**SAG Policy Proposals for Additions/Revisions to Existing Policy Manual**

**NRDC Redline Edits 07-12-18 with ICC Staff Redline Edits 07-17-18**

1. **Secondary Electricity Savings from Reduced Water Use:**

A “kWh per million-gallon” factor may be used to calculate secondary electricity savings from reduced water use. Specific details on the factor to be used and which measures it will apply to will be addressed by the TAC in the IL-TRM Version 7.0 process.

1. **Potential for “Below Code” Baselines for Estimating Energy Savings**
2. **Individual Measures or Measure Bundles Installed in Specific Buildings for Which Savings are Being Claimed:**
   1. **Custom Measures:** For custom measures, the existing equipment could be used as the baseline in savings calculations at the discretion of Program Administrators (for example, if the existing condition is not compliant with code and there are no plans to comply with code and there is data to back that up, the existing condition could be used). However, consistent with existing Commission policy, Program Administrators are subject to retrospective evaluation risk (retroactive adjustments to savings based on evaluation findings) for custom projects, including adjustments to Program Administrators assumed baselines.

A below code baseline could also be allowed if the project is determined as early replacement. A dual baseline approach is used to estimate lifetime savings in these situations. Over the period of the Remaining Useful Life (RUL) of the equipment, the baseline used for calculation purposes would be that of the existing equipment. After the RUL Period, a code baseline is used to estimate the savings.

* 1. **Prescriptive Measures:** For prescriptive measures, the code will be assumed to be the baseline efficiency level. Any adjustment to account for the potential for the baseline efficiency to have been less than code (or greater than code) in some portion of the population adopting the measure should be made in the estimation of the NTG ratio, not in TRM savings calculations.

1. **Programs Specifically Designed to Improve Code Compliance across an Entire Population of Buildings or Advance Adoption of New Codes (or Product Efficiency Standards) for Application to an Entire Population of Buildings:**

Nothing in the discussion of part A above shall preclude the utilities from proposing to claim savings from programs designed to improve code compliance and/or to advance adoption of new codes or product efficiency standards that will apply to an entire population of buildings. Any such proposal shall include a proposed approach to estimating program savings from the applicable building population, including a method to establish the below code baseline from which savings would be estimated (e.g. a code compliance study), a method for estimating how that baseline has changed and a method for attributing the portion of such change attributable to the utility program(s).

1. **IL NTG Working Group Follow-Up:** The IL NTG Working Group will review how to make adjustments to NTG ratios for the below code (and above code) baseline scenarios, for both prescriptive and custom measures.
2. **Seeking SAG Approval:** When a situation arises in the IL-TRM TAC where an efficient condition doesn’t meet code, the IL-TRM Administrator will seek SAG approval on a case by case basis before approving the measure.
3. **Memorializing Policy Agreements:** Policies should be included in either Policy Manual Version 2.0 or an updated version of the IL-TRM Policy Document. The SAG Facilitator will add this policy topic to the tracking list.