

**To:** EE SAG Participants  
**From:** Annette Beitel and Celia Johnson, SAG Facilitation Team  
**Date:** September 22, 2016  
**Re:** SAG Planning – Fall 2016 and Spring 2017 (DRAFT)

## **I. Background**

The next three-year Energy Efficiency Plans for Electric Program Years 10-12 and Gas Program Years 7-9 (“EE Plan”) will be filed by Illinois Program Administrators in fall 2016, as required by Section 8-103 and 8-104 of the Illinois Public Utilities Act.<sup>1</sup> In support of developing EE Plans, the Illinois Energy Efficiency Stakeholder Advisory Group (“SAG”) has focused on the SAG Portfolio Planning Process<sup>2</sup> since September 2015, with the goal of providing a structured forum for SAG participants to provide input and ideas for both the content and implementation of EE Plans prior to their filing for approval with the Illinois Commerce Commission (“ICC” or “Commission”). The Portfolio Planning process culminates in efforts to reach consensus among interested participants in an effort to minimize litigation in the EE Plan dockets. The SAG Portfolio Planning Process is expected to conclude by September 1, 2016 with settlement agreements between non-financially interested stakeholders and Illinois Program Administrators, with the exception of Ameren IL, which is expected to conclude by October 2016, post-filing.

Following EE Plan filings with the Commission in fall 2016, there are a number of issues for SAG to address in the fourth quarter of 2016 and in spring 2017. This memo describes key activities from September 2016 to May 2017 and lists “parking lot issues” to be scheduled for discussion at future SAG meetings.

Attachment A describes key SAG activities in fall 2016 (September – December). Attachment B describes “parking lot” issues that were raised by various SAG participants during the Portfolio Planning Process. “Parking lot” issues will be scheduled for discussion at large group SAG meetings or the applicable Subcommittee within the next calendar year.

## **II. Key Activities – September to December 2016**

Key activities for SAG from September to December 2016 are described below. A large group SAG meeting will be held in September to debrief on the Portfolio Planning Process and for Program Administrators to report-out on the recently completed program year (Electric Program Year 8 and Gas Program Year 5) and the first quarter of the current program year (Electric Program Year 9 and Gas Program Year 6). Due to the open EE Plan dockets and the issues to be addressed in fall 2016, large group SAG meetings will not be held from October through December 2016. Large group SAG meetings are expected to resume in January 2017, but will not cover gas issues if the gas dockets are not yet resolved. See Attachment A for a summary of key fall activities and deliverables.

### **A. Illinois Technical Reference Manual Version 6.0**

---

<sup>1</sup> Electric utilities and Illinois Department of Commerce and Economic Opportunity: by Sept. 1, 2016. Gas utilities: by Oct. 1, 2016.

<sup>2</sup> See SAG Portfolio Planning Process: <http://www.ilsag.info/portfolio-planning-process.html>

The Illinois TRM Administrator<sup>3</sup> will manage the Illinois Technical Reference Manual (“IL-TRM”) Version 6.0 update process with the SAG Technical Advisory Committee (“TAC”). IL-TRM TAC meetings are open to all interested parties. Regular meetings are anticipated to begin in August 2016.<sup>4</sup> The annual IL-TRM update process is completed by March 1 of each year, with an updated manual submitted to the Commission for approval. The updated version of the IL-TRM is effective on June 1, the start of the new Program Year, following Commission approval.<sup>5</sup>

## **B. SAG Portfolio Planning Process Debrief**

The SAG Portfolio Planning Process represents the first effort by SAG to reach group consensus between Illinois Program Administrators and non-financially interested stakeholders that intervene in EE Plan dockets on portfolio issues prior to filings for approval with the Commission. Following the EE Plan filings in fall 2016, SAG Facilitation will request feedback from Program Administrators and other interested SAG participants on the SAG Portfolio Planning Process. SAG Facilitation will draft a report for SAG review and comment on this process.

Feedback on the following templates<sup>6</sup> used during the Portfolio Planning Process will also be requested:

- Proposed Policy Template
- Proposed New Program Idea Template / Program Change Template
- High Level Preliminary Portfolio Template

Proposed next steps:

- A debrief presentation and discussion will be held during the September 27, 2016 large group SAG meeting.
- In October 2016, SAG Facilitation will meet with interested parties to discuss feedback on the Portfolio Planning Process. SAG Facilitation will circulate the draft SAG Portfolio Planning Process Report to these parties for review prior to the September Large Group SAG meeting.
- The report will be updated with feedback and made available for SAG review and comment (timing TBD).
- The report will be finalized and posted on the SAG website by mid-October, 2016.

## **C. Templates**

Illinois Energy Efficiency Policy Manual (“Policy Manual”) Subcommittee Version 2.0 discussions began in spring 2016, following Commission approval of Policy Manual Version 1.0 in December 2015.<sup>7</sup> However, discussions were put on hold to complete the SAG Portfolio

---

<sup>3</sup> Vermont Energy Investment Corporation (“VEIC”) is the current IL-TRM Administrator.

