

**Illinois EE Stakeholder Advisory Group
Large Group SAG Meeting**

**Wednesday, December 4, 2024
10:00 am – 12:00 pm
Teleconference**

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Meeting Materials

- [Wednesday, December 4 SAG Evaluation Plan Meeting Agenda](#)
- [Guidehouse Presentation: Nicor Gas Draft 2025 Evaluation Plan](#)
- [Guidehouse Presentation: Peoples Gas and North Shore Gas Draft 2025 Evaluation Plan](#)

Attendees

Name	Company or Organization
Celia Johnson	SAG Facilitator (Celia Johnson Consulting)
Jane Anderson	SAG Meeting Support (Inova Energy Group)
Abigail Miner	IL Attorney General's Office
Andrey Gribovich	DNV
Andy Vaughn	Leidos
Anu Shree	Bidgely
Bruce Liu	Nicor Gas
Cassidy Kraimer	Community Investment Corp.
Charles Ampong	Guidehouse
Charles Schreier	Go Sustainable Energy, representing IL AG
Clayton Schroeder	Resource Innovations
Danish Murtaza	Peoples Gas & North Shore Gas
David Brightwell	ICC Staff
Dena Jefferson	Franklin Energy
Ebony Buchanan	CEDA
Elizabeth Horne	ICC Staff
Eljona Fiorita	CLEAResult
Erin Stitz	Applied Energy Group
Hannah Howard	Opinion Dynamics

Name	Company or Organization
Houston Downen	Frontier Energy
Ian VanArsdall	Nicor Gas
Jarred Nordhus	Peoples Gas & North Shore Gas
Jeff Erickson	Guidehouse
Jennifer Alvarado	Franklin Energy
John Carroll	Ameren Illinois
John Lavallee	Ameren Illinois
John Yi	CEDA
Josh Ramos	Nicor Gas
Kathryn Brewer	CLEAResult
Katie Parkinson	Apex Analytics
Keely Hughes	The JPI Group
Ken Parker	Community Investment Corp.
Kit White	MEEA
LaJuana Garrett	Nicor Gas
Laura Agapay-Read	Guidehouse
Louis	No Organization Identified
Marlon McClinton	Utilivate
Nate Baer	i3 Energy
Nicholas Burstein	CMC Energy
Nicole Popejoy	IACAA
Nishant Mehta	Guidehouse
Nora Fitton	ICC
Oxana Petritchenco	Guidehouse
Randy Opdyke	Nicor Gas
Rashaan Keeton	Center for Energy & Environment
Rose Williamson	Opinion Dynamics
Sagar Phalke	Guidehouse
Sara Castleberry	Resource Innovations
Shawn Haas	Peoples Gas & North Shore Gas
Ted Weaver	First Tracks Consulting, representing Nicor Gas
Thomas Ketchum	South Suburban Action Conference
Tori Woolbright	Metropolitan Mayors Caucus
Wisit Kumphai	Resource Innovations

Meeting Notes

See **red text** for follow-up items.

Opening and Introductions

- Purpose of the December 4th meeting: For independent evaluators for Nicor Gas, Peoples Gas and North Shore Gas to provide an overview of and request feedback on draft evaluation plans (EM&V work plans) for the 2025 program year.

- This annual process is required by Illinois Energy Efficiency Policy Manual Section 10.1, EM&V Work Plans.
- SAG also met on Tuesday, December 3rd to discuss draft evaluation plans for Ameren Illinois and ComEd.
- [SAG Facilitator Introduction: Purpose of Annual Evaluation Plan Meetings](#)

Nicor Gas 2025 Draft Evaluation Plan

Laura Agapay-Read, Guidehouse

Agenda

- Introduction to 2022-2025 Evaluation Activities and Timeline
 - Key PY2025 Evaluation Activities
- Program-Level Research
 - Impact
 - Net-to-Gross (NTG)
 - Process
 - Income Eligible/Income Qualified
 - Market Transformation
- Portfolio-Level Research
- Budget Allocation
- Coordination
- Q&A and Feedback
- *Note: plans have not changed substantially

