

2021 SAG Plan

Celia Johnson, SAG Facilitator

February 16, 2021 SAG Teleconference Meeting

Today's Agenda

- ▶ SAG Background
 - ▶ Creation, Participation, and Website
 - ▶ Coordination with IQ Advisory Committees
- ▶ SAG in 2021
 - ▶ SAG Plan Flexibility
 - ▶ Request for Feedback on 2020 Planning Process
 - ▶ SAG Break
 - ▶ SAG Groups
 - ▶ Proposed Topics
 - ▶ 2021 SAG Meetings
- ▶ SAG Working Groups
- ▶ 2021 Updates to SAG Process Guidance
- ▶ Questions/Comments?

SAG Background

The background features abstract, overlapping geometric shapes in various shades of blue, ranging from light sky blue to deep navy blue. These shapes are primarily located on the right side of the frame, creating a modern, layered effect against the white background.

SAG Creation

- ▶ The Illinois Energy Efficiency Stakeholder Advisory Group (SAG) was **created in 2008** by direction of the Illinois Commerce Commission (ICC), when the first electric EE Plans were approved by the ICC
- ▶ SAG is an **advisory body** that focuses on:
 - ▶ Educating the IL stakeholder community on EE programs and a variety of EE issues
 - ▶ Building trust among parties with various interests
 - ▶ Providing a forum for narrowing differences among parties
 - ▶ Engaging in constructive discussion; inviting parties to offer constructive approaches and solutions to issues
 - ▶ Building consensus agreement on policy and technical issues, in an effort to reduce or avoid future litigation

SAG Participation

- ▶ Large Group SAG, Working Groups, and Subcommittee meetings are open to all interested parties, unless a topic may present a financial conflict of interest

SAG Website

- ▶ Visit www.ILSAG.info
- ▶ SAG website includes:
 - ▶ Agendas, meeting materials and notes for 12+ years of SAG meetings
 - ▶ Individual Subcommittee and Working Group pages
 - ▶ Evaluation materials - EE program evaluation reports, research results, evaluation plans (draft and final)
 - ▶ Utility reports on EE portfolio progress (quarterly and annual reports)
 - ▶ Other resources:
 - ▶ Links to all ICC EE dockets
 - ▶ Potential Studies
 - ▶ IL Technical Reference Manual annual update
 - ▶ List of participating organizations

Coordination with IQ Advisory Committees

- ▶ **Income Qualified EE Advisory Committees (IQ North and IQ South Committees) are separate from SAG**, with the goal of convening and receiving input from Community-Based Organizations, implementers, and utilities on pressing energy needs facing income qualified customers
 - ▶ Creation of a “low-income energy efficiency advisory committee” was directed by statute (Future Energy Jobs Act or FEJA) in 2017:
 - ▶ *The electric utilities shall also convene a low-income energy efficiency advisory committee to assist in the design and evaluation of low-income energy efficiency programs. The committee shall be comprised of the electric utilities subject to the requirements of this Section [8-103(B)(c)], the gas utilities subject to the requirements of Section 8-104 of this Act, the utilities' low-income energy efficiency implementation contractors, and representatives of community-based organizations.*
 - ▶ IQ North and IQ South Committees launched in spring 2018
 - ▶ IQ North and IQ South Committees are lead by separate facilitators from SAG
 - ▶ SAG Facilitator regularly coordinates with both IQ North and IQ South - joint meetings with SAG are held as needed

SAG in 2021

The background features abstract, overlapping geometric shapes in various shades of blue, ranging from light sky blue to deep navy blue. These shapes are primarily located on the right side of the frame, creating a modern, layered effect against the white background.

2021 SAG Plan Flexibility

- ▶ 2020 focused on the [SAG Portfolio Planning Process](#), with the objective of reaching consensus on Illinois EE Portfolio Plans for 2022-2025 prior to utilities filing Plans for approval with the ICC on or before March 1, 2021
 - ▶ Negotiations between utilities and non-financially interested stakeholders are in the final stage
 - ▶ The 2021 SAG Plan will be considered “final draft” and may be updated following ICC approval of utility EE Plans (anticipated this summer)
 - ▶ If there are 2021 SAG Plan updates needed, those will be communicated at the Q3 Large Group SAG Meeting

Request for Feedback

- ▶ Interested in feedback on the 2020 [SAG Portfolio Planning Process](#)
 - ▶ Planning Process Large Group SAG kick-off -> March 2020
 - ▶ Final Planning Process Large Group SAG meetings-> Nov. 2020
 - ▶ Key steps to the SAG Planning Process were held via joint meetings with IQ North and IQ South Advisory Committees
 - ▶ Final negotiations-> December to February
 - ▶ Feedback will help inform a future Planning Process
 - ▶ Feedback process:
 1. Survey will be circulated requesting feedback
 2. SAG Facilitator will hold meetings with interested parties to discuss feedback
 3. SAG Facilitator will report-out on feedback + lessons learned at the Q3 Large Group SAG Meeting (August)

