

IL EE Stakeholder Advisory Group Attendee List and Meeting Notes

Tuesday, February 24th, 2015
10:30 am – 4:10pm

**Midwest Energy Efficiency Alliance (MEEA)
20 N. Wacker Drive, Suite 1301, Chicago**

Call-In Number: 760-569-6000; access code 844452#

Webinar registration: <https://attendee.gotowebinar.com/register/2541744692796037378>

Attendee List

Annette Beitel, EE SAG Facilitator
Celia Johnson, SAG Senior Policy Analyst
Roger Baker, ComEd
Leah Skull, MEEA
George Malek, ComEd
Mike Brandt, ComEd
Jim Jerozal, Nicor Gas
Ted Weaver, First Tracks Consulting, on behalf of Nicor Gas
Chris Vaughn, Nicor Gas
Hammad Chaudhrey, Nicor Gas
John Moran, Peoples Gas-North Shore Gas
Pat Michalkiewicz, Peoples Gas-North Shore Gas
Koby Bailey, Peoples Gas-North Shore Gas
Paige Knutsen, Franklin Energy, on behalf of Peoples Gas-North Shore Gas
Julia Friedman, MEEA
John Paul Jewell, ELPC
Paul Isaac, Franklin Energy
Mike McMahon, CUB
Marcella Bondie-Keenan, Elevate Energy
Ashley Harrington, 360 Energy Group
Rob Neumann, Navigant
Stefano Galiasso, ERC/UIC
Cheryl Miller, Ameren IL
Jon Jackson, Ameren IL
Todd Thornburg, ComEd
David Diebel, ADM
Monika Jesionek, ADM
Pat Keneally, NRDC
Bill Haas, Inova

Wael Al-Sharif, 360 Energy Group
Kristin Munsch, CUB
Doug Kosar, GTI
Shraddha Raikar, ERC/UIC
Jason James, Elevate Energy
Steve Baab, ComEd
Jane Colby, Cadmus
Andrew Cottrell, AEG
Deirdre Coughlin, DCEO
Ben Crandall, CLEAResult
Jim Fay, ComEd
Kevin Grabner, Navigant
Matt Guernsey, Navigant
Rich Hackner, GDS Associates
Cliff Haefke, ERC/UIC
Jacob Hannan, MCR Group
Arturo Hernandez, ComEd
Cheryl Jenkins, VEIC
Karen Lusson, IL AG
Bridgid Lutz Bridgid, Nicor Gas
John Madziarczyk, Nicor Gas
Keith Martin, Ameren IL
Tim Melloch
Wade Morehead, CSG
Phil Mosenthal, Optimal Energy, on behalf of IL AG
Agnes Mrozowski, Ameren IL
Sue Nathan, AEG
David Nichols, ComEd
Gail Parson, E2
George Roemer, Franklin Energy
Anthony Star, IPA
Michael, Strong, BT Law
Chris Wheat, City of Chicago
Ken Woolcutt, Ameren IL
Jim Zolnierok, ICC Staff
Jennifer Morris, ICC Staff
Kate Brown, DCEO
Ali Al-Jabir, IIEC
Keith Goerss, Ameren IL
James Gowen, ADM

Molly Lunn, DCEO
John Madziarczyk, Nicor Gas
Jeremy Offenstein, ADM
Pat Sharkey, Environmental Law Counsel, on behalf of MCA

Meeting Notes

Follow-up and Action Items are indicated in **yellow highlight**.

Subcommittee Update – Annette Beitel, EE SAG Facilitator

- CHP Subcommittee – Completed; final CHP TRM Workpaper was included in IL TRM Version 4.0 that will be filed with the Commission this week.
- Policy Manual Subcommittee – the next meetings will be held on Tuesday, March 10th and Wednesday, March 11th.
- EE Successes Subcommittee – the kickoff meeting will be held on Tuesday, March 3rd from 1:00 – 3:00 pm at MEEA. We will accelerate the work in this Subcommittee to report-out at the April SAG meeting in Springfield (Tuesday, April 28th).
 - If you would like to participate in the EE Successes Subcommittee, please email Celia (celia.johnson@futee.biz) by COB on Monday, March 2nd.

PG-NSG Programs Update and Q1-Q2 Report-out (Paige Knutsen, Franklin Energy, on behalf of PG-NSG)

- OBF update: Molly Lunn, DCEO: Of the declined applications, what is the range of credit scores?
 - Paige Knutsen to follow-up.

Ameren IL Q1-Q2 Report-out (Cheryl Miller; Jon Jackson, Ameren IL)

- Updated to report-out: Ameren IL is now presenting actuals instead of pending savings. Cost-effectiveness screening results have been added for any new measures.
- Adjustment of savings goals for other utilities – whether other utilities are interested in the same flexibility is a question that will be addressed in the Policy Manual Subcommittee.
- On-Bill Financing update – Ameren IL will start using bill history for moderate/low income programs.
 - Cheryl Miller to confirm/follow-up on the specific changes to OBF.
 - Can 100% of weatherization be covered?

