

## Comments from “Evaluator Team” plus Ted Weaver: Opinion Dynamics Corporation (Mary Sutter); Navigant (Jeff Erickson) and Ted Weaver (representing Nicor) on TRM Front Matter

### Glossary Section:

**Evaluation:** Evaluation is an applied inquiry process for collecting and synthesizing evidence that culminates in conclusions about the state of affairs, accomplishments, value, merit, worth, significance, or quality of a program, product, person, policy, proposal, or plan. Evaluation in the energy efficiency arena is an investigation process to determine energy or demand impacts achieved through the program activities, encompassing, but not limited to: *savings verification*, *measure level research*, and *program level research*. Additionally, evaluation may occur outside of the bounds of this TRM structure to assess the design and implementation of the program.

**Savings Verification:** An evaluation process that independently verifies program savings achieved through Prescriptive Measures. This process verifies that the TRM was applied correctly and consistently by the program being investigated, that the measure level inputs to the algorithm were correct, and that the quantity of measures claimed through the program are correct and in place and operating. The results of savings verification may be expressed as a program savings realization rate (verified ex post savings / claimed ex ante savings). Savings verification may also result in recommendations for further evaluation and/or field (metering) studies to increase the accuracy of the TRM savings estimate going forward.

**Measure Level Research:** An evaluation process that takes a deeper look into measure level savings achieved through program activities driven by the goal of providing Illinois-specific research to facilitate updating measure specific TRM input values or algorithms. The focus of this process will primarily be driven by measures with high savings within utility portfolios, measures with high uncertainty in TRM input values or algorithms (typically informed by previous savings verification activities or program level research), or measures where the TRM is lacking Illinois-specific, current or relevant data.

**Program Level Research:** An evaluation process that takes an alternate look into achieved program level savings across multiple measures. This type of research may or may not be specific enough to inform future TRM updates because it is done at the program level rather than measure level. An example of such research would be a program billing analysis.

### STAKEHOLDER ROLE SECTION

1. **Evaluators** (Evaluation Teams, Independent Consultants) – The Evaluators have primary responsibility pursuant to 220 ILCS 5/8-103(f)(7) and 220 ILCS 5/8-104(f)(8) to provide independent evaluations of the performance and cost effectiveness of the Utilities’ and DCEO’s energy efficiency portfolios. To support this responsibility in the context of the TRM, Evaluators will perform savings verification to calculate savings for prescriptive measures covered by the TRM, and, where budget allows, conduct measure and program level research to inform future TRM updates. The Evaluators shall collaborate with the Utilities and DCEO to determine appropriate data collection and analysis that supports savings verification calculations, while considering the administrative cost and participant burden associated with such data collection.

### Language for Section 3.x (The TRM's Relationship to Portfolio Evaluation)

Evaluators shall perform savings verification (see glossary section) and present TRM-verified savings estimates within the evaluation reports of the Utilities’ and DCEO’s energy efficiency portfolios. Evaluators shall perform net-to-gross research consistent with utility orders. Additionally, where possible based on available budgets, the Evaluators may also perform measure and/or program level research (see glossary section). Savings verification values and, where present, measure or program level research shall be provided in the annual independent evaluation report required pursuant to 220 ILCS 5/8-103(f)(7) and 220 ILCS 5/8-104(f)(8), although each will be

presented in separate sections of the report. Evaluation results for each Utility will be applied in accordance with the ICC Orders approving that Utility’s energy efficiency plan.

For savings verification, evaluators will estimate energy and capacity savings for prescriptive measures as the product of participants, quantities, net-to-gross ratios, and unit savings.

- Evaluators will verify participants and installed quantities, consistent with approaches defined in Evaluator work plans.
- Evaluators will apply net-to-gross ratios consistent with the net-to-gross policies defined in ICC Orders approving Utility Energy Efficiency Plans.
- Evaluators will calculate unit savings for prescriptive measures included in the TRM using appropriate TRM algorithms, deemed values, and default values, using the following approach and schedule:
  - For savings achieved in EPY4/GPY1, Evaluators will apply unit savings included in Utilities’ approved Energy Efficiency Plans.
  - For savings achieved in EPY5/GPY2, Evaluators will apply savings based on the initial TRM approved by the ICC;
  - For savings achieved in future PYs, Evaluators will apply values based on the TRM Update finalized by March 31 prior to the start of the PY;

For any measures not included in the TRM, including custom measures, prescriptive measures not yet incorporated into the TRM, and prescriptive measures Program Administrators choose to implement using custom savings calculations, Evaluators will develop appropriate savings calculations, consistent with policy direction provided in ICC Orders.

**Retrospective and Prospective Application of Evaluation Results**

Evaluation results will be used to calculate program and portfolio savings for the purposes of determining whether the utilities and DCEO have met their savings goals in accordance with the ICC Orders approving each Utility’s energy efficiency plan.

The following table shows the current understanding of how evaluation results will be used to calculate program and portfolio savings for determining whether the utilities and DCEO have met their savings goals. [This table or something like it should be filled in by the utilities based on their understanding of their orders. At this point, we have kept the actions identical between utilities, but these could be broken out if needed by utility.]

**Evaluation Results Used For Determining if Savings Goals Have Been Met**

Utility	Measure is in the TRM† Ex Post Gross Savings	Measure is Not in the TRM† Ex Post Gross Savings
ComEd	Savings Verification applied retrospectively.	Measures Level Research applied retrospectively
Nicor		
Peoples Gas and North Shore Gas	Program Level Research applied prospectively	Program Level Research applied retrospectively
Ameren		
DCEO		

†E.g., Custom Programs, Prescriptive measures that are not yet in the TRM, prescriptive measures Program Administrators choose to implement using custom savings calculations.