

**Illinois EE Stakeholder Advisory Group
Net-to-Gross Meeting #1**

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

Attendees and Meeting Notes

Meeting Materials..... 1
Attendees 1
Meeting Notes 3
Opening and Introductions..... 3
Ameren Illinois NTG Values 3
ComEd NTG Values..... 6
Nicor Gas NTG Values 7
Peoples Gas & North Shore Gas NTG Values 8
Closing and Next Steps..... 8

Meeting Materials

- [Agenda](#)
- [SAG Facilitator Presentation: Annual Net-to-Gross Update Process](#)
- [Ameren Illinois 2025 Evaluator NTG Recommendations \(Draft updated 9/3/24\)](#)
- [ComEd 2025 Evaluator NTG Recommendations \(Draft 9/3/24\)](#)
- [Nicor Gas 2025 Evaluator NTG Recommendations \(Draft 9/3/24\)](#)
- [Peoples Gas & North Shore Gas 2025 Evaluator NTG Recommendations \(Draft 9/3/24\)](#)
- [Draft Net to Gross Memos](#)

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
AJ Young	Greenlink Energy
Alan Elliott	Opinion Dynamics
Amy Buege	Verdant Associates
Andrey Gribovich	DNV
Andy Vaughn	Leidos
Andy Wahrer	Primera Engineering
Brent Nakayama	Leidos
Chad Balthazor	Cascade Energy
Cher Seruto	Eco Spark
Chris Vaughn	Nicor Gas
Christopher Frye	Guidehouse
Clayton Schroeder	Resource Innovations
David Siddiqui	Power Takeoff

Name	Company or Organization
Elder Calderon	ComEd
Elizabeth Horne	ICC Staff
Eljona Fiorita	CLEAResult
Emily Pauli	ComEd
Erin Daughton	ComEd
Erin Stitz	Applied Energy Group
Hannah Collins	Leidos
Hassan Khurshid	DNV
Hilary Snover	CLEAResult
Hira Majeed	ComEd
Jake Millette	Michaels Energy
Jaleesa Scott	ComEd
Jason Fegley	Ameren Illinois
Jeff Carroll	DNV
Jeff Erickson	Guidehouse
Jeffrey Carroll	DNV
Joe Mays	Cascade Energy
John Lavallee	Ameren Illinois
Josh Ramos	Nicor Gas
Kanchan Swaroop	Resource Innovations
Karen Lusson	National Consumer Law Center
Katie Parkinson	Apex Analytics
Kim Janas	IL Attorney General's Office
Kumar Chittory	Verdant Associates
LaJuana Garrett	Nicor Gas
Lance Escue	Ameren Illinois
Laura Agapay-Read	Guidehouse
Laura Pettersen	Cascade Energy
Leyah Williams	ICC Staff
Lilieric Florez Monroy	Peoples Gas & North Shore Gas
Lucas Born	Power Takeoff
Mark Hamann	ComEd
Matt Sukolowsky	DNV
Matt Worms	ComEd
Melissa Helphingstine	Primera Engineering
Michele McSwain	Sustainable Environmental and Economic Development Solutions
Nate Baer	i3 Energy
Neil Curtis	Guidehouse
Nick Warnecke	Ameren Illinois
Nikki Pacific	Ameren Illinois
Nishant Mehta	Guidehouse

Name	Company or Organization
Oxana Petritchenko	Guidehouse
Paul Higgins	Abacus Energy Works
Peter Widmer	Power Takeoff
Randy Opdyke	Nicor Gas
Rashaan Keeton	Center for Energy & Environment
Sagar Phalke	Guidehouse
Samuel Morris	The Will Group
Sanjyot Varade	Resource Innovations
Sara Castleberry	Resource Innovations
Sarah Evans	DNV
Seth Craigo-Snell	SCS Analytics
Sharie Greif	Michaels Energy
Shawn Haas	Peoples Gas & North Shore Gas
Steven LaBarge	ComEd
Tara Cunningham	Rinnai
Travis Hinck	GDS Associates
Tyler Sellner	Opinion Dynamics
Wade Morehead	Morehead Energy
Will Wilson	Leidos
Zach Obert	Franklin Energy
Zach Ross	Opinion Dynamics

Meeting Notes

See red text for follow-up items.

