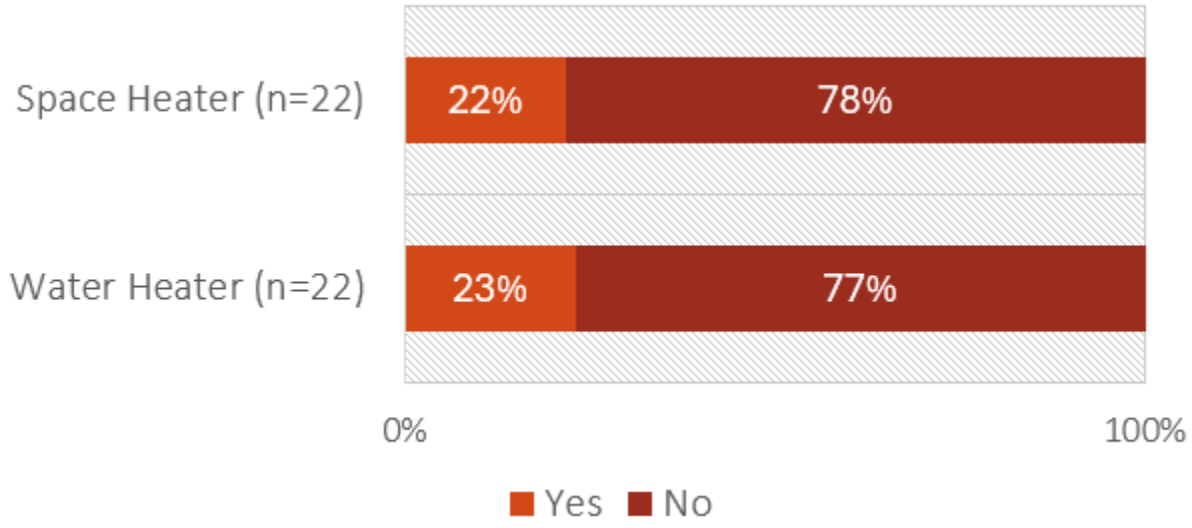

Figure 5-15 Previously Received Rebates from NMGC

To evaluate the influence of different program elements, participants rated the importance of each on a scale from 0 (not at all influential) to 10 (extremely influential).

Contractor recommendations stood out as the most influential program element for both Water and Space Heating respondents (**Figure 5-16** and **Figure 5-17**), with an identical 56 percent rating them as extremely influential. Despite this strong influence, approximately one-quarter of respondents (23% for Water Heating and 27% for Space Heating) reported that contractor recommendations had no influence at all, suggesting some respondents made independent decisions regardless of contractor input.

The rebate amount showed mixed influence across both programs. For Water Heating, 25 percent found it extremely influential, while 50 percent considered it not at all influential. Space Heating respondents were somewhat more responsive to the rebate, with 46 percent rating it as either extremely or very influential, though 45 percent still rated it as not at all influential.

Previous program participation and NMGC marketing materials had minimal impact on respondent decisions. This suggests that direct contractor engagement, rather than broader program outreach or past program experience, was the primary driver of respondent decisions. Most respondents were

new to the program and appear to have made their decisions with limited exposure to external promotional efforts.

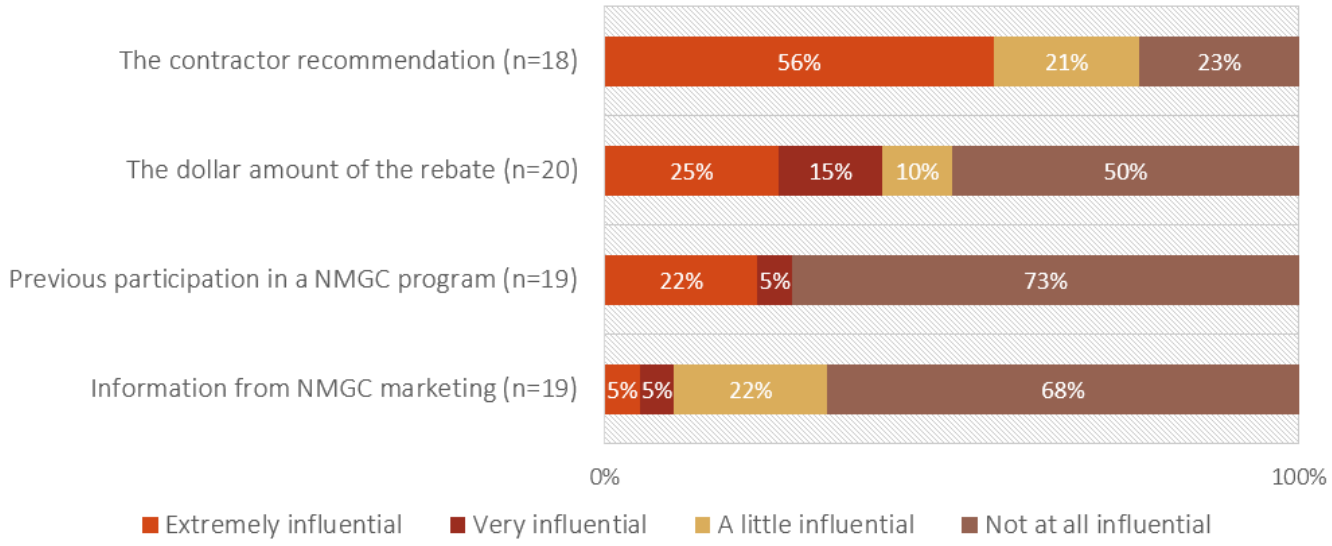

Figure 5-16 Influence of Program Elements (Water Heating)

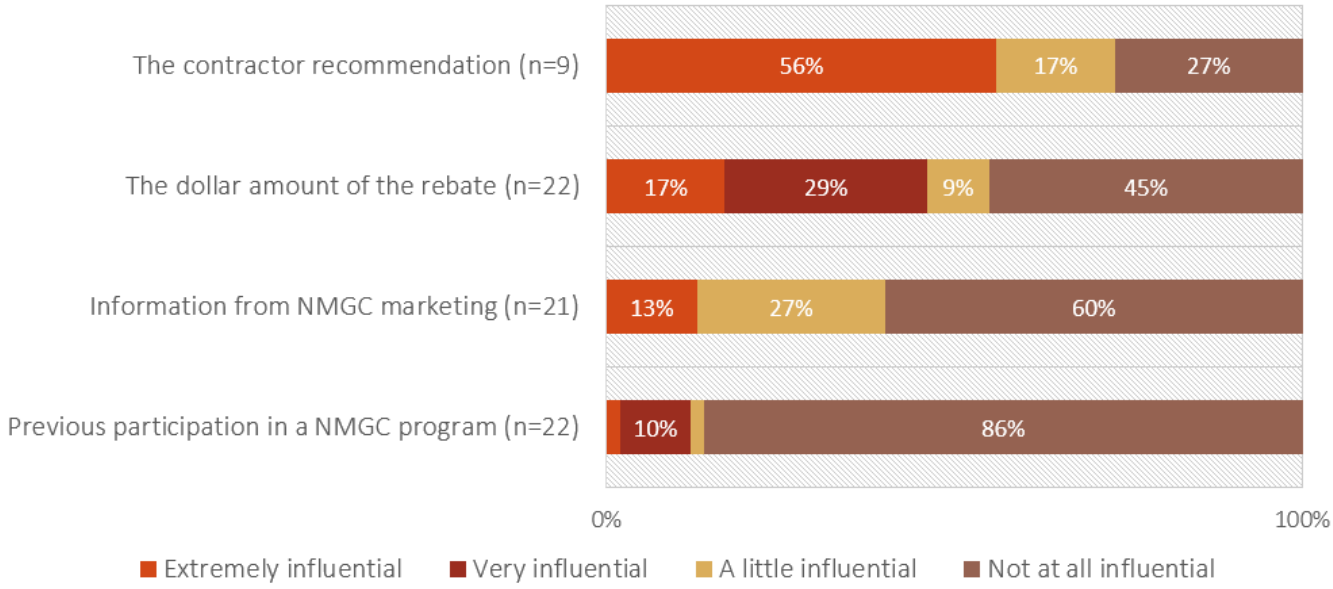

Figure 5-17 Influence of Program Elements (Space Heating)

5.3.1.5 Program Timing Questions and Feedback

Participants were asked several questions to assess how their decisions might have changed in the absence of the NMGC Water Heating and Space Heating rebate programs. These questions offer

insight into the degree to which the programs were necessary to prompt high-efficiency equipment installations.

Participants were first asked whether they learned about the rebate before or after deciding on the efficiency level of the equipment they planned to install. As shown in **Figure 5-18**, a majority of respondents had already made their decision before learning about the rebate—60 percent of Water Heating and 58 percent of Space Heating respondents reported hearing about the rebate after deciding on efficiency.

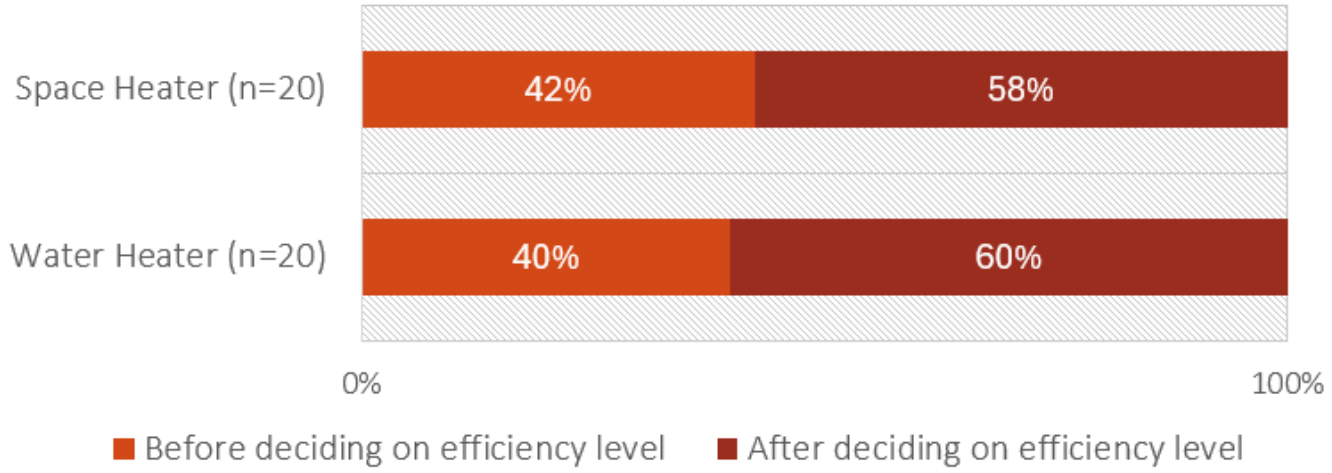

Figure 5-18 Timing of When Participants First Learned about the NMGC Rebate Program

In addition to asking about the timing of program awareness, the survey also explored whether the rebate offer directly prompted participants to choose a more efficient model than they otherwise would have. As shown in **Figure 5-19**, 40 percent of Water Heating and 23 percent of Space Heating respondents reported that they increased the efficiency of their equipment after learning about the rebate. While the majority did not change their planned efficiency level, these responses provide additional evidence that the program influenced a portion of decisions.

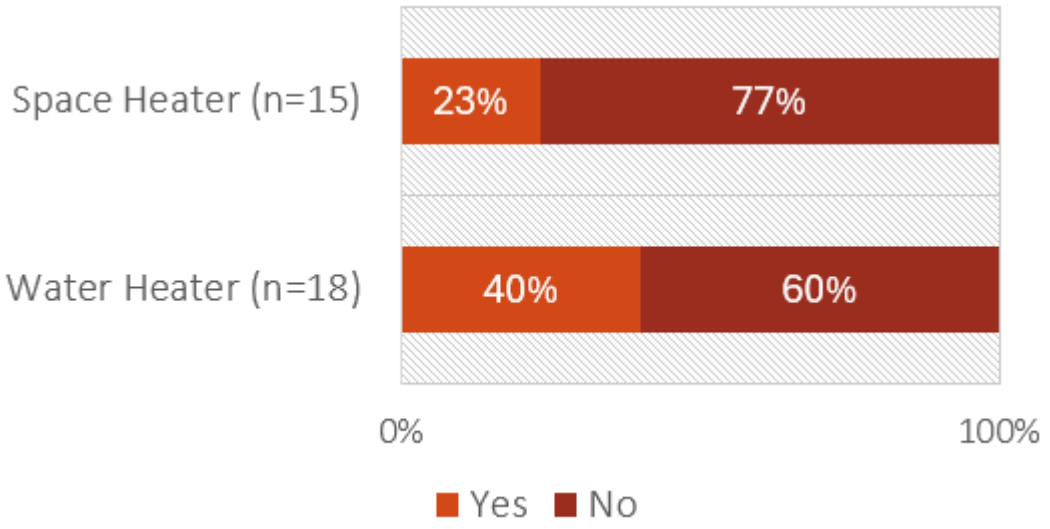

Figure 5-19 Choice to Increase Energy Efficiency Level of Equipment

To assess whether the rebate influenced the final equipment choice, participants were asked to rate the likelihood that they would have purchased the same energy efficiency level if the rebate had not been available. As seen in **Figure 5-20**, 85 percent of Water Heating and 46 percent of Space Heating respondents rated this likelihood as extremely high (a score of 10). At the other end of the spectrum, 23 percent of Space Heating respondents said it was not at all likely they would have chosen the same efficiency level, indicating some influence from the program.

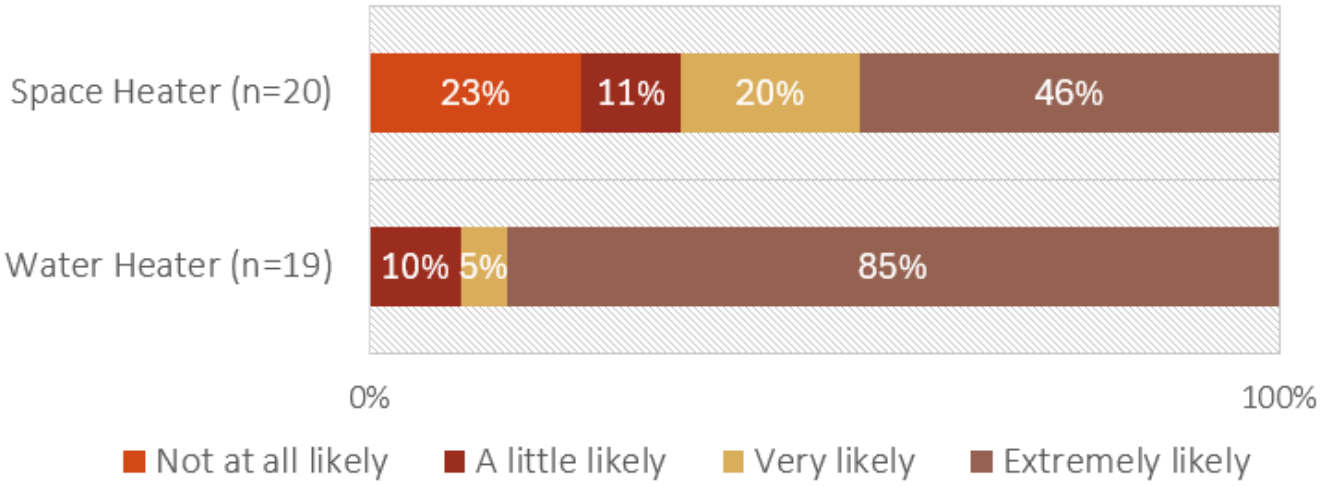

Figure 5-20 Likelihood of Purchasing Same Energy Efficiency Level of Equipment without the Rebate

Participants were also asked about the timing of their purchase if the rebate had not been offered. As shown in **Figure 5-21**, 89 percent of Water Heating and 41 percent of Space Heating respondents

said it was extremely likely they still would have completed the purchase within 12 months. However, 30 percent of Space Heating respondents reported a score of zero, indicating they may not have completed the same purchase or may not have done so within 12 months without the rebate, again suggesting greater sensitivity to program incentives among that group.

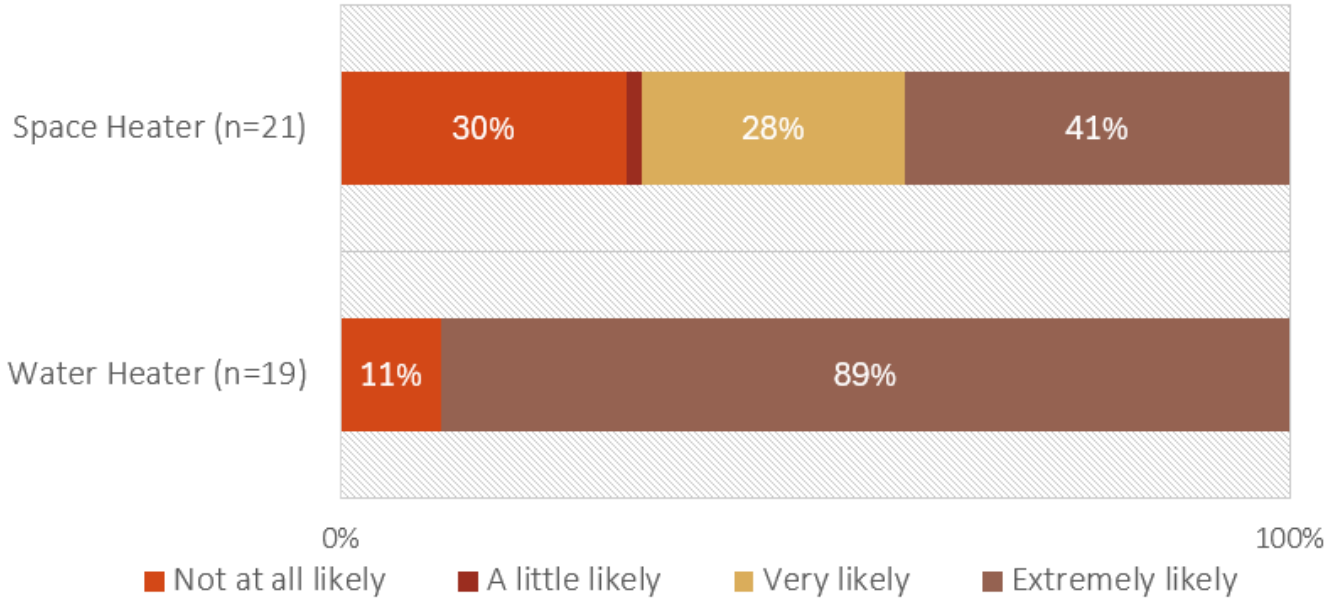

Figure 5-21 Likelihood of Installing the Same Equipment Within 12 Months of Actual Install if Rebate Unavailable

Finally, participants were given the opportunity to provide feedback on the program and describe how they might recommend it to others.

Most Space Heating respondents had no suggestions for improvement. Common responses included "none," "no," or "nothing," indicating general satisfaction or a lack of specific concerns. One respondent expressed a belief that contractors in their area offered only one model or boiler, limiting the ability to make meaningful decisions about efficiency levels or timing.

Water Heating respondents provided a wider range of feedback. Three respondents suggested increasing awareness of the program through more advertising or clearer information on the website. One respondent emphasized the importance of better communication between NMGC and contractors to ensure customers are informed about potential savings. One respondent noted difficulty navigating the rebate website, suggesting that it required too many clicks to find the relevant information. Another respondent reported not receiving the rebate, highlighting a potential gap in communication or processing that could be worth further exploration.

When asked what they would tell a friend or neighbor about the program, responses were generally positive. As shown in **Figure 5-22**, the most common response among both groups was a general endorsement of the program—49 percent of Water Heating and 38 percent of Space Heating

respondents said they would recommend it. Other common responses included highlighting cost savings, environmental benefits, or encouraging others to take advantage of the rebate.

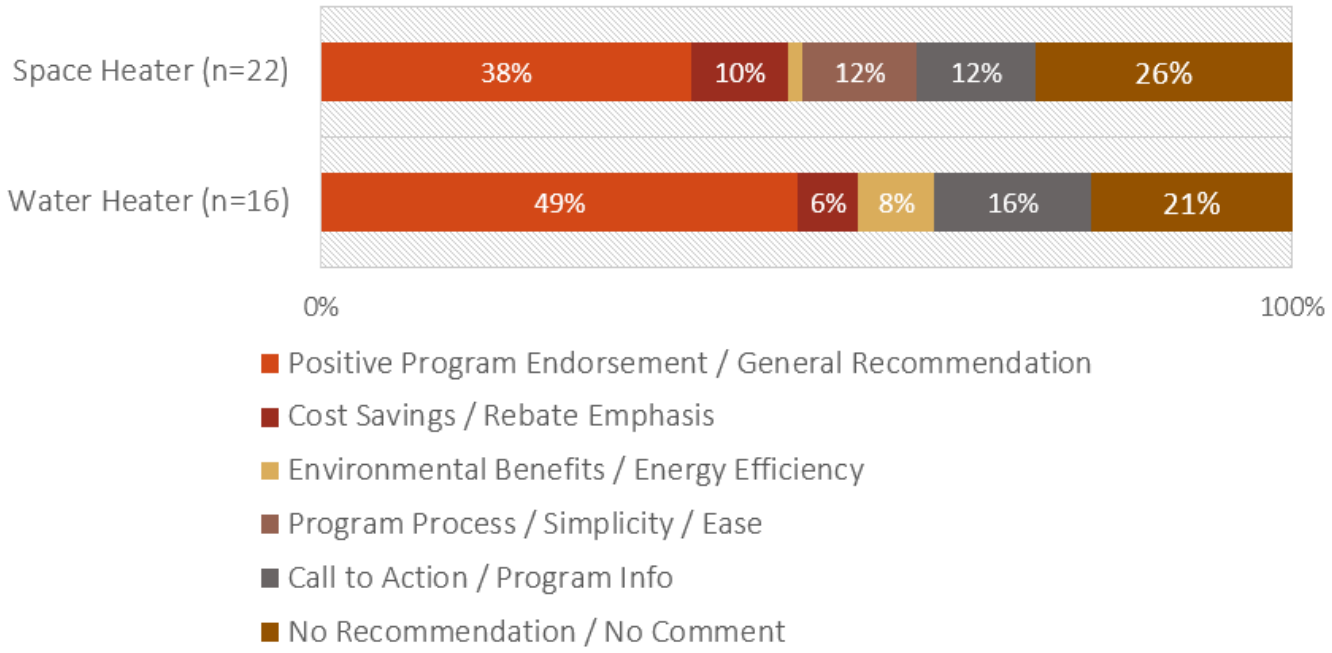

Figure 5-22 What Respondents Would Tell a Friend or Neighbor about the Program

These findings provide helpful context for interpreting program influence and participant satisfaction. While many respondents would have taken similar actions without the rebate, a meaningful portion—particularly among Space Heating respondents—may have been influenced by the program's availability and structure.

5.3.2 Contractor Interviews

The evaluation team conducted interviews with two contractors participating in the 2024 NMGC Space Heating and Water Heating programs. One contractor participated in both programs, while the other only participated in the Water Heating program. The interviews were designed to investigate specific topics, listed below, while allowing for open discussion. Each interview was scheduled for 20 minutes but went as long as 40 minutes.

The interviews focused on the following topics:

- Contractor background
- Program awareness and engagement
- Program processes
- Market response

- Overall contractor and customer satisfaction with the program

5.3.2.1 Contractor Background

The two interviewees represent established plumbing and HVAC businesses. Both companies provide a diverse range of services beyond traditional heating and cooling installations.

One interviewee is an asset manager who handles administrative functions for a plumbing and HVAC company. The company maintains a versatile business model serving both residential and commercial customers. Their service offerings extend beyond conventional HVAC to include plumbing, electrical work, and drain services, positioning them as a comprehensive solution provider in the region.

The other interviewee is an administrative staff member at a plumbing company who oversees the rebate program process. The company has developed a significant customer base among low-income households. Their business includes service repairs and new construction projects, allowing them to address various market segments in the community.

