Threshold Issues Document
October 11, 2015 ver. 1.0

Overview

During meetings with stakeholders, stakeholders identified several issues as "threshold issues" that ideally should be should be discussed early in the planning process as they will influence portfolio objectives and structure. The threshold issues list is set forth below. The issue list was refined in the September 29, 2014 EE SAG meeting. Various SAG participants, who are listed by each issue, offered to develop a "strawman" proposal for consideration by the stakeholder group in the October EE SAG meeting. Other threshold issues may emerge during the planning process, but the facilitation team made considerable effort to identify threshold issues early.

Threshold / Up Front Issues for Discussion

Issue 1: Stipulation Goals (SAG Facilitation)
- What are we trying to agree to at the end of this process?

Issue 2: Policy Manual (Karen Lusson, IL AG)
- Confirm that the Policy Manual is a threshold document for the next 3-year Plan.

Issue 3: Goals – on the electric side, will there be 3-year goals and budgets? (Keith Goerss, Ameren IL; in coordination with ComEd)
- This is a statutory interpretation/legal issue. Utilities need to comply with the statutory requirements.
- Issues:
    a. On the savings side, is it a 3-year goal? If it's a multi-year goal, how is the goal calculated?
    b. On the budget side, is it a plan-budget or a multi-year budget? Do those budgets change with either forecasts or actual sales data?
    c. Policy issue – if budgets adjust, goals should adjust accordingly.

Issue 4: Annual vs. Lifetime savings (Chris Neme, Energy Futures Group, on behalf of NRDC)
- To what extent should Program Administrators focus on annual vs. lifetime savings?
- What happens if you define the EE Plans based on lifetime goals?

Issue 5: Department of Commerce and Economic Opportunity Funding (Molly Lunn, the Department)
- Areas they would cover – can the other Program Administrators cover low or low/moderate income customers?
- Amount – is it 25% of the total 8-103/8-104 funding? (The statute states 25% of the measures).
- Independent evaluation contract – should the Department have its own evaluation contractor?
- Should DCEO have its own proceeding and EE Plan?
- What are realistic goals for the Department?
    a. Should the Department have to get 20% of the utility goals?
    b. Can the Department get the same ($/therm, kWh), higher or lower than their performance?

    c. Is it fair for the Department to assign 20% of the goals if that doesn't reflect their assigned customer base?

- What is the load of customers that the Department actually serves, as a % of entire load? (ballpark for low-income / public sector)

Issue 6: Allocation across Programs (Keith Goerss, Ameren IL; coordinate with other Program Administrators to include a matrix for each)

- Residential / Commercial and Industrial ("C&I") / Market Transformation
- Maximize savings?
- Funds allocated according to class contribution or more generally
- "Balanced" Portfolio of options for customers
- Roles that Potential Studies play in determining the allocation

Issue 7: Clean Power Plan – How does input from SAG get articulated to IL EPA? What is the relationship between these two processes? (Deferred)

<u>Additional Planning Topics</u>

Clean Power Plan – SAG Facilitation to present a Technical Position Paper on possible SAG Portfolio Planning Process impacts

Program Feedback: Changes to Current Program Design (starting point – current Portfolios) (Chris Neme, Energy Futures Group, on behalf of NRDC)

- Are any changes needed? Is there evidence to support that change?
- Custom Programs – how do Program Administrators come up with savings?