

Fuel Conversion Comments from Interested Parties
July 8, 2021

Comments Submitted By	Request for interested parties to share feedback on next steps due to pending energy bill: 1) Proposal for SAG to pause Fuel Conversion Working Group policy discussion, related to site vs. source and IL AG legal analysis 2) VEIC recommendation for TAC Working Group to continue discussing a few technical questions, including determination of heat rate and treatment of gas savings for CHP
Ameren Illinois	AIC is in support of the proposal for SAG to pause Fuel Conversion Working Group policy discussion, related to site vs. source and IL AG legal analysis so long as it doesn't preclude further discussion. AIC is in support of the VEIC recommendation for TAC Working Group to continue discussing a few technical questions, including determination of heat rate and treatment of gas savings for CHP.
ComEd	ComEd supports pausing the Fuel Conversion Working Group policy discussion related to site vs. source and IL AG legal analysis, and addressing a few technical corrections at the TAC working group, most importantly the development of a heat rate. That said, we would like to point out that we support the pause because the TAC does not agree, in addition to the pending legislation. We do not agree that pending legislation alone should lead to deferring TAC issues, as legislation can take years to pass, and we do not like the precedent of that on its own being used to halt a TAC working group. As it relates to the development of an appropriate Heat Rate, ComEd recommends that VEIC not engage with stakeholders on a methodology until they have a proposal, and to that end, it would be best if VEIC can solve the problem as they see it and then make a recommendation to the group. Additionally, ComEd would also accept rolling over everything in the TRM another year if the heat rate item is addressed. Similarly to ICC Staff's recommendation of including a footnote in the TRM, we'd be interested in also including something similar noting the exemption from the 10% cap.
ICC Staff	Staff has no objections to pausing the Fuel Conversion working Group policy discussion, related to site vs. source and IL AG legal analysis, and addressing a few technical corrections at the TAC working group, provided there is consensus to do so. Staff understands that by "pausing" the policy discussion, parties agree to leave the source conversion savings calculations in the IL-TRM for the electric fuel switching measures. Staff recognizes that such source conversions directly contradict the site conversion calculations provided in recent drafts of the omnibus energy bill. Therefore, should source conversions remain in the IL-TRM electric fuel switching measures, Staff proposes to include a footnote on the conversion factors noting that if legislation is passed to adopt a site conversion factor, the site conversion factor of 3.412 shall be adopted.
IL Attorney General's Office	The AG has no objection to pausing the Fuel Conversion Working Group policy discussion related to site vs. source and our legal analysis. But we would prefer also delaying TAC Working Group conversations (even those involving heat rate and gas savings from CHP) if people think that the legislation is going to change the conversation about site v. source. We think that having the full legal landscape will streamline conversations on all these issues.
Nicor Gas, Peoples Gas & North Shore Gas	We agree that the site vs. source conversations and discussion of the IL AG's legal analysis of the statutes governing electric utilities should be paused. We support continuing discussions related to the IL AG's legal analysis of the statutes governing gas utilities. We agree that the TAC Working Group should continue discussing the technical questions, including the treatment of gas savings from CHP. The TAC should not continue heat rate discussions before the 7/15 SAG Working Group meeting because a policy decision is needed before meaningful heat rate discussions can resume. Specifically, a policy decision needs to be made as to whether or not the existing screening method can be adjusted to include estimated future energy consumption over the lifetime of the measure. As discussed in the PGL/NSG and Nicor proposal, a decision could narrow the focus of the TAC Working Group, or introduce subsequent policy questions that would also need to be answered before the TAC can resume heat rate discussions.
NRDC	NRDC supports pausing discussion of site vs. source and IL AG legal analysis.