<sup>4</sup> See IL-TRM Version 6.0: [http://www.ilsag.info/il\\_trm\\_version\\_6.html](http://www.ilsag.info/il_trm_version_6.html)

<sup>5</sup> See Policy Manual Version 1.0, Section 7.1, Technical Reference Manual.

<sup>6</sup> The templates used in the SAG Portfolio Planning Process are available here: <http://www.ilsag.info/templates.html>

<sup>7</sup> See Final Order, ICC Docket No. 15-0487.

Planning Process. Version 2.0 meetings are anticipated to begin following Commission approval of all EE Plans. During initial Policy Manual Subcommittee Version 2.0 discussions, the Subcommittee identified several templates to be discussed by a small group in the fourth quarter of 2016, following the EE Plan filings.

A small group of Subcommittee participants<sup>8</sup> identified the following templates as important to reach consensus on before the start of the next Program Year on June 1, 2017:

1. Quarterly Report Template (*to be drafted*)
  - This is a statewide common reporting template for all Illinois Program Administrators to use for quarterly reports. The intent is for this template to flow into the Annual Report Template (item 4). Sue Nathan and Paige Knutsen, on behalf of Peoples Gas – North Shore Gas, volunteered to draft this template in coordination with a representative from ComEd and ICC Staff.
2. Annual Report Template (*to be drafted*)
  - This is a statewide common reporting template for all Illinois Program Administrators to use for annual reports. The Annual Report Template will build off of the Quarterly Report Template once it is completed. The Annual Report will be updated by Illinois Program Administrators on an annual basis, providing historical information. This is intended to be a “living” document. The information included in this template is anticipated to be high level. Sue Nathan and Paige Knutsen, on behalf of Peoples Gas – North Shore Gas, volunteered to draft this template in coordination with a representative from ComEd and ICC Staff.
3. EM&V Templates, time permitting<sup>9</sup>:
  - a. Program-Specific EM&V Templates: 1) Summary of Program Level Benefits and Costs Template; and 2) Utility Ex Post Results (Verified) Template (*drafted*)
    - i. Evaluators are currently using these template formats, through minor edits may be needed. In addition, the tabs in this template are included in Annual Summary Reports. Information availability may differ by utility, depending on the software used.
  - b. High Level EM&V Template (*to be drafted*)
    - i. The Subcommittee small group suggests discussing this template with evaluators prior to drafting. There may be other items useful to add to this template, such as a chart for survey results in evaluation reports.

Proposed next steps:

- SAG Facilitation will seek participants for a small group discussion of draft templates in September 2016. Celia Johnson will facilitate the small group.
- The small group will discuss draft templates in October and November, with the goal of reaching consensus on final draft versions for each template. Draft templates will be due in late October 2016 for review by the small group.

---

<sup>8</sup> SAG Facilitation; Illinois Commerce Commission Staff; Peoples Gas – North Shore Gas.

<sup>9</sup> EM&V Templates will be discussed in the EM&V Subcommittee.

- Final draft templates will be sent to Policy Manual Subcommittee participants for review and comment. A Policy Manual Subcommittee teleconference will be held to discuss questions and comments on draft templates (date/time TBD).
- Final templates will be completed by December 9, 2016, and will be added to the “Templates” page of the SAG website.<sup>10</sup>

#### **D. Guidelines**

“Guideline” documents are needed to interpret and supplement policies that exist in Policy Manual Version 1.0 and the Illinois Statewide Technical Reference Manual Policy Document. A process, guidelines and templates for developing Guidelines will be established by a small group of the Policy Manual Subcommittee in fall 2016. Additional Guidelines that need development will be identified.

SAG Facilitation has identified four categories of guidelines: 1) Policy Manual Guidelines; 2) Total Resource Cost (“TRC”) Test Guidelines; 3) EM&V Guidelines; and 4) IPA Guidelines. Two Guideline documents were created in spring/summer 2016, with agreement from Illinois Program Administrators and interested stakeholders:

- Adjustable Savings Goal Guidelines and Template: A small group<sup>11</sup> developed an Adjustable Savings Goal Guideline document and Adjustable Savings Goal Template in spring 2016, to interpret the Adjustable Savings Goals policy in Policy Manual Version 1.0.<sup>12</sup> SAG held several teleconference meetings in spring and summer 2016 with Illinois Program Administrators and interested stakeholders, to discuss comments and questions on the draft Guidelines and Template. The draft Guidelines and Template are under final review and will be posted by September on the Policy Manual Guidelines page of the SAG website.<sup>13</sup>
- TRC Key Principles Guidelines: SAG held three teleconference meetings to discuss cost-effectiveness issues in April and May 2016, which led to the development of a “TRC Key Principles” document for Program Administrators to reference during portfolio planning. This document is intended to supplement and clarify, but not modify, how the TRC is calculated as referenced in Policy Manual Version 1.0. Program Administrators are encouraged to consult and be consistent with information included in the TRC Key Principles document during planning for EE Plan filings. As discussed in the SAG cost-effectiveness meetings, the intent is to turn the TRC Key Principles document into a final Guideline in fall 2016, as a supplement to Policy Manual Version 1.0. The TRC Key Principles document is available for download on the Policy Manual Guidelines page of the SAG website.<sup>14</sup>

Proposed next steps:

---

<sup>10</sup> See [www.ilsag.info/templates.html](http://www.ilsag.info/templates.html).

