

DIRECT TESTIMONY
OF
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POLICY DIVISION
ILLINOIS COMMERCE COMMISSION

APPROVAL OF THE ENERGY EFFICIENCY AND DEMAND RESPONSE PLAN PURSUANT TO
SECTION 8-103(F) OF THE PUBLIC UTILITIES ACT.

COMMONWEALTH EDISON COMPANY

ICC DOCKET No. 16-0420

OCTOBER 24, 2016

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1 **I. INTRODUCTION**

2 **A. WITNESS QUALIFICATIONS**

3 **Q. Please state your name, business address, and job title.**

4 A. My name is Jennifer H. Morris. My business address is 527 East Capitol Avenue,
5 Springfield, Illinois 62701. I am employed as an Economic Analyst in the Policy
6 Division of the Bureau of Public Utilities at the Illinois Commerce Commission
7 (“ICC” or “Commission”).

8 **Q. What are your responsibilities within the Commission’s Policy Division?**

9 A. My work with the Commission primarily focuses on energy efficiency (“EE”). I
10 monitor, review, and analyze filings and participate as a witness and case manager
11 as assigned in docketed Commission proceedings. I review compliance filings and
12 various reports from utilities. I offer testimony to the Commission on various
13 energy efficiency issues such as compliance with energy savings goals, energy
14 efficiency plan filings, and energy efficiency rider reconciliations. I monitor the
15 independent evaluation process for the Illinois Program Administrators’¹ energy
16 efficiency programs. I participate in the Illinois energy efficiency Stakeholder
17 Advisory Group (“SAG”), various SAG subcommittees, and the Illinois Net-to-
18 Gross Working Group. I participate in the annual update process for the Illinois
19 Statewide Technical Reference Manual for Energy Efficiency (“IL-TRM”).

20 **Q. Please describe your educational background.**

¹ Program Administrators refers to the Illinois Department of Commerce and Economic Opportunity and the utilities offering energy efficiency programs pursuant to Sections 8-103, 8-104, and/or 16-111.5B of the Illinois Public Utilities Act.

21 A. I graduated from Illinois State University with a Master of Science degree in
22 Applied Economics with a specialization in the Electricity, Natural Gas, and
23 Telecommunications Economics Regulatory sequence in May of 2010. I earned a
24 Bachelor of Arts degree in Economics with a Financial Certificate and graduated
25 summa cum laude from the University Honors Program at Armstrong State
26 University in Savannah, Georgia in May of 2008.

27 **Q. Please describe your professional experience prior to your employment at**
28 **the ICC.**

29 A. Prior to joining the Commission Staff ("Staff") in April of 2010, I worked as a
30 Graduate Assistant in the Applied Economics Department at Illinois State
31 University. I was an intern in the Regulatory Department at AT&T Illinois in
32 Chicago during the summer of 2009. During my time at AT&T, I analyzed,
33 compiled, graphed, and provided detailed recommendations on AT&T Illinois'
34 Alternative Regulation Plan on individual service margins. In addition, I reviewed
35 the tariffing process and assisted in the filing of wholesale tariffs.

36 **B. SUBJECT MATTER**

37 **Q. What is the subject matter of this proceeding?**

38 A. This case concerns the filing by Commonwealth Edison Company ("ComEd" or
39 "Company") of a Plan to implement energy efficiency and demand response
40 programs, pursuant to Section 8-103 of the Illinois Public Utilities Act ("Act"). 220
41 ILCS 5/8-103. This is the Company's fourth energy efficiency Plan ("EEP") filing
42 and applies to electric program years ("EPY") 10, 11, and 12, and runs from June
43 1, 2017 through May 31, 2020. ComEd's Plan, testimony, and other filed exhibits

44 exclude detailed information pertaining to energy efficiency measures and
45 programs that are included in the Illinois Department of Commerce and Economic
46 Opportunity's ("Department" or "DCEO") EEP that are the subject of ICC Docket
47 No. 16-0422. My testimony in this case primarily concerns ComEd's portion of the
48 portfolio administered in the ComEd service territory. The Department's portion of
49 the portfolio it administers in the ComEd service territory will be addressed in ICC
50 Docket No. 16-0422.

51 **C. PURPOSE OF TESTIMONY**

52 **Q. What is the purpose of your direct testimony?**

53 A. The purpose of my testimony is to provide my opinion as to whether the Company's
54 electric energy efficiency Plan ("Plan" or "Plan 4"), contained in ComEd Exhibit 1.0
55 and its appendices, include all the elements required by Section 8-103(f) of the
56 Act, and based upon that opinion, provide my recommendation to the Commission
57 concerning whether ComEd's Plan should be approved.

58 The direct testimony of Staff witness Dr. James Zolnierек set forth in Staff
59 Exhibit 2.0 addresses ComEd's request (ComEd Ex. 2.0, 4, 20-21) to fix its budget
60 over the three-year Plan in a manner that ignores the Section 8-103(d) rate cap.

61 **D. ATTACHMENTS**

62 **Q. Are you sponsoring any attachments with your testimony?**

63 A. Yes, Staff Exhibits 1.1 through 1.3 are referenced throughout this testimony. Staff
64 Exhibit 1.1 contains ComEd's Responses to Staff Data Requests ("DR") JHM 1.02,
65 1.03, and 1.04. Staff Exhibit 1.2 contains a summary of the "IL-TRM Adjustable"

66 measures associated with ComEd's Plan 4. Staff Exhibit 1.3 contains the
67 Settlement Stipulation.

68 **II. MINIMUM REQUIREMENTS FOR APPROVAL OF THE PLAN, COMED REQUESTS,**
69 **AND STAFF RECOMMENDATIONS**

70 **A. OVERVIEW OF MINIMUM PLAN FILING REQUIREMENTS**

71 **Q. Based upon your review of the Company's filing, do you believe the**
72 **Company has satisfied the filing requirements necessary for Commission**
73 **approval? Please explain.**

74 A. While I am not an attorney, I understand that the filing requirements necessary for
75 Commission approval of ComEd's Plan are laid out in Section 8-103(f) of the Act.
76 I believe that the Company has satisfied nearly all of the filing requirements
77 necessary for Commission approval based upon my review of ComEd's filing,
78 related discovery responses, confidential work papers, and the Settlement
79 Stipulation (Staff Ex. 1.3). I do not believe that ComEd's Plan adequately satisfies
80 the Section 8-103(f)(7) requirement for the independent evaluator to perform an
81 annual ex post cost-effectiveness analysis. Should ComEd agree to direct its
82 independent evaluator to perform the annual ex post Total Resource Cost ("TRC")
83 test analysis required by Section 8-103(f)(7) for purposes of ComEd's Plan 4, and
84 memorialize such agreement in writing, I would support Commission approval of
85 the Plan and Settlement Stipulation.

86 **B. ENERGY SAVINGS GOALS**

87 **Q. What are the Plan modified energy savings goals that you recommend the**
88 **Commission approve?**

89 A. I recommend the Commission approve the following initial modified Plan energy
90 savings goals for ComEd Plan 4: 510,110,822 net kilowatt hours for EPY10;
91 510,172,201 net kilowatt hours for EPY11; 510,297,017 net kilowatt hours for
92 EPY12; and the initial three-year cumulative modified energy savings goal of
93 1,530,580,039 net kilowatt hours by the end of EPY12, as set forth below in Table
94 1. Based upon ComEd's Response to Staff DR JHM 1.02, ComEd supports
95 Commission approval of these initial modified Plan energy savings goals. (Staff
96 Ex. 1.1, 1.) These Plan 4 energy savings goals are based upon the forecasted
97 amount of energy savings for the energy efficiency measures and programs
98 included in ComEd's Plan. Note that I discovered a formula error in ComEd's Plan
99 work papers used to create the forecasted savings set forth in Table 8 in ComEd
100 Exhibit 2.0 and Table 3 in ComEd Exhibit 1.0. After bringing this issue to the
101 attention of ComEd, ComEd concurred that there is indeed an error, and as a result
102 ComEd plans to correct the forecasted amount of savings in these tables in its
103 rebuttal testimony. I reference and include the corrected forecasted amount of
104 ComEd savings in Table 1 of my testimony. Because of the error, there is a
105 discrepancy between the forecasted savings set forth in Table 1 herein when
106 comparing with the forecasted savings set forth in Table 8 of ComEd Exhibit 2.0
107 and Table 3 of ComEd Exhibit 1.0. I recommend the Commission approve those
108 corrected initial modified energy savings goals for ComEd's Plan 4 as set forth in
109 Table 1 of my testimony.

110 **Table 1. ComEd Plan 4 Energy Savings Goals**

ComEd Plan 4 Programs	EPY10 Plan Energy Savings Goal (kWh)	EPY11 Plan Energy Savings Goal (kWh)	EPY12 Plan Energy Savings Goal (kWh)	Total Electric Plan 4 Energy Savings Goal (kWh)	Program Savings as % of Portfolio Savings Goal
Facility Assessments	2,350,699	2,350,699	2,350,699	7,052,098	0.46%
Incentives	177,454,704	169,580,190	158,568,994	505,603,888	33.03%
RetroCommissioning	20,147,315	20,550,261	20,755,764	61,453,340	4.02%
Non-Res New Construction	31,674,234	31,257,468	30,840,701	93,772,403	6.13%
CI Midstream	189,767,342	197,130,225	207,532,580	594,430,147	38.84%
Industrial Systems	22,258,855	23,425,472	24,307,640	69,991,967	4.57%
Strategic Energy Management	4,889,639	4,889,639	4,889,639	14,668,916	0.96%
Single-Family Retrofit - PGL	346,019	346,019	346,019	1,038,058	0.07%
Multi-Family Retrofit - PGL	840,495	840,495	840,495	2,521,486	0.16%
Single-Family Retrofit - Nicor	346,019	346,019	346,019	1,038,058	0.07%
Multi-Family Retrofit - Nicor	524,421	526,353	526,302	1,577,076	0.10%
New Construction - PGL	100,000	100,000	100,000	300,000	0.02%
Appliance Recycling	13,240,395	13,240,395	13,240,395	39,721,184	2.60%
Multi-Family Assessments	2,361,304	2,361,304	2,361,304	7,083,912	0.46%
Product Rebates	11,650,842	11,650,842	11,650,842	34,952,525	2.28%
HVAC and Weatherization	12,226,808	12,226,808	12,226,808	36,680,423	2.40%
Residential New Construction	292,864	292,864	292,864	878,592	0.06%
Elementary Education	931,332	1,020,462	1,102,721	3,054,515	0.20%
Single-Family Assessments	10,974,799	8,594,503	8,594,503	28,163,804	1.84%
LED StreetLighting - Competitive	7,732,736	9,442,183	9,422,727	26,597,646	1.74%
ComEd Plan 4 Portfolio Total Savings Goal (kWh)	510,110,822	510,172,201	510,297,017	1,530,580,039	100%

111

112 **Q. Are ComEd’s Plan 4 energy savings goals as set forth in Table 1 anticipated**
 113 **to change over the course of the Plan? Please explain.**

114 **A.** Yes. In the Commission’s December 16, 2015 Final Order entered in ICC Docket
 115 No. 15-0487, the Commission approved and adopted an adjustable savings goal
 116 policy within the Illinois Energy Efficiency Policy Manual Version 1.0 (ComEd Ex.
 117 1.0 Appendix D). Specifically, Section 6.2 Adjustable Savings Goals of the Policy
 118 Manual sets forth a policy that provides that the Program Administrator’s energy
 119 savings goals will be adjusted to align them with (1) annual changes to IL-TRM
 120 values applicable to different program years of the Plan period, and (2) the

121 Evaluator’s recommended net-to-gross (“NTG”) values applicable to the entire
122 Plan period that are provided prior to the start of Plan 4. (ComEd Ex. 1.0 Appendix
123 D, 17.)

124 **Q. Does ComEd propose to adjust its Plan 4 energy savings goals to align them**
125 **with every single measure-level change to the IL-TRM values? Please**
126 **explain.**

127 A. No. In an effort to reduce administrative burden and costs, ComEd witness
128 Michael S. Brandt proposes to adopt and follow a bright line rule to determine the
129 subset of energy efficiency measures included in its Plan 4 that will be “IL-TRM
130 Adjustable.” (ComEd Ex. 2.0, 68.)

