Illinois EE Stakeholder Advisory Group (SAG)
Small Group Meeting #1 – IL-TRM Policy Issues

Wednesday, July 9, 2025
9:00 – 11:00 am
Teleconference

Attendees and Meeting Notes

Meeting Materials

- July 9, 2025 SAG Small Group Meeting Agenda
- Facilitator Introduction to July 9 Meeting
- Facilitator Discussion Slides for Policy Issue #1 – Lighting
- IL-TRM Administrator Discussion Slides for Policy Issue #1 – Lighting Measure Life
- Facilitator Discussion Slides for Policy Issue #4 – Electric Vehicle Measure
- Comments received on TRM Policy Issues 1, 3, and 4 (due June 30, 2025):
  - ICC Staff
  - Illinois Office of the Attorney General
  - NRDC
  - Opinion Dynamics

Attendees

Name	Company or Organization
Celia Johnson	Facilitator (Celia Johnson Consulting)
Zoe Knaus	SAG Facilitation Support (Inova Energy Group)
Abigail Golitz	VEIC
AJ Young	Greenlink
Ali Kazmi	Guidehouse
Atharva Raje	Energy Infrastructure Partners
Attiq Rahman	Energy Infrastructure Partners
Bryan Haney	Erthe Energy Solutions
Chris Neme	Energy Futures Group, representing NRDC
Chris Vaughn	Nicor Gas
Christian Hartgrove	ICF
Courtney Golino	Guidehouse
Danish Murtaza	Peoples Gas & North Shore Gas

Name	Company or Organization
Dena Jefferson	Franklin Energy
Diana Dorman	Energy Solutions
Dylan Royalty	ScottMadden
Ebony Buchanan	CEDA
Elder Calderon	ComEd
Emma Schuster	PSG Energy Group
Erin Daughton	ComEd
Erin Stitz	ICF
Fernando Morales	Ameren Illinois
Hannah Howard	Opinion Dynamics
Isaac Duah	ComEd
Jaleesa Scott	ComEd
Jarred Nordhus	Peoples Gas & North Shore Gas
Jason Fegley	Ameren Illinois
Jeff Erickson	Guidehouse
Josh Raebel	PSG Energy Group
Josh Schreck	The JPI Group
Kaitlyn Linsner	IL Office of the Attorney General
Kanchan Swaroop	Resource Innovations
Kari Ross	NRDC
Keith Cronin	VEIC
Kim Swan	ComEd
Lawrence Kotewa	Elevate
Lisa Obear	Brightlight Group
Lloyd Kass	Franklin Energy
Louis Bartlett	Energy Solutions
Matt Armstrong	Ameren Illinois
Nick Moshage	Walker-Miller Energy Services
Nick Warnecke	Ameren Illinois
Nicole Popejoy	IL Association of Community Action Agencies
Parini Shah Guidehouse	Guidehouse
Pat Justis	Ameren Illinois
Randy Opdyke	Nicor Gas
Rashaan Keeton	Center for Energy & Environment
Sam Dent	VEIC
Sara Castleberry	Resource Innovations
Seth Craigo-Snell	SCS Analytics
Shivana Shrestha	Walker-Miller Energy Services
Ted Weaver	Dunsky Climate Advisors, representing Nicor Gas
Thomas Ketchum	South Suburban Action Conference
Thomas Manjarres	Peoples Gas & North Shore Gas
Wade Morehead	Morehead Energy

Name	Company or Organization
Wisit Kumphai	Resource Innovations
Zach Ross	Opinion Dynamics

Meeting Notes
See red text for follow-up items.

Introduction to July 9 Meeting
Celia Johnson, SAG Facilitator

Purpose of the July 9 meeting:

- To hold a follow-up discussion on Illinois Technical Reference Manual (IL-TRM) policy issues 1 and 4.

IL-TRM Policy Issue #1: Lighting
Celia Johnson, SAG Facilitator

Lighting Policy Issue #1

- Policy issue: Review and potential update on general service lamp
  - Summary of comments received on questions 1-3
  - Ameren Illinois response to policy comments
  - ComEd response to policy comments
  - Discussion and Q&A
- Measure life issue: Led by VEIC
  - Summary of comments received on question 4
  - Discussion and Q&A
- Discuss Next Steps for Policy Issue #1: Is the issue resolved, or is additional discussion needed at the July 24 meeting?

