

Policy Manual Version 2.0
Stipulated Agreement Language
9/13/2018

This document includes excerpted language from stipulated agreements between ComEd, Nicor Gas, Peoples Gas & North Shore Gas and non-financially interested stakeholders.

IL-TRM Administrator Authority

To agree on a policy regarding IL-TRM Administrator authority, to the extent consensus cannot be reached on a measure or measure values in the TRM.

ComEd Stipulation:

ComEd agrees that, to the extent a consensus among the utilities and intervening parties cannot be reached regarding a measure or measure values in the TRM, the IL-TRM Administrator shall have the authority to use its best judgment to decide on the measure or measure value. ComEd further agrees to work with the other utilities and implementing stakeholders to agree on a joint procedure for this process and to include it in the next Policy Manual update.

Nicor Gas Stipulation:

Nicor Gas agrees that, to the extent a consensus among the utilities and intervening parties cannot be reached regarding a measure or measure values in the TRM, the IL-TRM Administrator shall have the authority to use its best judgment to decide on the measure or measure value. Nicor Gas further agrees to work with the other utilities and implementing stakeholders to agree on a joint procedure for this process and to include it in the next Policy Manual Update.

Peoples Gas & North Shore Gas Stipulation:

The Companies agree that, to the extent a consensus among the utilities and intervening parties cannot be reached regarding a measure or measure values in the TRM, the IL-TRM Administrator shall have the authority to use its best judgment to decide on the measure or measure value. The Companies further agree to work with the other utilities and implementing stakeholders to agree on a joint procedure for this process and to include it in the next Policy Manual update.

Vendor Participation in IL-TRM

Develop a policy for vendor participation in IL-TRM meetings.

ComEd Stipulation:

ComEd agrees that it is not appropriate for financially interested vendors to participate in the IL-TRM TAC meetings, unless they are specifically invited by the TRM Administrator to present information regarding a particular measure. ComEd further agrees to work with the other utilities and intervening stakeholders to develop a final policy on this issue and to include it in the next Policy Manual update.

Nicor Gas Stipulation:

Nicor Gas agrees that it is not appropriate for financially interested vendors (e.g., vendors that have unique or express interest in a specific measure or set of measures) to participate in the IL-TRM TAC meetings, unless they are specifically invited by the TRM Administrator to present information regarding a particular measure. Nicor Gas further agrees to work with the other

utilities and intervening stakeholders to develop a final policy on this issue and to include it in the next Policy Manual update.

Peoples Gas & North Shore Gas Stipulation:

The Companies agree that it is not appropriate for financially interested vendors to participate in the IL-TRM TAC meetings, unless they are specifically invited by the TRM Administrator to present information regarding a particular measure. The Companies further agree to work with the other utilities and implementing stakeholders to develop a final policy on this issue and to include it in the next Policy Manual update.

IL-TRM Administrator Independence

Document the policy for IL-TRM Administrator independence.

ComEd Stipulation:

ComEd agrees to work with the other electric and gas utilities that participate in the SAG to develop and implement protocols to ensure that IL-TRM Administrator independence is maintained as part of Policy Manual Version 2.0 discussions. To the extent IL-TRM Administrator independence provisions are added to a future Commission-approved Illinois Energy Efficiency Policy Manual, such provisions appearing in the Policy Manual will supersede the IL-TRM Administrator independence provisions in this Stipulation. Until such time that the Commission approves the Policy Manual IL-TRM Administrator independence provisions, ComEd agrees to implement the following IL-TRM Administrator independence protocols:

