



Summary of Illinois TRM Attachment C Revisions

Illinois TRM 2023 Updates to Attachment C

- **Background**
 - **FEJA transferred Market Transformation Administration to the Utilities starting in 2018**
 - **Original 2020 TRM Attachment C (Margie Gardner, et.al.)**
- **Objective of Attachment C Revisions:**
 - **Update Attachment C Guidelines based on MT Program experience to date**
 - **Provide utilities with clarity on MT savings and risk**
 - **Create guidelines for the unique aspects of MT Programs**
 - **Be as consistent as we can be and treat common RA & MT Program elements the same way**

What Are the Unique Aspects of MT Programs?

- **Definition (Attachment C Sec. 1.1):** *Market Transformation is the strategic process of intervening in a market to create lasting change that results in the accelerated adoption of energy efficient products, services and practices.*
1. **MT Programs need to define, characterize and measures markets**
 2. **Lasting change means multiple years (a full EE product cycle). This includes most recently-completed Program Year & projection**
 3. **Accelerated adoption above a Natural Market Baseline (NMB)**

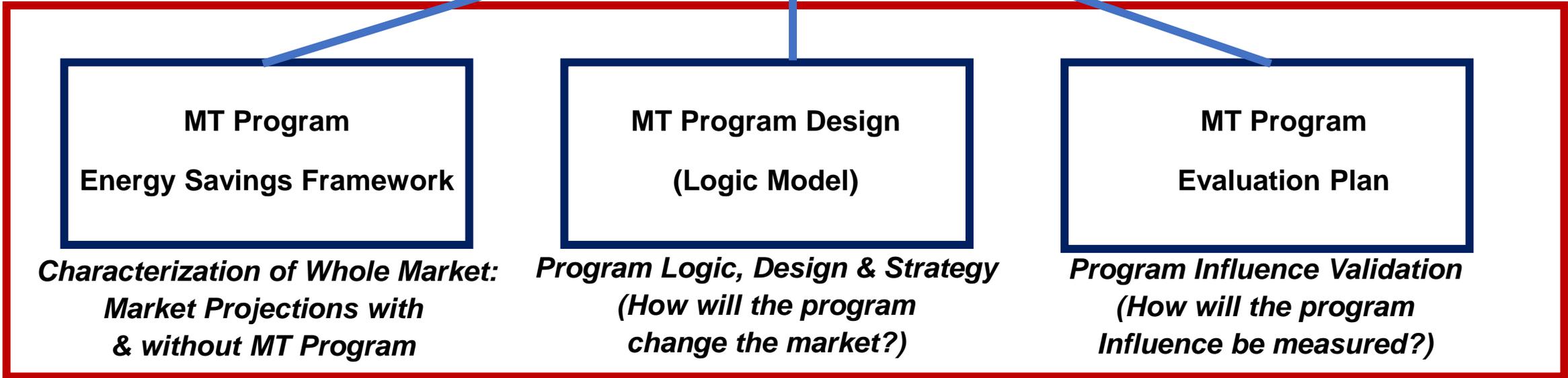
Market Transformation 3 Principal Program Documents

