

2022 SAG Plan

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February 22, 2022 SAG Meeting

Today's Agenda

- ▶ Administrative Update
- ▶ SAG Background
 - ▶ Creation, Participation, Guiding Principles and Website
 - ▶ SAG Coordination with Other Processes
- ▶ SAG in 2022
 - ▶ Recent Activities
 - ▶ Defining SAG Groups
 - ▶ 2022 SAG Groups
 - ▶ 2022 Large Group SAG Schedule
 - ▶ SAG Working Groups
 - ▶ SAG Subcommittees
- ▶ 2022 Updates to SAG Process Guidance
- ▶ Request for Feedback
- ▶ Q&A

Administrative Update

- ▶ Midwest Energy Efficiency Alliance (MEEA) providing SAG meeting support in 2022
- ▶ SAG meetings will remain virtual
 - ▶ Quarterly SAG meetings will be split into two days, due to virtual format
 - ▶ Re-assess participant comfort level with in-person meetings mid-year
- ▶ Testing Webex platform for SAG, instead of Go To Webinar
 - ▶ You have the ability to mute and un-mute yourself - please keep yourself muted when not speaking
 - ▶ You have the option of sending me a direct message, or sending a question / comment to the full group of participants
 - ▶ No registration needed using Webex
 - ▶ Participants may dial-in, or use computer audio
 - ▶ Feel free to speak up with questions - state your name + organization the first time you speak

SAG Background

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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 Guiding Principles

The following guiding principles are intended to support collaborative discussion:

1. ***Build trust and collaboration.*** SAG meetings are intended to build trust and collaborative working relationships among participants.
2. ***Educate and inform.*** SAG meetings are intended to educate and inform participants on specific topics. Parties are encouraged to ask questions and request follow-up if additional information would be informative to the group.
3. ***Offer constructive approaches and solutions.*** Parties are encouraged to raise issues and voice concerns when they don't support specific initiatives discussed at the SAG, including offering constructive approaches and solutions where possible.
4. ***Focus on the merits.*** SAG discussions should focus on the merits of an issue, rather than assertions of prior litigation positions that have already been resolved, unless there is a compelling reason/rationale to revisit the issue.
5. ***Ensure all interests are represented.*** Participation in SAG is open to all interested participants to encourage the discussion of a broad variety of interests, unless a topic presents a financial conflict of interest.
6. ***Participate in consensus discussions in good faith.*** Topics addressed in SAG may involve consensus decision-making. SAG participants will participate in consensus discussions in good faith, by engaging in respectful dialogue and listening to differing opinions of various parties.

SAG Website

- ▶ Visit www.ILSAG.info
- ▶ SAG website includes:
 - ▶ Agendas, meeting materials and notes for 14 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 IL-TRM Process

- ▶ **IL-TRM Administrator (VEIC) leads Technical Advisory Committee meetings to update the next version of the IL-TRM (Version 11.0)**
 - ▶ IL-TRM kick-off meeting was held Feb. 15
 - ▶ IL-TRM Version 11.0 will be finalized by Oct. 1
 - ▶ To join the IL-TRM distribution list, reach out to John Terborgh, VEIC: iltrmadministrator@veic.org
- ▶ **SAG Facilitator coordinates with IL-TRM process**
 - ▶ Addressing policy issues that arise during IL-TRM update process
 - ▶ Circulating IL-TRM deliverables to SAG
 - ▶ Updating SAG website (dedicated SAG webpage for each version of IL-TRM)
 - ▶ Participating in IL-TRM Technical Advisory Committee, as needed (facilitated by VEIC)
 - ▶ Participating in IL-TRM Income Qualified Working Group, as needed (facilitated by MUSE)

Coordination with IQ Accountability Committee

- ▶ **Income Qualified EE Accountability Committee is separate from SAG, with the purpose to “directly inform the design, implementation, and evaluation of the low income and public housing energy efficiency programs”**
 - ▶ Creation of a “low-income energy efficiency advisory committee” was originally directed by statute (Future Energy Jobs Act or FEJA) in 2017
 - ▶ IQ North and IQ South EE Advisory Committees launched in spring 2018
 - ▶ New statute (CEJA) passed in September 2021, including changes to the IQ Committee structure and focus - the IQ Committee re-launch is in the planning stage
 - ▶ IQ Committee is led by a separate Facilitator from SAG
 - ▶ SAG Facilitator regularly coordinates with the IQ Committee Facilitator on topics that may be of interest to both SAG and IQ Committee participants
 - ▶ Specific coordination steps between the groups in development

