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CHIEF CLERK'S OFFICE

Policy Division Staff Report  
To Initiate a Proceeding to Consider Approval of  
Version 2.0 of the  
Illinois Statewide Technical Reference Manual for  
Energy Efficiency  
June 24, 2013

**ORIGINAL**

**Subject:** Pursuant to the Commission's Final Order in Docket No. 13-0077,<sup>1</sup> this Staff Report is provided to initiate a proceeding to consider approval of Version 2.0 of the Illinois Statewide Technical Reference Manual for Energy Efficiency.

**Summary**

ICC Staff, the Utilities,<sup>2</sup> the Illinois Department of Commerce and Economic Opportunity ("DCEO"), independent evaluators, and other stakeholders (collectively, "SAG participants") have collaborated to develop the first update to the Illinois Statewide Technical Reference Manual for Energy Efficiency ("IL-TRM" or "TRM"), as attached hereto, labeled Version 2.0, and dated June 7, 2013. The IL-TRM Version 2.0 was developed by the TRM Administrator with substantial input from SAG participants. Staff recommends that the Commission approve Version 2.0 of the IL-TRM that would be applicable to the DCEO and the Utilities (collectively, "Program Administrators") in implementing energy efficiency ("EE") programs pursuant to Sections 8-103 and 8-104 of the Illinois Public Utilities Act ("Act"). 220 ILCS 5/8-103, 5/8-104. Staff recommends that the Commission initiate a proceeding to consider approval of, on an expedited basis, Version 2.0 of the IL-TRM dated June 7, 2013, as attached hereto. Staff believes, based upon discussions with the SAG, approval of Version 2.0 of the IL-TRM is sought by SAG participants.

Staff notes that it understands Version 2.0 of the IL-TRM dated June 7, 2013 to be the subject of consensus between and among all stakeholders, and has received

<sup>1</sup> Final Order at 6, Ameren Illinois Company d/b/a Ameren Illinois, Commonwealth Edison Company, The Peoples Gas Light and Coke Company, North Shore Gas Company, and Northern Illinois Gas Company d/b/a Nicor Gas Company: Adoption of Policies Concerning the Illinois Statewide Technical Reference Manual for Energy Efficiency, Docket No. 13-0077 (March 27, 2013); see TRM Policy Document at 8, ICC Docket No. 13-0077, Attachment A to Staff Report.

<sup>2</sup> Ameren Illinois Company d/b/a Ameren Illinois ("Ameren"), Commonwealth Edison Company ("ComEd"), The Peoples Gas Light and Coke Company and North Shore Gas Company ("Peoples Gas/North Shore Gas"), and Northern Illinois Gas Company d/b/a Nicor Gas ("Nicor Gas") (collectively, referred to herein as the "Utilities").

confirmation of this in writing from the Illinois Attorney General's Office, the Citizens Utility Board, the Environmental Law and Policy Center, and all the Program Administrators (collectively, "stakeholders"). However, the Staff further notes that rehearing is pending in ICC Docket No. 13-0077 per the Commission's May 15, 2013 Order in that docket. A party could potentially make the argument that Docket No. 13-0077 might implicate this TRM update. Staff is of the opinion that it is advisable to formally confirm at the outset of this proceeding that no party objects to this matter proceeding concurrently with the rehearing in Docket No. 13-0077, and notes this proceeding could potentially be stayed pending the outcome of that rehearing. However, Staff notes that it understands there to be consensus among stakeholders that Commission approval of the IL-TRM Version 2.0 dated June 7, 2013 should be sought at this time, and Staff has received confirmation of this in writing from the stakeholders.

### IL-TRM Background

Pursuant to Sections 8-103 and 8-104 of the Act, certain Illinois electric and gas utilities are required to file three-year EE plans with the Commission to meet the applicable EE standards required in the statutes. 220 ILCS 5/8-103, 8-104. Between September 29, 2010 and October 1, 2010, the Utilities subject to Sections 8-103 and 8-104 of the Act filed petitions for approval of their respective EE plans. In subsequent Orders approving the Utilities' respective EE plans, the Commission required the Utilities to collaborate with the SAG Participants and DCEO to develop a statewide TRM. *See, generally, Final Order* Docket Nos. 10-0570, 10-0562, 10-0564, and 10-0568 (on Rehearing) (collectively, "Commission's Orders"). The first version of the IL-TRM, dated September 14, 2012, was developed to comply with the Commission's Orders from these dockets. The Commission approved the first version of the IL-TRM in Docket No. 12-0528.<sup>3</sup>

### IL-TRM Update Process

The Commission approved and adopted the Policy Document for the Illinois Statewide Technical Reference Manual (Attachment A to Staff Report filed in Docket No. 13-0077) ("TRM Policy Document") in Docket No. 13-0077. The TRM Policy Document specifies that the IL-TRM shall be annually updated<sup>4</sup> because technology and markets are so dynamic and the TRM must keep pace with change, otherwise, the TRM will quickly become obsolete and the savings estimates less reliable. TRM Policy Document at 6-8.

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<sup>3</sup> *Final Order* at 5, Ameren Illinois Company d/b/a Ameren Illinois, Commonwealth Edison Company, The Peoples Gas Light and Coke Company, North Shore Gas Company, and Northern Illinois Gas Company d/b/a Nicor Gas Company: Approval of the Illinois Statewide Technical Reference Manual for Energy Efficiency, Docket No. 12-0528 (January 9, 2013).

<sup>4</sup> Staff notes that a high-level summary of the 46 measure-level changes reflected in this update can be found at pages 9-12 of Version 2.0 of the IL-TRM, attached hereto.

Further, the TRM Policy Document envisioned a number of events that would require an update to the IL-TRM:

- Addition of new measure algorithms perceived to be reliable for TRM inclusion
- Impact of code or legislative changes to specific measures
- Introduction of new technologies and technology advancements
- Discovery of errors in existing TRM measure characterizations
- Changes to industry standard practice
- Changes to program designs and measure eligibility criteria
- Improved TRM input values developed through evaluations

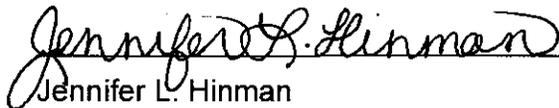
TRM Policy Document at 5.

As directed in the Commission's Orders, the SAG participants had the opportunity to, and also participated in, the development and update process for the IL-TRM. The first update of the IL-TRM is a result of an ongoing review process involving the SAG. The active participants in the IL-TRM development and update process were designated as the Technical Advisory Committee ("TAC"). The TRM Administrator met with the SAG and/or the TAC often to create a high level of transparency and vetting in the update of the IL-TRM.

### Recommendation

Staff hereby recommends that the Commission initiate a proceeding to consider approval of Version 2.0 of the Illinois Statewide Technical Reference Manual for Energy Efficiency. In order to proceed efficiently, Staff recommends that the docket commence with a status hearing as soon as practicable.

Prepared by:

  
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6-24-13  
Date

Approved by:



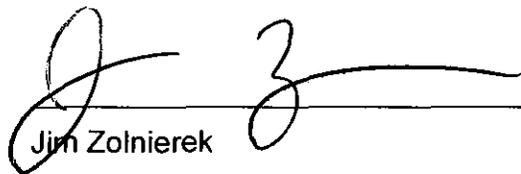
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Thomas E. Kennedy  
Policy Program Manager  
Policy Division

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Date



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Jim Zolnierak  
Policy Division Director

6/24/13

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Date