Policy Issue #1, Question 1: Ameren Illinois proposed to align IL-TRM Version 14.0 with Ameren's 2026-2029 EE Plan stipulation, to continue to offer lighting via direct install in the Income Qualified (IQ) Single Family and Multifamily channels. Do you have comments or feedback on this Ameren Illinois proposal? Please explain.

ICC Staff	IL Office of the Attorney General	NRDC	Opinion Dynamics
Supports retaining a narrowly targeted lighting offering for the Income Qualified (IQ) Single-Family and Multifamily channels but under strict conditions. Staff raises concerns about ensuring accurate documentation and compliance, including: • Ameren must document that every bulb swapped through the direct install program was operational and non-LED at the time of installation, validating the necessity of replacement.	Supports this proposal, as we support the direct installation of LEDs.	Supports this proposal, as we were one of the signatories to the Ameren Stipulation. If an EE program visits a home and an inefficient incandescent / halogen lamp is discovered in use (in a high use location), there will be energy savings from removing that inefficient lamp and replacing it with an efficient LED as long as the program that replaces the inefficient lamp also	Supports this proposal from a technical perspective. Any non-LED lighting currently installed is using energy irrespective of current federal standards for lighting products, and. replacing such lighting will yield energy savings. What the measure life for those savings should be is a separate item that is addressed in Question 4 below.

ICC Staff	IL Office of the Attorney General	NRDC	Opinion Dynamics
• Processes must be in place to guarantee that all removed inefficient lamps are recycled or disposed of in compliance with environmental rules. • Energy savings calculations must account for higher free-ridership and the likelihood of early burn-outs to ensure reported savings are accurate. These measures aim to prevent inflated energy savings and ensure compliance with environmental and operational standards.		disposes it (rather than given to the resident who could use it later, in which case there would be no lifetime savings). Though such savings would be relatively short-lived, it is reasonable for utilities to pursue them in the context of low-income (< 80% Area Median Income) direct install efforts because they are low cost and any bill reductions for such households have value in reducing energy burdens.	

Policy Issue #1, Question 2: ComEd proposed to extend eligibility in IL-TRM Version 14.0 for General Service Lamp (GSL) offerings to income qualified (IQ) customers through 2029, including: 1) EE Kits and 2) Retail programs. Do you have questions or feedback on the ComEd proposal? Please explain.

ICC Staff	IL Office of the Attorney General	NRDC	Opinion Dynamics
Supports the ComEd proposal to extend GSL offerings to IQ customers through 2029, including EE kits and retail programs, however through limited distribution through CBOs or utility-run EE kit programs that: 1) ship only to addresses verified as low-income, and (2) exclude the basic A-line LEDs that are now plentiful and cheap in every big-box aisle. As a consideration, specialty shapes—globes, candelabras, reflectors—that still cost more than four dollars apiece could remain in the retail programs because they continue to be cost effective savings; however, upstream retail incentives for standard A-19 LEDs should sunset after Program Year 2025, reflecting the sharply lower incremental savings available under the new federal 45-lumen-per-watt baseline.	Opposes the extension of eligibility for GSL offerings to IQ customers through 2029 through any offerings other than direct installation. Given the change in standards that will eliminate market options whose consumption is higher than LED lighting, the timeframe when these upgrades can have an impact depends upon immediate implementation. As noted in the recent PJM stakeholder process resulting in EE being removed as a capacity resource for the PJM base residual auction, EE measures achieved through offerings other than direct installation raise concerns about causation and whether those savings are	NRDC opposes this proposal as it is unreasonable to assume that there would be any material savings relative to what would have happened without the utility EE program intervention.	While replacing inefficient lighting products known to be existing in customer homes can safely be assumed to produce energy savings, providing incentives for the sale of LED lighting products via retail channels cannot be safely assumed to do so. • Federal regulations mean that LED lighting products are the only lighting products currently available for sale in the general service lamp class. Therefore, customers should generally not be able to procure new inefficient lighting products at the time of sale. LED lighting incentivized through retail channels in Illinois has always been considered a time of sale measure and therefore there should be no savings associated with a strict