SAG in 2022

Recent Activities

- ▶ Regular SAG meetings have been paused since fall 2021, due to re-negotiations with Ameren Illinois, ComEd and non-financially interested stakeholders that signed the 2022-2025 Stipulated Agreements
 - ▶ Re-negotiations were needed due to passage of CEJA in Sept. 2021
 - ▶ Re-negotiations are in the final stage
 - ▶ Regular SAG activities will resume in March

Defining SAG Groups

▶ **Large Group SAG**

- ▶ Generally covers broad EE topics of interest to the larger group
- ▶ Prioritizes topics and issues that are required by the Policy Manual; directives to SAG from the ICC; and ICC-approved stipulated agreements between utilities and non-financially interested parties
- ▶ Other topics related to EE portfolio planning, design, implementation, and evaluation will be scheduled for Large Group SAG discussion as time and resources permit

▶ **SAG Working Groups**

- ▶ Established to discuss short-term issues that need resolution

▶ **SAG Subcommittees**

- ▶ Established for necessary issue-specific topics
- ▶ Generally longer-term discussions

2022 SAG Groups

▶ Large Group SAG

- ▶ Quarterly meetings planned
 - ▶ In addition to quarterly meetings: Net-to-Gross update process in September + annual EM&V plan process in December

▶ SAG Subcommittees

- ▶ Equity Subcommittee
- ▶ Network Lighting Controls Subcommittee
- ▶ Policy Manual Subcommittee

▶ SAG Working Groups

- ▶ Evaluation Working Group (*est. in 2021*)
- ▶ Market Transformation Savings Working Group (*est. in 2019*)
- ▶ Non-Energy Impacts Working Group (*est. in 2018*)
- ▶ Reporting Working Group (*est. in 2021*)

2022 SAG Groups (cont.)

▶ **SAG Steering Committee**

- ▶ Generally holds two meetings per year; members include senior representatives of utilities and non-financially interested stakeholders that signed 2022-2025 stipulated agreements with individual utilities
- ▶ 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

2022 Large Group SAG Schedule

▶ First Quarter

▶ February 22: Q1 Meeting

- ▶ Additional meeting will be scheduled for evaluators to present draft EM&V work plans for ComEd, Nicor Gas, Peoples Gas & North Shore Gas

▶ Second Quarter

▶ April 12-13: Q2 Meeting

▶ Third Quarter

▶ July 19-20: Q3 Meeting

▶ September: Annual Net-to-Gross Update Process (4 meetings)

▶ Fourth Quarter

▶ November 15-16: Q4 Meeting

▶ December 6-7: Annual meetings for evaluators to present draft EM&V work plans

**Note: A separate schedule is in development for Working Groups and Subcommittees, and will be reviewed by participants in those groups - a full SAG schedule for the year will be posted on the website*

SAG Working Groups

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Evaluation Working Group

- ▶ **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
- ▶ **Meetings:** Scheduled as needed
- ▶ **2022 Topics:**
 - ▶ Update on savings that can be claimed based on net market effects (research report-out by Opinion Dynamics and Ameren Illinois)
 - ▶ Additional evaluation questions that require discussion

Market Transformation Savings Working Group

- ▶ **Purpose:** To provide a forum for utilities and stakeholders to discuss Illinois market transformation initiatives, and the data/approach proposed to be used for savings protocols
 - ▶ Established in 2019 to reach agreement on a framework for market transformation savings, to be included in IL-TRM Version 8.0. Three meetings were held in 2021, 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 2022:**
 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. Discuss and if possible, reach agreement on how utilities may claim savings from market transformation initiatives
- ▶ **Meetings:** Three planned (Q2, Q3 and Q4); additional small group meetings as needed
- ▶ **2022 Topics:** Code Advancement project update; Retail Products Platform evaluation update; Gas Heat Pump Water Heaters; Thin Triple Pane Windows; other MT initiatives, as needed

Non-Energy Impacts Working Group

- ▶ **Purpose:** To discuss results from Illinois NEI studies
 - ▶ Working Group 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 to date have focused on discussing NEI research plans, results and methodologies, including economic impact methods
- ▶ **Working Group Website:** <http://www.ilsag.info/nei-working-group>
- ▶ **Meetings:** 1 or 2 expected
- ▶ **2022 Topics:**
 - ▶ Evaluators for Ameren Illinois and ComEd to provide a research update / research results on participant NEI research and C&I / business NEI research