2021 SAG Break

- ▶ SAG will not hold regular meetings while EE Portfolio Plan dockets for 2022-2025 are open at the ICC
 - ▶ Utilities file EE Portfolio Plans by March 1
 - ▶ Break timing = March to August
 - ▶ This SAG break does not impact the annual IL-TRM update process
 - ▶ If there are EE items that require discussion, meetings will be scheduled as needed
 - ▶ The following SAG activities are anticipated during the break:
 - ▶ Fuel Conversion Working Group
 - ▶ SAG Workshops on Plan Budget Flexibility (in response to a recent ICC directive to SAG)
 - ▶ Market Transformation Savings Working Group

2021 SAG Groups

▶ Large Group SAG

- ▶ Covers a variety of topics related to Illinois utility EE portfolios; Q3 and Q4 meetings planned in 2021; additional meetings scheduled as needed

▶ SAG Subcommittees

- ▶ No Subcommittees are planned at this time

▶ SAG Working Groups

- ▶ Evaluation Working Group (*new*)
- ▶ Fuel Conversion Working Group (*new*)
- ▶ Market Transformation Savings Working Group (*est. in 2019*)
- ▶ Non-Energy Impacts Working Group (*est. in 2018*)

▶ SAG IL-TRM Technical Advisory Committee (TAC)

- ▶ IL-TRM Administrator (VEIC) leads TAC meetings to update the next version of the IL-TRM (Version 10.0)
- ▶ IL-TRM deliverables will be circulated to SAG

2021 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

Proposed 2021 Topics

▶ Utility Topics

- ▶ Utility report-out presentations/progress updates twice per year on 2020 EE portfolio results and 2021 mid-year progress
- ▶ Discuss Research & Development (R&D) investments in next EE Plans
- ▶ ComEd presents early findings from their newly launched ComEd Efficient Choice website

▶ Equity in EE Topics

- ▶ Workforce development, diversity and equity - follow-up discussion from October 2020 SAG - Joint IQ Advisory Committee meeting (specific presentations TBD)
- ▶ ICC Affordability Notice of Inquiry: EE topics related to affordability may need to be addressed by SAG; a final report from the ICC is anticipated in 2021

Proposed 2021 Topics (cont.)

▶ Evaluation Topics

- ▶ Market effects - update on research from Ameren Illinois' evaluator Opinion Dynamics
- ▶ Report-out on economic and employment impacts of 2020 EE portfolios, with presentations by Guidehouse and Opinion Dynamics
- ▶ Annual process to reach agreement on Net-to-Gross (NTG) values for the 2022 program year, with initial NTG value recommendations provided by independent evaluators
- ▶ Annual meeting for evaluators present draft evaluation plans for 2022 utility EE programs

▶ Other

- ▶ Leveraging other initiatives (such as federal stimulus; if needed)

2021 SAG Schedule

▶ Q1 2021

- ▶ **February 22:** Small Group SAG Meeting - open evaluation questions
- ▶ **March 17:** Market Transformation Savings Working Group Q1 Meeting
- ▶ **March, Date TBD:** Kick-off Fuel Conversion Working Group Meeting
- ▶ **Deliverables:**
 - ▶ Comments from SAG participants on 2021 SAG Plan due no later than Wed., February 24
 - ▶ SAG Facilitator to post final draft 2021 SAG Plan by Friday, Feb. 26

▶ Q2 2021

- ▶ **April, May and June (dates TBD):** Monthly Fuel Conversion Working Group Meetings
- ▶ **June (date TBD):** Evaluation Working Group Meeting
- ▶ **Date TBD:** Market Transformation Savings Working Group Q2 Meeting

2021 SAG Schedule (cont.)

▶ Q3 2021

- ▶ **August 17-18:** Quarterly Large Group SAG Meeting (Q3)
- ▶ **September:** Annual process to review evaluation Net-to-Gross (NTG) recommendations and reach consensus on ratios for the 2021 program year (4 meetings)
- ▶ **Date TBD:** Market Transformation Savings Working Group Q3 Meeting

▶ Q4 2021

- ▶ **Date TBD:** Market Transformation Savings Working Group Q4 Meeting
- ▶ **Nov. 16-17:** Quarterly Large Group SAG Meeting (Q4)
- ▶ **Dec. 7-8:** Evaluators present overview of draft Evaluation Plans for 2022 Program Year

SAG Working Groups

The background features abstract, overlapping geometric shapes in various shades of blue, ranging from light sky blue to deep navy blue. These shapes are primarily located on the right side of the page, creating a modern, dynamic feel.