3 Documents Embody MT Program Savings Information, Program Strategy and Evaluation Approach

ILTRM Attachment C General Framework

General Rules for All MT Programs

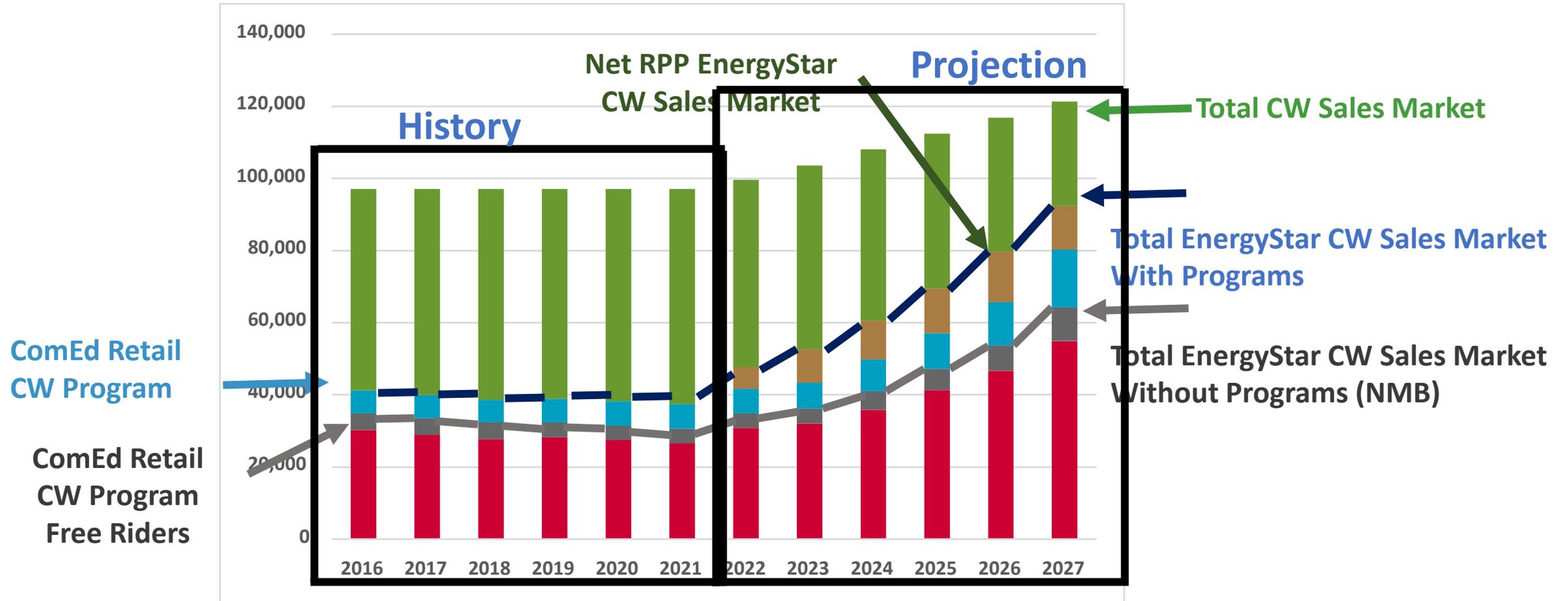
**MT Program-Specific
Appended to Attachment C***



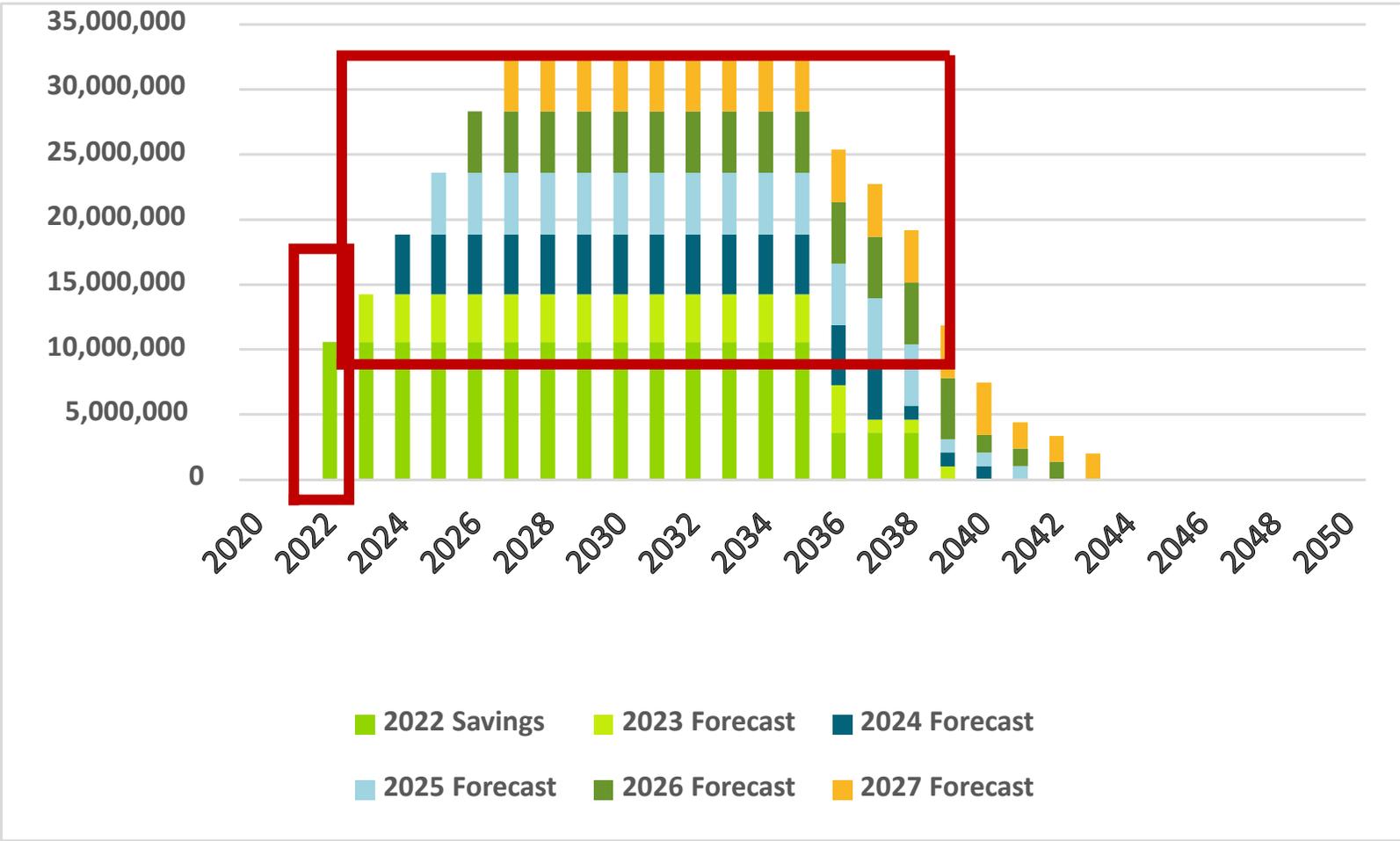
** Including these documents by reference in Attachment C removes the need to describe program-specific detail in Addendum 3 (pp. 150-158).*