131 **Q. Can you please explain where the term “IL-TRM Adjustable” came from and**
132 **what exactly it means in the context of adjusting ComEd’s savings goals**
133 **over the course of Plan 4?**

134 A. Yes. The term “IL-TRM Adjustable” appears in the SAG’s Adjustable Savings
135 Goals Policy Guidelines dated August 1, 2016² (“Guidelines”), which among other
136 things, provides instructions for completing the Adjustable Savings Goal Template.
137 Specifically, the Guidelines state, in relevant part:

138 *IL-TRM Adjustable[]*: For Measures that are not significant to the overall
139 Portfolio-level savings, recognizing the time and effort needed to
140 provide information related to adjustable savings goals, Program
141 Administrators will specify, prior to the start of the Plan, any Measures
142 that will not be adjusted by annual IL-TRM changes for purposes of
143 adjusting savings goals. Note that this flexibility is intended for Measures
144 where the time and effort to make them adjustable per the Adjustable

² The Adjustable Savings Goals Policy Guidelines (*Draft: Updated 08/01/16*) is available at:
http://ilsagfiles.org/SAG_files/Subcommittees/IL_EE_Policy_Manual_Subcommittee/Guidelines/Adjustable%20Savings%20Goals%20Policy%20Guidelines_Updated%20Draft_08-01-16.pdf

145 Savings Goals policy is high, and the Measures are not impactful to the
146 Portfolio of Programs. [] Note: Once a decision is made concerning
147 whether the Measure is *IL-TRM Adjustable*, that decision is effective for
148 the entirety of the Plan period and it cannot be changed in subsequent
149 Program Years of the Plan, unless consensus is reached at SAG that
150 the extenuating circumstance warrants such a change.

151 (Adjustable Savings Goals Policy Guidelines (*Draft: Updated 08/01/16*), 4.) The
152 Guidelines further provide that the Custom Program is not adjustable under the IL-
153 TRM, but a one-time NTG adjustment is allowed for the Plan period if the Evaluator's
154 final recommended NTG values for the program that are provided prior to the start of
155 the first year of the Plan differ from the NTG values used to calculate energy savings
156 goals for the program in the approved Plan. Id. Thus, all of ComEd's programs, with
157 the exception of the low to moderate income programs that assume a NTG ratio of
158 1.0, may potentially see an adjustment in forecasted savings levels either in response
159 to changes to the IL-TRM or changes to the NTG values available prior to the start
160 of the Plan. Such adjustments would impact the level of ComEd's adjusted energy
161 savings goals for the applicable program year(s). The measure participation levels
162 assumed in the Plan as well as custom savings calculations will not be adjusted in
163 calculating the adjusted energy savings goals.³

164 **Q. Can you please explain what the Adjustable Savings Goals Policy Guidelines**
165 **are that you reference in your response to the previous question?**

166 A. Yes. In addition to providing instructions for completing the Adjustable Savings
167 Goal Template, the Guidelines document and the Adjustable Savings Goal

³ It is fully expected that actual participation rates by measure will not equal the forecasted participation rates in the Plan. Program Administrators are expected to prudently respond to the dynamic energy efficiency marketplace in the promotion of the energy efficiency measures over the course of the Plan.

168 Template that accompanies the Guidelines are intended to interpret the
169 Commission-approved Adjustable Savings Goals policy set forth in the Policy
170 Manual and provide for greater clarity and guidance in terms of how it is supposed
171 to be implemented and savings goals adjusted over the course of the Plan.
172 (Adjustable Savings Goals Policy Guidelines (*Draft: Updated 08/01/16*), 1.) It is
173 my understanding that ComEd will file the completed Adjustable Savings Goal
174 Template after Commission approval of ComEd's Plan per the terms of the
175 Settlement Stipulation. (Staff Ex. 1.1, 2; Staff Ex. 1.3, 4.)

176 **Q. Do you have any other comments concerning the Adjustable Savings Goals**
177 **Policy Guidelines dated August 1, 2016?**

178 A. Yes. The Adjustable Savings Goals Policy Guidelines dated August 1, 2016, which
179 is the most up-to-date version currently available, is technically still considered to
180 be a "draft" version of the Adjustable Savings Goals Policy Guidelines. In response
181 to discovery, ComEd states that it will "abide by [the] final Adjustable Savings
182 Goals Policy Guidelines that reflect the consensus of SAG participa[nts] and that
183 are consistent with applicable law and the Commonwealth Edison Company 2017-
184 2020 Energy Efficiency Plan Settlement Stipulation." (Staff Ex. 1.1, 3.) I expect
185 that the final version of the Adjustable Savings Goals Policy Guidelines will be
186 available on the SAG website; however, to the extent that it is not available at the
187 time of my review of ComEd's annually updated Adjustable Savings Goal
188 Template, I will rely upon the Draft Adjustable Savings Goals Policy Guidelines
189 dated August 1, 2016.

190 **Q. What is ComEd’s proposed bright line rule for determining the subset of**
191 **energy efficiency measures in the Plan that will be IL-TRM Adjustable for**
192 **Plan 4?**

193 A. Mr. Brandt testifies that ComEd will adopt and follow a bright line rule to determine
194 which energy efficiency measures will be subject to adjustment based upon
195 changes to the IL-TRM (i.e., are IL-TRM Adjustable). (ComEd Ex. 2.0, 68.) Under
196 ComEd’s proposal, a measure will be IL-TRM Adjustable if it: (1) contributes at
197 least 2,000,000 kWh to the energy savings goal in a given program year based on
198 the participation projections and savings used for Plan development, and (2) has
199 savings based on the IL-TRM methodology (i.e., identified by the existence of an
200 IL-TRM measure code in the Master workbook).

201 **Q. Based upon ComEd’s proposed bright line rule to determine which energy**
202 **efficiency measures will be IL-TRM Adjustable, how many efficiency**
203 **measures included in ComEd’s Plan would be considered IL-TRM**
204 **Adjustable?**

205 A. Based upon ComEd’s proposed bright line rule, I estimate 34 efficiency measures
206 would qualify as IL-TRM Adjustable for purposes of ComEd’s Plan 4. (Staff Ex.
207 1.2, 1.) I estimate that the savings from these 34 IL-TRM Adjustable measures
208 represents 58%⁴ of ComEd’s Plan 4 savings goal. Id. Seven of ComEd’s energy
209 efficiency programs contain at least one of these 34 IL-TRM Adjustable measures.

⁴ In aggregate, the 34 IL-TRM Adjustable measures contribute 892,025,295 kWh of savings towards ComEd’s Plan 4 energy savings goal of 1,530,580,039 kWh. (Staff Ex. 1.2, 1.)

210 My estimate of the number of IL-TRM Adjustable efficiency measures per ComEd
211 program is outlined in Table 2 below.

212 **Table 2. ComEd Plan 4 “IL-TRM Adjustable” Measure Statistics by Program**

ComEd Plan 4 Programs	Total Electric Plan 4 Energy Savings Goal (kWh)	Number of "IL-TRM Adjustable" Measures	"IL-TRM Adjustable" Measure Savings (kWh)	"IL-TRM Adjustable" Measure Savings as % of Portfolio Savings Goal
Facility Assessments	7,052,098	0	0	0%
Incentives	505,603,888	11	238,910,397	15.61%
RetroCommissioning	61,453,340	0	0	0%
Non-Res New Construction	93,772,403	0	0	0%
CI Midstream	594,430,147	15	561,844,577	36.71%
Industrial Systems	69,991,967	0	0	0%
Strategic Energy Management	14,668,916	0	0	0%
Single-Family Retrofit - PGL	1,038,058	0	0	0%
Multi-Family Retrofit - PGL	2,521,486	0	0	0%
Single-Family Retrofit - Nicor	1,038,058	0	0	0%
Multi-Family Retrofit - Nicor	1,577,076	0	0	0%
New Construction - PGL	300,000	0	0	0%
Appliance Recycling	39,721,184	1	35,459,950	2.32%
Multi-Family Assessments	7,083,912	0	0	0%
Product Rebates	34,952,525	2	30,799,463	2.01%
HVAC and Weatherization	36,680,423	1	7,169,580	0.47%
Residential New Construction	878,592	0	0	0%
Elementary Education	3,054,515	0	0	0%
Single-Family Assessments	28,163,804	1	7,213,572	0.47%
LED StreetLighting - Competitive	26,597,646	3	10,627,756	0.69%
Total	1,530,580,039	34	892,025,295	58.28%

213

214 **Q. Do you support ComEd’s proposed bright line rule for determining the IL-**
215 **TRM Adjustable measures? Please explain.**

216 A. Yes, I support ComEd’s proposed bright line rule to determine which energy
217 efficiency measures will be IL-TRM Adjustable for purposes of adjusting ComEd’s
218 savings goals over the course of Plan 4 as described in Mr. Brandt’s direct
219 testimony. Under the proposed rule, ComEd will see a reduction in the resources
220 utilized to perform the annual adjustable savings goal calculation. Likewise, Staff

221 and other interested parties that choose to verify and review the accuracy of
222 ComEd's annual adjustments to its savings goals will have the same benefits.
223 ComEd's proposed rule focuses on limiting the IL-TRM Adjustable measures to
224 those measures that are highly impactful to ComEd's overall portfolio savings
225 goals, which is in line with the intent of the IL-TRM Adjustable measure designation
226 set forth in the SAG's Guidelines. For these reasons, the Commission should
227 approve ComEd's reasonable proposed bright line rule to determine the IL-TRM
228 Adjustable measures, and further approve the 34 IL-TRM Adjustable measures set
229 forth in Staff Exhibit 1.2.

230 **C. COST-EFFECTIVE PORTFOLIO SECTION 8-103(F)(5)**

231 **Q. In your opinion, has the Company demonstrated that its overall portfolio of**
232 **energy efficiency and demand response measures are cost-effective and**
233 **represent a diverse cross section of participation opportunities for**
234 **customers of all rate classes in accordance with Section 8-103(f)(5)? Please**
235 **explain.**

236 **A.** Yes. I have reviewed the Company's confidential work papers, including the TRC
237 test results inclusive of the gas utilities' portion of the joint programs, which shows
238 the portfolio TRC equal to 1.81. I also reviewed the TRC test results presented in
239 DCEO's plan filing in ICC Docket No. 16-0422. ComEd's Plan describes in detail
240 the wide range of opportunities for customers of all rate classes to participate in
241 ComEd's proposed energy efficiency program offerings. (ComEd Ex. 1.0, 25-102.)
242 Based upon my review, I believe the overall portfolio is cost-effective and

243 represents a diverse cross section of opportunities for customers of all rate classes
244 to participate in the programs as required by Section 8-103(f)(5) of the Act.

245 **D. SECTION 8-103(F)(7) REQUIRES AN INDEPENDENT EVALUATOR, RATHER THAN**
246 **COMED, TO PERFORM THE EX POST TOTAL RESOURCE COST TEST COST-**
247 **EFFECTIVENESS ANALYSIS**

248 **Q. In your opinion, has the Company demonstrated that it will comply with the**
249 **independent evaluation requirements pursuant to Section 8-103(f)(7)?**
250 **Please explain.**

251 A. While I am not an attorney, it is my understanding that Section 8-103(f)(7) provides
252 for an annual independent evaluation of the performance of the cost-effectiveness
253 of the utility's portfolio of measures, as well as a full review of the three-year results
254 of the broader net program impacts and, to the extent practical, for adjustment of
255 the measures on a going-forward basis as a result of the evaluations, and that the
256 resources dedicated to evaluation shall not exceed 3% of portfolio resources in
257 any given year. It is my understanding that the Act requires the ex post cost-
258 effectiveness analysis to be performed by the independent evaluator, rather than
259 the utility. 220 ILCS 5/8-103(f)(7). In my opinion, ComEd's Plan fails to provide
260 that the independent evaluator will be the entity performing the independent ex
261 post cost-effectiveness analysis of ComEd's programs. In the final order in ICC
262 Docket No. 13-0498, the Commission found that "the statute requires that an
263 independent evaluator rather than AIC must perform the cost-effectiveness
264 evaluation" under Sections 8-103(f)(7) and 8-104(f)(8). Ameren Illinois Co., ICC
265 Final Order Docket No. 13-0498, 46 (January 28, 2014). I recommend the
266 Commission direct ComEd to adhere to the Section 8-103(f)(7)'s requirement that

267 the ex post cost-effectiveness analyses in the upcoming program years
268 encompassed by Plan 4 are conducted independently by the evaluator, rather than
269 by ComEd.

270 **E. SUMMARY OF RECOMMENDATIONS TO THE COMMISSION**

271 **Q. Please summarize your recommendations to the Commission.**

272 A. I recommend the Commission direct ComEd to require its independent evaluator
273 to perform that ex post TRC analysis pursuant to Section 8-103(f)(7) of the Act. I
274 recommend the Commission approve as reasonable ComEd's proposed bright line
275 rule for determining which measures are IL-TRM Adjustable, which results in 34
276 measures being considered IL-TRM Adjustable over the course of ComEd's Plan
277 4, as set forth in Staff Exhibit 1.2. I recommend the Commission approve and
278 adopt the terms of the Settlement Stipulation (Staff Ex. 1.3), and approve the initial
279 modified Plan energy savings goals for ComEd's Plan 4 as detailed in Table 1 of
280 Staff Exhibit 1.0. I further recommend the Commission acknowledge that the
281 Department's portion of the plan, including the energy efficiency programs, energy
282 savings goals, and budgets for the ComEd service territory, will be addressed in
283 the Department's plan filing proceeding, ICC Docket No. 16-0422. Contingent
284 upon adoption of the above recommendations, I recommend the Commission find
285 that the filing requirements necessary for Commission approval of ComEd's Plan
286 have been satisfied and ComEd's Plan 4 should be approved.

