Illinois EE Stakeholder Advisory Group (SAG)
Large Group Meeting

Monday, June 9, 2025
9:00 – 11:00 am
Teleconference

Attendees and Meeting Notes

Meeting Materials

- SAG Facilitator Introduction to June 9 Meeting
- IL-TRM Administrator Presentation: Overview of Policy Issues
- ComEd Presentation: EISA Exemption for General Service Lamps
- ComEd Presentation: Solar as Energy Efficiency
- Guidehouse Memo: Energy Efficiency Measures in Net Zero Buildings (June 3, 2025)
- Ameren Illinois Presentation: New Measure – Light Duty Electric Vehicles

Background Information:

Overview of IL-TRM Policy Issues:

- IL-TRM Policy Issues for SAG Review (5/20/25)

IL-TRM Workpapers Related to Policy Issues:

- See above for ComEd solar workpapers.
- Residential Solar Water Heater New Measure (Ameren Illinois)
- Light Duty Electric Vehicle New Measure (Ameren Illinois)
    - Additional Reference Provided: ACEEE White Paper: Electric Vehicle Efficiency: Unlocking Consumer Savings and Environmental Gains (August 2024)

Follow-up Materials

- ComEd Follow-up: Solar as EE in Other States
- ComEd Follow-up: Position on the grouping of solar PV and solar thermal technologies/measures
- Solar as Energy Efficiency – Residential New Measure (ComEd – updated following June 9 meeting)

- Solar as Energy Efficiency – Commercial & Industrial New Measure (ComEd – updated following June 9 meeting)
- Spreadsheets that support the solar as EE workpapers:
  - EE Residential Solar
  - PV Watts ETDF Calculations
  - Simultaneous Adjustment Factor Analysis – Residential

Attendees

Name	Company or Organization
Celia Johnson	Facilitator (Celia Johnson Consulting)
Zoe Knaus	SAG Facilitation Support (Inova Energy Group)
Abigail Miner	IL Attorney General's Office
Adam Roche	Cascade Energy
AJ Young	U.S. Greenlink
Ali Kazmi	Guidehouse
Andy Vaughn	Leidos
Arvind Singh	DNV
Atharva Raje	Energy Infrastructure Partners
Attiq Rahman	Energy Infrastructure Partners
Bill Risley	Franklin Energy
Bobbi Fey	ICF
Brady Bedeker	Walker-Miller Energy Services
Bryan Haney	ERTHE Energy Solutions
Cameron Seeley	Walker-Miller Energy Services
Charles Schreier	Go Sustainable Energy, representing IL Attorney General's Office
Chris Neme	Energy Futures Group, representing NRDC
Chris Vaughn	Nicor Gas
Christian Hartgrove	ICF
Corey Grace	Resource Innovations
Courtney Golino	Guidehouse
Crystal Warner	Michaels Energy
Danish Murtaza	Peoples Gas & North Shore Gas
David Siddiqui	Power Takeoff
Dena Jefferson	Franklin Energy
Dylan Royalty	ScottMadden
Ebony Buchanan	CEDA
Elder Calderon	ComEd
Elizabeth Horne	ICC Staff
Emily Pauli	ComEd
Emma Schuster	PSG Energy Group
Erin Daughton	ComEd
Erin Kempster	Power Takeoff

Name	Company or Organization
Erin Stitz	ICF
Evan Tincknell	Opinion Dynamics
Fernando Morales	Ameren Illinois
Greg Ehrendreich	MEEA
Hannah Howard	Opinion Dynamics
Houston Dowen	Frontier Energy
Isaac Duah	ComEd
Jaleesa Scott	ComEd
Jarred Nordhus	Peoples Gas & North Shore Gas
Jason Fegley	Ameren Illinois
Jean Gibson	Peoples Gas and North Shore Gas
Jeff Erickson	Guidehouse
Jim Fay	Energy Research and Analysis
Joel McManus	TRC Companies
John Lavallee	Ameren Illinois
Jonathan Skarzynski	Nicor Gas
Josh Raebel	PSG Energy Group
Josh Schreck	The JPI Group
Jessica Raker	Opinion Dynamics
Kanchan Swaroop	Resource Innovations
Kara Jonas	ComEd
Kari Ross	NRDC
Kate Agasie	Cook County DES
Katy Brewer	CLEAResult
Keely Hughes	The JPI Group
Kegan Daugherty	Resource Innovations
Keith Cronin	VEIC (IL-TRM Administrator)
Kim Janas	IL Attorney General's Office
Kim Swan	ComEd
Larry Kotewa	Elevate
Lilieric Florez Monroy	Peoples Gas & North Shore Gas
Lisa Obear	Brightline Group
Lloyd Kass	Franklin Energy
Louis Bartlett	Energy Solution
Mark Milby	Elevate
Mark Szczygiel	Nicor Gas
Mary-Hall Johnson	Brightline Group
Matt Ludwig	ComEd
Nate Baer	I3 Energy
Nic Crowder	Ameren Illinois
Nick Moshage	Walker-Miller Energy Services
Nick Warnecke	Ameren Illinois

