

IL EE Stakeholder Advisory Group

IPA TRC Subcommittee

Meeting #2

Tuesday, March 17th, 2015

11:00 am – 4:30 pm

MEEA (20 N. Wacker Drive, Ste 1301, Chicago)

Call-In Number: 760-569-6000; access code 844452#

Webinar registration: (<https://attendee.gotowebinar.com/register/6364127597816154881>)

| Time | Agenda Item | Discussion Leader |
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| 11:00 – 11:10 | Opening and Introductions | Annette Beitel, EE SAG Facilitator |
| 11:10 – 11:25 | TRC Issues in Current and Proposed EE Legislation <ul style="list-style-type: none">• What are the issues?• How should the Subcommittee proceed in light of the legislation? Purpose: To determine next steps. | Annette Beitel, EE SAG Facilitator |
| 11:25 – 11:40 | Status of DRIPE Issue <ul style="list-style-type: none">• Discuss open questions. Purpose: To determine next steps. | Annette Beitel, EE SAG Facilitator |
| 11:40 – 12:10 | Issue: Should IPA run its own C/E calculations? <ul style="list-style-type: none">• Program Administrator/ Utility and SAG participant perspectives• What calculator and avoided costs would be used?• If avoided costs are confidential, why? SAG questions: <ol style="list-style-type: none">1. Pros and cons of IPA running separate C/E calculation?2. Consensus recommendation? | Anthony Star, IPA |
| 12:10 – 12:40 | Lunch | |
| 12:40 – 2:40 | Non-Energy Benefits (NEBs) <ul style="list-style-type: none">• NRDC Proposal.• Should NEBs be characterized at the portfolio, program, or measure level? | Chris Neme, Energy Futures Group, on behalf of NRDC; Lisa Skumatz, Skumatz Economic Research Associates (SERA) |

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| | <ul style="list-style-type: none"> • Can NEBs be negative? If so, how to deal with this? • Quantifying – NEBs in other jurisdictions. <p>Questions for SAG:</p> <ol style="list-style-type: none"> 1. What are the next steps? <p>Purpose: To educate SAG; determine consensus/non-consensus.</p> | |
| 2:40 – 3:00 | Break | |
| 3:00 – 3:30 | <p>Marginal vs. Average Line Losses</p> <ul style="list-style-type: none"> • Ameren IL Position (Keith Goerss) • NRDC Position (Chris Neme) <p>Question for SAG:</p> <ol style="list-style-type: none"> 1. What is the recommended approach to move forward? <p>Purpose: Determine next steps.</p> | Keith Goerss, Ameren IL; Chris Neme, Energy Futures Group, on behalf of NRDC |
| 3:30 – 4:00 | <p>Administrative Costs</p> <ul style="list-style-type: none"> • ComEd Approach • Ameren IL Approach • NRDC Recommendation • Approach to calculating administrative costs for non-IPA programs. <p>SAG questions:</p> <ol style="list-style-type: none"> 1. What are various options for calculating IPA admin costs? 2. Pros and cons of various approaches? 3. Consensus resolution? | Mike Brandt, ComEd; Keith Goerss, Ameren IL; Chris Neme, Energy Futures Group, on behalf of NRDC |
| 4:00 – 4:20 | <p>Additional Discussion (Other TRC Issues Raised by SAG)*</p> <p><i>Staff TRC Questions (Staff)**</i></p> <ul style="list-style-type: none"> • Measure interactive effects. • Dual Baseline. • Measure Cost. <p>SAG questions:</p> <ol style="list-style-type: none"> 1. Utilities describe their current practice. | Jennifer Morris, ICC Staff |

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| | <p>2. Discuss how to incorporate in TRC and how to memorialize.</p> <p>*Follow-up on additional TRC issues will be discussed at the April IPA TRC Subcommittee teleconference.</p> <p>**See specific questions below.</p> | |
| 4:20 – 4:30 | Closing | Annette Beitel |

Meeting Materials

- Draft DRIPE Comparison Exhibit
- Draft DRIPE Q&A
- Excerpts from IL Clean Jobs Legislation – EE SAG Facilitator
- Illinois Cost-Effectiveness Screening Issues Presentation (Chris Neme, Energy Futures Group, on behalf of NRDC)
- Non-Energy Benefits (NEBs) – Consideration of Values for Illinois (Lisa Skumatz, SERA)
- Tracking Administrative Costs (Keith Goerss, Ameren IL)

Staff TRC Questions

- *Measure interactive effects* (Are interactive effects included in both planning and ex post TRC analysis for all programs? If so, how are interactive effects calculated? If not, will utilities commit to including interactive effects and explain how they will incorporate this in future planning and ex post TRC analysis?)
- *Dual Baseline* (Are utilities incorporating dual baselines in the TRC analysis of programs on both a planning and ex post basis? If so, how exactly are utilities incorporating this in the planning and ex post TRC analysis? If not, will utilities commit to including dual baselines and explain how they will incorporate this in future planning and ex post TRC analysis?)
- *Cost Classification, Measure/Incentive/Program Cost* (How are utilities treating certain program expenses (e.g., audit costs, RCx study costs, direct install costs, recycling costs, rebate paid to customer, rebate paid to contractor, energy reports) in TRC calculations for various program types (e.g., appliance recycling, RCx, MF/SF direct install) in terms of classifying expense as an “incentive cost”, “implementation cost”, and/or incremental “customer/measure cost”? Are utilities treating these categories of expenses the same in the TRC analysis for comparable programs (on both a planning and ex post basis)? Is it possible under the utility’s current TRC approach that an “incentive cost” in the TRC analysis could exceed the incremental “customer/measure cost” for a particular program, and if yes, would the “incentive” amount in excess of the incremental “customer/measure cost” be allocated to the “implementation cost” category or

some other cost category for purposes of performing the TRC calculation for the particular program?)