Opening and Introductions

- Purpose: For independent evaluators to present initial Net-to-Gross (NTG) recommendations for the 2025 program year, including proposed changes compared to the previous year and notable research results.
- [SAG Facilitator Presentation: Annual Net-to-Gross Update Process](#)

Ameren Illinois NTG Values

Zach Ross, Opinion Dynamics

Purpose: To discuss evaluator NTG recommendations for Ameren Illinois; identify questions and follow-up items.

Materials: [Ameren Illinois 2025 Evaluator NTG Recommendations \(Draft updated 9/3/24\)](#)

Spreadsheet color coding

- White rows: recommendations have been maintained from prior years.
- Yellow rows: areas where Ameren is making updates, but research is not yet finalized.
 - Not going through in detail today
- Green rows: updated recommendations that go with memos that are final

Programs with updated recommendations (green rows)

- Business Midstream Lighting
 - 93.5% NTG ratio
 - Lower than previous 92% value
- Retail Products program
 - Conducted participant research
 - For Retail Products, updated free ridership for:
 - Advanced Thermostat
 - Air Purifier
 - Clothes Dryer
 - Clothes Washer
 - Dehumidifier
 - Freezer
 - Heat Pump Water Heater
 - Refrigerator
 - Note: Row 48 has been corrected to 2.5%. Updated spreadsheet will be circulated
- Residential Mid-Stream HVAC
 - Did research to update free ridership scores from research.
 - Conducted research at program level, interviewed distributors and trade allies and challenges that exist
 - One researched free ridership value for whole program (53%), turns into NTG score of 47%
 - Exception is Heating Savings for Advanced Thermostat

Business NTG values will be updated and reviewed in a future NTG meeting:

- Standard
- Small Business
- Custom
- Retro-Commissioning
- Combined Heat and Power

Status on Outstanding Items:

- Completed research for trade ally spillover
- Completed research for free ridership for custom initiative
- Completed research for virtual commissioning initiative
- Note: Draft NTG memos are on the SAG website currently for review. Current draft values on the spreadsheet. Will walk through finalized recs in future NTG meeting.

Laura Agapay-Read, Guidehouse (via chat): To add to Celia's definition of NTG, it is an estimate of the % of gross savings that are attributable to the program, taking into consideration free ridership and spillover. It is an indicator of a program's effectiveness in the market.

Karen Lusson: Can you explain more on the Residential Retail Products Advanced Thermostat? The 2024 final recommended value on cooling side is 80% and heating side is 90%.

Zach Ross: To clarify, column E is the final recommended value from 2024 and column F is the current recommended value for 2025. The recommendations for 2025 are 86.5% for cooling, and 94.5% for heating. We calculate savings for Advanced Thermostats using IL TRM algorithms. The algorithms calculate savings on both cooling and saving side separately, so we need to apply different NTG ratios to those calculated savings to

determine net savings. The source of the TRM savings values are different—source of heating value is partially inclusive of net effects, thus need to correct for that in NTG ratio process.

Karen Lusson: To clarify what the percentage means – the free ridership in cooling is 13.5% and 5.5% on heating?

Zach Ross: Yes. Columns G, H, I, J show component parts of NTG ratio. For cooling, researched free ridership rate of 16% and a participant spillover rate of 2.5%. Normally, put together $1 - \text{free ridership} + \text{spillover}$. For advanced thermostat heating savings, we make an adjustment to the application for free ridership rate: $1 - .5(\text{free ridership}) + \text{spillover}$.

