

First Tracks Consulting Service, Inc.

---

# Nicor Gas Electrification Policy Proposals

***Presented to: Illinois Energy Efficiency Stakeholder Advisory Group***

**June 27, 2023**

# Overview

---

- Electrification Bill Impacts Comments and Responses
- Electrification Savings Comments and Responses

# ***Bill Impacts***

## **Nicor Proposal Outline**

---

Changes from original proposal:

- Clarifying end use and measure savings language (Section 3)
- Limiting efficient gas comparisons to “at least one” (Section 4)
- Eliminating language around calculations and assumptions (Old section 5)
- Greatly streamlining review/approval process (Section 5)

### ***New Proposal Outline***

1. Statutory requirement
2. Transparent and accurate
3. Provide impacts for electrification itself, i.e.:
  - a. By end use
  - b. By measure
4. Compare to at least one efficient gas/nonelectric option
5. Ensure transparency and accuracy
  - a. Share models/assumptions with Evaluator/SAG
  - b. Evaluator to verify approaches/assumptions
6. When practicable, represent conditions for specific customers

# Responses to Nicor Proposal

	Ameren	ComEd	NCLC/AG/NRDC	ICC Staff	Comments
1. Statutory requirement	✓	✓	✓		
2. Transparent and accurate	✓	✓	✓		
3. Provide impacts for electrification itself, i. e. :					
a. By end use					
b. By measure			✓ Electrify/nonelectrify totals		NRDC: eliminate HP example
4. Compare to efficient gas/nonelectric option					
5. Ensure transparency and accuracy					
a. Share models/assumptions with Evaluator/SAG	✓	✓ SAG Only	✓ SAG Only		Evaluators are SAG members
b. Evaluator to verify approaches/assumptions					
6. Represent specific customers, when practicable	✓				

# *Savings Calculations*

## **Nicor Proposal Outline**

---

Changes from original proposal:

- Clarifying end use and measure savings language (Section 3)
- Eliminating language around TRM calculations and assumptions (Old section 4)
- Greatly streamlining evaluator verification (Section 4)

### **New Proposal Outline**

1. Statutory requirement
2. Transparent and accurate
3. Measure savings for electrification itself, i.e.:
  - a. By end use
  - b. By measure
4. Evaluator to verify approaches/assumptions

# Responses to Nicor Proposal

	Ameren	ComEd	NCLC/AG/NRDC	ICC Staff	Comments
1. Statutory requirement		✓	✓		
2. Transparent and accurate		✓ Move to end; for caps only	✓ Move to end		
3. Provide impacts for electrification itself, i. e. :					
a. By end use			Across all end uses affected		
b. By measure			Agree with concept		
4. Evaluator to verify approaches/assumptions		✓ Verify savings caps only			

## 8-103B(b-27) Provisions: Bill Impacts

---

- Prior to installing *an electrification measure*, the utility shall provide a customer with an estimate of the impact of the new measure on the customer's average monthly electric bill and total annual energy expenses.

# 8-103B(b-27) Provisions: Energy Consumption Savings

- ...an electric utility may offer and promote *measures that electrify space heating*, water heating, cooling, drying, cooking, industrial processes, and other building and industrial end uses...*provided that the electrification measures reduce total energy consumption at the premises.*
- In no event shall electrification savings counted toward each year's applicable annual total savings requirement...be greater than:
  - *5% per year for each year from 2022 through 2025;*
  - 10% per year for each year from 2026 through 2029; and
  - 15% per year for 2030 and all subsequent years.
- ...a minimum of *25% of all electrification savings*...must be from electrification of end uses *in low-income housing.*