

Illinois EE Stakeholder Advisory Group Large Group SAG: NTG Meeting #1

Thursday, September 2, 2021
9:30 am – 12:00 pm

Attendee List and Notes

Meeting Materials

- Posted on the September 2 meeting page and [2022 NTG page](#):
 - [Thursday, September 2, 2021 SAG Agenda](#)
 - [Annual Net to Gross Update Process – SAG Facilitator Presentation](#)
 - [Initial Draft Evaluator Ameren Illinois NTG Recommendations for 2022 \(9/1/2021\)](#)
 - [Initial Draft Evaluator ComEd NTG Recommendations for 2022 \(9/1/2021\)](#)
 - [Initial Draft Evaluator Nicor Gas NTG Recommendations for 2022 \(9/1/2021\)](#)
 - [Initial Draft Evaluator Peoples Gas & North Shore Gas NTG Recommendations for 2022 \(9/1/2021\)](#)

Attendee List

Celia Johnson, SAG Facilitator
Greg Ehrendreich, Midwest Energy Efficiency Alliance (MEEA) – Meeting Support
Brian A'Hearn, CLEAResult
Laura Agapay-Read, Guidehouse
Jennifer Alvarado, Franklin Energy
Matt Armstrong, Ameren Illinois
Anthony Brown, Ameren Illinois
Susan Buck, ComEd
Amy Buege, Verdant Associates
Andrew Carollo, Cadmus
Michael Chimack, ICF
Kumar Chittory, Verdant Associates
Jane Colby, Apex Analytics
Hannah Collins, Leidos
Salina Colon, CEDA
Andrew Cottrell, Applied Energy Group
Erin Daughton, ComEd
Gabe Duarte, CLEAResult
Jeff Erickson, Guidehouse
Lance Escue, Ameren Illinois
Jim Fay, ComEd
Claire Flaherty, Cascade Energy
Scott Fotre, CMC Energy
Michael Frischmann, Ecometric Consulting
Diana Fuller, IACAA
Omy Garcia, Peoples Gas & North Shore Gas
Jenny George, Ameren Illinois
Jean Gibson, Peoples Gas & North Shore Gas

Heidi Gorrill, Slipstream
Kevin Grabner, Guidehouse
Andrey Gribovich, DNV-GL
Walid Guerfali, ICF
Vince Gutierrez, ComEd
Amir Haghghat, CLEAResult
Mark Hamann, ComEd
Travis Hinck, GDS Associates
Jim Jerozal, Nicor Gas
Haley Keegan, Resource Innovations
Wisit Kumphai, ComEd
Matt Ludwig, ComEd
Molly Lunn, ComEd
Thomas Manjarres, Peoples Gas & North Shore Gas
Rohith Mannam, Nicor Gas
Brady McNall, DNV-GL
Rebecca McNish, ComEd
Abigail Miner, IL Attorney General's Office
Jennifer Morris, ICC Staff
Phil Mosenthal, Optimal Energy, on behalf of IL Attorney General's Office
Sharon Mullen, Guidehouse
Dantawn Nicholson, ComEd
Victoria Nielsen, Applied Energy Group
Gregory Norris, Aces for Youth
Eric O'Neill, Michaels Energy
Lorelei Obermeyer, CLEAResult
Randy Opdyke, Nicor Gas
Christina Pagnusat, Peoples Gas & North Shore Gas
Sophia Palmer, Walker-Miller Energy Services
Noah Purcell, ICF
Keerthana Ramasamy Thirugnana Sambantha, SEEL
Sean Reed, SEEL
Zach Ross, Opinion Dynamics
Cynthia Segura, Citizens Utility Board
Tyler Sellner, Opinion Dynamics
Cherlyn Seruto, Guidehouse
Arvind Singh, DNV-GL
Ramandeep Singh, ICF
Grant Snyder, IL Attorney General's Office
Jacob Stoll, ComEd
Mark Szczygiel, Nicor Gas
Stephen Taylor, The Will Group
Elie Touma, Energy Sciences
Marques Vaughn, Ameren Illinois
Andy Vaughn, Ameren Illinois
Ted Weaver, First Tracks Consulting, on behalf of Nicor Gas
Peter Widmer, Power Takeoff
Jessica Williams, Green Home Experts
Hameed Yusuf, Resource Innovations
Qianmin Zhang, ComEd
Jason Fegley, Ameren Illinois

Kunal Kanoi, Walker-Miller Energy Services
Farah Khayat, Walker-Miller Energy Services
John Pady, CEDA
Katie Parkinson, Apex Analytics

Meeting Notes

Follow-up items marked **in red**.

