

**Illinois EE Stakeholder Advisory Group
Large Group SAG: NTG Meeting #2**

Wednesday, September 13, 2023
10:00 am – 12:00 pm (Teleconference)

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Meeting Materials

Posted on the [2024 NTG page](#)::

- [Ameren Illinois 2024 NTG Recommendations Spreadsheet \(9/8/2023\)](#)
- [ComEd 2024 NTG Recommendations Spreadsheet \(9/8/2023\)](#)
- [Nicor Gas 2024 NTG Recommendations Spreadsheet \(9/7/2023\)](#)
- [Peoples Gas & North Shore Gas 2024 NTG Recommendations Spreadsheet \(9/7/2023\)](#)

Attendees (by webinar)

Celia Johnson, SAG Facilitator
Caty Lamadrid, Inova Energy Group (SAG Meeting Support)
Abigail Miner, IL Attorney General's Office
Andrey Gribovich, DNV
Andy Vaughn, Ameren Illinois
Arvind Singh, DNV
Barb Ryan, Applied Energy Group
Becca McNish, ComEd
Ben Heymer, Slipstream
Brent Nakayama, Ameren Illinois
Charles Ampong, Guidehouse
Christopher Frye, Guidehouse
Christopher Vaughn, Nicor Gas
David Brightwell, ICC Staff
Diana Fuller, Walker-Miller Energy Services
Dustin Bailey, Guidehouse
Elizabeth Horne, ICC Staff
Erin Daughton, ComEd
Erin Stitz, Applied Energy Group
Greg Ekrem, Skytop Consulting
Hannah Collins, Leidos
Jake Millette, Michaels Energy
Jane Colby, Apex Analytics

Jason Fegley, Ameren Illinois
Jayden Wilson, Opinion Dynamics
Jeff Carroll, DNV
Jeff Erickson, Guidehouse
Jenna DeFrancisco, Opinion Dynamics
John Lavallee, Leidos
John Mascarenhas, CLEAResult
Kari Ross, NRDC
Kathryn Brewer, CLEAResult
Katie Parkinson, Apex Analytics
Kumar Chittory, Verdant Associates
LaJuana Garret, Nicor Gas
Lance Escue, Ameren Illinois
Laura Agapay-Read, Guidehouse
Malena Hernandez, Opinion Dynamics
Martin Jacobson, ComEd
Matt Armstrong, Ameren Illinois
Michael Brandt, Elevate
Mike King, Nicor Gas
Molly Mollenkamp, CLEAResult
Monique Leonard, Ameren Illinois
Nate Yemm, Leidos
Neil Curtis, Guidehouse
Nick Warnecke, Ameren Illinois
Nicole Popejoy, IL Ass'n of Community Action Agencies
Nida Khan, Cami Energy
Nishant Mehta, Guidehouse
Omayra Garcia, Peoples Gas & North Shore Gas
Philip Halliburton, ComEd
Randy Opdyke, Nicor Gas
Ronna Abshure, ICC
Ryan Kroll, Driftless Energy
Sagar Phalke, Guidehouse
Scott Eckel, ICC
Seth Craigo-Snell, SCS Analytics
Sharon Mullen, Abacus Energy Works
Stu Slote, Guidehouse
Ted Weaver, First Tracks Consulting, on behalf of Nicor Gas
Tim Dickison, Ameren Illinois
Victoria Nielsen, ScottMadden
Willi Wilson, Leidos
Zach Ross, Opinion Dynamics

Meeting Notes

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

Opening & Introductions

Celia Johnson, SAG Facilitator

- [SAG Facilitator Presentation from NTG Meeting #1: Annual Net-to-Gross Update Process](#)

- This is the second meeting of the annual net to gross (NTG) updating process. We will follow-up on open items from NTG meeting #1, discuss any updates on evaluator NTG recommendations, and begin marking NTG ratios as consensus.

Follow-up Item for All Utilities: NTG Ratio for Strategic Energy Management (SEM)

- Question on Strategic Energy Management (SEM) was raised during NTG Meeting #1, specifically whether the NTG ratio should go back to 1.0 (vs. the current ratio 0.97). The rationale for this suggested change is because SEM generally has a NTG of 1.0 in other jurisdictions across the country.

Kathryn Brewer: The previous SAG discussion resulting in a 0.97 NTG ratio for SEM was based on perhaps lack of research around SEM [and the assumed similarity to the RCx program]. SEM is a behavioral program and the savings are achieved through cohorts and working with participants, so there is a very low instance of free-ridership.

Martin Jacobson: We are looking to bring NTG back to 1.0, this has been the recommendation from Guidehouse for the program at least since 2018. Some customers are in the 8th year of being in the programs and it is not so much about low-hanging fruit measures. The program is really about working with customers on their projects.

