

2020 SAG Plan

Celia Johnson, SAG Facilitator

January 17, 2020 SAG Teleconference Meeting

Today's Agenda

- ▶ SAG Goals
- ▶ Overview of 2020 SAG Groups
- ▶ SAG Portfolio Planning Process
 - ▶ Objective
 - ▶ Large Group SAG Activities
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 - ▶ Coordination with IQ Advisory Committees
 - ▶ Stakeholder Feedback Process
- ▶ SAG Working Group Activities
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- ▶ Questions/Comments?

SAG Goals

- ▶ Ensure that discussions are productive and valuable.
- ▶ Engage additional stakeholders to participate in SAG.
- ▶ Encourage presentations to SAG on innovative ideas.
- ▶ Be a source of information to policymakers and the public about Illinois energy efficiency programs.
- ▶ Use SAG as a forum to resolve issues that may reduce litigation.
- ▶ Inform the Commission of SAG plans and activities.

As described in the Policy Manual:

- ▶ *SAG is a forum that allows parties to express different opinions, better understand the opinions of others, and foster collaboration and consensus, where possible and appropriate.*

Overview of 2020 SAG Groups

▶ Large Group SAG

- ▶ Additional meetings will be held in 2020 due to planning discussions for the next EE Plan Portfolios (2022-2025) - SAG Portfolio Planning Process

▶ SAG Working Groups

- ▶ Non-Energy Impacts Working Group
- ▶ Market Transformation Savings Working Group
- ▶ Midstream-Upstream Working Group

▶ SAG IL-TRM Technical Advisory Committee (TAC)

- ▶ VEIC will coordinate TAC meetings to update the next version of the IL-TRM (Version 9.0), kicking off this spring
 - ▶ Note: Annual process to request measure updates is expected in February

▶ SAG Subcommittees

- ▶ No Subcommittees are expected to be active in 2020
- ▶ Due to time constraints, topics previously planned to be discussed in a new EM&V Subcommittee will be addressed by the large group SAG

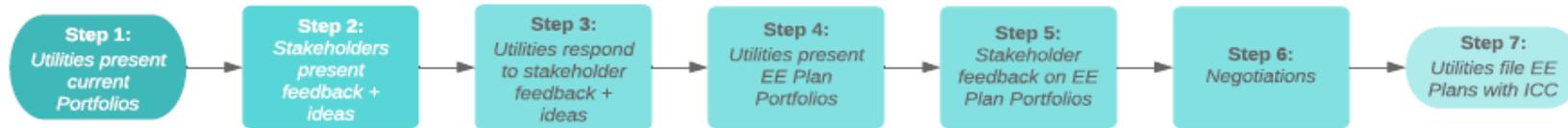
Overview of 2020 SAG Groups (cont.)

▶ SAG Steering Committee

- ▶ Generally holds two meetings per year; members include senior representatives of utilities and invited non-financially interested stakeholders
- ▶ The purpose is to provide substantive feedback to the SAG Facilitator on: (1) annual SAG Plans; and (2) progress towards meeting annual SAG Plan goals to ensure that the time spent on SAG is as productive and valuable as possible

SAG Portfolio Planning Process

- ▶ **Objective:** To reach consensus on Illinois utility EE Plans for 2022-2025



- ▶ This is a consensus-seeking process to discuss foundational issues to EE Plan development, including: budgets, Portfolio objectives, Program ideas, and Program design
- ▶ Utilities are required to file EE Plans with the Commission for approval on or before March 1, 2021
- ▶ A similar process was held in 2015-2016, and in 2017 following passage of the Future Energy Jobs Act
- ▶ **Participation:** Large Group SAG meetings will be open to all interested parties, unless a topic may present a financial conflict of interest
- ▶ **Negotiations:** At the conclusion of the Planning Process, final negotiations will be held with utilities and non-financially interested parties

SAG Portfolio Planning Process (cont.)

- ▶ **Timing:** Planning Process kick-off in March (2-day meeting)
 - ▶ In-person (2-day) SAG meetings will be held from March to October
 - ▶ Negotiations are expected to begin by mid-October
- ▶ **Dedicated Website:** <https://www.ilsag.info/meetings/portfolio-planning-process/>
- ▶ **Coordination with Income Qualified EE Advisory Committees:**
 - ▶ *IQ North:* ComEd, Nicor Gas, Peoples Gas & North Shore Gas service territory
 - ▶ *IQ South:* Ameren Illinois service territory
 - ▶ IQ Advisory Committees are separate from SAG, with the goal of convening and receiving input from Community-Based Organizations, implementers, utilities, and other interested stakeholders on pressing energy needs facing income qualified customers
 - ▶ SAG will coordinate with IQ Committees to ensure that stakeholders that do not traditionally engage within the SAG process have an opportunity to provide feedback on programs and propose ideas for the utilities to consider in developing the 2022-2025 EE Plans

SAG Portfolio Planning Process (cont.)