Name	Company or Organization
Nicole Popejoy	IL Association of Community Action Agencies
Nora Fitton	ICC Office of General Counsel
Omayra Garcia	Peoples Gas & North Shore Gas
Parini Shah	Guidehouse
Pat Justis	Ameren Illinois
Patrice McFarlin	Encolor Consulting
Patrick Burns	Brightline Group
Randy Opdyke	Nicor Gas
Rashaan Keeton	Peoples Gas & North Shore Gas
Ronna Abshure	ICC Office of General Counsel
Sagar Phalke	Guidehouse
Sam Dent	VEIC (IL-TRM Administrator)
Sam Edwards,	Energy Infrastructure Partners
Sara Castleberry	Resource Innovations
Scott Vogt	ComEd
Seth Craigo-Snell	SCS Analytics
Shawn Haas	Peoples Gas & North Shore Gas
Shivana Shrestha	Walker-Miller Energy Services
Steve Spentzas	Energy Infrastructure Partners
Sue Hanson	EMC Insights
Ted Weaver	First Tracks Consulting, representing Nicor Gas
Thomas Manjarres	Peoples Gas and North Shore Gas
Tyler Sellner	Opinion Dynamics
Wade Morehead	Morehead Energy
Wisit Kumphai	Resource Innovations
Zach Obert	Franklin Energy
Zach Ross	Opinion Dynamics

Meeting Notes

Follow-up items are indicated in red, and summarized at the end of meeting notes.

Introduction to June 9 Meeting

Celia Johnson, SAG Facilitator

Purpose of the June 9 meeting:

- For the Illinois TRM Administrator (VEIC) to introduce policy issues for SAG review, including:
    1. Review and potential update of stakeholder compromise on general service lamps
    2. New measures involving renewable/solar generation
    3. Energy efficiency upgrades at a site with significant on-site generation
    4. Revisiting the Electric Vehicle as an efficiency measure issue

IL-TRM Policy Issues for Discussion

1. Review and potential update of stakeholder compromise on general service lamps
2. New measures involving renewable/solar generation
3. Energy efficiency upgrade at a site with significant on-site generation
4. Revisiting the Electric Vehicle as an efficiency measure issue

In preparation for the June 9 SAG Meeting several materials were circulated to SAG, including a summary of policy issues and several workpaper. See the links on page 1 under Meeting Materials.

Process to Resolve IL-TRM Policy Issues:

1. The IL TRM Administrator (VEIC) introduced policy issues at the **Tuesday, May 13** TRM Technical Advisory Committee meeting
2. **June 9 SAG meeting:** include explanation of policy issues, and an opportunity for clarifying questions or initial feedback
3. **Monday, June 30:** Written comments deadline
4. **Wednesday, July 9:** Small group SAG meeting to discuss feedback received
5. **Thursday, July 24:** Small group SAG meeting to discuss feedback (if needed)
6. Goal is to resolve policy issues before the IL-TRM August 1 deliverable

Facilitator Contact Information

- **SAG Facilitation:** Celia Johnson Consulting
    - ***Celia Johnson, Lead Facilitator***
    - Email: Celia@CeliaJohnsonConsulting.com
    - Phone: (312) 659-6758

IL-TRM Policy Issues

Sam Dent, VEIC (IL-TRM Administrator)

- VEIC is the TRM Administrator, responsible for facilitating the Technical Advisory Committee (TAC) to agree upon updates and additions to the TRM each year.
- Where issues arise with potential policy implications, the TAC/VEIC request review and guidance from the SAG.
    - The TAC remains the appropriate venue for any further technical related discussions and agreements.
- Four distinct policy items have been raised in this year's update (v14). We request focus and judgement on the key policy questions posed:

1. Review and potential update of stakeholder compromise on general service lamps:
    a. (Residential) screw-based LED lamps
    b. LED Screw Based Omnidirectional Bulbs

2. New measures involving renewable/solar generation:
    a. Solar as Energy Efficiency
    b. Solar Air Heater
    c. Solar Water Heating

3. A policy question relating to energy efficiency upgrade at a site with significant on-site generation:

    a. Building with on-site generation saves more energy than the net annual energy purchased from the grid

4. Revisiting the Electric Vehicle as an efficiency measure issue:
    a. Electric Vehicles/EV Efficiency

Policy Issue 1. Review Stakeholder Compromise on General Service Lamps
Sam Dent, VEIC

- In August 2022, stakeholders reached an agreement on the continued support of General Service LED Lamps after the enactment of the backstop provision of the Energy Independence and Security Act (2007).
    - August, 2022 Stakeholder Agreement
- Non-IQ Programming:
    - End support of LED lamps in retail, kit and school distribution programs as of July 1, 2023.
    - Direct Install programs could continue, assuming a 2-year measure life.
- IQ Programming:
    - All programs (retail, direct install, kit, school and foodbanks) could continue through 2025, assuming 8-year measure savings lifetime.
- Both ComEd and Ameren submitted measure updates to the TRM to allow continued support for these measures noting that the baseline study showed continued savings are available.
- Discussion questions for SAG:
    1. Can IQ lighting programs continue to support screw-based LED lamps beyond 2025?
    2. If so through which program types (retail, direct install, kit, school, and foodbanks)?
    3. Should measure lifetime continue to be 8 years?
    4. Can non-IQ direct install programs continue?

