

# Illinois Energy Efficiency Stakeholder Advisory Group (SAG)

Celia Johnson, SAG Facilitator

December 12, 2022 IQ EE Committee Meeting

# Presentation Agenda

- ▶ Introduction to SAG
  - ❖ Creation, Participation, and Website
  - ❖ SAG Coordination with Other Processes
- ▶ SAG in 2022
  - ❖ Defining SAG Groups
  - ❖ 2022 SAG Subcommittees
  - ❖ 2022 SAG Working Groups
- ▶ Q&A

# Introduction to SAG

# SAG Creation

- ▶ The Illinois Energy Efficiency Stakeholder Advisory Group (SAG) was **created in 2008** by direction of the Illinois Commerce Commission (ICC), when the first electric utility EE Plans were approved by the ICC
- ▶ SAG is an **advisory body** that focuses on:
  - ❖ Educating the IL stakeholder community on EE programs and a variety of EE issues
  - ❖ Building trust among parties with various interests
  - ❖ Providing a forum for narrowing differences among parties
  - ❖ Engaging in discussion of open issues; inviting parties to offer constructive approaches and solutions
  - ❖ Building consensus agreement on policy and technical issues, in an effort to reduce or avoid future litigation

# SAG Process Guidance Document

- ▶ Describes guiding principles, process rules, and roles and responsibilities of SAG participants, to foster communication and productive discussion at SAG
  - ❖ Developed in 2018
  - ❖ Updated annually, as needed
  - ❖ [SAG Process Guidance Document - 2022 Update](#)

# SAG Participation

- ▶ SAG is broken up into several different groups:
  - ❖ Large Group SAG
  - ❖ SAG Subcommittees
  - ❖ SAG Working Groups
- ▶ Meetings are open to all interested parties, unless a topic may present a financial conflict of interest
  - ❖ Participation by the financially interested party could have adverse consequences, such as hindering complete and frank discussions, or the participant may gain an undue advantage or benefit by participating
  - ❖ A “financially interested party” means “any person or entity, or employee of an entity, that engages in the purchase, sale, marketing or implementation of energy efficiency products, services, programs, pilots or research. A “financially interested party” may also engage in other work with utilities outside of energy efficiency.”
  - ❖ *See SAG Process Guidance Document, page 9*

# SAG Website

- ▶ Visit [www.ILSAG.info](http://www.ILSAG.info)
- ▶ SAG website includes:
  - ❖ Agendas, meeting materials and notes for 14 years of SAG meetings
  - ❖ Individual Subcommittee and Working Group pages
  - ❖ Evaluation materials - EE program evaluation reports, research results, evaluation plans (draft and final)
  - ❖ Utility reports on EE portfolio progress (quarterly and annual reports)
  - ❖ Other resources:
    - Links to all ICC EE dockets
    - List of participating organizations

# Coordination with IL-TRM Process

- ▶ **Illinois Technical Reference Manual (TRM) Administrator VEIC leads the IL-TRM update process**
  - ❖ IL-TRM is a technical document that includes savings assumptions and calculations for EE measures that may be offered by Illinois utilities
  - ❖ IL-TRM updated on an annual basis
- ▶ **SAG Facilitator coordinates with IL-TRM process**
  - ❖ Addressing policy issues that arise during IL-TRM update process
  - ❖ Circulating IL-TRM deliverables to SAG
  - ❖ Updating SAG website with deliverables (dedicated SAG webpage for each version of IL-TRM)
  - ❖ Participating in IL-TRM Technical Advisory Committee, as needed (facilitated by VEIC)
  - ❖ Participating in IL-TRM Income Qualified Working Group, as needed (facilitated by MUSE)