- ▶ **Stakeholder Feedback Process:** Opportunity for stakeholders to 1) provide feedback on current utility EE portfolios and 2) share ideas and approaches for utilities to consider in developing their 2022-2025 EE Plans
- ▶ **Stakeholders will be invited to submit:**
 1. Feedback on current portfolios, including suggested changes for the 2022-2025 EE Plans
 2. Stakeholder ideas/approaches for utility consideration, including program approaches or new measures that have been successfully implemented in other jurisdictions
 3. Innovative ideas that could be researched during the next EE Plan cycle by utilities, evaluators, and/or SAG
- ▶ **Stakeholder Feedback:** Stakeholders submitting feedback will be required to complete a Stakeholder Feedback Template, **due by April 1**. Feedback will be presented at the May SAG meetings.
- ▶ **Stakeholder Ideas:** Stakeholders submitting ideas/approaches/innovative ideas will be required to complete a Stakeholder Ideas Template, **due by April 1**.
 - ▶ The SAG Facilitator will organize a small group Review Committee to determine 1) if additional follow-up is needed on submittals and 2) if utilities' have already implemented the idea submitted.

Large Group SAG Activities

▶ Q1 2020

- ▶ **January 28:** Springfield meeting focused on IL Home Weatherization Assistance Program (IHWAP)-braided utility programs
- ▶ **February 4:** Gas utilities present draft adjustable savings goals for 2020 (small group teleconf.)
- ▶ **February 6:** ComEd Baseline Study results (teleconf.)
- ▶ **February 10:** Teleconference to follow-up on CPAS and cannabis discussion held in November

▶ Q2 2020

- ▶ **March 10-11:** Planning Process kick-off; utility presentations on EE Portfolios including 2019 results
- ▶ **April 14-15 (Springfield):** TRC non-measure level inputs; stakeholder feedback on current portfolios
- ▶ **April 21:** ComEd Potential Study results (teleconf.)
- ▶ **May 12-13:** Stakeholder presentations on new ideas for next EE Plans; summary of feedback from IQ Committees; workforce development
- ▶ **June 16-17:** Utilities respond to stakeholder ideas presented in May; evaluation topics; additional TBD
- ▶ **June (date TBD):** Ameren IL Potential Study results (teleconf.)

Large Group SAG Activities (cont.)

▶ Q3 2020

- ▶ **July (date TBD):** Peoples Gas/North Shore Gas Potential Study results (teleconf.)
- ▶ **July 21-22:** Evaluation topics; additional TBD
- ▶ **August:** No SAG meetings - utilities preparing draft EE Plan Portfolios
- ▶ **Sept. 15-16:** Utilities present draft EE Plan Portfolios, including budget allocation and savings goals
- ▶ **Sept. Teleconference Meetings:** Annual process to review evaluation Net-to-Gross (NTG) recommendations and reach consensus on ratios for the 2021 program year

▶ Q4 2020

- ▶ **Oct. 13-14:** Stakeholder feedback on draft EE Plans; summary of IQ Committee feedback on IQ program plans; brief quarterly update from utilities
 - ▶ Note: Final negotiations will begin following the Oct. large group meeting.
- ▶ **Dec. 1-2:** Teleconferences for evaluators to present overview of draft EM&V work plans for 2021

SAG Working Group Activities

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SAG Working Group: Non-Energy Impacts

- ▶ **Purpose:** To discuss draft research results from Illinois NEI studies as well as defensible methodologies to use across the state related to calculating non-energy impacts. The NEI Working Group may make recommendations to the Policy Manual Subcommittee or IL-TRM Technical Advisory Committee regarding how NEI results may be included in utilities' reporting, cost-effectiveness analyses, and/or the IL-TRM.
- ▶ **Working Group Website:** <http://www.ilsag.info/nei-working-group.html>
- ▶ **2018-2019 Activities:**
 - ▶ A kick-off meeting was held in August 2018 for evaluators to present draft NEI research plans to the Working Group including an opportunity for stakeholder feedback.
 - ▶ Four meetings were held in 2019, to further discuss NEI study methodologies, economic impact study methodologies, and preliminary results for the economic impact study.

SAG Working Group: Non-Energy Impacts (cont.)

The following topics are anticipated in 2020:

- ▶ A follow-up discussion on 2018 economic impact study methodologies (action item from Nov. 2019 Working Group meeting).
- ▶ Review preliminary results from income qualified NEI studies; discuss if and how results may be included in utilities' reporting, cost-effectiveness analyses, and/or the IL-TRM.
- ▶ Review 2019 results from economic impact studies; determine how and when economic impact study results will be reported in future years.

SAG Working Group: Market Transformation Savings

▶ Purpose:

- ▶ To provide a forum to discuss policy issues related to MT savings evaluation and estimation.
- ▶ To provide an opportunity to review specific MT initiatives and the data/approach proposed to be used to develop savings, including but not limited to:
 - ▶ Logic Models; Savings/unit; Total market unit data collection; Natural market baseline data and projections; Service territory accounting; and The duration of any MT savings credit.
- ▶ To reach consensus on savings protocols for MT initiatives that may be included in the IL-TRM.
- ▶ Working Group Website: https://www.ilsag.info/mt_savings_working_group/

SAG Working Group: Market Transformation Savings (cont.)

