

# **IL EE Stakeholder Advisory Group**

## **SAG Planning Process for Q1/Q2 2017**

### **SAG Planning Meeting**

Tuesday, January 24, 2017

10:30 – 4:30

**Midwest Energy Efficiency Alliance**

**20 North Wacker Drive, Suite 1301**

**Chicago, IL 60606**

## **Attendee List and Action Items**

### **Attendee List**

Annette Beitel, SAG Facilitation  
Ashley Palladino, SAG Facilitation  
Adam Roche, Franklin Energy  
Agnes Mrozowski, Ameren Illinois  
Andrea Reiff, IL Department of Commerce and Economic Opportunity (“Department”)  
Andrew Braatz, Nexant  
Andrey Gribovich, DNVGL  
Anne Mitchell, Nicor Gas  
Anne McKibbin, Elevate Energy  
Antonia Ornelas, Elevate Energy  
Ashley Harrington, 360 Energy Group  
Atticus Doman, CB&I  
Bob Stephens, Brubaker & Associates  
Brian McKee, AM Conservation Group  
Bridgid Lutz, Nicor Gas  
Chantal Jones, ComEd  
Cheryl Jenkins, VEIC  
Cheryl A. Miller, Ameren IL  
Chris Neme, Energy Futures Group, on behalf of NRDC  
Chris Wheat, City of Chicago  
Chris Vaughn, Nicor Gas  
Christina Pagnusat, Nexant  
Clark Stalker, ComEd  
Clifford Haefke, Energy Resources Center, UIC  
Craig Catallo, Franklin Energy  
David Baker, Energy Resources Center, UIC  
David Diebel, ADM Associates  
David Brightwell, Illinois Commerce Commission (“ICC”) Staff

Debra Perry, Ameren IL  
Deirdre Coughlin, Department  
Doug, CLEAResult  
Edward Schmidt, MCR Performance Solutions  
Eric Robertson, Leuders, Robertson & Konzen  
Erin Conley, Department  
Erin Stitz, Applied Energy Group (AEG), on behalf of Peoples Gas – North Shore Gas (PG-NSG)  
George Malek, ComEd  
Hammad Chaudhry, Nicor Gas  
Hannah Arnold, Opinion Dynamics  
Hardik Shah, Gas Technology Institute  
J. Will Baker, Midwest Energy Efficiency Alliance  
Jack Erffmeyer, Citizens Utility Board  
Jacob Hannan, MCR Performance Solutions  
James Gignac, IL Attorney General's Office  
James Armstrong, Lockheed Martin  
Jane Colby, Cadmus  
Jeff Erickson, Navigant  
Jen Morris, Illinois Commerce Commission ("ICC") Staff  
Jennifer Fagan, Itron  
Jim Fay, ComEd  
Jim Zolnierrek, ICC Staff  
Jim Jerozal, Nicor Gas  
Jim Heffron, Franklin Energy, on behalf of PG-NSG  
Joe Reilly, Applied Energy Group  
John Lavallee, Leidos  
John Madziarczyk, Nicor Gas  
Jon Jackson, Ameren IL  
Judd Moritz, CLEAResult  
Julia Sander, Leidos  
Juliana Pino, LVEJO  
Karen Lusson, IL Attorney General's Office  
Karen Winter-Nelson, SEDAC  
Keith Martin, Ameren IL  
Kelly Turner, ICC Staff  
Kevin Dick, Delta Institute  
Kevin Grabner, Navigant  
Kim Ballard, Ameren IL  
Kristol Whatley, Ameren IL  
Laura Goldberg, NRDC

