

IL EE Stakeholder Advisory Group Attendee List and Meeting Notes

Tuesday, July 29th, 2014

11:00am – 4:20pm

Ameren Illinois

200 W. Washington St., Springfield, IL 62701

Call-In Number: 760-569-6000; passcode: 844452#

Webinar (see Outlook invitation)

Time	Agenda Item	Discussion Leader
11:00 – 11:10	Opening and Introductions	Annette Beitel, EE SAG Facilitator
11:10 – 12:00	SEDAC Overview <ul style="list-style-type: none"> • Overview and history of programs. • Update on programs. Purpose: Educate SAG about SEDAC programs.	Brian Deal, SEDAC
12:00 – 12:45	Section 111(d) Plans in Illinois <ul style="list-style-type: none"> • Overview of issues/process. • Request for comment from EPA. • Questions for SAG. Purpose: Determine next steps.	Becky Stanfield, NRDC
12:45 – 1:15	Lunch	
1:15 – 1:45	Data Center Pilot Program <ul style="list-style-type: none"> • Purpose of addendum to DCEO Energy Efficiency Potential Study. • Results of additional research/modeling. • Recommendations for future DCEO programs. • DCEO Data Center Pilot project. Purpose: Describe addendum to DCEO Potential Study; provide an overview of the Data Center Pilot project.	Andrey Gribovich, ERC/UIC; David Baker, DCEO
1:45 – 3:00	Quarterly Report-Out* (GPY3, EPY6) <ul style="list-style-type: none"> • Utilities and DCEO report-out on Q4 program results. 	Utility and DCEO Representatives

3:00 – 3:20	Break	
3:20 – 4:10	DRIFE <ul style="list-style-type: none"> • Overview of DRIFE. • Whether it should be included in cost-effectiveness calculations in Illinois. Purpose: Determine next steps.	Chris Neme, Energy Futures Group, on behalf of NRDC; Paul Chernick, Resource Insight
4:10 – 4:20	Closing	Annette Beitel

Attendee List

Annette Beitel, EE SAG Facilitator
Celia Johnson, SAG Senior Policy Analyst
Ashley Collins, 360 Energy Group
Brian Deal, SEDAC
Chris Vaughn, Nicor Gas
Keith Martin, Ameren IL
Becky Stanfield, NRDC
Chris Neme, NRDC
Jon Jackson, Ameren IL
Keith Goerss, Ameren IL
Cheryl Miller, Ameren IL
Mike Brandt, ComEd
Jim Jerozal, Nicor Gas
Hammad Chaudhry, Nicor Gas
Stefano Galiasso, ERC/UIC
Karen Lusson, IL AG
Roger Baker, ComEd
Koby Bailey, Peoples Gas-North Shore Gas
Sue Nathan, AEG
Andrey Gribovich, ERC/UIC
Paul Isaac, Franklin Energy
Wade Morehead, CSG
Phil Mosenthal, Optimal Energy, on behalf of the IL AG’s Office
Paul Chernick, Resource Insight
David Brightwell, ICC Staff
Jim Zolnierek, ICC Staff

Note: Additional phone attendees not available.

Meeting Notes

Follow-up items are highlighted in yellow.

SEDAC Overview – Brian Deal, SEDAC

- SEDAC offers free technical services to IL entities planning energy improvements. Over the past 10 years, it is about 50/50 public sector to private.
- Koby Bailey, Peoples Gas-North Shore Gas: How do the private programs run?

- The process is the same; reports are shared with utilities; there are referrals.
- Jim Jerozal, Nicor Gas: What is the conversion rate with gas programs?
 - Annually, about 30%. Over a longer period (5-6 years), it is closer to 75%, although that may not include incentives.
- Chris Neme, Energy Futures Group/NRDC: Is there a long-term plan for this?
 - SEDAC does try to map out a strategy for customers, such as in terms of packages and returns. They do follow-up on projects and customer actions.
- Suggests figuring out how buildings are doing in the state of Illinois. For example, “here is how your park district facility compares to x facility.”
- Estimates having worked with 10% of the square footage in the public sector.
- Incentive review is public buildings only. However, design assistance is open to everyone.

