

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

**Wednesday, November 6, 2024
10:00 – 11:30 am
Teleconference**

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Meeting Materials

- [Wednesday, November 6 SAG Agenda](#)
- [Initial Feedback Presented to Nicor Gas by Non-Financially Interested Negotiating Stakeholders](#)

Attendees

Name	Company or Organization
Celia Johnson	SAG Facilitator (Celia Johnson Consulting)
Jane Anderson	SAG Meeting Support (Inova Energy Group)
AJ Young	U.S. Greenlink
Abbigail Penk	ICC
Abigail Miner	IL Attorney General's Office
Allison Gregoire	Nicor Gas
Andrew Cottrell	ScottMadden
Andrey Gribovich	DNV
Andy Braatz	Franklin Energy
Anna Kelly	SBW Consulting
Ashley Palladino	Resource Innovations
Bruce Liu	Nicor Gas
Cameron Seeley	Walker-Miller
Cassidy Kraimer	Community Investment Corp.
Chris Neme	Energy Futures Group, representing NRDC
Chris Vaughn	Nicor Gas
David Brightwell	ICC Staff
Dena Jefferson	Franklin Energy
Ebony Buchanan	CEDA
Elizabeth Horne	ICC Staff
Eljona Fiorita	CLEARresult

Name	Company or Organization
Fernando Morales	Ameren Illinois
Lilieric Florez Monroy	Peoples Gas & North Shore Gas
Christina Frank	Peoples Gas & North Shore Gas
Omayra Garcia	Peoples Gas & North Shore Gas
Jean Gibson	Peoples Gas & North Shore Gas
Shawn Haas	Peoples Gas & North Shore Gas
Ian VanArsdall	Nicor Gas
Janet Sebahar	Nicor Gas
Jeff Erickson	Guidehouse
Jill Rolstone	Franklin Energy
Jim Fay	ComEd
Joe Mays	Cascade Energy
John Mansfield	Nicor Gas
Jonathan Skarzynski	Nicor Gas
Josh Ramos	Nicor Gas
Josh Sharon	ComEd
Kanchan Swaroop	Resource Innovations
Karen Lusson	National Consumer Law Center
Kari McCue	Nicor Gas
Kari Ross	NRDC
Kate Moore	AnnDyl
Kathryn Brewer	CLEAResult
Kegan Daugherty	Resource Innovations
Ken Parker	Community Investment Corp.
Kim Janas	IL Attorney General's Office
Kim Swan	ComEd
LaJuana Garrett	Nicor Gas
Laura Agapay-Read	Guidehouse
Lee Ringo	Energy Infrastructure Partners
Liz Cote	Utility Energy Services
Louis	No Organization Identified
Thomas Manjarres	Peoples Gas & North Shore Gas
Maria Onesto Moran	Green Home Experts
Mark Szczygiel	Nicor Gas
Mia Berrios	People for Community Recovery
Mike King	Nicor Gas
Nate Baer	i3 Energy
Nick Warnecke	Ameren Illinois
Nishant Mehta	Guidehouse
Jarred Nordhus	Peoples Gas & North Shore Gas
Patrice McFarlin	Encolor Consulting
Philip Mosenthal	Optimal Energy, representing NCLC

Name	Company or Organization
Randy Opdyke	Nicor Gas
Rashaan Keeton	Center for Energy & Environment
Rocco Guaragno	Resource Innovations
Salina Colon	CEDA
Scott Yee	Resource Innovations
Stu Slote	Skytop Consulting
Tamika J. Cole	Walker-Miller
Ted Weaver	First Tracks Consulting, representing Nicor Gas
Tina Grebner	Ameren Illinois
Victoria Nielsen	ScottMadden
Wade Morehead	Morehead Energy
Wisit Kumphai	Resource Innovations
Yangsu Kim	ICC
Zachary Froio	Applied Energy Group

Meeting Notes

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

Opening and Introductions

Purpose of November 6 meeting:

- For interested stakeholders to present feedback to Nicor Gas on the preliminary draft 2026-2029 EE Plan Portfolio, presented to SAG on October 24.
- [SAG Facilitator Introduction to November 6 Meeting](#)

Feedback from Non-Financially Interested Negotiating Parties

Non-Financially Interested Negotiating Parties*

- *NRDC, Illinois Attorney General, National Consumer Law Center, City of Chicago, Aces 4 Youth, Dark Sky Initiative, People for Community Recovery, Blacks in Green, ICC Staff**
- **ICC Staff participating in discussion and negotiations only as a non-stakeholder, and will not be a signatory to any stipulation coming out of negotiations.