Nick Warnecke: Ameren's goal is to make sure the TRM aligns with content in our stipulation agreement for the 2026-2029 plan. Basically, that only the IQ single-family lighting channels can continue, as this is where non-LED lighting currently exists.

See excerpt from Ameren Illinois 2026-2029 EE Plan stipulation (page 9):

- *As reflected in the batch files, Ameren Illinois will continue to offer lighting via direct install in its IQ Single-Family and Multifamily channels. Direct install of General Purpose Lighting (GPL) will only occur in instances where non-LED lighting currently exists in a customer's home or multifamily building and with such inefficient lamps being recycled or otherwise disposed of by the program. The Parties agree to support Ameren Illinois in its efforts to modify the Technical Reference Manual Version v14, to allow continued direct install of lighting in IQ Single-Family and Multifamily properties.*

Chris Neme: This language [in Ameren's stipulation] applies only to direct installation.

ComEd Presentation: EISA Exemption
Elder Calderon, ComEd

What is EISA Exempt Lighting

- Background
    - Energy Independence and Security Act (EISA) signed in 2007
    - Required all lamps to meet >= 45 lumens/watt by Jan 1, 2020
- DOE Final Rule (May 2022)
    - Enforces 45 lumens/watt standard for General Service Lamps (GSLs)
    - Effectively eliminates incandescent and halogen baselines
        - Eliminates savings potential
- Current TRM Exemption
    - Direct Install, Kit, and Retail programs allowed to offer impacted bulbs:
        - Through mid-2023 for market-rate (MR) customers and through 2025 for Income-Qualified (IQ) customers
- Issue:
    - Baseline study shows IQ households are not in parity with market rate Households for LED lighting adoption
- Policy Proposal
    - Extend eligibility for GSL offerings to IQ customers

Baseline Study and IE Lighting Saturation

- The 2023-2024 Illinois Baseline Study shows that screw-based lighting in Low-Income (LI) homes is not where we expected it to be by the end of 2025. The potential study shows:
    - 50% lower than equivalent market rate customers for single family and just under 50% lower for MF customers
    - We need to continue to support income qualified households transition to more energy efficient lighting technology
- How do we continue to support IE customers in this transition:
    - Extend eligibility for EISA-impacted bulbs for Income-qualified households through 2029
    - Allow impacted bulbs in kits and retail programs through 2029

Patrick Burns: For context, the [baseline] study was conducted at a state level last year through several thousand online surveys that asked what share of lamps in one's home are LED. Responses were received from single-family, multifamily, low-income, and medium-income households. Seen here, there was a large share of customers that do not light more than half of their homes with LED lamps.

- *Chris Neme: The survey was conducted in late 2023/early 2024, is that right?*
- *Patrick Burns: Yes, it was during Q1 of 2024.*

Chris Neme: Did you conduct any onsite verification? I know there can be differences between customer responses and reality.

- *Patrick Burns: Yes, onsite visits were conducted. These survey results were not amended or adjusted because of the onsite visits.*

Chris Neme: If households had inefficient lights in highly used sockets during Q1 of 2024, these bulbs would burn out before 2026. These customers will not have a choice to buy anything other than LED because it will be the baseline. What would you be providing a rebate for? If a direct installer notices inefficient lighting in a significant socket, then that is a reasonable baseline to replace the bulb. It is hard to justify kits and mailing things to someone if they will not throw away the halogen bulb. Ameren's excerpt earlier said they can count on those savings only if you are removing the old lamp. There are serious problems with lightbulb replacements in any

other contexts. The results from the 2024 baseline study does not actually tell us what the situation will be like in 2026-2029 because inefficient lighting will not have the life to last until then.

- *Elder Calderon: We are looking not just at the adoption of LED technology, but the difference in adoption rates between these customers. The previous baseline study did not approach the survey in the same way, with residential as a single segment. There must be an increase in adoption rates from the baseline surveys until now. But one thing we are seeing is that the adoption rates do not align.*
- *Chris Neme: This is true only in Q1 of 2024. This is not surprising, but it is no longer possible to purchase inefficient lighting.*
- *Charles Schreier: To Chris' point, the law change that makes LED the only option resolves this lack of parity.*
- *Chris Neme: For Ameren – if you are in somebody's house as part of a DI program and find an opportunity for replacement, the lamp should be placed with an efficient one. The lifetime will be relatively short.*

Chris Neme: I am interested in what Guidehouse and Opinion Dynamics have to say. Is it reasonable to assume baseline in 2026, or are there other ways to promote LED?