- a. ComEd will submit the finalized but not yet executed contract with the independent IL-TRM Administrator to the Commission by letter to the Executive Director. Staff will submit a report to the Commission containing its assessment of the contract and describing its recommendations for Commission action, if any. In addition, ComEd will submit any contract and scope of work with the independent IL-TRM Administrator as a compliance filing in Docket No. 17-0270 within fourteen (14) days of execution.
- b. ComEd will include language in the independent IL-TRM Administrator contract that provides that the Commission has the right to terminate the IL-TRM Administrator contract if the Commission determines the IL-TRM Administrator is not acting independently, or is unable or unwilling to independently administer the Illinois Statewide Technical Reference Manual for Energy Efficiency.
- c. The IL-TRM Administrator contract with ComEd will automatically terminate upon a Commission finding that the contract should be terminated, after issuance of notice and hearing and an opportunity for the utilities, the IL-TRM Administrator, and other interested parties to be heard.
- d. In the event that ComEd or the IL-TRM Administrator issues a notice of termination or notice of default of the contract, the issuer of the notice will contemporaneously provide a copy of such notice to the Commission.

Nicor Gas Stipulation:

Nicor Gas agrees to implement protocols to ensure that IL-TRM Administrator independence is maintained. To the extent IL-TRM Administrator Independence provisions are added to a future Commission-approved Illinois Energy Efficiency Policy Manual, such provisions appearing in the Policy Manual will supersede the IL-TRM Administrator Independence provisions in this Stipulation. Specifically, Nicor Gas agrees to implement the following protocols:

- a. Nicor Gas shall submit the finalized but not yet executed contract with the independent IL-TRM Administrator to the Commission by letter to the Executive Director. Staff will

submit a report to the Commission containing its assessment of the contract and describing its recommendations for Commission action, if any. In addition, Nicor Gas will submit any contract and scope of work with the independent IL-TRM Administrator as a compliance filing in the applicable EEP docket within fourteen (14) days of execution.

- b. Nicor Gas will include language in the independent IL-TRM Administrator contract that provides that the Commission has the right to terminate the IL-TRM Administrator contract if the Commission determines the IL-TRM Administrator is not acting independently, or is unable or unwilling to independently administer the Illinois Statewide Technical Reference Manual for Energy Efficiency.
- c. The IL-TRM Administrator contract with Nicor Gas will automatically terminate upon a Commission finding that the contract should be terminated, after issuance of notice and hearing and an opportunity for Nicor Gas, the IL-TRM Administrator, and other interested parties to be heard.
- d. In the event that Nicor Gas or the IL-TRM Administrator issues a notice of termination or notice of default of the contract, the issuer of the notice shall contemporaneously provide a copy of such notice to the Commission.

Peoples Gas & North Shore Gas Stipulation:

NS-PG agrees to implement protocols to ensure that IL-TRM Administrator independence is maintained. To the extent IL-TRM Administrator Independence provisions are added to a future Commission-approved Illinois Energy Efficiency Policy Manual, such provisions appearing in the Policy Manual will supersede the IL-TRM Administrator Independence provisions in this Stipulation. Specifically, NS-PG agree to implement the following protocols:

- a. NS-PG shall submit the finalized but not yet executed contract with the independent IL-TRM Administrator to the Commission by letter to the Executive Director. Staff will submit a report to the Commission containing its assessment of the contract and describing its recommendations for Commission action, if any. In addition, NS-PG will submit any contract and scope of work with the independent IL-TRM Administrator as a compliance filing in the applicable EEP docket within fourteen (14) days of execution.
- b. NS-PG will include language in the independent IL-TRM Administrator contract that provides that the Commission has the right to terminate the IL-TRM Administrator contract if the Commission determines the IL-TRM Administrator is not acting independently, or is unable or unwilling to independently administer the Illinois Statewide Technical Reference Manual for Energy Efficiency.
- c. The IL-TRM Administrator contract with NS-PG will automatically terminate upon a Commission finding that the contract should be terminated, after issuance of notice and hearing and an opportunity for the utilities, the IL-TRM Administrator, and other interested parties to be heard.
- d. In the event that NS-PG or the IL-TRM Administrator issues a notice of termination or notice of default of the contract, the issuer of the notice shall contemporaneously provide a copy of such notice to the Commission.

Consistent Contract Requirements

Develop consistent contract requirements that ensure Evaluation, Measurement & Verification (“EM&V”) evaluator independence, SAG Facilitator independence, and IL-TRM Administrator independence.

