

**Illinois Energy Efficiency Stakeholder Advisory Group  
Policy Manual Subcommittee Version 3.0: Proposed Policy Template**

**Proposed Policy for Version 3.0: Interactive Effects  
Submitted By: VEIC (IL-TRM Administrator)**

**Question 1: Proposed Policy and Rationale**

*Briefly describe the policy proposed to be included in Policy Manual Version 3.0, including rationale for why this policy is necessary in Illinois.*

*Questions to consider:*

- 1. Why does this policy require inclusion in Policy Manual Version 3.0?*
- 2. What unresolved policy issue(s) will be resolved by inclusion in the Policy Manual Version 3.0?*

*Please be as specific as you can. If you have specific policy language to propose at this time, please include in this template. It is not a requirement to draft policy language in the proposal template. If draft policy language is not included here, you may be assigned to draft proposed policy language for review by the Subcommittee at a future meeting.*

VEIC, the TRM Administrator, are seeking policy guidance as to the appropriate order of operations for projects that involve both consumption reduction (e.g. shell measures) and a HVAC replacement that involves a fuel switch.

The prescriptive engineering approaches used by the IL-TRM characterize measures on a stand-alone basis. Because shell measures and HVAC replacements interact with one another, when both shell measures and HVAC replacements are completed at the same time, a choice needs to be made as to which measure savings are calculated for first. The choice of order affects the savings allocated to each measure, but not the total savings claimed.

To date, the TRM has guided that in instances such as these, the measure with the longest measure life should be claimed first, and the subsequent measure calculated assuming the first measure has been installed. In this case – it would usually follow that we would claim shell savings first assuming the existing heating system efficiency in the calculation, and then calculate the fuel switch savings based on a smaller heat load due to the improved shell (captured by a smaller capacity heating system).

During TAC discussions, this question was raised in light of possible projects that involve both shell measures and the electrification of the heating system and what impacts the order of calculation might have on savings counting towards either the CEJA electrification cap (b-27) and/or FEJA conversion limits (b-25).

## **Question 2: Utility Impact**

*Describe whether the proposed policy impacts Illinois gas utilities, electric utilities, or both.*

Both

## **Question 3: Background Research**

*Provide any background research completed in preparing this template, including source references and links, as applicable.*

*Questions to consider:*

- 1. Are you aware of other jurisdictions or utilities that address this policy issue?*
- 2. Have any national or regional energy efficiency organizations addressed this policy topic? If so, please provide reports and any other relevant sources.*

## **Optional Question 4: Commission Decision**

*Has the Illinois Commerce Commission previously addressed this policy or issue? If so, please provide language and specific citations, including the ICC docket number.*

## **Optional Question 5: Statutory Consistency**

*Have you reviewed your proposed policy against applicable Illinois law? Are there any possible conflicts? If so, please explain and provide statutory citation(s).*

## **Optional Question 6: Additional Information**

*Provide additional information, as needed, to assist with understanding the proposed policy issue and your request to include it in the Policy Manual Version 3.0. For example, have any memos been drafted to the SAG related to this policy proposal?*