- *Jeff Erickson: I would like to do more research to answer.*
- *Zach Ross: I am unaware of any other jurisdiction that is continuing the allowance of incentives for screw-based LEDs, probably for the same reasons you have mentioned. Without relativity in the market, states have chosen to discontinue those programs.*
- *Chris Neme: None of the jurisdictions I work in have allowance for this type of measure, some did not even allow it in 2024 or 2025.*

Ted Weaver: I have a process question: for Ameren, it sounds like there is stakeholder agreement but for ComEd, it seems like there is only a proposal and no agreement. Is the only option yes or no, or could ComEd do what Ameren is doing and get savings?

- *Celia Johnson: There may be other positions shared in submitted comments. Perhaps ComEd could consider following Amren's proposal as a compromise?*
- *Elder Calderon: It is something that ComEd would like to take back and engage with stakeholders.*
- *Chris Neme: The language dropped in the chat between stakeholders and Ameren was based on the technical market assessment. It is only reasonable in direct install to assume anything but LED. Because it is based in this principle, we are comfortable applying this language to both Ameren and ComEd. I will restate that we do not think the measure life of 8 years in install context makes sense, two years is more reasonable.*

The following stakeholders shared positions on Policy Issue 1:

- Abigail Miner: The AG office can continue to support [GSL lamps for IQ customers] in the context of direct install only. The AG does not have an opinion on the measure life question.
- Chris Neme: NRDC is comfortable applying what is in Ameren's stipulation (GSL lamps for IQ customers for direct install). I don't think the measure life of eight years makes sense. Something more like 2 years is more reasonable.

Policy Issue 2. New Measures Involving Renewable/Solar Generation
Sam Dent, VEIC

- Several new measures have been proposed for inclusion in v14 of the TRM, which involve a renewable energy source:
    - **Solar Generation Measure:**
        - Solar as Energy Efficiency (ComEd): Claiming savings from rooftop PV when generation is simultaneous with site consumption (i.e. not claiming generation fed back to the grid)
    - **Solar Thermal Measures:**
        - Solar Water Heating (Morehead Energy on behalf of Ameren)
        - Solar Air Heater (Morehead Energy on behalf of Ameren) - Request removed for v14
    - Note, prior SAG discussions were held in 2021/2022 around if/when renewable measures can be part of EE program goals:
        - https://www.ilsag.info/wp-content/uploads/Proposed-Policy-RE-as-EE_Guidehouse_2022-06-09.pdf
        - https://www.ilsag.info/wp-content/uploads/Illinois-Renewable-Measures-EE-Eligibility-SAG-2021-07-14.pdf
- Discussion questions for SAG:
    1. Are these three measures, involving the replacement of electric/fuel loads with renewable sources permissible in the utility's programs?
    2. Are there any restrictions or requirements, rules or stipulations the TAC can follow for any future proposed measure involving renewables?

ComEd Presentation: Solar as Energy Efficiency
Elder Calderon, ComEd

Policy Driver: Supporting Energy State Goals

- Energy Efficiency is defined as "measures that reduce the amount of electricity or natural gas consumed in order to achieve a given end use." (20 ILCS 3855/1-10)
- TRM currently includes some generation measures as EE, such Combined Heat & Power (CHP). Solar generation is no different and should be considered similarly
- A single PV system can have two distinct impacts at the meter:
    - Exported power supplements renewable generation goals while simultaneously consumed generation reduces electricity consumed at the premise/meter, aligning with state energy efficiency goals
- Other states recognizing Solar as EE in their TRM include: TX, MN, NY, CA, MA & PA
- Recognizing solar self-consumption as energy efficiency enables Illinois to accelerate the adoption of distributed solar—advancing clean energy, climate, and affordability goals while targeting summer on-peak energy consumption

How Can Rooftop Solar be an Energy Efficiency Measure?

- On-site solar PV systems reduce grid demand by offsetting building energy use. ComEd proposes counting only the energy used on-site—excluding excess energy exported to the grid via net metering
    - Exports are similar to the production of any generating unit
    - Energy that is directly used by the customer reduces load at the meter just like any other energy efficiency measure being deployed

    - Example: A typical residential rooftop system can reduce load at the meter by ~5,500 kWh annually for 25-30 years
    - On average, residential solar customers tend to simultaneously consume ~50% of production.
    - On average, commercial and industrial solar customers tend to simultaneously consume ~60% of production.
- ComEd has evaluated solar as an energy efficiency measure and found it cost-effective under the current Total Resource Cost (TRC) methodology
- EE incentives are non-taxable and can be applied at point of sale, project incentives can be provided faster and more simply, enhancing customer access and accelerating adoption

Solar as EE: Workpaper Overview

- **Definition of Efficient Equipment:** On-Premise PV system with or without battery storage
- **Definition of Baseline Equipment:** Assumes no existing PV-System
- **Savings Methodology:** PV Watts (NREL) Tool generation Analysis
- **Simultaneous (Self) Consumption Factor:**
    - 0.50 for Residential PV Systems
    - Custom evaluation for C&I PV Systems
- **Deemed Lifetime of Efficiency Equipment:** 25 years
- **Deemed Measure Cost:**
    - If known, the actual material and labor cost of installation should be used
    - Unknown:
        - C&I: $2 per watt installed
        - Res: $3 per watt installed

Chris Neme: EE measures reduce the amount of electricity/gas consumed and aim to achieve an end use. Rooftop PV does neither of these things – electricity for an AC/cooktop/lightbulb is used because of the PV system, but it does not reduce it. Rooftop PV does not serve a different end use; it serves all simultaneously. The current statute does not allow PV to be treated as an EE measure. I do not think this measure is in the 2026-2029 plan, which would be problematic if cheaper savings are added via this measure.