287 **III. CONCLUSION**

288 **Q. Does this conclude your prepared direct testimony?**

289 A. Yes.

ICC Docket No. 16-0420

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("Staff") Data Requests
JHM 1.01 – 1.04
Date Received: September 27, 2016
Date Served: October 10, 2016**

REQUEST NO. JHM 1.02:

Does ComEd support Commission approval of the following initial modified energy savings goals for ComEd? Please explain if the response is anything other than an unequivocal yes.

- a. The initial modified savings goals of 510,110,822 net kilowatt hours for EPY10;
- b. The initial modified savings goals of 510,172,201 net kilowatt hours for EPY11;
- c. The initial modified savings goals of 510,297,017 net kilowatt hours for EPY12; and
- d. The initial three-year cumulative modified savings goal of 1,530,580,039 net kilowatt hours by the end of EPY12.

RESPONSE:

ComEd objects to this request because the term "initial" is vague and ambiguous. Without waiving the foregoing specific objection, or any of ComEd's General Objections, ComEd states as follows.

- a. Yes.
- b. Yes.
- c. Yes.
- d. Yes.

ICC Docket No. 16-0420

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("Staff") Data Requests
JHM 1.01 – 1.04
Date Received: September 27, 2016
Date Served: October 10, 2016**

REQUEST NO. JHM 1.03:

Does ComEd agree that the initial modified energy savings goals set forth in JHM 1.02(a)-(d) above will be detailed in ComEd's compliance filing of the completed EEPS Adjustable Savings Goal Template within 60 days of Commission approval? Please explain if the response is anything other than an unequivocal yes.

RESPONSE:

Consistent with the Commonwealth Edison Company 2017-2020 Energy Efficiency Plan Settlement Stipulation, "ComEd agrees to file a completed Adjustable Savings Goal Template within 60 days after approval of the Plan with the caveat that the 60-day clock starts on the later of the date that the Commission approves the Plan or, if applicable, the date on which ComEd files a modified Plan in compliance with the Commission's Order, provided that the modification affects approved goals, programs or measure mix."

ICC Docket No. 16-0420

**Commonwealth Edison Company's Response to
Illinois Commerce Commission ("Staff") Data Requests**

JHM 1.01 – 1.04

Date Received: September 27, 2016

Date Served: October 10, 2016

REQUEST NO. JHM 1.04:

Does ComEd agree to abide by the Adjustable Savings Goals Policy Guidelines dated August 1, 2016, as may be amended through agreement by ComEd, ICC Staff and SAG participants? Please explain if the response is anything other than an unequivocal yes.

RESPONSE:

ComEd objects to this request to the extent it calls for a legal interpretation or legal conclusion, and ComEd interprets this request to refer to the "Draft" Adjustable Goals Policy Guidelines dated August 1, 2016 that are pending with and being developed through the Stakeholder Advisory Group ("SAG"). Without waiving the foregoing specific objections, or any of ComEd's General Objections, ComEd states as follows.

ComEd agrees to abide by final Adjustable Savings Goals Policy Guidelines that reflect the consensus of SAG participations and that are consistent with applicable law and the Commonwealth Edison Company 2017-2020 Energy Efficiency Plan Settlement Stipulation.

Adjustable Savings Goals Policy Guidelines
Draft: Updated 08/01/16

Background:

The Commission's December 16, 2015 Final Order in ICC Docket No. 15-0487 approved and adopted the [Illinois Energy Efficiency Policy Manual Version 1.0](#) ("Policy Manual"), which includes an Adjustable Savings Goals policy set forth in Subsection 6.2. During initial Policy Manual Subcommittee Version 2.0 discussions in early 2016, several parties proposed updates to this policy. However, Policy Manual Version 2.0 discussions were put on hold in spring 2016 to complete the Portfolio Planning Process.

Prior to the Energy Efficiency Plan ("Plan") filings required by Sections 8-103 and 8-104 of the Illinois Public Utilities Act in fall 2016, Policy Manual Subcommittee participants agreed to draft guideline language to interpret the approved Version 1.0 Adjustable Savings Goal policy, including a template on how to calculate adjustable savings goals.

Note: Capitalized terms are defined in Policy Manual Section 1: Glossary.

Adjustable Savings Goals Policy:

See Illinois Energy Efficiency Policy Manual Version 1.0, Section 6, Program Administration and Reporting, Subsection 6.2: Adjustable Savings Goals.

Program Administrator and/or IPA annual energy savings goals will be adjusted to align them with changes to IL-TRM values.

In addition, Program Administrator and/or IPA annual energy savings goals will be adjusted to align them with the Evaluator's recommended Net-to-Gross values for the entire Plan period prior to the start of the first Plan Year of an approved Plan or Section 16-111.5B Program.

Within sixty (60) days after Commission approval of the annual IL-TRM values, each Program Administrator will file adjusted energy savings goals reflecting updated IL-TRM values applicable to the Program Year commencing June 1.

Policy Guidelines – Adjustable Savings Goals for Section 16-111.5B Programs:

- Once a Section 16-111.5B Program is approved by the Commission, the vendor has the opportunity to negotiate different participation rates and/or Measure levels. Once the contract is signed, those Measures / participation rates will be fixed for the life of the contract for the purpose of setting annual savings goals. However, the vendor and the utility may negotiate a change in the Measure mix, for Program implementation and goal attainment purposes.
- Changes to the Illinois Statewide Technical Reference Manual for Energy Efficiency ("IL-TRM") will be applied on an annual basis to the gross unit savings values for the applicable Program Year. This will set the energy savings goal for the applicable Program Year.
- If the independent Evaluator recommends an updated Net-to-Gross ("NTG") value for a Section 16-111.5B Program, the energy savings goal can be adjusted during the

contract negotiation process, prior to the first Program Year of the contract. After contract execution of the approved Program, the energy savings goal will not be adjusted due to NTG changes in later Program Years.

Policy Guidelines – Adjustable Savings Goals for Section 8-103 and 8-104 Programs:

- After Commission approval of a Section 8-103 and/or 8-104 Plan the Measure participation levels identified in the approved Plan to derive the energy savings goals will be fixed for the entirety of the Plan for the purpose of calculating the adjusted energy savings goals.¹
- Prior to the start of the first Program Year of an approved Plan, the Program Administrator's energy savings goal will be adjusted for respective Program Years over the entire Plan period in cases where the Evaluator's final recommended Net-to-Gross ("NTG") value for a Program, Sub-Program, or Measure differs from the NTG value used to calculate energy savings goals in the Program Administrator's approved Plan. The Program Administrator's energy savings goals will not be adjusted due to a change in the NTG value during the second and third Program Years of an approved Plan.²
- Changes to the Illinois Statewide Technical Reference Manual for Energy Efficiency ("IL-TRM") will be applied on an annual basis to the gross unit savings values for the applicable Program Year, consistent with the EEPS Adjustable Savings Goal Template and guidelines. This will produce the adjusted energy savings goals.

EEPS Adjustable Savings Goal Template

Illinois Program Administrators will file the completed EEPS Adjustable Savings Goal Template for Section 8-103/8-104 Programs and Measures in the Electric Plan 4 (covering Electric Program Years 10-12) and Gas Plan 3 (covering Gas Program Years 7-9) dockets. The Excel version of the completed EEPS Adjustable Savings Goal Template will also be posted on the Illinois Energy Efficiency Stakeholder Advisory Group ("SAG") website.

Following Commission approval of the Plan, the completed EEPS Adjustable Savings Goal Template will be used for the remainder of the approved Plan, with annual updates. As specified in Subsection 6.2 of the Policy Manual, Adjustable Savings Goals, Program Administrators will file adjusted energy savings goals reflecting updated IL-TRM values applicable to the Program Year commencing June 1, within sixty (60) days after Commission approval of the annual IL-TRM update. The updated EEPS Adjustable Savings Goal Template will be filed with the Commission to show the adjusted energy savings goals. The Excel versions of the completed and updated EEPS Adjustable Savings Goal Templates will also be posted on the SAG website.

The information below describes steps to complete the EEPS Adjustable Savings Goal Template for Section 8-103 and 8-104 Programs. As a general principle, when completing the EEPS Adjustable Savings Goal Template, Program Administrators should follow the calculation instructions specified in the comment boxes as well as the column headers and column labels (*row 7*) in the EEPS Adjustable Savings Goal Template. Note: The *Measure-Level Adjustments Tab* should be completed first before completing the *Program-Level Adjustments Tab*.

¹ In general, Program Administrators are not expected to meet the individual Measure goals or participation levels specified in the EEPS Adjustable Savings Goal Template.

² See Policy Manual Version 1.0, Subsection 7.2, Net-to-Gross Policy.

EEPS Adjustable Savings Goal Template – *Program-Level Adjustments Tab*

1. After completing the *Measure-Level Adjustments Tab*, Program Administrators will complete *columns (a), (b), (f), (j), (n), and (q)*, listing the names of the Energy Efficiency Programs and forecasted Plan savings and fuel type (kWh or Therms) for the respective Program Years and Plan period, and file the completed EEPS Adjustable Savings Goal Template with the Commission in the Plan docket. The Program names listed in *column (a)* should correspond with the names of the Programs specified in *column (a)* of the *Measure-Level Adjustments Tab*. If there are gas and electric Measures in a Program, include a separate row for gas and electric for the Program so that all adjustments are included in one template. Program Administrators have the flexibility to create a separate tab or section for the other fuel, if applicable. Below the list of Programs, include the *Portfolio Total (kWh or Therms)* savings by calculating the sum of the rows of Program savings for the respective fuel type (kWh or Therms) for *columns (b), (f), (j), and (n)*. The resulting value contained in *column (n)* in the row, *Portfolio Total (kWh or Therms)*, should be equal to the value of the Program Administrator's energy savings goal specified in its approved Plan from the Plan docket, and this value should also be equal to the value contained in *column (u)* in the row, *Portfolio Total (kWh or Therms)*, of the *Measure-Level Adjustments Tab*.
 - a. Note: The values contained in the row, *Portfolio Total (kWh or Therms)*, in the *Program-Level Adjustments Tab* for *columns (b), (f), (j), and (n)* should be equal to the values contained in the row, *Portfolio Total (kWh or Therms)*, of the *Measure-Level Adjustments Tab* for *columns (r), (s), (t), and (u)*, respectively.
 - b. The value contained in *column (b) – EPY10/GPY7 Plan Energy Savings Goal* for the "Program A" row of the *Program-Level Adjustments Tab* should be calculated by taking the sum of the values set forth in *column (r) – EPY10/GPY7 Plan Goal* for the rows associated with "Program A" Measures (Program designation specified in *column (a)*) and the same fuel type (kWh or Therms designation specified in *column (c)*) of the *Measure-Level Adjustments Tab*.
2. **Adjustments:** After completing the *Measure-Level Adjustments Tab* to reflect the updated IL-TRM values for the applicable Program Year(s), Program Administrators will calculate the adjusted energy savings goal at the Program and Portfolio level for the relevant Program Year(s) – *columns (c), (g), and (k)* – and the entire Plan period – *column (o)*. Template guidelines to support the adjusted energy savings goal calculation include the following:
 - a. Complete *columns (c), (g), (k) and (o) – Adjusted Energy Savings Goal*. Note: The value contained in *column (c) – EPY10/GPY7 Adjusted Energy Savings Goal* for the "Program A" row of the *Program-Level Adjustments Tab* should be calculated by taking the sum of the values set forth in *column (aw) – EPY10/GPY7 Final Goal* for the rows associated with "Program A" Measures (as listed in *column (a)*) and the same fuel type (kWh or Therms designation specified in *column (c)*) of the *Measure-Level Adjustments Tab*.
 - b. Complete *columns (d), (h), (l), and (p) – Energy Savings Adjustment to Plan Goal* by following the calculation instructions specified in the header row containing column labels to calculate the savings differential between the *Adjusted Energy Savings Goal* and the *Plan Energy Savings Goal* for the applicable Program Year and the Plan period; *column (d)=(c-b)*, *column (h)=(g-f)*, *column (l)=(k-j)*, and *column (p)=(o-n)*.
 - c. Briefly describe the main cause of the significant savings goal adjustments in *columns (e), (i), and (m) – Brief Explanation of Significant Adjustments*.