Purpose of Meeting: For independent evaluators to share initial Net-to-Gross (NTG) recommendations for the 2022 program year, including changes compared to 2021 and notable research results.

Process Reminder

Celia Johnson, SAG Facilitator

- Today is the kick-off meeting for the Annual SAG NTG Update Process. Values will be highlighted in spreadsheets and notes will be taken on updates/questions/etc. that need answering.
- Recommended NTG ratios are produced annually by evaluators, reviewed by stakeholders and finalized by Oct. 1 each year. Defined in Policy Manual.
- NTG values this year will be for PY that starts in Jan 1, 2022. If consensus is not reached, then the evaluator's final recommended values will be deemed for the upcoming year. All comments and discussion will be taken into account to estimate best future value for the upcoming year.
- Today's meeting is initial recommendations for each utility, which differ from last year, notable research findings, etc. Will identify any further discussion needs.
- Future meetings Sept. 13, Sept. 17, Sept. 27 to discuss follow-up on open questions and reach consensus.

Ameren Illinois NTG Values

Zach Ross, Opinion Dynamics

- Notes on format of spreadsheet and recommendations: Recommendations are aligned with understanding of 2022 portfolio. Some names have changed but still trying to align which values changed from last year. Ameren portfolio is business, residential, voltage optimization, then broken down by initiatives and channels. Will have electric and gas values since dual fuel utility. A few notes and questions from Ameren that will be addressed today when we get to those rows.

BUSINESS

Business – Standard

No changed values, may be updated research in September. Maintaining same values for standard as had in 2021.

Small Business DI

Issued updated NTG research for this channel earlier this year. Updated lighting value.

Different value of 86% for refrigeration values because of a very old recommendation. Ameren asked why it is different – noted that the old recommendation and we think Ameren's comment is reasonable and will update to the 89.1% value used for the direct install. Will conduct refrigeration research in next cycle.

[Phil Mosenthal] Wants to circle back to standard value for Meeting #2

- **[Flagged for follow up discussion] [Line 19]**

Business Midstream Lighting

Had recommended 90% from old research. Phil had expressed concerns. Settled on consensus value last year. During 20-21 program years did update LED measures research and found value in line with older research. Memo is available and we will move back to that recommendation.

[Phil Mosenthal] Still finds value to be shockingly high – well below half that value in other places; market seems well transformed.

[Zach Ross] Reminder this is not screw-base lamps; this is linear LED primarily.

- **[Flagged for follow up] [Line 22]**

Linear fluorescent [Line 23] is included but may not be offered – but we have a value if it is needed.

Midstream Business HVAC

No updated values; no research yet as channel is just spinning up. Early in 2022-2025 cycle will conduct research.

Statewide Midstream Food Service

New recommended default 80% value because no research yet

Business Custom

- **[Flagged for follow up] [Line 29]**

Slight decrease from previous values for both electric and gas. Research is on SAG website.

Retrocommissioning

Traditional components maintain same recommendations, no updated research

Virtual Rcx [Line 32] – moved up to 93% based on recent ComEd research. Some uncertainty because of program design, but we think ComEd value is more defensible still

[Peter Widmer] Suggest we circle back on meeting #2 because research is still in discussion.

- **[Flagged for follow up] [Line 32]**

Business Street Lighting & CHP

Unchanged

Prescriptive BOC

[Line 36] New measure for 2022 – expect in TRM v10.0. Net by default and already in deemed value.

Business Market Transformation

Flagged as N/A for now, future research may change things but for now no NTG correction will be applied.

Ameren is also looking for a Gas Business Online Store recommendation and will be adding that in revisions to these recommendations

RESIDENTIAL

Most of it is the retail products program. Added a few new measures including heat pump clothes dryers, ES clothes dryers and dishwashers.