Lawrence Kotewa, Elevate Energy  
Lauren Casentini, Resource Innovations  
Marc Coburn, DNVGL  
Margaret Hansbrough, City of Chicago  
Mark Handy, KenJiva  
Mary Ellen Guest, Chicago Bungalow Association  
Michael Maczek, ComEd  
Michael Strong, Strong Legal & Regulatory Solutions  
Mike Brandt, ComEd  
Mike Marks, AEG on behalf of PG-NSG  
Molly Lunn, Department  
Neil Pickard, Nexant  
Nicole Sage, ADM Energy  
Noel Corral, ComEd  
Noelle Gilbreath, Community Investment Corp.  
Norma Elizondo, Evolve Technologies  
Pat Michalkiewicz, PG-NSG  
Patricia Plympton, Navigant  
Peter Widmer, PowerTakeOff  
Philip Mosenthal, Optimal Energy  
Randy Gunn, Navigant  
Rick Bain, Embertec  
Rob Neumann, Navigant  
Roger Baker, ComEd  
Rose Jordan, Midwest Energy Efficiency Alliance  
Ryan Kerr, Gas Technology Institute  
Sam Mueller, Nexant  
Sandra Henry, Seventh Wave  
Scott Tess, City of Urbana  
Scott Yee, CLEARResult  
Sharon Moy, PG-NSG  
Shaun Dentice, CLEARResult  
Stacy Gloss sgloss@illinois.edu  
Stefano Galiasso, Energy Resources Center, UIC  
Ted Weaver, First Tracks Consulting, on behalf of Nicor Gas  
Terry Fry, Nexant  
Todd Thornburg, ComEd  
Travis Hinck, GDS Associates  
Wade Morehead, CLEARResult  
Wael El-Sharif, 360 Energy Group  
Wayne Hartel, Department

## **Meeting Notes and Action Items**

Action items are indicated in **yellow** highlight.

### **Legislative Review (Chris Neme, Energy Futures Group on behalf of NRDC; Annette Beitel, SAG Facilitation)**

- Next steps:
  1. **Persisting savings calculations**
    - Approach to and methodology for calculating persisting savings
    - **Action Item: Additional SAG discussion needed on the following topics, (timeline to be incorporated into Subcommittee Plan)**
  2. **Effective useful life (EUL):**
    - Applied in persisting savings
    - Additional focus within evaluations, EM&V to consider allocating more funds to EUL research.
    - **Action Item: Determine approach for updating EULs and which measures to focus on initially to be discussed during EM&V planning process.**
  3. **Savings (deemed savings, savings methodology) –**
    - **Action Item: Determine approach for how savings are applied in planning, used in persisting savings calculations.**
  4. **Performance Incentives:**
    - **Action Item: Utilities will coordinate RE: performance incentive calculations outside of the SAG.**
  5. **AMI Data –**
    - **Action Item: Discussion needed on operationalizing access to/inclusion of AMI data, to be discussed with CUB in February, 2017.**
  6. **Low Income –**
    - Advisory Committee – electric utilities convening, not established through SAG
    - **Action Item: Reviewing in 1/31/2017 meeting, language “...contracted, when it is practicable, to independent third parties that have demonstrated capabilities to serve such households, with a preference for not-for-profit entities and government agencies that have existing relationships with or experience serving low-income communities in the State”**
    - **Action Item: Definition needed for “public housing” – to be discussed 1/31/2017.**
  7. **Spending caps -**

- **Action Item: Rolling 10-year projection – Chris Neme confirming whether these are to be submitted annually.**

#### **8. Voltage optimization –**

- IL Attorney General's Office is interested in investments made to those communities that will benefit the most from cost reductions.
- How to identify low-income communities, AMI by census tract?
- **Action Item: Utilities to share selection of voltage optimization locations with stakeholders.**

#### **9. Third-party programs –**

- Plan filings will need to have placeholder yield expected from 3-P programs.
- Yield varies based on sector/technology/geographic area
- Utilities should identify sector, technology and/or geographical location for program scope.
- **Action Item: Utilities to share third-party program objectives and plans with stakeholders for discussion.**

#### **10. Research and development funds –**

- Stakeholders agree funds may be used for both new measures not yet in IL TRM, in addition to new measure development for the portfolio when the measure has already been added to the IL TRM
- IL Attorney General's Office is interested statewide collaboration on measure development to avoid siloed efforts at each utility

#### **11. Action Item: Additional reference materials posted on [SAG website](#):**

- ComEd Smart Grid Advanced Metering Annual Implementation Progress Report
- Ameren study