5.3.2.2 Program Awareness and Engagement

The two interviewees described different entry points into the NMGC rebate programs, reflecting both longstanding involvement and more recent engagement shaped by internal process improvements. One of two reported joining the program several years ago, originally prompted by a previous working relationship with NMGC. The other interviewee took over program responsibilities after hearing about ongoing frustrations from coworkers, particularly around the transition of the Space Heating and Water Heating programs to a midstream model. This interviewee became the point person for improving internal workflows and emphasized the importance of educating technicians and implementing upfront rebate processes to streamline participation and reduce errors.

Both employees reported a high level of familiarity with the rebate submission process. Each contractor has developed internal systems to support participation. In one case, a designated staff member handles all rebate submissions through an online portal after the installation is complete, using information collected by field technicians. In the other case, while the interviewee previously handled all aspects of the rebate submissions personally, they have since trained additional staff to manage the inputs.

The interviewees highlighted several benefits to their businesses from participating in the program. These included increased customer satisfaction, improved loyalty, and enhanced market competitiveness. One emphasized the importance of ensuring customers receive the rebate as expected, noting that early on, their internal process had missed some eligible rebates. These oversights led to customer dissatisfaction, which they were able to address with support from the program manager. The other interviewee noted that the rebate helps reduce costs on both the customer and contractor sides, even though it adds administrative work. In both cases, the

employees we interviewed viewed the program as a value-added service that helps differentiate their business.

When asked about the influence of the rebate program on the types of equipment installed, responses varied. One employee noted that for the Space Heating program, the availability of a rebate could shift a customer's choice toward a higher-efficiency unit—particularly when the rebate narrowed the price gap. However, this influence was more limited when products were already low cost or did not meet qualifying thresholds. The other employee indicated that while the rebate did not change the types of water heaters installed, it did influence where they sourced equipment. They now prioritize program-approved distributors to ensure rebate eligibility, even when the same product is available from retail vendors.

We asked both interviewees to provide an estimate of rebate-eligible product sales. One estimated that roughly 25 percent of their water heating installations result in processed rebates, due to equipment not always meeting qualifying thresholds. The other was unable to provide an estimate.

Both agreed that NMGC clearly communicates rebate requirements. They reported receiving program information through multiple channels, including webinars, email updates, and print materials. Contractors appreciated having access to printed lists of qualifying models and found the NMGC website helpful when additional materials were needed.

The interviewees also shared insights into how rebates influence their customer interactions and recommendations. One noted challenges in ensuring that field technicians fully understand the rebate options and incorporate them into customer quotes. While some technicians are motivated to present rebate-eligible options, others are more focused on meeting internal sales targets and may overlook rebate opportunities. Their firm is working to align incentives internally so that rebates are not seen as a detriment to sales performance. The other reported that rebate availability did not strongly influence which equipment they recommended to customers, as their business primarily installs a specific brand that already qualifies.

Overall, the interviewees affirmed that the program has helped guide discussions with customers toward higher-efficiency models—particularly when clear product eligibility, distributor support, and rebate amounts aligned to make the higher-tier product a more attractive option.

When asked to rate the importance of various program factors on a scale of 0 to 10,[13] both interviewees highlighted strong support from NMGC and distributors. One rated program support a 10, noting that clear communication and training were instrumental in improving participation, while the other gave it a 7, stating that the process had been easy to follow.

[13] On the 0-to-10-point scale, 0 indicated "not at all important" and 10 indicated "extremely important."

When asked about the importance of printed marketing and informational materials, one of the interviewees gave a rating of 10, and the other gave a 9. One specifically noted that rebate paperwork helped reassure older customers that they were not being taken advantage of. Ratings for prior program participation were 10 and not applicable, respectively, as only one contractor had participated in previous years.

In terms of the rebate dollar amount, one interviewee rated it a 10, emphasizing that the financial incentive played a key role in promoting eligible products. The other gave it a 3, noting that while the amount may not strongly influence purchasing decisions, any rebate—regardless of size—is appreciated by customers who are replacing equipment out of necessity.

One of the interviewees suggested improving the process to ensure that distributors are automatically notified when rebate requests are submitted, so they can approve them promptly. This would reduce the need for manual follow-up between contractors, distributors, and program staff.

5.3.2.3 Program Process

The two employees we interviewed described the rebate process as manageable and relatively straightforward. Both interviewees reported that their businesses are small enough to easily track the required paperwork, and they have internal workflows in place to ensure submission. One described the process as “simple,” while the other noted that even if there is a delay—such as being out of the office—there is no firm deadline that prevents them from catching up on submissions. This flexibility helps keep the administrative burden low.

The two interviewees also discussed how rebate-related communication occurs with customers. One reported that due to past experiences where rebates were unintentionally missed, they now take extra care to confirm that customers are notified. After a rebate submission, the customer receives an automated email, and the contractor’s team follows up with a phone call to reinforce awareness. The other noted that rebates are discussed as part of the standard customer quote, with technicians explaining rebate amounts and introducing the income-qualified option where applicable.

In terms of program influence, both interviewees reported that their companies already carried rebate-eligible equipment before engaging with the NMGC programs. However, both agreed that the program plays a role in shaping their current practices. When asked to divide the influence on their decisions between NMGC program factors and non-program factors (such as supply chain constraints or customer preferences), one contractor estimated a 50/50 split, while the other gave slightly more weight to non-program factors, estimating 40 percent program and 60 percent non-program. While non-program factors remain important, both employees acknowledged that the rebate and associated program support contribute meaningfully to how they promote high-efficiency options.

The two interviewees provided mixed responses when asked how likely they would be to install or promote the same high-efficiency equipment if the NMGC rebate were not available. One rated their likelihood to do so as a 2 out of 10, suggesting that rebate availability is a key driver. The other, by

contrast, rated it an 8, indicating that their practices would likely have remained the same without the program. The same pattern held when asked about the importance of NMGC or distributor program support: one rated it a 2, while the other again gave it an 8.

Both stated that they were already selling the same types of equipment before participating in the rebate program, though one noted that awareness of how the rebate worked came after they were already offering those products. Neither suggested major improvements to the rebate process, though one mentioned that a fully automated process, without the need for paperwork, would be ideal.

Overall, responses by the two interviewees suggest that the NMGC rebate program is straightforward to administer and fits easily into their existing operations. While both contractor firms were already offering some equipment that qualifies for rebates, they reported that program-related factors—such as rebate availability and program support—do play a role in their decisions about what to stock or promote. Though the degree of influence varies, both acknowledged the program as a contributing factor in how they approach rebate-eligible equipment.

5.3.2.4 Market Response

The interviewees shared mixed perspectives on how much the NMGC rebate program influences customer interest in energy-efficient equipment. One described customers' responses as generally neutral, noting that while some customers are motivated by the rebate, others show little interest. The second interviewee reported seeing more engagement specifically around tankless water heaters, suggesting that rebate availability may encourage interest in that category.

Both were also asked about potential barriers to future customer participation. Neither identified major concerns, though one suggested that integrating links or references to related incentives—such as federal tax credits or state-level rebates—could help broaden customer awareness and increase the overall perceived value of participating in the program. The other noted that unless there is a significant price increase on qualifying equipment, they do not anticipate issues with future participation.

5.3.2.5 Program Satisfaction

Both interviewees rated their overall satisfaction with the NMGC Space and Water Heating programs as 5 out of 5, indicating they were very satisfied.[14] They described the program as well-managed and responsive to contractor needs. One noted that while their internal process had initially missed a few rebate opportunities, the program manager stepped in to help resolve the issue quickly, including coordinating delivery of a rebate check to the customer the next day. The other similarly highlighted

[14] On the 0-to-5-point scale, 0 indicated "not at all satisfied" and 5 indicated "extremely satisfied."

that their experience with the program has been positive, particularly in getting started with the online portal and navigating early implementation issues such as verifying customer eligibility.

When asked to rate their customers' satisfaction with the rebate program, one interviewee gave a rating of 5 and the other a 4. Both indicated that customers generally view the rebate as a valuable benefit. One mentioned that improvements to the address verification process—used to determine eligibility for NMGC rebates—have simplified communication with customers and made participation easier.

Finally, both employees reported that their involvement with the rebate program had positively influenced their overall opinion of NMGC. No concerns or suggestions were raised during this portion of the interviews.

5.3.3 Distributor Interviews

5.3.3.1 Space and Water Heating Distributor Interviews

The evaluation team conducted interviews with three distributors participating in the 2024 NMGC Space Heating and Water Heating programs. All three distributors participate in the Water Heating program, and one also participates in the Space Heating program. The interviews were designed to investigate specific topics, listed below, while allowing for open discussion. Each interview was scheduled for 20 minutes but went as long as 40 minutes.

The interviews focused on the following topics:

- Distributor background
- Program awareness and engagement
- Program processes
- Market response
- Overall distributor and customer satisfaction with the program

5.3.3.1.1 Distributor Background

All three distributors interviewed represent established plumbing and heating supply businesses serving licensed contractors. Their customer bases primarily include plumbers and HVAC professionals working in residential and commercial settings.

One interviewee serves as an assistant manager at a wholesaler that provides equipment and supplies for both plumbing and mechanical contractors. This distributor's customer base spans both residential and commercial markets, and the interviewee's role in the Water Heating program includes purchasing and sales responsibilities.

The second distributor is also a wholesaler focused exclusively on plumbing and heating equipment. The interviewee from this distributor manages all aspects of the Space Heating and Water Heating programs, including logging sales through the program portal and issuing rebate credits. In addition to their program responsibilities, they serve in a sales capacity within the business.

The third distributor also operates as a plumbing wholesaler, and the interviewee from this business serves as assistant manager. Their business became involved in the Water Heating program after customers expressed interest, and the program manager provided training and onboarding support. Their primary customers are plumbing contractors engaged in both residential and commercial work. The interviewee at this distributor manages the Water Heating program processes and coordinates with contractors to process eligible sales.

5.3.3.1.2 Program Awareness and Engagement

The interviewees described a range of entry points into the NMGC Space Heating and Water Heating programs, most of which involved initial outreach from the program manager or contractor-driven interest. One interviewee learned about the program through a former colleague who had coordinated with the program manager. After that employee left, the interviewee was asked to continue the role. Another interviewee heard about the programs from multiple contractors and a manufacturer representative, then contacted the program manager to learn more. The third interviewee was contacted directly by the program manager after they heard from local contractors expressing interest. This employee noted that their customers' enthusiasm helped motivate their participation and credited the program manager with providing training and onboarding support.

All three distributor interviewees described active involvement in the rebate process and familiarity with program requirements. Two of them routinely review submissions through the portal and approve rebates once eligible product sales are confirmed, while the third noted that they receive notifications when submissions are made and then approve them shortly after. Across all three interviews, the rebate approval process was described as manageable and integrated into regular operations.

The distributor interviewees reported a variety of business benefits associated with the programs. One shared that the rebate program helped secure the business of a contractor that had previously been purchasing equipment elsewhere. Another described how the programs have helped reinforce existing relationships, tying contractors more closely to the distributor's business. The third distributor interviewee noted that although participation was still relatively limited in their first year, the program was viewed as a value-add for those customers who did participate, and they hoped to expand engagement moving forward.

When asked about changes in sales patterns, two of the three interviewees reported that the Water Heating program has increased sales of qualifying water heaters, particularly tankless models and those with higher efficiency ratings. One distributor interviewee explained that the rebate has encouraged some contractors to upgrade to more efficient models, and another mentioned that their tankless water heater sales have improved due to rebate eligibility. The third reported that their

company had not seen a change in sales yet but attributed that to being in the early stages of implementation.

Estimates of the percent of rebate-eligible sales varied or were unavailable. Two distributor interviewees were unable to provide estimates without reviewing their inventory in more detail. However, both noted that their most common water heater models—particularly 40-gallon units—often qualify. One distributor suggested that slightly lowering the qualifying efficiency factor threshold could expand eligibility to a broader share of their inventory, which might increase overall program participation.

When asked whether NMGC clearly communicates product eligibility requirements, two of the three distributor interviewees said yes, describing the criteria as straightforward. The third employee we interviewed, who was newly assigned to their role, indicated that they were still becoming familiar with the program and relied on the program manager for clarification when needed.

Interviewees noted that the support materials provided were generally helpful. Examples included rebate program overview sheets and laminated cards listing eligible products and rebate amounts. One distributor interviewee emphasized that materials from the program manager had made participation easier, and another stated that the program was "pain free" compared to other utility programs with which they have worked.

Rebate availability had a mixed influence on the equipment that distributors choose to stock. Two of the distributor interviewees noted that they already carried many qualifying products prior to participating in the program and have continued to highlight those items. The third noted that while they stock most eligible models, they could order additional qualifying equipment as needed.

When asked whether the program influenced the equipment, they suggested to contractors, two interviewees said yes—particularly for models such as 40-gallon and tankless water heaters that they know qualify. The third said that most of their sales are for replacements and that contractors usually know the specific equipment they want, so the rebate does not significantly shape those discussions, especially when installation constraints (e.g., venting requirements) are present.

The distributor interviewees were also asked to rate the importance of various program-related factors in influencing their decision to stock or promote rebate-eligible equipment, using a scale from 0 to 10.[15] Ratings for technical assistance from NMGC or ICF (implementer) staff were 8, 8, and 10, with interviewees citing helpful communication and training. Endorsements or recommendations from program staff received ratings of 7, 8, and 10, and marketing or informational materials were rated 9, 8, and 10. Perception of NMGC was also cited as an important influence, with ratings of 9, 8, and 10. Ratings for the dollar amount of the rebate ranged more widely, with values of 8, 5, and 10.

[15] On the 0-to-10-point scale, 0 indicated "not at all important" and 10 indicated "extremely important."

One distributor interviewee explained that while they do not actively push sales based on a rebate amount, offering a qualifying mid-tier option is often enough to guide contractor choices.

Overall, the interviewees expressed satisfaction with the level of program support and saw the rebate program as a helpful tool for reinforcing relationships with their contractor customers. While impacts on stocking practices varied, all three described the program as smooth, easy to manage, and beneficial to participating customers.

5.3.3.1.3 Program Process

Distributor interviewees described the NMGC rebate process as simple and easy to manage. All three interviewees reported that their involvement with rebate tracking and reporting fit well into their daily responsibilities. One described the process as "very easy," with the only issue being an outdated email address in the portal, which was quickly resolved. Another noted that reviewing and approving rebate submissions typically takes less than 10 minutes per transaction. The third characterized the process as "extremely easy" and stated that they had no difficulties.

While one of the interviewees does not directly promote the rebate to contractors, the other two said they do discuss the program with customers, particularly after participating in group training or educational sessions hosted by the program manager. One of the latter two said they typically refer contractors to the program manager if they are not already enrolled. The other noted that following a class that included multiple customers, they now frequently discuss eligibility and rebate availability during regular interactions. Across all three interviews, program education and outreach from the program manager were cited as key drivers of participation and confidence.

When asked to estimate the influence of the programs on their decision to stock or promote eligible equipment, responses varied. One interviewee attributed 20 percent of their decision-making to the Water Heating program, with the remaining 80 percent driven by non-program factors such as supply chain considerations and brand relationships. Another estimated a 50/50 split, stating that certain equipment choices were directly influenced by the Water Heating program. The third distributor said it was difficult to provide a specific breakdown.

The interviewees were also asked how likely they would have been to stock or promote the same high-efficiency equipment without the Water Heating program. One gave a rating of 9 out of 10, one gave a 5, and one gave a 10.[16] Responses to the influence of program support—such as technical assistance and marketing—followed a similar pattern, with ratings of 9, 2, and 10. Two distributor interviewees emphasized that they would have stocked the equipment regardless of program availability, while one explained that the programs have made it easier to sell qualifying models and have helped strengthen relationships with contractors. While all three reported that they already stocked rebate-eligible equipment prior to participating in the programs, some responses—such as

[16] On the 0-to-10-point scale, 0 indicated "not at all important" and 10 indicated "extremely important."

comments about contractor engagement and upgraded sales—suggest the programs may have played a larger role in encouraging promotion of those products, even if not explicitly acknowledged in stock-related ratings.

No additional suggestions or concerns were raised during the interviews. One interviewee specifically praised the training and education provided by the program manager, stating that the program has run smoothly and should continue without major changes.

5.3.3.1.4 Market Response

The three interviewees offered varied perspectives on how much the NMGC Space Heating and Water Heating programs have influenced contractor interest in energy-efficient equipment. Two of them stated that the program has increased interest, particularly among plumbers who are actively participating. One noted that rebate availability has helped encourage upgrades among their customer base. The third interviewee, who is still becoming familiar with the program, said it was too early to tell.

When asked whether the programs were reaching particular markets well, responses generally pointed to success in the residential sector. Two distributor interviewees specifically noted that the program appears to be effectively supporting residential contractors, while one suggested that expanding efforts to reach commercial and multifamily markets could enhance the impact of the programs. Another noted that the program "serves its purpose" and felt it was reaching the appropriate audience.

Distributor interviewees did not raise major concerns about future program participation. Two reported no foreseeable issues, while one noted that potential changes in federal regulations could affect contractor decision-making over time. However, none of them identified specific barriers related to the programs themselves.

5.3.3.1.5 Program Satisfaction

The three interviewees reported general satisfaction with the NMGC Space Heating and Water Heating programs. Two of the three rated their overall satisfaction as a 5 out of 5, indicating they were very satisfied.[17] The third gave a rating of 3, explaining that they were still new to managing the program and did not feel comfortable assigning a higher score without more familiarity.

When asked how they believed their contractor customers would rate the programs, responses varied slightly. One distributor interviewee gave a rating of 5, while another estimated contractors would likely rate the program a 4, noting that contractors have been pleased overall. The third estimated contractor satisfaction at a 3 or 4 and mentioned that some contractors find it

[17] On the 0-to-5-point scale, 0 indicated "not at all satisfied," and 5 indicated "extremely satisfied."

inconvenient to submit invoices to a third party to facilitate consumer rebates. While they acknowledged that this administrative step is necessary, they noted it can be a pain point for some participants.

The interviewees were also asked whether their opinion of NMGC had changed since participating in the programs. One said their perception had stayed the same, while the other two noted improvements. One stated that learning more about the program had improved their opinion, and the other appreciated that NMGC was offering support for both contractors and customers through the rebate program.

When asked for suggestions to improve the programs, none of the three we interviewed had specific recommendations. All reported that the programs were easy to navigate and well-supported. One interviewee specifically mentioned that they had never encountered any issues and appreciated the level of communication and assistance from program staff.

Finally, two of the interviewees shared brief examples of where the programs exceeded expectations. One noted that income-qualified customers could receive additional assistance, which had made a meaningful difference in certain situations. Another praised the program manager's role, stating that they consistently go "over and above" in supporting distributors and their customers. No interviewees reported any instances where the programs had fallen short of expectations.

5.3.3.1.6 Conclusion

Interviews with participating distributors suggest that the NMGC Space Heating and Water Heating rebate programs are generally well received and easy to administer. Distributor interviewees expressed appreciation for the programs' design, communication, and support, particularly in relation to rebate processing and customer engagement. While all three reported that they were already stocking eligible products prior to participating in the programs, they noted that the rebate programs have helped reinforce contractor relationships and may influence how rebate-eligible products are promoted. Opportunities for improvement were limited, though one interviewee suggested that streamlining the administrative process for contractors could further improve participation.

5.3.3.1.7 Findings and Recommendations

Distributor interviews reflected high satisfaction with the NMGC Space Heating and Water Heating programs, with two of the three distributor interviewees rating their satisfaction as a 5 out of 5. The rebate process was described as straightforward and easy to administer, with several distributor interviewees highlighting the support provided by the program manager as a key contributor to their positive experience. Distributor interviewees also expressed confidence in the programs' communication materials and found the portal easy to navigate.

While overall feedback was positive, interviews revealed a couple of areas where small improvements could enhance the distributor experience and support broader contractor engagement. These findings and associated recommendations are outlined below.

Table 5-15 Key Findings and Recommendations

Finding	Recommendation
1. New staff onboarding and portal navigation: One distributor interviewee noted they were new to the role and had limited familiarity with the program, relying on outreach from the program manager to complete rebate approvals.	Ensure ongoing onboarding support is available for new distributor staff, including optional refresher training or brief reference guides summarizing key steps in the rebate process.
2. Administrative challenges for contractors: One distributor interviewee noted that some contractors are hesitant to submit invoices to a third-party platform, which can be perceived as an extra administrative step.	Consider exploring ways to reduce perceived administrative burden for contractors, such as clearer instructions or streamlining invoice submission, while maintaining necessary program controls.

5.4 CONCLUSIONS AND RECOMMENDATIONS

5.4.1 Participant Survey

The participant survey results provide a consistent picture of how NMGC's Space Heating and Water Heating programs influenced customer decision-making during program year 2024. Across both programs, many installations were driven by the need to replace existing or failing equipment, often with a degree of urgency. While the programs were not the sole reason for purchasing high-efficiency equipment, the rebate, contractor recommendations, and participant motivations played meaningful roles.

Contractors emerged as a key influence, especially for Space Heating respondents, who were more likely to receive multiple options and have efficiency levels discussed during the decision process. Water Heating respondents, on the other hand, were more likely to seek out equipment themselves and suggested improvements to marketing and website usability.

Overall, motivations such as upgrading out-of-date systems, improving comfort, and reducing energy bills were important across both groups. Respondents reported generally positive experiences with

the program and offered useful suggestions to improve visibility, communication, and ease of access. These findings and associated recommendations are outlined below in **Table 5-16**.

Table 5-16 Key Findings and Recommendations

Finding	Recommendation
1. Urgent replacement needs: Many respondents replaced failed or outdated equipment under time-sensitive conditions.	Support emergency and proactive replacements: Continue offering easy-to-access rebates that support urgent replacements. Explore proactive outreach to promote early replacement before equipment failure.
2. Contractor-driven decision-making: Contractors played a central role in influencing efficiency decisions for Space Heating respondents.	Leverage contractor influence: Strengthen contractor training and engagement, particularly around presenting multiple equipment options and discussing efficiency benefits.
3. Self-directed Water Heating respondents: Water Heating respondents were more likely to shop independently and suggested improving program visibility.	Improve marketing and accessibility: Enhance program marketing, especially through online channels and retail partners. Simplify website navigation to access rebate information more directly.
4. Respondent feedback on communication: Open-ended feedback from Water Heating respondents highlighted interest in easier access to information about the program and rebate clarity.	Streamline communication: Review communication channels and materials to reduce confusion and improve the customer experience throughout the rebate process.
5. Program information accessibility gaps: Respondents indicated confusion about rebate-eligible equipment and challenges accessing clear program information, with some only learning about rebates after equipment decisions were already made.	Expand pre-decision awareness channels: Develop targeted pre-purchase education strategies that reach consumers before emergency replacement situations arise. This could include retail partnerships, digital campaigns targeting homeowners researching equipment options, and simplified eligibility guides that both consumers and contractors can easily reference during initial discussions.

5.4.2 Contractor Survey

Interviews with participating contractors suggest that the NMGC Space Heating and Water Heating programs are well received and easy to implement within existing business operations. Interviewees reported high satisfaction with program support and rebate processing and noted that while they already offered qualifying equipment, program elements such as rebate availability and administrative support play a role in how products are promoted. Perspectives on customer response and market impact varied, with interviewees identifying some areas where additional clarity or system enhancements could further strengthen program delivery.

Contractor interviews reflected strong satisfaction with the NMGC Space Heating and Water Heating programs, with both interviewees rating their satisfaction as a 5 out of 5. The rebate process was described as simple and easy to integrate into existing operations, with administrative support from the program manager noted as a key strength. The interviewees also expressed confidence in the clarity of eligibility requirements and the support received during early program setup.

However, interviews highlighted areas where small improvements could enhance the contractor experience and potentially strengthen customer participation. These findings and associated recommendations are outlined below in **Table 5-17**.

Table 5-17 Key Findings and Recommendations

Finding	Recommendation
1. Inconsistent technician understanding of rebate eligibility and process: One interviewee noted that some technicians miss opportunities to present rebate-eligible options to customers, leading to lost rebates and extra administrative work to correct the issue.	Provide optional training materials or talking points for contractors to use with field technicians, clarifying rebate-eligible products and the importance of presenting rebates at the point of sale. This may help reduce missed opportunities and improve consistency in customer-facing interactions.
2. Manual coordination required for distributor rebate approvals: One interviewee reported that their distributor does not receive automatic notifications when a rebate is submitted, creating a need for manual follow-up.	Explore options to automate distributor notifications within the rebate processing system to reduce communication gaps and improve approval efficiency.