Evaluation Plan Schedule

- Presentation to SAG: December 4
- First Draft: December 15
- Comments Due on Evaluation Plan: January 15
- Second Draft: January 30
- Comments Due on the Second Draft: February 12
- Final: February 28

Evaluation Plan of the 2022-2025 Portfolio Cycle

- Program-Level Research
 - Gross Impact Research
 - Conducted annually, all* programs
 - *A program that accounts for less than 3% of portfolio savings and has a history of consistent verified savings realization rates with values close to 100% at both the measure level and the program level will be considered for applying the previous year's realization rates
 - Net-to-Gross (NTG) Research
 - Conducted once per cycle for most programs
 - Process Research
 - Conducted based on program need, cost, and joint opportunities
 - Market Transformation (MT)
 - New this year
 - Advise statewide efforts
 - Research and verification of implemented initiatives
 - Income Eligible

- Explore joint research opportunities targeting program outreach and delivery
 - Conduct research
- Portfolio-Level Research and Activities
 - TRM Update Support
 - TRM v14, Q1 through Q3
 - Prioritize support for future updates
 - Refine NTG and MT protocols
 - Non-Energy Impacts (NEIs)
 - Joint research on Societal, Utility, and Participant NEIs
 - Annual Reporting
 - Verified savings and TRC
 - Economic impacts
 - Collaboration
 - With ComEd on joint programs and research
 - Statewide
- Key Activities for 2025
 - Program-Level
 - Gross impact on 2025 programs, starting mid-year,
 - Custom sampling in 2024 Q3/Q4
 - End-of Year in 2025 Q1/Q2
 - NTG for selected programs starting 2024 Q4
 - Portfolio-Level/Statewide
 - 2025 Planning
 - TRM v14 update participation

The Nicor Gas 2025 Portfolio

- Income Eligible
 - Program Budget: 28%
 - Net Therms: 10%
- Residential
 - Program Budget: 26%
 - Net Therms: 38%
- Small Business
 - Program Budget: 4%
 - Net Therms: 8%
- C&I and Public Sector
 - Program Budget: 24%
 - Net Therms: 52%
- Portfolio Functions
 - Program Budget: 21%
 - Net Therms: 0%

Program-Level Research

Overview of 2022-2025 Evaluation

- Depends on magnitude of project size: Large and complex custom projects, conduct parallel path reviews. For most programs, do a mid-year review. For small programs with a history of consistent realization rates near 1, use realization rate from the prior year
- Three Types of Research

- Gross Impact Evaluation Research
 - Timing
 - End-of-Year on most programs
 - Small programs with history of realization rates consistently near 1.0 receive 2024 RR
 - Most programs receive mid-year review
 - Large or complex custom projects receive parallel path / early review
 - Methodology
 - TRM-based measure verification
 - Custom projects M&V protocols
 - Consumption data regression
 - Approach
 - TRM measures: Census review
 - Custom Projects: File review on a sample, site M&V for a subset
 - Consumption Data Regression: single project or population
- NTG Research
 - Timing
 - Once per cycle for most programs
 - Change in program or market
 - Prioritize need
 - Methodology
 - Apply statewide protocol in TRM, approved by SAG NTG Working Group, or as proposed in a deviation memo
 - Approach
 - On-line survey and/or telephone
 - Free-Ridership survey close to participation
 - Spillover survey 12+ months after participation to allow for actions
 - Target
 - Participating Customers
 - Trade Allies
 - Non-Participant
- Process and Other Research
 - Done ad-hoc based on program need and cost
 - Timing
 - Conduct based on program need, cost, and joint opportunities
 - Can combine with NTG surveys
 - Methodology
 - Evaluation best practices
 - Approach
 - Review program materials
 - Often use survey research, on-line and/or telephone
 - Interviews and focus groups
 - Benchmarking
 - Secondary research
 - Target
 - Program managers, contractors
 - Customers and Trade Allies
 - Non-Participants