- *Elder Calderon: I disagree that the definition does not allow solar as EE. Reduction of energy usage can be viewed as a wider theme, that overall, the idea is to reduce energy consumption at the grid. By generating energy at your premise, you are reducing energy consumption. Other measures such as controls are not disqualified as EE because it supports EE across multiple components. Solar is no different than combined heat and power (CHP) in the TRM. Regarding [ComEd'] plan 7, solar as EE is not part of our filing, but this should not deter EE portfolios from seeking out new measure adoption and flexibility. We need to think about the health, performance, and impact we can provide to customers far past 2026-2029.*
- *Chris Neme: I would need to go back and check, but I believe CHP is included because of a separate section of the statute. If this were permitted, it fundamentally changes how much actual EE the utility will acquire. Without any clarity from the legislature. Heating and cooling has different language for CHP specifically, so we can agree to disagree on this. If this were permitted, it would significantly change how much energy the utility would acquire, and I think this is problematic.*

- *Greg Ehrendreich (via chat): Is this a "slippery slope" issue that then leads to any DER behind the meter counting as EE? Or - given ComEd's stance - was allowing CHP to count as EE already the start of the slippery slope?*

Zach Ross: On bullet 4, there are not a lot of other states recognizing solar as EE. If you have the references, please share them.

- *Elder Calderon: Yes, I can share. Some states allow claiming full generation and other states have limits in their TRMs.*

Abigail Miner: AG is not ready to offer a position due to outstanding questions and concerns. We have concerns about getting comments ready three weeks from now. I will say that distributed generation in the last few years has ramped up as a consumer protection issue. Complaints in 2024 have mentioned installers misrepresenting production which stops the customer from breaking even. IPA is limited in protecting consumers and we have seen customers with stranded assets.

Charles Schreier: I share Chris' concerns with the [statutory definition of energy efficiency].. Let us first work through the definition to see if it applies, then work through how it is implemented. How it is defined/implemented in other states will be helpful information. CHP is different than solar in significant ways; there is a 5 MW limit for solar projects. EE involves optimizing the load to minimize the load generation.

Scott Vogt: I am surprised CHP natural gas fired gas generation would be preferred versus a solar plus storage or solar system providing renewable energy. Also, there is no limit on rooftop solar for net metering, the 5 MW limit only applies on community solar. The larger the customer goes, looking for onsite solar that reduces energy at the meter will reduce the amount of energy given to the customer which will positively impact the system.

- *Chris Neme: We do not prefer CHP – those systems increase GHG emissions over their life and we have suggested they should not be promoted as EE measures, but what the statute allows and what it does not is a different question.*

Kari Ross (via chat): It might be helpful to have another SAG meeting on Solar as EE so all interested stakeholders planning to submit comments can participate.

Charles Schreier: We need to work through a definition. Supporting documents for recommended TRM measures need to be made available

Scott Vogt: ComEd took all 60,000 net metering customers and looked at solar production against the average residential single-family load profile to calculate the percentage of what every net metering customer would experience in size reduction. We didn't look at average customer load before the system, so we used average single-family load profiles to do that math. Residential is a deemed percentage, but commercial and industrial has different usage profiles with different roof space, behavior, self-generation, and self-consumption.

Elizabeth Horne: Which customer is represented by an adjustment factor of 50%?

- *Elder Calderon: This is for residential customers. commercial and industrial customers are calculated at 66% with a recognition of load difference.*

Chris Neme: I skimmed the MN TRM and could not find PV. For those that have information on PV and what the basis of the decision was, that would be helpful. PV versus solar thermal – there are no issues with solar thermal as EE measures.

Zach Ross: This policy issue includes solar PV as well as solar thermal. This topic has come up with the SAG previously, and we have been unable to reach an agreement partly because the question was framed broadly. Can we split this issue into solar thermal vs. solar PV as EE? There are no questions about solar thermal, as there are already other measures referencing this.

- *Celia Johnson: For solar as EE, we might want to separate comment submissions.*
- *Elder Calderon: I do not see a difference between solar as EE and solar thermal. The difference is that solar as EE generates electricity, and solar thermal generates a direct end use. The end use for solar EE is generating electricity, which can be used to generate other end uses through a hot water heater, furnaces, etc. This is just another step instead of using solar to go directly to that other end use.*
- *Chris Neme: I disagree. Solar as thermal is producing heat versus electricity. Heat pump versus AC, it is not generating electricity. I have no issues with solar thermal.*
- *Elder Calderon: Heat and electricity are all energy. Generating heat and electricity is all the same, whether you are moving that heat from water to air, it is the same thing.*
- *Kim Swan: Agree to disagree.*

Zach Ross: Suggest splitting the issues.