EEPS Adjustable Savings Goal Template – *Measure-Level Adjustments Tab*

1. Program Administrators will complete *columns (a) – (u) and (ba) – (bb)* and file the completed EEPS Adjustable Savings Goal Template with the Commission in the Plan docket. If there are gas and electric Measures, include a separate row for gas and electric so that all adjustments are included in one template. Program Administrators have the flexibility to create a separate tab or section for the other fuel, if applicable. Template guidelines to support completing the *Measure-Level Adjustments Tab* include the following:
 - a. *Column (a) – Program*: List the name of the Energy Efficiency Program. The name of the Program should correspond with one of the Program names specified in *column (a)* of the *Program-Level Adjustments Tab*.
 - b. *Column (b) – Measure*: List the detailed name of the Energy Efficiency Measure, including the efficiency level, where applicable. For example, Gas High Efficiency Furnace 95% AFUE Early Replacement.
 - c. *Column (c) – Energy Savings: kWh or Therms?*: List whether the Measure is a gas or electric Measure by specifying whether the savings are kWh or Therms.
 - d. *Column (d) – IL-TRM Adjustable? (1 if yes; 0 if no)*: For Measures that are not significant to the overall Portfolio-level savings, recognizing the time and effort needed to provide information related to adjustable savings goals, Program Administrators will specify, prior to the start of the Plan, any Measures that will not be adjusted by annual IL-TRM changes for purposes of adjusting savings goals. Note that this flexibility is intended for Measures where the time and effort to make them adjustable per the Adjustable Savings Goals policy is high, and the Measures are not impactful to the Portfolio of Programs. Answer “1” if a Measure will adjust the savings goal based upon IL-TRM changes. Answer “0” if a Measure is not covered by the IL-TRM Version 5.0 and/or if the Program Administrator will not adjust the savings goal for a low-impact Measure based upon IL-TRM changes. Note: Once a decision is made concerning whether the Measure is *IL-TRM Adjustable*, that decision is effective for the entirety of the Plan period and it cannot be changed in subsequent Program Years of the Plan, unless consensus is reached at SAG that the extenuating circumstance warrants such a change.
 - i. For those Measures that are not *IL-TRM Adjustable* (*column (d)*=0), these “non-adjustable” rows should be shaded gray for *columns (ae) – (av) and (ba) – (bb)* and no calculations should be performed for these shaded gray cells, leave them blank. For those rows with Measures that are not *IL-TRM Adjustable*, the values contained in *columns (aw), (ax), and (ay)* should be set equal to the values contained in *columns (z), (aa), and (ab)*, respectively, in calculating the *Final Adjusted Net Energy Savings Goals*.
 - ii. For those rows with Measures that are *IL-TRM Adjustable* (*column (d)*=1), the values contained in *columns (aw), (ax), and (ay)* should be set equal to the values contained in *columns (ai), (ao), and (au)*, respectively, in calculating the *Final Adjusted Net Energy Savings Goals*.
 - iii. Note: The Custom Program is not adjustable under the IL-TRM, but there is a one-time savings goal NTG adjustment allowed for the Plan period if the Evaluator’s final recommended NTG values for the Custom Program that are provided prior to the start of the first Program Year of the Plan (*columns (w), (x), and (y)*) differ from the NTG values used to calculate energy savings goals for the Custom Program in the Program Administrator’s approved Plan (*columns (o), (p), and (q)*).

- e. *Column (e) – IL-TRM Section / Custom*: If the Measure is using the IL-TRM to calculate savings, insert the IL-TRM section number that corresponds to this Measure. For example, 5.3.16 is the IL-TRM section number for Advanced Thermostats. If savings are calculated on a custom basis, insert the word “Custom”.
- f. *Column (f) – Unit of Participation*: Describe the unit of participation for the Measure. For example, is participation calculated on a per home basis?
- g. *Columns (g), (h), and (i) – Plan Number of Units (Fixed Parameters for Calculating Adjustable Savings Goals)*: Complete the forecasted Measure participation levels for the relevant Program Years used to derive the *Plan Energy Savings Goals* set forth in *columns (r), (s), (t), and (u)*.
 - i. Note: These Measure participation levels identified in the approved Plan and in *columns (g), (h), and (i)* that are used to derive the *Plan Energy Savings Goals* set forth in *columns (r), (s), (t), and (u)* will be fixed for the entirety of the Plan period for the purpose of calculating the *Final Adjusted Net Energy Savings Goals* set forth in *columns (aw), (ax), (ay), and (az)*.
- h. *Column (j) – IL-TRM Measure Code from IL-TRMv5.0*: List the applicable IL-TRM Measure Code from the IL-TRM Version 5.0, dated February 11, 2016. The IL-TRM Measure Code can be found at the end of each Measure characterization in the IL-TRM and is structured using five parts: Code Structure = Market + End-use Category + Measure + Version # + Effective Date. The IL-TRM Measure Codes are used to uniquely identify each Measure in the IL-TRM through the use of abbreviations for the major organizational elements of the IL-TRM. When these abbreviations are combined and delimited by a dash (‘-’) a unique, approximately 18-character alphanumeric code is formed that can be used for tracking the Measures and their associated savings estimates. For example, RS-HVC-ADTH-V01-160601 is the IL-TRM Measure Code for Advanced Thermostats. Leave blank for Measures not covered by the IL-TRM Version 5.0.
- i. *Column (k) – Reference Document Explaining Gross Unit Savings Calculation Details*: Provide the name of the document, and date and tab name if applicable, where the supporting calculation details and *Key Custom and IL-TRM Input Assumptions* for calculating the *Plan Gross Unit Savings* values contained in *columns (l), (m), and (n)* can be found for the relevant Measure.
- j. *Columns (l), (m), and (n) – Plan Gross Unit Savings*: Complete the gross kWh or Therm savings per unit of participation, for the applicable Program Years, used to derive the *Plan Energy Savings Goals* set forth in *columns (r), (s), (t), and (u)*. Program Administrators will specify the calculation details associated with these *Plan Gross Unit Savings* values within the reference document cited in *column (k)*, and Program Administrators will outline the *Key Custom and IL-TRM Input Assumptions* and values used in the calculation for the *IL-TRM Adjustable Measures (column (d)=1)* within the reference document and in *columns (ba) and (bb)*, or in another location as allowed for per the provisions described in *columns (ba) and (bb)*.
- k. *Columns (o), (p), and (q) – Plan NTG*: Insert the assumed NTG values for the applicable Program Years used to derive the *Plan Energy Savings Goals* set forth in *columns (r), (s), (t), and (u)*.
- l. *Columns (r), (s), and (t) – Plan Goal*: Calculate the Plan energy savings goals for the applicable Program Years referenced in *columns (r), (s), and (t)* by following the calculation instructions specified in the header row containing column labels

for each column; *column (r)*=(*g x l x o*), *column (s)*=(*h x m x p*), and *column (t)*=(*i x n x q*).

- i. The value contained in *column (r) – EPY10/GPY7 Plan Goal* should be calculated by taking the product of the values contained in *column (g) – EPY10/GPY7 Plan Number of Units (Fixed)*, *column (l) – EPY10/GPY7 Plan Gross Unit Savings*, and *column (o) – EPY10/GPY7 Plan NTG*.
 - ii. The value contained in *column (s) – EPY11/GPY8 Plan Goal* should be calculated by taking the product of the values contained in *column (h) – EPY11/GPY8 Plan Number of Units (Fixed)*, *column (m) – EPY11/GPY8 Plan Gross Unit Savings*, and *column (p) – EPY11/GPY8 Plan NTG*.
 - iii. The value contained in *column (t) – EPY12/GPY9 Plan Goal* should be calculated by taking the product of the values contained in *column (i) – EPY12/GPY9 Plan Number of Units (Fixed)*, *column (n) – EPY12/GPY9 Plan Gross Unit Savings*, and *column (q) – EPY12/GPY9 Plan NTG*.
- m. *Column (u) – Total Electric Plan 4/Gas Plan 3 Goal*: Calculate the total Plan energy savings goal; *column (u)*=(*r+s+t*). The value contained in *column (u) – Total Electric Plan 4/Gas Plan 3 Goal* should be calculated by taking the sum of the values contained in *column (r) – EPY10/GPY7 Plan Goal*, *column (s) – EPY11/GPY8 Plan Goal*, and *column (t) – EPY12/GPY9 Plan Goal*.
- n. *Column (ba) – Key Custom Input Assumptions (if none, specify NA)*: Assumptions in savings estimates that are custom and are not derived from values in the IL-TRM, and therefore will not necessitate a change in savings goals if the IL-TRM is updated, unless consensus is reached at SAG that the extenuating circumstance warrants an adjustment. List any custom assumptions selected by the Program Administrator to calculate the *Plan Gross Unit Savings* for the *IL-TRM Adjustable Measure* in the Plan and specified in *columns (l)*, *(m)*, and *(n)*. Answer “NA” if there are no custom assumptions selected by the Program Administrator to calculate the *Plan Gross Unit Savings* for the *IL-TRM Adjustable Measure*. The assumptions listed in *column (ba)* should be consistent with and clearly outlined in the reference document specified in *column (k) – Reference Document Explaining Gross Unit Savings Calculation Details*. Program Administrators have the flexibility to specify the custom assumptions selected by the Program Administrator within a separate tab or across multiple columns of the *Measure-Level Adjustments Tab*. In cases where the custom assumptions are provided within a separate tab, the name of the tab where the custom assumptions can be found should be clearly specified in *column (ba)*.
- i. Note: In general, if a custom input assumption specified in this *column (ba)* is changed by the Program Administrator during Program implementation and tracking of the Measure savings during the Plan period, given such a change to the custom input assumptions during Program implementation of the Measure is not the result of a change to the IL-TRM, the changed custom input assumption should not be used to adjust the Program Administrator’s energy savings goals. In other words, the custom input assumptions selected by the Program Administrator in its Plan filing (as specified in *column (ba)*) should remain fixed over the Plan period when calculating the *Gross Unit Savings* for the applicable Program Years set forth in *columns (ag)*, *(am)*, and *(as)* and the *Final Adjusted Net Energy Savings Goals* set forth in *columns (aw)*, *(ax)*, *(ay)*, and *(az)*, unless consensus is reached at SAG that the extenuating circumstance warrants an adjustment.

- b. Complete *columns (z), (aa), (ab), and (ac) – NTG-Adjusted Goal* for the respective Program Years and the Plan period by following the calculation instructions specified in the header row containing column labels (*row 7*); *column (z)=(g x l x w)*, *column (aa)=(h x m x x)*, *column (ab)=(i x n x y)*, and *column (ac)=(z+aa+ab)*.
 - i. For example, for *column (z)* the header row containing column labels specifies: *(z)=(g x l x w)*. Thus, the resulting value contained in *column (z) – EPY10/GPY7 NTG-Adjusted Goal* should be calculated by taking the product of the values contained in *column (g) – EPY10/GPY7 Plan Number of Units (Fixed)*, *column (l) – EPY10/GPY7 Plan Gross Unit Savings*, and *column (w) – EPY10/GPY7 Evaluator's NTG (Fixed)*.
 - c. Complete *column (ad) – Electric Plan 4/Gas Plan 3 NTG Adjustment* by calculating the savings differential as a result of the one-time NTG adjustment to the savings goal; *column (ad)=(ac-u)*.
5. **IL-TRM Adjustments:** Energy savings goals will be adjusted annually based upon the updated IL-TRM values, where applicable. Program Administrators will file the updated EEPS Adjustable Savings Goal Template showing the adjusted energy savings goals within sixty (60) days after Commission approval of the annual IL-TRM update. If the updated IL-TRM identifies errata that are applicable to a previous Program Year, the EEPS Adjustable Savings Goal Template will need to be updated for all Program Years impacted by the errata. Template guidelines to support the IL-TRM adjusted energy savings goal calculation include the following:
- a. Complete the IL-TRM adjustment for the first Program Year of the Plan, namely the *EPY10/GPY7 Adjustment*, by completing *columns (ae), (af), (ag), (ah), (ai), (aj), and (aw)*, by following the calculation instructions specified in the headers of these columns within the *Measure-Level Adjustments Tab* and as described below. As described in the provisions contained in these guidelines for *column (d)*, the rows of Measures that are not *IL-TRM Adjustable (column (d)=0)* should be left blank and shaded gray for *columns (ae) – (av) and (ba) – (bb)*. The value contained in *column (aw) – EPY10/GPY7 Final Goal* should be set equal to the value contained in *column (z) – EPY10/GPY7 NTG-Adjusted Goal* for the rows of Measures that are not *IL-TRM Adjustable (column (d)=0)*. Template guidelines to support completing *columns (ae) – (aj) and (aw)* for the *IL-TRM Adjustable Measures* (rows with the value in *column (d)* being equal to 1) include the following:
 - i. *Column (ae) – IL-TRM Measure Code from IL-TRMv6.0 or errata applicable to EPY10/GPY7:* List the applicable IL-TRM Measure Code from the IL-TRM Version 6.0 or errata applicable to EPY10/GPY7. The IL-TRM Measure Code can be found at the end of each Measure characterization in the IL-TRM.
 1. If the IL-TRM Measure Code is identical to the one contained in the IL-TRM Version 5.0, responses in *column (ae) – IL-TRM Measure Code from IL-TRMv6.0 or errata applicable to EPY10/GPY7* and *column (ag) – EPY10/GPY7 Gross Unit Savings* should be the same as the approved Plan assumptions specified in *column (j) – IL-TRM Measure Code from IL-TRMv5.0* and *column (l) – EPY10/GPY7 Plan Gross Unit Savings*, respectively.
 2. If the IL-TRM Measure Code is different from the one contained in the IL-TRM Version 5.0 and the IL-TRM Measure change warrants a savings goal adjustment and IL-TRM adjustment to the *Gross*

Unit Savings calculated for the Measure due to a change to one of the *Key IL-TRM Input Assumptions* specified in *column (bb)* (see provisions contained in these guidelines for *columns (ba) and (bb)*), provide the IL-TRM adjusted *Gross Unit Savings* calculated for the Measure from applying the updated applicable IL-TRM assumptions in *column (ag) – EPY10/GPY7 Gross Unit Savings*. The details and specific changes to the *Key IL-TRM Input Assumptions* underlying this IL-TRM adjusted *Gross Unit Savings* calculation for the Measure should be clearly specified in the document listed in *column (af) – Reference Document Explaining Gross Unit Savings Calculation Details*.