ICC Staff	IL Office of the Attorney General	NRDC	Opinion Dynamics
	achieved. Utilities should not be able to claim savings, and consequently incentive bonuses, for EE measures that may not be implemented by the end user. GSL offerings are different from savings claimed by the utilities from other non-direct install measures because of federal standards.		technical analysis of these measures. While the logic for kits is slightly different, broadly speaking the assumptions for kits should be considered to be similar. LED lighting sales through retail channels, even to low-income customers, are subject to net-to-gross ratios in many cases (e.g. sales of lighting to low-income customers through big box stores). The existing NTG ratios associated with these sales are not applicable in the current regulatory environment and updated NTG research would be likely to find nearly complete free ridership for these measures. Opinion Dynamics is not aware of any energy efficiency program elsewhere in the country that expects to continue incentivizing the purchase of LEDs on the timeline ComEd proposes here, and from a purely technical/ energy savings perspective, we do not believe doing so would be appropriate. We do understand that there may be public policy reasons to support providing such incentives to low-income customers that SAG may wish to debate, and we do not take a position on those issues.

Policy Issue #1, Question 3: During the June 9 SAG meeting, several stakeholders suggested ComEd consider using the same approach as Ameren Illinois, offering lighting via direct install in the Income Qualified (IQ) Single Family and Multifamily channels. Do you have comments or feedback on this proposed approach? Please explain.

IL Office of the Attorney General	NRDC	Opinion Dynamics
IL OAG supports the extension of eligibility for GSL offerings to income qualified customers through 2029, as we support the direct installation of LEDs.	NRDC supports this position for the reasons stated in response to Question #1 (see slide 10).	As with our support of the Ameren Illinois proposal, from a technical perspective we believe ComEd would be entirely justified to pursue this path.

Discussion and Q&A

Chris Neme: NRDC's position is that there are zero savings to be had due to our stated reasons. Is anyone on the call from ICC staff? I talked with Elizabeth regarding staff responses, and we had clarifications from yesterday.

- *Celia Johnson: Elizabeth is not available today, but I am happy to follow up with her.*
- *Chris Neme: Ultimately, staff will need to speak for themselves. Our conversation suggested that there may be bulbs on the market that meet a 35-lumen threshold, which could be used as a potential baseline. But these savings would be very small because the efficiency is not very different.*

Ameren Illinois Response
Nick Warnecke, Ameren Illinois

- Thanks for the comments and responses. It sounds like most agree, which is appreciated. Staff had comments related to our data collection methods, which are robust. I do not have more to say besides wanting clarification from ICC on their comments.

ComEd Response
Elder Calderon, ComEd

- There is currently existing stock of inefficient bulbs in stores. ComEd is currently conducting a shelf study that has not yet been completed, but we have identified this from other retail programs. There are several inefficient bulbs sold in big box stores in disadvantaged communities. Federal regulations are shifting from two years ago, and this might change income-qualified customers' replacement abilities. The assumption that there is no other option than to purchase an LED is false. There are other options for customers besides addressing existing stock in homes or store issues.

Chris Neme: I am interested to learn more about this stock study. I would like to see the data on what stores and products were surveyed.

- *Elder Calderon: Yes, the timeline has unfortunately not lined up with this issue. It should be completed later in July.*
- *Chris Neme: Even if there are a limited number of stores with a limited number of incandescent products, the idea that it will continue to be available and savings can be claimed through 2029 is false. I cannot imagine that this stock will still be in shelves.*
- *Zach Ross (via chat): We are also interested in seeing the results of the shelf survey when they become available.*
- *Elder Calderon: I understand where you are coming from. We understand that things may change, especially federal regulations. We could look at a different kind of extension to address existing gaps and create a correct timeline.*
- *Chris Neme: Limited stock on limited shelves today will likely not be available.*
- *Elder Calderon: We can speculate on stock availability, but federal regulations are currently fragile. Our study will be available later in the month, which will more effectively inform our decision, and whether extending makes sense.*

Elder Calderon: In terms of a baseline for inefficient bulbs, there would be no savings. If a consumer is replacing inefficient bulbs with LEDs, they will continue to do so. This program influence is only for the duration of the bulb. We are only claiming savings for the lifetime of the bulb, and not the actions of the customer after. A kit program is not mass-distributed but instead distributed through specific and targeted events for customers who have not historically

participated. We have four million customers; it is not reasonable to assume we will make significant changes to consumer programs not focused on inefficient bulbs. Our programs are specific with limited customer participation. The baseline study showed us the gap between income-qualified (IQ) and market rate customers on LED adoption is large. Kits are a great way to help close this gap.

