

**Stakeholder Advisory Group
EM&V Focus
Meeting Agenda**

Thursday, July 31, 2008
1:00 –5:00 pm

Locations:

Springfield: Illinois Building, Room 1214 [**NOTE** room change]

Chicago: James R. Thompson Center, 100 Randolph, Suite 3-400 – Illinois Room

Time	Agenda Item	Discussion Leader
1:00 – 1:15	Welcome and Opening, Introductions	Annette Beitel
1:15 – 2:30	ComEd and Ameren Evaluation, Measurement and Verification RFPs <ul style="list-style-type: none"> • Comments from Prah/Peach on RFPs • Input from Stakeholder Group Members 	Ralph Prah
2:30 – 3:00	EM&V Bid Issues <ul style="list-style-type: none"> • Ensuring consistency • Bid strategy 	Ralph Prah
3:00 – 3:20	Break	
3:20 – 4:30	Presentation of Evaluation Framework	Gil Peach
4:30 – 4:40	ComEd as City of Chicago Contractor for EE funds	Annette Beitel
4:40 – 4:50	Incentive levels <ul style="list-style-type: none"> • Can prescriptive measures receive customized incentives? 	David Baker
4:50 – 5:00	Closing -Next Steps	Annette Beitel

Meeting Materials:

- Consultant comments on Ameren and ComEd EM&V RFPs
- Evaluation Framework Powerpoint

Meeting Notes

July 31 SAG

Attendees: In-person: Ralph PrahI; Gil Peach; Annette Beitel; Tim Melloch and Mike Brandt (ComEd); Keith Martin (Ameren); David Baker (DCEO); Susan Hedman (AG); Anthony Star (CNT); Kate Agassie (MMC); Dylan Sullivan (NRDC) ; Rebecca Devens (CUB); Chuck Webber (CTA); Farah Abi-Akar (CTA); Jay Wrobel (MEEA)

Attendees: Phone: Rick Voytas (Ameren); Judd Morris (Ameren); Lynda Files (Ameren); Heidi Merchant (Ameren); Geoff Crandall (consultant to ELPC/Env. IL); Tom Lisle (Optimal for AG); Rich Zuraski (ICC); David Brightwell (ICC); Lance Escue (SAIC)

ComEd/Ameren EM&V RFPs for Evaluation Contractors

Evaluation consultants PrahI and Peach provided their comments on the Ameren and ComEd EM&V RFPs (see attached notes provided to the group). Other SAG member expressed interest in providing comments on Ameren and ComEd, but due to time constraints during meeting, written or redlined comments due directly to Brandt and Martin no later than **Tuesday, August 5.**

EM&V Bid Issues

- **Consistency** – EE Consultants PrahI and Peach to help ensure consistency, where appropriate, between ComEd and Ameren EM&V contracts. PrahI indicated that given similarities between ComEd and Ameren portfolios, it would have been appropriate to consider a single statewide evaluation contractor.
- **Coordination with Stakeholders** – Discussion regarding when the SAG should be consulted by the EM&V contractors during course of evaluation. Discussion included following recommendations on when evaluation consultant should consult with SAG:
 - Before evaluation contractors selected
 - Review/comment on evaluation contractor contracts
 - EM&V budget allocations across programs
 - Form of evaluation plans and draft/final reports
 - Evaluation plans for each program (e.g. key areas of focus, what will be ignored/delayed)

- NTG/deemed savings issues
- Regular updates on key concerns or program results that are “better than expected” – (monthly?/quarterly?)
- Review/comment on draft evaluation report
- Copy of final evaluation report
- **Bid Strategy**
Prahl and Peach indicated that given the budgets for the RFPs, they recommend distributing RFPs widely rather than pre-selecting small firms. Prahl indicated he would provide list of recommended firms to ComEd and Ameren. Peach recommended posting RFPs on AESP and “Chicago evaluation” websites.
- **EM&V Focus Sub-Group**
Communications/discussions re: EM&V-focus issues will be sent to “EM&V-focus” group rather than whole SAG. Prahl/Peach will report out on key EM&V issues to large SAG group.

Presentation of Evaluation Framework

Peach gave presentation on Evaluation Framework. Open issues: need to clarify which elements will be developed by evaluation contractors through normal course of evaluation work, which are ICC staff or ICC elements, and which will be developed by evaluation consultants.

ComEd as City of Chicago Contractor for EE Funds

David O’Donnell reported that the City is doing an RFP to identify one or more “prime” contractors for EE funds and will no longer use ComEd once it has identified other contractors through the RFP. ComEd will continue to provide auditing and basic engineering.

Incentive Levels: Public Sector Energy Efficiency Programs: Can prescriptive measures receive custom incentives?

David Baker took comments from SAG members on whether, for Public Sector Energy Efficiency Programs, prescriptive measures should be able to receive customer incentives. He presented the following data, below, and as a result of SAG comments and further discussions has developed a proposed rule for when prescriptive measures can receive customer incentives, also below:

DCEO has been requested to allow applicants to apply under the Public Sector Custom Program for measures that are included in the Standard Program, under certain circumstances – in particular, when the operating hours are very different than those assumed in the Standard incentives. DCEO plans to allow this for the following reasons:

1. The public sector deemed numbers calculated by ICF and approved by the ICC were based entirely on education buildings and do not reflect operations that have a completely different profile, such as transit facilities, public safety buildings, correctional institutions, and health care facilities.

Education - Primary	
School	1440
Education - Secondary	
School	2305
Education - Community	
College	3792
Education - University	
	3073
Education sector average	
	2652.5
Assembly (operating hrs. assumed same as education)	
	2652.5

2. The Custom Program was intended for situations that are not “standard” and provides for closer scrutiny and monitoring and additional data collection.
3. The Standard incentive levels undervalue the electricity load reductions from 24/7 facilities. For example, the \$10 incentive for a Super T8 comes out to 17.9 cents/kWh for Education/Assembly buildings, but only 5.4 cents/kWh for a 24/7 facility.
4. The cost of allowing Custom applications is not significant. The Custom Program provides for an incentive of 7 cents/kWh, only a modest increase over the 5.4 cents under the Standard incentive. For example, an 8 foot Super T8 would receive a \$13 rather than a \$10 incentive.

5. The NPV of avoided costs are greater and the TRC cost/benefit ratio higher for 24/7 operations than for shorter-hour facilities (for measures such as T8, T5, and metal halide lighting, where measure life is 100,000 hours or more).
6. Allowing applicants to use the Custom Program would encourage more rather than fewer 24/7 and other long-hour type public facilities and help meet the load reduction goals.

DCEO proposes the following language in its paragraph on project eligibility:

Applicants under the Public Sector Electric Efficiency Program may apply under the Custom Program for measures included in the Standard Program with appropriate justification and documentation when the operations are significantly different from standard operations in public facilities.