

**Illinois EE Stakeholder Advisory Group
Net-to-Gross Meeting #4**

**Wednesday, September 25, 2024
10:00 am – 12:00 pm**

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Meeting Materials

Posted on the [2025 NTG page](#).

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
Alan Elliott	Opinion Dynamics
Amy Buege	Verdant Associates
Andy Vaughn	Leidos
Cher Seruto	Eco Spark
Christopher Frye	Guidehouse
Clayton Schroeder	Resource Innovations
Darren McRoy	Walker-Miller Energy Services
Elder Calderon	ComEd
Elizabeth Horne	ICC Staff
Eljona Fiorita	CLEARresult
Emily Golen	Resource Innovations
Erin Daughton	ComEd
Erin Stitz	Applied Energy Group
Evan Tincknell	Opinion Dynamics
Hannah Collins	Leidos
Hassan Khurshid	DNV
Jason Fegley	Ameren Illinois
Jeff Erickson	Guidehouse
Jeff Mitchell	Resource Innovations

Name	Company or Organization
Jeffrey Carroll	DNV
Jenna DeFrancisco	Opinion Dynamics
Jill Rolstone	Franklin Energy
Jim O'Shaughnessy	Energy Infrastructure Partners
John Lavallee	Ameren Illinois
Kanchan Swaroop	Resource Innovations
Kumar Chittory	Verdant Associates
Lajuana Garrett	Nicor Gas
Laura Agapay-Read	Guidehouse
Laura Pettersen	Cascade Energy
Leyah Williams	ICC Staff
Lilieric Florez Monroy	Peoples Gas & North Shore Gas
Lucas Born	Power Takeoff
Malena Hernandez	Opinion Dynamics
Matt Armstrong	Ameren Illinois
Michele McSwain	SEEDS
Minya Coleman	ComEd
Murtaza, Danish	Peoples Gas & North Shore Gas
Nate Baer	i3 Energy
Nick Warnecke	Ameren Illinois
Nicole Popejoy	IL Ass'n of Community Action Agencies
Oxana Petritchenco	Guidehouse
Paul Higgins	Abacus Energy Works
Peter Widmer	Power Takeoff
Rashaan Keeton	Center for Energy & Environment
Seth Craig-Snell	SCS Analytics
Sharie Greif	Michaels Energy
Sharon Mullen	Abacus Energy Works
Tara Cunningham	Rinnai
Ted Weaver	First Tracks Consulting, representing Nicor Gas
Tori Woolbright	Metropolitan Mayors Caucus
Zach Obert	Franklin Energy
Zach Ross	Opinion Dynamics

Meeting Notes

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

Opening and Introductions

Purpose of September 25th meeting:

- To discuss follow-up from NTG Meeting #3 on evaluator Net-to-Gross (NTG) recommendations for the 2025 program year, and reach final consensus on open NTG values.

- [SAG Facilitator Presentation: Introduction to NTG Meeting #4](#)

As required by the Policy Manual, NTG ratios for the 2025 program year must be finalized by October 1.

- The final SAG meeting to discuss consensus on NTG ratios is on Wed. Sept. 25.
- If consensus cannot be reached by SAG, then the final evaluator recommendation is deemed for the 2025 program year.
- Additional background:

The Nicor Gas, Peoples Gas & North Shore Gas NTG ratios for the 2025 program year were finalized during NTG Meeting #3 (September 18).

Ameren Illinois NTG Values

Zach Ross, Opinion Dynamics

Virtual Commissioning NTG Ratio:

- In the past we have used a recommended NTG ratio of 93.5; sourced from research done for ComEd. The Ameren program is relatively small compared to ComEd. Past research has not yielded sufficient sample sizes to recommend a value. We did additional research this year. Our research found a recommended NTG ratio of 93.6. This value is nearly identical to the previously used value.
- Marked as consensus.

Small Business Direct Install NTG Ratio:

Abby Miner: Our position on what is being counted as spillover is different. These are people participating outside of Ameren's EE program. We perceive those customers to be free riders, not spillover. The 114.1 value is too high. We suggest the group consider 100% as an alternative.