- ii. *Column (af) – Reference Document Explaining Gross Unit Savings Calculation Details*: Provide the name of the document, and date and tab name if applicable, where the supporting calculation details, *Key Custom Input Assumptions*, any necessary adjustments made to the *Key IL-TRM Input Assumptions* based upon IL-TRM updates, and any SAG consensus extenuating circumstance adjustment notes and documentation (see provisions contained in these guidelines for *columns (ba) and (bb)*), are specified for calculating the *EPY10/GPY7 Gross Unit Savings* values contained in *column (ag)* for the relevant Measure.
- iii. *Column (ag) – EPY10/GPY7 Gross Unit Savings*: Complete the gross kWh or Therm savings per unit of participation for EPY10/GPY7 by applying the applicable IL-TRM provisions contained in the IL-TRM Version 6.0 or errata document applicable to EPY10/GPY7 as described below. In cases where the IL-TRM Measure Code change also results in a change to one of the *Key IL-TRM Input Assumptions* specified in *column (bb)*, the *Key IL-TRM Input Assumptions* should be adjusted to align with the updated applicable IL-TRM assumptions when calculating the *EPY10/GPY7 Gross Unit Savings* for the Measure. The calculation details and specific changes to *Key IL-TRM Input Assumptions* associated with the *EPY10/GPY7 Gross Unit Savings* calculation for the Measure should be clearly specified in the document listed in *column (af) – Reference Document Explaining Gross Unit Savings Calculation Details*.
 1. Note: If the IL-TRM Measure Code specified in *column (ae)* is identical to the one contained in *column (j)*, the resulting value contained in *column (ag) – EPY10/GPY7 Gross Unit Savings* should be set equal to the approved Plan value specified in *column (l) – EPY10/GPY7 Plan Gross Unit Savings*.
- iv. *Column (ah) – Gross Unit Savings Adjustment Explanation*: Briefly describe the cause of the adjusted *Gross Unit Savings* reflected in *column (ag) – EPY10/GPY7 Gross Unit Savings*. Note: Where applicable, document in both *column (ah)* and the reference document specified in *column (af)* if the adjustment is the result of SAG consensus concerning an extenuating circumstance as contemplated in the provisions contained in these guidelines for *columns (ba) and (bb)*.
- v. *Column (ai) – EPY10/GPY7 Adjusted Goal*: Calculate the adjusted energy savings goal for EPY10/GPY7 by taking the product of the values contained in *column (g) – EPY10/GPY7 Plan Number of Units (Fixed)*, *column (ag) – EPY10/GPY7 Gross Unit Savings*, and *column (w) – EPY10/GPY7 Evaluator’s NTG (Fixed)*; $column (ai) = (g \times ag \times w)$.

- vi. *Column (aj) – EPY10/GPY7 IL-TRM Adjustment*: Calculate the savings differential between the *EPY10/GPY7 Adjusted Goal* and the *EPY10/GPY7 NTG-Adjusted Goal* by following the calculation instructions specified in the header row containing column labels; *column (aj)=(ai-z)*.
 - vii. *Column (aw) – EPY10/GPY7 Final Goal*: Set equal to the value contained in *column (ai) – EPY10/GPY7 Adjusted Goal* for the rows containing Measures designated as *IL-TRM Adjustable (column (d)=1)*.
- b. Complete the IL-TRM adjustment for the second Program Year of the Plan, namely the *EPY11/GPY8 Adjustment*, by completing the following columns: *column (ak) – IL-TRM Measure Code from IL-TRMv7.0 or errata applicable to EPY11/GPY8*, *column (al) – Reference Document Explaining Gross Unit Savings Calculation Details*, *column (am) – EPY11/GPY8 Gross Unit Savings*, *column (an) – Gross Unit Savings Adjustment Explanation*, *column (ao) – EPY11/GPY8 Adjusted Goal*, *column (ap) – EPY11/GPY8 IL-TRM Adjustment*, and *column (ax) – EPY11/GPY8 Final Goal*, by following the calculation instructions specified in the headers of these columns within the *Measure-Level Adjustments Tab*.
- i. Note: Complete *column (al) – Reference Document Explaining Gross Unit Savings Calculation Details* by providing the name of the document, and date and tab name if applicable, where the supporting calculation details, *Key Custom Input Assumptions*, any necessary adjustments made to the *Key IL-TRM Input Assumptions* based upon IL-TRM updates, and any SAG consensus extenuating circumstance adjustment notes and documentation (see provisions contained in these guidelines for *columns (ba) and (bb)*), are specified for calculating the *EPY11/GPY8 Gross Unit Savings* values contained in *column (am)* for the relevant Measure.
 - ii. As described in the provisions contained in these guidelines for *column (d)*, the rows of Measures that are not *IL-TRM Adjustable (column (d)=0)* should be left blank and shaded gray for *columns (ae) – (av) and (ba) – (bb)*. The value contained in *column (ax) – EPY11/GPY8 Final Goal* should be set equal to the value contained in *column (aa) – EPY11/GPY8 NTG-Adjusted Goal* for each row with a Measure that is not *IL-TRM Adjustable (column (d)=0)*.
 - iii. The value contained in *column (ax) – EPY11/GPY8 Final Goal* should be set equal to the value contained in *column (ao) – EPY11/GPY8 Adjusted Goal* for each row with a Measure designated as *IL-TRM Adjustable (column (d)=1)*.
- c. Complete the IL-TRM adjustment for the third Program Year of the Plan, namely the *EPY12/GPY9 Adjustment*, by completing the following columns: *column (aq) – IL-TRM Measure Code from IL-TRMv8.0 or errata applicable to EPY12/GPY9*, *column (ar) – Reference Document Explaining Gross Unit Savings Calculation Details*, *column (as) – EPY12/GPY9 Gross Unit Savings*, *column (at) – Gross Unit Savings Adjustment Explanation*, *column (au) – EPY12/GPY9 Adjusted Goal*, *column (av) – EPY12/GPY9 IL-TRM Adjustment*, and *column (ay) – EPY12/GPY9 Final Goal*, by following the calculation instructions specified in the headers of these columns within the *Measure-Level Adjustments Tab*.
- i. Note: Complete *column (ar) – Reference Document Explaining Gross Unit Savings Calculation Details* by providing the name of the document, and date and tab name if applicable, where the supporting calculation details, *Key Custom Input Assumptions*, any necessary adjustments made to the *Key IL-TRM Input Assumptions* based upon IL-TRM updates, and any SAG consensus extenuating circumstance adjustment notes and

- documentation (see provisions contained in these guidelines for *columns (ba) and (bb)*), are specified for calculating the *EPY12/GPY9 Gross Unit Savings* values contained in *column (as)* for the relevant Measure.
- ii. As described in the provisions contained in these guidelines for *column (d)*, the rows of Measures that are not *IL-TRM Adjustable* (*column (d)=0*) should be left blank and shaded gray for *columns (ae) – (av) and (ba) – (bb)*. The value contained in *column (ay) – EPY12/GPY9 Final Goal* should be set equal to the value contained in *column (ab) – EPY12/GPY9 NTG-Adjusted Goal* for each row with a Measure that is not *IL-TRM Adjustable* (*column (d)=0*).
 - iii. The value contained in *column (ay) – EPY12/GPY9 Final Goal* should be set equal to the value contained in *column (au) – EPY12/GPY9 Adjusted Goal* for each row with a Measure designated as *IL-TRM Adjustable* (*column (d)=1*).
- d. Calculate an estimate of the Electric Plan 4/Gas Plan 3 *Final Adjusted Net Energy Savings Goal* by completing *column (az) – Electric Plan 4/Gas Plan 3 Final Goal* for all Measures by following the calculation instructions specified in the header row of the column: *column (az)=(aw+ax+ay)*; and then below the list of Measures, include the *Portfolio Total (kWh or Therms)* savings by calculating the sum of the rows of Measure savings for the respective fuel type (kWh or Therms) for *column (az)* to determine an estimate of the *Portfolio Final Adjusted Net Energy Savings Goal* for Electric Plan 4/Gas Plan 3.
- i. Note: Each Program Administrator's actual *Portfolio Final Adjusted Net Energy Savings Goal* for Electric Plan 4/Gas Plan 3 may not be known until after the Commission approves the IL-TRM Version 9.0, which may include IL-TRM updates specified as errata Measures applicable to EPY12/GPY9 that might necessitate additional energy savings goal adjustments to be made for the last Program Year to obtain an accurate calculation of the *Final Adjusted Net Energy Savings Goal* for Electric Plan 4/Gas Plan 3.