5.4.3 Gross Impact

Table 5-18 Space Heating Gross Impact Findings and Recommendations

Finding	Recommendation
1. NMTWPS1557214996, ex-ante analysis did not use the efficient R-value (R-30) as documented in the project files. Ex-post analysis corrected this using the reported R-11 to R-30 upgrade.	Recommendation: Ensure ex-ante analyses align with documented R-values from project files.
2. Furnace measure, ex-ante analyses used AFUE ratings from project documents, while ex-post analyses referred to AHRI certificates for efficient AFUE ratings.	Recommendation: Ensure to standardize the use of AHRI-certified AFUE ratings, to maintain consistency in savings estimates.
3. For NMNMPS1557599467, the ex-ante analysis assumed ten furnaces (nine at 100 MBTUH, one at 60 MBTUH) with uniform savings of 400 therms each at a residential facility, regardless of capacity. This assumption could not be replicated. The ex-post analysis verified the installation of thirteen furnaces and their capacities (twelve at 100 MBTUH, one at 60 MBTUH) using AHRI certificates, NMGC rebate application, and invoice. It applied 903 effective heating load hours (EFLH_h) from NM TRM Table 31, selecting the "retail facility – single-story large" category, which better matched the facility's operational profile.	Recommendation: Ensure to match furnace savings to actual equipment capacity and quantity. Use appropriate commercial categories from the NM TRM that reflect operating hours and building use characteristics when estimating effective full load hours for heating (EFLH_h).
4. NMTWPS1556191614, ex-ante analysis used efficient AFUE rating (0.96) for both baseline and efficient equipment, while ex-post applied the deemed baseline AFUE (0.80) from the NM TRM.	Recommendation: Ensure baseline AFUE values align with NM TRM assumptions to maintain consistency with deemed savings.
5. NMNMPS1556264727, ex-ante analysis was recreated using project documents with a water heater capacity of 240 MBH. However, the AHRI certificate listed the installed capacity as 130 MBH, causing a discrepancy in energy savings estimates.	Recommendation: Verify and use the actual equipment capacity from AHRI certificates in savings calculations to ensure accurate estimates.

Finding	Recommendation
6. NMNMPS1557407950, the ex-ante analysis used the 2023 NM TRM to estimate therms/kBtuh savings for two boilers: a 155 MBH unit (95% AFUE) and a 500 MBH unit (97.7% AFUE). It assumed an OA reset from 140°F to 165°F with 84.5% AFUE (Table 63) for the smaller boiler, and a load reset from 115°F to 140°F with 90% AFUE (Table 55) for the larger boiler. These assumptions were not supported by project documentation. The ex-post analysis retained the same improvement types but applied AFUE ratings of 94% for both boilers from the NM TRM tables, based on AHRI-certified equipment efficiencies.	Recommendation: Use AHRI-certified AFUE ratings when selecting improvement types in the TRM to ensure consistency with installed equipment and improve the accuracy of therms/kBtuh savings estimate.
7. EULs for Space and Water Heating measures deviate from industry standards and should be adjusted downward to reflect more realistic estimates consistent with regional and national benchmarks. The EUL for water heaters is reduced from 42.4 years compared to 14.3 years benchmark, and the EUL for space heating equipment—such as furnaces and insulation—is 35.6 years to 22.2 years benchmark.	Recommendation: Update effective useful life for Water Heaters and Space Heating Furnace/Insulation measures to reflect regional and national benchmarks.

6 Strategic Energy Management

The Strategic Energy Management (SEM) offer was introduced to support large commercial and institutional customers in building ongoing energy management practices that produce persistent, behavior-based natural gas savings. While this program did not include direct financial incentives for equipment, it emphasized operational improvements, staff engagement, and the development of standardized energy performance tracking tools.

6.1 GROSS IMPACTS

As SEM is a behavioral and operational program rather than a capital improvement initiative, energy savings were estimated through whole-facility analysis methods. The Evaluation team used normalized annual consumption trends and available tracking data to assess savings persistence and magnitude. Participants typically engaged in energy tracking activities, development of energy plans, and implementation of low- and no-cost measures over a 12-month engagement period.

The engineering desk reviews verified measure applicability for a stratified sample of projects across customers and building types. Installation Adjustment Factors (IAFs) were applied based on the verification of whole-facility analysis methods and are included in the Engineering Adjustment Factors (EAFs) which also account for deviations from TRM assumptions or misclassification of baseline conditions.

6.1.1 Realized Gross Impacts

The Gross Realized Savings are calculated by taking the original ex ante savings values from the participant tracking databases and adjusting them using an Installation Adjustment factor (based on the count of installed measures verified through the phone surveys) and an Engineering Adjustment factor (based on the engineering analysis, desk reviews, etc.)

$$Gross\ Realized\ Savings = (Ex\ Ante\ Savings) * (Installation\ Adjustment) * (Engineering\ Adjustment\ Factor)$$

The ex-ante PY2024 impacts for the Strategic Energy Management programs are summarized in **Table 6-1**, **Table 6-2**, and **Table 6-3**.

Table 6-1 Strategic Energy Management First Year Savings Summary (therms)

Program	Sub-Program	# of Projects	Expected Gross therm Savings	Engineering Adjustment Factor	Realized Gross therm Savings
Strategic Energy Management (SEM)		7	285,545	1.0000	285, 545
Total		**7**	**285,545**	**1.0000**	**285,545**

Table 6-2 Strategic Energy Management Lifetime Savings Summary (therms)

Program	Sub-Program	# of Projects	Expected Gross therm Savings	Engineering Adjustment Factor	Realized Gross therm Savings
Strategi Energy Management (SEM)		7	285,545	1.0000	285,545
Total		**7**	**285,545**	**1.0000**	**285,545**

Table 6-3 Strategic Energy Management Desk Review Sample

Sub-Program	Count	Average therms	Total therms savings	% of savings	Current Sample
Customer 1	21	8,820	185,213	65%	4
Customer 2	58	1,730	100,332	35%	2
Totals	**79**		**285,545**		

6.2 NET IMPACTS

Following the precedent established for similar engagement-based programs, a NTG ratio of 1.0 is applied prospectively for planning and reporting consistency.

6.2.1 Realized Net Impacts

The net-to-gross evaluation process calculates the Net-to-Gross (NTG) savings, which reflect the effectiveness of the program in achieving energy savings. The NTG ratio is calculated by comparing the Net Realized Savings (i.e., the savings that result directly from the program's influence on participants) to the Gross Realized Savings (the total savings from all measures installed from the impact evaluation above). This ratio accounts for factors such as free ridership (participants who would have implemented the measures without the program) and spillover (savings from participants who were influenced by the program but did not directly participate). The NTG ratio is crucial for assessing the overall impact of the program.

Net Realized Savings are then determined by multiplying the Gross Realized Savings by the NTG ratio:

$$Net\ Realized\ Savings = (Net - to - Gross\ Ratio) * (Gross\ Realized\ Savings)$$

Table 6-4 and **Table 6-5** summarize the PY2024 net impacts for the Strategic Energy Management program using the prospective NTG ratios calculated by the evaluation team during the PY2023 evaluation.

Table 6-4 Strategic Energy Management First Year Net Impact Summary (therms)

Program	Sub-Program	# of Projects	Realized Gross therm Savings	NTG Ratio	Realized Net therm Savings
Strategic Energy Management (SEM)		7	285,545	1.0000	285,545
Total		**7**	**285,545**	**1.0000**	**285,545**

Table 6-5 Strategic Energy Management Lifetime Net Impact Summary (therms)

Program	Sub-Program	# of Projects	Realized Gross therm Savings	NTG Ratio	Realized Net therm Savings
Strategic Energy Management (SEM)		7	285,545	1.0000	285,545
Total		**7**	**285,545**	**1.0000**	**285,545**

6.2.2 Net-to-Gross Ratio Update for PY2024

Net savings applied a NTG ratio of 1.00, consistent with regulatory precedent and prior evaluation findings. This ratio assumes that, in the absence of the program, Strategic Energy Management customers would not have installed the efficiency measures independently due to financial or informational barriers.

6.3 PROCESS EVALUATION

No process evaluation activities were conducted for the Strategic Energy Management program during PY2024. The evaluation team deferred process research for this program to a future cycle.

6.4 CONCLUSIONS AND RECOMMENDATIONS

6.4.1 Gross Impact

Finding	Recommendation
1. The evaluation team conducted a thorough review of the submitted regression models, focusing on variable selection, baseline fit, and documentation quality. The projects consistently utilized appropriate independent variables, such as heating degree days (HDDs) and holiday flags, to capture key energy drivers. Our analysis confirmed that the models were well-constructed and that no significant improvements . The documentation provided was clear, detailed, and sufficient to support the reported savings.	Recommendation: We commend the SEM team for their excellent work. The use of industry-standard regression techniques, selection of independent variables, and comprehensive documentation reflects a high level of analytical rigor and quality. We encourage the team to continue applying these best practices in future evaluations.

7 Home Energy Reports

The NMGC Home Energy Reports (HER) program provides customers with information on their energy consumption that includes a "neighbor comparison" with a matched set of similar households. This normative comparison is delivered via email or regular mail and motivates recipients to conserve energy. The HER messaging also includes tips on how to reduce energy consumption. Approximately 145,000 of NMGC's residential accounts received HERs in January 2024 for the first time, with another 65,000 receiving HERs for the first time in September 2024.

NMGC's HER program consisted of two waves. The first wave was delivered as a randomized controlled trial (RCT). In the RCT framework, the program implementer randomly assigns customers to either a treatment group (receives the HERs) or a control group (does not receive the HERs). This framework facilitates the measurement of the HER treatment effect. At a high level, consumption in the control group serves as a baseline for what consumption in the treatment group would be absent behavioral changes due to HER delivery. The second wave was not delivered as an RCT but does use a matched comparison group of similar homes. The matched comparison group for the second wave serves the same role as a control group. By wave, **Table 7-1** summarizes the number of active households at the start of PY2024. About 40,000 treatment homes were treated by email and about 100,000 were treated by delivery mail for Wave 1, with another 65,000 homes treated by email for Wave 2.

Table 7-1 NMGC HER Cohorts Summary

Wave	Start Date	Mail Treatment Group	Email Treatment Group	Control Group Size
Wave 1	1/18/2024	107,718	37,093	10,000
Wave 2	09/25/2024	0	65,000	20,971

Using a lagged dependent variable (LDV) model, we estimate that the HER program saved 1,240,513 therms during PY2024. 916,368 therms are attributable to Wave 1 customers and the remaining 324,145 therms are attributable to Wave 2 customers. In aggregate, Wave 2 saved significantly less than Wave 1 for two main reasons: the Wave 2 treatment group is much smaller than the Wave 1 treatment group, and HER delivery for Wave 2 did not begin until the middle of PY2024.

7.1 METHODOLOGY

7.1.1 Input Data

The primary data used for this analysis was monthly gas billing data for the treatment and control group homes. The billing data covers the period between October 2021 and April 2025. Some key fields in the billing data are billed consumption, cycle start date, and cycle end date. **Figure 7-1** shows a time series of average billed therms from January 2023 through April 2025. Consumption is highest in the winter months and lowest in the summer months.

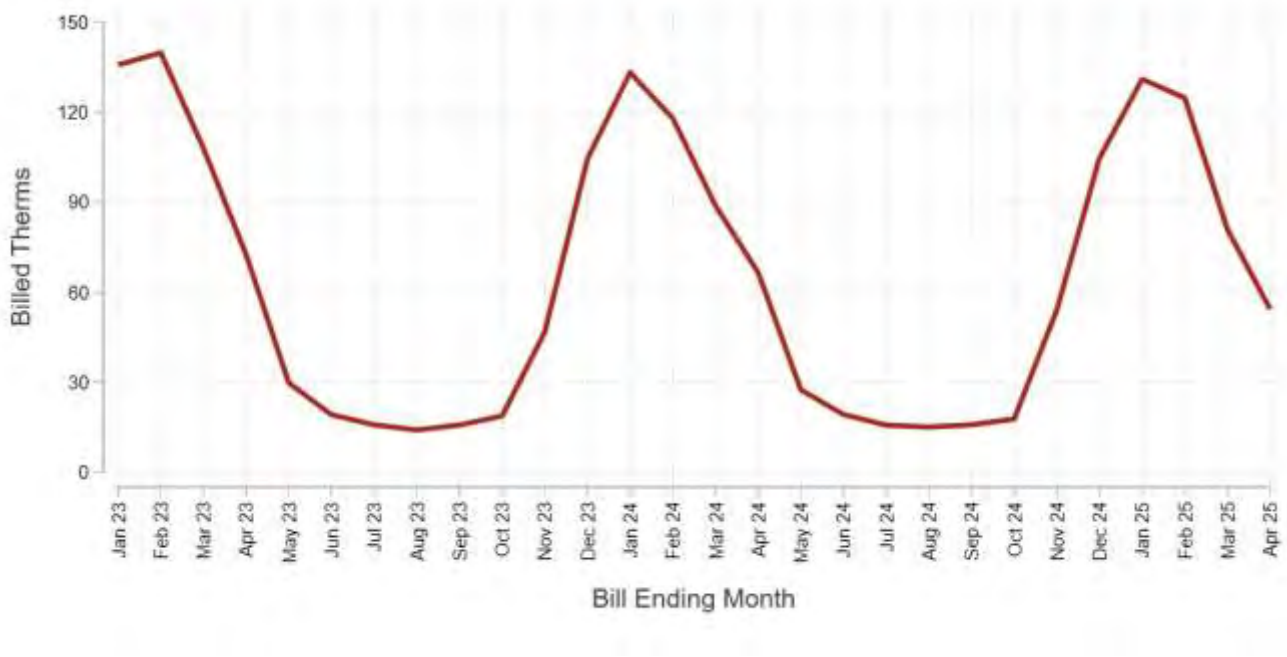

Figure 7-1 Average Billed Therms by Month

7.1.2 Calendarization

Because billing cycles typically span two calendar months and read dates vary from customer to customer, we "calendarized" the billing data before estimating energy impacts. In calendarizing the data, the goal is to prorate billing data into a calendar month basis shared by all participants. This process is described through the example below. **Table 7-2** contains four months of simulated billing data. The data and time periods are hypothetical and not from an actual NMGC customer.

Table 7-2 Simulated Billing Data

Metric	Nov 12th – Dec 11th	Dec 12th – Jan 11th	Jan 12th – Feb 11th	Feb 12th – Mar 11th
Usage (Therms)	111.9	129.9	109.7	101.1
Average Daily	3.73	4.19	3.54	3.61

For each billing period, average daily usage can be calculated by dividing total usage by the number of days in the billing period. For example, there are thirty days in the November 12th – December 11th billing period, so the average daily usage is 111.9 / 30 = 3.73 therms. This value can then be assigned to each day in the billing period. **Table 7-3** shows estimated daily usage for each day in December.[18] Note that the first eleven days reflect the November 12th – December 11th billing period, and the last twenty days reflect the December 12th – January 11th billing period.

[18] The 2022 calendar is used for this example.

Table 7-3 Redistribute December Billing Data

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 3.73	2 3.73	3 3.73
4 3.73	5 3.73	6 3.73	7 3.73	8 3.73	9 3.73	10 3.73
11 3.73	12 4.19	13 4.19	14 4.19	15 4.19	16 4.19	17 4.19
18 4.19	19 4.19	20 4.19	21 4.19	22 4.19	23 4.19	24 4.19
25 4.19	26 4.19	27 4.19	28 4.19	29 4.19	30 4.19	31 4.19

Summing the estimated daily usage values within each month yields prorated consumption values. This is illustrated in **Table 7-4** for December, January, and February.

Table 7-4 Calendarized Billing Data

Metric	December 2022	January 2023	February 2023
Estimated therms	11(3.73) + 20(4.19) = 124.83	11(4.19) + 20(3.54) = 116.89	11(3.54) + 17(3.61) = 100.31
Average Daily therms	124.83 / 31 = 4.03	116.89 / 31 = 3.77	100.31 / 28 = 3.58

7.1.3 Estimating Annual Energy Impacts

To calculate program savings, the EcoMetric team employed a Lagged Dependent Variable (LDV) regression model. The equation below shows the basic form of the LDV model. The LDV model is estimated exclusively using post-treatment observations but uses the average daily energy consumption from the month of interest prior to treatment (thm_imy) as an independent variable.

$$thm_{imy} = \beta_0 + \sum_{m=2}^{4}\sum_{y=2024}^{2024}\left(\beta_{my} * I_{my} * thm_{i,m,y-n}\right) + \sum_{m=2}^{4}\sum_{y=2024}^{2024}\left(\tau_{my} * I_{my} * treatment_{imy}\right) + \varepsilon_{imy}$$

Table 7-5 provides information about the terms in the LDV model specification.

Table 7-5 Definition of Terms for LDV Model

Variable	Definition
thm_{imy}	Customer i's average daily gas usage (therms) in bill month m in year y.
β_0	Intercept of the regression equation.
I_{my}	An indicator variable equal to one for each monthly bill month m, year y, and zero otherwise. This variable captures the effect of each billing period's deviation from the average energy use over the entire time series under investigation.

Variable	Definition
β_{my}	The coefficient on the bill month m, year y indicator variable.
$thm_{i,m,y-n}$	Average daily therms for customer *i* in bill month m in the year prior to the assignment to treatment condition. The term n represents the number of years home *i* have been in the program. This term controls for variability in customer characteristics such as home size and heating fuel.
$\text{treatment}_{\text{imy}}$	The treatment indicator variable. Equal to one when the treatment is in effect for the treatment group. Zero otherwise. Always zero for the control group.
τ_{my}	The estimated treatment effect in therms per day per customer; the main parameter of interest.
ε_{imy}	The error term.

The LDV regression model returns an estimate of the average daily savings per treated household in month m and year y. To compute the aggregate therms savings attributable to HER delivery, we multiply the estimated treatment effect (saved therms per treatment home per day) by the number of days in each month and the number of active households in the treatment group.

7.2 RESULTS

7.2.1 Group Equivalence

Assuming treatment and control groups consume the same amount of energy prior to HER delivery, differences between the groups after HER delivery begins can be attributed to the HERs. Thus, one important step in our analysis is to compare pre-treatment consumption in the treatment and control groups. Ideally, average daily consumption is roughly the same between the two experimental groups.

The EcoMetric team assessed pre-treatment equivalence between the treatment and control groups in a few ways. One method was a visual comparison and the others were more scientific. Regarding the visual comparison, **Figure 7-2** compares average daily consumption (pre-treatment) between the treatment and control groups of Wave 1. There appears to be only negligible differences between the control and treatment groups.

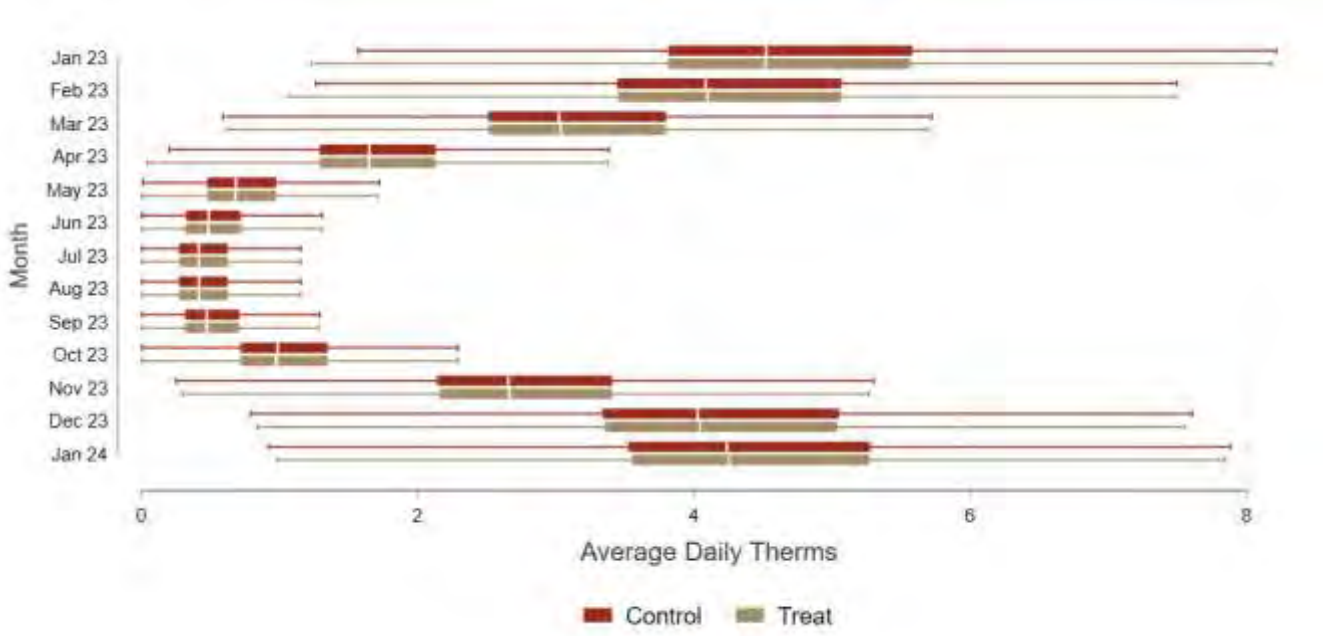

Figure 7-2 Pre-Treatment Equivalence for Wave 1

Figure 7-3 compares average daily consumption (pre-treatment) between the treatment and control groups of Wave 2. Differences in consumption between the control and treatment groups for Wave 2 are negligible as well.

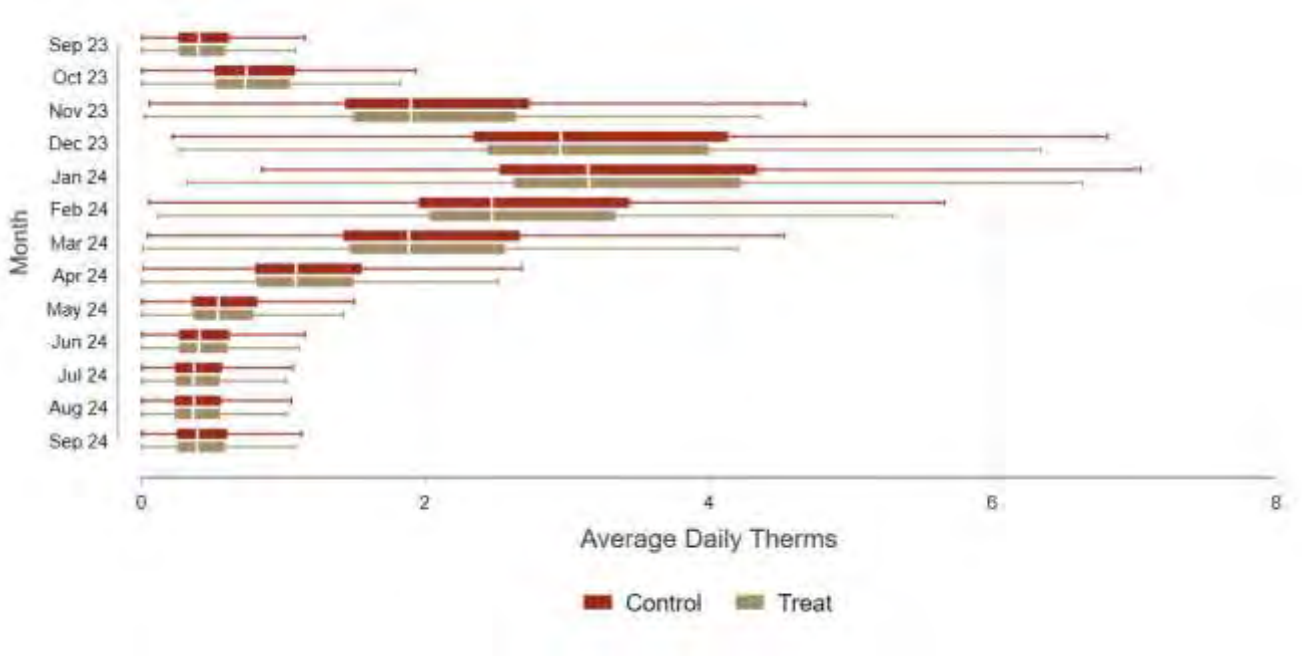

Figure 7-3 Pre-Treatment Equivalence for Wave 2

To corroborate findings from the visual inspection, our team also performed a few scientific comparisons. The first method was a fixed effects regression model that estimates the difference in average daily consumption between the two groups. The second method was a t-test that compares average daily usage between treatment and control. The results of these tests, shown in **Table 7-6**, indicate there are no statistically significant pre-treatment differences between treatment and control groups for either wave.