- *Chris Neme: We are not suggesting that the incandescent bulb that is replaced and then put on a shelf gets replaced, but that the incandescent bulb can go into any other socket. It could be the following week, or month that the incandescent bulb is back in use. This is not an issue of savings erosion occurring ten years later, but instantaneously. Regarding the survey showing a lower LED adoption rate, I do not disagree. But this work was done in early 2024, which was two years before the start of the next plan. Given that the same federal standards have been in place the entire time, I expect this gap to disappear. The 2024 baseline does not tell us any useful information and LED lights lasting more than 18 months.*
- *Elder Calderon: With immediate replacement, we must use the law of averages. If you have an average of 50 bulbs within a home, inefficient replacement is happening. Savings across the population have proven persistent. We understand this is happening, but the TRM addresses average savings.*
- *Chris Neme: I do not disagree, but my point is on averages. If you install an LED bulb in one room, and the incandescent lamp is out, the bulb can be installed instantly within the year. On average, you will quickly see backtracking of savings.*
- *Elder Calderon: I disagree. The savings we are claiming is for the initial replacement. It would be different if we implemented a comprehensive replacement. If we speculate with different sockets, we will speculate on how these savings will expire without knowing what is happening. We need a 1:1 understanding of savings.*
- *Chris Neme: I disagree. Talking about a kit of LEDs with 50 screw-in applications and only focusing on the LED lamp screw-in makes no sense. We need to look at the program in its entirety, not just one lamp.*
- *Elder Calderon: TRM savings represent 1:1 replacement. What happens outside the socket replacement is not program influence, unless we are speaking about net-to-gross (NTG).*
- *Chris Neme: We should agree to disagree. The TRM looks at net impacts of an efficient measure. An air conditioner is 1:1, a lightbulb is fundamentally different. To assume savings for a given lamp and ignore the fact that it might result in increased consumption in the lamp next to it makes no sense.*
- *Elder Calderon. Yes, agree to disagree. Lighting replacement can happen outside the influence of the program. An approach to energy savings is technical, and influencing customer behavior is programmatic influence. This can be address in NTG meetings.*
- *Chris Neme: I disagree, NTG represents customer behavior absent of any programs, not as a result. I am interested in hearing the evaluator's take.*
- *Zach Ross: I agree with Chris. Also, the TRM has been assuming 100% of installations are being made are replacing lowest-efficiency bulbs.*
- *Kaitlyn Linser: I want to reiterate our comment has concerns about causation. IL AG's Office opposes this measure beyond direct installation. Energy efficiency through other methods has us wondering about causation, and whether savings are being achieved or implemented.*
- *Elder Calderon: Thank you for the comments. I will note that these programs are evaluated with surveys and inspections confirming replacement of equipment. We cannot check every single home, but there is an approach that ensures these concerns are satisfied.*

Lighting Measure Life Discussion
Sam Dent, VEIC (IL-TRM Administrator)

Measure Life – Why is it important and part of the policy discussion?

- For most TRM measures, the measure life relates to the expected lifetime of the efficient equipment, and typically it is assumed that the baseline equipment would last a similar period.
- For LED lamps however, the measure life is dependent on the baseline lamp life since these lamps typically have significantly lower expected lifetimes [Incandescent/Halogen – 1-2 years, CFLs - 6 -8 years v 18-20 years for LEDs]
    - Therefore, the continuation of savings is dependent on the baseline lamp being replaced by another baseline lamp after it has burnt out.
- In 2022, VEIC recommended a maximum of 2 years measure life for all LED lamps, reflecting the expectation that after the baseline lamp had burned out (i.e. by 2025), the only available replacement lamp would be an LED and therefore the savings would not continue.
- In the stakeholder agreement, the measure life was set at 2 years for non-IQ Direct Install, and 8 years for IQ programs.

Measure Life – Comment Summary

Policy Issue #1, Question 4: Should the measure lifetime for LED bulbs continue to be eight (8) years in the IL-TRM Version 14.0? Please explain.