Recommend 80% for market and 100% for IQ.

Ameren needs a gas recommendation for dishwashers, will be added in revisions.

Otherwise maintaining traditional offerings with same values as previously. Some values are dated but haven't been able to do in-store intercepts to update value yet. It was PY8/2016.

[Phil Mosenthal] Would like to flag that for discussion [Line 44] to see if another utility has a value.

[Zach Ross] Market mix has changed, and is mostly specialty lamps, so needs updating.

[Jennifer Morris] Standard on ComEd was entirely specialty the last year but will be putting omnis back in. Will Ameren do that? [Zach: Unsure but can find out]

Some clarifying edits will be made between POS and online marketplace measures but that isn't clear in this sheet.

[Phil Mosenthal] Advanced thermostats – why different value for cooling than heating?

[Zach Ross] Big discussion in meeting #4 last year, from values in TRM measure. Cooling doesn't account for free ridership, but the heating value is a compromise between net and gross. This was the best we came up with last year. In line with the only available research we have.

Efficient Choice Tool

Only new recommendation is for the Efficient Choice Tool [Line 75].

Current value incorporates attribution research; will continue conducting research and will consider deeming for 2023 and beyond. Expect results in mid-next week but still very early in program's life but still unsure.

[Jennifer Morris] Issues with this program values – retroactive values. Concerned about a yearly survey.

[Zach Ross] We have to contact participants so we want to get value. Need to see if it conflicts with the NTG policy. Current research design requires regular surveys but we expect it to be better going forward. Will see if we have any additional suggestions and will see what ComEd has to offer on this.

[Phil Mosenthal] What does N/A mean?

[Zach Ross] It means we are retrospectively conducting research here. It's a non-rebate based online platform that provides comparative information for appliances. Goal is to affect decision making without providing incentives. No program tracking on rebated products therefore, so we just have to survey what follow on actions were taken from engagement. Determine what degree website affected decision making. Tends to be in the range of 60% so far.

Some changes in terminology and naming but recommendations haven't changed for IQ or public housing at 100%, and most recommendations are consistent with previous years for the rest.

Market Rate Multifamily

Some new potential updates based on standard research we are still looking at – flagged in light yellow [Lines 92-96].

Added a catch-all “other measures” category at 80% default value

[Phil Mosenthal] Direct install LED market rate and common area LED [Line 82, Line 90] – can you remind me that if it is installed then there wasn't one, so should have a high NTG. When are savings sunset for that – seems unreasonable to assume they would never get bought?

[Zach Ross] 10 year measure life but a big mid-life adjustment in 2025 reducing savings by about 50-60%.

- **[Flagged for follow up for next meeting] [Line 82, Line 90]**

[Andy Vaughn] The light yellow [Lines 92-96], there were some assumptions in the plan filing, we're trying to see what else there is to support it. Part of a one-stop shop approach to target landlords to do everything. Trying to find more support for different values.

[Zach Ross] Would be just as comfortable with 80% default for all those values if everyone agrees – rather than the values here from various research. This is something we hoped to do research in 2021 but it has had a slower start and not enough participation yet. Will look at early in next cycle.

- **[Flagged for follow up] [Line 82, Line 90]**

School Kits

Not sure why it is flagged as new. This is an IQ program with value of 100%.

Residential Market Transformation

Conversations are happening, unclear whether there will be an NTG. May be an attribution adjustment.

[Jennifer Morris] For Market Transformation – make it crystal clear that as part of parallel path, may be a NTG adjustment but not being laid out here [Line 102]

[Zach Ross] We think it's an attribution adjustment, not a NTG; will clarify.

Voltage Optimization

No net impact here

Pilots for Advanced Thermostats with TOU, Manufactured Home, One Stop Shop for Homeless, and Smart Home [Lines 104-107]

If it is targeted to IQ then we will add a second row for it to use 100% or will use 80% default for market rate programs.

Some past programs not planned for 2022, have maintained the recommendations from last year [Line 110-120]

[In response to a question] Note that Midstream HVAC is in Market Rate Single Family; continue to recommend 80%. Haven't conducted NTG research yet because of low participation. Ameren noted that they may offer advanced thermostats in this program using the same recommendations as we used elsewhere for heating & cooling.

