

IL EE Stakeholder Advisory Group

Large Group Meeting

Wednesday, November 7, 2018

10:00 am – 3:00 pm

Midwest Energy Efficiency Alliance (MEEA)

20 N. Wacker Drive, Suite 1301, Chicago, IL

Attendee List and Meeting Notes

Attendees (in-person)

Celia Johnson, SAG Facilitator

Nick Hromalik, Midwest Energy Efficiency Alliance (MEEA), Meeting Support

Elena Savona, Elevate Energy

Mike Brandt, ComEd

Theo Okiro, Future Energy Enterprises

Cheryl Johnson, People for Community Recovery

Taylor White, 360 Energy Group

Anthony Santarelli, Smart Energy Design Assistance Center (SEDAC)

Stefano Galiasso, Energy Resources Center, UIC

Ely Jacobsohn, MEEA

Jim Heffron, Franklin Energy

Briana Parker, Elevate Energy

Brady McNall, DNV-GL

Mary Johnson, Resource Innovations

Todd Thornburg, ComEd

Julie Hollensbe, ComEd

Noel Corral, ComEd

Lauren Casentini, Resource Innovations

Margie Gardner, Resource Innovations

Randy Opdyke, Nicor Gas

Mark Szczygiel, Nicor Gas

Chris Vaughn, Nicor Gas

Chris Neme, Energy Futures Group, representing NRDC

Jim Fay, ComEd

Neal Latham, ComEd

Stacey Paradis, MEEA

Bryan McDaniel, Citizens Utility Board (CUB)

Noelle Gilbreath, Community Investment Corp. (CIC)

Julia Friedman, Oracle

Rob Neumann, Navigant

Randy Gunn, Navigant

Christina Pagnusat, Peoples Gas & North Shore Gas

Omayra Garcia, Peoples Gas & North Shore Gas

Jordana Temlock, Bidgley

Attendees (by phone)

David Bryant, add company

Ian Champ, CLEARResult

Jane Colby, Cadmus Group

Ryan Curry, 360 Energy Group
Erin Daughton, ComEd
Shaun Dentice, CLEARResult
Wael El-Sharif, 360 Energy Group
Kevin Grabner, Navigant
Mary Ellen Guest, Chicago Bungalow Association
Mark Hamann, ComEd
Jan Harris, Navigant
Arturo Hernandez, ComEd
Travis Hinck, GDS Associates
Jonathon Jackson, Ameren Illinois
Katie Kaluzny, USGBC-Illinois
Chester Kolodziej, representing Rockford organization
Ryan Kroll, Michaels Energy
Kristin Landry, Navigant
Karen Lusson, Illinois Attorney General's Office
Keith Martin, Ameren Illinois
Rebecca McNish, ComEd
Catherine Mertes, RCF Economic and Financial Consulting
Cheryl Miller, Ameren Illinois
Jennifer Moore, Ameren Illinois
Wade Morehead, Leidos
Jennifer Morris, ICC Staff
Victoria Nielsen, Applied Energy Group
Patricia Plympton, Navigant
Julia Sander, Leidos,
Bryan Serinese, VEIC (IL-TRM Administrator)
Kristol Simms, Ameren Illinois
David South, West Monroe Partners
Evan Tincknell, Opinion Dynamics
George Tolley, RCF Economic and Financial Consulting
Andy Vaughn, Leidos
Ted Weaver, First Tracks Consulting, representing Nicor Gas
Shelita Wellmaker, Ameren Illinois
Sean Wynne, SEDAC
Angie Ziech-Malek, CLEARResult
Michael Marks, Applied Energy Group
Arvind Singh, DNV-GL
Gary Ambach, Seventhwave
Stacy Gloss, Indoor Climate Research & Training
Michael Jung , Varentec
Bob Mudra, ComEd

Meeting Notes

Next steps/action items are indicated **in red**. Questions that require follow-up are indicated in **yellow**.

Opening and Introductions – Celia Johnson, SAG Facilitator

- The focus of the meeting today is 1) an industry spotlight on market transformation EE programs and 2) quarterly summaries from the utilities (Ameren Illinois, ComEd, Nicor Gas, Peoples Gas, and North Shore Gas).
- Please note the quarterly summaries / report-outs from the utilities are earlier than usual. Utilities will not be filing their quarterly reports with the Commission for another week or so. Q3 reports will be posted on the SAG website after they are filed.

