



ENERGY FUTURES GROUP

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# CPAS and AAIG

UNDERSTANDING ILLINOIS ELECTRIC UTILITY SAVINGS GOALS

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# Energy Futures Group

Vermont-based clean energy consulting firm established in 2010

## Areas of Expertise

- Energy efficiency & renewable energy
- Program design
- Integrated resource planning
- Policy development
- Expert witness testimony
- Building codes
- Evaluation
- Cost-effectiveness

## Range of Clients

- Government Agencies
- Advocates
- Regulators
- Utilities



*Clients in 45 states and provinces plus regional, national and international organizations.*

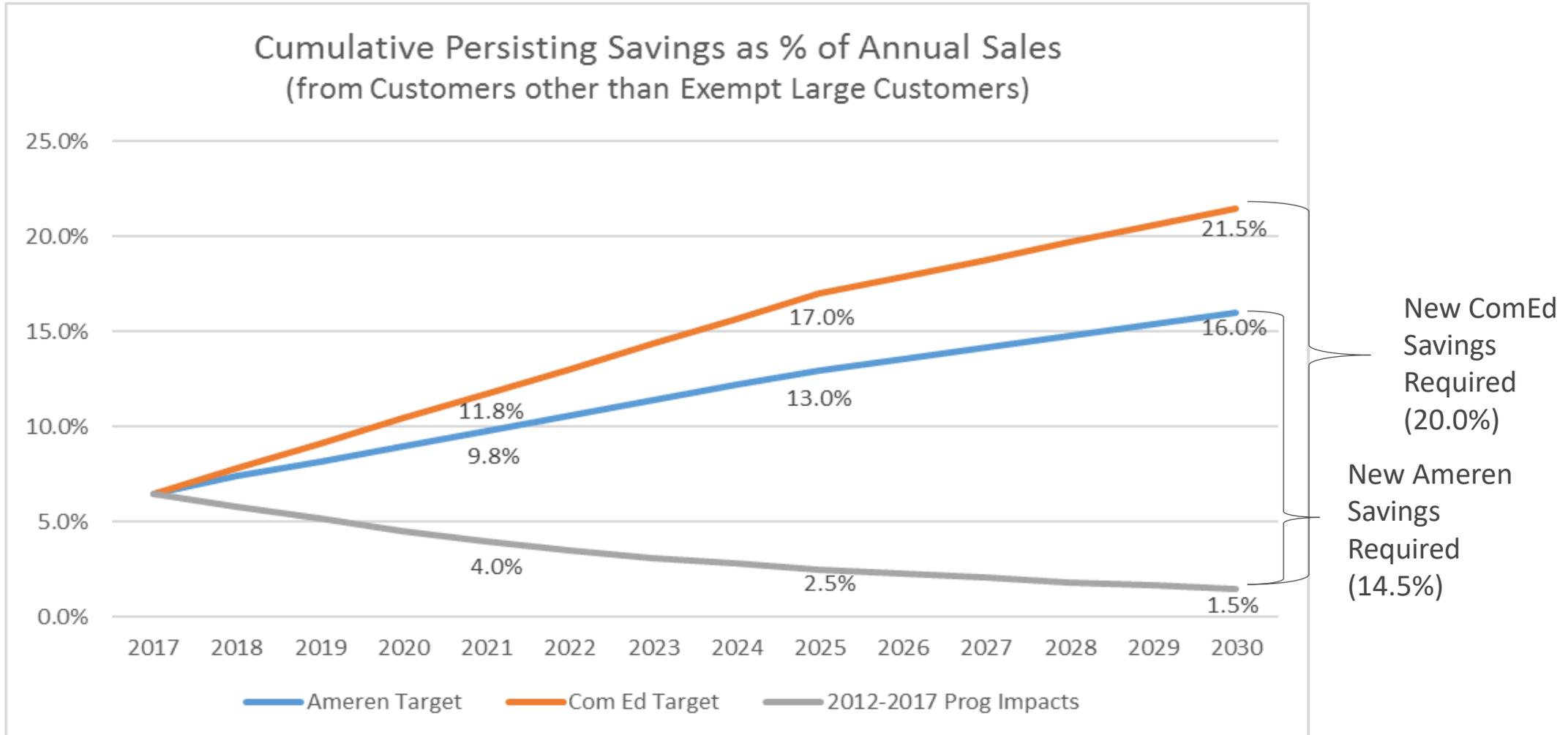
# Cumulative Persisting Annual Savings (CPAS) Goals