<sup>11</sup> SAG Facilitation, ICC Staff, Ameren IL, and NRDC.

<sup>12</sup> See IL Energy Efficiency Policy Manual Version 1.0, Section 6.0, Program Administration and Reporting, Subsection 6.2, Adjustable Savings Goals.

<sup>13</sup> See Policy Manual Guidelines: [http://www.ilsag.info/policy\\_manual\\_guidelines.html](http://www.ilsag.info/policy_manual_guidelines.html)

<sup>14</sup> Id.

- SAG Facilitation will seek participants for a small group of the Policy Manual Subcommittee interested in discussing a process for adopting Guidelines in September 2016. The small group will also discuss draft Guidelines and additional Guidelines that may need development.
- The small group will meet in fall 2016 to: 1) Review draft Guidelines; 2) Discuss updating the “TRC Key Principles” document with additional guidelines, as needed; and 3) Identify issues in approved Policy Manual Version 1.0 that may benefit from additional guidelines in the future. There are several open follow-up items from SAG cost-effectiveness calls held in spring 2016 that may need to be addressed in this document.<sup>15</sup>

## **E. Successes Subcommittee Version 2.0**

SAG convened an Illinois Energy Efficiency Successes Subcommittee<sup>16</sup> in early 2015 to collect and share data on energy efficiency program successes in Illinois. The objective was to create an Illinois-specific "Successes Fact Sheet" including an overview of energy efficiency accomplishments by Program Administrators. The Successes Subcommittee met from March to July 2015, championed by Jim Jerozal, Nicor Gas. A final draft report-out on the Successes Fact Sheet was held during the June 23, 2015 large group SAG meeting. Successes Fact Sheet Version 1.0 was finalized in August 2015.<sup>17</sup> Information included in Successes Fact Sheet Version 1.0 is based on data provided by Illinois Program Administrators, through the end of Electric Program Year 6 and Gas Program Year 3.

The Successes Subcommittee anticipated that Successes Fact Sheet Version 2.0 discussions would be held in fall 2016. Version 2.0 will add Gas Program Year 4-5 and Electric Program Year 7-8 energy efficiency program successes to an updated Successes Fact Sheet. The Subcommittee will also discuss whether additional information should be included in Version 2.0, such job benefits and net dollar savings in energy efficiency programs.

Proposed next steps:

- SAG Facilitation will seek interested participants for Successes Subcommittee Version 2.0 in September 2016. Celia Johnson will facilitate the Successes Subcommittee.
- SAG Facilitation will draft a Subcommittee Plan and circulate it for Subcommittee review by October 7, 2016.
- SAG Facilitation will send a Successes Template to Program Administrators for completion in October 2016. The Successes Subcommittee will meet by teleconference in October and November 2016, as needed.
- A report-out on the final draft Successes Fact Sheet Version 2.0 will be presented to the large group SAG (timing TBD). Following the SAG report out, Successes Fact Sheet Version 2.0 will be finalized and added to the SAG website.

## **F. SAG Website Update**

<sup>15</sup> Open follow-up items were circulated to SAG on 6/2/16.

<sup>16</sup> See IL EE Successes Subcommittee: [http://www.ilsag.info/subcommittee\\_il-ee-successes.html](http://www.ilsag.info/subcommittee_il-ee-successes.html)

<sup>17</sup> The final Successes Fact Sheet Version 1 can be downloaded here: [SAG Successes Fact Sheet Version 1.0](#)

The SAG website contains information about Illinois energy efficiency portfolios and programs, the statutory and regulatory framework, meeting materials, and other information useful to the Illinois energy efficiency stakeholder community. A subset of the information on the SAG website is also on the Commission's website, but parties have found the ICC website difficult to maneuver and use to locate relevant documents. The SAG Facilitation Team has received many favorable comments from stakeholders about the website organization, breadth and usability, including ICC Staff, utilities, energy consultants, and others. The SAG website is a "one-stop-shop" for information on current and past activities for all ratepayer funded energy efficiency programs in Illinois.

Due to the significant amount of information on the SAG website, several stakeholders have mentioned the need for the SAG website to be searchable. At a minimum, SAG Facilitation will update the SAG website to make the "Evaluation Documents" page searchable.<sup>18</sup> In addition, SAG Facilitation will re-design the website for ease of review by stakeholders.

SAG Facilitation will request feedback on the SAG website and develop a plan for website re-design. The plan will include information on website re-design, including a description of search functionality. Interested stakeholders will be invited to participate in this Subcommittee to provide feedback.

Proposed next steps:

- SAG Facilitation will seek participants for the Website Subcommittee in September 2016. Celia Johnson will facilitate the SAG Website Subcommittee.
- SAG Facilitation will draft a Subcommittee Plan and circulate it for Subcommittee review by October 7, 2016.
- SAG Facilitation will prepare a draft website re-design plan for Subcommittee review by November 11, 2016.
- Final website re-design plan: December 9, 2016.
- Re-designed and searchable website launched: Anticipated in Summer 2017.

