

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,	:	18-1605
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 October 10, 2018, the Illinois Commerce Commission ("Commission") issued an Initiating Order to initiate a proceeding to consider approval of the 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 September 28, 2018. Pursuant to the Initiating Order, Ameren Illinois Company d/b/a Ameren Illinois ("Ameren"), Commonwealth Edison Company ("ComEd"), The Peoples Gas Light and Coke Company ("Peoples Gas"), North Shore Gas Company ("North Shore"), and Northern Illinois Gas Company d/b/a Nicor Gas Company ("Nicor Gas") (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 those energy efficiency programs governed by Sections 8-103, 8-103B and 8-104 of the Public Utilities Act (the "Act"), 220 ILCS 5/1-101 *et seq.*

Pursuant to the TRM Policy Document approved in Docket No. 17-0270, 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 six versions of the IL-TRM prior to initiating this proceeding. See Docket Nos. 12-0528, 13-0437, 14-0189, 15-0187, 16-0171, 17-0106.

Pursuant to the Commission's direction, the Utilities, Staff of the Commission ("Staff"), and interested stakeholders participated in the update process for the seventh IL-TRM. The updated IL-TRM under review in this proceeding is embodied in the 2019 Illinois Statewide Technical Reference Manual for Energy Efficiency Version 7.0, Volumes 1 through 4, dated September 28, 2018 ("2019 IL-TRM Version 7.0"), with an effective date of January 1, 2019. The 2019 IL-TRM Version 7.0 and the accompanying Staff Report were filed on e-Docket on October 10, 2018, and were entered into the record by the Commission's October 10, 2018 Initiating Order. Initiating Order at 5.

The Utilities subsequently filed appearances in response to the Initiating Order. In accordance with the schedule set forth in the Initiating Order, Staff filed the Verified Comments of Jennifer H. Morris on October 18, 2018. Respondents and Intervenors were given leave to file Responses to Staff's Verified Comments by November 1, 2018. No party filed a response. A hearing was held by the Administrative Law Judge on November 15, 2018 at the Commission's offices in Chicago. In addition to Staff, Nicor Gas and ComEd were present and participated in the hearing. At the hearing, Staff's Verified Comments were admitted into evidence.

## **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 2019 IL-TRM Version 7.0 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 2019 IL-TRM Version 7.0 with substantial input from interested SAG participants. Staff Report at 1. The collaborative update process for the development of the 2019 IL-TRM Version 7.0 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. Staff understands that the 2019 IL-TRM Version 7.0 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. Staff Report 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 143 energy efficiency measure-level changes, including the addition of 17 new measures to the manual, along with revisions to the Illinois Statewide Net-to-Gross Methodologies (“IL-NTG Methods”). Staff Report at 3. A high-level summary of all revisions can be found in Volume 1 of the 2019 IL-TRM Version 7.0. Staff Report at 4. Staff recommends that the Commission approve and adopt the updates contained in the 2019 IL-TRM Version 7.0. Staff Verified Comments at 2.

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

The 2019 IL-TRM Version 7.0 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 2019 IL-TRM Version 7.0 filed in this docket is in compliance with Commission orders. The Commission agrees with Staff that the 2019 IL-TRM Version 7.0 filed in this docket is a consensus document among non-financially interested parties, developed consistent with the Commission orders and the previously adopted TRM Policy Document. The Commission hereby approves and adopts the 2019 IL-TRM Version 7.0, Volumes 1 through 4, dated September 28, 2018. Pursuant to its own terms, the 2019 IL-TRM Version 7.0 is effective beginning January 1, 2019. Furthermore, all NTG data collection and analysis activities for the energy efficiency program types covered by the IL-NTG Methods component of the 2019 IL-TRM Version 7.0 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 2019 Illinois Statewide Technical Reference Manual for Energy Efficiency Version 7.0, Volumes 1 through 4, dated September 28, 2018, is approved and adopted, and shall be effective beginning January 1, 2019.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that the 2019 Illinois Statewide Technical Reference Manual for Energy Efficiency Version 7.0, Volumes 1 through 4, dated September 28, 2018, as filed in this docket, is approved and adopted, and shall be effective beginning January 1, 2019.

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(a) of the Public Utilities Act and 83 Ill. Adm. Code 200.880, any application for rehearing shall be filed within 30 days after service of the Order on the party.

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

By Order of the Commission this 19<sup>th</sup> day of December, 2018.

(SIGNED) BRIEN SHEAHAN

Chairman