[Phil Mosenthal] Would it make more sense to use the heat pump free ridership from when it wasn't midstream?

[Zach Ross] In the same ballpark, but different channel and delivery method, so we didn't think that made sense.

Follow-up values for Ameren Illinois:

- Business
 - Standard Lighting
 - Small Business Direct Install
 - Midstream Lighting
 - Custom
 - Virtual Retro-Commissioning
- Residential
 - Retail Products, LED Lighting
 - Market Rate Multi-Family
 - Direct Install – LEDs (in unit)
 - Common Area Lighting LEDs
 - Heat Pumps
 - Whole Building Measures
- Other (Breakthrough Equipment and Devices)
 - Smart Home Engagement

ComEd NTG Recommendations

Laura Agapay Read, Guidehouse

- There are several new categorizations of programs for ComEd, for the next Plan starting in 2022 – the NTG spreadsheet maps current programs, to Plan 6 programs.

INCOME ELIGIBLE

Measures with Same Values as 2021

Standard is 1.0 but some don't hit that; these are the same as last year's determinations.

[Vince Guitierrez] How is there a NTG for the Public Housing Authority [Line 28] since it is an IE program?

[Laura Agapay-Read] This is newly part of IE sector this year instead of public sector.

[Molly Lunn] Statute includes in public sector, but we have a stipulation to put it under Income Eligible

- **[Flagged for discussion] [Line 28]**

[Erin Daughton] Non-profit offerings isn't offered in Plan 6.

[Laura Agapay-Read] Unsure why that is in Income Eligible – that could be an error in our mapping. We will flag that. Changing to Not Active for CY2022 as well.

- **[Flagged for discussion] [Line 23]**

RESIDENTIAL

Red indicates a change, yellow highlight indicates under discussion values between Guidehouse, ComEd and implementers.

[Phil Mosenthal] Elementary ed – for the 0.8 for LED vouchers [Line 108] is a default?

[Laura Agapay-Read] Yes, couldn't find any secondary research.

- **[Flagged for follow up discussion] [Line 108]**

Single Family Assessment

New free-ridership research in 2021 for LEDs; New spillover research. That is source of new values. Still discussing with ComEd.

Multifamily Assessments

Nothing new.

Residential HVAC

A few new measures, both midstream. Conducted secondary research and found nothing comparable so recommending TRM default.

Will be adding the Efficient Choice; unsure whether it will be in CY2022 but we will have it in the spreadsheet of the research that is currently under review by ComEd. [Added Line 311]

[Phil Mosenthal] Can you flag the LED linear, omni and directional multifamily [Line 150-152]

- **[Flagged for follow up] [Line 150-152]**

COMMERCIAL & INDUSTRIAL

Most of our research this year was on these values

Lines 3-5 (agricultural) are not in plan 6; some measures will be part of standard program. [Items were changed to non-active]

[Erin Daughton] Public Small Facilities is also not in this plan [Line 29-30] as well as Grocery [Line 17] and Telecom [Line 43-44] [items were changed to non-active]

[Phil Mosenthal] Flag the Linear fluorescent for discussion [Line 12]

- **[Flagged for follow up discussion] [Lines 9-12]**

[Q from SEEL] Is NTG more than 1 on the Multifamily water heating measures – kitchen aerators and showerheads [Line 159-160]

[Laura Agapay-Read] TRM states that these have free ridership of 0. Based on research found a spillover of 0.03; hence value greater than 1.

Custom C&I

New Custom C&I research – [Line 13-16] and are under discussion

[Erin Daughton] History of this NTG measure and recommended Ameren values, the value is really low on the recommendation. This concerns us greatly. We talked with Guidehouse and in recent draft memo about using an average value for custom over past 2-3 years because of the variability. We prefer a 3 year period to help average out anomalies. Only difference is that 2 year is 0.45 and 3 year is 0.47. We would be fine with the 0.47.

[Jennifer Morris] This sounds reasonable. This has been used for years, 3 year average aggregates the population rather than a simple average of the years. Next year if you get a good result, you still need to stay on this average number of years path. Also wondering what the Ameren custom NTG is?