## **G. Workforce Diversity Subcommittee**

Energy efficiency programs in Illinois are not only beneficial in reducing utility customer bills, but also support the local economy by creating and sustaining a variety of skilled jobs and contributing to a strong and growing workforce. The Illinois energy efficiency portfolios have not yet focused on using funds to increase participation by diverse businesses in energy efficiency, particularly businesses based in Illinois. Other jurisdictions have successful initiatives increasing workforce diversity and generating more in-state jobs through energy efficiency funds.

The SAG Facilitation Team was recently awarded a contract from the Illinois Department of Commerce and Economic Opportunity to identify Women, Minority Business Enterprises ("WMBE") businesses who could be supporting Illinois energy efficiency portfolios, and develop a plan to increase EE workforce diversity, with an emphasis on fostering and supporting

---

<sup>18</sup> See Evaluation Documents: <http://www.ilsag.info/evaluation-documents.html>.

Illinois-based businesses. SAG Facilitation will establish a SAG Subcommittee to discuss workforce diversity in coordination with the Illinois Department of Commerce and Economic Opportunity in fall 2016.

The Workforce Diversity Subcommittee effort is consistent with recent state of Illinois initiatives. Legislation went into effect in Illinois in August 2012 which set an annual reporting requirement for all regulated gas and electric utilities with at least 100,000 customers, on procurement goals and actual spending for minority-owned, women-owned, veteran-owned, and small business enterprises. The Commission has held several Policy Sessions on this topic since 2014, devoted to utility presentations on supplier diversity activities, successes, and national best practices. In January 2015, Governor Rauner signed Executive Order 15-12, to help bring additional economic opportunities to minorities and veterans.<sup>19</sup> In response to the Governor's actions, the Commission established a new Office of Diversity and Community Affairs in July 2015. The purpose of this new office is to assist the Commission "in its commitment to greater access to utility procurement contracts for women-owned, minority-owned, veteran-owned and small businesses under state law."<sup>20</sup>

Proposed next steps:

- SAG Facilitation will seek participants for the Workforce Diversity Subcommittee in September 2016. Celia Johnson will facilitate this Subcommittee.
- SAG Facilitation will draft a Subcommittee Plan and circulate it for Subcommittee review by October 7, 2016.
- This Subcommittee will assess how well Illinois is doing using energy efficiency funds to achieve more workforce diversity, particularly for Illinois businesses; assess and report on other state initiatives in this area; and develop a plan for utility and stakeholder consideration that could be implemented in the 2017 – 2019 portfolios.
- The draft Workforce Diversity plan will be completed by December 9, 2016.

## H. Other Initiatives

Stakeholders are interested in two key initiatives to be addressed during the next EE Plans, beginning on June 1, 2017:

1. **Revisit the EM&V Framework:** Discussions will begin within a subcommittee of SAG regarding the current EM&V framework. Annette Beitel will facilitate the EM&V Subcommittee. This will be a "big picture" discussion and will include reviewing how evaluation contractors are hired/selected, how frequently they are or should be changed, opportunities for more integration of EM&V work across utility service territories, the levels of emphasis on different kinds of evaluation (process vs. impact, NTG vs. other, peak vs. energy, value of NEBs, etc.), opportunities for better leveraging AMI data, etc. EM&V framework discussions will be open to non-financially interested stakeholders and Program Administrators. In addition, EM&V planning and draft EM&V templates will be discussed within the EM&V Subcommittee. Discussions will begin within a subcommittee of SAG on EM&V

---

<sup>19</sup> See Executive Order 15-12. Retrieved from: [https://www.illinois.gov/Government/ExecOrders/Pages/2015\\_12.aspx](https://www.illinois.gov/Government/ExecOrders/Pages/2015_12.aspx).

<sup>20</sup> Illinois Commerce Commission Press Release – ICC Establishes Office of Diversity and Community Affairs, July 14, 2015.

planning in spring 2017. Initial discussions on EM&V Planning will be held in fall 2016, including an EM&V Guideline that describes the review process. Discussions on the EM&V framework will begin in the next EE Plan.

2. **Low Income Working Group:** A Low Income Working Group will be created to coordinate Low and Moderate Income program offerings across Program Administrators, including the Department. Discussions will begin within a subcommittee of SAG in fall 2016 and will continue on a quarterly basis beginning in the next EE Plan. Celia Johnson will facilitate the Low Income Working Group Subcommittee. Subcommittee participants will make good faith efforts toward ensuring the following:
  - a. Consistent incentives/rebates (with adjusted incentives for moderate income programs) and time periods for incentive offerings (e.g., no stopping and starting of rebates);
  - b. Sharing of information with the Department and its vendors as to whether multi-family buildings touched by utility programs included direct installation measures only or deep retrofits in geographic areas where vendors of both the utility and the Department are operating; and
  - c. A coordinated marketing strategy for single family and multi-family Low and Moderate Income programs where appropriate.

Proposed next steps:

- SAG Facilitation will coordinate with Program Administrators and key stakeholders to discuss next steps for the initiatives above, including determining whether any pre-work is needed.
- SAG Facilitation will seek participants for the EM&V Subcommittee and Low Income Working Group Subcommittee in September 2016.
- SAG Facilitation will draft a Subcommittee Plan for each initiative and circulate it for Subcommittee review by October 7, 2016.