- *Zach Ross: The free ridership research is from a previous year (11%). This is for participating customers. The value we are focused on is the trade ally spillover number. This is not a number from participants in the program. This is a researched value from trade allies who support the program, who tell us they are doing additional projects that are not receiving incentives from Ameren's program. The trade allies we spoke to are telling us they have customers doing EE projects who would have been eligible for the Ameren program, but are not receiving incentives through the Ameren program. A lot of this comes from one large trade ally that was previously participated in the Ameren program, but due to administrative challenges are not submitting incentive paperwork.*
- *Abby Miner: These are customers that are participating and not receiving incentives.*
- *Seth Craigo-Snell: Trade allies are installers who have been influenced by the program, but have decided to promote efficient products without submitting an incentive through the program. This is the opposite of free ridership.*
- *Abby Miner: The fact those customers are participating outside the program is why we perceive the customers to be free riders.*
- *Zach Ross: Concerned this is invalidating the concept of trade ally spillover. Encourages the AG's Office to participate in the NTG Working Group that has developed protocols*
- *Andy Vaughn: The trade ally is saying they have customers come to them because of the EE program.*
- *Abby Miner: We are also concerned this was developed based on one trade ally. Suggests considering surveying this trade ally again next year.*

- *Zach Ross: We share the same concern about results from one trade ally.*

Next steps:

- Small Business Direct Install value marked as non-consensus. Opinion Dynamics will include a final recommendation October 1st.

Residential Retail Products Air Purifier NTG Ratio:

- Will split this value into Point of Purchase (59%) and Online Marketplace (suggest using default value of 80% in-lieu of further research)
- Marked as consensus.

Andy Vaughn: I think it's reasonable to split into two values because the concept of point of purchase is that you may be walking into a store and there may be a significant number of free riders who just happen to buy the model the program incentivizes—there's a higher propensity to free ridership in a retail store vs somewhere like online marketplace that is only offered through Ameren's online website.

Zach Ross: Not sure if we would be quite as firm in directionality, but we recognize the customer decision-making process and how customers engage is different, and why we would get different results from these channels.

Seth Craigo-Snell: The ComEd value is notably higher for retail products air purifiers.

- *Amy Buege: The ComEd incentive is \$50.*
- *Seth Craigo-Snell: The Ameren and ComEd incentive is the same.*
- *Christopher Frye: This was not changed this year (for ComEd).*
- *Amy Buege: We used to do research every year, now we are spreading it out over 2 years.*
- *Seth Craigo-Snell: Ok with the recommendation.*
- *Zach Ross: Will edit the channel name for clarity.*

Residential Market Rate Single Family Midstream HVAC NTG Ratio:

- Ameren wanted to revisit these values.
- Marked as consensus.

Seth Craigo-Snell: Interested in [future] discussion in the NTG Working Group about consistent findings for the algorithm on which this result is based. We consistently see big differences.

- *Andy Vaughn: If we moved back to a downstream model, and dropped the midstream model, would we use the values previously surveyed in 2020?*
- *Zach Ross: As you are pointing out, we have the past researched values used for the downstream—it's in the spreadsheet for reference. I don't think we'd apply existing midstream values as is to downstream program—we measure those differently. Not sure whether we would be comfortable using the past values as-is.*
- *Andy Vaughn: Understandable. More of a question of curiosity, especially as Ameren IL is working on plans for the next four years.*
- *Zach Ross: It's very hard conceptually to ascribe what impacts NTG more—program delivery, the market, etc. Meta-analysis of figuring out why a NTG is what it is can be very challenging*

Additional Updates:

- There was a question raised in NTG Meeting #3 about rounding of the values. Seth Craigo-Snell pointed out the standard on rounding of the values presented and asked

whether they aligned with what was in research. We determined there was a bit of inconsistency with what the memos produced. Intent is to have three decimal places—a tenth of percent. A few of the memos rounded to the nearest percent instead. Ameren NTG memos will be updated to add another decimal point.

- Explanation of NTG Working Group:
 - Zach Ross: In PY6, ICC directed that independent evaluators collaborate on assessing free ridership and spillover for programs. Evaluators formed the NTG Working Group to update and maintain Attachment A to the IL TRM, which informs how we do the research that we've been talking about in this meeting. The NTG Working Group is outside of the SAG, led by the evaluators. Opinion Dynamics led the update cycle for TRM v13 and we are leading the next cycle as well [starting in October]. Reach out to Malena Hernandez mhernandez@opiniondynamics.com to join the NTG Working Group.

ComEd NTG Values

Christopher Frye, Guidehouse

Market Rate Single Family Upgrades NTG Ratios:

- Guidehouse decided the sample was not representative; we recommend the NTG ratio be reverted to the 2024 NTG ratio.
- Marked as consensus.

Business Incentives NTG Ratios:

- Marked as consensus.

Retrocommissioning NTG Ratio:

- Recommended NTG value of 0.92 for 2025.
- Marked as consensus.

Retail / Online Appliance Rebates and Marketplace 2.0 NTG Ratios:

- Seth Craigo-Snell previously raised questions about these recommendations.
- Recommended NTG value is 0.8.
- Marked as consensus.

Contractor / Midstream Heat Pump NTG Ratio:

- Recommended NTG value is 0.8.
- Marked as consensus.

Closing and Next Steps

As required by the Policy Manual, final NTG spreadsheets will be provided by evaluators by October 1st.