Table 7-6 Pre-Treatment Equivalence Tests on Daily Usage

Wave	Treatment Mean	Control Mean	FE Regression		T-Test P-value[1]
			Treatment Coefficient	P-Value[1]	
Wave 1	2.314	2.311	0.003	0.649	0.668
Wave 2	1.507	1.507	0.000	0.990	0.977

[1] A p-value less than 0.05 indicates the difference between groups is non-trivial (i.e., statistically significant).

7.2.2 Annual Energy Savings

Gross therm savings and active treatment counts for each month are shown in **Table 7-7**. Treatment customers are considered active through the month that they received their last bill. For example, if a customer received their last bill in March 2025, then they would be counted in February and March 2025, but not in April 2025 (which falls in PY2025) or any month following. In aggregate, our savings estimate is 1,240,513 therms.

Table 7-7 HER Impacts by Month

Month	Days	Wave	Treatment Count	Savings (Therms)	
				Per Home Per Day	Aggregate
April 2024	30	Wave 1	139,981	0.0105*	44,055
May 2024	31	Wave 1	139,200	0.0020	8,714
June 2024	30	Wave 1	138,289	-0.0006	-2,326
July 2024	31	Wave 1	137,486	0.0001	423
August 2024	31	Wave 1	136,556	0.0023	9,811
September 2024	30	Wave 1	135,778	0.0052	21,155
October 2024	31	Wave 1	135,131	0.0096*	40,364
		Wave 2	63,176	-0.0009	-1,763
November 2024	30	Wave 1	134,673	0.0300*	121,021
		Wave 2	63,142	0.0152*	28,728
December 2024	31	Wave 1	134,095	0.0471*	195,792
		Wave 2	62,747	0.0422*	82,109
January 2025	31	Wave 1	133,484	0.0500*	206,854
		Wave 2	62,334	0.0342*	66,128
February 2025	28	Wave 1	132,765	0.0410*	152,428
		Wave 2	61,862	0.0477*	82,642
March 2025	31	Wave 1	131,932	0.0289*	118,079
		Wave 2	61,332	0.0349*	66,301
Wave 1 PY2024 Total					916,368
Wave 2 PY2024 Total					324,145
PY2024 Total					1,240,513

* Denotes coefficient is significantly different than zero at the 5% significance level.

Impact estimates by month (therms saved per home per day) can be seen in **Figure 7-4**. The red squares represent the estimated difference between consumption in the treatment and control groups (therms saved per home per day), and the bands above and below represent the 95% confidence interval. The figures also include April 2025 which will be counted towards PY2025 savings, as well as February and March of 2024, which were counted towards PY2023. The savings effect in **Figure 7-4** highlights the seasonality of natural gas consumption. Savings are higher in the winter when natural gas use is high and low in the summer when natural gas use is low (meaning the opportunity for savings is reduced).

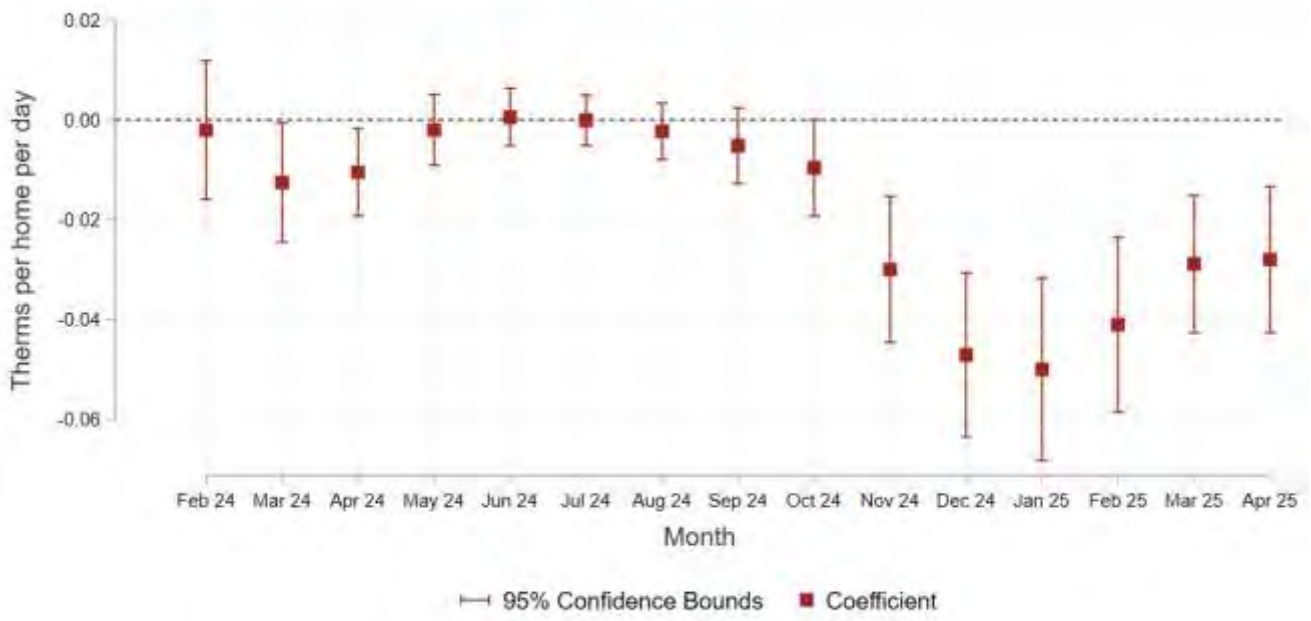

Figure 7-4 Wave 1 Impacts Estimated by LDV Regression

Figure 7-5 shows the results for Wave 2. The seasonal trend in the monthly impacts for Wave 2 mirrors the trend seen for Wave 1. Recall that Wave 2 was launched in the middle of PY2024, and it sometimes takes a few months for customers to respond to the HER messaging. We don't think the slight increase in consumption in October 2024 is in response to HER messaging. The negative estimate for this month should be interpreted as noise rather than HER exposure causing homes to use more electricity. Over time, we expect favorable noise and unfavorable noise will cancel out.

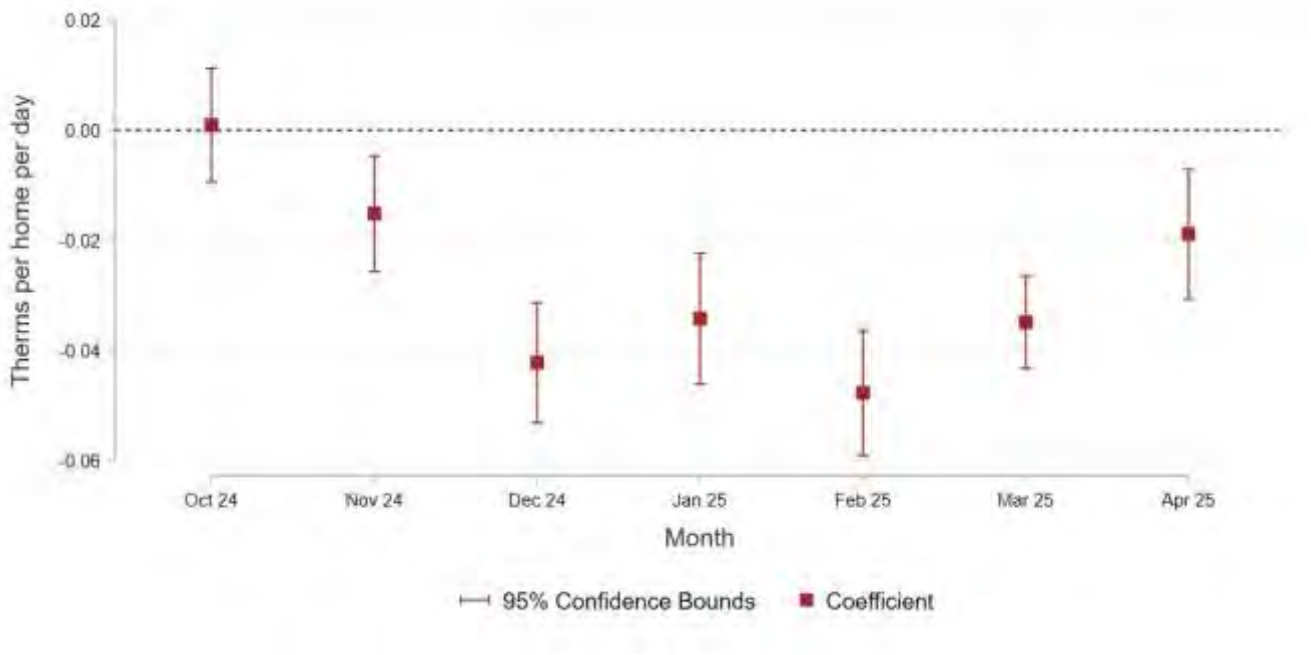

Figure 7-5 Wave 2 Impacts Estimated by LDV Regression

7.3 CONCLUSIONS AND RECOMMENDATIONS

Findings and recommendations for the HER program can be found in **Table 7-8**.

Table 7-8 HER Findings and Recommendations

Finding	Recommendation
1. Verified savings for the Home Energy Reports program for PY2024 were 1,240,513 therms. Wave 1 showed strong savings, especially in the winter months. We'd expect more savings for Wave 2 in future program years, as Wave 2 was only active for six months during PY2024.	Recommendation: If NMGC is interested in the relative effectiveness of the print and email treatment, separate control groups should be identified by providing the billing method of the control. (Presumably, billing method was used to determine delivery mode in the treatment group.)

8 Cost Effectiveness

The evaluation team calculated cost effectiveness using the Utility Cost Test (UCT) for each individual NMGC energy efficiency program, as well as the cost effectiveness of the entire portfolio of programs.[19] The evaluation team conducted these tests in a manner consistent with the California Energy Efficiency Policy Manual.[20]

Cost effectiveness tests compare relative benefits and costs from different perspectives. The specific cost effectiveness test used in this evaluation, the UCT, compares the benefits and costs to the utility or program administrator implementing the program. UCT explicitly accounts for the benefits and costs shown in Table 8-1.

Table 8-1 Utility Cost Test Benefits and Costs

Benefits	Costs
• Utility avoided energy-related costs • Utility avoided capacity-related costs, including generation, transmission, and distribution	• Program overhead/ administrative costs • Utility incentive costs • Utility installation costs

Using net realized savings from this evaluation and cost information provided by NMGC, the evaluation team calculated the ratio of benefits to costs for each of NMGC's programs and for the portfolio overall. The results of the analysis are shown in Table 8-2. The overall portfolio was found to have a UCT ratio of 1.53, indicating the relative benefits of the portfolio outweighed the relative costs.

Table 8-2 PY2024 Cost Effectiveness Results

Program	UCT Ratio
Income Qualified	0.97
Efficient Buildings	1.71
Multifamily	1.11
New Homes	2.52
Water Heating	1.04
Space Heating	1.99
Home Energy Reports	1.74
Overall Portfolio	**1.53**

[19] The Utility Cost Test is sometimes referred to as the Program Administrator Cost Test, or PACT.

[20] California Public Utilities Commission. 2020. California Energy Efficiency Policy Manual – Version 6. https://www.cpuc.ca.gov/-/media/cpuc-website/files/legacyfiles/e/6442465683-eepolicymanualrevised-march-20-2020-b.pdf

Appendix A

Efficient Buildings Participant Guide

A. Multi Family Participant Interview Guide

Introduction

Talking points for recruitment

- Evergreen Economics is conducting an evaluation of utility energy efficiency programs for the New Mexico Public Service Commission and the New Mexico Gas Company
- We have identified selected efficiency projects that were supported by the Gas Company's Multi-family program in 2024 for brief telephone interviews; one of those was an upgrade in [insert general description of end-uses, not specific measures] at the property at [address].
- You were listed as the project contact. Are you the best person to discuss the efficiency upgrade, the decision-making behind it, and your organization's experiences with the rebate program? Or is there someone else involved in the project who would better be able to answer questions?
- The interview will take about 10 minutes.
- Your responses will remain anonymous and will help improve the effectiveness of energy efficiency programs in New Mexico.
- When would be a convenient time for us to talk?

Talking points for starting the interview

- Identify self.
- Thank you for speaking with us about the energy efficiency upgrades at [building name/address] supported by the New Mexico Gas Company's Multi-family program.
- This should take about 10 minutes, and your responses will remain anonymous.
- The feedback we gather will help ensure that utility programs meet the needs of customers across the state.
- Do you have any questions before we begin?
- Would you be comfortable if I recorded this call for note-taking purposes? The recording will be kept confidential and not shared outside of our team.

Context and Measures

Let's begin with a couple of background questions.

A1. Can you briefly describe the building or complex where these upgrades took place?
Probe for:

- Size (# of units/buildings)
- Age of the building
- Who pays for energy usage in the building

A2. Can you tell me a bit about your role and involvement with this property?
Probe for:

- Duration of involvement (temporary or long-term)
- Decision-making authority or responsibilities

A3. To confirm, the efficiency upgrades you implemented with utility support were [summarize key measures from program records]. Please review the list and let me know if anything is missing or inaccurate. Also, are the upgrades still functioning as expected? Have any been replaced or removed?

Probe for:

- Missing items
- Non-installed measures
- Functionality of upgrades?

Overall Entree and Role of Utility Program

B1. How did you first learn about the Gas Company's Multi-family efficiency program?

Probe for:

- Source of information
- Timing (before or during the project)

B2. Can you describe the role the Gas Company's Multi-family program played in this project?

Follow-up if needed: Did the program influence your decision on which upgrades to install, or were these upgrades already planned?

Quantitative Program Influence Questions

Next, I'd like to try to quantify some of what we've been talking about, as best as possible. For these next questions, please step back and think about the efficiency improvements made to the building from the upgrades you did as part of this project.

[IF NEEDED: Let's talk specifically about [refer to most impactful measure or group of measures].]

C1. [HIGH PRIORITY QUESTION] For this next question, I will read several factors that might have played a role in the upgrade of the building's efficiency from what it was. For each one, please indicate how important that

factor was in influencing the energy efficiency upgrade on a scale from 0 to 10. Zero means the factor was not at all important, and 10 means it was extremely important. If something just isn't applicable, let me know that too.

[READ AS NEEDED: How important was ... [insert item below] ... in influencing the efficiency upgrade?]

- The contractor and any suppliers/vendors involved
- Reduced project cost due to the rebate from New Mexico Gas Company
- Technical assistance, recommendations, or information from New Mexico Gas Company or ICAST
- Your previous participation in Gas Company programs
- The age or condition of the old equipment
- Routine maintenance practices
- Corporate policy or energy efficiency goals
- The financial benefits of the upgrade (e.g., reduced operating costs)
- Tenant comfort or safety

C2. Please allocate 100 points between the utility program elements (rebate, technical assistance, prior participation) and the non-utility factors (financial benefits, corporate policies, maintenance needs, etc.) based on how much they contributed to your decision to implement the upgrades. Probe for clarity if needed:

> [PARAPRHASE AS NEEDED BASED ON PRIOR RESPONSES in C1, REFERRING TO ITEMS THAT SCORED 7-10 OR THE HIGHER RATED ONES:] Again, the utility program elements were the rebate and any technical assistance, recommendations, and information from the utility or its program partners, and your prior participation in the utility rebate programs. The non-utility factors are everything else, like the financial benefits of the upgrade on its own, corporate policy, maintenance and operational needs, and so forth.

a) [HIGH PRIORITY QUESTION] How much was due to the utility program elements?

How much was due to non-program factors?

[REVISIT / CLARIFY IF THE TWO NUMBERS DO NOT ADD TO 100.]

C3. [HIGH PRIORITY QUESTION] Now, please consider what you would have done if the Multi-family program hadn't existed at all. Using that 0-10 scale, how likely is it that you would have installed the same efficiency upgrades and in the same quantities? Zero means not at all likely, and 10 means extremely likely.

C4. [HIGH PRIORITY QUESTION] If you had done the same things or something similar, when would you have made those upgrades?

Probe to categorize:

- within one year
- between 12 months and less than 2 years
- between 2 and 3 years
- greater than 3 years
- not at all

C5. [AS NEEDED IF WE ARE GETTING A MIXED MESSAGE ON PROGRAM INFLUENCE OVERALL BASED ON RESPONSES TO SECTIONS B2, C1, and C3.]

Please help me understand just how and how much the utility efforts influenced the efficiency upgrade for this property. I feel like I am hearing that [DESCRIBE THE MIXED MESSAGE, SUCH AS: the utility had a high influence, but you would have done the same thing anyway]. I may have misunderstood something. Can you elaborate?

Program Satisfaction

Finally, I have a question about your satisfaction with the New Mexico Gas Company Multifamily rebate program.

D1. Please tell me how satisfied you are with the multifamily rebate program overall on a scale of 1 to 5, where 1 is “very dissatisfied”, and 5 is “very satisfied”. If you are dissatisfied with anything specific, please tell me a bit more about that too.

[INTERVIEWER NOTE: OKAY TO ACCEPT “NOT APPLICABLE,” “PREFER NOT TO ANSWER,” AND “DON’T KNOW.” WE JUST DON’T WANT TO OFFER THOSE AS STANDARD OPTIONS.]

D2. Do you have any recommendations for the New Mexico Gas Company concerning their energy efficiency program?

That concludes our interview. Thank you for your time

B. Efficient Buildings Participant Survey Guide

INSTRUMENT OVERVIEW

Objective: The Evaluation Team will interview NMGC Efficient Buildings participants to assess satisfaction with the program.

Anticipated timing (interview length): 15 to 20 minutes

Method of data collection: Phone interview

Introduction

Hello, my name is (*YOUR NAME*) from Research & Polling. I am calling on behalf of the NEW MEXICO GAS COMPANY. May I please speak with _____?

A. (Once correct respondent is reached) Hello, my name is (*YOUR NAME*) from Research & Polling. I am calling on behalf of NEW MEXICO GAS COMPANY.

I'm calling because our records show that you recently completed an energy efficiency project where you installed [MEASURE_1] at your business and received a rebate through the NEW MEXICO GAS COMPANY Efficient Buildings program. I'd like to ask a short set of questions about your experience with the Efficient Buildings program. Your time will help us improve this program for other customers like you. Are you the best person to talk to about the/these energy efficiency upgrade(s) and energy use at your firm?

1. Yes

2. No (Ask, who would be the best person to talk to about the [MEASURE(S)] installed and energy use at your business? (REPEAT INTRO WHEN CORRECT PERSON COMES ON LINE; ARRANGE CALLBACK IF NECESSARY)

3. Never installed *(SKIP TO Q.5)*

(IF NEEDED) NEW MEXICO GAS COMPANY would like to better understand how businesses like yours think about and manage their energy use. The Efficient Buildings program is designed to help firms with energy saving efforts. Your input is very important to help NEW MEXICO GAS COMPANY improve its energy rebate programs.

SECTION A [MEASURE_1]

1. Our records show in 2024 your business got a rebate through NEW MEXICO GAS COMPANY for installing [MEASURE_1]. Are you familiar with this project?

1. Yes

2. No *(SKIP TO Q.9 IF 2 MEASURES) (SKIP TO INTRO TO Q.17 IF 1 MEASURE)*

3. Never installed *(SKIP TO Q.5)*

4. Don't know *(SKIP TO Q.9 IF 2 MEASURES) (SKIP TO INTRO TO Q.17 IF 1 MEASURE)*

2. Our records show it was installed at [SITE_ADDRESS] in [SITE_CITY]. Is that correct?

1. Yes *(SKIP TO Q4)*

2. No

3. Never installed *(SKIP TO Q.9 IF 2 MEASURES) (SKIP TO INTRO TO Q.17 IF 1 MEASURE)*

4. Don't know *(SKIP TO Q.9 IF 2 MEASURES) (SKIP TO INTRO TO Q.17 IF 1 MEASURE)*

3. Where was [MEASURE_1] installed? *(RECORD LOCATION)*

_____

99. Never installed *(SKIP TO Q.9 IF 2 MEASURES) (SKIP TO INTRO TO Q.17 IF 1 MEASURE)*

4. Is the [MEASURE_1] still installed in your facility?

1. Yes *(SKIP TO Q. 6)*
2. No
3. Prefer not to answer *(SKIP TO Q. 6)*
4. Don't know *(SKIP TO Q. 6)*

Other *(SPECIFY) (SKIP TO Q. 6)* _____

5. Why was the [MEASURE_1] removed/never installed? *(OPEN VERBATIM)*

_____

_____

_____

(SKIP TO Q.9 IF 2 MEASURES) (SKIP TO INTRO TO Q.17 IF 1 MEASURE)

6. Is the [MEASURE_1] still functioning as intended?

1. Yes
2. No
3. Prefer not to answer *(DO NOT READ)*
4. Don't know *(DO NOT READ)*

QUESTIONS 7-8 FOR NON-DIRECT INSTALL

7. Did your firm use a contractor to install the [MEASURE_1] or did internal staff do the work?

01. Contractor *(SKIP TO Q.9 IF 2 MEASURES) (SKIP TO INTRO TO Q.17 IF 1 MEASURE)*

02. Internal Staff

03. Prefer not to answer *(SKIP TO Q.9 IF 2 MEASURES) (SKIP TO INTRO TO Q.17 IF 1 MEASURE)*

99. Don't know *(SKIP TO Q.9 IF 2 MEASURES) (SKIP TO INTRO TO Q.17 IF 1 MEASURE)*

Other *(SPECIFY)*_____

(SKIP TO Q.9 IF 2 MEASURES) (SKIP TO INTRO TO Q.17 IF 1 MEASURE)

8. Why did your firm choose to use internal staff instead of a contractor?

_____

_____

_____

98. Prefer not to answer

99. Don't know

SECTION A [MEASURE_2]

9. Our records also show in 2024 your business got a rebate through NEW MEXICO GAS COMPANY for installing a [MEASURE_2]. Do you remember this? Vacant if respondent only has one measure

1. Yes
2. No *(SKIP TO INTRO TO Q.17)*
3. Never installed *(SKIP TO Q.13)*
4. Don't know *(SKIP TO INTRO TO Q.17)*

10. Our records show it was installed at [SITE_ADDRESS] in [SITE_CITY]. Is that correct? Vacant if respondent only has one measure

1. Yes *(SKIP TO Q. 12)*
2. No
3. Never installed *(SKIP TO Q.13)*
4. Don't know *(SKIP TO INTRO TO Q.17)*

11. Where was [MEASURE_2] installed? *(RECORD LOCATION)* Vacant if respondent only has one measure

_____

99. Never installed *(SKIP TO Q.13)*

12. Is the [MEASURE_2] still installed in your facility? Vacant if respondent only has one measure

1. Yes *(SKIP TO Q.14)*
2. No

3. Prefer not to answer *(SKIP TO Q.14)*

4. Don't know *(SKIP TO Q.14)*

13. Why was the [MEASURE_2] removed/never installed? *(OPEN VERBATIM)* Vacant if respondent only has one measure

_____

_____

_____

(SKIP TO INTRO TO Q.17)

14. Is the [MEASURE_2] still functioning as intended? Vacant if respondent only has one measure

1. Yes

2. No

3. Prefer not to answer *(DO NOT READ)*

4. Don't know *(DO NOT READ)*

QUESTIONS 15-16 FOR NON-DIRECT INSTALL

15. Did your firm use a contractor to install the [MEASURE_2] or did internal staff do the work? Vacant if respondent only has one measure

01. Contractor *(SKIP TO INTRO TO Q.17)*

02. Internal Staff

03. Prefer not to answer *(SKIP TO INTRO TO Q.17)*

99. Don't know *(SKIP TO INTRO TO Q.17)*

Other *(SPECIFY)*_____

(SKIP TO INTRO TO Q.17)

16. Why did your firm choose to use internal staff instead of a contractor? Vacant if respondent only has one measure

_____

_____

_____

98. Prefer not to answer

99. Don't know

SECTION B

Now I have some questions about how your company became aware of the NEW MEXICO GAS COMPANY Efficient Buildings program.