#### **12. kWh to Btu conversion**

- Conversion should be site versus source.
- Conversion factor is 29.3 kWh/therm.
- **Action Item: Obtain stakeholder agreement.**

#### **Utility Presentations – Bridge Period and 4-Year Plans**

- Keith Martin, Ameren Illinois
- Roger Baker, ComEd
- Pat Michalkiewicz, PG-NSG and Mike Marks, AEG on behalf of PG-NSG

- Jim Jerozal, Nicor Gas
- Next steps (timeline/dates to be established in Subcommittee Plan):
  1. **Spending caps:**
    - **Action Item:** Spending cap vs. hard rate cap – review how this should be operationalized, included in policy manual 2.0. Programs cannot manage budget such that the last dollar is spent on the last day of the plan year. In previous years, ComEd had a spending cap that was within 15% of the rate cap.
  2. **Ameren annual budget calculation:**
    - **Action Item:** Ameren to confirm \$0.1032 cost per kWh used in annual budget calculation is correct (not variable cost, includes all fixed costs, taxes)
  3. **Discount rate:**
    - **Action Item:** Discount rate discussion – to be included February 28, 2017
      - Key questions: What T-bond to use, how to calculate, whether it should apply to gas.
  4. **Third-party program – contract extensions through 12/31/2017**
    - Utilities reviewing programs/contractors on an individual basis
    - **Action Item:** Utilities to share with stakeholders summary of each contract, rationale for why utility is pursuing extension or not
  5. **Reporting and tracking low income participation**
    - **Action Item:** Additional discussion needed to properly track and capture LI customer participation in other programs (e.g., lighting discounts)
  6. **Interactive effects**
    - **Action Item:** Interactive effects discussion to be held 1/31/2017
  7. **PG/NSG low income budget assumptions**
    - **Action Item:** PG/NSG reviewing assumptions used for determining the low income budget, which is lower than plan (census data may not be accurate, Molly Lunn to provide support)
  8. **Avoided costs**
    - **Action Item:** Avoided costs – additional discussion to align gas assumptions needed
  9. **Public sector definition**
    - **Action Item:** Plan for public sector moving forward. Previous statute defined Public Sector as a specific set of entities – munis, schools, community colleges; DCEO has always served broader set.

## Planning Process/Bridge Period Updates (Annette Beitel, SAG Facilitation)

- Next steps:
  1. **January 31, 2017 meeting –**
    - Materials and presentations likely to be available Monday or Tuesday due to condensed timeframe for preparation
    - DCEO presentation open to utilities and non-financially interested parties only
      - Materials/content will have limited distribution
      - Department has taken utility questions into consideration, additional data can be provided following presentation
  2. **Planning Process Document –**
    - **Action Item:** Stakeholders to share additions (issues not yet identified for planning process consideration) by January 27, 2017 – email [Ashley.palladino@futee.biz](mailto:Ashley.palladino@futee.biz)
    - **Action Item:** SAG Facilitation to compile and distribute Subcommittee Plan from Planning Process Document
      - Intended to be guiding document
      - Does not establish SAG consensus, etc.
  3. **Bridge period issues –**
    - **Action Item:** SAG Facilitation to email all stakeholders for any objection on key issues (e.g. use of current NTG/TRM through December 31, 2017)
  4. **Bridge period plans –**
    - Finalization and documentation of plans – TBD
  5. **Policy Manual Updates –**
    - **Action Item:** Jennifer Morris reviewed manual with recommended changes, will be distributed to writing team for additional review (with invitation of OGC), before proposing to full SAG.
    - **Action Item:** Potential for revisiting manual in its entirety will be pursued after plans are filed.
  6. **Gas Self-Directed Customers –**
    - **Action Item:** Additional discussion needed on DCEO role and support, which is established and set to concluded 2020 (February, 2017 discussion).
    - Key questions: Should DCEO continue to administer if they have no other role in efficiency?
      - If yes, how would DCEO fund this activity and would DCEO be able to allocate resources to ensure sufficient oversight?
      - If not, how can responsibility be shifted to utilities along with other EE responsibilities.