ComEd:

N/A

Nicor Gas Stipulation:

Nicor Gas shall participate in good faith discussions with other stakeholders in the Policy Manual Subcommittee to develop consistent contract requirements that ensure Evaluation, Measurement & Verification (“EM&V”) evaluator independence, SAG Facilitator independence, and IL-TRM Administrator independence.

Peoples Gas & North Shore Gas Stipulation:

N/A

Public Availability of Evaluator Contracts

Reach agreement on whether the contract and scope of work for independent evaluators may be made public in whole or in part.

ComEd Stipulation:

ComEd will submit the finalized but not yet executed contract with the independent evaluator to the Commission by letter to the Executive Director. Staff will submit a report to the Commission containing its assessment of the contract and describing its recommendations for Commission action, if any. In addition, ComEd will submit any contract and scope of work with the independent evaluator as a compliance filing in Docket No. 17-0312 within fourteen (14) days of execution. The Parties also agree to make good faith efforts to address and reach consensus concerning whether the contract and scope of work may be made public in whole or in part as part of the discussions for the Illinois Energy Efficiency Policy Manual Version 2.0.

Nicor Gas Stipulation:

N/A

Peoples Gas & North Shore Gas Stipulation:

N/A

Evaluator Independence

Document the policy for evaluator independence.

ComEd Stipulation:

ComEd agrees to continue to implement protocols to ensure that evaluator independence is maintained, as required by Section 8-103B of the Act.

- a. ComEd will submit the finalized but not yet executed contract with the independent evaluator to the Commission by letter to the Executive Director. Staff will submit a report to the Commission containing its assessment of the contract and describing its recommendations for Commission action, if any. In addition, ComEd will submit any contract and scope of work with the independent evaluator as a compliance filing in Docket No. 17-0312 within fourteen (14) days of execution. The Parties also agree to make good faith efforts to address and reach consensus concerning whether the contract and scope of work may be made public in whole or in part as part of the discussions for the Illinois Energy Efficiency Policy Manual Version 2.0.
- b. ComEd will include language in the independent evaluation contracts that provide that:
 - (i) the Commission has the right to terminate the contract; and
 - (ii) the evaluator must act independently from the Company and be able to independently evaluate the energy savings performance and cost-effectiveness of ComEd’s energy efficiency programs.

- c. The evaluator contract with ComEd will automatically terminate upon a Commission finding that the contract should be terminated, after issuance of notice and hearing and an opportunity for ComEd, the evaluator, and other interested parties to be heard.
- d. In the event that ComEd or the evaluator issues a notice of termination or notice of default of the contract, the issuer of the notice will contemporaneously provide a copy of such notice to the Commission.
- e. ComEd will ensure that the data used in its evaluations can be made available to the Commission upon request.
- f. Annual Independent Ex Post TRC Test Evaluation: ComEd will direct its independent third-party evaluator to conduct an ex post TRC cost-effectiveness analysis annually during the course of the 4-year portfolio plan pursuant to Section 8-103B(g)(6) of the Act. ComEd will also direct its independent third-party evaluator to conduct a TRC cost-effectiveness analysis at the conclusion of the 4-year Plan pursuant to Section 8-103B(g)(6) of the Act. Both the annual ex post TRC analysis and the 4-year TRC cost-effectiveness analysis will include both the gas and electric costs and benefits for the joint energy efficiency programs that ComEd offers in conjunction with another Program Administrator such as Nicor.
- g. ComEd agrees to direct its evaluators to develop EM&V work plans consistent with the Policy Manual.
- h. In the event that stakeholders, including Staff or ComEd, and the Evaluator are not able to reach a resolution during the Draft EM&V Report review process concerning a disputed issue that is acceptable to all parties, then ComEd will direct the evaluator to document the issue in dispute within the EM&V report along with the Evaluator's position, the stakeholder's position, and to the extent practical and quantifiable, any associated alternative savings estimates resulting from the differences in positions.