[Zach Ross] Ameren's is 0.78 for custom and 0.8 for gas, which is a decrease from previous year.

[Erin Daughton] I believe our incentives are higher for custom, and we have been trying to limit free ridership. Interested in a discussion with Ameren and their evaluators so we can learn what they are doing right.

[Phil Mosenthal] Might be interested in participating in that discussion.

[Jennifer Morris] Me too. Not sure it would change the recommendation for next year but could be useful for program improvement. If there are significant changes as a result of that discussion and research, then would be a justification to change from the average but would have to be substantial change.

[Erin Daughton] Similar averaging being done for the Data Center [Line 14-15] and we would like to follow that.

[Laura Agapay-Read] We're fine with that but have to be consistent as Jennifer noted and not span years with major changes.

A follow-up discussion will be scheduled by the evaluation teams with Ameren IL, Opinion Dynamics, ComEd, Guidehouse, Nicor Gas, Peoples Gas & North Shore Gas and interested stakeholders (Phil Mosenthal and Jennifer Morris).

Industrial systems

Participation and sample size were very small. Combined over several years; results are the same as last year.

New Construction

Conducted research this year, new free ridership and NTG based on simple 4-year average.

[ComEd] Would like to discuss in next meeting [Line 21-22]

- **[Flag for follow up discussion] [Line 21-22]**

Virtual Commissioning

Conducted research, results are under discussion [Line 32]

- **[Flagging for follow up] [Line 32]**

Retro-Commissioning

New research this year. Participants, providers and trade allies. Found spillover. Resulting NTG is same as last year. [Line 31]

- **[Flagging for follow up] [Line 31]**

Small Business Kits

Important during COVID. [Lines 36-38]

[Jennifer Morris] Did you use the residential kits protocol from TRM?

[A]: Yes because there was no non-res kits in the TRM and it was the most applicable. Used C&I spillover and found a lot – think it is due to COVID.

[ComEd] Would like to defer these for the next meeting

- **[Flagging for follow up] [Lines 36-38]**

Standard Program

Found a lot of spillover from trade ally perspective. Those adders to the NTG from what we had in previous years. [Lines 40-42]

[Phil Mosenthal Ross] Would like to flag Lighting [Line 40] for further discussion

[Zach] This is a high spillover and we're interested in those results and can follow up after reading the memo on that so we don't miss anything for Ameren.

[Jennifer Morris] What was the NTG for Lighting in 2021?

[A: used 0.8; spillover is what changed]

- **[Flagged for future discussion] [Line 40]**

Any other items to flag for follow up?

[Jennifer Morris] Clarification – if public sector goes through standard, they get the standard NTG?

[A]: Yes.

Follow-up values for ComEd:

- Income Eligible
 - Public Housing
- Residential
 - LED Vouchers
 - Efficient Choice
 - Multifamily – LED Omni Directional, Specialty, Linear
- Business
 - Midstream Linear Fluorescents
 - LED fixture, LED screw-in, Linear LED
 - Custom
 - A follow-up discussion will be scheduled by the evaluation teams with Ameren IL, Opinion Dynamics, ComEd, Guidehouse, Nicor Gas, Peoples Gas & North Shore Gas and interested stakeholders (Phil Mosenthal and Jennifer Morris).
 - New Construction
 - Virtual Commissioning
 - Small Business Kits
 - Standard Program – Lighting

Nicor Gas NTG Values

Kevin Grabner, Guidehouse

INCOME QUALIFIED

All NTG are 1.0; no updates.

RESIDENTIAL

Carried over last year for thermostats

Residential Home Energy Assessment

Update for Residential Home Energy Assessment – new measure added as a leave behind kit [Line 24]. Using proxy value of the DI measures for the same program.

[Phi Mosenthal] Want to flag furnace and boiler [Line 15-17] – want to look at what the studies they are based on. Seem high to me.

- **[Flagging for follow up discussion] [Line 15-17]**

Residential Energy Saving Kits

Did an update on the program for both free ridership and spillover. [Lines 30-31]. Survey of free ridership for Wx only, because value of 0 in TRM for water saving. Spillover was conducted for all. Large online survey.