(Cumulative Persisting Savings from Measures Installed since 2012)

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(Average Annual Sales from 2014 through 2016  
from Non-Exempt Customers)

# Statutory CPAS Targets



# Applicable Annual Incremental Goal (AAIG)

- The metric upon which performance incentives based
- AAIG = Annual Growth in CPAS (per statute)
- Can only count progress towards AAIG after offsetting expiring savings
- Four “flavors” of expiring savings
  - From “legacy” 2012-2017 programs (trajectory defined in statute)
  - From post-2017 programs (function of utility measure mix)
    - Measures that reached end of life
    - Measures with baseline shift (e.g. early retirement measures)
    - Measures with savings degradation (e.g. Residential Behavior)

# Post-2017 Savings Expiration Example

	1st Year Savings	Persisting Savings from 2018 Installations													
		Life	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>Measures w/Fixed Lives</b>															
Frig Recycling	500	8	500	500	500	500	500	500	500	500	500				
New Central A/C	500	15	500	500	500	500	500	500	500	500	500	500	500	500	500
New Light Fixture	150	10	150	150	150	150	150	150	150	150	150	150	150		
<b>Measures w/Baseline Shift</b>															
T-12 early replacement	100	12	100	100	100	100	70	70	70	70	70	70	70	70	70
LED Lamp	40	10	40	40	10	10	10	10	10	10	10	10			
<b>Measures w/Savings Degradation</b>															
Residential Behavior	100		100	80	60	40	20								
<b>Total Persisting Savings</b>			<b>1,390</b>	<b>1,370</b>	<b>1,320</b>	<b>1,300</b>	<b>1,250</b>	<b>1,230</b>	<b>1,230</b>	<b>1,230</b>	<b>730</b>	<b>730</b>	<b>570</b>	<b>570</b>	<b>500</b>
<b>Expiring Savings</b>			<b>0</b>	<b>20</b>	<b>50</b>	<b>20</b>	<b>50</b>	<b>20</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>160</b>	<b>0</b>	<b>70</b>

Note: measure lives in this example are not from TRM; they are for illustrative purposes only.

# Hypothetical Example of CPAS Savings Calcs

	2017	2018	2019	2020	2021
CPAS Goal (statutory)	6.6%	<b>7.8%</b>	<b>9.1%</b>	<b>10.4%</b>	<b>11.8%</b>
2012-2017 Legacy Savings	6.6%	5.8%	5.2%	4.5%	4.0%
Post-2017 Hypothetical Savings					
	2018	2.0%	1.9%	1.8%	1.7%
	2019		2.1%	2.0%	1.9%
	2020			2.1%	2.0%
	2021				2.0%
Total CPAS Hypothetically Achieved		<b>7.8%</b>	<b>9.2%</b>	<b>10.4%</b>	<b>11.6%</b>

## Hypothetical Example of AAIG Calcs

		2018	2019	2020	2021
Expiring Savings					
	2012-2017	0.8%	0.6%	0.7%	0.5%
	2018		0.1%	0.1%	0.1%
	2019			0.1%	0.1%
	2020				0.1%
	2021				0%
	Total	0.8%	0.7%	0.9%	0.8%
New Savings Achieved		2.0%	2.1%	2.1%	2.0%
Progress Towards AAIG		1.2%	1.4%	1.2%	1.2%
AAIG		1.2%	1.3%	1.3%	1.4%
% of AAIG Achieved		100%	108%	92%	86%



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