ComEd Program	IL-TRM Adjustable Measures	Building Type	Plan Number of Units (Fixed Parameters for Calculating Adjustable Savings Goals)			Plan Gross Unit Savings			Plan Net-to-Gross Values			Plan Energy Savings from "IL-TRM Adjustable" Measures (kWh)					
			Unit of Participation	EPY10 Plan Number of Units (Fixed)	EPY11 Plan Number of Units (Fixed)	EPY12 Plan Number of Units (Fixed)	IL-TRM Measure Code from IL-TRM v5.0	EPY10 Plan Gross Unit Savings (kWh)	EPY11 Plan Gross Unit Savings (kWh)	EPY12 Plan Gross Unit Savings (kWh)	EPY10 Plan NTG	EPY11 Plan NTG	EPY12 Plan NTG	EPY10 Plan Savings	EPY11 Plan Savings	EPY12 Plan Savings	Total Electric Plan 4 Savings
CI Midstream	LED Decorative - 40 Watts	Unknown	Bulb	38,583	40,082	42,198	CI-LTG-LEDB-V05-160601	137.6	137.6	137.6	78%	78%	78%	4,141,745	4,302,709	4,529,842	12,974,296
CI Midstream	LED Directional MR - 60 Watts	Unknown	Bulb	33,740	35,051	36,902	CI-LTG-LEDB-V05-160601	211.0	211.0	211.0	78%	78%	78%	5,552,059	5,767,822	6,072,387	17,392,267
CI Midstream	LED Directional MR - 75 Watts	Unknown	Bulb	50,706	52,678	55,458	CI-LTG-LEDB-V05-160601	266.5	266.5	266.5	78%	78%	78%	10,540,460	10,949,968	11,528,299	33,018,727
CI Midstream	LED Directional PAR - 50 Watts	Unknown	Bulb	205,190	213,159	224,417	CI-LTG-LEDB-V05-160601	167.9	167.9	167.9	78%	78%	78%	26,870,823	27,914,455	29,388,730	84,174,008
CI Midstream	LED Directional PAR - 60 Watts	Unknown	Bulb	13,292	13,808	14,537	CI-LTG-LEDB-V05-160601	190.0	190.0	190.0	78%	78%	78%	1,969,321	2,045,805	2,153,892	6,169,017
CI Midstream	LED Directional PAR - 75 Watts	Unknown	Bulb	281,765	292,709	308,168	CI-LTG-LEDB-V05-160601	247.6	247.6	247.6	78%	78%	78%	54,421,251	56,535,186	59,520,949	170,477,386
CI Midstream	LED Directional PAR - 100 Watts	Unknown	Bulb	60,323	62,666	65,976	CI-LTG-LEDB-V05-160601	331.8	331.8	331.8	78%	78%	78%	15,612,172	16,218,723	17,075,349	48,906,244
CI Midstream	LED Directional PAR - 120 Watts	Unknown	Bulb	35,346	36,719	38,658	CI-LTG-LEDB-V05-160601	405.8	405.8	405.8	78%	78%	78%	11,187,149	11,621,750	12,235,372	33,044,272
CI Midstream	LED Directional Reflector - 65 Watts	Unknown	Bulb	46,191	47,985	50,519	CI-LTG-LEDB-V05-160601	211.1	211.1	211.1	78%	78%	78%	7,604,251	7,899,625	8,316,741	23,820,618
CI Midstream	LED Omni-Directional - 29 Watts	Unknown	Bulb	49,883	51,819	54,556	CI-LTG-LEDB-V05-160601	87.9	87.9	87.9	78%	78%	78%	3,419,708	3,552,464	3,740,089	10,712,261
CI Midstream	LED Omni-Directional - 43 Watts	Unknown	Bulb	197,438	205,106	215,938	CI-LTG-LEDB-V05-160601	130.3	130.3	130.3	78%	78%	78%	20,073,526	20,853,201	21,954,515	62,881,242
CI Midstream	LED Omni-Directional - 72 Watts	Unknown	Bulb	13,916	14,456	15,221	CI-LTG-LEDB-V05-160601	214.7	214.7	214.7	78%	78%	78%	2,330,752	2,421,279	2,549,331	7,301,361
CI Midstream	LED Trim Kit - 50 Watts	Unknown	Kit	28,193	29,288	30,834	CI-LTG-LEDB-V05-160601	158.7	158.7	158.7	78%	78%	78%	3,488,764	3,624,364	3,815,612	10,928,740
CI Midstream	LED Trim Kit - 65 Watts	Unknown	Kit	19,314	20,064	21,125	CI-LTG-LEDB-V05-160601	207.7	207.7	207.7	78%	78%	78%	3,129,253	3,250,773	3,422,629	9,802,656
CI Midstream	LFL Reduced Watt T8 - 32 Watts	Unknown	Bulb	616,241	640,176	673,987	CI-LTG-T8FX-V05-160601	19.5	19.5	19.5	75%	75%	75%	9,015,495	9,365,670	9,860,318	28,241,482
LED StreetLighting - Competitive	MV-175 W-Yr1	Municipal	Fixture	4,571	0	0	CI-LTG-LEDB-V05-160601	676.0	676.0	676.0	100%	100%	100%	3,089,763	0	0	3,089,763
LED StreetLighting - Competitive	MV-175 W-Yr2	Municipal	Fixture	0	5,581	0	CI-LTG-LEDB-V05-160601	676.0	676.0	676.0	100%	100%	100%	0	3,772,884	0	3,772,884
LED StreetLighting - Competitive	MV-175 W-Yr3	Municipal	Fixture	0	0	5,570	CI-LTG-LEDB-V05-160601	676.0	676.0	676.0	100%	100%	100%	0	0	3,765,110	3,765,110
Product Rebates	Air Purifier - Cleaner - ES (Markdown)	Residential	Each	6,800	6,800	6,800	RS-APL-ESAP-V02-160601	702.0	702.0	702.0	74%	74%	74%	3,532,464	3,532,464	3,532,464	10,597,392
Product Rebates	Advance Smart Thermostats	Residential	Each	21,760	21,760	21,760	RS-HVC-ADTH-V01-160601	377.4	377.4	377.4	82%	82%	82%	6,734,024	6,734,024	6,734,024	20,202,071
Appliance Recycling	Appliance Recycling - Refrigerators	Residential	Each	26,703	26,703	26,703	RS-APL-RFRC-V06-160601	819.7	819.7	819.7	54%	54%	54%	11,819,983	11,819,983	11,819,983	35,459,950
HVAC and Weatherization	ECM Furnace Motor	Residential	Home	3,400	3,400	3,400	RS-HVC-FBMT-V03-150601	710.0	710.0	710.0	99%	99%	99%	2,389,860	2,389,860	2,389,860	7,169,580
Single-Family Assessments	9W LED (60W) - Year-1	Residential	Bulb	128,451	100,592	100,592	RS-LTG-LEDA-V04-160601	27.4	27.4	27.4	80%	80%	80%	2,810,966	2,201,303	2,201,303	7,213,572
Incentives	DLC Qualified Outdoor LED Luminaires	Miscellaneous	Watts Reduced	4,459,352	4,265,558	3,989,516	CI-LTG-LEDB-V05-160601	4.9	4.9	4.9	70%	70%	70%	15,304,941	14,639,822	13,692,417	43,637,180
Incentives	DLC Qualified Outdoor LED Luminaires	Office	Watts Reduced	752,739	720,027	673,431	CI-LTG-LEDB-V05-160601	4.9	4.9	4.9	70%	70%	70%	2,583,476	2,471,204	2,311,282	7,365,961
Incentives	DLC Qualified Outdoor LED Luminaires	Retail-Service	Watts Reduced	3,720,173	3,558,503	3,328,217	CI-LTG-LEDB-V05-160601	4.9	4.9	4.9	70%	70%	70%	12,768,006	12,213,140	11,422,775	36,403,921
Incentives	DLC Qualified Interior LED Luminaires	Heavy Industry	Watts Reduced	2,453,553	2,346,927	2,195,048	CI-LTG-LEDB-V05-160601	4.7	4.7	4.7	70%	70%	70%	8,089,983	7,738,411	7,237,626	23,066,021
Incentives	DLC Qualified Interior LED Luminaires	Light Industry	Watts Reduced	1,892,191	1,809,961	1,692,831	CI-LTG-LEDB-V05-160601	4.7	4.7	4.7	70%	70%	70%	6,239,031	5,967,896	5,581,689	17,788,617
Incentives	DLC Qualified Interior LED Luminaires	Miscellaneous	Watts Reduced	3,025,249	2,893,778	2,706,509	CI-LTG-LEDB-V05-160601	3.7	3.7	3.7	70%	70%	70%	7,799,626	7,460,671	6,977,860	22,238,157
Incentives	DLC Qualified Interior LED Luminaires	Office	Watts Reduced	1,519,482	1,453,448	1,359,389	CI-LTG-LEDB-V05-160601	3.4	3.4	3.4	70%	70%	70%	3,574,911	3,419,554	3,198,259	10,192,723
Incentives	DLC Qualified Interior LED Luminaires	Retail-Service	Watts Reduced	2,052,754	1,963,546	1,836,477	CI-LTG-LEDB-V05-160601	5.4	5.4	5.4	70%	70%	70%	7,705,610	7,370,743	6,893,753	21,970,106
Incentives	DLC Qualified Interior LED Luminaires	WareHouse	Watts Reduced	3,233,764	3,093,231	2,893,055	CI-LTG-LEDB-V05-160601	5.2	5.2	5.2	70%	70%	70%	11,865,973	11,350,303	10,615,776	33,832,052
Incentives	Non-Programmable Pneumatic Thermostat	Office	Square Foot	3,009,225	2,878,452	2,692,175	CI-HVC-PROG-V02-150601	2.2	2.2	2.2	69%	69%	69%	4,505,713	4,309,906	4,030,994	12,846,612
Incentives	Programmable Thermostat	Grocery	Square Foot	2,009,922	1,922,576	1,796,157	CI-HVC-PROG-V02-150601	2.4	2.4	2.4	69%	69%	69%	3,356,167	3,210,317	3,002,563	9,569,047
IL-TRM Adjustable Measure Savings Total (kWh)												293,527,227	296,926,278	301,571,791	892,025,295		
ComEd Total Plan 4 Energy Savings Goals (kWh)												510,110,822	510,172,201	510,297,017	1,530,580,039		
IL-TRM Adjustable Measure Savings as % of ComEd Plan 4 Savings Goals												57.5%	58.2%	59.1%	58.3%		
IL-TRM Adjustable Measure Savings												293,527,227	296,926,278	301,571,791	892,025,295		

**Commonwealth Edison Company
2017-2020 Energy Efficiency Plan
Settlement Stipulation**

I. Introduction

This Settlement Stipulation (“Stipulation”), when fully executed and accepted, will constitute a valid settlement agreement enforceable among Commonwealth Edison Company, an Illinois corporation (“ComEd” or the “Company”), the Illinois Attorney General’s Office, the Citizens Utility Board, the Natural Resources Defense Council, and the Environmental Law & Policy Center (each a “Party” and, collectively, the “Parties”).

The ComEd Energy Efficiency Plan for Plan Years 10 through 12 (“EEP 4.0” or “Plan”) is required to be filed with the Illinois Commerce Commission (the “Commission”) on or before September 1, 2016 pursuant to Section 8-103 of the Public Utilities Act (the “Act”), 220 ILCS 5/8-103. The Company’s proposed EEP 4.0 has been the subject of lengthy discussions among the Parties with the goal of reaching consensus on the portfolio of energy efficiency programs to be implemented by ComEd for Plan Years 10 through 12 (“PY10-12”), which is the period from June 1, 2017 through May 31, 2020.

This Stipulation is intended to memorialize that each and all of the signatory Parties are in agreement that the Company’s EEP 4.0, which was filed on September 1, 2016, and is pending before the Commission in ICC Docket No. 16-0420, satisfies the requirements of Section 8-103(f) and, therefore, should be approved by the Commission. In addition, this Stipulation memorializes the compromise between and among the Parties regarding certain disputed issues raised during the course of settlement discussions as further detailed below. To the extent that any provision in this Stipulation is not specifically memorialized in the filed Plan, ComEd agrees that it will implement the Plan consistent with the terms of this Stipulation. Compromise by any Party on any particular issue set forth in this Stipulation or in the EEP 4.0 shall not constitute, and shall not be construed or interpreted to constitute, an endorsement of the resolution achieved by that compromise for any purpose other than as set forth in this Stipulation. The parties have been informed and believe that the Commission Staff do not have any objections to this Stipulation.

This Stipulation is the result of negotiation at arms’ length between and among the Parties, all of whom have been represented by counsel, and memorializes the Parties’ agreements. Thus, the Parties, intending to be legally bound and acknowledging the benefit to be derived from the mutual promises and commitments contained herein, agree as follows:

II. Plan Stipulations

A. Overview

The Parties agree that the compromise positions memorialized in this Stipulation allow for ComEd to achieve modified energy efficiency savings goals compared to those set out in Section 8-103(b) of the Act, while ensuring that expenditures remain within the rate impact cap established by Section 8-103(d). The Parties agree that the Company’s proposed EEP 4.0, inclusive of the compromise positions memorialized in this Stipulation, is consistent with and

satisfies the statutory obligations listed in Section 8-103(f), which require ComEd and its proposed Plan to:

“(1) Demonstrate that its proposed energy efficiency and demand-response measures will achieve the requirements that are identified in subsections (b) and (c) of this Section, as modified by subsections (d) and (e).

(2) Present specific proposals to implement new building and appliance standards that have been placed into effect.

(3) Present estimates of the total amount paid for electric service expressed on a per kilowatt-hour basis associated with the proposed portfolio of measures designed to meet the requirements that are identified in subsections (b) and (c) of this Section, as modified by subsections (d) and (e).

(4) Coordinate with the Department to present a portfolio of energy efficiency measures proportionate to the share of total annual utility revenues in Illinois from households at or below 150% of the poverty level. The energy efficiency programs shall be targeted to households with incomes at or below 80% of area median income.

(5) Demonstrate that its overall portfolio of energy efficiency and demand-response measures, not including programs covered by item (4) of this subsection (f), are cost-effective using the total resource cost test and represent a diverse cross-section of opportunities for customers of all rate classes to participate in the programs.

(6) Include a proposed cost-recovery tariff mechanism to fund the proposed energy efficiency and demand-response measures and to ensure the recovery of the prudently and reasonably incurred costs of Commission-approved programs.

(7) Provide for an annual independent evaluation of the performance of the cost-effectiveness of the utility's portfolio of measures and the Department's portfolio of measures, as well as a full review of the 3-year results of the broader net program impacts and, to the extent practical, for adjustment of the measures on a going-forward basis as a result of the evaluations. The resources dedicated to evaluation shall not exceed 3% of portfolio resources in any given year.

The Parties agree to the Plan Stipulations set forth below, and seek to have the Commission adopt the Plan Stipulations in the Final Order approving the Company's proposed EEP 4.0.

B. Plan Stipulations

1. Savings Goal:

a. The Parties agree that for the purposes of this Stipulation and Plan, ComEd may not be able to achieve the statutory savings requirements

defined in Section 8-103(b) of the Act and also meet the limitations imposed by Section 8-103(d).

b. The Commission should reduce each of the three statutory energy savings goals for PY10-12 to 510,000,000 kilowatt hours. ComEd may comply with these modified energy savings goals by demonstrating either of the following:

- i. Achievement of 510,000,000 net kilowatt hours saved during each Plan Year of the Plan (*i.e.*, PY10-12); or
- ii. Achievement of a cumulative total of 1,530,000,000 net kilowatt hours saved at the end of the three-year Plan period (*i.e.*, by the end of PY12).

c. ComEd intends to achieve this level of savings through modifications to its originally planned program design submitted during the Stakeholder Advisory Group (“SAG”) three-year planning process that include, but are not limited to, the following:

- i. Elimination of ComEd’s Commercial and Industrial (“C&I”) Air Conditioning (“AC”) Tune-up Program;
- ii. Reduction in Research and Development (“R&D”) budget;
- iii. Reduction in Education and Awareness budget;
- iv. Increase the yield on several Residential programs;
- v. Increase the budget on C&I incentives and C&I midstream measures; and
- vi. Extend the LED street lighting program (under ComEd’s Section 8-103 plan only) from a three-year to a five-year time horizon.

d. Each modified energy savings goal for PY10, PY11, and PY12 that is identified in Section II.B.1.b. of this Stipulation is subject to change based upon annual IL-TRM adjustments applicable for the different Plan Years of the Plan period, consistent with the Adjustable Savings Goals policy approved in the Illinois Energy Efficiency Policy Manual Version 1.0, and the Adjustable Savings Goals provisions set forth in this Stipulation below.

e. In the EEP 4.0, ComEd describes the portfolio of activities and budgets it will use to deliver these savings goals. ComEd agrees to deliver those programs using the flexibility allowed in Section 6.1 of the Illinois

Energy Efficiency Policy Manual Version 1.0 and also subject to the following additional provision:

The average measure lifetime of the portfolio, calculated as the ratio of lifecycle savings to annual savings, shall be at least 12 years.