## **I. “Parking Lot” SAG Issues**

During the SAG Portfolio Planning Process (September 2015 to August 2016), SAG Facilitation kept a list of “parking lot” issues raised by various parties that would be addressed following the conclusion of the planning process. This issue list includes items that are beyond the scope of the Portfolio Planning Process; belong in another process (such as Policy Manual Version 2.0); are not ripe for decision and should be considered during the next three-year SAG; etc.

Attachment B includes a list of “parking lot” issues. SAG Facilitation anticipates that “parking lot” issues will be scheduled for discussion at large group SAG meetings or the applicable Subcommittee within the next calendar year.

## **III. Key Activities – January to May 2017**

Key activities for SAG from January to May 2017 are described below.



## A. Non-Consensus Filing

Several topics were discussed in large group SAG meetings and various Subcommittees during and prior to the SAG Portfolio Planning Process that did not result in consensus agreement among interested parties. Non-financially interested stakeholders and Program Administrators have expressed an interest in addressing these discrete issues in a separate non-consensus filing with the Commission, outside of the SAG Portfolio Planning Process and fall 2016 Plan dockets. This non-consensus filing is anticipated following Commission approval of the Electric Program Years 10-12 and Gas Program Years 7-9 Energy Efficiency Plans for Ameren Illinois, ComEd, Nicor Gas, Peoples Gas – North Shore Gas, and the Illinois Department of Commerce and Economic Opportunity.

Non-consensus issues include:

1. Non-Energy Benefits (“NEBs”) Adder
2. Demand Reduction Induced Price Effects (“DRIPE”)
3. Interactive Effects
4. Societal Discount Rate

Proposed next steps:

- Karen Lusson, Illinois Attorney General’s Office, will lead next steps on the non-consensus filing following approval of EE Plans by the Commission. Anticipated dates include:
  - Draft Pleading for Stakeholder / Staff / Utility Review: February 15, 2017
  - Final Pleading for Stakeholder / Staff / Utility Review: March 15, 2017
  - Plan to file in late March 2017

## B. Section 16-111.5B Programs

The annual process for procurement of Section 16-111.5B energy efficiency programs will begin in early 2017 for the 2018 Illinois Power Agency (“IPA”) Procurement Plan with the development of Request for Proposals (“RFPs”) by Ameren IL and ComEd. Section 16-111.5(d)(2) of the Public Utilities Act<sup>21</sup> requires the IPA to prepare an annual power procurement plan. Among other things, the purpose of the power procurement plan is to secure electricity commodity and associated transmission services to meet the needs of eligible retail customers. Section 16-111.5B requires the IPA to include the following in its Procurement Plan: *[A]n assessment of opportunities to expand the programs promoting energy efficiency measures that have been offered under plans approved pursuant to Section 8-103 of this Act or to implement additional cost-effective energy efficiency programs or measures.*

As part of this annual process to procure energy efficiency programs, non-financially interested stakeholders are invited by the utilities to review and provide input on draft RFPs as well as bidder proposals for Section 16-111.5B energy efficiency programs. In past IPA procurement plan dockets, the Commission has also directed the discussion of specific open issues to SAG.<sup>22</sup>

---

<sup>21</sup> 220 ILCS 5/1-101

<sup>22</sup> See Illinois Power Agency page on SAG website: [http://www.ilsag.info/il\\_power\\_agency.html](http://www.ilsag.info/il_power_agency.html).

Proposed next steps:

- SAG Facilitation will review the final Commission order for the 2017 IPA Procurement Plan (a final order is anticipated in late December 2016) to identify Commission directives to SAG, as applicable.
- SAG Facilitation will follow-up with non-financially interested stakeholders and utilities on the draft RFP process and bid review process in early 2017.

### **C. Annual Net-to-Gross Process**

Section 7.2 of Policy Manual Version 1.0 describes the Net-to-Gross (“NTG”) policy for utility Program Administrators, which includes an annual prospective process to determine the NTG values to be used in the upcoming Program Year. NTG values must be finalized on or before March 1 of each year. In past years, the Department has utilized a retrospective NTG approach for energy efficiency programs, with the evaluator determining NTG values following the end of each program year. Beginning with Electric Program Year 10 and Gas Program Year 7, the Department will follow a prospective NTG approach.

The annual SAG NTG process will begin in early 2017 with independent evaluators presenting initial recommended deemed NTG values to SAG, including the rationale for each value. Interested SAG participants will have an opportunity to question, challenge, and suggest modifications to the evaluators’ initial recommended NTG value. Evaluators are required to report final deemed NTG values on or before March 1, 2017.