Kim Janas: We have a lot of comments that we cannot answer because of additional information needed. If we do not have the information now, we need to conduct research, which is the concern. Locating the citations and information is our goal.

Next Steps for Policy Issue #2

- **Monday, June 23 (9:00 – 11:00):** SAG meeting to further discuss the renewable / solar TRM policy issue.
- **Friday, July 11:** Written comment deadline for policy issue #2
- Small group meeting options will be reviewed following the July 11th deadline.

Policy Issue 3. Energy Efficiency Upgrades at Sites with On-Site Generation

Sam Dent, VEIC
Jeff Erickson, Guidehouse

- This policy issue is a request from Guidehouse to consider the policy implications of energy savings from standard energy efficiency measures installed in buildings with on-site renewable energy generation.
- Discussion question for SAG:
    - If a utility energy efficiency program implements a measure in a building that has on-site renewable energy supply, under what circumstances can the program claim energy efficiency savings from that measure and how should those savings be calculated?

Chris Neme: You mentioned the legislative language, saying that if a measure decreases the amount of energy consumed, the location of the energy does not matter. What is the counter argument where someone would be concerned about not treating an EE fridge as an EE measure?

- *Jeff Erickson: There have been concerns regarding incentives and double counting.*
- *Chris Neme: If we were using PV as an incentive and the energy was coming from somewhere else, I see the issue. But if we are talking about an EE fridge, or AC, what is the nature of the issue there?*
- *Jeff Erickson: There seems to be no issue.*

Charles Schreier: Sounds like if we have net zero buildings with zero load, it increases exports. I am concerned if we are not matching exports needs, especially with batteries, we might need to increase infrastructure. We need to manage system costs, and energy returning to the grid should not increase our infrastructure needs. Other states have circuit capacity that show it is not a concern.

Kim Swan: No reason to do anything other than full savings. I am concerned about this discussion surrounding EE and renewables. From discussions and memos, IL has been clear in the encouragement of EE demand response and renewables for many reasons. Renewables and EE are not at odds or mutually exclusive, it is problematic that this memo suggests they can be different. All streams of income, ITC credit, are not paying for reduced credit or EE, but an incentive to put renewables on the system and more to do with consumption. There is potentially conflation of income streams – be careful to separate and understand each one. Full savings should be the policy, anything else would be a detriment and discouragement of renewables.

Rashaan Keeton (via chat): Is part of the issue whether the electric utility actually "sees" the benefit of said efficiency, i.e., if the building were going to be net zero or better anyway?
- *Jeff Erickson: The issue is the same whether net zero, reducing the need for generation that would happen in the absence. Like any other EE measures.*
- *Kim Swan: EE is about reducing consumption in IL, not generation.*

Charles Schreier: Are there any legal guidelines on what percent of building load can be installed behind the meter in renewable electric generation? People that do net zero implementation building optimized buildings – could be free ridership. Is it promoting incentives or pushing the need?
- *Jeff Erickson: Concerns regarding free ridership are valid, but we have policies in place for this. TRM calculated savings are separate from free ridership. This presents a question for the utilities to consider in evaluation risks for customers, but it should not affect the policy statement.*
- *Kim Swan (via chat): I do not think this presents a free rider issue – a customer with a renewable system can use less and sell more. They are incentivized to sell more.*
- *Charles Schreier (via chat): Thanks Kim, my understanding is that "free ridership" accounts for where the program incentive has no impact on whether or not an efficiency measure is put in place.*
- *Kim Swan (via chat): I am saying renewables do not create a scenario in which EE incentives would have no impact. Therefore, there is no free ridership.*
- *Chris Neme (via chat): The potential issue would be that customers who go net zero with PV may be more predisposed to invest in efficiency measures so more likely to be free riders. In other words, the fact that they have PV or are net zero does not, by itself, make someone a free rider. But it might be an indicator that they are more likely to be. Of course, that would need to be tested and documented with studies.*
- *Zach Ross (via chat): I would add to this comment that to the degree this effect exists, it is already probably captured in our existing NTGs or would be captured in future*

research. Which I think further supports the point that this is a non-issue with respect to the actual policy question.

- *Chris Neme (via chat): There could be free ridership concerns with net zero homes, but we address that through a separate mechanism of NTG adjustments.*

Chris Neme (via chat): Makes sense to the extent we are talking about market-wide rebates for efficiency measures with some of them (but probably a very small number) going to net zero buildings. It might be a different story if we were talking about a new construction program promoting net zero (or something else targeting such homes) for which there has not yet been an assessment of NTG.

Steve Spentzas (via chat): Should not we be looking and the intent of the legislation? If the intent is to promote energy efficiency, renewable adoption, and demand response, should not we be encouraging anything that moves the needle in that direction?