ICC Staff	IL Attorney General's Office	NRDC	Opinion Dynamics
Staff does not support keeping the eight-year measure life for IQ programs. The useful life assigned to LED bulbs in IL-TRM v14 should reflect today's market reality, not the conditions that existed when the current eight-year measure life was first adopted for income-qualified (IQ) programs. The federal 45-lumen-per-watt "backstop" and DOE's 2022 lighting rule have all but swept inefficient lamps off store shelves, pushing LEDs to near-universal availability and has shifted the baseline. LEDs installed in enclosed fixtures, high-heat kitchens, or humid bathrooms can fail well before their lab-rated life. A blanket eight-year life assumes uniform operating conditions that the income qualified sector rarely experience; a tiered approach (e.g., 6 yrs for enclosed or high-temperature locations, 12 yrs for open fixtures) would better reflect field realities in IQ communities.	No position.	No. Any incandescent / halogen lamp that might be replaced through direct installation would not be expected to last (and to therefore provide inefficient lighting) for more than two years. Once such a lamp reached the end of its life, the baseline would become a new LED as that is the only thing that can now be purchased. Thus, the savings life should be just two years.	From a purely technical perspective, our opinion is that the measure lifetime for LED bulbs offered through direct install in low-income channels should generally be the expected remaining life of the existing product(s) replaced by the LED. This is because once existing products fail, federal regulations mean that LEDs should be the only available product on the market to replace them. Reasonable assumptions for the full measure life of products that LED bulbs might replace are: ~5 years when replacing compact fluorescent lamps (CFLs), and ~1-2 years when replacing incandescent lamps (halogen or otherwise). How the remaining useful life should be assumed to compare to these full measure life assumptions is a difficult question to definitively answer, and it may be more expedient to simply credit the programs with the full measure life of the products replaced rather than attempting to negotiate a remaining useful life assumption.

- In written comments, Opinion Dynamics raised a few additional topics for consideration:
  - Past Illinois agreements have added some additional time to measure life to account for sell through of inefficient bulbs. Our opinion at this point is that sell-through of inefficient bulbs should have reached its conclusion and therefore does not need to be accounted for. We are not aware of any field studies that have validated this opinion to date and if other parties disagree on this point it could be useful to do some field data collection to confirm.
  - Another topic that is frequently brought up when talking about the appropriate measure life for these measures is possible customer stockpiling of inefficient products (e.g. if a program direct installs a LED bulb to replace a halogen bulb, while the remaining useful life of that halogen bulb may be only a year, the customer may also have additional halogen bulbs in storage that otherwise would

have been installed on burnout). In our minds, the programs would ideally address this issue by also addressing these stockpiled products. Per the Ameren stipulation, “addressing” this issue should consist of recycling or otherwise disposing of the products. It is unclear to us whether the language in the Ameren stipulation was intended to address stockpiled bulbs or only installed bulbs. If stockpiling is addressed by the programs, it is reasonable to credit the programs in some manner for addressing that issue, potentially by extending measure lives for the installed products replaced to compensate.

Zach Ross: Our stance is that it is not worth talking about stock, but this is not based on any data. If ComEd can show us data with high incandescent stock on the shelves, we may change our opinion.

- *Chris Neme: To build off Zach, it is important that if we are to rely on stock surveys, to ensure that these surveys were conducted in a manner designed to survey all stores rather than cherry-picking. The evaluation work needs to be comprehensive.*

Sam Dent: From the comments, it seems there is a consensus that if LEDs are supported by the program, two years is more appropriate.

Elder Calderon: Thank you for your comments. It is difficult to know what we are replacing exactly until we are with the customer. Assuming only a two-year lifetime is not reasonable. There is a reason why replacing incandescent bulbs is a longer lifetime, but trying to average into a two-year period is problematic. We may need another type of baseline to influence savings.

- *Chris Neme: I am not sure I follow. CFL bulb replacement is a longer life, but savings are much smaller. They represent an 8-year life replacement, but savings are miniscule compared to LEDs. Incandescent would be replaced in two years, replacing a CFL is a five-year lifetime, but savings are small. You need to account for average savings for replacing both an LED and CFL.*
- *Sam Dent: The current measure assumes a halogen baseline. Savings assume a halogen bulb.*
- *Chris Neme: Replacing a halogen bulb is not higher than two years of savings.*
- *Elder Calderon: I do not think you can look at minimal savings from a CFL and consider it with a halogen and LED with an average mixed lifetime and average savings.*
- *Chris Neme: If it was valid to get any savings from this measure, it would be reasonable to get a weighted average of lifetime and measure savings.*

Zach Ross: We want to clarify that Opinion Dynamics does not support retail sales of these measures. Our comments pertain to direct installation. CFLs are not sold anymore, but in direct installation measures, CFLs are worth mentioning in low-income homes. If you replace CFLs, you need to account for low wattage, low savings, and CFL lives being longer than halogens. This does not hold for retail. We are changing customer decisions at purchase; they are not considering CFLs. This is why we do not have a weighted baseline in the TRM at this point.