▶ 2019 Activities:

- ▶ Six meetings were held in 2019. Meetings from March to August focused on reaching agreement on the *Framework for Estimating Market Transformation Savings Whitepaper*, which was included as an attachment in IL-TRM Version 8.0.
- ▶ Final Framework: [Attachment C to IL-TRM Version 8.0: Framework for Counting Market Transformation Savings in Illinois \(August 23, 2019\)](#)
- ▶ Nov. 2019 meeting focused on discussing code study results, teeing up open market transformation policy issues, and an update from utilities on the Midwest Market Transformation Collaborative.

▶ 2020 Activities:

- ▶ Quarterly meetings to discuss resolution of policy issues related to market transformation; Illinois-specific market transformation business plans developed by the Midwest Market Transformation Collaborative; and other market transformation topics, as needed.

SAG Working Group: Midstream-Upstream

▶ Purpose:

- ▶ To provide a forum to discuss midstream and upstream EE opportunities in preparation for utilities developing their 2022-2025 EE Plans.
- ▶ The goal of this Working Group is 1) to learn from successful initiatives in other jurisdictions and 2) to identify measure(s) that may provide an opportunity for utilities to claim higher electric and gas savings at lower cost.

▶ Working Group Website: Coming soon

▶ Background:

- ▶ In recent EE Plan portfolios Illinois utilities have offered EE to both midstream networks (incentives going to equipment distributors and/or contractors) and upstream networks (incentives going to manufacturers or retailers).
- ▶ This Working Group will explore additional opportunities to move programs from a traditional downstream approach (incentives going directly to consumers or businesses) to a midstream or upstream program approach.

SAG Working Group: Midstream-Upstream (cont.)

▶ 2020 Activities:

- ▶ Three-four teleconference meetings are planned in spring 2020 to discuss midstream/upstream planning for the next EE Plan portfolio (2022-2025).
- ▶ Other jurisdiction(s) will be invited to present midstream and/or upstream program successes to the Working Group.

Evaluation Topics

- ▶ A number of evaluation topics have been identified for discussion, including:
 - ▶ Reviewing how evaluation contractors are hired/selected, how frequently they are or should be changed
 - ▶ Opportunities for more integration of EM&V work across utility service territories
 - ▶ The level of emphasis on different kinds of evaluation (process vs. impact, NTG vs. other, peak vs. energy, value of NEBs, etc.)
 - ▶ Opportunities for better leveraging AMI data, including the potential uses of such data
 - ▶ Opportunities for better integration and prioritization of evaluation research w/ the IL-TRM update process
 - ▶ Discuss best practices for when program evaluations shall be controlled trials or quasi-experimental design methods
 - ▶ Concerns and considerations related to cyber security, customer data and data privacy
 - ▶ Savings that can be claimed based on net market effects
 - ▶ EM&V approaches for R&D pilots and/or R&D programs
- ▶ Evaluation topics will be covered at large group SAG meetings, with topics that may result in a conflict of interest covered separately

SAG Process Guidance Document

- ▶ The **SAG Process Guidance Document** describes guiding principles, process rules, and roles and responsibilities of SAG participants, to foster communication and productive discussion at SAG.
 - ▶ Developed in 2018; updated on an as-needed basis
- ▶ 2020 edits:
 - ▶ Updated references to Policy Manual Version 2.0
 - ▶ Added a participation section
 - ▶ Added a section on coordinating with other facilitator processes
 - ▶ Described the process for resolving policy issues

Upcoming Meetings

▶ January and February Large Group SAG:

- ▶ **Tuesday, January 28:** Springfield Meeting to discuss utility-braided IHWAP programs
- ▶ **Thursday, February 6:** Teleconference for ComEd Baseline Study results
- ▶ **Monday, February 10:** Teleconference to follow-up on CPAS + cannabis EE opportunities from Nov. meetings
- ▶ **Thursday, February 13:** Market Transformation Savings Working Group Teleconference

▶ **Small Group Meetings:** *Please contact the SAG Facilitator if you are interested in participating.*

- ▶ Discuss Potential Updates to Utility Reporting Templates (Quarterly and Annual), related to income qualified program reporting
 - ▶ Date TBD
- ▶ Gas Utility Adjustable Savings Goals
 - ▶ Tuesday, Feb. 4

Questions or Comments?

- ▶ Please send any questions, comments, or proposed redline edits on the final draft 2020 SAG Plan, schedule and/or SAG Process Guidance document **by COB on Monday, January 27.**
 - ▶ Send questions, comments and proposed edits directly to the SAG Facilitator, Celia Johnson: Celia@CeliaJohnsonConsulting.com
 - ▶ The 2020 SAG Plan and updated SAG Process Guidance document will be finalized by **Friday, January 31.**
 - ▶ If you are not a current SAG Working Group participant and are interested in participating in in 2020, please contact Celia Johnson.
 - ▶ 2020 Working Groups:
 - ▶ Non-Energy Impacts Working Group
 - ▶ Market Transformation Savings Working Group
 - ▶ Midstream-Upstream Working Group