17. How did your company FIRST learn about the program? *(DO NOT READ CATEGORIES)*

01. Word of mouth (business associate, co-worker)
02. Utility program staff
03. Utility website
04. Utility bill insert
05. Utility representative
06. Utility advertising
07. Email from utility
08. Contractor/distributor
09. Building audit or assessment
10. Television Advertisement – Mass Media
11. Other mass media (sign, billboard, newspaper/magazine ad)
12. Event (conference, seminar workshop)
13. Online search, web links
14. Participated or received rebate before

98. Prefer not to answer
99. Don't know

Other *(SPECIFY)* _____

18. What other sources did your company use to gather information about the program….Were there any others? *(DO NOT READ CATEGORIES) (TAKE UP TO THREE RESPONSES)*

01. Word of mouth (business associate, co-worker)
02. Utility program staff
03. Utility website
04. Utility bill insert
05. Utility representative
06. Utility advertising
07. Email from utility
08. Contractor/distributor
09. Building audit or assessment
10. Television Advertisement – Mass Media
11. Other mass media (sign, billboard, newspaper/magazine ad)
12. Event (conference, seminar, workshop)
13. Online search, web links
14. Participated or received rebate before

97. None *(SKIP TO INTRO TO Q.20)*
98. Prefer not to answer *(SKIP TO INTRO TO Q.20)*
99. Don't know *(SKIP TO INTRO TO Q.20)*

Other *(SPECIFY)*

_____

19. Of all the sources you mentioned, which did you find most useful in helping you decide to participate in the program? What about the source was helpful?

_____

_____

_____

97. None in particular

98. Prefer not to answer

99. Don't know

Next, I will read a list of reasons your firm may have considered when you decided to conduct your project. For each one, please tell me if it was *not at all important, a little important, somewhat important, very important or extremely important*.

How important was... on your decision to conduct your project?

(RANDOMIZE)	Extremely Important	Very Important	Somewhat Important	A Little Important	Not At All Important	DK/ WS
20. Reducing environmental impact of the business	5	4	3	2	1	6
21. Upgrading out-of-date equipment	5	4	3	2	1	6

22. Improving comfort at the business 5 4 3 2 1 6

23. Improving air quality 5 4 3 2 1 6

24. Receiving the rebate 5 4 3 2 1 6

25. Reducing energy bill amounts 5 4 3 2 1 6

(Read if Q7 and/or Q15 is 01 and NON-DIRECT INSTALL)

26. The contractor recommendation 5 4 3 2 1 6

SECTION C (ENTIRE SECTION C FOR NON-DIRECT INSTALL ONLY)

Next, I'm going to ask a few questions about your decision to participate in the program and choose equipment that was energy efficient.

I'm going to ask you to rate the importance of each of the following factors on your decision to determine how energy efficient your project would be. Please rate the importance of each of these factors in determining your project's energy efficiency level using a scale from 0 to 10, where 0 means *not at all important* and 10 means *extremely important.* Please let me know if the factor is not applicable.

First, I would like to read you some factors related to the rebate program itself.

POLLER NOTE: Did respondent answer CONTRACTOR in Q.7 and/or Q15?

1. **Yes (Continue to Q.27)**
2. **No (Circle [12 N/A] on Q.27 and SKIP to Q.28)**

How important was (read below)…in determining how energy efficient your project would be?

	Extremely	*Not At All*	*DK/*	
(RANDOMIZE)	*Important*	*Important*	*WS*	*N/A*

Program Factors

27. The contractor who performed the work 10 09 08 07 06 05 04 03 02 01 00 11 12

28. The dollar amount of the rebate 10 09 08 07 06 05 04 03 02 01 00 11 12

29. Technical assistance or project economic analysis (e.g. rate of return or payback analysis) received from NEW MEXICO GAS COMPANY staff 10 09 08 07 06 05 04 03 02 01 00 11 12

30. Endorsement or recommendation by your NEW MEXIC GAS COMPANY account manager or other NEW MEXICO GAS COMPANY staff 10 09 08 07 06 05 04 03 02 01 00 11 12

31. Information from NEW MEXIC GAS COMPANY marketing or information materials 10 09 08 07 06 05 04 03 02 01 00 11 12

32. Previous participation in a NEW MEXICO GAS COMPANY program	10	09	08	07	06	05	04	03	02	01	00	11
12												
33. Endorsement or recommendation by a contractor	10	09	08	07	06	05	04	03	02	01	00	11
12												
34. Endorsement or recommendation by a retailer	10	09	08	07	06	05	04	03	02	01	00	11
12												

Now, I would like to read you some factors that are <u>not</u> related to the rebate program. Using the same scale from 0 to 10, where 0 means *not at all important* and 10 means *extremely important,* please rate the following non program factors importance in determining your project's energy efficiency.

How important was (read below).....in determining your project's energy efficiency?

	Extremely	*Not At All*	*DK/*	
(RANDOMIZE)	*Important*	*Important*	*WS*	*N/A*

<u>Non-program Factors</u>

35. The age or condition of the old equipment 10 09 08 07 06 05 04 03 02 01 00 11 12

36. Corporate policy or guidelines 10 09 08 07 06 05 04 03 02 01 00 11 12

37. Minimizing operating cost 10 09 08 07 06 05 04 03 02 01 00 11 12

38. Scheduled time for routine maintenance 10 09 08 07 06 05 04 03 02 01 00 11 12

39. Of the items I just asked you about, think of the program factors as relating to assistance provided by the utility, such as the rebate, marketing from NEW MEXICO GAS COMPANY, recommendation by a contractor and technical assistance from NEW MEXICO GAS COMPANY. I also asked you about some non-program factors, which included the age and condition of the old equipment, company policy, operating costs and routine maintenance.

A) If you had to divide 100% of the influence on your decision to determine how energy efficient your new equipment would be between the NEW MEXICO GAS COMPANY program and non-program factors, what percent would you give to the importance of the program factors? (IF NEEDED: Again, these are things like the rebate, marketing from NEW MEXICO GAS COMPANY, recommendation by a contractor and technical assistance from NEW MEXICO GAS COMPANY)

___ ___ ____ % = Program Factors

499. Prefer not to answer *(SKIP TO Q.40)*

500. Don't know *(SKIP TO Q.40)*

B) And what percent would you give to the importance of the non-program factors? (IF NEEDED: These include things like the age and condition of the old equipment, company policy, operating costs and routine maintenance.)

____ ____ ____ %= Non Program Factors

499. Prefer not to answer

500. Don't know

POLLER NOTE: ENSURE ALL ANSWERS TO Q39 A AND B EQUAL 100%

40. Did you first learn about the Efficient Building program BEFORE or AFTER you decided how energy efficient your equipment would be?

1. Before
2. After
3 Prefer not to answer
4. Don't know

41. Using a scale from 0 to 10, where 0 means *not at all likely* and 10 means *extremely likely*, please rate the likelihood that you would have installed the same equipment with the exact same level of energy efficiency if the Efficient Building program was not available.

Extremely Likely							*Not At All Likely*			*DK/ WS*
10	09	08	07	06	05	04	03	02	01	00	11

42. If the Efficient Building program was not available, would you have delayed starting the project to a later date?

1. Yes
2. No *(SKIP TO Q.46)*
3. Would not have done the project at all *(SKIP TO Q.46)*
4. Prefer not to answer *(SKIP TO Q.46)*
5. Don't know *(SKIP TO Q.46)*

43. Approximately how much later would you have done the project if the Efficient Building program was not available? Would it have been...*(READ CATEGORIES)*

1. Within one year
2. Between 12 months and less than 2 years *(SKIP TO Q.46)*
3. Between 2 years and 3 years *(SKIP TO Q.46)*
4. Greater than 3 years *(SKIP TO Q.46)*

5 Or would you not have installed the equipment at all *(SKIP TO Q.46)*

6. Prefer not to answer *(SKIP TO Q.46)*
7. Don't know *(SKIP TO Q.46)*

44. Using a scale from 0 to 10, where 0 means *not at all likely* and 10 means *extremely likely*, please rate the likelihood that you would have conducted this project within 12 months of when you actually completed this project if the Efficient Building program was not available.

Extremely *Not At All* *DK/*

Likely *Likely* *WS*

10 09 08 07 06 05 04 03 02 01 00 11

45. Can you briefly describe in your own words whether the availability of the rebate influenced the timing and/or scope of your project?

SECTION D

Now I have some questions about your overall perception and satisfaction with the Efficient Buildings program.

46. Do you have any recommendations for improving the Efficient Buildings program?

01. Yes *(RECORD VERBATIM)*

_____

_____

_____

97. No

98 Prefer not to answer

99. Don't know

47. On a scale from 0 to 10, where 0 is "not at all likely" and 10 is "very likely," how likely is it that you would recommend the Efficient Buildings program to a colleague or professional contact?

Extremely *Not At All*

Likely *Likely*

10 09 08 07 06 05 04 03 02 01 00

97. Have already recommended the program *(SKIP TO INTO TO Q.49)*

98. Prefer not to answer *(SKIP TO INTO TO Q.49)*

99. Don't know *(SKIP TO INTO TO Q.49)*

48. Can you tell me why you gave that rating? (RECORD VERBATIM)

_____

_____

_____

_____

98 Prefer not to answer

99. Don't know

For each of the following, please tell me if you were *very dissatisfied, somewhat dissatisfied, neither satisfied nor dissatisfied, somewhat satisfied or very satisfied*.

49. NEW MEXICO GAS COMPANY as an energy provider

1. Very Dissatisfied
2. Somewhat Dissatisfied
3. Neither Satisfied Nor Dissatisfied
4. Somewhat Satisfied *(SKIP TO Q.51)*
5. Very Satisfied *(SKIP TO Q.51)*
6. Not applicable *(SKIP TO Q.51)*
7. Prefer not to answer *(SKIP TO Q.51)*
8. Don't know *(SKIP TO Q.51)*

50. Can you tell me why you gave that rating? *(RECORD VERBATIM)*

_____

_____

_____

_____

51. The rebate program overall

1. Very Dissatisfied
2. Somewhat Dissatisfied

3. Neither Satisfied Nor Dissatisfied
4. Somewhat Satisfied *(SKIP TO Q.53)*
5. Very Satisfied *(SKIP TO Q.53)*
6. Not applicable *(SKIP TO Q.53)*
7. Prefer not to answer *(SKIP TO Q.53)*
8. Don't know *(SKIP TO Q.53)*

52. Can you tell me why you gave that rating? *(RECORD VERBATIM)*

_____

_____

_____

_____

53. The equipment installed through the program

1. Very Dissatisfied
2. Somewhat Dissatisfied
3. Neither Satisfied Nor Dissatisfied
4. Somewhat Satisfied *(SKIP TO Q.55)*
5. Very Satisfied *(SKIP TO Q.55)*

6. Not applicable *(SKIP TO Q.55)*

7. Prefer not to answer *(SKIP TO Q.55)*

8. Don't know *(SKIP TO Q.55)*

54. Can you tell me why you gave that rating? *(RECORD VERBATIM)*

_____

_____

_____

_____

Q.55 Asked among ALL Non-Direct Installs who answered CONTRACTOR in Q.7 and/or Q15

POLLER NOTE: (NON-DIRECT INSTALL ONLY): Did respondent answer CONTRACTOR in Q.7 and/or Q.15?

1. Yes (Continue to Q.55)

2. No (Skip to Q.57)

55. The contractor who installed the equipment

1. Very Dissatisfied

2. Somewhat Dissatisfied
3. Neither Satisfied Nor Dissatisfied
4. Somewhat Satisfied *(SKIP TO Q.57)*
5. Very Satisfied *(SKIP TO Q.57)*
6. Not applicable *(SKIP TO Q.57)*
7. Prefer not to answer *(SKIP TO Q.57)*
8. Don't know *(SKIP TO Q.57)*

56. Can you tell me why you gave that rating? *(RECORD VERBATIM)*

_____

_____

_____

_____

57. The overall quality of the equipment installation

1. Very Dissatisfied
2. Somewhat Dissatisfied
3. Neither Satisfied Nor Dissatisfied
4. Somewhat Satisfied *(SKIP TO Q.59)*

5. Very Satisfied *(SKIP TO Q.59)*

6. Not applicable *(SKIP TO Q.59)*

7. Prefer not to answer *(SKIP TO Q.59)*

8. Don't know *(SKIP TO Q.59)*

58. Can you tell me why you gave that rating? *(RECORD VERBATIM)*

_____

_____

_____

_____

QUESTIONS 59-62 FOR NON-DIRECT INSTALL

59. The amount of time it took to receive your rebate for your equipment

1. Very Dissatisfied
2. Somewhat Dissatisfied
3. Neither Satisfied Nor Dissatisfied
4. Somewhat Satisfied *(SKIP TO Q.61)*
5. Very Satisfied *(SKIP TO Q.61)*
6. Not applicable *(SKIP TO Q.61)*
7. Prefer not to answer *(SKIP TO Q.61)*
8. Don't know *(SKIP TO Q.61)*

60. Can you tell me why you gave that rating? *(RECORD VERBATIM)*

_____

_____

_____

_____

61. The dollar amount of the rebate for the equipment

1. Very Dissatisfied
2. Somewhat Dissatisfied
3. Neither Satisfied Nor Dissatisfied
4. Somewhat Satisfied *(SKIP TO Q.63)*
5. Very Satisfied *(SKIP TO Q.63)*
6. Not applicable *(SKIP TO Q.63)*
7. Prefer not to answer *(SKIP TO Q.63)*
8. Don't know *(SKIP TO Q.63)*

62. Can you tell me why you gave that rating? *(RECORD VERBATIM)*

_____

_____

_____

_____

63. The project application process

1. Very Dissatisfied
2. Somewhat Dissatisfied
3. Neither Satisfied Nor Dissatisfied
4. Somewhat Satisfied *(SKIP TO Q.65)*
5. Very Satisfied *(SKIP TO Q.65)*
6. Not applicable *(SKIP TO Q.65)*
7. Prefer not to answer *(SKIP TO Q.65)*
8. Don't know *(SKIP TO Q.65)*

64. Can you tell me why you gave that rating? *(RECORD VERBATIM)*

_____

_____

_____

_____

65. The amount of time and effort required to participate in the program

1. Very Dissatisfied
2. Somewhat Dissatisfied
3. Neither Satisfied Nor Dissatisfied
4. Somewhat Satisfied *(SKIP TO Q.67)*
5. Very Satisfied *(SKIP TO Q.67)*
6. Not applicable *(SKIP TO Q.67)*
7. Prefer not to answer *(SKIP TO Q.67)*
8. Don't know *(SKIP TO Q.67)*

66. Can you tell me why you gave that rating? *(RECORD VERBATIM)*

_____

_____

_____

_____

SECTION E: CHARACTERISTICS AND DEMOGRAPIHCS

67. Finally, I have a few questions about your firm for classification purposes only. Do you own or lease your building where the project was completed?

01. Own

02. Lease / Rent

03. Prefer not to answer

99. Don't know

Other *(SPECIFY)* _____

68. Does your firm pay your NEW MEXICO GAS COMPANY bill, or does someone else (e.g., a landlord)?

1. Pay own

2. Someone else pays

3. Prefer not to answer

4. Don’t know

69. Approximately what is the total square footage of the building where the project was completed? (READ CATEGORIES IF NEEDED)

1. Less than 1,000 square feet
2. Between 1,000 and 1,999 square feet
3. Between 2,000 and 4,999 square feet
4. Between 5,000 and 9,999 square feet
5. Between 10,000 and 49,999 square feet
6. Between 50,000 and 99,999 square feet
7. 100,000 square feet or more
8. Prefer not to answer *(DO NOT READ)*
9. Don't know *(DO NOT READ)*

70. Approximately what year was your firm's building built? (READ CATEGORIES IF NEEDED)

1. 1939 or earlier
2. 1940 to 1949
3. 1950 to 1959
4. 1960 to 1969
5. 1970 to 1979
6. 1980 to 1989
7. 1990 to 1999
8. 2000 to 2009
9. 2010 to 2019
10. 2020 or later
11. Prefer not to answer *(DO NOT READ)*
12. Don't know *(DO NOT READ)*

71. Approximately, How many full-time equivalent (FTE) employees does your company currently have in the state of New Mexico?

1. Less than 5
2. 5-9
3. 10-19
4. 20 - 49
5. 50 - 99
6. 100 - 249
7. 250 - 499
8. 500 - 999
9. 1,000 - 2,500
10. More than 2,500
11. Prefer not to answer
12. Don’t know

THIS CONCLUDES OUR SURVEY. THANK YOU FOR YOUR TIME. HAVE A GOOD DAY.

NOTE TO INTERVIEWER, WAS RESPONDENT:

1. Male
2. Female

Unique ID #:____ ____ ____

Project ID#_____

Respondent's Phone Number:_____

Interviewer's Name:_____

Interviewer's Code:_____

Appendix B

Space and Water Heating Participant Guide

C. Space and Water Heating Participant Survey Guide

INSTRUMENT OVERVIEW

Objective: The Evaluation Team will interview NMGC Efficient Buildings participants to assess satisfaction with the program.

Anticipated timing (interview length): 15 to 20 minutes

Method of data collection: Phone interview

Introduction

Hello, my name is (*YOUR NAME*) from Research & Polling. I am calling on behalf of New Mexico Gas Company. May I please speak with _____?

A. (Once correct respondent is reached) Hello, my name is (*YOUR NAME*) from Research & Polling. I am calling on behalf of New Mexico Gas Company.

I'm calling because our records show that you recently installed an energy efficient [MEASURE_TYPE1] at your home located at [SITE_ADDRESS] and received a rebate from New Mexico Gas Company. I'd like to ask a short set of questions about your experience with the [program] program. Your time will help us improve this program for other customers like you. Are you the best person to talk to about these energy efficiency upgrades and energy use in your home?

1. Yes

2. No (Ask, Who would be the best person to talk to about the energy efficiency upgrades and energy use in your home? (REPEAT INTRO WHEN CORRECT

PERSON COMES ON LINE; ARRANGE CALLBACK IF NECESSARY)

3. Never installed ***(THANK AND TERMINATE)***

(IF NEEDED) New Mexico Gas Company would like to better understand how residential customers like you think about and manage their energy use. The New Mexico Gas Company rebate program is designed to help customers save energy and money. Your input is very important to help New Mexico Gas Company improve its energy rebate programs.

Section B: Role of Contractor/Retailer

1. (B 1) Did you purchase your [MEASURE_TYPE1] through a contractor or did you purchase it directly from a retailer?

1. Through a contractor
2. Purchased at a retailer *(SKIP TO Q. 7)*
3. Prefer not to answer ***(THANK AND TERMINATE)*** *(DO NOT READ)*
4. Don't know ***(THANK AND TERMINATE)*** *(DO NOT READ)*

2. (B 2) Did you do any research to inform your purchase prior to discussing options with the contractor?

1. Yes
2. No
3. Prefer not to answer *(DO NOT READ)*
4. Don't know *(DO NOT READ)*

3. **(B 3) Did you already have a sense of the equipment you wanted to select before discussing options with the contractor?**

    1. Yes
    2. No
    3. Prefer not to answer *(DO NOT READ)*
    4. Don't know *(DO NOT READ)*

4. **(B 4) Did the contractor present multiple equipment options?**

    1. Yes
    2. No
    3. Prefer not to answer *(DO NOT READ)*
    4. Don't know *(DO NOT READ)*

5. **(B 5) Did the contractor discuss the energy efficiency of the equipment options with you?**

    1. Yes
    2. No
    3. Prefer not to answer *(DO NOT READ)*
    4. Don't know *(DO NOT READ)*

6. **(B 6) *(ONLY ASK Q6 IF ANSWER TO Q3 was YES)* Did you decide to change the energy efficiency of the equipment after speaking with the contractor?**

    1. Yes
    2. No

3. Prefer not to answer *(DO NOT READ)*

4. Don't know *(DO NOT READ)*

7. (B 7) Using a scale of 0 to 10, where 0 *means not at all influential* and 10 means *extremely influential*, how influential was the contractor/retailer on your decision to purchase an energy efficient model?

Extremely Influential											*Not at all Influential*	*DK/ WS*
10	09	08	07	06	05	04	03	02	01	00		11

8. (B 8) Did you use a contractor to install the equipment or did you do it yourself?

1. Contractor installed
2. Did it myself
3. Prefer not to answer *(DO NOT READ)*
4. Don't know *(DO NOT READ)*

Section C: Awareness and Motivations for Participation

9. (C 1) Did the equipment that you installed replace existing equipment?

1. Yes
2. No (SKIP TO *Q.12)*

3. Prefer not to answer *(SKIP TO Q.12)*

4. Don't know *(SKIP TO Q.12)*

10. (C 2) What was the condition of the equipment you replaced? *(READ CATEGORIES)*

1. Past useful life but functioning

2. No longer working/failed

3. New construction

4. Don't know/refused *(DO NOT READ)*

Other (SPECIFY)_____

11. (C 3) How urgent was it that you replace the equipment at the time you did?

(READ CATEGORIES)

1. Very urgent, needed to be done immediately

2. Somewhat urgent, but likely could have waited a few weeks

3. Not urgent

4. Don't know/refused *(DO NOT READ)*

12. (C 4) How did you <u>first</u> hear about New Mexico Gas Company's rebates for energy efficient

equipment? *(DO NOT READ CATEGORIES) (TAKE UP TO 3 RESPONSES)*

01. TV / Radio

02. Social Media / LinkedIn

03. Newspaper / Magazine

04. Bill Insert

05. Friend / Referral

06. Contractor

07. Distributor / Supplier

08. Retailer

98. Prefer not to answer

99. Don't know

Other *(SPECIFY)* _____

13. (C 5) After learning of the program and the rebates available, did you choose to increase the energy efficiency level of the equipment you planned to install?

1. Yes
2. No
3. Not applicable *(DO NOT READ)*
4. Prefer not to answer *(DO NOT READ)*
5. Don't know *(DO NOT READ)*

(C 6) Next, I will read a list of reasons you may have considered when you chose to make the energy efficient upgrade. For each one, please tell me if it was *not at all important, a little important, somewhat important, very important or extremely important*.

How important was…on your decision to make the upgrade?

	Extremely	*Very*	*Somewhat*	*A little*	*Not imp*	*Don't*	*Prefer not*	
(RANDOMIZE)	*Important*	*Important*	*Important*	*Important*	*Important*	*At All*	*Know*	*to answer* *N/A*
14. (C6a) Reducing environmental impact of your home	**5**	**4**	**3**	**2**	**1**	**6**	**7**	**8**
15. (C6b) Upgrading out-of-date equipment	**5**	**4**	**3**	**2**	**1**	**6**	**7**	**8**

16. (C6c) Replacing faulty or failed equipment 5 4 3 2 1 6 7 8

POLLER NOTE: Is program Space Heating? (REFER TO LIST)

1. Yes (CONTINUE TO Q.17)

2. No (SKIP TO Q. 18)

17. (C6d) Improving comfort of your home 5 4 3 2 1 6 7 8

18. (C6e) Reducing energy bill amounts 5 4 3 2 1 6 7 8

19. (C6f) *(ONLY ASK Q19 IF ANSWER TO Q1 was THROUGH A CONTRACTOR)*

The contractor recommendation 5 4 3 2 1 6 7 8

20. (C 7) Were there any other reasons that you installed the equipment that were more important than the ones we have mentioned?

01. Yes (Ask what those reasons were and record response)

_____

_____

_____

97. No, none in particular

98. Prefer not to answer

99. Don't know

SECTION D: CUSTOMER DECISION MAKING PROCESS, FREE-RIDERSHIP

(D 1) Next, I'm going to ask a few questions about your decision to participate in the New Mexico Gas Company [program] program, and to choose energy efficient equipment for your home.

21. (D 1) Before participating in the New Mexico Gas Company rebate program, do you recall receiving any other rebates from New Mexico Gas Company for making energy efficiency upgrades at your home?

1. Yes

2. No

3. Prefer not to answer *(DO NOT READ)*

4. Don't know *(DO NOT READ)*

(D 2) Next, I will read a list of program aspects that may have been influential in your decision to choose energy efficient equipment. Please focus on what made you decide to purchase a more energy efficient model.