Industry Spotlight: Market Transformation

Presenters: Stacey Paradis, MEEA; Jim Fay, ComEd; Randy Opdyke, Nicor Gas; and Christina Pagnusat, Peoples Gas & North Shore Gas

National and Regional Landscape for Market Transformation

Stacey Paradis, MEEA

- Market Transformation (MT) = The process of strategically intervening in a market to create lasting change that accelerates the adoption of energy efficient products, services and practices.
- MT has impacts for the economy and jobs.
- MT is not a new concept, NEEA and NEEP have been working in this space and have lessons learned to share.
- Looking at a formal process (7 steps) for identifying and counting savings from market transformation.
- Looking at creating business plans for MT to ensure there are savings and real benefits.
- There are potential partnerships outside of IL for increased investment via other Midwest states.
- The big advantage for IL is not reinventing the wheel, and instead building on the success of what others have done.
- MEEA plans to hold a summit on MT at the MEEA conference in February.

ComEd Market Transformation Presentation

Jim Fay, ComEd

- MT will bring new program delivery models, such as increasing compliance with codes and standards, and accelerating adoption.
- New to the Midwest, MT has actually been in the industry for over 25 years.
- \$1.6 million per year through 2021 will be invested in MT from ComEd.
- Discussing coordination across Midwest and nationally.
- In 2018 ComEd will continue to operate BOC certification program and IL Home Performance.
- Implementing a baseline codes compliance study (with MEEA) as part of MT.
- 2019 plan to work in food service equipment and benchmarking (how to integrate in existing programs).
- There will be an opportunity for a “second wave” of engagement on MT. Ameren Illinois is interested in participating.
- There will be a utility collaborative meeting in December to further discuss MT.

Nicor Market Transformation Presentation

Randy Opdyke, Nicor Gas

- Nicor Gas is beginning our assessment of MT.
- Dedicating \$2 million per year to MT in the current EE Plan.
- Using experts (MEEA, NEEA, GTI, etc.)
- Seeking collaboration with other IL utilities.
- Interested parties include Xcel Energy, Focus on Energy, DTE Energy, and others.
- Looking to build capacity in the Midwest.

Peoples Gas & North Shore Gas Market Transformation Presentation

Christina Pagnusat, Peoples Gas & North Shore Gas

- Working with ComEd on their programs (code compliance, BOC, food equipment, IL Home Performance).
- Art Institute of Chicago is an example of a successful MT project.

Overview of ComEd Market Transformation Summit

Jim Fay, ComEd

- ComEd hosted a summit at Catalyst Ranch.
- Many partners and experts participated
- Summit included breakout groups and interactive discussion.
- Summit Takeaways (7):
 1. MT programs should be integrated into the EE portfolio.
 2. Pursue the opportunity to collaborate.
 - One opportunity to collaborate is through work through national organizations, especially with manufacturers. It's helpful to band together as utilities for better leveraging, especially for national retailers.
 3. Develop the core of the program plan – the “logic model.”
 4. Listen and learn –the first step to new relationships, understand what makes their businesses successful, i.e. for our new business partners in their terms.
 5. Improve designs by iterating – consumer NPD Model, creates integrative loop that involves the customer, brings their feedback into design, needed for successful MT.
 6. Get evaluators in on the front end, should be a set of parallel activities.
 7. Use MT as a market catalyst for new EE products.
- A final report is being completed from the Summit.

Overview of Nicor Gas Market Transformation Workshop

Randy Opdyke, Nicor Gas

- Workshop was held in October, facilitated by NEEA and MEEA.
- Navigant as well as MEEA and those running the MT Building Operator Certification (BOC), IL Home Performance (IHP) and code compliance initiative participated, along with utilities and other stakeholders.
- Need to look at target markets and products, as well as the adoption curve, and then identify the barriers and opportunities.
- Document the business plan for MT, as well as baseline and savings estimates. Business plans need to be multi-year, since it can take several years before there is market impact.
- This needs to be a collaborative process, with experts providing input on best practices.
- Discussed BOC and IHP and what the product vision is for MT.
- Discussed what the target markets looks like for these products.

- Example q's discussed: Where are we on the adoption curve? What if we intervene, does this bring value and shift the curve?
- Need to look at multi-year budgets and savings, estimates of cost-effectiveness.
- Need to look at improving workforce development and helping disadvantaged communities.
- MEEA prepared a short summary of the workshop.
- BOC will need a business plan; a business plan template is being created that can be used as a model in the future.
- Q: When is the business plan due?
 - A: BOC business plan will be in spring 2019. IHP needs market research so more time is needed before developing a business plan. Code compliance is not yet ready for a business plan. The baseline assessment needs to be completed before we know if can justify a business plan. Code compliance study results are expected later in 2019.
- Chris Neme: Shared concerns that we avoid creating parallel processes (such as overlap with SAG). There may be topics that require policy discussion at SAG, such as evaluation of MT; performance metrics; other policy issues.
 - A: It is a good thing to consider. The MT collaborative effort may involve other states / utilities outside of IL. The collaborative effort is expected to focus on design and then implementation of MT programs.