- *Chris Neme: We agree and continue to emphasize that there is no baseline for this proposal.*

Sam Dent: The hours use assumption in the TRM reflects a high use socket. There are arguments to be made that a lot of remaining products to be replaced are in lower use sockets, which suggests the replacement bulb could have a longer life. If you consider this, you need to reduce the hours of use assumption for year 1 savings.

- *Chris Neme: Agree.*

Matt Armstrong: We recognize that the 8-year measure life was a policy decision. It is important to recognize that in 2026, discussions that Ameren Illinois had surrounding replacing older, inefficient bulbs aimed to serve the IQ customer. We need to make sure that we are continuing to serve these customers, therefore continuing with an 8-year measure life to ensure it is still attractive to customers.

- *Chris Neme: That was not our thinking when we were discussing the settlement of the plan, this intention never came up. There is no technical basis to assume a difference. We expect the potential to not replace bulbs that are low energy efficiency, but then savings are lower.*
- *Elder Calderon: I want to echo Matt. We understand the challenges of utilities meeting goals while providing IQ customer support. Accompanying measure life supports the structure and savings of the current savings portfolio. A shorter measure lifetime will provide opposite results for IQ customers.*
- *Chris Neme: We cannot justify a program objective with a program we do not think is valid.*
- *Elder Calderon: We are not trying to mess up measure life, the reality of what customers are facing for potential replacement and stock options will lead to higher measure life. Shortening to a two-year measure life only with CRLs is not viable.*
- *Chris Neme: We can only replace with halogens. This is not ruining savings goals. The only discussion here is that a two-year measure life is based on a 3-hour usage assumption. If we assume a 1-hour usage, first-year savings would be 50-70% lower.*
- *Elder Calderon: We are not opposed to discussing this. Apologies I keep mentioning CFLs as baseline – halogens are the baseline.*

Jason Fegley: I want to confirm this discussion is primarily focused on directional and specialty bulbs, correct? I had a discussion with Sam this week about ultra-efficient LEDs, and given those are driving the lumen and watt even higher, I am curious if ultra-efficient LEDs could have an 8-year measure life with a two-year measure life adjustment?

- *Sam Dent: I think this is something to explore. This would use the halogen baseline for the first two years but then changing to a standard baseline. There are still savings. There used to be a 15-year cap for LED bulbs, they could continue for thirteen more years.*
- *Zach Ross: Agreed. Once you are using LED as a baseline, you have escaped the measure life issue and are at the full remaining life.*

Zach Ross (via chat): Sam, I have technical questions about your comments re: HOU - I am not sure I totally understand them - but I think it is probably most expedient to email you separately about them.

- *Sam Dent (via chat): Zach, simply that if the bulbs being replaced are in a socket that only is on for say 500 hours a year (compared to the TRM assumption of say 1000 hours), you would expect the replaced bulb to remain in place for double the number of years. However, the savings for that bulb should reflect the lower hours of use. Happy to discuss offline.*
- *Zach Ross (via chat): I am clear on that point, but less clear on why we think HOU would be different. I might get it but need you to confirm. I will email you (and Chris).*
- *Chris Neme: I think the question is what would a direct install program do? Would it replace all halogens, even those in lower use sockets, in which case the average hours of use would be lower than the current TRM assumption for retail sales? Or would the replace only halogens in high use locations? I suspect it would be the former. Also, because halogens*

burn out more quickly in higher use locations, I would hypothesize that a DI program would find more halogens in medium to lower use locations than in higher use locations.

- *Sam Dent (via chat): For transparency here, it is an estimate, but I do recall when we worked with CFLs that overtime the hours of use studies got lower and lower, because people were (appropriately) putting their new high efficiency lamps in the highest use sockets first... but as they got more prevalent they start going in closets and other locations with much lower use.*
- *Zach Ross (via chat): I will email. If anyone wants to be looped in let me know.*

Sam Dent: Baseline is typically a fixture that would use these incandescent / halogen lamps. There are measures in the TRM that the current stakeholder agreement relates to. Any other further agreements we would need to apply.

Seth Craigo-Snell: Appreciate all the conversation. I want to add that stockpiling bulbs needs to be explored. Certain customers may have inefficient bulbs in storage to use later. We do not have direct research, but with incandescent and halogen bulbs in retail, there may be a higher fraction of IQ customers purchasing a significant amount.