For each one, please tell me how influential it was in determining how energy efficient your new equipment would be. Please use a scale of 0 to 10, where 0 means *not at all influential* and 10 means *extremely influential*.

How influential was…on your decision to purchase the equipment?

(RANDOMIZE)	*Extremely Influential*								*Not at all Influential*	*Don't Know*	*Prefer not to answer*	*N/A*
22. **(D2a) The dollar amount of the rebate**	**10**	**9**	**8**	**7**	**6**	**5**	**4**	**3**	**2**	**1**	**0**	**97**	**98**	**99**
23. **(D2b)** ***(ONLY ASK Q23 IF ANSWER TO Q1 was THROUGH A CONTRACTOR)***														
The contractor recommendation	**10**	**9**	**8**	**7**	**6**	**5**	**4**	**3**	**2**	**1**	**0**	**97**	**98**	**99**
24. **(D2c) Information from New Mexico Gas Company marketing or promotional materials**	**10**	**9**	**8**	**7**	**6**	**5**	**4**	**3**	**2**	**1**	**0**	**97**	**98**	**99**
25. **(D2d) Previous participation in a New Mexico Gas Company program**	**10**	**9**	**8**	**7**	**6**	**5**	**4**	**3**	**2**	**1**	**0**	**97**	**98**	**99**

26. (D 3) Did you first learn about the New Mexico Gas Company rebate program BEFORE or AFTER you decided how energy efficient your equipment would be?

1. Before
2. After
3. Prefer not to answer *(DO NOT READ)*
4. Don't know *(DO NOT READ)*

27. (D 4) Now I would like you to think about the energy efficiency level of the equipment. Using a scale from 0 to 10, where 0 means *not at all likely* and 10 means *extremely likely*, please rate the likelihood that you would have purchased the exact same energy efficiency level of equipment without the New Mexico Gas Company rebate.

Extremely												*Not at all*
Likely											*Likely*	*DK/ WS*
10	09	08	07	06	05	04	03	02	01	00		11

28. (D 5) Now I would like you to think about the timing of the equipment purchase. Using a scale from 0 to 10, where 0 means *not at all likely* and 10 means *extremely likely*, please rate the likelihood that you would have installed the same type of equipment of any efficiency level within 12 months of when you actually installed if the rebate had NOT been available.

Extremely												*Not at all*
Likely											*Likely*	*DK/ WS*
10	09	08	07	06	05	04	03	02	01	00		11

SECTION E: OTHER

29. (E 1) Do you have any recommendations for improving the New Mexico Gas Company rebate program? *(RECORD VERBATIM)*

_____

_____

_____

_____

30. (E 2) If you were to tell a friend or neighbor about the program, what would you tell them?

(RECORD VERBATIM)

_____

_____

_____

_____

THIS CONCLUDES OUR SURVEY. THANK YOU FOR YOUR TIME. HAVE A GOOD DAY.

NOTE TO INTERVIEWER, WAS RESPONDENT:

1. Male
2. Female

Unique ID #:____ ____ ____

Project #:_____

Respondent's Phone Number:_____

Interviewer's Name:_____

Interviewer's Code:_____

Appendix C

Space and Water Heating Distributors Guide

D. Space and Water Heating Distributors Interview Guide

INSTRUMENT OVERVIEW

Objective: The Evaluation Team will interview NMGC Efficient Buildings participants to assess satisfaction with the program.

Anticipated timing (interview length): 15 to 20 minutes

Method of data collection: Phone interview

Introduction

Hello, this is _____ (INTERVIEWER NAME), calling from Evergreen Economics on behalf of NMGC. Is CONTACT NAME available? I'm calling today because I understand you are a distributor who participates in the NMGC Water and/or Space Heating Midstream Program. Is that correct?

[IF YES]

We are currently calling select distributors who have participated in the mid-stream rebate programs in 2024 to conduct brief telephone interviews to gather your insight as part of an evaluation of NMGC's Space and Water heating programs. Your responses will be anonymous, but will be very helpful in helping the state's utilities ensure their energy efficiency programs best serve their customers. Would you be available now or sometime this week for a brief 20 minute interview?

Interview Background Questions

A1. Let's start with a couple of background questions. Could you briefly describe your company? What is your role in the midstream rebate program? What types of customers (e.g., contractors, plumbers) do you primarily serve, and what share of your sales do they represent?

Probe for:

- Services offered
- Types of customers (e.g., residential, commercial, or both)
- Regions served
- Your role in the company

Program Awareness and Engagement

B1. How did you first learn about the NMGC midstream rebate programs, and what motivated you to get involved?

Probe for:

- Any reservations or barriers to participating
- Whether or not you work with any other NMGC or utility rebate programs in New Mexico

B2. Can you describe your role in the program? How familiar are you with the rebate process for water heaters (if program = water heating) and space heaters (if program = space heating) under NMGC?

Probe for:

- Interaction with NMGC or their implementers

- Support or services received from NMGC

B3. How has the NMGC program benefited your business? Have you noticed any changes in relationships with contractors or plumbers due to the program?

If not mentioned, ask about:

- Increases in customer satisfaction
- Boost in business or sales
- Ability to upsell higher-efficiency products
- NMGC program messaging
- Training or marketing support received

B4. How has the rebate program affected your sales of qualifying water heaters and space heaters?

Ask about:

- Types of water heaters or space heaters selling most frequently under the rebate program
- Frequency of inquiries from contractors or plumbers about rebates or eligible products

B5. What portion of your water heater or space heater sales are made up of rebate-eligible products? Are there other water heating or space heating products that could be eligible for rebates but are not currently included? If so, what could NMGC do to help expand rebate eligibility for additional products?

B6. Does NMGC clearly communicate the efficiency requirements for products or equipment that qualify for rebates? If not, how could they communicate this more clearly?

B7. What support or resources do you receive to promote rebate-eligible products?

Ask about:

- Additional tools or support that would help you promote eligible products more effectively

B8. Have the rebate programs influenced the equipment you suggest to contractors?

B9. Does the availability of rebates influence the types of equipment you choose to stock?

For the next few questions, I will read a number of factors that might have played a role in the upgrade of the equipment's efficiency. For each one, please indicate how important that factor was in influencing the energy efficiency level you ended up with on a scale from 0 to 10. Zero means the factor was not at all important, and 10 means it was extremely important. If something just isn't applicable, let me know that too.

How important was technical assistance from NMGC/ICF staff in helping you understand or promote rebate-eligible equipment to contractors or plumbers? (0 to 10)

How important was the endorsement or recommendation from NMGC/ICF staff in influencing your decision to promote or stock rebate-eligible equipment? (0 to 10)

How important was information from NMGC's/ICF marketing or informational materials in supporting your sales of rebate-eligible equipment? (0 to 10)

How important was your perception of NMGC in influencing your decision to stock or promote rebate-eligible products? (0 to 10)

How important was the dollar amount of the rebate in influencing your decision to stock or promote rebate-eligible products? (0 to 10)

B10. Do you have any suggestions for NMGC's distributor services or support, either overall or specifically for the Space and Water Heating Midstream Programs?

Program Process

C1. How involved are you in the rebate portion of the program and the paperwork required to participate? How easy or difficult is it for you to manage your role in tracking and reporting eligible product sales?

Probe for:

- What role do you play in the rebate process? (e.g., approving applications, managing paperwork)
- How much time do you spend on paperwork, and do you find it burdensome?
- Since contractors submit the rebate application and receive a credit on their account, does this process work smoothly from your perspective?
- Do you have any suggestions for improving the rebate tracking and reporting process?

C2. Do you discuss NMGC rebates or rebate-eligible equipment with contractors? If so, how do you typically bring it up?

Probe for:

Share of contractors with whom you discuss rebates

Effective messaging or tools for encouraging contractors to consider high-efficiency equipment

How NMGC rebates influence contractor decisions to purchase higher-efficiency equipment

Are there specific products that are easier or harder to promote for upgrades? Why?

Did you become aware of the NMGC rebate before or after you decided to stock or promote rebate-eligible equipment?

If you had to divide 100% of the influence on your decision to stock or promote rebate-eligible equipment between NMGC program factors (such as amount of rebate, program marketing, increased sales) and non-program factors (such as relationship with brands, supply chain factors, cost of equipment), what percent would you give to the NMGC program and non-program factors?

On a scale of 0 to 10, where 0 means not at all likely and 10 means extremely likely, how likely would you have been to stock or promote the same energy-efficient equipment if the NMGC rebate were not available?

On a scale of 0 to 10, where 0 means not at all likely and 10 means extremely likely, how likely would you have been to stock or promote the same energy-efficient equipment if NMGC's/ICF's program support (e.g., technical assistance, marketing) were not available?

If NMGC's program had not been available, when do you think you would have stocked or promoted the same energy-efficient equipment?

Probe to categorize:

- within one year
- greater than one year
- not at all

C3. Do you have any additional comments or feedback on the program offerings?

Probe for:

Is there anything missing?

Is there anything that could be improved or eliminated?

Market Response

D1. From your perspective, to what degree do you think the NMGC program has increased interest and demand for energy-efficient equipment among contractors?

Probes for:

- Have you seen an increase in contractors asking about or purchasing high-efficiency equipment?
- What factors do you think drive demand for high-efficiency equipment? (e.g., rebates, contractor education, distributor promotions)
- Do you think the program has had a large or small effect on contractor demand?
- How could the program further increase interest and demand for high-efficiency equipment?

D2. Are there any customer groups or markets that you feel the NMGC program is reaching well or not well?

Probe for:

Suggestions for expanding the program's reach to underserved markets or customer groups

D3. What issues might affect future program participation by contractors or customers?

Probe for:

Concerns about availability or cost of efficient equipment

Changes to building codes, standards, or program incentives

[INTERVIEWER NOTE: Example issues are changes to building codes and standards being promoted, availability of efficient equipment, and program incentive levels].

Program Satisfaction

E1. Finally, I'd like to ask about YOUR satisfaction and YOUR CUSTOMERS (the contractors)' satisfaction with the NMGC Space and Water Heating programs. Please rate your overall satisfaction with the program on a 1 to 5 scale where 1 is not at all satisfied, 2 is somewhat dissatisfied, 3 is neither satisfied nor dissatisfied, 4 is somewhat satisfied and 5 is very satisfied.

E1a) What is YOUR overall satisfaction?

E1b) Based on your interactions, How do you think your customers (the contractors) would rate the program?

[IF RATING < 5] What could NMGC do to increase your contractors' satisfaction with the program?

Probe, only if they do not offer an unaided response:

- What aspects of the program are working best for you and your contractors?
- What aspects of the program are most challenging or need improvement?
- What challenges, if any, have you experienced with the midstream rebate program?

E1c) Has your involvement with this program changed your overall opinion of NMGC? (Follow up if needed: Would you say it has improved, worsened, or stayed about the same)?

E2. What suggestions do you have to improve this program for distributors like yourself?

E3. Aside from anything we've already discussed, can you recall any specific instances where the program exceeded your expectations or fell short for you or your customers? Please explain.

Closing

F1. Is there anything else we didn't cover that you'd like to discuss about your experience with the NMGC Space and Water Heating Programs?

Appendix D

Space and Water Heating Contractors Guide

E. Space and Water Heating Contractors Interview Guide

Introduction

Opener

Hello this is _____ INTERVIEWER NAME, calling from Evergreen Economics, on behalf of NMGC. Is CONTACT NAME available? I'm calling today because I understand you are a contractor who participates in the NMGC Water and/or Space Heating Midstream program. Is this correct?

[IF YES]

We are currently calling select contractors who have participated in the mid-stream rebate programs in 2024 to conduct brief telephone interviews to gather your insight as part of an evaluation of NMGC's Space and Water heating programs. Your responses will be anonymous, but will be very helpful in helping the state's utilities ensure their energy efficiency programs best serve their customers. Would you be available now or sometime this week for a brief 20 minute interview?

Interview Background Questions

A1. Let's start with a few background questions. Could you briefly describe your company and your role? What types of customers do you mainly work with (e.g., residential, commercial), and what share of your sales do they represent?

Probe for:

- Services offered
- Types of customers (residential, commercial, etc.)
- Regions served
- Your role in the company

Program Awareness and Engagement

"B1. How did you first learn about the NMGC midstream rebate programs, and what motivated you to get involved?

Probe for:

- Did you hear about the program from a distributor, the NMGC program team, another trade ally, or a customer?
- Did you have any reservations or barriers to participating?
- Have you participated in other NMGC or utility rebate programs before?"

"B2. How familiar are you with the rebate process for water heaters (if program = water heating) and space heaters (if program = space heating) under the NMGC program? Can you describe your role in the program?

Probe for:

- What aspects of the rebate process do you typically handle? (e.g., submitting applications, discussing rebates with customers, managing paperwork)
- How do you interact with NMGC or distributors regarding the program?
- What support or information have you received about the rebate process?
- What aspects of the program stand out to you the most? (e.g., ease of participation, rebate amounts, eligible equipment)"

"B3. How does the NMGC rebate program benefit your business?

If not mentioned, ask about:

- Increased customer satisfaction
- Boost in business or sales
- Helping with upselling higher-efficiency products
- Program messaging and support (training, marketing)"

"B4. Has the NMGC rebate program influenced the types of water heaters (as applicable) and space heaters (as applicable) you install? If so, how?

Probe for:

- Are you installing more of certain types of high-efficiency equipment because of the rebate program?
- Has the rebate helped you sell more efficient models by reducing the upfront cost for customers?
- How frequently do you purchase rebate-eligible products from distributors?
- Have you noticed any changes in what you purchase from distributors due to the availability of rebates?"

B5. What portion of your water heater or space heater sales are made up of rebate-eligible products? Are there other water heating or space heating products that could be eligible for rebates but are not

currently included? If so, what could NMGC do to help expand rebate eligibility for additional products?

B6. Does NMGC clearly communicate the efficiency requirements for products or equipment that qualify for rebates? If not, how could they communicate this more clearly?

"B7. How does NMGC or its distributors communicate program details like rebate amounts or qualifying products to you?

Ask about:

- Training or marketing materials received
- Tools or support for promoting the program
- Any additional resources that could help promote eligible products more effectively"

"B8. Does the availability of rebates influence how you present or recommend equipment options to customers?

Probe for:

- Do rebates help you encourage customers to consider higher-efficiency models?
- How do you typically explain rebate benefits to customers?
- Are there situations where a rebate makes a significant difference in a customer's decision?"

"B9. How does the rebate program affect the equipment options you discuss with customers?

Probe for:

- Do you highlight rebate-eligible equipment more frequently because of the program?
- Are customers more likely to purchase higher-efficiency equipment when rebates are available?
- Have you noticed any trends in the types of products customers choose based on rebate availability?"

For the next few questions, I will read a number of factors that might have played a role in the upgrade of the equipment's efficiency. For each one, please indicate how important that factor was in influencing the energy efficiency level you ended up with on a scale from 0 to 10. Zero means the factor was not at all important, and 10 means it was extremely important. If something just isn't applicable, let me know that too.

How important was program support from the distributor or NMGC/ICF staff in helping you to promote or install rebate-eligible equipment for customers? (0 to 10)

How important was the endorsement or recommendation from the distributor or NMGC/ICF staff in influencing your decision to promote or install rebate-eligible equipment? (0 to 10)

How important was marketing or informational materials from the distributor or NMGC/ICF in supporting your decision to promote or install rebate-eligible equipment? (0 to 10)

How important was previous participation in an NMGC program in influencing your decision to promote or install rebate-eligible products? (0 to 10)

How important was the dollar amount of the rebate in influencing your decision to promote or install rebate-eligible products? (0 to 10)

B10. Do you have any suggestions for NMGC contractor services and support – either overall or for the program?

Program Process

"C1. How involved are you in the rebate portion of the program and the paperwork required to participate? How easy or difficult is it for you to manage your role in tracking and submitting rebate applications?

Probe for:

- What role do you play in the rebate process? (e.g., submitting applications, handling paperwork, providing invoices)
- How much time do you spend on paperwork, and do you find it burdensome?
- Since you submit the rebate application and receive a credit from the distributor, does this process work smoothly for you?
- What challenges, if any, have you experienced in submitting rebate applications and ensuring customers receive the rebate?
- Do you have any suggestions for improving the rebate tracking, application, or reimbursement process?"

"C2. Do you discuss NMGC rebates with your customers? If so, how do you typically bring it up?

Probe for:

- Share of customers with whom you discuss rebates
- Effective messages or tools for promoting high-efficiency equipment
- Influence of NMGC rebates on customer decisions
- Types of equipment that are easier or harder to promote for upgrades"

Did you become aware of the NMGC rebate before or after you decided to install or promote equipment that was rebate-eligible?

If you had to divide 100% of the influence on your decision to install or promote rebate-eligible equipment between NMGC program factors (program support, marketing materials, previous participation, rebate amount, etc.) and non-program factors (supply chain, your or consumer preferences, etc.), what percent would you give to the NMGC program factors and non-program factors?

On a scale of 0 to 10, where 0 means not at all likely and 10 means extremely likely, how likely would you have installed or promoted the same energy-efficient equipment if the NMGC rebate were not available?

On a scale of 0 to 10, where 0 means not at all likely and 10 means extremely likely, how likely would you have installed or promoted the same energy-efficient equipment if the distributor's or NMGC's/ICF's program support (e.g., technical assistance, marketing) were not available?

If NMGC's program had not been available, when do you think you would have promoted or installed the same energy-efficient equipment?

Probe to categorize:

- within one year
- greater than one year
- not at all

C3. What would you suggest to improve the NMGC rebate program for contractors like yourself?

Market Response

"D1. From your perspective, to what degree do you think the NMGC rebate program has influenced customer interest in energy-efficient equipment?

Probe for:

- Have you noticed more customers asking about high-efficiency water heaters or space heaters since participating in the program?
- Do rebates make it easier to encourage customers to choose higher-efficiency models?
- What factors do you think drive customer decisions the most? (e.g., rebates, energy savings, contractor recommendations)
- Do you think the program has had a large or small effect on customer interest?
- How could the program further increase customer interest in high-efficiency equipment?"

"D2. Based on your experience, are there any customer groups or types of projects where the NMGC rebate program is particularly effective or where participation seems low?

Probe for:

- Are there types of customers (e.g., homeowners, small businesses, landlords, property managers) who seem more or less likely to take advantage of rebates?
- Have you worked with customers who were interested in rebates but didn't qualify or didn't complete the process? If so, why?
- Are there barriers preventing some customers from participating? (e.g., awareness, upfront costs, eligibility requirements)
- What could NMGC do to increase participation among underserved customer groups?"

"D3. Are there any issues that could affect future participation in the program by customers?

Probe for:

- Concerns about equipment availability, building codes, or program incentives

[INTERVIEWER NOTE: Example issues are changes to building codes and standards being promoted, availability of efficient equipment, and program incentive levels]."

Program Satisfaction

E1. Finally, I'd like to ask about YOUR satisfaction and YOUR CUSTOMERS' satisfaction with the NMGC Space and Water Heating programs. Please rate your overall satisfaction with the program on a 1 to 5 scale where 1 is not at all satisfied, 2 is somewhat dissatisfied, 3 is neither satisfied nor dissatisfied, 4 is somewhat satisfied and 5 is very satisfied.

a) What is YOUR overall satisfaction?

[IF RATING < 5] What could NMGC do to increase your experience with the program?

Probe, if no unaided response:

- What aspects of the program work best for you?
- What aspects of the program are most challenging or need improvement?
- What challenges, if any, have you experienced with the rebate process?"

b) Based on your interactions with customers, How do you think they perceive the rebate they receive through this program?

[IF RATING < 5]

Probe for:

- Have customers expressed any feedback—positive or negative—about receiving the rebate?
- Do you think the rebate influences their decision to choose higher-efficiency equipment?
- Do customers seem satisfied with the rebate amount, or do they often ask for larger incentives?"

c) Has your involvement with this program changed your overall opinion of NMGC? (Follow up if needed: Would you say it has improved, worsened, or stayed about the same)?

E2. Aside from anything we've already discussed, can you recall any specific instances where the program exceeded your expectations or fell short for you or your customers? Please explain.

Closing

F1. Is there anything else we didn't cover that you'd like to mention or discuss about your experiences with the NMGC Space and Water Heating programs?

Appendix E

Project-Level Desk Review Result

F. Project-Level Desk Review Result

Project ID	100380	102
Utility	NMGC	NMGC
Program	Income Qualified	Income Qualified
Subprogram	Weatherization Assistance Program	Native American
Project Description	Installation of efficient Weatherization measure	Retrofit of energy savings equipment as part of a kit
Measure Type	Envelope	Residential HVAC and Water
Building Type	Owner-Occupied Mobile Home	Other
Other Building Type	0	Single Family
Site Visit Being Conducted	No	No
Other General Project Info Comments	Document not complete	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	393	360
Gross Verified First Year Gas Savings (therms)	259	333
Gross Verified First Year Gas Savings (therms)	66%	92%
Ex Ante Calculation Methodology	Other:	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	NEAT software calculation	0
Ex Ante Savings Source	Other:	New Mexico TRM - 2023
Other Savings Source	NEAT software calculation	0
Reasons for RR(s) <> 1	The evaluation team calculated verified savings using inputs reported in the NEAT Audit report and algorithms from NM TRM. NEAT Audit Report did not specify details about Water Heater Replacement. The evaluation team considered deemed savings based on information from the site photos, consistent with NM TRM.	The water heater pipe insulation measure uses an outdated surface area factor table reference determining the surface area of the surface area of the pipe given the pipe diameter, as compared to the TRM. In this case, ex post updated the surface area multiplier from 0.23 to 0.2. For the Programmable Thermostat measure the EFLHheat values being utilized by ex ante are also out of date compared to the latest NM TRM. Please, update calculations and inputs according to the latest NM TRM.

Project ID	102079	102092
Utility	NMGC	NMGC
Program	Income Qualified	Income Qualified
Subprogram	Weatherization Assistance Program	Weatherization Assistance Program
Project Description	Installation of efficient Weatherization measure	Installation of efficient Weatherization measure
Measure Type	Envelope	Envelope
Building Type	0	Renter-Occupied Single Family
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	502	187
Gross Verified First Year Gas Savings (therms)	607	178
Gross Verified First Year Gas Savings (therms)	121%	95%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Other:
Other Ex Ante Calculation Methodology	0	NEAT software calculation
Ex Ante Savings Source	Other:	Other:
Other Savings Source	NEAT Software	NEAT software calculation
Reasons for RR(s) <> 1	The evaluation team calculated verified savings using inputs reported in the NEAT report and algorithms from NM TRM.	The evaluation team calculated verified savings using inputs reported in the NEAT Audit report and algorithms from NM TRM.

Project ID	102117	102676
Utility	NMGC	NMGC
Program	Income Qualified	Income Qualified
Subprogram	Weatherization Assistance Program	Weatherization Assistance Program
Project Description	Weatherization	Weatherization
Measure Type	Envelope	Envelope
Building Type	Owner-Occupied Mobile Home	0
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	187	34,168
Gross Verified First Year Gas Savings (therms)	1,601	321
Gross Verified First Year Gas Savings (therms)	856%	1%
Ex Ante Calculation Methodology	Other:	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	NEAT software calculation	0
Ex Ante Savings Source	Other:	Other:
Other Savings Source	NEAT software calculation	NEAT Software Document
Reasons for RR(s) <> 1	The evaluation team calculated verified savings using inputs reported in the NEAT Audit report and algorithms from NM TRM. NEAT Audit Report specifies Average GPM in Showerhead in the Water Heating section. It does not mention whether the Average GPM is applicable for existing showerhead or installed showerhead. It also does not specify if the flow rate is actual flow rate or the rated/nominal flow rate of the showerhead. The evaluation team considered Average GPM reported in the NEAT Audit Report as existing and nominal showerhead flow rate and used a typical flow rate for installed showerhead, consistent with NM TRM to calculate verified savings.	The evaluation team calculated verified savings using inputs reported in the NEAT report and algorithms from NM TRM. Program Data savings do not match with the NEAT Audit Report calculated savings. Program Data reported zero Therm savings for General Air Sealing measure. NEAT Audit Report does not report the location of installed Aerators, either Bathroom or Kitchen. It also does not specify the flowrate of the installed Aerators. The report states a default kWh savings of 586 kWh per aerator. Program Data reports Therms for this measure by converting this kWh savings into Therms using a conversion factor of 29.71. The evaluation team considered Program Data savings as the correct savings and calculated verified savings using inputs reported in the NEAT Audit Report. The evaluation team considered the air sealing measure as zero savings measure. The evaluation team was able to identify the location of the Aerators based on the provided photos. The evaluation team used a typical flowrate for installed Aerator, consistent with NM TRM to calculate verified savings.

