

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Illinois Commerce Commission	:	
On Its Own Motion	:	
-vs-	:	
Ameren Illinois Company d/b/a Ameren	:	
Illinois, Commonwealth Edison Company,	:	
The Peoples Gas Light and Coke Company,	:	17-0106
North Shore Gas Company, and Northern	:	
Illinois Gas Company d/b/a Nicor Gas	:	
Company	:	
	:	
Approval of the Illinois Statewide Technical	:	
Reference Manual for Energy Efficiency.	:	

**ORDER**

By the Commission:

**I. BACKGROUND**

On March 1, 2017, the Illinois Commerce Commission ("Commission") issued an Order to initiate a proceeding to consider approval of the sixth annual update to the Illinois Statewide Technical Reference Manual for Energy Efficiency ("IL-TRM") based on the recommendation in the Commission's Policy Division Staff Report dated February 16, 2017. Pursuant to that Initiating Order, Ameren Illinois Company d/b/a Ameren Illinois, Commonwealth Edison Company, The Peoples Gas Light and Coke Company and North Shore Gas Company, and Northern Illinois Gas Company d/b/a Nicor Gas Company (collectively, the "Utilities") were made respondents to this proceeding.

The purpose of the IL-TRM is to provide a transparent and consistent basis for calculating energy (electric kilowatt-hours or natural gas therms) and capacity (electric kilowatts) savings generated by the State of Illinois' Utility administered energy efficiency programs. The IL-TRM is applicable to energy efficiency programs under Sections 8-103, 8-103B and 8-104 of the Illinois Public Utilities Act (the "Act"), 220 ILCS 5/1-101 *et seq.*

Pursuant to the TRM Policy Document approved in Docket No. 13-0077, the IL-TRM shall be updated annually to keep pace with the dynamic technology and markets in order to maintain reliable savings estimates and avoid obsolescence. The Commission approved five versions of the IL-TRM prior to initiating this proceeding: Docket Nos. 12-0528, 13-0437, 14-0189, 15-0187 and 16-0171.

Pursuant to Commission order, the Utilities, Staff, and interested stakeholders participated in the update process for the sixth IL-TRM. The updated IL-TRM under review in this proceeding is embodied in the Illinois Statewide Technical Reference Manual for Energy Efficiency Version 6.0, Volumes 1 through 4, dated February 8, 2017 ("IL-TRM Version 6.0"), with an effective date of January 1, 2018. The IL-TRM Version 6.0 and the accompanying Staff Report were filed on e-Docket on March 1, 2017, and were entered into the record by the Commission's March 1, 2017 Initiating Order. Initiating Order at 5.

In accordance with the schedule set forth in the Initiating Order, Staff filed the Verified Comments of Jennifer H. Morris on March 21, 2017. Respondents and Intervenor were given leave to file responses to Staff's Verified Comments by April 12, 2017. No party filed a response. A hearing was held by the Administrative Law Judge on April 25, 2017, at the Commission's offices in Chicago. At the hearing, Staff's Verified Comments were admitted into evidence and the record was closed. Staff filed an agreed Draft Proposed Order on May 17, 2017.

## **II. STATUTORY AUTHORITY**

Section 8-103B of the Act requires electric utilities to use cost-effective energy efficiency and demand-response measures to reduce delivery load. 220 ILCS 5/8-103B. Section 8-103B also allows for the recovery of costs for reasonably and prudently incurred expenditures for implementing these energy efficiency measures. 220 ILCS 5/8-103B(d). The Commission has the authority to review and approve each utility's filing and implementation of an energy efficiency and demand-response plan. 220 ILCS 5/8-103B(f); 220 ILCS 5/8-103B(g).

Section 8-104 of the Act requires natural gas utilities to use cost-effective energy efficiency measures to reduce direct and indirect costs to consumers. 220 ILCS 5/8-104. Section 8-104 also allows for the recovery of costs for reasonably and prudently incurred expenses for implementing these energy efficiency measures. 220 ILCS 5/8-104(e-10). The Commission has the authority to review and approve each utility's filing and implementation of an energy efficiency plan. 220 ILCS 5/8-104(f).

