

SAG Market Transformation Savings Working Group: Process Overview

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July 22, 2020 Working Group Meeting

Agenda

- ▶ Working Group Purpose
- ▶ Process for Consensus on Savings Protocols
- ▶ IL-TRM Version 9.0 Check-In
- ▶ Proposed Edit to Attachment C (MT Framework)
- ▶ Process for Consensus on Policy Issues

Working Group Purpose

- ▶ To provide a forum to discuss policy issues related to MT savings evaluation and estimation.
- ▶ To provide an opportunity to review specific MT initiatives and the data/approach proposed to be used to develop savings, including but not limited to:
 - ▶ Logic Models;
 - ▶ Savings/unit;
 - ▶ Total market unit data collection;
 - ▶ Natural market baseline data and projections;
 - ▶ Service territory accounting; and
 - ▶ The duration of any MT savings credit.
- ▶ To reach consensus on savings approaches for MT initiatives that may be included in the IL-TRM.

Process for Consensus on Savings Protocols

- ▶ **Objective:** To reach consensus on savings protocols for specific market transformation initiatives, for potential inclusion in the IL-TRM.
- ▶ **Process:**
 1. Review and discuss individual market transformation initiative + data / approach proposed to be used to develop savings
 2. Circulate draft savings proposal for individual MT initiative(s) to Working Group for review
 - ▶ Goal of providing 15 business days for review
 - ▶ Follow-up discussion scheduled to finalize savings approach, if needed
 3. Document consensus on MT initiative-specific savings approaches:
 - ▶ Submit final/consensus savings approach to IL-TRM Administrator for inclusion in Attachment C or
 - ▶ Post consensus on SAG website (Working Group page)

IL-TRM Version 9.0 Check-In

- 1. What savings approach information should be considered for inclusion in the IL-TRM?**
 - ▶ This will be discussed by the Working Group for each MT initiative
- 2. Will savings approaches for any MT initiatives be included in IL-TRM V9?**
 - ▶ Working Group needs to share final/consensus savings approaches with IL-TRM Administrator no later than Sept. 1, 2020
- 3. How will consensus on MT savings approaches be documented when the IL-TRM update process is inactive?**
 - ▶ MT savings approaches will be discussed by the Working Group on an as-needed basis, with consensus documented on the Working Group website
- 4. Are any revisions needed to the IL-TRM *Attachment C: Framework for Counting Market Transformation Savings in IL?***
 - ▶ A minor edit is proposed - see red text on next slide

Proposed Edit to Attachment C: Framework for Counting Market Transformation Savings in Illinois

- ▶ **Note:** Any edits to the Attachment C Framework require circulation to SAG for review/comment no later than mid-August, before the Sept. 1 deadline to submit consensus language to IL-TRM Administrator

Proposed Edit: Section 1 of Attachment C (Market Transformation Context)

This Attachment describes a high level framework for estimating savings from Market Transformation (MT) initiatives. **This Attachment was developed in 2019 within the Illinois Energy Efficiency Stakeholder Advisory Group (SAG) Market Transformation Savings Working Group, to describe a high level framework for estimating savings from Market Transformation (MT) initiatives.** MT protocols will need to be developed for individual MT initiatives as they are launched, **and may be documented in the IL-TRM or by posting agreed-upon protocols to the SAG website.** The development and future inclusion of MT initiative-specific protocols in the IL-TRM will (1) help to ensure consistent evaluation approaches are used for similar MT initiatives that are offered throughout the state and (2) provide utilities with greater certainty as to how specific MT initiatives will be evaluated.

This Attachment is divided into two sections. The first gives the context of Market Transformation (MT) and describes some of its unique features that influence the estimation of savings. The second part describes high-level methodologies for determining savings from MT initiatives.

Process for Consensus on Policy Issues

1. Background on policy request(s) will be presented to interested SAG participants.
2. Proposed policy resolution will be circulated to SAG [or interested parties] for review, including a request for edits or questions, with a minimum of ten (10) Business Days provided for review.
3. If the SAG Facilitator receives substantive edits, questions or concerns regarding proposed resolution of an open policy issue, a follow-up discussion will be held with interested SAG participants.
4. Final resolution will be documented on the Policy page of the SAG website: <https://www.ilsag.info/policy/>
 - ▶ Alternative: Final resolution documented in IL-TRM Attachment C (Framework for Counting Market Transformation Savings in Illinois)
5. The SAG Facilitator will maintain a “Policy Tracker” describing any policies to be considered in a future update to the Policy Manual or IL-TRM Policy Document.

Future Working Group Activities

▶ **Timing for Future Meetings:**

- ▶ The next meeting is Monday, September 21
- ▶ I am reviewing whether there will need to be an additional Working Group meeting in 2020

▶ **Tentative Topics for Future Meetings:**

- ▶ Follow-up discussion on:
 - ▶ Code Compliance
 - ▶ Stretch Codes and Building Performance Standards
 - ▶ Retail Products Platform
- ▶ Gas Heat Pump Water Heaters Business Plan and Market Characterization
- ▶ Commercial Food Service Pilot Progress and Market Baseline Update
- ▶ Luminaire Level Lighting Controls Business Plan

Questions?

