

Introduction to June 27 Policy Manual Meeting + Policy Background

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June 27, 2023 Meeting

Process Reminder

- ▶ **The Policy Manual update process kicked off in June 2022, when policy proposals were due**
 - ❖ This is an opportunity to collaborate on EE policy development
 - ❖ One of SAG’s “Guiding Principles” is to participate in consensus discussions in good faith
 - ❖ Compromise will be needed from all participants

- ▶ **Today is meeting #14 of the Policy Manual Subcommittee**
 - ❖ In addition, there have been 15 Policy Small Group meetings to follow-up on various policies
 - ❖ This group has made great progress! Goal is to file the Policy Manual with the ICC for approval by end of August
 - ❖ There are several other SAG activities that will not take place until the Policy Manual is finalized:
 1. SAG Reporting Working Group to discuss metrics related to the IQ reporting principle policies (finalize metrics by end of 2023)
 2. SAG Greenhouse Gas Savings Working Group to discuss GHG savings questions (finalize by end of 2023, or identify non-consensus issues)
 3. SAG Facilitator to develop, request feedback on, & finalize plan for 2024 SAG Portfolio Planning Process

Steps to Finalize the Policy Manual

▶ July: Conclude policy discussions

- ❖ Discuss follow-up on any remaining open items by end of July
- ❖ Discuss whether any policy issues remain non-consensus, and whether a non-consensus comparison exhibit will be filed when the Policy Manual is submitted to the ICC for approval
- ❖ As policies reach “final draft” form, they are posted on the [Policy Manual Subcommittee webpage](#)
- ❖ SAG Facilitator will incorporate redline edits for all “final draft” policies, to share with Writing Committee

▶ August: Writing Committee / Attorney Review Meetings

- ❖ The purpose of convening a Policy Manual Writing Committee after policies are finalized, before filing the Policy Manual with the ICC, is to ensure final policy language has a consistent voice, “look and feel”, and content, avoiding substantive edits
- ❖ Writing Committee is open to non-financially interested attorney participants and ICC Staff
- ❖ Final Policy Manual circulated to Subcommittee for “errors only” review
- ❖ **File Policy Manual with ICC by end of August**

Open Items

- ▶ **Feedback on IQ Policies from SAG Equity Subcommittee, IQ North EE Committee, and IQ South EE Committee:**
 - ▶ Joint meeting held on Monday, June 26
 - ▶ **Next Steps:** Written feedback is due by Thursday, July 13; Policy Manual Subcommittee will discuss feedback received on July 19
- ▶ **CPAS Goal Setting:** This is a ComEd policy proposal - a small group met twice and is reviewing edited language
 - ❖ **Next Step:** This policy will likely not be included in Policy Manual, but will be finalized in the same timeframe
- ▶ **Policy Manual Section 8 Edits:** A small group proposed edits to Policy Manual Section 8, to reflect “costs as costs and benefits as benefits”
 - ❖ Edits were circulated to the Subcommittee for review in Jan. with comments due early Feb.
 - ❖ Blacks in Green and Peoples Gas/North Shore Gas submitted comments; the Small Group incorporated minor edits
 - ❖ **Next Steps:** An updated redline with minor edits was circulated on Monday, June 26
 - Comments are due by Monday, July 10
 - If needed, discuss comments at Tuesday, July 11 meeting

Upcoming Deadlines

▶ **Deadline: Monday, July 10**

- ❖ Final comments due on Policy Manual Section 8 Edits (Total Resource Cost Test policies)

▶ **Deadline: Thursday, July 13**

- ❖ Comments Due on IQ Policies Presented June 26 (this is a comment deadline for the SAG Equity Subcommittee, IQ North EE Committee, and IQ South EE Committee)

Final Policy Manual Meetings

- ▶ **Policy Manual Subcommittee Meeting: Tuesday, July 11**
 - ❖ Follow-up on June 27 meeting, if needed
 - ❖ Follow-up on Section 8 edits, if needed
 - ❖ Discuss Proposed Effective Dates for all policies
 - A table with proposed effective dates will be circulated for review this week
 - Be ready to discuss any questions or concerns about effective dates to the July 11 meeting
- ▶ **Policy Small Group Meeting: Thursday, July 13**
 - ❖ Follow-up discussion on renewable energy/EE policy
- ▶ **Policy Manual Subcommittee Meeting: Wednesday, July 19**
 - ❖ Discuss incorporating feedback received on IQ Policies
 - ❖ Follow-up on open items, if needed - there are no more Subcommittee meetings scheduled

June 27 Policy Topics

Background on Administrative Edits

- ▶ There are several minor edits raised as part of the Policy Manual update process
- ▶ SAG Facilitator incorporated “administrative” edits in redline
- ▶ **During today’s meeting:**
 - ❖ Introduce administrative edits + discuss feedback
 - ❖ Determine next steps - can the edits be finalized? Or is additional review needed?

Background on ICC Staff Prohibited Expenses Proposal

- ▶ “Prohibited Expenses” is an existing Policy Manual policy
 - ❖ ICC Staff submitted several proposed edits to the Prohibited Expenses policy in June 2022, as one of the policies to be considered in the Policy Manual update process
 - ❖ One of the proposed edits is an issue in an open docket (incentive compensation), therefore will not be discussed in this Policy Manual process
 - ❖ ICC Staff presented an updated version of the policy proposal on May 31
 - ❖ Written feedback was requested
 - ❖ Feedback was submitted by Ameren Illinois and Nicor Gas
- ▶ **During today’s meeting:**
 - ❖ ICC Staff will respond to written feedback
 - ❖ Determine next steps

Background on Peoples Gas & North Shore Gas Compromise Proposal

- ▶ Peoples Gas & North Shore Gas presented a Fuel Switching Policy Proposal, discussed at the January and February meetings
 - ❖ Interested Subcommittee participants shared written feedback on electrification proposals following the January meeting
 - ❖ Following the comment submittals, the Fuel Switching Policy was determined to be non-consensus, to follow-up at the end of the Policy Manual process
- ▶ **During today's meeting:** Peoples Gas & North Shore Gas will present a compromise proposal
 - ❖ Discuss feedback on the compromise
 - ❖ Determine next steps

Background on Nicor Gas Electrification Proposals

- ▶ At the May 31 meeting, Nicor Gas presented higher level policy proposals on *electrification bill impact calculations* and *electrification savings verification*
 - ❖ The higher level policy proposals are in response to feedback shared in February
 - ❖ Written feedback was requested, including specific feedback on any components of the policy proposals that could be accepted in the Policy Manual
 - ❖ Feedback was submitted by Ameren Illinois, ComEd and joint stakeholders (NRDC, National Consumer Law Center, and IL Attorney General's Office)
- ▶ **During today's meeting:**
 - ❖ Nicor Gas would like to clarify the comments submitted
 - ❖ Determine next steps