Zach Ross: Here is a presentation from September 2020 in which we and the Guidehouse team walk through the explanation of why some measures require adjustments to researched free-ridership values: <https://www.ilsaq.info/wp-content/uploads/Consumption-Analysis-NTG-Evaluator-Presentation-2020-09-25.pdf>

Karen Lusson: How do you determine the amount of free ridership and spillover? For example, for the advanced thermostat NTG calculation, do you do surveys or talk to end users?

Zach Ross: NTG research is in line with protocols in IL, detailed in Attachment A of the TRM. We use an algorithm via self-report surveys with customers who have received rebates. They are web surveys with a series of defined questions that attempt to determine free ridership and spillover rate.

Karen Lusson: Are these thermostats installed with the program?

Zach Ross: It's through the Retail Products Program, which is Ameren's rebates program, not a direct install program. Will Post research memo that shows research done. Here is our 2024 Retail Products NTG memo that details the research we conducted that leads to the advanced thermostat NTG value: https://www.ilsaq.info/wp-content/uploads/AIC-2024-Retail-Products-NTG-Memo_FINAL_2024-08-30.pdf

Celia Johnson: When do you expect the draft values to be final?

Zach Ross: We are unsure. Hopefully we can talk about at least one next week. Ideally, they will be final by the third meeting.

Hassan Khurshid (via chat): What is the recommended NTG for residential air source heat pumps and geothermal?

Zach Ross: We do NTG recs by measure and also by program delivery channel. In many cases, from evaluation perspective the Program Delivery channel is more important. It depends based on what channel or type of program it's delivered through. Most ASHP that Ameren is doing is thru Income Qualified programs (which receive 100% NTG ratios) or going through the Midstream HVAC channel (recommended at 47%).

Andy Vaughn: We process ASHP as a limited measure under the Custom Initiative. Only a handful of applications per year

Follow-up:

- *Opinion Dynamics will share an updated spreadsheet, and will present draft values at an upcoming NTG meeting.*

ComEd NTG Values

Christopher Frye, Guidehouse

Purpose: To discuss evaluator NTG recommendations for ComEd; identify questions and follow-up items.

Materials: [ComEd 2025 Evaluator NTG Recommendations \(Draft 9/3/24\)](#)

General Notes on ComEd spreadsheet:

- Where there are no changes to NTG values, CY2024 column (column I) equals TRUE; indicates no new research.
- Where there are changes proposed to NTG values, the column equals FALSE.
- Standard Program LED Streetlight-Municipality Owned: the sample size was too small to produce reliable estimate; will continue using the CY2024 value.
- Most draft NTG memos have been commented upon by utilities and there are no further comments.
- There are a few NTG memos that are under discussion, which ComEd and Guidehouse hope to finalize by next week. Those values will be presented in a future NTG meeting.
 - Retrocommissioning NTG value
 - Market Rate Single Family NTG value

ComEd NTG Values:

- The default NTG value is 0.80, typically used for new measures that are being introduced.
- There are new measures that do not have a CY2024 value and may be researched in CY2025.
- Measures with changes to values for 2025:
 - Business Incentives Custom:
 - All but Street Lights and Data Centers - .62 kWh and .57 kW
 - Data Center: New Construction - .06 kWh and .06 for kW
 - Data Center: Other - .49 kWh, .40 kW
 - Business Standard Incentives:
 - Lighting value - .85
 - Non-Lighting - .86
 - Thermostat (informed by non-lighting) - .92
 - Business Targeted Systems Industrial Systems - .77 kWh and .80 for kW
 - Retro-commissioning
 - Memo is still under discussion among ComEd, Nicor and PG/NSG. Goal is to finalize the value by next NTG meeting.
 - Single Family Upgrades - Market Rate
 - Memo still under discussion.
 - Had a fairly low response for this previous year, have bundled into All Other Measures category.

- Some measures (bathroom faucet aerator, kitchen faucet aerator, and showerhead) all have deemed value based on TRM v12 of 0 free ridership, so kept them out of the All other Measures mix. They have their own separate line item.