# Coordination with IQ Committee

## ▶ **Income Committee is separate from SAG**

- ❖ IQ energy efficiency topics are also of interest to SAG participants
- ❖ SAG Facilitator regularly coordinates with the IQ Committee Facilitator on income qualified topics that may be of interest to both SAG and IQ Committee participants
- ❖ 2023 SAG Plan is in development - Facilitators will review potential meeting topics together to discuss whether it makes sense to consider any joint meetings
- ❖ 2023 SAG Plan will be presented to SAG on **Thursday, January 19**
  - ❖ Including a request for final comments
  - ❖ SAG Plan will be finalized by January 31 - however Plan is flexible if topics come up that need to be addressed

# SAG in 2022

# Defining SAG Groups

- ▶ Large Group SAG
- ▶ SAG Steering Committee
- ▶ SAG Working Groups
  - ❖ Established to discuss short-term issues that need resolution
- ▶ SAG Subcommittees
  - ❖ Established for necessary, issue-specific topics
  - ❖ Generally longer-term discussions

# Large Group SAG

- ▶ Quarterly meetings generally cover topics of interest to a broad group of participants
- ▶ Utilities report-out on progress of EE portfolios twice per year
- ▶ In addition to quarterly meetings: Large Group SAG covers annual Net-to-Gross update process in September + annual evaluation plan presentations in December

# SAG Steering Committee

- ▶ Generally holds two meetings per year
- ▶ Members include utility representatives and non-financially interested stakeholders that signed 2022-2025 stipulated agreements with individual utilities
- ▶ The purpose is to provide substantive feedback to the SAG Facilitator on: (1) annual SAG Plans; and (2) progress towards meeting annual SAG Plan goals to ensure that the time spent on SAG is as productive and valuable as possible

# SAG Subcommittees in 2022

- ▶ Equity Subcommittee
- ▶ Network Lighting Controls Subcommittee
- ▶ Policy Manual Subcommittee

# Equity Subcommittee

- ▶ **Purpose:** To discuss topics related to equity in EE portfolios
  - ❖ This is a new Subcommittee for 2022, referenced in several of the utility 2022-2025 EE Plan Stipulated Agreements
  - ❖ The Subcommittee is expected to focus on workforce equity topics, including updates on progress of the utilities' Market Development Initiatives
- ▶ **Subcommittee Webpage:**  
<https://www.ilsag.info/meetings/subcommittees/equity-subcommittee/>
- ▶ **2022 Activities:**
  - ❖ Two Workshops to understand and provide an opportunity for feedback on use of the Champaign County Regional Planning Commission (CCRPC) tool for Ameren Illinois' EE programs

# Network Lighting Controls Subcommittee

- ▶ **Purpose:** To discuss the progress of measures associated with network lighting controls (NLC) with Ameren Illinois, ComEd and interested stakeholders, including strategies for accelerating adoption of networked lighting controls, luminaire level lighting controls, and other related measures
  - ❖ This is a new Subcommittee for 2022, referenced in both the Ameren Illinois and ComEd 2022-2025 EE Plan stipulations
- ▶ **What are network lighting controls?**
  - ❖ Controls for commercial properties that combine LEDs, controls, connectivity and data for a flexible lighting system that can improve occupant comfort and space utilization; strategies include occupancy sensing, daylight harvesting, continuous dimming and more
- ▶ **Subcommittee Webpage:**  
<https://www.ilsag.info/meetings/subcommittees/network-lighting-controls-subcommittee/>
- ▶ **2022 Activities:**
  - ❖ Met in April to discuss current NLC measure efforts by Ameren Illinois and ComEd
  - ❖ Met in July to discuss best practices across the country for NLC measures



# Policy Manual Subcommittee

## ▶ What is a “policy”?

- ❖ Policies can help ensure compliance, give guidance for decision-making, define objectives, streamline processes and procedures