Proposed process:

- Independent evaluators will submit initial NTG recommendations to SAG Facilitation by COB on Friday, January 13, 2017, utilizing the same template. Initial recommendation documents will be available for download on the SAG website and circulated to SAG for review.
- Evaluators will submit updated initial NTG recommendations (if applicable) no later than COB on Friday, January 27, 2017. Updated documents will be added to the SAG website and circulated to SAG for review.
- SAG participants will have ten (10) Business Days to review/comment on evaluators’ initial NTG recommendations. SAG participants will be strongly encouraged to present all comments and questions on recommendations during Meeting #2.
- Four SAG NTG meetings will be held, anticipated on the following dates:
  - NTG Meeting #1: Tuesday, January 31 (1:00 – 4:00 pm)
    - Evaluators present initial NTG recommendations and rationale.
  - NTG Meeting #2: Tuesday, February 7 (1:00 – 3:00 pm)
    - Discuss questions and comments on initial NTG recommendations; follow-up from Meeting #1.
  - NTG Meeting #3: Tuesday, February 14 (1:00 – 3:00 pm)
    - Discuss open issues and follow-up.
  - NTG Meeting #4: Tuesday, February 21 (10:00 – 11:00 am)
    - Final discussion of open issues.

### **D. Adjustable Savings Goals Review**

Section 6.2 of Policy Manual Version 1.0 includes an Adjustable Savings Goal policy, which allows Program Administrators to adjust annual energy savings goals to align with changes to IL-TRM values on an annual basis, and changes to NTG values during the first year of the three year EE Plan. Ameren Illinois utilized a similar adjustable savings goals policy during Plan 3 (Electric Program Years 7-9 and Gas Program Years 4-6), as approved by the Commission in the Plan 3 docket.<sup>23</sup> However, the adjustable savings goal policy is new for other Program Administrators for the energy efficiency programs beginning June 1, 2017.

The Policy Manual requires Program Administrators to file adjusted energy savings goals with the Commission within sixty (60) days after Commission approval of the updated annual IL-TRM values.<sup>24</sup> A small group of the Policy Manual Subcommittee worked on an Adjustable Savings Goal Template and Policy Guidelines in spring/summer 2016, to interpret the Adjustable Savings Goals policy included in Policy Manual Version 1.0. The draft Policy Guidelines and Template were circulated for review and comment to Program Administrators and interested SAG participants in summer 2016.<sup>25</sup> Program Administrators agreed to use the Adjustable Savings Goal Template for the required filing with the Commission.

During discussions regarding the Adjustable Savings Goals Template and Policy Guidelines, ICC Staff suggested a process for Program Administrators to present the first updated Adjustable Savings Goal Template to SAG for review and comment. Program Administrators agreed. This will give interested stakeholders an opportunity to ask questions concerning the updated templates and reach agreement on adjusted savings goals prior to filing with the Commission. The timing for this process is dependent on when IL-TRM Version 6.0 is approved by the Commission. In previous years, the IL-TRM has been approved in early to mid-May.

Proposed process:

- Each Program Administrator will complete an Adjustable Savings Goal Template for annual energy savings goal adjustments to NTG and IL-TRM Version 6.0 changes. Templates will be submitted to the SAG Facilitator on or before Friday, May 19, 2017.
- SAG participants have ten (10) Business Days to review the completed Adjustable Savings Goal Templates. Comments/questions are due by COB on Monday, June 5, 2017.
- SAG will hold a meeting to discuss questions on Adjustable Savings Goal Templates during the week of June 12.
- As described above, Program Administrators are required to file adjusted energy savings goals with the Commission within sixty (60) days after Commission approval of the updated annual IL-TRM values.

## **E. Policy Manual Version 2.0**

---

<sup>23</sup> See ICC Docket No. 13-0498, Approval of the Ameren IL EE and Demand Response Plan, pursuant to 8-103 and 8-104 of the Public Utilities Act.

<sup>24</sup> Anticipated for Commission approval in by mid-May 2017.

<sup>25</sup> See Policy Manual Guidelines page: [http://www.ilsag.info/policy\\_manual\\_guidelines.html](http://www.ilsag.info/policy_manual_guidelines.html)

The Illinois Energy Efficiency Policy Manual Version 1.0 was approved by the Commission in December 2015, with an effective date of June 1, 2017.<sup>26</sup> Prior to Commission approval, there were a number of issues identified for discussion in Policy Manual Version 2.0. SAG Facilitation also provided an opportunity for interested stakeholders to submit proposed policies for consideration in Version 2.0. Proposed policies were due in early December 2015, utilizing a “Proposed Policy Template” developed by SAG Facilitation.

Policy Manual Subcommittee Version 2.0 meetings began in February 2016, including the discussion of holdover issues from Version 1.0 and new proposed policies submitted by stakeholders. The Subcommittee met on February 9, March 15, and April 12, 2016. Discussions were put on hold in April to complete the SAG Portfolio Planning Process. Version 2.0 meetings are anticipated to begin following Commission approval of all Electric Program Years 10-12 and Gas Program Years 7-9 Energy Efficiency Plans. Since Policy Manual Version 1.0 will be effective on June 1, 2017, key stakeholders are interested in Commission approval of Version 2.0 prior to the effective date. Policy Manual Subcommittee meetings will be scheduled by SAG Facilitation following Commission approval of all EE Plans. A specific Subcommittee start date is pending final approval of EE Plans, but is anticipated to begin in summer 2017.