## **III. STAFF'S POSITION**

Ms. Morris states that the IL-TRM Version 6.0 attached to the Staff Report filed in this docket resulted from the Stakeholder Advisory Group ("SAG") collaboration process. Staff Verified Comments at 2. The Staff Report explains that the TRM Administrator developed the IL-TRM Version 6.0 with substantial input from interested SAG participants. Staff Report at 1. The collaborative update process for the development of the IL-TRM Version 6.0 involved multiple structured opportunities for stakeholder review and comment, in addition to over 30 meetings with interested stakeholders to discuss details regarding the various IL-TRM updates. Staff Report at 3-4. Staff understands that the IL-TRM Version 6.0 reflects consensus agreements reached between and among all non-financially interested SAG participants and stakeholders through discussions at the SAG meetings, TRM Technical Advisory Committee meetings, and the Illinois Net-to-

Gross (“NTG”) Working Group meetings that comprised this year's IL-TRM Update Process. *Id.* at 4.

The IL-TRM is divided into separate volumes as follows: Volume 1: Overview and User Guide; Volume 2: Commercial and Industrial Measures; Volume 3: Residential Measures; and Volume 4: Cross-Cutting Measures and Attachments. This update to the IL-TRM encompasses 86 energy efficiency measure-level changes, including the addition of 13 new measures to the manual, along with revisions to the Illinois Statewide Net-to-Gross Methodologies (“IL-NTG Methods”). Staff Report at 4. A high-level summary of all revisions can be found in Volume 1 of the IL-TRM Version 6.0. Staff Report at 4. Staff recommends that the Commission approve and adopt the updates contained in the IL-TRM Version 6.0. Staff Verified Comments at 2.

#### **IV. COMMISSION ANALYSIS AND CONCLUSION**

The IL-TRM Version 6.0 provides a transparent and consistent basis for calculating energy and capacity savings generated by the State of Illinois' energy efficiency programs. The Commission appreciates the efforts of the participants in collaborating to produce the update to this comprehensive aid. The Commission has broad legal authority under Sections 8-103B and 8-104 of the Act to determine whether the IL-TRM Version 6.0 filed in this docket is in compliance with Commission orders. The Commission agrees with Staff that the IL-TRM Version 6.0 filed in this docket is a consensus document among non-financially interested parties, developed consistent with the past Commission orders and the previously adopted TRM Policy Document. The Commission hereby approves and adopts the IL-TRM Version 6.0, Volumes 1 through 4, dated February 8, 2017. Pursuant to its own terms, the IL-TRM Version 6.0 is effective beginning January 1, 2018. Furthermore, all NTG data collection and analysis activities for the energy efficiency program types covered by the IL-NTG Methods component of the IL-TRM Version 6.0 that start after the effective date, January 1, 2018, shall conform to the NTG methodologies and procedures set forth therein.

#### **V. FINDINGS AND ORDERING PARAGRAPHS**

The Commission, being fully advised in the premises, is of the opinion and finds that:

- (1) the Commission has jurisdiction over the subject matter and the parties in this proceeding;
- (2) the recitals of fact set forth in the prefatory portion of this Order are supported by the record and are hereby adopted as findings of fact; and
- (3) the Illinois Statewide Technical Reference Manual for Energy Efficiency Version 6.0, Volumes 1 through 4, dated February 8, 2017, is approved and adopted, and shall be effective beginning January 1, 2018.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that the Illinois Statewide Technical Reference Manual for Energy Efficiency Version 6.0, Volumes 1 through 4, dated February 8, 2017, as filed in this docket, is approved and adopted, and shall be effective beginning January 1, 2018.

IT IS FURTHER ORDERED that all motions, petitions, objections and other matters in this proceeding that remain unresolved are hereby disposed of in a manner consistent with the conclusions herein.

IT IS FURTHER ORDERED that, subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Illinois Administrative Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By Order of the Commission this 28<sup>th</sup> day of June, 2017.

(SIGNED) BRIEN SHEAHAN

Chairman