## ▶ Why does Illinois have a Policy Manual?

- ❖ Creating an Illinois energy efficiency “policy manual” was a directive from the ICC to SAG in 2014
  - Illinois Attorney General’s Office requested a Policy Manual be created in the ICC dockets to approve the 2014-2017 utility EE Plans
  - Policy Manual Version 1.0 was developed through the Subcommittee in 2014/2015, and approved by the ICC in Dec. 2015
  - Policy Manual Version 2.0 was developed through the Subcommittee in 2018/2019, and approved by the ICC in Dec. 2019
- ❖ The Policy Manual “provides guiding principles for procurement, oversight, evaluation and operation of the electric and gas Energy Efficiency Programs authorized under Sections 8-103B and 8-104 of the Illinois Public Utilities Act. The principles and policies articulated in the Policy Manual were derived from Commission orders, policies and procedures developed by the SAG, as well as best practices from state Energy Efficiency Programs delivered throughout the nation.” See Policy Manual Section 2.1, Background
- ❖ [Illinois Energy Efficiency Policy Manual Version 2.1](#)

## Policy Manual Subcommittee (cont.)

- ▶ **What are the goals of the Policy Manual?**
  - ❖ **“Achieve consistent policies for utility ratepayer funded Energy Efficiency Programs;**
  - ❖ **Reduce litigation before the Commission;**
  - ❖ **Reduce Program Administrator risk for disallowance;**
  - ❖ **Provide clarity and certainty for Program Administrators and other parties; and**
  - ❖ **Create a policy framework that supports the delivery of Cost-Effective Energy Efficiency Portfolios, pursuant to Section 8-103B and 8-104.”**

*See Policy Manual Section 2.2, Goals*

# Policy Manual Subcommittee (cont.)

## ▶ Current Illinois EE Policy Manual Examples

### ❖ Utility EE Plans

- EE Portfolio objectives
- Budget allocations
- Flexibility and budgetary shift rules
- Defines cost categories, to standardize reporting among utilities and for transparency and consistency
  - ▶ Examples: Marketing Costs, Evaluation Costs

### ❖ Reporting

- Types of reports available for Illinois EE portfolios
- List of info required for utility quarterly reports
- List of info required for utility annual reports

# Policy Manual Subcommittee (cont.)

## ▶ Current Illinois EE Policy Manual Examples

### ❖ Evaluation

- Defines responsibilities for independent evaluators
- Independence protocols for evaluators
- Process for annually submitting draft EM&V work plans; process for providing draft EM&V reports

### ❖ SAG

- Describes role of SAG Facilitator
- Independence protocols for SAG Facilitator
- Options for consensus decision-making at SAG

## Policy Manual Subcommittee (cont.)

### ▶ How often is the Policy Manual updated?

- ❖ As needed - typically every 3-4 years
- ❖ Version 3.0 Policy Manual update process began in June 2022

### ▶ Subcommittee Webpage:

<https://www.ilsag.info/meetings/subcommittees/policy-manual-version-3-0-subcommittee/>

### ▶ 2022 / 2023 Activities and Process:

- ❖ Proposed policies for consideration in the Policy Manual update were due in June
- ❖ Two kick-off meetings (June and August)
- ❖ Monthly meetings to discuss proposed policies
- ❖ Goal is to reach conceptual agreement with non-financially interested parties in April 2023
- ❖ Goal is for ICC Staff to file the updated Policy Manual with the Commission for approval in June 2023

# SAG Working Groups in 2022

- ▶ Evaluation Working Group
- ▶ Market Transformation Savings Working Group
- ▶ Non-Energy Impacts Working Group
- ▶ Reporting Working Group

# Evaluation Working Group

- ▶ **Purpose:** To discuss evaluation questions that are more technical in nature and may not be of interest to all large group SAG participants
- ▶ **Working Group Webpage:** <https://www.ilsag.info/evaluation-working-group/>
- ▶ **2022 Activities:**
  - ❖ No meetings were held this year (meetings are scheduled as-needed)
  - ❖ Note: Broader evaluation discussion takes place in the Large Group SAG