Impact Evaluation Timeline, 2025 Programs

- Interim Impact Review and Reporting
 - TRM-Based Measures: Interim Data in Q3 2025
 - Sampled Custom Projects – conduct an interim review in waves of a sample of projects: Wave 1 in Q3 2025, Wave 2 in Q4 2025
- Annual Impact and Evaluation and Reporting
 - Program-Level Impacts: 2025 End of Year in Q1 and Q2 2026
 - Verified Portfolio Cost and Savings Results: 2025 done in Q3 2026
 - Want to know how the programs are calculating savings early on and catch corrections early on
- Parallel Path review
 - Happens year-round. Reviews occur when program brings project to evaluators

Impact Evaluation – Residential

- Most programs have TRM-based measures, and the impact evaluation is TRM-based except for multifamily custom projects, which involves custom evaluation approach and sampling.
- See slide 10 for detailed table

Cassidy Kraimer (via chat): How many custom evaluations are typically done each year across the residential/multifamily programs? Is it possible to review a bit more what goes into custom evaluations?

- *Charles Among: Custom MF evaluation has been very minimal, up to 5 projects for Nicor. The approach is the same for how we do business custom evaluation. If the project is big enough for verification, we do it. But MF custom has been mostly desk file review and looking at project documentation. If necessary, we request interviews.*

Impact Evaluation – Income Qualified

- More custom type programs, fewer with TRM-based measures.
- Level of vigor and effort commensurate with savings and size.
- See slide 11 for detailed table

Impact Evaluation – Business and Public Sector

- See slide 12 for detailed table

NTG Evaluation Timeline

- We don't wait for year-end data to conduct NTG
- Started getting survey instruments in place in October

NTG Evaluation Draft Timeline

- Table colors:
 - Grey indicates work completed
 - Colors indicate work that is planned for reporting in 2025 framework

Market Transformation

- Initiatives well under way for Nicor Gas
- The Evaluator's role in MT depends on the maturity of the initiative and the Utilities' involvement

- Utility and stakeholders are engaged in MT concept and strategy development of an initiative
 - Evaluators provide “as needed” support to the effort
 - Evaluators advise on key elements of the MT savings protocol of promising initiatives
 - Program Theory and Logic Model, Natural Market Baseline, Savings per Unit / Gross Market Potential, Market Progress Indicators, Data Collection, Attribution and Allocation
- Utility implements an initiative and expects to claim savings
 - Evaluators conduct research and verification to estimate savings attributable to the Utility following IL TRM Attachment C
 - Evaluators perform annual review of savings calculator, work paper and market transformation program tracking data
- Nicor Gas is engaged in
 - High Performance Windows
 - Residential Gas Heat Pumps
 - Efficient Rooftop Units
 - Commercial Gas Heat Pumps
 - Stretch Energy Codes
- MT is coordinated with other Illinois utilities, third-parties, and SAG
 - Other initiatives are being developed, led by other parties
 - Coordination is within Illinois and Nationally

Abigail Miner: What coordination is happening nationally?

- *Laura Agapay-Read: We have national experts involved in the development of the programs and methods for establishing savings.*
- *Abigail Miner: How to measure or design?*
- *Laura Agapay-Read How to design the program, measure savings and how to verify them.*

Market Transformation – 2025 Approach

- Perform research as needed to support forthcoming first evaluation year for two MT initiatives
 - High Performance Windows
 - Residential Gas Heat Pump
- Finalize plan for setting baseline of various data sources including
 - Surveying stakeholder populations (suppliers, raters)
 - Setting up tracking for industry associations
 - Execute MT specific activities for active initiatives
- Support development of additional initiatives including
 - Efficient Rooftop Units
 - Commercial Gas Heat Pumps (HVAC)
 - Stretch Energy Codes