The MT Program Energy Savings Framework

Northern Illinois Energy Efficient Clothes Washer Market – Top Loaders at RPP Participating Retailers (Summer, 2022)



Incorporating Projected Savings into Evaluation



Summary of 2023 Attachment C Revisions

- ***2.1 Theory-Based Evaluation; “Preponderance of Evidence” Standard of Proof; Market Progress Evaluation (MPI’s)***
- ***2.2 Energy Savings Methodology – Characterizing Total Markets; Data Sources; Natural Market Baselines (NMB)***
- ***2.3 Using Actual Market Results; Updating and Revising the Energy Savings Projections and Framework***
- ***2.4-5 Other Market Influences***
- ***2.6 “Post-Program Engagement” & Duration of Market Impact***
- ***2.7-8 Role of Codes & Standards***



Summary of Illinois TRM Attachment C Revisions: Policy Questions

Market Transformation Policy Questions - Summary

- **Attachment C Revisions are consistent with the current Policy Manual.**
- **Recommendation: No changes are needed to the Policy Manual to accommodate the current SAG Working Group view of MT Programs and current final draft Attachment C revisions.**

Market Transformation Policy Issues

- 1. How will energy savings derived from/attributed to market transformation (MT) initiatives be incorporated into utility energy efficiency portfolio cost-effectiveness calculations?**

Cost-effectiveness will continue to be determined at the portfolio level. Cost-effectiveness metrics (TRC & UCT) will include MT Program costs and benefits expected to fall within the relevant Plan years.

Market Transformation Policy Issues

2. Assuming an adjustment of an MT initiative's natural market baseline (NMB) is necessitated by new information, will such adjustments be applied retrospectively to past savings estimates or prospectively to future estimates?

Adjustments will be applied prospectively. This is consistent with how all other portfolio adjustments are treated.

Market Transformation Policy Issues

3. How will MT initiative derived energy savings and costs be dealt with across 4-year EE planning cycle periods?

As noted under Policy Issue #1, only planning cycle costs and benefits will be included at the portfolio level. Separate cost-effectiveness metrics (TRC & UCT) for MT Programs will be included in Plans in the same manner as all programs.

Note: ComEd will assess portfolio investments in MT Programs based on expected lifetime costs, benefits and risk. ComEd believes a separate reporting of cost-effectiveness metrics based on a truncated time horizon is likely to be misleading.

Market Transformation Policy Issues

4. How will MT savings be incorporated into utility goals (gas and electric) and utility performance incentives (electric) and for what duration will continued market savings be credited to the utility after active utility engagement has ended or been reduced significantly?

Market Transformation savings will be evaluated annually. These annual savings will be included with all portfolio savings and counted towards utility goals (and performance incentives). The Energy Savings Framework document will include an anticipated duration of savings and an expected end to the MT Program market influence. However, program impact and savings will continue to be Evaluated on an annual basis after program activity has been discontinued.

Questions