Policy Issue 4. Electric Vehicles
Sam Dent, VEIC

- During the TRM update process in 2024, an Ameren workpaper was submitted which compared a new Electric Vehicle against a gasoline car baseline.
    - Objections were raised by ICC Staff and the Attorney General's Office and the measure was ultimately withdrawn.
- 2024 Objections:
    - Issues around applicability of measure increasing electricity usage and solely saving gasoline.
    - Stipulation as part of the Beneficial Electrification provision of CEJA, that utilities are precluded from offering rebates for passenger electric vehicles, as this authority has been delegated to the IL EPA.
    - Most customers likely freeriders as incentive insufficient to change customer mind.
    - Unlikely to support low-income customers
    - ICC Staff Comments on Ameren Electric Vehicle Measure Proposal
    - Illinois Attorney General's Office and National Consumer Law Center Comments on Ameren Electric Vehicle Measure Proposal and ComEd Policy Proposals
    - NRDC Comments on Ameren Electric Vehicle Measure Proposal and ComEd Policy Proposals
- In 2025, a new Ameren workpaper was submitted which compares a new high efficiency Electric Vehicle against a standard efficiency Electric Vehicle.
    - Electric Vehicles/EV Efficiency
- 2025 Feedback from ICC Staff:
    - ICC previously determined utilities cannot provide rebates for passenger electric vehicles because that authority is granted to the IL EPA. This pertained to the electric utility Beneficial Electrification plan, but the same concept applies to EE.
    - Excerpt from ICC Docket No. 22-0432, Interim Order for ComEd's petition for approval of Beneficial Electrification Plan (emphasis added):
        - ComEd's BE Plan proposes rebates for residential passenger EVs and rebates for charging stations (as opposed to make-ready infrastructure). These are exactly the types of rebates that the IEPA was given the authority to grant. **To state that the Commission has the authority to approve such rebate programs under the EVA would dilute the**

purpose of assigning the rebates to the IEPA through the EV Rebate Act and the EVA. Moreover, if the Commission approved similar rebate programs through the EVA, they would be unnecessarily duplicative. **Accordingly, the Commission finds that the rebate programs identified and contested by Staff are not within the authority of the Commission to approve and should be removed from the BE Plan.** Staff's Motion regarding this issue is granted.

- Ameren response to 2025 ICC Staff Feedback:
  - "…It is our position that the rebates described (by ICC Staff) are designed to encourage drivers to switch from a combustion engine to an electric vehicle. This switch by nature would increase demand on the grid. Our proposal is designed to reduce that added demand by encouraging participants to purchase a more efficient EV. The existing rebates from IL EPA are designed to accomplish something different than our proposed measure would."
- Question for SAG:
  - Can utilities claim electric savings for incentives used to encourage customers to purchase more efficient Electric Vehicles over a standard baseline Electric Vehicle?

Ameren Illinois Presentation: New Measure Proposal for Light Duty EVs
Nick Warnecke, Ameren Illinois

- Measure Description:
  - This measure establishes standard levels of efficiency for EVs within separate car classes (e.g., Car, Small SUV, Large SUV, Truck) and electric energy savings associated with the purchase of higher efficiency equipment above that standard level.
- Policy Position:
  - Growth in EV adoption driving electric load growth and distribution needs
    - Section 8-103B policy is that electric utilities are to "use cost-effective energy efficiency and demand-response measures to reduce delivery load"
  - Broader goals of Clean Energy Jobs Act (CEJA) support decarbonization: including buildings, electric generation, transportation, etc.
    - Energy Efficiency can play an ***incremental*** role by promoting not just EVs, but instead higher efficiency EVs.
- Important Considerations:
  - Not a combustion fuel to electric savings measure
    - Savings ***only*** from standard EV to a more efficient EV
    - "More-efficient EVs benefit drivers, the environment, and the electricity grid." ACEEE, 2024*
  - Encouragement of efficient models does not necessarily include a monetary incentive.
    - Efforts to promote more efficient EV's may include customer/dealer education, etc.
  - IL TRM used to calculate gross energy savings.
    - FR and other NTG concerns sorted out via established NTG framework rather than the TRM.

Abigail Miner: In our review of the white papers, it is not clear what measure the company is proposing.

- *Nick Warnecke: It could be customer education or a monetary incentive. The fact is that a promotion from a standard EV to an efficient EV is not being talked about, that is one reason this measure is being proposed.*
- *Seth Craigo-Snell: The TRM currently has Level 2 EV chargers and other measures related to savings and losses related to charging. Ameren is proposing in addition, a new measure for an efficient EV. Methods for promoting will be left to program design.*
- *Abigail Miner: Is this for charging stations, rebates, or consumer education?*
- *Seth Craigo-Snell: The measure is the EV measure, an efficient light duty electric vehicle. The methods for promoting that would be left to the program design.*
- *Nick Warnecke: The incentive could involve monetary rebates.*
- *IL AG requested an explanation of the incentive / program design for the electric vehicle measure proposed by Ameren Illinois.*

Chris Neme: Within a certain EV brand, such as Mustang or Tesla, there can be significant differences in efficiency between vehicle models. Sources are necessary to estimate actual savings being produced do not exist today. Beyond conceptually, how would we optimize this program to capture savings?