Nicor Gas Stipulation:

Nicor Gas shall institute protocols to ensure that evaluator independence is maintained, as required by Section 8-104 of the Act.

- a. Nicor Gas shall submit the finalized but not yet executed contract with the independent evaluator to the Commission by letter to the Executive Director. Staff will submit a report to the Commission containing its assessment of the contract and describing its recommendations for Commission action, if any. In addition, Nicor Gas shall submit any contract and scope of work with the independent evaluator as a compliance filing in the applicable EEP docket within fourteen (14) days of execution. Nicor Gas shall make any portions of such compliance filings that are designated confidential available to parties appearing in the docket who are entitled to receive confidential materials by operation of law or an appropriate protective order, and to other interested parties who do not have a competitive interest in the confidential material and who may not be parties appearing in the docket, but who have signed a protective agreement with the Company to receive the confidential material. Nicor Gas also agrees to make good faith efforts to address and reach consensus concerning whether the contract and scope of work may be made public in whole or in part as part of the discussions for the Illinois Energy Efficiency Policy Manual Version 2.0.
- b. Nicor Gas shall include language in the independent evaluation contracts such that the Commission can: (1) terminate the contract if the Commission determines the evaluators were not acting independently; and (2) prevent the Company from terminating the contracts without Commission approval.

- c. Nicor Gas shall direct its independent third-party evaluator to conduct an ex post Total Resource Cost (“TRC”) cost-effectiveness analysis annually during the course of the 4-year portfolio plan pursuant to Section 8-104(f)(8) of the Act.

Peoples Gas & North Shore Gas Stipulation:

NS-PG shall put protocols into place to ensure that evaluator independence is maintained, as required by Section 8-104 of the Act.1 The evaluator would not be “independent” as required by statute if the Program Administrator had control over the Evaluator.

- a. Evaluator independence protocols include:
 - i. Any contract between NS-PG and the independent evaluator shall provide that: (i) the Commission has the right to terminate the contract; and (ii) the evaluator must act independently from the Companies and be able to independently evaluate the energy savings performance and cost-effectiveness of NS-PG’s energy efficiency programs.
 - ii. NS-PG shall submit the finalized but not yet executed contract with the independent evaluator to the Commission by letter to the Executive Director. Staff will submit a report to the Commission containing its assessment of the contract and describing its recommendations for Commission action, if any. In addition, NS-PG shall submit any contract and scope of work with the independent evaluator as a compliance filing in the applicable Energy Efficiency Plan docket within fourteen (14) days of execution.
 - iii. Evaluators shall develop EM&V work plans consistent with the Policy Manual.
 - iv. NS-PG shall ensure that the data used in the evaluations can be made available to the Commission upon request.
 - v. The evaluator contract with NS-PG shall automatically terminate upon a Final Order of the Commission finding that the contract should be terminated, after issuance of notice and hearing and an opportunity for NS-PG, the evaluator, and other interested parties to be heard.
 - vi. In the event that NS-PG or the evaluator issues a notice of termination or notice of default of the contract, it shall contemporaneously provide a copy of such notice to the Commission.

SAG Facilitator Independence

Document the policy for SAG Facilitator independence.

ComEd stipulation:

ComEd agrees to work with the other electric and gas utilities that participate in the SAG to develop and implement protocols to ensure that IL-TRM Administrator independence is maintained as part of Policy Manual Version 2.0 discussions. To the extent IL-TRM Administrator independence provisions are added to a future Commission-approved Illinois Energy Efficiency Policy Manual, such provisions appearing in the Policy Manual will supersede the IL-TRM Administrator independence provisions in this Stipulation. Until such time that the Commission approves the Policy Manual IL-TRM Administrator independence provisions, ComEd agrees to implement the following ILTRM Administrator independence protocols:

- a. ComEd will submit the finalized but not yet executed contract with the independent IL-TRM Administrator to the Commission by letter to the Executive Director. Staff will submit a report to the Commission containing its assessment of the contract and describing its recommendations for Commission action, if any. In addition, ComEd will

submit any contract and scope of work with the independent IL-TRM Administrator as a compliance filing in Docket No. 17-0270 within fourteen (14) days of execution.