Project ID	102117	104316
Utility	NMGC	NMGC

Program	Income Qualified	Income Qualified
Subprogram	Weatherization Assistance Program	Weatherization Assistance Program
Project Description	Installation of efficient Weatherization measure	Installation of efficient Weatherization measure
Measure Type	Envelope	Envelope
Building Type	Owner-Occupied Mobile Home	Owner-Occupied Mobile Home
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	51	611
Gross Verified First Year Gas Savings (therms)	337	471
Gross Verified First Year Gas Savings (therms)	661%	77%
Ex Ante Calculation Methodology	Other:	Other:
Other Ex Ante Calculation Methodology	NEAT software calculation	NEAT software calculation
Ex Ante Savings Source	Other:	Other:
Other Savings Source	NEAT software calculation	NEAT software calculation
Reasons for RR(s) <> 1	The evaluation team calculated verified savings using inputs reported in the NEAT Audit report and algorithms from NM TRM. NEAT Audit Report specifies Average GPM in Showerhead in the Water Heating section. It does not mention whether the Average GPM is applicable for existing showerhead or installed showerhead. It also does not specify if the flow rate is actual flow rate or the rated/nominal flow rate of the showerhead. The evaluation team considered Average GPM reported in the NEAT Audit Report as existing and nominal showerhead flow rate and used a typical flow rate for installed showerhead, consistent with NM TRM to calculate verified savings.	The evaluation team calculated verified savings using inputs reported in the NEAT report and algorithms from NM TRM.

Project ID	103068	103396
Utility	NMGC	NMGC
Program	Income Qualified	Income Qualified
Subprogram	Weatherization Assistance Program	Weatherization Assistance Program
Project Description	Installation of efficient Weatherization measure	Installation of efficient Weatherization measure
Measure Type	Envelope	Envelope
Building Type	0	0
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	904	388
Gross Verified First Year Gas Savings (therms)	576	403
Gross Verified First Year Gas Savings (therms)	64%	104%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Other:	Other:
Other Savings Source	NEAT Software Document	NEAT Software Documentation
Reasons for RR(s) <> 1	The evaluation team calculated verified savings using inputs reported in the NEAT report and algorithms from NM TRM. NEAT Audit Report does not report the location of installed Aerators, either Bathroom or Kitchen. It also does not specify the flowrate of the installed Aerators. The report states a default kWh savings of 586 kWh per aerator. Program Data reports Therms for this measure by converting this kWh savings into Therms using a conversion factor of 29.71. The evaluation team was able to identify the location of the Aerators based on the provided photos. The evaluation team used a typical flowrate for installed Aerator, consistent with NM TRM to calculate verified savings.	The evaluation team calculated verified savings using inputs reported in the NEAT report and algorithms from NM TRM. NEAT Audit Report does not report the location of installed Aerators, either Bathroom or Kitchen. It also does not specify the flowrate of the installed Aerators. The report states a default kWh savings of 586 kWh per aerator. Program Data reports Therms for this measure by converting this kWh savings into Therms using a conversion factor of 29.71. The evaluation team was able to identify the location of the Aerators based on the provided photos. The evaluation team used a typical flowrate for installed Aerator, consistent with NM TRM to calculate verified savings.

Project ID	103461	103482
Utility	NMGC	NMGC
Program	Income Qualified	Income Qualified
Subprogram	Weatherization Assistance Program	Weatherization Assistance Program
Project Description	Installation of efficient Weatherization measure	Installation of efficient Weatherization measure
Measure Type	Envelope	Envelope
Building Type	0	0
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	368	1,099
Gross Verified First Year Gas Savings (therms)	894	942
Gross Verified First Year Gas Savings (therms)	243%	86%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Other:	Other:
Other Savings Source	NEAT Software Documentation	NEAT Software Documentation
Reasons for RR(s) <> 1	The evaluation team calculated verified savings using inputs reported in the NEAT report and algorithms from NM TRM.	The evaluation team calculated verified savings using inputs reported in the NEAT Audit report and algorithms from NM TRM.

Project ID	103486	103559
Utility	NMGC	NMGC
Program	Income Qualified	Income Qualified
Subprogram	Weatherization Assistance Program	Weatherization Assistance Program
Project Description	Installation of efficient Weatherization measure	Installation of efficient Weatherization measure
Measure Type	Envelope	Envelope
Building Type	0	Renter-Occupied Single Family
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	238	79
Gross Verified First Year Gas Savings (therms)	92	141
Gross Verified First Year Gas Savings (therms)	39%	179%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Other:
Other Ex Ante Calculation Methodology	0	NEAT software calculation
Ex Ante Savings Source	Other:	Other:
Other Savings Source	NEAT Software Documentation	NEAT software calculation
Reasons for RR(s) <> 1	The evaluation team calculated verified savings using inputs reported in the NEAT Audit report and algorithms from NM TRM.	The evaluation team calculated verified savings using inputs reported in the NEAT Audit report and algorithms from NM TRM. NEAT Audit Report specifies Average GPM in Showerhead in the Water Heating section. It does not mention whether the Average GPM is applicable for existing showerhead or installed showerhead. It also does not specify if the flow rate is actual flow rate or the rated/nominal flow rate of the showerhead. The evaluation team considered Average GPM reported in the NEAT Audit Report as existing and nominal showerhead flow rate and used a typical flow rate for installed showerhead, consistent with NM TRM to calculate verified savings.

Project ID	103721	103813
Utility	NMGC	NMGC
Program	Income Qualified	Income Qualified
Subprogram	Weatherization Assistance Program	Weatherization Assistance Program
Project Description	Installation of efficient Weatherization measure	Installation of efficient Weatherization measure
Measure Type	Envelope	Envelope
Building Type	0	Owner-Occupied Mobile Home
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	642	1,193
Gross Verified First Year Gas Savings (therms)	940	714
Gross Verified First Year Gas Savings (therms)	146%	60%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Other:
Other Ex Ante Calculation Methodology	0	NEAT software calculation
Ex Ante Savings Source	Other:	Other:
Other Savings Source	NEAT Software Documentation	NEAT software calculation
Reasons for RR(s) <> 1	The evaluation team calculated verified savings using inputs reported in the NEAT Audit report and algorithms from NM TRM. NEAT Audit Report specifies Average GPM in Showerhead in the Water Heating section. It does not mention whether the Average GPM is applicable for existing showerhead or installed showerhead. It also does not specify if the flow rate is actual flow rate or the rated/nominal flow rate of the showerhead. The evaluation team considered Average GPM reported in the NEAT Audit Report as existing and nominal showerhead flow rate and used a typical flow rate for installed showerhead, consistent with NM TRM to calculate verified savings.	The evaluation team calculated verified savings using inputs reported in the NEAT report and algorithms from NM TRM. NEAT Audit Report does not report the location of installed Aerators, either Bathroom or Kitchen. It also does not specify the flowrate of the installed Aerators. The report states a default kWh savings of 586 kWh per aerator. Program Data reports Therms for this measure by converting this kWh savings into Therms using a conversion factor of 29.71. The evaluation team was able to identify the location of the Aerators based on the provided photos. The evaluation team used a typical flowrate for installed Aerator, consistent with NM TRM to calculate verified savings.

Project ID	104046	104108
Utility	NMGC	NMGC
Program	Income Qualified	Income Qualified
Subprogram	Weatherization Assistance Program	Weatherization Assistance Program
Project Description	Installation of efficient Weatherization measure	Installation of efficient Weatherization measure
Measure Type	Envelope	Envelope
Building Type	Owner-Occupied Mobile Home	Owner-Occupied Mobile Home
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	686	1,191
Gross Verified First Year Gas Savings (therms)	443	1,210
Gross Verified First Year Gas Savings (therms)	65%	102%
Ex Ante Calculation Methodology	Other:	Other:
Other Ex Ante Calculation Methodology	NEAT software calculation	NEAT software calculation
Ex Ante Savings Source	Other:	Other:
Other Savings Source	NEAT software calculation	NEAT software calculation
Reasons for RR(s) <> 1	The evaluation team calculated verified savings using inputs reported in the NEAT Audit report and algorithms from NM TRM.	The evaluation team calculated verified savings using inputs reported in the NEAT Audit report and algorithms from NM TRM. NEAT Audit Report specifies Average GPM in Showerhead in the Water Heating section. It does not mention whether the Average GPM is applicable for existing showerhead or installed showerhead. It also does not specify if the flow rate is actual flow rate or the rated/nominal flow rate of the showerhead. The evaluation team considered Average GPM reported in the NEAT Audit Report as existing and nominal showerhead flow rate and used a typical flow rate for installed showerhead, consistent with NM TRM to calculate verified savings.

Project ID	104316	14
Utility	NMGC	NMGC
Program	Income Qualified	Income Qualified
Subprogram	Weatherization Assistance Program	Native American
Project Description	Installation of efficient Weatherization measure	Retrofit of energy savings equipment as part of a kit
Measure Type	Envelope	Residential HVAC and Water
Building Type	Owner-Occupied Mobile Home	Other
Other Building Type	0	Single Family
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	888	389
Gross Verified First Year Gas Savings (therms)	955	362
Gross Verified First Year Gas Savings (therms)	108%	93%
Ex Ante Calculation Methodology	Other:	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	NEAT software calculation	0
Ex Ante Savings Source	Other:	New Mexico TRM - 2023
Other Savings Source	NEAT software calculation	0
Reasons for RR(s) <> 1	The evaluation team calculated verified savings using inputs reported in the NEAT report and algorithms from NM TRM. NEAT Audit Report does not report the location of installed Aerators, either Bathroom or Kitchen. It also does not specify the flowrate of the installed Aerators. The report states a default kWh savings of 586 kWh per aerator. Program Data reports Therms for this measure by converting this kWh savings into Therms using a conversion factor of 29.71. The evaluation team was able to identify the location of the Aerators based on the provided photos. The evaluation team used a typical flowrate for installed Aerator, consistent with NM TRM to calculate verified savings.	The water heater pipe insulation measure uses an outdated surface area factor table reference determining the surface area of the surface area of the pipe given the pipe diameter, as compared to the TRM. In this case, ex post updated the surface area multiplier from 0.23 to 0.2. For the Programmable Thermostat measure the EFLHheat values being utilized by ex ante are also out of date compared to the latest NM TRM. Please, update calculations and inputs according to the latest NM TRM.

Project ID	17393	21
Utility	NMGC	NMGC
Program	Income Qualified	Income Qualified
Subprogram	Native American	Native American
Project Description	Retrofit of energy savings equipment as part of a kit	Retrofit of energy savings equipment as part of a kit
Measure Type	Residential HVAC and Water	Residential HVAC and Water
Building Type	Other	Other
Other Building Type	Single Family	Single Family
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	447	650
Gross Verified First Year Gas Savings (therms)	412	622
Gross Verified First Year Gas Savings (therms)	92%	96%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	A minor discrepancy was identified in the Kitchen Aerator measure. The ex-ante analysis applied a fixed savings value of 2 therms for a 1.5 GPM kitchen aerator without performing a calculation, whereas the ex-post applied the NM TRM algorithm that results in a savings estimate of 1.6 therms. This discrepancy was not noticed in any of the other similar projects reviewed. For the Water heater pipe insulation measure, ex ante utilizes the table in the NM TRM for determining surface area of the pipe while ex post utilizes the formula of πdL which results in a small difference due to rounding (in the TRM table) For the Programmable Thermostat measure the EFLHheat values being utilized by ex ante do not correspond to the values in the NM TRM. Ecometric suggests reviewing the values used in the current calculation and updating according to the NM TRM.	The water heater pipe insulation measure uses an outdated surface area factor table reference determining the surface area of the surface area of the pipe given the pipe diameter, as compared to the TRM. In this case, ex post updated the surface area multiplier from 0.23 to 0.2. For the Programmable Thermostat measure the EFLHheat values being utilized by ex ante are also out of date compared to the latest NM TRM. Please, update calculations and inputs according to the latest NM TRM.

Project ID	211	254B
Utility	NMGC	NMGC
Program	Income Qualified	Income Qualified
Subprogram	Native American	Native American
Project Description	Retrofit of energy savings equipment as part of a kit	Retrofit of energy savings equipment as part of a kit
Measure Type	Residential HVAC and Water	Residential HVAC and Water
Building Type	Other	Other
Other Building Type	Single Family	Single Family
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	489	390
Gross Verified First Year Gas Savings (therms)	454	363
Gross Verified First Year Gas Savings (therms)	93%	93%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	The water heater pipe insulation measure uses an outdated surface area factor table reference determining the surface area of the surface area of the pipe given the pipe diameter, as compared to the TRM. In this case, ex post updated the surface area multiplier from 0.23 to 0.2. For the Programmable Thermostat measure the EFLHheat values being utilized by ex ante are also out of date compared to the latest NM TRM. Please, update calculations and inputs according to the latest NM TRM.	The water heater pipe insulation measure uses an outdated surface area factor table reference determining the surface area of the surface area of the pipe given the pipe diameter, as compared to the TRM. In this case, ex post updated the surface area multiplier from 0.23 to 0.2. For the Programmable Thermostat measure the EFLHheat values being utilized by ex ante are also out of date compared to the latest NM TRM. Please, update calculations and inputs according to the latest NM TRM.

Project ID	26	2
Utility	NMGC	NMGC
Program	Income Qualified	Income Qualified
Subprogram	Native American	Native American
Project Description	Retrofit of energy savings equipment as part of a kit	Retrofit of energy savings equipment as part of a kit
Measure Type	Residential HVAC and Water	Residential HVAC and Water
Building Type	Other	Other
Other Building Type	Single Family	Single Family
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	494	497
Gross Verified First Year Gas Savings (therms)	459	462
Gross Verified First Year Gas Savings (therms)	93%	93%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	The water heater pipe insulation measure uses an outdated surface area factor table reference determining the surface area of the surface area of the pipe given the pipe diameter, as compared to the TRM. In this case, ex post updated the surface area multiplier from 0.23 to 0.2. For the Programmable Thermostat measure the EFLHheat values being utilized by ex ante are also out of date compared to the latest NM TRM. Please, update calculations and inputs according to the latest NM TRM.	The water heater pipe insulation measure uses an outdated surface area factor table reference determining the surface area of the surface area of the pipe given the pipe diameter, as compared to the TRM. In this case, ex post updated the surface area multiplier from 0.23 to 0.2. For the Programmable Thermostat measure the EFLHheat values being utilized by ex ante are also out of date compared to the latest NM TRM. Please, update calculations and inputs according to the latest NM TRM.

Project ID	34	4
Utility	NMGC	NMGC
Program	Income Qualified	Income Qualified
Subprogram	Native American	Native American
Project Description	Retrofit of energy savings equipment as part of a kit	Retrofit of energy savings equipment as part of a kit
Measure Type	Residential HVAC and Water	Residential HVAC and Water
Building Type	Other	Other
Other Building Type	Single Family	Single Family
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	297	263
Gross Verified First Year Gas Savings (therms)	270	263
Gross Verified First Year Gas Savings (therms)	91%	100%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	The water heater pipe insulation measure uses an outdated surface area factor table reference determining the surface area of the surface area of the pipe given the pipe diameter, as compared to the TRM. In this case, ex post updated the surface area multiplier from 0.23 to 0.2. For the Programmable Thermostat measure the EFLHheat values being utilized by ex ante are also out of date compared to the latest NM TRM. Please, update calculations and inputs according to the latest NM TRM.	-

Project ID	6523	80TP806
Utility	NMGC	NMGC
Program	Income Qualified	Income Qualified
Subprogram	Native American	Native American
Project Description	Retrofit of energy savings equipment as part of a kit	Retrofit of energy savings equipment as part of a kit
Measure Type	Residential HVAC and Water	Residential HVAC and Water
Building Type	Other	Other
Other Building Type	Single Family	Single Family
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	534	475
Gross Verified First Year Gas Savings (therms)	499	440
Gross Verified First Year Gas Savings (therms)	93%	93%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	The water heater pipe insulation measure uses an outdated surface area factor table reference determining the surface area of the surface area of the pipe given the pipe diameter, as compared to the TRM. In this case, ex post updated the surface area multiplier from 0.23 to 0.2. For the Programmable Thermostat measure the EFLHheat values being utilized by ex ante are also out of date compared to the latest NM TRM. Please, update calculations and inputs according to the latest NM TRM.	A minor discrepancy was identified in the Kitchen Aerator measure. The ex-ante analysis applied a fixed savings value of 2 therms for a 1.5 GPM kitchen aerator without performing a calculation, whereas the ex-post applied the NM TRM algorithm that results in a savings estimate of 1.6 therms. For the Programmable Thermostat measure the EFLHheat values being utilized by ex ante do not correspond to the values in the NM TRM. Ecometric suggests reviewing the values used in the current calculation and updating according to the NM TRM. For the Water heater pipe insulation measure, ex ante utilizes the table in the NM TRM for determining surface area of the pipe while ex post utilizes the formula of πdL which results in a small difference due to rounding (in the TRM table)

Project ID	EA-0001635637	EA-0001635905
Utility	NMGC	NMGC
Program	Efficient Buildings	Efficient Buildings
Subprogram	Steam Trap Audit	Steam Trap Audit
Project Description	Steam Trap Replacement or Repair	Steam Trap Replacement or Repair
Measure Type	Custom	Custom
Building Type	Health	Hospital
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	72,287	17,765
Gross Verified First Year Gas Savings (therms)	72,833	19,372
Gross Verified First Year Gas Savings (therms)	101%	109%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Custom Calculation
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Utility Workpaper	Custom Analysis
Other Savings Source	0	0
Reasons for RR(s) <> 1	The ex-post analysis followed the same approach as ex ante. However, it was noted that leak discharge rates were rounded down. In contrast, the ex-post analysis relied on the actual calculated values without rounding which leads to RR being slightly greater than 1.	There is a discrepancy between tracking data provided which shows savings of 17,765 Therms while the project documentation shows savings of 19,219 Therms. It is unclear why tracking data is different from the number provided in project documentation. The ex-post analysis followed the same approach as ex ante and verified savings were determined to be 19,372 Therms. This difference between project documentation and ex post is attributable to the fact that leak discharge rates were rounded down in the ex-ante analysis while the ex-post analysis used the calculated values without rounding. Additionally, the boiler efficiency was corrected to 83.1%.

Project ID	EA-0002204284	EA-0003207566
Utility	NMGC	NMGC
Program	Efficient Buildings	Efficient Buildings
Subprogram	Custom	Custom
Project Description	Replace three Boilers on Burnout	Steam Trap Replacement or Repair
Measure Type	Water	Custom
Building Type	University	Hospital
Other Building Type	0	0
Site Visit Being Conducted	Yes	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	37,107	80,297
Gross Verified First Year Gas Savings (therms)	26,608	81,124
Gross Verified First Year Gas Savings (therms)	72%	101%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Custom Calculation
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Utility Workpaper	Custom Analysis
Other Savings Source	0	0
Reasons for RR(s) <> 1	Referred monthly billing data for the facility from March-2022 through February-2025 and assembled corresponding outdoor temperature records (heating-degree days, HDD) to enable weather normalization. Developed a linear regression model of gas consumption versus HDD, using the pre-retrofit period, Mar 2022 – Aug 2023 without the shut down period to establish the baseline. Applied the baseline HDD-consumption relationship to predict usage for the post-retrofit period (Sept 2023 – Aug 2024). Compared predicted vs. actual billed consumption on a monthly basis to derive realized therm savings. Also, the three-boiler system was treated as a single aggregated load for regression modeling, implicitly assuming any internal sequencing had a negligible net effect on overall fuel use.	The ex-post analysis followed the same approach as ex ante. However, it was noted that leak discharge rates were rounded down. In contrast, the ex-post analysis relied on the actual calculated values without rounding.

Project ID	EA-0003209121	EA-0003210230
Utility	NMGC	NMGC
Program	Efficient Buildings	Efficient Buildings
Subprogram	Custom	Prescriptive
Project Description	Installation of two water boilers for space heating	Installation of Commercial fryers
Measure Type	Water	Commercial_Appliances_and_Food_Service_Equipment
Building Type	Secondary School	Casual Dining 11am-11pm
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	7,300	694
Gross Verified First Year Gas Savings (therms)	7,300	464
Gross Verified First Year Gas Savings (therms)	100%	67%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Utility Workpaper	Utility Workpaper
Other Savings Source	0	0
Reasons for RR(s) <> 1	0	Ex post has followed NMGC-CFS workpaper for factors like Operation days, operation hours, production capacity and food for calculating Gas savings. The Cooking energy efficiency of 69% and idle energy rate of 4960Btu/h were referred from the EnergyStar certificate. The assumption of parameters for the fryers matches the ex-ante documentation and the EnergyStar certificate, yet ex-ante could not be recreated, to understand the therms savings discrepancy.

Project ID	EA-0003218921	EA-0003224956
Utility	NMGC	NMGC
Program	Efficient Buildings	Efficient Buildings
Subprogram	Direct Install	Direct Install
Project Description	Installation of Bay doors	Installation of Bay doors
Measure Type	Envelope	Envelope
Building Type	Other Commercial	Other Commercial
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	5,114	1,789
Gross Verified First Year Gas Savings (therms)	5,114	1,789
Gross Verified First Year Gas Savings (therms)	100%	100%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Utility Workpaper	Utility Workpaper
Other Savings Source	0	0
Reasons for RR(s) <> 1	-	-

Project ID	EA-0003225538	EA-0003253840
Utility	NMGC	NMGC
Program	Efficient Buildings	Efficient Buildings
Subprogram	Direct Install	Direct Install
Project Description	Installation of Bay doors	Installation of Bay doors
Measure Type	Envelope	Envelope
Building Type	Other Commercial	Other Commercial
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	2,747	1,712
Gross Verified First Year Gas Savings (therms)	2,747	1,712
Gross Verified First Year Gas Savings (therms)	100%	100%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Utility Workpaper	Utility Workpaper
Other Savings Source	0	0
Reasons for RR(s) <> 1	-	-

Project ID	EA-0003258114	EA-0003264643
Utility	NMGC	NMGC
Program	Efficient Buildings	Efficient Buildings
Subprogram	Direct Install	Steam Trap Audit
Project Description	Installation of Bay doors	Steam Trap Replacement or Repair
Measure Type	Envelope	Custom
Building Type	Other Commercial	Health
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	7,880	228,969
Gross Verified First Year Gas Savings (therms)	7,880	229,645
Gross Verified First Year Gas Savings (therms)	100%	100%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Custom Calculation
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Utility Workpaper	Custom Analysis
Other Savings Source	0	0
Reasons for RR(s) <> 1	-	The ex-post analysis followed the same approach as ex ante. However it was observed ,in ex ante analysis, steam enthalpy values were calculated by linking the wrong values of Inlet steam pressure (psig). Ex post analysis calculated the steam enthalpy values by referring the correct corresponding Inlet steam pressure (psig) values without rounding off. Additionally in ex ante leak discharge rates and feedwater enthalpy values were rounded down. In contrast, the ex-post analysis relied on the actual calculated values without rounding which leads to RR being slightly greater than 1.

Project ID	EA-0003267925	EA-0003270815
Utility	NMGC	NMGC
Program	Efficient Buildings	Efficient Buildings
Subprogram	Direct Install	Prescriptive
Project Description	Installation of Bay doors	Installation of Commercial fryers and DHW Heating Boilers
Measure Type	Envelope	Commercial hot water and Food service equipment
Building Type	Other Commercial	Restaurant- Sit Down
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes.
Gross Reported First Year Gas Savings (therms)	3,030	1,251
Gross Verified First Year Gas Savings (therms)	3,030	1,056
Gross Verified First Year Gas Savings (therms)	100%	84%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Utility Workpaper	Utility Workpaper
Other Savings Source	0	0
Reasons for RR(s) <> 1	-	Gas Fryer: Ex post has followed NMGC-CFS workpaper for factors like Operation days, operation hours, production capacity and food for calculating therms savings. The Cooking energy efficiency of 69% and idle energy rate of 4960Btu/h were referred from the EnergyStar certificate. The assumption of parameters for the fryers matches the ex-ante project documentation and the EnergyStar certificate, yet ex-ante could not be recreated, to understand the therms savings discrepancy. DHW_Boiler: Ex-post considered the boiler to be of Commercial storage type, based on AHRI certificate, Invoice and the specification sheet with deemed savings of 2.96 therms/kBtuh for the facility 'Restaurant: Sit down' type as per NM TRM. The input rate of the boiler is referred from the AHRI certificate of 199.9MBtu/h. Ex-post considered the EUL to be 15 years for storage water heaters.

