

IL EE Stakeholder Advisory Group Large Group SAG Evaluation Plan Meeting (Day 2)

Wednesday, December 7, 2022

10:00 – 11:45 am

Teleconference

Attendees and Meeting Notes

Meeting Materials

- Posted on the [December 7 Meeting page](#):
 - [Wednesday, December 7 SAG Evaluation Plan Meeting Agenda](#)
 - [Guidehouse Presentation: Nicor Gas 2023 Evaluation Plan](#)
 - [Guidehouse Presentation: Peoples Gas & North Shore Gas 2023 Evaluation Plan](#)

Attendees (by webinar)

Celia Johnson, SAG Facilitator
Greg Ehrendreich, Midwest Energy Efficiency Alliance (MEEA) – Meeting Support
AJ Young, US Green Link
Allen Dusault, Franklin Energy
Andrey Gribovich, DNV
Andy Vaughn, Leidos
Anisa Sakile, Utilivate
Carina Paton, Frontier Energy
Charles Ampong, Guidehouse
Chris Vaughn, Nicor Gas
Christian Koch, MEEA
David Brightwell, ICC Staff
David Weaver, Citizens Utility Board
Dena Jefferson, Franklin Energy
Edith Makra, Metropolitan Mayors Caucus
Elizabeth Horne, ICC Staff
Gregory Norris, Aces 4 Youth
Hannah Collins, Leidos
Jane Colby, Apex Analytics
Jeff Erickson, Guidehouse
John Carroll, Ameren Illinois
John Lavallee, Leidos
Jonathan Skarzynski, Nicor Gas
Kathryn Brewer, CLEAResult
LaJuana Garrett, Nicor Gas
Lance Escue, Ameren Illinois
Laura Agapay-Read, Guidehouse
Mark Szczygiel, Nicor Gas
Martha White, Nicor Gas
Matt Armstrong, Ameren Illinois
Michael Brandt, Elevate
Mike King, Nicor Gas

Monique Leonard, Ameren Illinois
Philip Mosenthal, Optimal Energy, representing IL AG's Office and NCLC
Randy Opdyke, Nicor Gas
Rohith Mannam, Nicor Gas
Ronna Abshure, ICC
Seth Craigo-Snell, SCS Analytics
Steffen Canino, The Will Group
Stephen Robinson, Northwest Austin Council
Stu Slote, Guidehouse
Sy Lewis, Meadows Eastside Community Resource Org
Ted Weaver, First Tracks Consulting, representing Nicor Gas
Thomas Manjarres, Peoples Gas & North Shore Gas
Tina Grebner, Ameren Illinois
Victoria Nielsen, Applied Energy Group
Wade Morehead, Morehead Energy
Zach Ross, Opinion Dynamics

Meeting Notes

Opening & Introductions

Celia Johnson, SAG Facilitator

Purpose of the December 7th meeting: For the Nicor Gas, Peoples Gas and North Shore Gas evaluators to provide an overview of and request feedback on draft evaluation plans (EM&V work plans) for the 2023 program year, including updates on 2023-2025 evaluation activities. Draft written evaluation plans will be provided December 15th and circulated to SAG.

Nicor Gas Evaluation Plan

Laura Agapay-Read, Guidehouse

- The presentation will be similar to the one earlier this year with updates for the 2023 evaluation plan. Will discuss the timeline, the research at the program level, the portfolio level budget allocation, and the coordination with other evaluation teams.
- Nicor Gas Portfolio for 2023 – planning most of savings to come from the non-residential sector (52%) and a little more than a third from residential. Program budget for 2023 is \$45M, and the evaluation budget is capped at 3% of that.
- Introduction to the evaluation
 - Program level research, portfolio level research.
 - Certain activities are most important for the year – gross impact for all programs, net to gross for select programs, market research and income eligible programs. Updating TRM, calculating societal and participant NEIs and a variety of statistics (verified savings, ben-cost test results, economic impacts).
 - For the key activities, will be doing the gross impact analysis on all programs starting mid-year with some custom sampling near the end. At the beginning of '24 will start the yearly evaluation process. Certain program evaluations will start at the end of the year.
 - As far as portfolio level work, we have non-residential and non-participant spillover. Finalizing reporting for last year and initiating the planning process. TRM updates and other research for 2023.
- Of the program level research, the gross impact evaluation research is generally EOY for every program. For large programs or new programs with greater uncertainty, we do

a mid year review. For complex projects we do a parallel path review (which I will explain later). We either use TRM values or custom evaluation, or some programs have a consumption data regression analysis. We conduct a census for measures and programs where we are doing a TRM review. For custom projects we take a sample. For consumption data analysis is a single project or a participating population. Our NTG research only happens once per portfolio cycle for most programs – driven by a change in program design that would affect free ridership or spillover, or a change in the market. We apply the statewide TRM protocol and general approach is online, sometimes with telephone. Try to collect free ridership info close to the decision making, and 12 months after to collect spillover information. Target both participating customers and trade allies for most of the research. May also reach out to non-participants for nonparticipant spillover.