- b. ComEd will include language in the independent IL-TRM Administrator contract that provides that the Commission has the right to terminate the IL-TRM Administrator contract if the Commission determines the IL-TRM Administrator is not acting independently, or is unable or unwilling to independently administer the Illinois Statewide Technical Reference Manual for Energy Efficiency.
- c. The IL-TRM Administrator contract with ComEd will automatically terminate upon a Commission finding that the contract should be terminated, after issuance of notice and hearing and an opportunity for the utilities, the IL-TRM Administrator, and other interested parties to be heard.
- d. In the event that ComEd or the IL-TRM Administrator issues a notice of termination or notice of default of the contract, the issuer of the notice will contemporaneously provide a copy of such notice to the Commission.

Nicor Gas Stipulation:

Nicor Gas agrees to implement protocols to ensure that SAG Facilitator independence is maintained. To the extent SAG Facilitator Independence provisions are added to a future Commission-approved Illinois Energy Efficiency Policy Manual, such provisions appearing in the Policy Manual will supersede the SAG Facilitator Independence provisions in this Stipulation. Specifically, Nicor Gas agrees to implement the following protocols:

- a. Nicor Gas shall submit the finalized but not yet executed contract with the independent SAG Facilitator to the Commission by letter to the Executive Director. Staff will submit a report to the Commission containing its assessment of the contract and describing its recommendations for Commission action, if any. In addition, Nicor Gas will submit any contract and scope of work with the independent SAG Facilitator as a compliance filing in the applicable EEP docket within fourteen (14) days of execution.
- b. Nicor Gas will include language in the independent SAG Facilitator contract that provides that the Commission has the right to terminate the SAG Facilitator contract if the Commission determines the SAG Facilitator is not acting independently, or is unable or unwilling to independently facilitate the Illinois Energy Efficiency Stakeholder Advisory Group.
- c. The SAG Facilitator contract with Nicor Gas will automatically terminate upon a Commission finding that the contract should be terminated, after issuance of notice and hearing and an opportunity for Nicor Gas, the SAG Facilitator, and other interested parties to be heard.
- d. In the event that Nicor Gas or the SAG Facilitator issues a notice of termination or notice of default of the contract, the issuer of the notice shall contemporaneously provide a copy of such notice to the Commission.

Peoples Gas & North Shore Gas Stipulation:

NS-PG agree to implement protocols to ensure that SAG Facilitator independence is maintained. To the extent SAG Facilitator Independence provisions are added to a future Commission-approved Illinois Energy Efficiency Policy Manual, such provisions appearing in the Policy Manual will supersede the SAG Facilitator Independence provisions in this Stipulation. Specifically, NS-PG agree to implement the following protocols:

- a. NS-PG shall submit the finalized but not yet executed contract with the independent SAG Facilitator to the Commission by letter to the Executive Director. Staff will submit a report to the Commission containing its assessment of the contract and describing its

recommendations for Commission action, if any. In addition, NS-PG will submit any contract and scope of work with the independent SAG Facilitator as a compliance filing in the applicable EEP docket within fourteen (14) days of execution.

- b. NS-PG will include language in the independent SAG Facilitator contract that provides that the Commission has the right to terminate the SAG Facilitator contract if the Commission determines the SAG Facilitator is not acting independently, or is unable or unwilling to independently facilitate the Illinois Energy Efficiency Stakeholder Advisory Group.
- c. The SAG Facilitator contract with NS-PG will automatically terminate upon a Commission finding that the contract should be terminated, after issuance of notice and hearing and an opportunity for the utilities, the SAG Facilitator, and other interested parties to be heard.
- d. In the event that NS-PG or the SAG Facilitator issues a notice of termination or notice of default of the contract, the issuer of the notice shall contemporaneously provide a copy of such notice to the Commission.