Portfolio-Level Topics

Overview of 2022-2025 Evaluation

- TRM Support and Research
 - TRM Update Support
 - TRM v14, Q1 through Q3 2025

- Submit / review workpapers
 - Participate in subcommittees
 - Participate in late October
 - “Evaluation Priorities” discussion led by TRM Administrator
 - Refine NTG and MT protocols via Working Groups
 - TRM Research
 - Prioritize by need, impact, and cost
 - Additional evaluation priorities are being considered: modest scope and budget, meaningful impact
- Other Research Planned or Under Construction
 - Opportunities to conduct joint research with ComEd, Ameren, Peoples & North Shore Gas
 - NEIs: Research on Societal, Utility, and Participant NEIs
 - Commercial Food Service Process Research
 - Stretch Energy Codes MT
 - Building Performance Standards MT
 - If non-joint, ensure that natural gas related topics are considered if appropriate
- Annual Reporting
 - Annual Reporting
 - Verified savings and program costs
 - Water savings, CO2 reduction
 - High Impact Measures for TRM
 - Cost-effectiveness TRC / PACT
 - Joint-program TRC
 - Economic impacts
 - Timing
 - Q3 each year, when final data is available
 - Q2 / Q3 2026 four-year summary
 - Ad Hoc Reporting

Evaluation Budget

- Overall budget is split between
 - Impact Evaluation
 - Crosscutting Activities (Management, Planning, and Reporting)
 - Research (NTG, Process, MT, Other)
- Prioritizing resources
 - Meet requirements for savings verification and reporting
 - ICC Orders and SAG Input
 - Program contribution to portfolio net savings
 - Program / Implementer needs and effectiveness
 - Opportunities to leverage joint research with other utilities
- Evaluation Budget
 - 4 year: %5,483,359
 - Per Program Year: \$1,370,840

Evaluation Coordination

- Guidehouse coordinates with the other utilities and their evaluation teams on an ongoing basis – this includes Ameren, ComEd, and Peoples and North Shore Gas Coordination beyond specific programs occurs as follows
- Gas / Electric Joint Program Evaluations

- Some jointly delivered programs are evaluated by a single team, producing a single report
- Joint or coordinated programs and measures are evaluated separately in some cases
- Evaluators calculate and report joint TRCs
- Monthly evaluation coordination meetings with all evaluation teams
- Coordination on NTG, Process, and TRM Research
 - TRM measure research considered on a case-by-case basis
 - Process research is done jointly when it is beneficial to do so
 - 2025 collaborative research planned
 - Statewide Midstream Food Service NTG Research
- Coordination beyond specific programs occurs as follows
 - SAG meetings, Illinois-wide issues
 - Illinois NTG Framework and Protocol Working Group
 - Illinois TRM Technical Advisory Committee
 - Evaluator coordination calls (monthly)

Peoples Gas and North Shore Gas 2025 Draft Evaluation Plan

Laura Agapay-Read, Guidehouse

Note: Plan for PG-NSG is very similar to Nicor Gas.

Agenda

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 - Income Eligible/Income Qualified
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Evaluation Plan of the 2022-2025 Portfolio Cycle

- Program-Level Research
 - Gross Impact Research
 - Conducted annually, all* programs

- Net Therms: 43%
- MDI
 - Program Budget: 2%
 - Net Therms: N/A
- Portfolio Costs
 - Program Budget: 16%
 - Net Therms: <1%
- Portfolio Total:
 - Program Budget: \$29,049,031
 - Net Therms: 7,023,142

North Shore Gas (NSG)

- Income Eligible
 - Program Budget: 20%
 - Net Therms: 5%
- Residential
 - Program Budget: 27%
 - Net Therms: 25%
- Business
 - Program Budget: 37%
 - Net Therms: 42%
- MDI
 - Program Budget: 2%
 - Net Therms: N/A
- Portfolio Costs
 - Program Budget: 16%
 - Net Therms: <1%
- Portfolio Total:
 - Program Budget: \$4,098,601
 - Net Therms: 1,998,927

Program Level Research

Overview of 2022-2025 Evaluation

- Depends on magnitude of project size: Large and complex custom projects, conduct parallel path reviews. For most programs, do a mid-year review. For small programs with a history of consistent realization rates near 1, use realization rate from the prior year
- Three Types of Research
 - Gross Impact Evaluation Research
 - Timing
 - End-of-Year on most programs
 - Small programs with history of realization rates consistently near 1.0 receive 2024 RR
 - Large programs and new measures receive mid-year review
 - Large or complex custom projects receive parallel path / early review
 - Methodology
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- Approach
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 - Verified Portfolio Cost and Savings Results: 2025 done in Q3 2026
 - Large or Complex Projects in Pre-App Stage: Happens year-round. Reviews occur when program brings project to evaluators

Impact Evaluation – Residential

- Looks similar to Nicor Gas – programs comprised of TRM-based measures that informs impact evaluation approach for programs that have small savings and have proven realization rates close to 1, using realization rate from 2024 for approach
- A couple channels that include custom measures with using custom-based approach and evaluation sample

Abigail Miner: If requested, can you say more about what that means – requested by whom?

