

Introduction to SAG Market Transformation Small Group

Celia Johnson, SAG Facilitator
Wednesday, October 26 Meeting

Presentation Agenda

- ▶ Background and Purpose of MT Small Group
- ▶ MT Small Group Topics
- ▶ Proposed Schedule
- ▶ Q&A

Background and Purpose of MT Small Group

▶ Background

- ❖ In 2022, the SAG MT Savings Working Group approved edits to IL-TRM Attachment C, the Framework for Market Transformation Savings in Illinois
- ❖ The final meeting to discuss Attachment C edits was held in August - ComEd suggested a “MT Small Group” be created in the IL-TRM off-season to discuss several open MT questions
 - See [August 16](#) ComEd presentation: [MT Edits to Attachment C \(ComEd Presentation\)](#)

▶ Purpose

- ❖ To resolve open market transformation questions before the next IL-TRM update process begins in spring 2023.

▶ Participation

- ❖ Open to all interested Working Group participants, unless a topic may present a financial conflict of interest or when consensus resolution is needed

Background and Purpose of MT Small Group

- ▶ **Meeting Frequency**

- ❖ Monthly

- ▶ **Timing to Resolve Open Issues**

- ❖ By end of Q1 2023 (March)

MT Small Group Topics

▶ Topic 1: Logic Model Definition

- ❖ Define “preponderance of the evidence” - a term used in IL-TRM Attachment C to evaluate the impact of the Logic Model for an MT initiative
- ❖ Discuss what this term means and how it will be applied for MT initiatives; discuss theory-based evaluation

▶ Topic 2: MT Energy Savings Framework

- ❖ Define specific re-opening criteria for this Framework
- ❖ Define what happens to MT savings (retrospectively and prospectively) when the Framework is revised; when does a utility get credit for future savings? What savings can be “put in the bank” for later?

▶ Topic 3: MT Policy Questions

- ❖ Several policy questions were raised when the MT Framework was developed in 2019
- ❖ Working Group reached “final draft” resolution in mid-2020, but was not ready to finalize given the early status of MT initiatives in IL

MT Small Group Topics

▶ Topic 3: MT Policy Questions

- ❖ Several policy questions were raised when the MT Framework was developed in 2019
- ❖ Working Group reached “final draft” resolution in mid-2020, but was not ready to finalize given the early status of MT initiatives in IL
- ❖ Small Group to discuss:
 - Whether participants are comfortable with current final draft policy resolution, or whether additional edits are needed
 - In what forum does this resolution belong? Options include TRM Attachment C, IL EE Policy Manual, or SAG website
 - [Click here to download the Proposed Market Transformation Policy Resolution \(clean final draft, June 2020\)](#)

Proposed Schedule

Small Group Meeting Date	Topics
Small Group Meeting #1: Wed. October 26, 2022 (9:00 - 10:30 am)	<ol style="list-style-type: none">1) Introduction to MT Small Group2) Discuss Topic 1 - Logic Model Definition
Small Group Meeting #2: Wed. November 30, 2022 (10:30 am - 12:00 pm)	<ol style="list-style-type: none">1) Follow-up on October meeting2) Discuss Topic 2 - MT Savings Framework
Small Group Meeting #3: Mon. December 19, 2022 (10:30 am - 12:00 pm)	<ol style="list-style-type: none">1) Follow-up on November meeting2) Discuss Topic 3 - MT Policy Issues
Small Group Meeting #4: Wed. January 11, 2023 (10:30 am - 12:00 pm)	<ol style="list-style-type: none">1) Follow-up on December meeting2) Agenda TBD, depending on status of prior meetings
Small Group Meeting #5: Mon. February 13, 2023 (10:30 am - 12:00 pm)	<ol style="list-style-type: none">1) Follow-up on January meeting2) Discuss final draft resolution of open issues
SAG MT Savings Working Group Q1 Meeting: Wed. March 8, 2023 (10:00 am - 12:00 pm)	Among other topics, present resolution of open issues to larger Working Group, request final comments

What burden of proof should be applied to meet “preponderance of evidence” test?

*“Because the unit of analysis is an entire market not a single transaction, MT evaluations tend to require numerous pieces of evidence that 1) change is occurring; and 2) the program is influential in that change. **A preponderance of evidence approach, rather than proof is most often required.**”*

- Illinois TRM, Attachment C

*“Successful incorporation of MT initiatives into a program portfolio that is dominated by resource acquisition programs generally **requires that stakeholders accept these methodological differences** between the two program approaches, and the fact that with MT initiatives, **attribution can typically only be established qualitatively.**”*

- Illinois TRM, Attachment C

Q&A

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