# Market Transformation Savings Working Group

- ▶ **Purpose:** To provide a forum for utilities and stakeholders to discuss Illinois market transformation (MT) initiatives, and the data/approach used for initiative-specific savings protocols
  - ❖ Working Group established in 2019 to reach agreement on a framework for MT savings, which was added to IL-TRM Version 8.0
- ▶ **What is market transformation for EE programs?**
  - ❖ Illinois definition: “Market transformation is the strategic process of intervening in a market to create lasting change that results in the accelerated adoption of energy efficient products, services and practices.”
  - ❖ Intervention activities that seek to impact the long-term EE market, such as working directly with manufacturers, engaging with government agencies on test procedures, etc.
  - ❖ To date, the Working Group has not discussed any IQ-focused MT initiatives



## Market Transformation Savings Working Group (cont.)

▶ **Working Group Webpage:**

[https://www.ilsag.info/mt\\_savings\\_working\\_group/](https://www.ilsag.info/mt_savings_working_group/)

▶ **2022 Activities:**

- ❖ Three Working Group meetings, to discuss updates on MT initiatives and edits to the MT TRM document
- ❖ Three Small Group meetings, to discuss open MT issues of interest to a smaller group

# Non-Energy Impacts Working Group

- ▶ **Purpose:** To discuss results from Illinois non-energy impact (NEI) studies
  - ❖ Working Group established in 2018 to discuss NEI research plans and draft research results from Illinois NEI studies, as well as defensible methodologies to use across the state related to calculating non-energy impacts
  - ❖ Meetings to date have focused on discussing NEI research plans, results and methodologies, including economic impact methods
- ▶ **What are non-energy impacts?**
  - ❖ Impacts of energy efficiency programs other than energy and bill savings - can be positive or negative (though usually positive)
  - ❖ Examples: indoor air quality / health benefits; comfort of the home; reduced operation or maintenance costs
  - ❖ Purpose of studying these impacts is to quantify them for utility EE portfolios - if included, can make portfolio more cost-effective, may impact decisions about where to invest EE budget

## Non-Energy Impacts Working Group (cont.)

- ▶ **Working Group Webpage:** <http://www.ilsag.info/nei-working-group>
- ▶ **2022 Activities:**
  - ❖ Met in October for evaluators for Ameren Illinois and ComEd to present an update on NEI research
  - ❖ One meeting expected in 2023, to provide an opportunity for Ameren Illinois and ComEd evaluators to present updates on NEI research results

# Reporting Working Group

- ▶ **Purpose:** To discuss utility reporting on EE portfolios
  - ❖ Quarterly and Annual reporting requirements come from the Policy Manual (see Section 6.5 - Program Administrator Quarterly Reports and 6.6 - Annual Summary of Activities)
  - ❖ Utilities file reports with the ICC, and share with SAG for posting on the [Utility Reports page](#); links to reports are circulated to SAG following each quarter
  - ❖ Utilities use statewide reporting templates - available on the [SAG Templates page](#)
  - ❖ Several proposed “reporting principles” are being discussed through the SAG Policy Manual update process
  - ❖ The Working Group plans to discuss developing metrics in several areas in 2023
- ▶ **Working Group Webpage:** [www.ilsag.info/reporting-working-group](http://www.ilsag.info/reporting-working-group)
- ▶ **2022 Activities:**
  - ❖ Held two meetings to discuss progress metrics for ComEd’s EE and financial assistance efforts
  - ❖ Held one Ameren Illinois multi-family metrics workshop

# Q&A

## ▶ SAG Facilitator - Celia Johnson

- ❖ *Email:* [celia@celiajohnsonconsulting.com](mailto:celia@celiajohnsonconsulting.com)
- ❖ *Phone:* (312) 659-6758
- ❖ *SAG Website:* [www.ILSAG.info](http://www.ILSAG.info)
- ❖ Reach out if you are interested in joining the large group SAG, or any of the individual SAG Subcommittee or SAG Working Group distribution lists