- *Laura Agapay-Read: Parallel path review is when we take a look at the project before application phase, not the year-end review. The year-end review is not optional. The part that is optional is if the program identifies a project where they have some question on how savings are calculated, like a new custom project or very large one, then they can request that we conduct a parallel path review and just involves aligning approaches on how we measure savings*
- *Abigail Miner: When you say, “they request”, you mean the company?*
- *Laura Agapay-Read: Yes. It’s worked well—they alert us to risks early, like with a large project where they’ve never calculated savings before.*

Impact Evaluation – Income Eligible (IE)

- For IE, mostly TRM-based measures in these programs, except for MF and a couple that are small and consistent get realization rates from previous years

Impact Evaluation – Business and Public Sector

- Dominated by custom projects, so have a custom evaluation approach which may involve parallel path review, especially for the large or unusual projects
- Guidehouse can share the parallel path protocol if interested

NTG Evaluation Timeline

- Interview program staff, design survey instruments. Two months per program: Oct 1 to Jan 15 2024
- Prepare survey for fielding and launch. Field data collection lasts 4 weeks: Jan 15 to April 30, 2025
- Analyze responses and calculate NTG results: March 15 to July 15, 2025
- Finalize all NTG research memos: July 15 to August 31, 2025
- Present NTG recommendations to SAG and Utilities and make best effort to reach consensus: Sept 1 to Sept 30, 2025
- Final consensus NTG ratios deemed: Oct 1, 2025
- New consensus NTG ratios in effect: Jan 1, 2026

NTG Evaluation Timeline

- On the table on slide 14:
 - Grey indicates NTG completed research
 - Colors indicate NTG researched planned for 2025
 - MF is in continuation—continuing the survey to get enough response to get defensible results
 - Home Energy Rebates is the same

Market Transformation

- The Evaluator’s role in MT depends on the maturity of the initiative and the Companies’ involvement

- Company and stakeholders are engaged in MT concept and strategy development of an initiative
 - Evaluators provide “as needed” support to the effort
 - Evaluators advise on key elements of the MT savings protocol of promising initiatives
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- Company implements an initiative and expects to claim savings
 - Evaluators conduct research and verification to estimate savings attributable to the Company following IL TRM Attachment C
- PG-NSG are currently not engaged in MTI that would claim savings in 2025, so no evaluation planned there
- MT is coordinated with Nicor Gas, ComEd, Ameren Illinois, Third-Parties, SAG
 - Other initiatives are being developed, led by other parties
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Portfolio-Level Topics

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 - Research (NTG, Process, MT, Other)
- Prioritizing Resources
 - Meet requirements for savings verification and reporting
 - ICC Orders and SAG input
 - Program contribution to portfolio net savings
 - Program / Implementer needs and effectiveness
 - Opportunities to leverage joint research with other utilities
- Impact evaluation comprises most of the efforts (55%), followed by NTG research (25%), and finally the planning, SAG reporting (20%)
- Evaluation budget:
 - 4 Year: \$3,777,716
 - Per Program Year: \$944,429

Evaluation Coordination

- Guidehouse coordinates with the other utilities and their evaluation teams on an ongoing basis – this includes Ameren, ComEd, and Nicor Gas
- Gas / Electric Joint Program Evaluations
 - Some jointly delivered programs are evaluated by a single-team, producing single report
 - Joint or coordinated programs and measures are evaluated separately in some cases
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Closing and Next Steps

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- The Peoples Gas & North Shore Gas 2025 Draft Evaluation Plan will be circulated by December 15.