2. Adjustable Savings Goals:

a. ComEd agrees to file a completed Adjustable Savings Goal Template within 60 days after approval of the Plan with the caveat that the 60-day clock starts on the later of the date that the Commission approves the Plan or, if applicable, the date on which ComEd files a modified Plan in compliance with the Commission's Order, provided that the modification affects approved goals, programs or measure mix.

b. For purposes of the Section 8-103/8-104 Programs Adjustable Savings Goals policy approved in the Illinois Energy Efficiency Policy Manual Version 1.0, the energy efficiency measure participation levels identified in the approved Plan to derive the energy savings goals shall be fixed for the entirety of the Plan, in the adjustable savings goal calculation, where adjustments are applied.

c. ComEd agrees to specify upfront within its Plan filing which IL-TRM measures included in the Plan will be "IL-TRM Adjustable" or alternatively, specify a bright line/rule that will be followed to make that determination post-Plan approval.

d. Consistent with Section 6.2 of the Illinois Energy Efficiency Policy Manual Version 1.0, prior to the start of PY10, the ComEd energy savings goals for PY10-12 of the Plan period will be adjusted once to align them with the evaluator's final recommended net-to-gross ("NTG") values. The Parties will make good faith efforts to reach consensus at the SAG and with the independent evaluators concerning such final recommended NTG values.

e. In advance of filing the first updated Adjustable Savings Goal Template with the Commission, ComEd agrees to present to the SAG its first updated Adjustable Savings Goal Template containing the savings goal adjustments due to the changes reflected in the consensus IL-TRMv6.0 as well as the NTG updates, where applicable, resulting from the existing SAG stakeholder consensus processes in place in order to provide stakeholders with an opportunity to ask questions concerning the updated Adjustable Savings Goal Template and reach agreement on the adjusted savings goal.

3. Net-To-Gross Values used in the Plan:

Consistent with Section 7.2 Net-to-Gross Policy of the Illinois Energy Efficiency Policy Manual Version 1.0, the NTG values used in the ComEd EEP 4.0 are subject to change during implementation of the Plan for evaluation purposes through an annual review and vetting process through the SAG involving the independent evaluator's recommended deemed NTG values for the upcoming Program Year.

4. Maximizing Joint Delivery to the Extent Possible:

To the extent practicable and feasible given differing budgets and depending upon the cooperation of the other utilities, all programs that target the same customers with similar delivery approaches will be offered jointly or coordinated with Nicor Gas Company ("Nicor"), Peoples Gas Light & Coke Company ("Peoples Gas") and North Shore Gas Company ("North Shore") during the Company's EEP 4.0.

5. Department of Commerce and Economic Opportunity Marketing:

ComEd agrees to use best efforts to add information about the Department of Commerce and Economic Opportunity's ("Department" or "DCEO") Energy Now portfolio of Energy Efficiency Programs, including call center information and website links, to the ComEd energy efficiency website page prior to the beginning of the Company's PY10.

6. Fostering IL Economic Activity Through EE Funds:

ComEd acknowledges the importance of fostering economic activity in Illinois through the use of energy efficiency dollars to support Illinois-based jobs. To the extent feasible and consistent with State and federal law, ComEd agrees to continue to use best efforts to implement its Plan in a way that provides employment opportunities for all segments of the population and workforce, which is consistent with Section 4.1 of the Illinois Energy Efficiency Policy Manual Version 1.0.

7. Comprehensive Retrofits:

A "comprehensive retrofit" shall mean an energy efficiency project that applies a whole building approach that touches multiple systems and components of an eligible utility customer's residence or business facility, which may include incentives for heating, cooling, and/or the building envelope, as well as providing a whole building assessment, while ensuring that comprehensive retrofits comply with Building Performance Institute standards. Comprehensive retrofit projects focus on improving energy efficiency to result in lower whole-building energy use. To ensure quality installation of energy efficiency projects, ComEd commits to continuing to implement quality assurance and quality control procedures for energy efficiency programs that utilize comprehensive retrofits.

8. Updates to the Illinois Energy Efficiency Policy Manual:

The Parties agree to participate in Policy Manual Subcommittee discussions for the Illinois Energy Efficiency Policy Manual Version 2.0, following Commission approval of the Electric Program Years 10-12 and Gas Program Years 7-9 Energy Efficiency Plans. The Parties commit to make good faith efforts to expeditiously reach consensus regarding an Illinois Energy Efficiency Policy Manual Version 2.0.

9. Reporting:

ComEd agrees to make good faith efforts to have completed Statewide common reporting templates for Program Administrator Quarterly Reports required by Section 6.5 of the Illinois Energy Efficiency Policy Manual Version 1.0 available in advance of filing the first ComEd Quarterly Report for PY7. ComEd also agrees to make good faith efforts to have completed Statewide common reporting templates for Program Administrator Annual Summary of Activities (Annual Reports) required by Section 6.6 of the Illinois Energy Efficiency Policy Manual Version 1.0 available in advance of filing the fourth ComEd Quarterly Report for PY10. ComEd further agrees to make good faith efforts to file and make available to the SAG quarterly reports within 45 days of the end of each quarter for Q1, Q2 and Q3 and 90 days for Q4.

10. Evaluator Independence:

ComEd agrees to continue to implement protocols to ensure that evaluator independence is maintained, as required by Section 8-103 of the Act.¹

a. ComEd will 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. 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 the Commission has the right to: (1) approve or reject the contract; (2) direct ComEd to terminate the evaluation contract if the Commission determines the evaluator is not acting independently, or is unwilling to independently evaluate the energy savings performance and cost-effectiveness of ComEd's energy efficiency programs; and (3) approve any action by the utility that would result in termination during the terms of the contracts.

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.

¹ 220 ILCS 5/8-103(f)(8).

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 shall contemporaneously provide a copy of such notice to the Commission.

e. The Contractor shall have the sole discretion to develop EM&V Program Work Plans, subject to input and comments from all interested stakeholders and Commission Staff, as described in Policy Manual Version 1.0, Section 10.1.

f. The Contractor shall ensure that the data used in its evaluations can be made available to the Commission upon request.

III. Program-Level Stipulations

A. Overview

In addition to broader Plan-related issues, the Parties also engaged in extensive, good faith discussions on various topics related to the specific design of energy efficiency programs. Consistent with the flexibility granted to Program Administrators in prior Commission three-year plan orders and the Illinois Energy Efficiency Policy Manual Version 1.0, ComEd shall retain the ability to adjust portfolio and program design based on the real-time information it receives regarding program performance. Specifically, ComEd will continue to be able to reallocate funds across program elements and modify, discontinue, and add program elements within approved programs based on actual implementation experience and the results of the evaluation of its programs, consistent with the directives of the Illinois Energy Efficiency Policy Manual Version 1.0 that address Program Flexibility and Budgetary Shift Rules, and reporting requirements to the SAG and the Commission, with the exceptions as noted in this Stipulation, including the exceptions included in Stipulation Sections II.B.1.e and III.B.1.

Consistent with the foregoing, the Parties stipulate to the following items, subject to the participation of other public utilities, if required, and Commission approval:

B. Specific Program- and Measure-Level Commitments

1. Low- and Moderate-Income Offerings:

a. In coordination with the Department and Peoples Gas Light & Coke Company, ComEd agrees to design and jointly deliver offerings targeted to Low Income customers, who are residential customers with a household income at or below 150% of the federal poverty level. The low income energy efficiency programs shall be targeted to households with incomes at or below 80% of area median income. ComEd also commits to coordinate with Nicor Gas Company to design and jointly deliver offerings targeted to Moderate Income customers, who are residential customers with a household income between one hundred and fifty one percent (151%) to three hundred percent (300%) of the federal poverty level.

b. During PY10-12, ComEd agrees to spend a minimum of \$13.026 million on the jointly delivered Nicor Gas Moderate Income and Peoples Gas Low-Income programs described in this paragraph (1).

c. The commitments described in this paragraph (1), including the supplemental funding commitment set forth in subparagraph (b) of this paragraph (1), are incremental to, and shall not reduce, the existing low-income funding requirements as set forth in subsections (e) and (f)(4) of Section 8-103 of the PUA.

d. Subject to the provisions of subparagraphs (a) through (c) of this paragraph (1), ComEd agrees to fully fund the electric portion of Peoples Gas's and Nicor's jointly delivered low and moderate income programs, with a funding ratio that, at a minimum, is consistent with electric/gas program benefits.

e. All Electric Low/Moderate Income Weatherization program: In addition to its commitments to co-fund the Peoples Gas and Nicor low and moderate income Single Family/Multi-Family retrofit programs, ComEd commits to implement a Residential low/moderate income, all-electric single- and multi-family weatherization program that shall comprehensively address all cost-effective opportunities for building envelop efficiency improvements, utilizing an annual budget of at least \$4 million in PY10. During PY9, ComEd commits to work with stakeholders participating in the SAG to develop a cost-effective expanded Residential low/moderate income, all-electric single- and multi-family program that includes a bulk purchase of high performance, cold climate ductless heat pumps as well as comprehensive treatment of building envelop measures. This program shall not be proposed, or subject to approval, in the docket initiated to approve the EEP 4.0, but will instead be bid by ComEd into the Section 16-111.5B of the PUA's Illinois Power Agency ("IPA") energy efficiency procurement process for Program Years 11 and 12, with a goal of treating a minimum of 5% of ComEd's all-electric single- and multi-family accounts in PY 11, and 10% more in PY 12. ComEd commits to target these programs by U.S. Census tract to residential ComEd customers with incomes at or below 95% of the Area Median Income ("AMI"), with an emphasis on marketing to customers at or below 80% AMI.

f. Should ComEd and SAG stakeholders not succeed in developing a cost-effective weatherization program to be bid into the IPA, ComEd commits to continue the aforementioned PY10 weatherization program at similar levels for PY11 and PY12. ComEd commits to coordinate its program with DCEO low income programs and, if practicable, contract with independent third parties that have demonstrated capabilities to serve such households, with a preference for not-for-profit entities that have

existing relationships with or experience serving low-income communities in the State.

g. ComEd agrees to track low and moderate income customer participation in the portfolio and report the total expenditures to the SAG quarterly.

h. With respect to offerings targeted to Low- or Moderate-Income customers, the Parties agree that implementation of energy efficiency measures and programs targeted at low-income households should be contracted, when it is practicable, to independent third parties that have demonstrated capabilities to serve such households, with a preference for not-for-profit entities and government agencies that have existing relationships with or experience serving low-income communities in the State.

i. The Parties commit to participate in regular meetings with other Low Income Program Administrators to address delivery of programs targeted at Low and Moderate Income customers as discussed further in Section IV of this Stipulation below.

j. The Parties agree to make good faith efforts to work with SAG stakeholders and Program Administrators to develop a consistent Statewide definition of "deep retrofit" that will ensure a whole home approach to Low Income and Moderate Income projects, as well as cost-effective delivery through the leveraging of on-bill financing, where customers are eligible, and caps on incentives where appropriate.

2. Demand Response:

Regarding those customers who receive or purchase smart thermostats through Section 8-103 and 16-111.5B programs, ComEd commits to inform these customers through collateral material handed to the customer at time of installation or through future mailings tied to rebate applications that they are eligible to participate in the ComEd Smart Ideas air conditioning cycling program through their Nest smart thermostat. ComEd also commits to explore the feasibility of the development of similar demand response platforms currently enabled by Nest with other smart thermostat manufacturers whose products are incented through the Section 8-103 and 16-111.5B programs with the goal of enabling as many different products as possible to participate.

3. Advanced Program Approaches: ComEd commits to the following:

- a. **Upstream:** ComEd commits to exploring the potential to jointly implement with other utilities in the State and DCEO an upstream incentive initiative for Energy Star commercial kitchen products.
- b. **LEDs:** ComEd agrees that there should be no reference to CFLs as a lighting measure in the EEP 4.0, as only LEDs are to be offered, both in ComEd-implemented programs and through jointly-delivered programs, beginning in PY10.
- c. **Elimination of Linear Fluorescents:** ComEd agrees to transition to complete elimination of all linear fluorescent measures (lamps and fixtures) and instead promote the utilization in programs of LED products, retrofit kits and fixtures. ComEd also commits to completing a study by the end of PY10 to assess the availability of linear LEDs, as well as a comparison of their cost per kWh saved, relative to linear fluorescents. The result of such study shall inform decisions, to be made in consultation with the SAG, regarding when a transition to 100% LEDs would be appropriate. This study should also assess the experience of other jurisdictions that have transitioned away from linear fluorescents in their programs. Transition to LEDs by PY11 will be considered if the results of the PY10 study suggest it is appropriate.
- d. **Residential Heat Pumps:** ComEd agrees to promote new Residential heat pump-based measures (to the extent not being done through the IPA portfolio), including
- i. Dryers
 - ii. Water Heaters
 - iii. Ductless mini-splits to displace electric baseboard
- e. **Smart Thermostats:** ComEd commits to establishing a goal of rebating 225,000 smart thermostats over the 3-year Plan period. While the filed EEP 4.0 budget will reflect and be based on lower participation levels than this goal because this is a new technology and there is uncertainty regarding the ability to ramp up to those participation numbers, ComEd pledges to aggressively pursue the higher participation number of 225,000. If the higher goal proves to be achievable, ComEd further commits to meet demand at those levels through either or both of the following: (1) mid-plan reallocations of budgetary resources (excluding its low income single-family and multi-family program budgets), and (2) a reduction in smart thermostat incentive levels. ComEd further agrees to work with other utilities and stakeholders toward development of a single rebate application or instant discount for implementation by June 1, 2017, as well as adjustment of rebate levels during the plan as needed to ensure that incentive levels reflect the

efficient use of program dollars and needed customer inducements. ComEd further commits to discussing with stakeholders the possibility of ComEd bidding a smart thermostat program into the Section 16-111.5B portfolio for PY 11 and 12.