Section 111(d) Overview – Becky Stanfield, NRDC

- There is an interim target that represents the average from 2020 to 2029.
- Benefits are weighed more to climate.
- NRDC thinks a faster target is possible and cost-effective; EPA has chosen to go a more moderate route.
- It’s not clear whether USEPA can include gas savings.
- Keith Goerss, Ameren IL: Is this a gross number vs. a net number?
 - It was not specified. EPA included a baseline forecast.
- Follow-up: Can NRDC provide additional information on naturally occurring savings?
 - Becky Stanfield to follow-up.
- Jim Jerozal, Nicor Gas: Will this rule push municipal opportunities?
 - Not necessarily. However, EPA is regulating the power plant owners/states.
- Discussion of changes needed.
- David Baker, DCEO: What is NRDC’s position on counting natural gas end use efficiency?
 - NRDC would like to find a way to make that work. This is a question as to whether it makes the rule legally vulnerable.
- Keith Martin, Ameren IL: Legal implications of state EE getting pulled into this?
 - NRDC thinks USEPA is on firm legal ground. States have the flexibility to come up with their own plans, and use EE and renewable programs to comply.
- Annette Beitel, SAG Facilitator: Is IL considering a multi-state plan?
 - There is a MISO-wide regional conversation going on. Chairman Scott is chairing that process. It’s not currently clear whether there is the possibility of a wide implementation strategy.
- Roger Baker, ComEd: EPA is asking for feedback on several items (ex: Net vs. gross). Also that behavioral programs and codes and standards have fewer savings. Is there a role for SAG to play to provide comments?
 - The commenting period ends in October.

Data Center Pilot Program Addendum – Andrey Gribovich and Stefano Galiasso; ERC/UIC

DCEO Data Center Pilot Program Overview – David Baker, DCEO

- In the DCEO docket, ELPC staff requested further analysis on data centers. DCEO agreed to update its EE Potential Study within the next 6 months to include the savings potential for public sector data center projects in IL and present results to SAG.
- Data centers can account for about 2.2% of public sector energy center consumption.
- Ashley Collins, 360 Energy Group: Is there a breakdown on the number of data centers by size?

- Yes, Andrey Gribovich will provide.

Nicor Gas GPY3 Summary – Jim Jerozal, Nicor Gas

- PY3 report-out – programs surpassed the goal.
- Overview of program performance (net therms) and costs by program.
- Chris Neme: How much coordination with ComEd?
 - There is coordination with ComEd; for example, the custom program.
- Jim Jerozal to send updated slide (PY3 Custom is missing a few wedges).
- PY3 performance vs. national programs – Nicor Gas therms savings was higher than any other national program.
 - What is the cost per therm for Nicor Gas. vs. other programs?
 - Ted Weaver, First Tracks Consulting/Nicor Gas: This has not been calculated, but it would be an interesting piece of information to review.
- Nicor Gas did a study to put metrics around the savings. There is a need to create key messages to increase the understanding of EE programs – jobs created, etc.
 - Karen Lusson, IL AG: The job creation message is very important, especially to the General Assembly.
 - Becky Stanfield, NRDC: NRDC recently completed a study on job creation.
 - Follow-up: How do we publicize this, and other successes in Illinois? We should determine how to identify successes and publicize them – to legislators, ICC, etc. Devote time in September meeting to this topic.
- Keith Martin, Ameren IL: How many customers opted out?
 - Approximately 20 in first 3-year cycle. A few more opted out in second cycle; a few wanted to opt back in.
- Karen Lusson, IL AG: Why did Nicor change the name of the program?
 - New program name is “energySMART.” Previously programs were branded individually. This is a more holistic, simple approach.