- Windows – would it be possible to include in the Moderate Income Program with the changes to OBF?
- IPA Program update
 - IPA programs are pay-for-performance, however vendors can request start-up funds up to 10%.
 - What does Ameren IL do if a bidder submits a bid that is cost-effective, but it is clear that the bidder does not have any experience?
 - Ameren IL can take this into consideration when submitting a proposal plan to IPA.

ComEd Q1-Q2 Report-out (George Malek, ComEd)

- RCx Update
 - **George Malek to come back at a future SAG meeting to talk about monitoring-based commissioning, building analytics, and RCx.**

Nicor Gas, Q1-Q2 Report-out (Chris Vaughn, Nicor Gas)

- No follow-up.

Current DCEO Operations (Molly Lunn, DCEO)

- DCEO's Program Year 7 funds were frozen by Executive Order in January 2015 – this includes new grants, rebates, or contracts. Most of the funding was committed before this Executive Order.
 - The freeze impacts: CHP Pilot Program; rebates where customers have not submitted final application; VEIC TRM contract.
 - Joint Codes effort: The MOU has not been signed; Molly is waiting on legal approval for signature.
 - DCEO has fully briefed new leadership, including a special request for funding through an internal memo to the Governor's Office of Management and Budget.
- Governor Rauner will propose a legislative change to re-direct EEPS from DCEO to the general revenue fund, per the proposed FY 2016 Illinois budget.
 - What is the logic in the proposed budget since DCEO is only allocated funding from the utilities upon execution of contracts?
 - DCEO has made the same point; the money is not in an account that can be pulled from.
 - DCEO is moving forward planning for PY8.
- **Questions:** Contact Molly Lunn, DCEO (marion.lunn@illinois.gov).
- **Please note:** 360 Energy Group is putting together a coalition to oppose EE funding "rollbacks." Contact Ashley Harrington (Ashley@360eq.com) if you are interested in joining or would like more information.

IL Clean Jobs Legislation – Nick Magrisso, NRDC

- SB 1485; HB 2607. There will be a website to support this bill; notice will be circulated once it is available.
- Phil Mosenthal, Optimal Energy, on behalf of IL AG: Two recent studies indicate cost/unit energy of future savings will not be more expensive than cost/unit energy of past savings. Will follow-up to get studies and post to SAG website. Will schedule a follow-up presentation at a future SAG meeting on lighting opportunities.
- **Follow-up questions:**
 1. Was there a methodology used to select “20% by 2025”?
 - There is modeling analysis underway, including a rate impact analysis.
 - Has 20% been achieved in 10 years in any other states?
 - Not according to CERES report (link on web)
 - Vermont, MA, RI are doing 2% per year. Vermont has achieved 13% over more than 10 years, most aggressive EE in nation.
 2. What would bill impacts be of 20% savings over 10 years (assuming this reduction from EE is achievable)?
 - What have bill impacts been in MA, VT, RI?
 - NRDC is completing study on bill impacts.
 3. What is the meaning of the term “persistent” in the legislation?
 4. Is the removal of the cap for electric and gas?
 - Only for electric. Why not for gas?
 5. Is there a definition of third parties in the legislation?
 6. Is there a performance incentive for utilities?
 7. What happens after 2025? Potential market approach?
 8. What is the change to OBF related to defaults that the utility can recover?
 9. How are changes to 8-103 going to work if 8-104 is not changing?
 - (Reconciliation example – how will Ameren IL proceed efficiently if 8 – 103 funds (electric) are subject to formula rate review and 8-104 (gas) is still subject to annual EE reconciliation proceedings?
 - How is the “reconciliation” under formula rate review different from and similar to current 8 – 103 reconciliation proceedings?
 - In what way is formula rate review “streamlined”?
 10. If we switch to cumulative savings, how will that impact portfolio? (For ex: behavioral, RCx, other measures no longer attractive). How would it change the existing cost-effective portfolio of program offerings?
 - Are there other states that have energy legislation without targets?
 11. What is rationale behind moving EM&V to Staff administration? Is this realistic given staffing limitations at ICC and state procurement challenges/budget crises that will prevent additional staff from being hired?

- What have other states experienced in an evaluator transition to Commission staff? (For ex: California has experienced challenges with this transition due to procurement rules, process, etc.)

12. What happens when ISO goes away in 2020?

- A follow-up presentation will be scheduled at the March SAG meeting to address the above questions/additional questions.

Nicor Gas Emerging Technology Program (Chris Vaughn, Nicor Gas)

- This program tested the EcoFactor Smart Thermostat for one year; Nicor/ComEd analyzed the results. The final report will be available soon; results were positive.
 - Nicor Gas and ComEd to co-present on smart thermostat findings at a future SAG meeting (tentative: April).