IV. Other Commitments

A. Revisit the EM&V Framework:

The Parties agree to engage in discussions at SAG, or within a subcommittee of SAG, regarding the current EM&V framework. The Parties understand that this will be a “big picture” discussion and will include reviewing how evaluation contractors are hired/selected, how frequently they are or should be changed, opportunities for more integration of EM&V work across utility service territories, the levels of emphasis on different kinds of evaluation (process vs. impact, NTG vs. other, peak vs. energy, value of NEBs, etc.), opportunities for better leveraging AMI data, etc.

B. Data Analytics:

ComEd commits to explore, during the Plan period (PY10-12), the value of using data analytics tools in the implementation of EEPs, including engaging SAG stakeholders and Staff on the design and assessment/ of the initiative, to enhance and enable quicker evaluation of programs than traditional evaluation tools. Such discussion shall include an examination of using “real-time” AMI billing data from participants to allow informed adjustments to program design and/or improved program management.

C. Cost-effectiveness Screening:

ComEd agrees to work with the other Parties to use EM&V funds to conduct Illinois-specific Non-Energy Benefit (“NEB”) studies for at least two programs per Plan Year during PY10-12. ComEd commits to adopting those NEB adjustments to its cost-effectiveness screening, if any, that are identified in the independent evaluator’s analyses or studies.

D. On-Bill Financing:

The Parties commit to discussing how to leverage additional customer contributions (excluding low-income customers) through On-Bill (“OBF”) financing. This discussion shall include utilization of alternatives to FICO scores for determining eligibility for OBF in order to increase participation without adding significant risk of uncollectibles to the utility and disconnection of customers, including bill payment history.

E. Low Income Working Group:

The Parties agree to participate in a Low Income Working Group created to coordinate Low and Moderate Income program offerings across the Illinois Program Administrators, including the Department. ComEd agrees, as a member of this group, to make good faith efforts toward ensuring the following:

1. Consistent incentives/rebates (with adjusted incentives for moderate income programs) and time periods for incentive offerings (e.g., no stopping and starting of rebates);
2. A coordinated marketing strategy for single family and multi-family Low and Moderate Income programs where appropriate; and
3. Sharing of information with the Department and its vendors as to whether multi-family buildings touched by utility income-qualified programs included direct installation measures only or deep retrofits in geographic areas where vendors of both ComEd and the Department are operating.

F. Coordination with Department:

Subject to applicable legal and business constraints, ComEd agrees to continue to work collaboratively regarding the Department's delivery of energy efficiency offerings within ComEd's service territory. ComEd commits to engage in discussions with the Department and the Attorney General's office to explore the possibility of establishing a contractual relationship with the Department to permit access to customer energy usage for the Department's planning and implementation of Low Income and public sector programs, similar to the controlled and secured access provided to ComEd's energy efficiency program vendors. ComEd also understands that the Department is requesting in its Plan that the Commission approve the utilities' release of customer usage data, as requested by DCEO and consistent with ComEd existing vendor contract practices, for purposes of serving low income and public sector customers. In addition, ComEd commits to provide to the Department municipal franchise/contract information along with the identification of customers who have a municipal franchise contract with the Department.

G. Commission Approval:

The Parties agree to work in good faith to facilitate and support Commission approval of the Company's EEP 4.0 on a timeline that is consistent with the statutory deadline set forth in Section 8-103(f) of the Act. That commitment includes, at a minimum, each Party's agreement to (i) refrain from serving data requests on ComEd, (ii) file a single piece of direct testimony on behalf of the Party in support of the Plan, and (iii) support the Plan through the filing of rebuttal testimony and/or legal briefs. The Parties further commit to not challenge or attack ComEd's Plan 4 in other dockets.

V. Applicable Law

The commitments reflected in this Stipulation are subject to applicable State and federal law, including but not limited to statutes, rules, regulations, and orders of State and federal courts and the Commission. To the extent that subsequent amendments or other changes to applicable law conflict with any provision or commitment contained in this Stipulation, the affected Party or Parties shall not be bound by the provision or commitment that conflicts with the law.

VI. Terms and Conditions

The Parties further agree that the Stipulation will be governed by the terms and conditions set forth in Exhibit A to this Stipulation, which terms and conditions are incorporated by reference as though fully set forth herein.

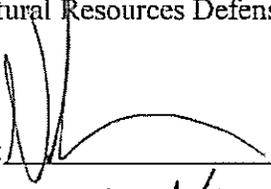
IN WITNESS WHEREOF, the Parties hereto have executed this Settlement Stipulation as of the date last set forth below.

<p>Illinois Attorney General's Office</p> <p>By: <u>Karen L. Lussion</u> Name: <u>Karen L. Lussion</u> Title: <u>Asst. Bureau Chief, Public Utilities Bureau, Ill. Attorney General's Office</u> Date: <u>10/4/16</u></p>	<p>The Citizens Utility Board</p> <p>By: _____ Name: _____ Title: _____ Date: _____</p>
<p>Natural Resources Defense Council</p> <p>By: _____ Name: _____ Title: _____ Date: _____</p>	<p>Environmental Law & Policy Center</p> <p>By: _____ Name: _____ Title: _____ Date: _____</p>
	<p>Commonwealth Edison Company</p> <p>By: _____ Name: _____ Title: _____ Date: _____</p>

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<p>Illinois Attorney General's Office</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>	<p>The Citizens Utility Board</p> <p>By: <u>Kristin Munsch</u></p> <p>Name: <u>Kristin Munsch</u></p> <p>Title: <u>Deputy Director</u></p> <p>Date: <u>10/4/16</u></p>
<p>Natural Resources Defense Council</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>	<p>Environmental Law & Policy Center</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>
	<p>Commonwealth Edison Company</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>

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<p>Natural Resources Defense Council</p> <p>By:  _____</p> <p>Name: <u>NICK MAGRISSO</u></p> <p>Title: <u>MIDWEST STATES LEGISLATIVE DIRECTOR</u></p> <p>Date: <u>10/5/16</u></p>	<p>Environmental Law & Policy Center</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>
	<p>Commonwealth Edison Company</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>

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<p>Illinois Attorney General's Office</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>	<p>The Citizens Utility Board</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>
<p>Natural Resources Defense Council</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>	<p>Environmental Law & Policy Center</p> <p>By: <u>Robert Keltz</u></p> <p>Name: <u>ROBERT KELTZ</u></p> <p>Title: <u>SENIOR ATTORNEY</u></p> <p>Date: <u>10/21/16</u></p>
	<p>Commonwealth Edison Company</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>

IN WITNESS WHEREOF, the Parties hereto have executed this Settlement Stipulation as of the date last set forth below.

<p>Illinois Attorney General's Office</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>	<p>The Citizens Utility Board</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>
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	<p>Commonwealth Edison Company</p> <p>By: <u>Michael S. Brandt</u></p> <p>Name: <u>Michael S. Brandt</u></p> <p>Title: <u>Manager, EE Planning & Mgmt.</u></p> <p>Date: <u>10/20/16</u></p>

EXHIBIT A

The Parties agree that the Commonwealth Edison Company 2017-2020 Energy Efficiency Plan Settlement Stipulation (“Stipulation”) will be governed by the following terms and conditions set forth in paragraphs A through N:

- A. The Parties shall not challenge, oppose or raise claims inconsistent with this Stipulation in the proceeding pending before the Illinois Commerce Commission (“ICC” or “Commission”) in ICC Docket No. 16-0420 to approve Commonwealth Edison Company’s 2017-2020 Energy Efficiency Plan (“Plan”) pursuant to subsection (f) of Section 8-103 of the Public Utilities Act (“PUA”) or in any collateral attack thereof or any appeal therefrom before any court, regulatory agency or other forum.
- B. Except as otherwise provided in the Stipulation, the Parties reserve (i) all rights to take any position concerning any issue addressed in this Stipulation in any proceeding other than the proceeding before the ICC in ICC Docket No. 16-0420 to review and approve the Plan pursuant to subsection (f) of Section 8-103 of the PUA and any appeal therefrom, and (ii) the right to seek appeal of the ultimate decision rendered in such proceeding, provided such appeal does not violate the terms of this Stipulation. The Parties further agree that nothing herein is intended to limit the rights of any Party from advocating any position regarding the implementation details of the items contained in this Stipulation to the extent such details are not addressed herein and do not otherwise violate the terms of this Stipulation. In addition, the Parties agree that each Party may advocate or otherwise advance any other position in the proceeding before the ICC to review and approve the Plan or in any other proceeding that is not specifically delineated in the numbered paragraphs of the Stipulation. This Stipulation shall not apply to positions that Parties may take with respect to any utility other than ComEd.
- C. In the event that, subsequent to the execution of this Stipulation, any material provision of this Stipulation is found invalid or unenforceable or is overturned or modified or deleted by a court or the ICC or another tribunal, then this Stipulation (other than paragraphs (G) and (H) below), shall become void on a going-forward basis fifteen days after the order or decision is entered, unless amended by all the Parties in accordance with paragraph (E) below to address such provision or to confirm the continued effectiveness of the remaining provisions of the Stipulation.
- D. The Parties agree that the Stipulation, in its totality, is the result of compromise.
- E. No amendment or waiver of any provision of this Stipulation, nor consent to any departure therefrom, shall be effective unless the same shall be in writing and signed by all of the Parties. Any such waiver shall be effective only in the specific instance and for the specific purpose for which given.

- F. This Stipulation shall be governed by and interpreted in accordance with the laws of the State of Illinois. Any disputes among the Parties regarding the enforcement of this Stipulation shall be resolved through the commencement of appropriate action before the Illinois Commerce Commission, and Illinois courts as provided under Article X of the Public Utilities Act.
- G. This Stipulation is entered to narrow certain issues among the Parties so as to avoid the time, expense and uncertainty of litigation with respect to those issues. This Stipulation shall not constitute, and shall not be construed or interpreted to constitute, an admission of any kind by any Party with respect to any legal or factual issue in any proceedings, appeals or issues being addressed under this Stipulation or with respect to any other proceeding or dispute. This Stipulation shall not be offered or entered into evidence by any Party in any proceeding before the ICC or any other administrative agency or in any court, except in connection with proceedings related to the performance, implementation or enforcement of this Stipulation and the associated Plan. The matters memorialized in this Stipulation shall be construed as an indivisible whole. This paragraph (G) shall become effective upon the execution of this Stipulation by all of the Parties and shall remain effective notwithstanding any failure of the remaining provisions of this Stipulation to become effective.
- H. With the exception of a proceeding initiated to review and approve the Plan pursuant to subsection (f) of Section 8-103 of the PUA and any appeal therefrom, this Stipulation shall not have any precedential value in any other proceedings before the ICC, courts, other administrative bodies or any legislative bodies. This paragraph (H) shall become effective upon the execution of this Stipulation by all of the Parties and shall remain effective notwithstanding any failure of the remaining provisions of this Stipulation to become effective.
- I. If any future law or regulation is enacted that any Party believes, in good faith, has a material impact on its rights and obligations arising under this Stipulation, the Parties shall meet to discuss what action, if any, should be taken.
- J. This Stipulation may be executed in any number of identical counterparts, each of which when executed and delivered shall be original, but all such counterparts shall constitute but one and the same instrument. The Parties agree that facsimile signatures (including by fax and e-mail) shall be as sufficient as original signatures to demonstrate execution of this Stipulation by one or more parties hereto.
- K. Each of the signatories to this Stipulation represents and warrants that he or she has the right and authority to enter into this Stipulation and to bind the Party on whose behalf he or she has signed.
- L. This Stipulation contains the entire and complete Stipulation of the Parties as to the matters set forth herein and supersedes any and all prior Stipulations with respect to those matters.

M. This Stipulation shall inure to the benefit of and be binding upon the Parties and their respective successors and assigns.

~~N. Nothing in this Stipulation, either expressed or implied, is intended or shall be interpreted to give or confer any rights or remedies upon or to any person or entity other than the Parties.~~