Proposed next steps:

- Policy Manual Subcommittee Version 2.0 will be facilitated by Annette Beitel.
- SAG Facilitation will provide an opportunity for stakeholders to update or rescind proposed policies for Version 2.0, using the Proposed Policy Template. All proposed policies and policy changes are due by May 19, 2016.
- SAG Facilitation will review the status of policy issues for Version 2.0 and prepare a tracking document for Policy Manual Subcommittee participants to review by June 1, 2017.

#### **IV. SAG Meeting Schedule**

As described above, large group SAG meetings will not be held from October to December 2016, due to the open EE Plan dockets and other issues to be addressed in fall 2016. It is anticipated that large group SAG meetings will be held monthly beginning in early 2017, pending final approval of EE Plan dockets. Additional Subcommittee meetings will be scheduled, as needed.

---

<sup>26</sup> See ICC Docket No. 15-0487.

**Attachment A: Key SAG Activities and Deliverables – Fall 2016**

<b>Key SAG Activities and Deliverables - Fall 2016</b>			
<b>Month</b>	<b>SAG Activity</b>	<b>Description</b>	<b>Deliverable</b>
September	SAG Portfolio Planning Process De-Brief	SAG Facilitation will draft a report for SAG review and comment on this process. A de-brief will be held at the Sept. 27, 2016 large group SAG meeting. Following this meeting, SAG Facilitation will meet individually with interested parties that participated in negotiations to discuss feedback on the Portfolio Planning Process.	<p>Circulate SAG Portfolio Planning Process Report (draft) for initial feedback by <b>Sept. 22, 2016</b></p> <p>Finalize SAG Portfolio Planning Process Report and add to website by <b>October 17, 2016</b></p> <p>Draft Planning Process Guideline is anticipated for review in <b>October 2016</b> (see "Draft Guidelines" below)</p>
	Draft Subcommittee Plans	<p>SAG Facilitation to seek participants and draft Subcommittee Plans for:</p> <ol style="list-style-type: none"> <li>1) Successes Subcommittee Version 2.0;</li> <li>2) Website Subcommittee;</li> <li>3) Low Income Working Group;</li> <li>4) Workforce Diversity Subcommittee; and</li> <li>5) EM&amp;V Subcommittee.</li> </ol> <p>In addition, SAG Facilitation will seek participants for small group discussions, including:</p> <ol style="list-style-type: none"> <li>1) Developing Guidelines; and</li> <li>2) Drafting template(s) (Quarterly Report Template).</li> </ol>	<p>Circulate draft Subcommittee Plans for Subcommittee review by <b>Oct. 7, 2016</b></p>
October	Guidelines	SAG Facilitation will draft a "Guidelines" template and prepare draft Guidelines for small group review. Updated Cost-Effectiveness Guidelines ("TRC Key Principles") will also be discussed.	<p>Circulate draft Planning Process Guidelines for Subcommittee review in <b>October 2016</b>.</p>
	SAG Website Subcommittee	SAG Facilitation will request feedback on the SAG website from interested parties, via survey.	<p>Feedback survey to be circulated in <b>October 2016</b>.</p>

<b>Key SAG Activities and Deliverables - Fall 2016</b>			
<b>Month</b>	<b>SAG Activity</b>	<b>Description</b>	<b>Deliverable</b>
	Draft Policy Manual Templates	SAG Facilitation and a small group of the Policy Manual Subcommittee identified four templates for completion from Policy Manual Version 1.0 (see Section I.C. for additional information). The small group discussed completing templates in fall 2016.	Draft Quarterly Report Template is due for small group review in <b>late October 2016</b>
	EE Successes Subcommittee Version 2.0	Successes Fact Sheet Version 2.0 will add Gas Program Year 4-5 and Electric Program Year 7-8 EE program successes to an updated Successes Fact Sheet. The Subcommittee will also discuss whether additional information should be included in Version 2.0, such as energy efficiency jobs data.	SAG Facilitation will send a Successes Template to Program Administrators for completion in <b>October 2016</b> .
November	SAG Website Subcommittee	SAG Facilitation will draft a website re-design plan, taking into account feedback from interested participants, for review and comment by the Subcommittee.	Circulate draft Website Redesign Plan to Subcommittee by <b>Nov. 11, 2016</b>
	EE Successes Subcommittee Version 2.0	See description above.	Finalize draft Successes Fact Sheet Version 2.0 and add to website by <b>November 30, 2016</b>
December	SAG Website Subcommittee	SAG Facilitation will finalize the plan for website re-design.	Website Redesign Plan (final): <b>December 9, 2016</b>
	Workforce Diversity Subcommittee	SAG Facilitation will complete the draft Workforce Diversity Plan, with Subcommittee input.	Workforce Diversity Plan (draft): <b>December 9, 2016</b>
	Guidelines	Reach consensus on final Guidelines documents.	Final Guidelines completed and added to the SAG website by <b>December 9, 2016</b>
	Policy Manual Version 2.0	The Policy Manual Subcommittee will finalize templates.	Final template(s) completed and added to SAG website by <b>December 9, 2016</b>