Action Items for Market Transformation Topic:

1. ComEd is finalizing the Market Transformation Summit Report by the end of this year. The final report will be circulated to SAG.
2. There will be a utility collaborative meeting in December (Dec. 14) to further discuss MT. If you are interested in more information, contact Celia Johnson (Celia@CeliaJohnsonConsulting.com) by **Friday, December 7** and she will share your contact information with the meeting organizers.

Peoples Gas & North Shore Gas Quarterly Summary (Q2-Q3)

Presenters: Christina Pagnusat and Omayra Garcia, Peoples Gas & North Shore Gas

Recent highlights:

- There will be a push in Q4 to meet annual goals.
- In Q2 we held customer feedback focus groups
 - Customers not familiar with program offerings; are interested in a simplified process.
- Hosted an educational luncheon to discuss offerings and network with stakeholders
- Bill inserts went out highlighting program offerings
- Provided direct install items for Earth Week Surprise to several families, this was a successful PR campaign to help promote EE program offerings in neighborhoods.
- Income eligible programs: progress is being made.
- Weatherization: 83% of the project goal had been invoiced at close of Q3. All 2018 projects are identified and in the pipeline. However, weatherization program had a slow start to the year.
- New workforce development initiative with DNR Construction. Since starting the program, 60 jobs have been created via DNR. Jobs are in economically disadvantaged communities; program is through Chicago Bungalow Association.
- Weatherization program is working with CEDA, which has focused on multi-family.
- Forecasting a strong third and fourth quarter for single family program.

- Looking into building envelope opportunities for future EE program years.
- Weatherization recommendations – 1/3 of customers are receiving recommendations.
 - Chris Neme Q: Why are only 1/3 of customers getting weatherization recs? A: What is the follow through on the 1/3 that do receive recs, do they actually complete the weatherization?
 - A: Peoples Gas & North Shore Gas will follow-up with this information.

Nicor Gas Quarterly Summary (Q2-Q3)

Presenter: Chris Vaughn, Nicor Gas

Recent highlights:

- 37% of year one goal, this is a start-up year.
- Q3 was larger in results than Q1 and Q2 combined.
- Public sector program experienced a 161% increase from prior quarters.
- Home EE rebate program has potential for significant savings.
- Expecting a heavy uptake in Q4 and start of next year due to the pipeline project work done in the early quarters.
- Strategic Energy Management Program is at 0 savings because there is a time lag between when the savings numbers are recorded.
- Income Qualified program also has a lag time in reporting savings. Spending is lower on IQ because there was a slow start to the year; slower start to weatherization for various reasons.
- Spending is generally on track for what Nicor Gas anticipated. There is also a lag time issue with spending.
- Gas EE program is seasonal; a lot of activity happens in the fall / Q4.

Ameren Illinois Quarterly Summary (Q2-Q3)

Presenter: Kristol Simms, Ameren Illinois

Recent highlights:

- Additional efforts for diversifying our contractors.
- HEIQ about 1450 homes served, smart thermostats added to our offerings (discontinued programmable thermostats).
- Core ally network increased 25% by end of Q3.
- Retail products offerings, online marketplace which was offered in Q2.
- Distributed over 3000 smart thermostats through Q3.
- Launched instant rebates for smart thermostats, which customers really appreciate.
- Still offering mail-in rebates (4500 so far in Q3).
- Appliance recycling: minor change to program design, 4500 units picked up. Provide EE kit when in a low-income community, and leave behind weatherization information.
- School Kits Program started in Q3; 64 presentations completed with 4000 kits given. Also cross-promoting the small business direct install offerings.
- Launched EE internship and summer work program (in Q1 and operated through Q2), worked with community action agencies and the University of Illinois, very successful program. All interns received a job offer or went back to school for additional training. Ameren Illinois is staying in touch with interns and doing follow up to insure success in their future job prospects.
- Partner Kickoff in Q3, started with a lunch for networking and coordination.