Seth Craigo-Snell: What you mean by free ridership source being v12 TRM? TRM rarely provides guidance on NTG.

Christopher Frye: There is a section of the TRM on Faucet Aerated Showerhead where indicates free ridership should be 0. Believes this has been the case in prior years, where these measures are deemed 0 free ridership.

Seth Craigo-Snell: You grouped Residential and Income Eligible (IE) together. Is this an IE only item?

Christopher Frye: It's part of Market Rate Single Family.

Jeff Erickson: TRM doesn't mention NTG, it says the savings value in the TRM is net of free ridership. One of the exceptions in the TRM

Ted Weaver: The baseline was market blended, and it included everyone. The way the math worked is the free riders are included in the baseline. A baseline study would be double-counting the free ridership.

Follow-up:

- *Guidehouse will update the ComEd spreadsheet to match color coding used for Ameren Illinois.*
- *Guidehouse will present draft values at an upcoming NTG meeting.*

Nicor Gas NTG Values

Christopher Frye, Guidehouse

Purpose: To discuss evaluator NTG recommendations for Nicor Gas; identify questions and follow-up items.

Materials: [Nicor Gas 2025 Evaluator NTG Recommendations \(Draft 9/3/24\)](#)

General Notes:

- For Nicor Gas, in addition to Retro-Commissioning (memo joint with ComEd and PG-NSG), produced two NTG memos:
 - 1) Home Energy Savings Spillover
 - 2) Multifamily Free Ridership and Spillover

Nicor Gas NTG Values:

- Residential Home Energy Efficiency Rebates (HEER) Dual Fuel Heat Pump – is a new measure and Guidehouse is conducting secondary research to inform this value.
- Residential – changes in Home Energy Savings Direct Install, Air Sealing and Duct Sealing
- Multifamily Direct Install - have some cases where there was participant spillover and free ridership updates.
- Business and Public Sector - Retro-Commissioning is same as ComEd spreadsheet. Memo is still being discussed, and will be finalized by next week.

Laura Agapay-Read (via chat): Regarding FR = 0 for Res faucet aerators and low flow showerheads: see 5.4.4 in Volume 3 of v12. And 5.4.5 for low flow showerheads

Seth Craigo-Snell: These participant spillover rates are very high. Is that research available for review?

Christopher Frye: Yes, it is. All the research memos are posted here:
<https://www.ilsag.info/evaluator-ntg-recommendations-for-2025/>

Follow-up:

- *Guidehouse will update the Nicor Gas spreadsheet to match color coding used for Ameren Illinois.*

Peoples Gas & North Shore Gas NTG Values

Christopher Frye, Guidehouse

Purpose: To discuss evaluator NTG recommendations for Peoples Gas and North Shore Gas; identify questions and follow-up items.

Materials: [Peoples Gas & North Shore Gas 2025 Evaluator NTG Recommendations \(Draft 9/3/24\)](#)

Peoples Gas & North Shore Gas NTG Values:

- Spreadsheet is the same structure as Nicor Gas
- Two memos that inform Peoples Gas and North Shore Gas recommended values:
 - Custom Rebates Program – recommended 2025 NTG is .93
 - Business and Public Sector – Joint Retro-Commissioning – same values as Nicor Gas spreadsheet.

Follow-up:

- *Guidehouse will update the Peoples Gas & North Shore Gas spreadsheet to match color coding used for Ameren Illinois.*

Closing and Next Steps

Three additional NTG SAG meetings are scheduled in September, to follow-up on open issues, discuss additional questions, and discuss consensus on NTG ratios

- **Meeting #2:** Wednesday, September 11 (10:00 – 12:00)
- **Meeting #3:** Wednesday, September 18 (10:00 – 12:00)
- **Meeting #4:** Wednesday, September 25 (10:00 – 12:00)

As required by the Policy Manual, NTG values must be finalized by October 1st.