SAG Working Group: Reporting Working Group

- ▶ **Purpose:** To discuss utility reporting, as needed
 - ▶ Quarterly and Annual reporting requirements can be found in the Policy Manual (see Section 6.5 - Program Administrator Quarterly Reports and 6.6 - Annual Summary of Activities)
 - ▶ Utilities file reports with the ICC, and share with SAG for posting on the [Utility Reports page](#); links to reports are circulated to SAG following each quarter
 - ▶ Utilities use statewide reporting templates - available on the [SAG Templates page](#)
 - ▶ Any changes to reporting need to be proposed through the Policy Manual update process
- ▶ **Working Group Website:** www.ilsag.info/reporting-working-group
- ▶ **Participation:** Open to all interested SAG participants, unless there is a financial conflict of interest
- ▶ **Meetings:** Scheduled as needed - several meetings anticipated in Q2
- ▶ **2022 Topics:**
 - ▶ Discuss ComEd metrics on EE and financial assistance in Q2 (as referenced in stipulation)
 - ▶ If there are updates needed to the quarterly or annual report templates, they can be discussed after Policy Manual Version 3.0 is filed

SAG Subcommittees

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Equity Subcommittee

- ▶ **Purpose:** To discuss topics related to equity in EE portfolios, as referenced in 2022-2025 EE Plan Stipulated Agreements
- ▶ **Working Group Website:** Coming soon
- ▶ **Participation:** Open to all interested SAG participants, unless there is a topic that represents a financial conflict
 - ▶ Coordinate with IQ EE Advisory / Accountability Committee Facilitator and Leadership Team(s)
- ▶ **Meetings:** Quarterly
- ▶ **Process:** Draft a Subcommittee Plan and schedule for review by Subcommittee participants
 - ▶ Anticipate April for first meeting - Subcommittee will continue throughout the 4-year EE Plan (2022-2025)
- ▶ **2022 Topics:**
 - ▶ Focus on time-sensitive topics from stipulated agreements, which may include
 - ▶ Market development initiative updates on research, vendor selection (if applicable)
 - ▶ Policy considerations, if needed (such as equity and affordability reporting metrics) - if pre-discussion would be useful before the Policy Manual process begins
 - ▶ Review and discuss Ameren Illinois program activity in the Champaign County Regional Planning Commission (CCRPC tool)

Network Lighting Controls Subcommittee

- ▶ **Purpose:** To discuss measures associated with network lighting controls
 - ▶ Discussion referenced in both Ameren Illinois and ComEd stipulations
- ▶ **Working Group Website:** Coming soon
- ▶ **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
- ▶ **Meetings:**
 - ▶ Quarterly meetings planned
 - ▶ Anticipate first meeting in late March

Policy Manual Subcommittee

- ▶ **Purpose:** To reach agreement on Policy Manual Version 3.0
 - ▶ Creation of Policy Manual Version 1.0 directed by ICC to SAG in 2014; Policy Manual filed with ICC for approval in 2015
 - ▶ Since the first version, there have been three updates-> Version 1.1 (minor legislative changes due to Future Energy Jobs Act in 2016); Version 2.0 (Subcommittee update process); and Version 2.1 (minor legislative changes due to Climate and Equitable Jobs Act in 2021)
- ▶ **Working Group Website:** Coming soon
- ▶ **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
 - ▶ Final consensus on Version 3.0 will be with utilities and non-financially interested parties
- ▶ **Meetings:** Monthly, starting in late May
 - ▶ Number of meetings needed will depend on how many policies are proposed for the Version 3.0 update

Policy Manual Subcommittee (cont.)

▶ Process:

- ▶ All participants will have an opportunity to propose policies, due by May 1 (a Policy Template will be circulated to SAG)
 - ▶ Participants are encouraged not to propose substantive changes to policies already in the Manual, unless necessary, and if so, to provide rationale
 - ▶ Coordinate with IQ Accountability Committee
- ▶ Kick-off meeting in late May
- ▶ The number of meetings needed depends on the number of policies proposed - a schedule will be presented to the Subcommittee at the first meeting
- ▶ Goal is to submit Version 3.0 with ICC for approval by Dec. 1, 2022 (this is a goal date mentioned in several utility Stipulated Agreements)

2022 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
- ▶ 2022 edits include:
 - ▶ Added definition of “financially interested party”
 - ▶ Minor edits to update references to correct EE Plans; references to the Policy Manual

Request for Feedback

- ▶ Questions, comments, and proposed redline edits on the final draft 2022 SAG Plan and SAG Process Guidance document due **by COB on Tuesday, March 8**
 - ▶ Send questions, comments and proposed edits directly to the SAG Facilitator, Celia Johnson: Celia@CeliaJohnsonConsulting.com
 - ▶ Documents will be finalized by Friday, March 11, and posted on the SAG website
- ▶ There is a separate distribution list for the Large Group SAG, each Subcommittee, and each Working Group
- ▶ Contact Celia Johnson to Join->
 - ▶ SAG Working Groups
 - ▶ Evaluation Working Group
 - ▶ Market Transformation Savings Working Group
 - ▶ Non-Energy Impacts Working Group
 - ▶ Reporting Working Group
 - ▶ SAG Subcommittees
 - ▶ Equity Subcommittee
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Q&A

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