Peoples Gas-North Shore Gas – Paul Isaac, Franklin Energy

- PY3 therm savings at 136%; savings numbers still preliminary.
- Karen Lusson, IL AG: Question on furnace rebates; there are issues with venting, demographics, etc. How did this go in PY3?
 - Polar vortex combined with special incentives helped the program in PY3.
- Phil Mosenthal, Optimal Energy/IL AG: When budgets were underspent, which did programs throttle back at end of year?
 - Budget numbers are not finalized yet; there are still incentives to be processed. Numbers provided are through June 30th. It’s difficult to predict what you will get when. There was no carryover from PY3 to PY4.
- Portfolio for 3 years: PG-NSG estimates over-achieving the goals for both PG and NSG.
- OBF challenge: A lot of people who are interested in city do not qualify due to credit issues (26.9% were funded of those who applied).
- Annette Beitel, SAG Facilitator: Has the program considered an increased incentive for lower income neighborhoods?
 - Not at this time; it may be difficult from an implementation standpoint (for ex: incentives by zip code).
 - Chris Neme, Energy Futures Group/NRDC: Consider DCEO incentives.
- Program updates:

- Air sealing will be implemented as a measure within programs later this year. Will continue a strong Partner Trade Ally focus.
- Will be developing and implementing a new construction program with ComEd, on the business side.

DRIPE Overview – Chris Neme, Energy Futures Group

- DRIPE = Demand Reduction Induced Price Effects. Prices are affected by more than just load. This did not analyze capacity.
- Stefano Galiasso, ERC/UIC: Is the 1% reduction across the board?
 - It is the average of all hours across the year.
- Keith Goerss, Ameren IL: Not sure it is the same when comparing to PJM, for example.
 - Becky Stanfield, NRDC: This is a two-step analysis.
 - Keith Martin, Ameren IL: This also assumes that the downward effect on price is also passed on to ARES (alternate electric supplier).
 - If there is a competitive enough market, this should be the effect.
 - **Chris will follow-up with Paul on this piece.**
 - Keith Goerss, Ameren IL: One example is that some municipalities are using this as a revenue stream.
- Keith Goerss, Ameren IL: Does this apply to anything that would reduce load?
 - Keith Martin, Ameren IL: A 1% demand in reduction (due to weather, EE or the economy). Is the assumption that there is an impact to price for any of these?
 - Yes, anything that reduces demand will reduce price.
- David Brightwell, ICC Staff: Wouldn't you need to include the actual cost of the incentive in the TRC as well, since that would be causing a price increase to ratepayers?
 - This is already included in TRC.
 - David Brightwell, ICC Staff: Customers are being charged for the EE programs, but they are not charged when there is a change in the weather.
 - Both components are treated as part of the cost.
- Becky Stanfield, NRDC: IPA has done an analysis of the price suppression effects on RPS.
- Were there any other studies reviewed regarding price suppression effects? Were there similar results?
 - In New England, price suppression effects have been analyzed for 6 years and included in EE program screening for around the same amount of time.
- Marcella Bondie-Keenan, Elevate Energy: Agrees that price effects should be included.
- **Jim Zolnierak, ICC Staff: Are there any other details about this review?**
 - **Yes, there is a report that can be circulated. Chris Neme and Becky Stanfield to follow-up. There will be an opportunity for SAG to provide comments.**
 - Ted Weaver, First Tracks Consulting/Nicor Gas: MISO vs. PJM; regional generators are driving the price.
- Keith Goerss, Ameren IL: When looking at TRC for a particular measure, how would you incorporate these benefits? Since the benefits are accruing across the whole system?
- **Where is this used as an adder throughout the country?**
 - **Becky Stanfield/Chris Neme will look into this and follow-up.**
- Keith Goerss, Ameren IL: Will these correlations change at that point? The system is based on long-term economics.
 - Chris Neme, Energy Futures Group/NRDC: Will go back and look at New England studies, to see how much the results have changed. This, like everything else, is a forecast.

- Mike McMahon, CUB: Do you intend to look at summer months? This study looked at October.
 - Summer months were reviewed and the result was similar.
 - Phil Mosenthal, Optimal Energy/IL AG: Wouldn't there be a bigger reduction in August?
 - During "hyper peak" there would be a bigger impact on price.