- Market Development and partner kickoff in Q3, helping to further reach low income customers.
- Partnered with “customers in need” event (bill assistance) with information about EE, where we did demos and provided kits to customers. Signed up customers for follow-up and low-income program offering.
- Smart Savers Program offering in Q3. This is a pilot project to help us understand how customers take advantage of this program, what devices they prefer. Also to determine if customers will install or want professional install (\$25 gift card if they self-install and successfully register the device).
 - Program has arranged for a variety of diverse install vendors to do the direct install.
- Public Sector Program has been new and challenging, but a welcome challenge. Very different from what we have done in the past (working through school boards and governing boards, finding times when the building can be closed down) but we are adapting and growing.
- Summer Break Bonus for schools provided additional bonuses for program allies serving the public sector.
- Street lighting: a diverse vendor is using local workforce in Decatur, IL.
- Offering staffing grants, primarily project implementation in 2019.
- Electric savings from alternative fuels.
- Significant increase in Energy Advisor efforts (employed by AIC’s implementer Leidos). Ameren Illinois also has an account management model, with utility account reps that serve customers over 1 MW demand.
- Ameren Illinois recently expanded from a “Top 100” to a “Top 500” customer list. Effort to further develop relationships. ½ MW is the new threshold to be on the top customer list.
- Weatherization program is at 10% of forecast; administrative challenges such as restrictions on using funds, slow ramp-up, issues with Agencies creating the “measure booklet”, etc.
- Ameren Illinois 3rd Party program – 8 bids which exceeded the \$8M spend target.
- HEIQ program (multi-family) – 5,000 residences participated; 2,500 low income and 2,500 moderate income.
 - Q: How any of these are multi-family?
 - Ameren Illinois will follow-up.
 - Ameren Illinois will confirm that 50% of the building units need to be income eligible to participate in the IQ program.

ComEd Quarterly Summary (Q3)

Presenters: Julie Hollensbe and Neal Latham, ComEd

Recent highlights:

- 90% to overall portfolio-level budget goal.
- “Other” savings category includes Voltage Optimization (VO) Program and therm conversion. 50% is from VO.
- Income eligible (Chicago Bungalow Program) also expanded to Chicagoland Vintage Home Association, serves Cook County outside of Chicago. Forecasted to serve 250-500 homes through Q4.
- Received 39 proposals from 23 vendors for ComEd 3rd party programs, Commission approved RFP July 2018. The list of recommended programs has been filed with the Commission requesting approval.
- Similar challenges to weatherization program as the other utilities. Slow to ramp up.

- Network of contractors will now be called “EE Service Providers” starting in 2019; this avoids confusion with the term “Trade Allies.”
- Targeted marketing events that are aimed at specific communities / programs.

Program Spotlight: Small Business and Small Facilities Programs

- Small Business Program:
 - 52 contractors / EE Service Providers in the network (54% diversity-owned).
 - Nexant is the program implementor.
 - Now using a paperless tracking process (mobile assessment tool).
 - Portfolio is 80% lighting, 20% refrigeration, compressed air etc.
 - Most measures are IL-TRM based.
 - Offers more than 120 measures.
 - Since the program began in 2011, ComEd has reached 10% of the small business market. There are many more customers to be served.
 - There is a contractor / EE Service Provider mentorship program (13 mentees and 5 mentors). It has been successful.
 - Hope House Video (success story).
- Small Facilities Program:
 - New program offering in 2018. This is a public-sector focused program.
 - Provides free facility assessment and EE projects for public sector customers under 100 KW peak demand.
 - Incentives average 50-70% of the project cost for comprehensive energy saving solutions.
 - 121 projects completed.
 - Only lighting this year; HVAC will be added in 2019.
 - Word of mouth is very important for this program – especially for customers like libraries and fire departments.

Closing and Next Steps – *Celia Johnson, SAG Facilitator*

SAG Innovative Idea Survey

- The survey is available on the SAG website and also at this link: <https://www.surveymonkey.com/r/8DPMTZB>
- SAG participants are encouraged to submit “innovative” ideas that may be presented at SAG in the future, time/resources permitting. Survey will be ongoing.
- Note there is a structured process at the beginning of each IL-TRM update cycle for participants to submit new measures and changes to existing measures. The deadline for measure requests for IL-TRM Version 8.0 will be in February 2019. Participants may also submit measure requests to the [IL-TRM Request Tracker](#) on SharePoint throughout the year. Measure requests submitted past the deadline for annual IL-TRM updates may not be considered until the next update cycle.
- **Action Item: The 2019 SAG Plan is currently in development. If you have any innovative topics that should be addressed in 2019, [please fill out the survey](#) by COB on **Thursday, Nov. 29**.**

Upcoming SAG Meetings

- Monday, Dec. 3 and Tuesday, Dec. 4 – teleconference meetings for evaluators to present a high-level overview of draft EM&V plans for 2019.
- A teleconference meeting will be scheduled in January to present an overview of the draft 2019 SAG Plan and request final comments/feedback.