- *Nick Warnecke: We do not know if the EV differences would be large enough to make a difference.*
- *Chris Neme: How would you design and run a program to distinguish the EVs by efficiency?*
- *Seth Craigo-Snell: We recognize technical complications – we start with the fuel economy dataset from the U.S. Dept. of Energy (DOE). It does not include every vehicle that is out there, but it is updated annually and as models come out.*
- *Chris Neme: Is the baseline the least efficient?*
- *Seth Craigo-Snell: The baseline is one standard deviation away from the average until there is a standard established. Like when air purifiers had ENERGY STAR® standards before DOE standards. We want to look at all models on the market to establish those conditions.*
- *Chris Neme: Is this process written up?*
- *Seth Craigo-Snell: Yes, it should be in the workpaper submitted in May and posted on the SAG website. We can share that along with the data file sent to VEIC.*

Charles Schreier: Do any other state TRMs have EVs? I know you cited baseline numbers, but I would love to see the population, as well as the median. You set up 3 different vehicle classes, but the study says updates should include larger vehicles and federal standards. Why didn't you include sedan recommendations?

- *Seth Craigo-Snell: We looked at the four data categories (cars, small SUV, large SUV, and trucks) and there was no difference between cars and small SUVs but there were statistically significant differences between cars/small SUVs and large SUVs/trucks.*
- *Seth Craigo-Snell: It is only light duty. There is no provision except for Ameren to incentivize light duty vehicles for education.*

Abigal Miner (via chat): One side note about the whitepaper: The assumed average mileage is based on a national number (10,573 miles/year) (p7). I would like to see an Illinois-specific number. That seems high for Illinois to me.

- *Rashaan Keeton (via chat): Low for IL (12,193 in 2022), but probably high for urban areas: https://www.kbb.com/car-advice/average-miles-driven-per-year/*

Nora Fitton: Is Ameren planning on counting savings? I am concerned about promoting one brand of EV over the other – are you planning on marketing one over another based on the white papers?

- *Nick Warnecke: There has been a standard established. Savings would result from differences in standard efficiency – we would not market one brand above another because there are many within each brand that are more efficient.*
- *Nora Fitton: Can you explain how it is in the company's control if consumers choose a different vehicle?*
- *Nick Warnecke: Providing an incentive for vehicles above the standard would promote that.*
- *Seth Craigo-Snell: We want to make sure we are not setting up one manufacturer to benefit. It is not fully developed how you would go about promoting these vehicles, as there are many different facets and choices.*
- *Nora Fitton: It would be helpful to look into a recent Commission v. EPA decision authority to incentivize.*
- *ICC Staff will share a recent appellate decision on authority to offer electric vehicle rebates.*

Abigail Miner: The nature of this incentive is important to the nature of the proposal. Our customers pay for the program, and we need to understand what we are paying for before we determine if it is appropriate.

- *Seth Craigo-Snell: Are there other measures in the TRM that have savings associated with it, but are limited in how they can be promoted?*
- *Abigail Miner: Non-LED lightbulbs allowed in IQ circumstances is an example.*

Next Steps

Follow-up Items:

Policy Issue #1: Review Stakeholder Compromise on General Service Lamps

1. NRDC asked whether the Illinois evaluators (Guidehouse and Opinion Dynamics) have a perspective on extending EE offerings for General Service Lamps to customers.
2. ComEd will consider the suggestion to use the same approach as Ameren Illinois, to continue to offer lighting via direct install in the Income Qualified (IQ) Single Family and Multifamily channels.

Policy issue #2: New Measures Involving Renewable / Solar Generation
Follow-up materials are linked on pages 1-2.

Policy issue #3: Energy Efficiency Upgrades at a Site with Significant On-Site Generation
No follow-up items.

Policy issue #4: Revisiting the Electric Vehicle as an Efficiency Measure Issue

1. ICC Staff will share a recent appellate decision on authority to offer electric vehicle rebates.
2. IL AG requested an explanation of the incentive / program design for the electric vehicle measure proposed by Ameren Illinois.

Next Steps for Policy Issues #1, #3, and #4

- Written comments **due Monday, June 30** – please respond using the SAG Request for Comments template: Request for Comments on IL-TRM Policy Issues 1, 3, and 4.
- **Wednesday, July 9 (9:00 – 11:00):** Small group SAG meeting to discuss feedback received
- **Thursday, July 24 (9:00 – 11:00):** Small group SAG meeting to discuss feedback received (if needed)

Next Steps for Policy Issue #2

- **Monday, June 23 (9:00 – 11:00):** SAG meeting to further discuss the renewable / solar TRM policy issue.
- **Friday, July 11:** Written comment deadline for policy issue #2
- Small group meeting options will be reviewed following the July 11th deadline.