John Mascarenhas: Because of the way savings are verified for SEM using a regression model where completed projects are in the baseline and not claimed savings, and also because we only claim incremental savings over those already achieved, we believe this is why SEM is different than RCx. After doing research, in 10 states across 30 utilities we have seen that they are all at 1.0 NTG. We are requesting that it be moved back to 1.0 in IL.

Jeff Erickson: I don't believe there's been primary research done, so there is still an outstanding question of what participants are saying to an independent review about their behavior. But the arguments being made here have also been internally discussed.

Dustin Bailey: SEM uses historical operational data in order to create baseline model, accounting for free-ridership of activities that have been occurring over time. Because SEM is whole-building program, free-ridership and spillover are caught and would be very difficult to separate. One of the main arguments for SEM = 1.0 is that the measures are no-cost and low-cost measures and the only barrier to implementation is understanding and training. We would use this to make the argument that everything is 100% attributable to the program. Having said that, as Jeff mentioned there is no primary research on SEM.

Zach Ross – via chat: I am aware of at least one program administrator nationally (Rocky Mountain Power) which actually researches attribution for SEM. Their most recent evaluation found a NTGR of 88%. I have no objection to the proposal or conversation, just wanted to explain that I am aware of at least one research where it is not 100%.

Martin Jacobson – via chat: Be careful, because not every SEM program is the same.

Zach Ross: I agree with Martin Jacobson's statement. Question, Ameren IL does not have a traditional SEM program and we chose to use the 97% value for Ameren's virtual SEM offering and wondering if everyone feels it should also be 100%?

- No concerns from group, SEM NTG ratio will be changed to 1.0 for all of the utilities.

Ameren Illinois NTG Values

Zach Ross, Opinion Dynamics

- Last week we talked about Combined Heat and Power (CHP), we believed the NTG recommendation under previous framework is no longer applicable, and suggest to apply a custom NTG ratio to CHP program.
 - No concerns from group, CHP NTG ratio marked as consensus.
- The majority of Ameren Illinois NTG ratios were marked as consensus.
- **Next steps: There are a handful of values where we are still expecting newer or updated data. We anticipate presenting updates in NTG Meeting #3.**

ComEd NTG Values

Jeff Erickson, Guidehouse

- In NTG Meeting #1, we discussed ongoing research about Non-residential New Construction, the memo has gone out and there are no changes to NTG. Therefore, no additional discussion is needed.
- No objection from group on any proposed items, NTG for Non-residential New Construction marked as consensus.
- Item for Residential MF SEM was marked as not IE last time we talked, but now we've learned it is focused on IE, so we have turned the NTG to 1.0.
- We also learned that the retail/online appliance rebate measure is adding lawn equipment. This has not been researched, and survey from literature has not found anything so we are proposing to default to Policy Manual default of 0.80.

Erin Daughton: Does lawn equipment need its own NTG?

Jeff Erickson: For this program on this spreadsheet there are no other individual measures so we decided it did not deserve its own NTG.

Seth Craigo-Snell: Questions about midstream/upstream with lighting and HVAC. After reviewing the work completed, we are looking at spillover values that are perplexing in terms of magnitude. Question about application of 0.095 in both participant and trade ally spillover, are they both based on the same value or do they just happen to be the same?

Jeff Erickson: It the same survey and we had one value applied to the two.

Seth Craigo-Snell: We would like more time to review.

- Next steps: The majority of ComEd NTG ratios were marked as consensus, except for **the following which will be discussed in NTG Meeting #3:**
 - **Midstream Lighting**
 - Seth Craigo-Snell requested waiting until meeting #3 to discuss.
 - **Midstream HVAC (Residential)**

- Seth Craigo-Snell requested waiting until meeting #3 to discuss.
- **Small Business New NTG Research (rows 22 and 24)**
 - Erin Daughton requested waiting until meeting #3 to discuss.

Nicor Gas NTG Values

Christopher Frye, Guidehouse

- Next steps: The majority of Nicor Gas NTG ratios were marked as consensus, except for the following which will be discussed in NTG Meeting #3:
 - Home EE Rebates and Online Marketplace Smart Thermostats
 - Home Energy Savings Direct Install Advanced Thermostat
 - Residential New Construction Advanced Thermostat

Peoples Gas & North Shore Gas NTG Values

Laura Agapay-Read, Guidehouse

- Additional information will be reported before end of month for one remaining open NTG for non-residential non-participants spillover research. However, the research found zero non-participant spillover.
- Next steps: The majority of PG/NSG NTG ratios were marked as consensus. There are no specific follow-up items for NTG Meeting #3.

Closing and Next Steps

Celia Johnson, SAG Facilitator

- SAG NTG Meeting #3: Wednesday, September 20 (10:00 am – 12:00 pm)
- Any additional NTG research memos will be posted on [this year's NTG page](#) when available for review.
- Updated evaluator NTG recommendation spreadsheets will be posted on [this year's NTG page](#) and circulated to SAG when available.