Project ID	EA-0003273840	EA-0003344413
Utility	NMGC	NMGC
Program	Efficient Buildings	Efficient Buildings
Subprogram	Direct Install	Prescriptive
Project Description	Installation of Bay doors	Installation of Commercial fryers
Measure Type	Envelope	Commercial_Appliances_and_Food_Service_Equipment
Building Type	Other Commercial	Casual Dining 24hr
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	No, Invoice to verify the purchased fryer and its quantity.
Gross Reported First Year Gas Savings (therms)	11,668	2,139
Gross Verified First Year Gas Savings (therms)	11,668	2,139
Gross Verified First Year Gas Savings (therms)	100%	100%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Utility Workpaper	Utility Workpaper
Other Savings Source	0	0
Reasons for RR(s) <> 1	-	-

Project ID	EA-0003517751	EA-0003724798
Utility	NMGC	NMGC
Program	Efficient Buildings	Efficient Buildings
Subprogram	Custom	Direct Install
Project Description	Steam Trap Replacement or Repair	Installation of Bay doors and Aerators
Measure Type	Custom	Envelope and Water
Building Type	Hospital	Middle or High School
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	154,862	1,236
Gross Verified First Year Gas Savings (therms)	156,573	1,236
Gross Verified First Year Gas Savings (therms)	101%	100%
Ex Ante Calculation Methodology	Custom Calculation	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Custom Analysis	Utility Workpaper
Other Savings Source	0	0
Reasons for RR(s) <> 1	The ex-post analysis followed the same approach as ex ante and referred the post-inspection document for 36 steam traps. It was noted that leak discharge rates were rounded down in ex ante calculations. The ex-post analysis relied on the actual calculated values without rounding.	0

Project ID	EA-0003870066	EA-0003916581
Utility	NMGC	NMGC
Program	Efficient Buildings	Efficient Buildings
Subprogram	Custom	Custom
Project Description	Building Envelope	Steam Trap Replacement or Repair
Measure Type	Custom	Custom
Building Type	Commercial	Hospital
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	1,940	2,077
Gross Verified First Year Gas Savings (therms)	1,997	2,094
Gross Verified First Year Gas Savings (therms)	103%	101%
Ex Ante Calculation Methodology	Custom Calculation	Custom Calculation
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Custom Analysis	Custom Analysis
Other Savings Source	0	0
Reasons for RR(s) <> 1	The reason for the RR appears to be that a custom-calculated sensible heat load constant (0.907) was used by Ex Ante, incorporating location-specific factors. However, the exact methodology behind this calculation was not clearly documented. In contrast, Ex Post determined the same constant (0.939) based on air density values corresponding to the site's elevation (5,351 ft), as specified in the U.S. Standard Atmosphere reference, to derive a more accurate value. Additionally, Ex Ante applied rounded values of 79 MMBtu and 115 MMBtu for fuel energy savings, whereas Ex Post utilized more precise values of 81.340 MMBtu and 118.338 MMBtu derived directly from the calculation.	The ex-post analysis followed the same approach as ex ante. There is a minor difference between the ex ante and ex post savings estimate as due to a slightly different estimate for the make up water enthalpy and using the boiler efficiency of 84.3% per boiler combustion test

Project ID	EA-0003916633	EA-0004161457
Utility	NMGC	NMGC
Program	Efficient Buildings	Efficient Buildings
Subprogram	Steam Trap Audit	Steam Trap Audit
Project Description	Steam Trap Replacement or Repair	Steam Trap Replacement or Repair
Measure Type	Custom	Custom
Building Type	Other	University
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	17,521	29,716
Gross Verified First Year Gas Savings (therms)	17,661	30,113
Gross Verified First Year Gas Savings (therms)	101%	101%
Ex Ante Calculation Methodology	Custom Calculation	Custom Calculation
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Custom Analysis	Custom Analysis
Other Savings Source	0	0
Reasons for RR(s) <> 1	The ex-post analysis followed the same approach as ex ante. However, it was noted that leak discharge rates and steam enthalpy values were rounded down. In contrast, the ex-post analysis relied on the actual calculated values without rounding which leads to RR being slightly greater than 1.	The ex-post analysis followed the same approach as ex ante. However, it was noted that leak discharge rates ,steam enthalpy and feedwater enthalpy values were rounded down. In contrast, the ex-post analysis relied on the actual calculated values without rounding which leads to RR being slightly greater than 1.

Project ID	EA-0004610542	EA-0004847353
Utility	NMGC	NMGC
Program	Efficient Buildings	Efficient Buildings
Subprogram	Custom	Custom
Project Description	Building Envelope	Building Envelope
Measure Type	Custom	Custom
Building Type	Commercial	Commercial
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	210	3,010
Gross Verified First Year Gas Savings (therms)	217	3,144
Gross Verified First Year Gas Savings (therms)	103%	104%
Ex Ante Calculation Methodology	Custom Calculation	Custom Calculation
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Custom Analysis	Custom Analysis
Other Savings Source	0	0
Reasons for RR(s) <> 1	Variance attributed to the use of exact values rather than rounded figures in the calculations. The reason for the RR appears to be that a custom-calculated sensible heat load constant (0.936) was used by Ex Ante, incorporating location-specific factors. However, the exact methodology behind this calculation was not clearly documented. In contrast, Ex Post determined the same constant (0.975) based on air density values corresponding to the site's elevation (4,094 ft), as specified in the U.S. Standard Atmosphere reference, to derive a more accurate value. Additionally, Ex Ante applied rounded values of 6 MMBtu and 15 MMBtu for fuel energy savings, whereas Ex Post utilized more precise values of 5.51 MMBtu and 16.20 MMBtu derived directly from the calculation.	The reason for the RR appears to be that a custom-calculated sensible heat load constant (0.900) was used by Ex Ante, incorporating location-specific factors. However, the exact methodology behind this calculation was not clearly documented. In contrast, Ex Post determined the same constant (0.939) based on air density values corresponding to the site's elevation (5,351 ft), as specified in the U.S. Standard Atmosphere reference, to derive a more accurate value. Additionally, Ex Ante applied rounded values of 94 MMBtu and 207 MMBtu for fuel energy savings, whereas Ex Post utilized more precise values of 98.241 MMBtu and 216.163 MMBtu derived directly from the calculation.

Project ID	EA-0004945565	EA-0004998936
Utility	NMGC	NMGC
Program	Efficient Buildings	Efficient Buildings
Subprogram	Custom	Custom
Project Description	Building Envelope	Heater Replacement
Measure Type	Custom	Custom
Building Type	Commercial	Commercial
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	3,190	7,960
Gross Verified First Year Gas Savings (therms)	3,327	7,960
Gross Verified First Year Gas Savings (therms)	104%	100%
Ex Ante Calculation Methodology	Custom Calculation	Custom Calculation
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Custom Analysis	Custom Analysis
Other Savings Source	0	0
Reasons for RR(s) <> 1	The reason for the RR appears to be that a custom-calculated sensible heat load constant (0.900) was used by Ex Ante, incorporating location-specific factors. However, the exact methodology behind this calculation was not clearly documented. In contrast, Ex Post determined the same constant (0.939) based on air density values corresponding to the site's elevation (5,351 ft), as specified in the U.S. Standard Atmosphere reference, to derive a more accurate value. Additionally, Ex Ante applied rounded values of 100 MMBtu and 219 MMBtu for fuel energy savings, whereas Ex Post utilized more precise values of 103.943 MMBtu and 228.709 MMBtu derived directly from the calculation.	0

Project ID	Pool	ES
Utility	NMGC	NMGC
Program	Strategic Energy Management (SEM)	Strategic Energy Management (SEM)
Subprogram	CoA	APS
Project Description	Billing analysis	Billing analysis
Measure Type	N/A	Custom
Building Type	Middle or High School	Middle or High School
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	3,892	-9,714
Gross Verified First Year Gas Savings (therms)	3,892	-9,714
Gross Verified First Year Gas Savings (therms)	100%	100%
Ex Ante Calculation Methodology	Billing Analysis	Billing Analysis
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Custom Analysis	Custom Analysis
Other Savings Source	-	-
Reasons for RR(s) <> 1	0	0

Project ID	NMNMPS1556264727	NMNMPS1556317308
Utility	NMGC	NMGC
Program	ENERGY STAR Space Heating	ENERGY STAR Space Heating
Subprogram	Space Heating	Space Heating
Project Description	Installation of ENERGY STAR Combination Boiler/Water Heater	Installation of Gas Furnace
Measure Type	Water	Envelope
Building Type	Other	Other
Other Building Type	Single Family	Single Family
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	494	225
Gross Verified First Year Gas Savings (therms)	268	235
Gross Verified First Year Gas Savings (therms)	54%	105%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	The discrepancy arose from the water heater capacity being listed as 130 MBH in the AHRI certificate.	The thermal discrepancy occurred from using the AHRI-certified AFUE rating of 0.962 for the efficient equipment.

Project ID	NMNMPS1556456239	NMNMPS1556653412
Utility	NMGC	NMGC
Program	ENERGY STAR Space Heating	ENERGY STAR Space Heating
Subprogram	Space Heating	Space Heating
Project Description	Installation of Gas Furnace	Installation of Gas Furnace
Measure Type	Envelope	Envelope
Building Type	Other	Other
Other Building Type	Single Family	Single Family
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	348	370
Gross Verified First Year Gas Savings (therms)	348	374
Gross Verified First Year Gas Savings (therms)	100%	101%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	0	The thermal discrepancy occurred from using the EnergyStar-certified AFUE rating of 0.972 for the efficient equipment.

Project ID	NMNMPS1556935903	NMNMPS1557349531
Utility	NMGC	NMGC
Program	ENERGY STAR Space Heating	ENERGY STAR Space Heating
Subprogram	Space Heating	Space Heating
Project Description	Installation of Boilers	Installation of Gas Furnace
Measure Type	Commercial_HVAC	Envelope
Building Type	Hotel	Other
Other Building Type	0	Single Family
Site Visit Being Conducted	Yes	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	791	232
Gross Verified First Year Gas Savings (therms)	791	232
Gross Verified First Year Gas Savings (therms)	100%	100%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	0	N/A

Project ID	NMNMPS1557407950	NMNMPS1557419699
Utility	NMGC	NMGC
Program	ENERGY STAR Space Heating	ENERGY STAR Space Heating
Subprogram	Space Heating	Space Heating
Project Description	Installation of Boilers	Installation of Gas Furnace
Measure Type	Commercial_HVAC	Envelope
Building Type	Large Office	Other
Other Building Type	0	Single Family
Site Visit Being Conducted	Yes	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	946	290
Gross Verified First Year Gas Savings (therms)	998	292
Gross Verified First Year Gas Savings (therms)	105%	101%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	The Ex-post analysis followed the ex-ante approach. For the 155 MBH boiler, the ex-post referred to an improvement type involving an OA reset from 140°F to 165°F with an assumed AFUE of 94% (Table 63), and for the 500 MBH boiler, a load reset from 115°F to 140°F with a 94% AFUE (Table 55), since the AHRI certificates verified the efficiency rating of the boilers.	The thermal discrepancy occurred from using the AHRI-certified AFUE rating of 0.961 for the efficient equipment.

Project ID	NMNMPS1557457886	NMNMPS1557549330
Utility	NMGC	NMGC
Program	ENERGY STAR Space Heating	ENERGY STAR Space Heating
Subprogram	Space Heating	Space Heating
Project Description	Installation of Boilers	Installation of Gas Furnace
Measure Type	Residential_Boilers	Envelope
Building Type	Other	Other
Other Building Type	Single Family	Single Family
Site Visit Being Conducted	Yes	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	410	290
Gross Verified First Year Gas Savings (therms)	412	296
Gross Verified First Year Gas Savings (therms)	101%	102%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	The thermal discrepancy occurred from using the AHRI-certified capacity of 199.9 MBH for the efficient equipment.	The thermal discrepancy occurred from using the AHRI-certified AFUE rating of 0.963 for the efficient equipment.

Project ID	NMNMPS1557599467	NMTWPS1556191614
Utility	NMGC	NMGC
Program	ENERGY STAR Space Heating	ENERGY STAR Space Heating
Subprogram	Space Heating	Space Heating
Project Description	Installation of Gas Furnace	Installation of Gas Furnace
Measure Type	Envelope	Envelope
Building Type	Other	Other
Other Building Type	Commercial	Single Family
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	4,000	93
Gross Verified First Year Gas Savings (therms)	3,057	383
Gross Verified First Year Gas Savings (therms)	76%	412%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	A total of twelve gas furnaces (model: TM9E100C20MP12), each with a capacity of 100 MBTUH, and one furnace (model: TM9E060B12MP12) with a capacity of 60 MBTUH were identified. This resulted in savings of 242.63therms/unit and 145.58therms/unit for 100 MBTUH and 60MBTUH respectively. For the ex-post analysis, the commercial section of the NM TRM, Table 31, was used to determine the effective load hours for heating. The category selected was “retail facility – single-story large,” with an associated value of 903 hours. This classification was deemed appropriate as the facility operates from 8:00 AM to 10:00 PM and functions as a commercial center with frequent walk-in and walk-out activity, a similar layout, and comparable industrial heating systems.	The thermal discrepancy arose in the ex-post from the use of an deemed AFUE rating of 0.8 for the baseline equipment, as specified in the NM TRM, whereas the ex-ante analysis used a rating of 0.96.

Project ID	NMTWPS1556216919	NMTWPS1556312926
Utility	NMGC	NMGC
Program	ENERGY STAR Space Heating	ENERGY STAR Space Heating
Subprogram	Space Heating	Space Heating
Project Description	Installation of Ceiling Insulation	Installation of Ceiling Insulation
Measure Type	Envelope	Envelope
Building Type	Other	Other
Other Building Type	Single family	Single family
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	45	212
Gross Verified First Year Gas Savings (therms)	45	212
Gross Verified First Year Gas Savings (therms)	100%	100%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	N/A	N/A

Project ID	NMTWPS1556312928	NMTWPS1556383178
Utility	NMGC	NMGC
Program	ENERGY STAR Space Heating	ENERGY STAR Space Heating
Subprogram	Space Heating	Space Heating
Project Description	Installation of Ceiling Insulation	Installation of smart thermostats
Measure Type	Envelope	Smart Thermostats
Building Type	Other	Other
Other Building Type	Single family	Single family
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	34	55
Gross Verified First Year Gas Savings (therms)	34	55
Gross Verified First Year Gas Savings (therms)	100%	100%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	N/A	N/A

Project ID	NMTWPS1556383445	NMTWPS1556506742
Utility	NMGC	NMGC
Program	ENERGY STAR Space Heating	ENERGY STAR Space Heating
Subprogram	Space Heating	Space Heating
Project Description	Installation of ENERGY STAR Combination Boiler/Water Heater	Installation of Ceiling Insulation
Measure Type	Water	Envelope
Building Type	Other	Other
Other Building Type	Single Family	Single family
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	124	164
Gross Verified First Year Gas Savings (therms)	125	164
Gross Verified First Year Gas Savings (therms)	101%	100%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	The discrepancy arose from the boiler rated efficiency being listed as 0.951 in the AHRI certificate.	N/A

Project ID	NMTWPS1556756771	NMTWPS1557214996
Utility	NMGC	NMGC
Program	ENERGY STAR Space Heating	ENERGY STAR Space Heating
Subprogram	Space Heating	Space Heating
Project Description	Installation of Ceiling Insulation	Installation of Ceiling Insulation
Measure Type	Envelope	Envelope
Building Type	Other	Other
Other Building Type	Single family	Single family
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	156	176
Gross Verified First Year Gas Savings (therms)	156	171
Gross Verified First Year Gas Savings (therms)	100%	97%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	N/A	The ex-post energy savings estimates were developed using the project documentation and the NM TRM. The analysis was based on an insulation upgrade from R-11 to R-30 across 1,970 sq. ft. of ceiling, a heating degree day (HDD) value of 5,417 for Santa Fe, and a deemed baseline gas furnace efficiency of 80%.

Project ID	NMTWPS1557338644	NMTWPS1557431650
Utility	NMGC	NMGC
Program	ENERGY STAR Space Heating	ENERGY STAR Space Heating
Subprogram	Space Heating	Space Heating
Project Description	Installation of Ceiling Insulation	Installation of smart thermostats
Measure Type	Envelope	Smart Thermostats
Building Type	Other	Other
Other Building Type	Single family	Single family
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	243	41
Gross Verified First Year Gas Savings (therms)	243	41
Gross Verified First Year Gas Savings (therms)	100%	100%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	N/A	N/A

Project ID	NMTWPS1557606350	NMTWPS1557663271
Utility	NMGC	NMGC
Program	ENERGY STAR Space Heating	ENERGY STAR Space Heating
Subprogram	Space Heating	Space Heating
Project Description	Installation of smart thermostats	Installation of smart thermostats
Measure Type	Smart Thermostats	Smart Thermostats
Building Type	Other	Other
Other Building Type	Single family	Single family
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	129	41
Gross Verified First Year Gas Savings (therms)	129	41
Gross Verified First Year Gas Savings (therms)	100%	100%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	N/A	N/A

Project ID	NMTWPS1557835193	NMTWPS1557836438
Utility	NMGC	NMGC
Program	ENERGY STAR Space Heating	ENERGY STAR Space Heating
Subprogram	Space Heating	Space Heating
Project Description	Gas furnace tune-up from 78.9% to 80%	Gas furnace tune-up from 80% to 83%
Measure Type	Furnace Tune-up	Furnace Tune-up
Building Type	Other	Other
Other Building Type	Single Family	Single Family
Site Visit Being Conducted	Yes	Yes
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	43	95
Gross Verified First Year Gas Savings (therms)	43	95
Gross Verified First Year Gas Savings (therms)	100%	100%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Prescriptive (TRM, Workpaper)
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	New Mexico TRM - 2023
Other Savings Source	0	0
Reasons for RR(s) <> 1	Furnace efficiency before the tune-up was 78.9%, and after the tune-up, it improved to 80%, resulting in an efficiency gain of 1.1%. However, the documents reference an improvement of 1.39%. To ensure accuracy and enable proper verification of the efficiency improvement, project documentation should clearly state the efficiency values with sufficient decimal precision.	Furnace efficiency before the tune-up was 80%, and after the tune-up, it improved to 83%, resulting in an efficiency gain of 3%. However, the documents reference an improvement of 3.75%. To ensure accuracy and enable proper verification of the efficiency improvement, project documentation should clearly state the efficiency values with sufficient decimal precision.

Project ID	NMTWPS1557836451	HS
Utility	NMGC	NMGC
Program	ENERGY STAR Space Heating	Strategic Energy Management (SEM)
Subprogram	Space Heating	APS
Project Description	Gas furnace tune-up from 80% to 83%	Billing analysis
Measure Type	Furnace Tune-up	Custom
Building Type	Other	Middle or High School
Other Building Type	Single Family	0
Site Visit Being Conducted	Yes	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	45	18,113
Gross Verified First Year Gas Savings (therms)	45	18,113
Gross Verified First Year Gas Savings (therms)	100%	100%
Ex Ante Calculation Methodology	Prescriptive (TRM, Workpaper)	Billing Analysis
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	New Mexico TRM - 2023	Custom Analysis
Other Savings Source	0	-
Reasons for RR(s) <> 1	Furnace efficiency before the tune-up was 80%, and after the tune-up, it improved to 82%, resulting in an efficiency gain of 2%. However, the documents reference an improvement of 2.5%. To ensure accuracy and enable proper verification of the efficiency improvement, project documentation should clearly state the efficiency values with sufficient decimal precision.	0

Project ID	Convention	Library
Utility	NMGC	NMGC
Program	Strategic Energy Management (SEM)	Strategic Energy Management (SEM)
Subprogram	CoA	CoA
Project Description	Billing analysis	Billing analysis
Measure Type	Custom	Custom
Building Type	Commercial	Commercial
Other Building Type	0	0
Site Visit Being Conducted	No	No
Other General Project Info Comments	0	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes	Yes
Gross Reported First Year Gas Savings (therms)	37,255	7,348
Gross Verified First Year Gas Savings (therms)	37,255	7,348
Gross Verified First Year Gas Savings (therms)	100%	100%
Ex Ante Calculation Methodology	Billing Analysis	Billing Analysis
Other Ex Ante Calculation Methodology	0	0
Ex Ante Savings Source	Custom Analysis	Custom Analysis
Other Savings Source	-	-
Reasons for RR(s) <> 1	0	0

Project ID	Police
Utility	NMGC
Program	Strategic Energy Management (SEM)
Subprogram	CoA
Project Description	Billing analysis
Measure Type	Custom
Building Type	Commercial
Other Building Type	0
Site Visit Being Conducted	No
Other General Project Info Comments	0
Documentation Review (Are the project files generally complete, i.e. application, calculations, spec sheets, drawings, etc.)	Yes
Gross Reported First Year Gas Savings (therms)	4,396
Gross Verified First Year Gas Savings (therms)	4,396
Gross Verified First Year Gas Savings (therms)	100%
Ex Ante Calculation Methodology	Billing Analysis
Other Ex Ante Calculation Methodology	0
Ex Ante Savings Source	Custom Analysis
Other Savings Source	-
Reasons for RR(s) <> 1	0

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE APPLICATION OF NEW MEXICO GAS COMPANY, INC. FOR APPROVAL OF ITS 2023-2025 ENERGY EFFICIENCY PROGRAM PURSUANT TO THE NEW MEXICO PUBLIC UTILITY AND ENERGY EFFICIENCY ACTS	)))))))	**Case No. 22-00232-UT**

CERTIFICATE OF SERVICE

I CERTIFY that on this date I sent, via email, to the parties and individuals listed below, a true and correct copy of **New Mexico Gas Company, Inc.'s 2024 Energy Efficiency Program Annual Report:**

Hearing Examiners' Law Clerk	ana.Kippenbrock@prc.nm.gov;
NEW MEXICO GAS COMPANY	
Brian J. Haverly	bjh@jkwlawyers.com;
Julianna T. Hopper	jth@jkwlawyers.com;
Anita Hart	anita.hart@nmgco.com;
Lisa Trujillo	lisa.trujillo@nmgco.com;
Gerald Weseen	gerald.weseen@nmgco.com;
Nicole V. Strauser	nicole.strauser@nmgco.com;
Brian Buffington	brian.buffington@nmgco.com;
Dominic Martinez	dominic.martinez@nmgco.com;
CCAE	
Cara R. Lynch	lynch.cara.NM@gmail.com;
Charles de Saillan	desaillan.ccae@gmail.com;
Don Hancock	sricdon@earthlink.net;
Justin Brant	jbrant@swenergy.org;
Michael Kenney	michael.kenney@westernresources.org;
NEW MEXICO ATTORNEY GENERAL	
Gideon Elliot	gelliot@nmdoj.gov;
Sydnee Wright	swright@nmdoj.gov;
Doug Gegax	dgegax@nmsu.edu;
Jennifer Kallay	jkallay@synapse-energy.com;
Kenji Takahashi	ktakahashi@synapse-energy.com;

PRC STAFF	
John Bogatko Ryan Friedman Elisha Leyba-Tercero Timothy Martinez Christopher E. Dunn Elizabeth Ramirez Peggy Martinez-Rael	john.bogatko@prc.nm.gov; ryan.friedman@prc.nm.gov; elisha.leyba-tercero@prc.nm.gov; timothy.martinez@prc.nm.gov; christopher.dunn@prc.nm.gov; elizabeth.ramirez@prc.nm.gov; peggy.martinez-rael@prc.nm.gov;

DATED this June 27, 2025

Respectfully submitted,

/s/Lisa Trujillo
Lisa Trujillo
Project Manager, Regulatory Affairs
505-697-3831
lisa.trujillo@nmgco.com