## Attachment B: SAG “Parking Lot” Issues

SAG "Parking Lot" Issues				
Topic #	Topic	Requester	Where to schedule?	Notes / Questions
1	<i>Overarching IL-TRM Issues:</i>	Various	Large Group SAG; Subcommittee	<i>Overarching IL-TRM Issues:</i>
	a. TRM Regional Coordination			a. Presentation to large group SAG.
	b. Electronic TRM			b. Are any updates needed for electronic TRM options?
	c. Vendor participation			c. Discussion is in process.
	d. Statewide process to determine incremental measure costs			d. Discuss in large group SAG.
	e. Using AMI/metered data to refine savings			e. This could be addressed in the EM&V framework "big picture" Subcommittee.
	f. Identify high impact measures and review key assumptions (such as baseline).			f. Discuss in IL-TRM TAC meetings.
	g. Review individual utility choices in applying algorithms (e.g. what point values are used from look-up table).			g. Discuss in IL-TRM TAC meetings.
	h. Nexus between IL-TRM and early EM&V work			h. This could be addressed in the EM&V framework "big picture" Subcommittee.
2	Smart Devices Program Update	SAG Facilitation	Large Group SAG	This is a status follow-up to an early 2015 presentation by CUB, ELPC, and ComEd. Is an updated presentation needed?
3	RetroCommissioning (RCx) Program Follow-up	George Malek, ComEd	Large Group SAG	ComEd requested a future presentation on this topic at the October 2015 SAG meeting. ComEd has four "styles" of RCx offerings.
4	Appliance Recycling Program Shutdown	Mike Brandt, ComEd	Large Group SAG	JACO Environmental (Program implementer for Appliance Recycling) shut down operations due to financial issues. ComEd request to update SAG on issues and next steps.
5	General Request - new technologies	Michael Sciortino, View, Inc.	Policy Manual Subcommittee Version 2.0	Late 2015 request to SAG Facilitation from Michael Sciortino, View Inc., on an electrochromic glass measure idea. Michael provided a few documents with information on measure cost-effectiveness.  Q to address: When to discuss new technologies / program ideas that arise in 2016 and during the upcoming 3-year Plan?

SAG "Parking Lot" Issues				
Topic #	Topic	Requester	Where to schedule?	Notes / Questions
6	IL Clean Energy Finance "Tune-Up" Memo	Molly Lunn, IL Dept. of Commerce	Large Group SAG	Department request to provide an overview of this memo to SAG.
7	IPA Vendor Issue	Keith Goerss, Ameren IL	Large Group SAG	Sodexo (vendor for Demand Control Ventilation third party IPA program) ended their contract with Ameren IL due to lower IL-TRM savings. Ameren IL request to provide an update on this issue to SAG.
8	Data Analytics	ComEd and Nicor Gas	Large Group SAG	Exelon's utilities are working on data analytics. Roger Baker and Mike Brandt will check with the internal data analytics team. Questions to address: What will data analytics substitute for? When can ComEd or the implementer present to SAG on this effort?  Nicor Gas is also interested in presenting data analytics next steps in more detail at SAG.
9	Cold Water Washing Pilot Program	Jim Jerozal, Nicor Gas	Large Group SAG	Nicor Gas would like to present cold water washing pilot results to SAG (the pilot will begin in fall 2016, and run through the end of PY6). There are also other cold water washing opportunities that SAG may be interested in, from the Emerging Tech Program.  This presentation should be scheduled following the end of the pilot. It may also be helpful for Nicor Gas to present details of the pilot to SAG in September.
10	Data Sharing: Cities and Municipalities	John Paul Jewell, ELPC	Large Group SAG or a Subcommittee	ELPC has received feedback that cities occasionally need EE program participation data and have had challenges getting this information. When the EE Successes Subcommittee starts up again, ELPC suggests that SAG Facilitation explore city-level participation in the EE programs.  It may also be helpful to schedule this topic at a large group SAG meeting.
11	Program Administrator Marketing Approaches	John Paul Jewell, ELPC	Large Group SAG	ELPC would like to learn more in a future SAG about various marketing approaches. How does utility direct marketing influence customers? Does it help influence participation in programs? What is and isn't effective marketing for EE? How do you track



SAG "Parking Lot" Issues				
Topic #	Topic	Requester	Where to schedule?	Notes / Questions
				various marketing tactics?
12	Milepost Consulting Pilot Presentation: Low Income	Molly Lunn, IL Dept. of Commerce	Large Group SAG	This is a low income approach that incorporates pre-paid metering, energy education, audit and retrofit, and demand response. Milepost Consulting reached out to the Department in late spring, and Molly suggested a presentation to SAG after the Plan filings are completed.
13	Utility Program Administration	Karen Lusson, IL AG	Large Group SAG	SAG should hold an educational discussion for each Program Administrator to explain how programs are administered.
14	Cost-Effectiveness Calculator	Karen Lusson, IL AG	Large Group SAG	SAG should discuss establishing a public cost-effectiveness calculator.
15	Annual report-out to SAG - GPY5 and EPY8; Q1 update to SAG (GPY6 and EPY9)	SAG Facilitation	Large Group SAG	Schedule in September.
16	Independent development of avoided cost assumptions	Chris Neme, on behalf of NRDC	Large Group SAG	
17	Improving the timing of finalization of program tracking data	ICC Staff	Large Group SAG	