Sam Dent: It seems like the lifetime should continue. We will revisit if the TRM can be written differently so the lifetime is dependent on the bulb being replaced. From a technical perspective, I am struggling to see halogen replacement – 2 years is generous for the lifetime. Assuming that the baseline lamp is new, which it is not. We will go into the TRM if it gets to that, but it is hard to argue from a technical perspective any life longer than 2 years.

- *Chris Neme: The only issue is the hour usage. This is a discussion for another time.*

IL-TRM Policy Issue #4: Electric Vehicle Measure
Celia Johnson, SAG Facilitator

Electric Vehicle Policy Issue #4

- Policy Issue: Revisiting the Electric Vehicle as an efficiency measure issue
  - Summary of comments received
  - Ameren Illinois response to policy comments
  - Discussion and Q&A
- Discuss Next Steps for Policy Issue #4: Is the issue resolved, or is additional discussion needed at the July 24 meeting?
- Question: Can electric utilities claim energy efficiency savings for incentives used to encourage customers to purchase a more efficiency Electric Vehicle over a standard baseline Electric Vehicle within separate vehicle classes? Please explain.
- Feedback was due Monday, June 30. Comments are posted on the SAG website:
  - ICC Staff
  - Illinois Office of the Attorney General
  - NRDC

Policy Issue #4, Question 1: Can electric utilities claim energy efficiency savings for incentives used to encourage customers to purchase a more efficiency Electric Vehicle over a standard baseline Electric Vehicle within separate vehicle classes? Please explain.

ICC Staff

Staff does not support any attempt to claim BEV-efficiency rebates as EE savings in IL-TRM v14.0 and as it does not demonstrate real, incremental, and durable kilowatt-hour reductions. The proposal misses the core intent of Section 8-103B, which is to fund cost-effective measures that actually reduces the utility's delivery load. Customers switching from a small SUV electric vehicle that uses, for example 40.7 kWh per 100 miles to one that only uses 33.0 kWh could save a notable amount of kilowatt-hours per year, however those kilowatt-hours appear only after the customer adds a brand-new electric load to the grid. The incentive addresses a future increase; it does not create a net reduction and does not meet the criteria for load reduction. Staff is also concern that there is no federal or state minimum-efficiency standard exists for BEVs, there is no stable baseline for claiming incremental savings, or accurate evaluation methodologies that track second-owner transfers, vehicle retirements, or cars that leave the service territory. Considering the potential data gaps may present a challenge in reporting savings that are verifiable. Additionally, 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:

- *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.*

IL Office of the Attorney General

Opposes electric utilities claiming EE savings for incentives used to encourage customers to purchase a more efficient EV over a standard baseline EV within separate vehicle classes. IL OAG has previously opposed this Policy Issue and continues to oppose its inclusion in the Illinois EE program.

- The Beneficial Electrification (BE) provision of CEJA already provides a mechanism for the promotion of efficient EVs and cost recovery. The BE provision of CEJA is the appropriate place to encourage the adoption of efficient EVs. This is especially important given the budget limitations of the EE program and the statutory prioritization of EE investment in income-qualified communities, which are also unlikely to benefit from incentives for the claimed savings for more efficient EVs.
- We have concerns about free ridership in the incentivization of more efficient EV purchase. Given the costs of EVs, and customers' typical priorities for choosing new cars (e.g. size, style, make or brand, warranty, safety), it is unlikely that a customer would choose a different EV than their preferred make and model to secure a rebate that is likely to be insignificant relative to the total cost of the EV. While a more significant rebate amount could influence this decision and minimize free ridership, given total EE budget limitations and cost-effectiveness mandates, which include specific spending prioritization, we do not think the net-to-gross process is sufficient to address these concerns.

NRDC

Conceptually, NRDC is supportive of the notion that an efficient EV – i.e., one that consumes less kWh per year than a standard EV a customer would otherwise have purchased – could be a legitimate electric efficiency measure.