- Other research includes process research. Generally, conduct as needed and as opportunities arise through joint efforts. Sometimes this is combined with NTG survey. We use the evaluation best practices and it often involves review of program materials, focus groups, surveys, and secondary research.
- Timeline for the impact evaluation for 2023 spans two years. For the mid-year impact review, we start in Q3 for the TRM based measures. For custom projects we do two waves of sampling – Q3 and Q4. This is commensurate with risk – we want to identify any issues that would affect realization rates early in the process. The annual year end impact analysis happens in Q1 of 2024 and reported in Q2. The portfolio results are rolled up in Q3. Throughout the year there is a parallel path review – engage with projects at their beginning if they are complex or large or new.
- Impact evaluation – illustrates the activities we do for each of the programs. For most programs there is TRM based verification. Exception is custom programs, which get custom M&V – multifamily and custom programs and SEM. The parallel path review is done as needed for those programs. The interim reviews are the TRM, done for every program basically, and you can see where we conduct a sample for M&V for certain programs.
- Wave 1 – NTG timeline – framed by the state NTG framework. Start with delivering final consensus values on Oct 1 to be effective the next year. To get there we start about the same time the year before, preparing for surveys and interviews, launching in first quarter. Finally evaluation and reporting and finalizing in May-August. September is dedicated to the SAG process of reviewing recommendations.
- There are 4 NTG evaluation activities planned to be reported in 2023. Home Energy Savings Direct Install, Residential Advanced T-Stat, Non-Res New Construction and sector-wide non-participant spillover study (coordinated with the Ameren Illinois evaluation team.) In 2023 we will start review of 7 programs that will report in 2024 to be effective in 2025.
- Market Transformation – activities are dependent on the state of each effort. New effort is growing. When the MT program is at its beginning, we may assist in developing the concept and making sure features are in place so savings can be calculated. Once it launches and is running, conduct research and verification to estimate savings following the newly developed protocol in the TRM. Several MT efforts listed on the slide. Coordinates with other utilities on additional initiatives, requiring coordination with the other evaluation teams.
- Portfolio level topics span programs or sectors or the whole portfolio. One of the most important is TRM support research – to update the TRM impact sections with new inputs for existing algorithms or new algorithms for new measures. Submitting and reviewing workpapers, conducting the research. Includes refining the protocols for NTG and MT

analysis in the TRM. In particular, for Nicor in 2023, looking at an in-service rate follow up survey for kits programs. Also looking at ASHP, water heater temp setback and an update to IE measures – looking to see if there are any IE specific inputs that should be included in the TRM that aren't now. We coordinate with the other evaluation teams on several fronts – non-res New construction, NP spillover study, NEI studies, commercial food process survey, building codes and performance standards. Annual reporting includes verified savings and costs, water savings, CO2 reductions, special reporting on high impact measures for the TRM, cost effectiveness results, economic impacts. Generally annual reports are in Q3 of the next year.

- Evaluation budget – prioritize verifying savings and reporting on them. That's the top priority. After that we consider specific orders or input from stakeholders. Also consider impact to total portfolio savings. Also consider utility and implementer needs and opportunities to leverage research with other evaluation teams, especially on cross-cutting issues. Half of budget goes to impact, about a third to NTG, process, TRM and MT. The rest goes to planning, SAG and reporting.
- Evaluation coordination – we coordinate with colleagues on the Ameren, ComEd and PG/NSG teams – both with ODC and internally with ourselves. For joint programs we generally have one team conduct the impact evaluation do both impact and NTG research. Reporting starting this year will be separate, as discussed yesterday – that's because ComEd has a new program structure that makes a single report not feasible for electric and gas for joint programs. We also coordinate with calculation of benefit cost tests, TRM research, and on process research where it makes sense, and on statewide research like the non-res, non-participant spillover research. Other coordination includes SAG, the TAC for the TRM, the NTG working group, and monthly evaluator calls.

Peoples Gas and North Shore Gas Evaluation Plan

Laura Agapay-Read, Guidehouse

- This presentation is also based on the April presentation with highlights for 2023. Most of it is in line with the Nicor Gas, because we strive for consistency for all our Illinois clients. I will highlight the items specific to PG/NSG.
- The 2023 portfolio has a different profile than Nicor – more share for the residential sector. The budgets together are less than \$30M. Eval budget is capped at 3% of that.
- We also have program, portfolio level research. We conduct gross impact for every program, NTG once per cycle, process as needed.
- Skipping the overview slide to talk more about timing. Timing is the same. Interim reviews for TRM based measures. Custom reviews in two waves. And then year end annual reporting and the parallel path for large and complex projects.
- Impact Evaluation – overview of programs that are specific to PG/NSG. For every program or almost every we do TRM based verification. For MF and custom, we do a custom M&V. We do parallel path as needed.
- NTG schedule for Wave 1 looks much the same – driven by the regulatory framework where we finalize values on Oct 1 for the following year.
- Overview of when we will conduct research for each program. We have 5 where we will be providing NTG results in fall of 2023 – Home Energy Jumpstart, Res Advanced T-stat, MF Trade Allies, Non Res New construction, and Residential non-IE non-participant spillover study.
- Involved in two MT efforts and the statewide coordination on MT programs.
- The portfolio level research looks much the same. There are specific efforts for PG/NSG and joint IE measures. There are some others under consideration. The non-TRM

research includes NEIs, the non-participant spillover for res and non-res, stretch codes, and building performance standards. Reporting is the same as for Nicor Gas.

- Evaluation budget – same guiding principles as with Nicor – get realized in similar shares. Impact evaluation is 55% of the total budget, NTG & process & TRM is a quarter, etc.
- Evaluation coordination is the same. The teams that evaluate Nicor are the same that evaluate PG/NSG. That simplifies that coordination. When it comes to coordination with ComEd, we have routine calls monthly and also check-ins as needed.

Closing & Next Steps: Written draft evaluation plans for Nicor Gas, Peoples Gas & North Shore Gas will be available December 15th, and will be circulated to SAG.