Evaluation Working Group (new)

- ▶ **Purpose:** To discuss evaluation questions that are more technical in nature and may not be of interest to all large group SAG participants.
- ▶ **Working Group Website:** <https://www.ilsag.info/evaluation-working-group/>
- ▶ **Participation:** Open to all interested SAG participants, unless a topic may present a financial conflict of interest. SAG participants are invited to self-select into the Working Group.
- ▶ **Goal in 2021:** Discuss evaluation questions with interested parties, as needed
 - ▶ See draft SAG Plan for list of topics to address

Fuel Conversion Working Group (new)

▶ Purpose:

1. To provide a forum to discuss fuel conversion policy questions that were raised during the 2020 Illinois Technical Reference Manual (IL-TRM) update process, for IL-TRM Version 9.0; and
2. If possible, to reach consensus on fuel conversion policy questions

▶ Working Group Website: <https://www.ilsag.info/fuel-conversion-working-group/>

▶ Participation: Open to all interested SAG participants, unless a topic may present a financial conflict of interest. SAG participants are invited to self-select into the Working Group.

▶ Background: Fuel conversion policy questions were raised during the 2020 IL-TRM update process (IL-TRM Version 9.0), related to Heat Pump Measures, Combined Heat and Power Measure, and the proposed Electric Vehicle Measure, including 1) site vs. source savings and 2) whether the Future Energy Jobs Act requires the current IL-TRM methodology to be changed. The IL-TRM methodology was developed and approved during the IL-TRM Version 4.0 update. The IL-TRM Administrator requested SAG address open fuel conversion policy questions.

▶ Timing: Kick-off in March; monthly meetings with the goal of resolving by end of June

Market Transformation Savings Working Group

- ▶ **Background:** Established in 2019 to reach agreement on a framework for market transformation savings, to be included in IL-TRM Version 8.0. Quarterly Working Group meetings were held in 2020, to discuss open market transformation policy issues and review progress updates on market transformation initiatives.
- ▶ **Working Group Website:** https://www.ilsag.info/mt_savings_working_group/
- ▶ **Goals in 2021:**
 1. Provide a forum for utilities to update interested stakeholders on the progress of market transformation initiatives;
 2. Provide a forum for stakeholders to raise market transformation ideas for consideration by Illinois utilities;
 3. Finalize open market transformation policy questions; and
 4. Discuss and if possible, reach agreement on how utilities may claim savings from market transformation initiatives.
- ▶ **2021 Activities:**
 - ▶ Quarterly meetings; Q1 meeting on March 17
 - ▶ 2021 Plan/Schedule for Q2, Q3 and Q4 is in development

Non-Energy Impacts Working Group

- ▶ **Background:** Established in 2018 to discuss Non-Energy Impact (NEI) research plans and draft research results from Illinois NEI studies, as well as defensible methodologies to use across the state related to calculating non-energy impacts. Meetings have focused on discussing NEI research plans, results and methodologies.
- ▶ **Working Group Website:** <http://www.ilsag.info/nei-working-group.html>
- ▶ **Goal in 2021:** Provide a forum to discuss draft NEI results and methodologies
- ▶ **2021 Activities:**
 - ▶ *Q3 Meeting (August):*
 - ▶ Participant NEI research update for ComEd - reduced O&M; health, safety and comfort
 - ▶ Participant NEI research update for Ameren Illinois
 - ▶ Ameren Illinois C&I screening NEI update
 - ▶ *Q4 Meeting (December):*
 - ▶ Business NEI research results for Ameren Illinois and ComEd

2021 Updates to SAG Process Guidance

- ▶ 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
- ▶ 2021 edits include:
 - ▶ Updated references to SAG coordination with other processes (see section VI)
 - ▶ Updated Policy Manual Subcommittee section to remove a reference to 2020

Questions or Comments?

- ▶ Questions, comments, and proposed redline edits on the final draft 2021 SAG Plan and SAG Process Guidance document due **by COB on Wednesday, February 24**
 - ▶ Send questions, comments and proposed edits directly to the SAG Facilitator, Celia Johnson: Celia@CeliaJohnsonConsulting.com
 - ▶ The 2021 SAG Plan and updated SAG Process Guidance document will be finalized by **Friday, February 26** and posted on the SAG website
 - ▶ If you are not a current SAG Working Group participant and are interested in participating this year, please contact Celia Johnson
 - ▶ 2021 Working Groups:
 - ▶ Evaluation Working Group (new)
 - ▶ Fuel Conversion Working Group (new)
 - ▶ Market Transformation Savings Working Group
 - ▶ Non-Energy Impacts Working Group

Contact Information

- ▶ SAG Facilitator
 - ▶ Celia Johnson
 - ▶ *Email:* celia@celiajohnsonconsulting.com
 - ▶ *Phone:* (312) 659-6758
 - ▶ *SAG Website:* www.ILSAG.info