

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

COMONWEALTH EDISON COMPANY)
)
) Docket No. 07-0540
Approval of the Energy Efficiency and)
Demand-Response Plan Pursuant to Section 12-103(f) of)
the Public Utilities Act)

BRIEF OF THE ENVIRONMENT ILLINOIS RESEARCH AND EDUCATION CENTER

Pursuant to Section 10-101 of the Public Utilities Act and Section 200.800 of the Rules of Practice of the Illinois Commerce commission, Environment Illinois Research and Education Center hereby submits its Post-Hearing Memorandum concerning the Energy Efficiency and Demand Response Plan (the “ComEd Plan”) filed by Commonwealth Edison Company (“ComEd”) in accordance with Section 12-103 of the Public Utilities Act (220 ILCS 5/12-103).

BACKGROUND

Section 12-103 of the Public Utilities Act, passed as P.A. 95-0481, brings long-sought energy efficiency law to Illinois and constitutes landmark progress in our state’s efforts toward lowering greenhouse gas emissions and pollutants from Illinois power plants. Energy efficiency programs have shown significant economic and environmental benefits nationwide, and it is truly exciting that Illinois now faces Phase I of implementing its energy efficiency plan.

In accordance with this Section 12-103(f), ComEd filed its Petition seeking approval of its Energy Efficiency and Demand-Response Plan for 2008-2010. In its plan, ComEd submitted a portfolio of energy efficiency and demand-response measures that, by its estimates, will meet the applicable statutory standards for three successive years. Environment Illinois Research and Education Center commends ComEd on its efforts.

But without proper oversight and feedback, even the best-conceived energy efficiency program will never meet its full potential. Thus, and without comment on the many legitimate issues raised by other intervenors in this Docket, Environment Illinois Research and Education Center submits this brief to comment only on the single issue most vital to effective energy efficiency in Illinois: the creation of a utility-stakeholder work group, or “Stakeholder Group,” to oversee and advise the development and implementation of the program administrators’ energy efficiency programs.

THE STAKEHOLDER GROUP

Section 12-103(f)(7) of the Public Utilities Act requires “independent evaluation of the performance of the cost-effectiveness” and “net program impacts” of a program administrator’s energy efficiency and demand-response programs. Consistent with the statute, and thus as a condition of approval of the ComEd Plan, The Commission should authorize a Stakeholder Group in accordance with the guidelines set forth below:

Purpose

The primary purpose of the Stakeholder Group should be to develop evaluation methods, review program performance data, and recommend timely adjustment of the energy efficiency and demand-response measures, on a going-forward basis as a result of the evaluations in accordance with 220 ILCS 12-103(f)(7). Stakeholder Group reports should be considered by The Commission in determining whether costs of energy efficiency and demand-response programs are reasonably and prudently incurred, in accordance with 220 ILCS 12-103(e).

Membership

The Stakeholder Group should be part of an advisory process including all three portfolio administrators (Ameren, ComEd, and DCEO); utility-specific issues can be addressed through utility-specific subgroups, as an entirely separate process for each program administrator creates needless administrative expense, inefficiency, inconsistency, and confusion. (Henderson Dir., NRDC Ex. 1.0, p. 5).

Consistent with NRDC witness Henry Henderson's recommendations, the Stakeholder Group should include environmental groups, consumer groups, energy efficiency stakeholders, state government representatives, local government representatives, trade organizations, and the public. (Henderson Dir., NRDC Ex. 1.0, pp.15-16). Only through the ongoing input of all informed, engaged representatives – many of whom have been working with the program administrators since before passage of Section 12 103-(f) of the Public Utilities Act – can the promise of successful energy efficiency in Illinois be fulfilled.

Process and Procedure

To allow for meaningful review and substantive comment, meeting agendas and all meeting materials should be circulated to all members of the Stakeholder Group at least five (5) business days before the meeting. To ensure transparency and the broadest possible access and participation, facilitators shall offer a polycom and web-based broadcast system to allow remote Stakeholder Group member participation.

After each meeting, the meeting facilitator shall summarize issues raised, proposed action items and stakeholder questions. The meeting facilitator should work with the program administrators to respond to all items and identify which items caused the administrators to

modify its portfolio or programs. The purpose of the Comment Tracking and Response System is to demonstrate whether and how Stakeholder Group input resulted in meaningful discussion, change and improved portfolio and program performance.

Independence

In order to be effective, the Stakeholder Group must be independently funded, coordinated by a neutral facilitator, meet regularly, and use a reporting system that ensures accountability. The neutral facilitator cannot be fired simply on the whims of a program administrator; otherwise, the facilitator will stand beholden to the program administrator's interests. Absent the requisite independence, neutrality, and accountability, stakeholder participation risks being marginalized, thus rendering the advisory process ineffective and making program implementation potentially inconsistent with legislative intent.

CONCLUSION

Illinois has waited a long time for energy efficiency, and it would be a shame for this moment to be squandered due to a lack of foresight on problem-solving and stakeholder involvement. Only through a broad and substantive stakeholder advisory process, under which interested parties' input may continue to strengthen and sharpen the program administrators' energy efficiency portfolios, will energy efficiency in Illinois meet its true potential.

Respectfully submitted,

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Dated: January 14, 2008

CERTIFICATE OF SERVICE

I, Brian P. Granahan, do hereby certify that I caused a copy of the foregoing Petition to Intervene of Environment Illinois Research and Education Center to be served on the parties to this docket by electronic mail this 14th Day of January, 2008.

/s/ Brian P. Granahan_____

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