Things We Liked

- Company's commitment to Income Qualified programs (but need more)
- Increasing Residential Air Sealing and Insulation (ASI) budgets (but need more)
- Commitment to Market Development Initiative (MDI) (but should be joint with ComEd and other northern IL utilities)
- "High Performance Windows" Market Transformation program

Things We'd Like to Change and/or Have Questions About

Portfolio-Level Costs

- Overall Nicor EE budget will increase from \$45.71 million/year to \$57.80 million/year; represents a 26.4% increase

- Portfolio-level budget increased by 24.4%
- Overall budget increase shouldn't necessarily translate into equivalent increase in Portfolio-level admin cost increase
- This significant increase is unnecessary and could be reallocated to IQ programs

Nicor Portfolio Level Budget Costs Current vs. 2026-2029 Plan

- 24.4% increase

IQ Spend – Increase Needed

- Given continual increases in utility rates, including Nicor's, (record-setting rate increase granted in 2023), additional IQ spending is necessary and supported by demographic data.
 - Current IQ budget: \$13 million/year
 - Nicor-proposed IQ budget, 2026-2029: \$15.08/year
 - Stakeholders would like the company to consider increasing IQ budget to \$19 million/year

IQ Spend – Increase Needed

- Recommendation for budget shifts to achieve that goal:
 - Reallocate dollars from Portfolio-level costs
 - Additional budget dollars from R&D
 - Additional budget dollars from market transformation
 - Eliminate elementary school kits and reallocate to IQ weatherization
 - Kit measure in-service rate unknown, particularly for gas measures
 - "Energy Saving Kits" – increase weatherization instead

IQ Programs

- WAML (Weighted average measure life)
 - Slide 29 shows 15-year WAML average decreasing to 14.1
 - Unclear why this is the case
 - Planning to increase kits budget? (Oppose expansion of kits)
 - We'd like to see increased allocation to weatherization – both SF and MF, with emphasis on installation of building envelope measures, and major measure installs by ComEd. (Need to review batch files to assess measure assumptions.)
 - No incentives for gas furnaces in market rate EXCEPT for installation of gas furnaces in income-eligible homes and buildings when furnace no longer working, requires significant maintenance or is a health and safety hazard.
 - Recognize some buildings may not be good candidates for electrification

Savings Goals

- Must assume some leveraging of IRA HOMES rebates (weatherization measures);
- Important to continue to work jointly with ComEd on the leveraging/braiding effort especially in IRA funds and IQ weatherization efforts
- No concrete numerical reaction yet. Need to see batch files (with individual measure cost and savings assumptions) to make further recommendations

Residential (Market Rate) Programs

- Stakeholder positions:
 - Appreciate commitment to air sealing and insulation
 - No gas heat pump installations in residential applications*
 - *IL AG's office still assessing this
 - No gas furnaces in market rate (non-income-qualified) residential applications

- We'd like to see significant ramp-up of market-rate weatherization measures (without negatively impacting IQ weatherization budget allocation);
- Emphasis should be on building envelope measures for moderate income areas
- Eliminate all new housing construction programs – should be all-electric programs

Market Development Initiative (MDI)

- Appreciate the continued commitment to the MDI program. However, as structured, stakeholders and customers have no understanding of MDI achievements relative to goals or metrics.
- Recommend that northern IL utilities (ComEd, PGL/NS, and Nicor) create a joint MDI program
 - Makes no economic or practical sense to have 3 separate approaches to building a more diverse workforce and implementation opportunities
- Need specific metrics and goals relative to budget to be created, with stakeholder input
- Need for lower tier implementer/trade ally ombudsman role, as previously requested

Business and Public Sector Programs

- Need batch files to be able to provide more specific comments about programs and measures
- Business Optimization Program – need more specifics on what the program entails. Is this retrocommissioning?
 - Understand it's under BEER and a new program.
- Small Business program – should be a joint program with electric utilities
- Eliminate Commercial Industrial New Construction (CNC) – okay to do customer gas process equipment program
- Public Sector: Stakeholders would like a breakdown on public sector program content by type of public building that's intended to be treated, i.e., schools, libraries, municipal buildings, etc.
- No new combined heat and power (CHP) measures*
 - *IL AG still assessing this

Next Steps

- We look forward to reviewing batch files to better understand assumed measure mix, and assumed cost per therm
- Look forward to negotiations

Mike King: Thank you, stakeholders, for the review and their presentation. Looking forward to talking more about suggestions and Nicor's EE portfolio.

Closing and Next Steps

Next Steps for Nicor Gas EE Plan:

- Negotiation meetings on Nicor Gas' EE Plan with non-financially interested parties begin the week of November 11th
- Nicor Gas will file the 2026-2029 EE Plan with the ICC for approval by March 1, 2025