Multifamily Direct Install [Lines 36-38]

New wrinkle for 2022 programs – direct install or direct distribution – added that distribution to building manager as a channel for this. Free ridership should be the same.

[Phil Mosenthal] On Comprehensive all rebated [Line 39] What is typical measures here?

[Kevin Grabner] Steam traps, pipe insulation, boiler controls, things like that. Boiler tune ups as well. Updated in 2018 from research. Didn't get a large sample from that survey, joint with PG/NSG.

BUSINESS

Small Business [Line 40-42]

New research for that, both participants and trade allies. Split it out between DI, prescriptive and custom. Prescriptive is predominant. Survey gave participant free ridership but no trade ally, weighted those. No spillover. Thermostats follow the logic we worked out last year based on the residential advanced thermostat study and the math works out to 0.98.

Business Custom [Line 45]

Updated NTG based on new research finding spillover. Some different algorithms used to calculate free ridership according to TRM.

Business Retrocommissioning [Line 48]

New gas side research gave slightly different value than electric side for both free ridership and spillover. Gas values are weighted between participant and service provider free ridership.

Business New Construction [Line 49]

New gas value in joint program.

[Jane Colby] Nicor is meeting with joint utilities to discuss this NTG and have similar concerns as ComEd.

- **[Flagged for follow up discussion] [Line 49]**

Virtual Commissioning [Line 50]

Not currently offered but left in case it gets picked up; ComEd is discussing it still

- **[Flagged for future discussion] [Line 50]**

Follow-up values for Nicor Gas:

- Residential
 - Furnace
 - Boiler
- Business and Public Sector
 - Joint Non-Residential New Construction Program
 - Virtual Commissioning

Peoples Gas & North Shore Gas NTG Values

Kevin Grabner, Guidehouse

INCOME ELIGIBLE

No changes from last year NTG of 1.0

RESIDENTIAL

Home Energy Jumpstart

Leave Behind Kit [Line 20] uses same logic as for Nicor, using the DI measures of similar type.

Research was conducted last year on a number of residential rebate measures, haven't changed those from last year.

[Phil Mosenthal] Want to flag to follow up on those [Line 21]

- **[Flagged for follow up discussion] [Line 21]**

Multifamily Comprehensive Gas Optimization [Line 34]

Updated research on gas optimization program. Included C&I and public sector and MF (in theory but none in the population this year but were two large hotels with similar equipment characteristics). Updated new values based on research.

*[Phil Mosenthal] Why do the rebates for prescriptive and custom say N/A?
[Lines 30-32]*

[Kevin Grabner] Sample sizes weren't large enough for separate estimates, so we did the roll up [Line 33]

PUBLIC SECTOR

Unrolled energy jumpstart and prescriptive from the C&I where it was previously. [Line 39-40]

Public sector participants did a new survey of those customers and trade allies.

Public Custom [Line 42]

New research that updated previous value for public sector only

[Jennifer Morris] Why was it separated from business?

[Kevin Grabner] We didn't do a business custom survey, or new survey on business prescriptive. Did new survey just of public sector customers.

BUSINESS AND PUBLIC SECTOR

Flagging for follow up on Joint-New Construction because it is being discussed [Line 45]

- **[Flagging for follow up] [Line 45]**

Need to update Virtual Commissioning [Line 46] if used

Small/Mid Sized Business

New research on DI/Kits and Retrofit incentives [Line 49-50]. Single surveyed research number on those. Similar to values for the previous year – slightly higher.

[Phil Mosenthal] Is Retrofit the same as early retirement?

[Kevin Grabner] Most commonly it is steam traps and boiler tune-ups. Also furnaces as a larger measure and a whole slate of retrofit measures. I think those are all time of replacement.

[Phil Mosenthal] There is a regular standard rebate too, though.

[Kevin Grabner] These are the rebates for that – can update name [Line 50, Col B] to reflect that]

- **[Flagging for follow up] [Line 49-50]**

Follow-up values for Peoples Gas & North Shore Gas:

- Residential
 - Home Energy Rebate
- Business
 - Small/Mid-Sized Business (prescriptive and custom rebates, including t-stats)

Closing & Next Steps

- Follow-up on NTG items from meeting #1 will be discussed in meeting #2 (Monday, September 13)