- Whenever a customer is in the market to buy an electricity-consuming product there can be an opportunity to influence the purchase so that they buy an efficient version of the product instead of a less efficient or "standard" version of the product. We do not see why EVs are different in this regard than lighting products, air conditioners or refrigerators. The fact that there may be other sources of funds for the purchase of EVs generally does not change that conceptual point if the focus of the utility EE program is not to promote all EVs but only highly efficient ones. If any other Illinois utility ratepayer funded EV promotions or incentives are also designed specifically to promote efficient EVs instead of standard EVs, our response might be different.
- NRDC has concerns about the potential for a utility EE program to effectively promote the purchase of efficient EVs. Our biggest concern is that research on this issue in the Pacific Northwest seems to suggest that the federal mileage rating system upon which Ameren proposes to base savings estimates is not very accurate – and likely significantly over-estimating actual operating efficiency – for at least some EV manufacturers' models (including many that have among the best efficiency ratings). We also have other concerns about the specifics of Ameren's proposal, including (1) basing the assumed efficiency of a standard EV on the average efficiency of all EV models available rather than sales weighted average of the models that are actually being purchased today; and (2) assuming that the "baseline" is one standard deviation below the average efficiency rather than the average efficiency.

Chris Neme: ICC Staff concerns include the potential to promote electric vehicles (EVs) and add strain to the grid, but our position is that this measure is designed to incentivize customers who already have an EV. The concept of incentivizing high-efficiency EVs is reasonable if we can a) make the program design work, and b) if there are no other incentives targeting high efficiency EVs.

Zach Ross: I am confused as to why free ridership is mentioned in the Attorney General's comments. I do not disagree, but this is not something we are usually capturing in the TRM.

- *Kaitlyn Linser: I can pass your comment along to Kim and Abby, since they wrote the response.*
- *Zach Ross: Thank you. To be clear, this does need to be accounted for, and we would not debate that.*

Nick Warnecke: Although ICC Staff is not on the call, we do not agree the measure does not show incremental savings. A customer who already has an EV will get a high-efficiency vehicle, which lessens load on the grid. Promoting an efficient EV at purchase is the same as promoting a heat pump or fridge. We are not promoting from a combustion vehicle to an EV, but an EV to a more efficient EV. In reference to the ComEd docket, incentives by the EPA are incentives from a combustion vehicle to an EV. We believe it would be beneficial to reserve the right to a monetary incentive, as it would not be the main incentive. Education, dealership promotion, and other methods would be effective. Another aspect we are having trouble with is where it explicitly says the IPA has sole responsibility to administer rebates. If anyone could point us to where it states they have sole authority, that would be helpful.

- *Celia Johnson: I am happy to follow up with ICC Staff.*

Elder Calderon: Agreed on how Ameren articulated it. Ford has electrification upgrade programs in place where they install an incentivized, higher-efficiency battery unit for a customer with an existing EV. This is in line with existing measures.

Nick Warnecke: Addressing the free-rider and NTG issues, we understand concerns around incentivization. But we believe that a rebated program can be efficient in promoting an EV. Even a small incentive can play a pivotal role. Modest rebates can bring awareness of efficiency, which is likely not happening. Monetary incentives are not the only method in promoting EVs. Education and awareness campaigns can help inform customers about energy savings. The NTG process provides a reasonable framework to evaluate the program regardless of the incentive. We do not see a fundamental difference between this and other measures.

- *Seth Craigo-Snell: Great point. We want efficiency to become a part of customer decisions. Rebates are an important part of that. This decision is not very different than a fridge in the sense that customers are making decisions on a multitude of different features.*
- *Matt Armstrong: Agreed. I am not sure if the piece about Beneficial Electrification (BE) promoting EVs through CEJA is accurate. Beneficial Electrification (BE) promotes EVs themselves. We recognize the ICC Staff's position is that utilities should not provide rebates for EVs, and that CEJAs goal is a carbon-free 2050. The two need to work together. BE will aid in adoption of EVs, we will incentivize an efficient EV.*
- *Nick Warnecke: I appreciate conceptual response. I took time to previously meet with Chris, and we did agree that we could find middle ground with some items. But, if we cannot reach middle-ground on some policy points, there is not much purpose to discussing technical points.*
- *Seth Craigo-Snell: We reached out to the group conducting research that Chris mentioned in his response. We will continue to try to interface with these folks, who are ahead of us in the technical details. We want to reach a place that is as firm as possible in savings claims until EPA data reaches uniformity. We are happy to have a conversation about technical details when we know we are not in a dead end.*

Closing and Next Steps

Additional discussion on TRM Policy Issue #1 (lighting) and #4 (EV measure) may be necessary at the July 24th SAG Small Group meeting.