

Introduction to Illinois Energy Efficiency Stakeholder Advisory Group (SAG)

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Presentation Agenda

- Illinois Energy Efficiency Plans
- Introduction to SAG
- SAG Groups
- Illinois Energy Efficiency Policy Manual
- Coordination with IQ Committees
- Q&A
- Appendix: Upcoming SAG Meetings

Illinois Energy Efficiency Plans

What drives energy efficiency in Illinois?

The **Energy Efficiency Portfolio Standard (EEPS)** was passed in 2007 by the Illinois General Assembly, requiring the electric utilities Ameren Illinois and ComEd to offer energy efficiency programs

- EE programs are funded by ratepayers (monthly bill charges)
 - Electric programs began in June 2008
 - Gas EEPS came later – gas programs began in June 2011, for Ameren Illinois (Gas), Nicor Gas, Peoples Gas & North Shore Gas
 - EE law recently changed with the passage of the **Clean and Reliable Grid Affordability (CRGA) Act** – effective June 1, 2026
- ❖ For a summary of legislative changes to EE, see [SAG Facilitator Presentation: Overview of Legislative Changes with Impacts to Illinois EE Portfolios](#) (November 2025)

Illinois EE Plan Requirements

EE Plans **require approval by the Illinois Commerce Commission (ICC)**

EE Plans are developed on a **4-year cycle**

- Due to the recent CRGA Act, utilities re-filed 3 years of their recently approved EE Plans (2027-2029) – pending approval by the ICC
- Several utilities are still finalizing who will implement programs for 2027-2029
- The next EE Plan filing deadline is March 1, 2029, for 2030-2034 EE Portfolios
- Each utility presents a draft EE Plan to SAG stakeholders for feedback, through a year-long SAG Portfolio Planning Process

Examples of Other Requirements

- Gas and electric EE Plan budgets and savings goals are set by statute; if needed, a utility can request modified goals
- EE Plans are required to be cost effective at the portfolio level, using the Total Resource Cost Test (TRC Test)
- Low income minimum spend is 25% of the EE budget for electric; between 15% and 25% for gas
- Utilities offer public sector, research & development, and market transformation EE programs
- There are several electrification program requirements, and requirement related to health & safety spending
- Electric utilities may earn a performance incentive for meeting and exceeding savings goal(s); the CRGA Act added the option for Nicor Gas, Peoples Gas & North Shore Gas to request a performance incentive mechanism

Illinois EE Evaluation

Illinois EE programs are subject to **independent evaluation**

EE **programs are reviewed by independent evaluators**; consulting companies under contract with each of the utilities

3% of each utility's budget may be dedicated to evaluation

Evaluation plans and evaluation reports are prepared **on an annual basis** – drafts are made available for review by interested stakeholders through the SAG

Evaluators also complete **additional research/studies**, as time and resources allow

Illinois EE Research & Development

Example – ComEd Customer Innovation Program

- <https://innovate.comed.com/>
- *We welcome research and pilot projects focused on market-ready or near-market-ready technologies and innovative delivery methods that address current barriers to customer adoption. The concept should align with our mission priorities and demonstrate the potential for significant energy savings, as well as the capacity to reduce or shift energy consumption. Additionally, we are interested in projects that aim to eliminate barriers to the deployment of key technologies and promote efficient behaviors.*
- *Projects can take a variety of forms such as primary research, savings measurement, load-shifting capacity measurement, technology installation or delivery, or customer engagement strategies.*
- *Who is eligible?*
 - ❖ *If you have an energy efficiency, building electrification, demand flexibility or related customer engagement idea, we'd like to hear from you. Participants range from entrepreneurs, manufacturers, designers and builders, research labs, small outreach groups, universities, community-based organizations and demand-side management program administrators. If your idea is approved, the ComEd Customer Innovation team will help you implement and evaluate your project.*

Visit <https://innovate.comed.com/resources/> for additional information on focus areas for the ComEd Customer Innovation Program

Introduction to SAG

Introduction to SAG

Created in 2008 by direction of the ICC

- Provides an opportunity to **educate the Illinois stakeholder community** on a variety of topics related to energy efficiency
- Acts in an **advisory capacity** to understand and resolve policy and technical energy efficiency issues that arise, as needed
- **Participation is open to all interested parties**, unless a topic presents a financial conflict of interest
- **Website:** www.ILSAG.info

Why is SAG successful?

- Builds trust
- Educates stakeholder community on policy and technical EE issues
- Provides a forum for narrowing differences and engaging in respectful discussion
- Less expensive + more inclusive compared to litigation
- Opportunity to offer constructive approaches and solutions
- Many smart, thoughtful people contribute on a regular basis

SAG Website

- Visit www.ILSAG.info
- SAG website includes:
 - SAG planning materials (annual SAG plans; [SAG Process Guidance](#))
 - Agendas, meeting materials and notes for 17 years of SAG meetings
 - Individual Subcommittee and Working Group pages
 - Evaluation materials – EE program evaluation reports, research results, evaluation plans (draft and final)
 - Utility reports on EE portfolio progress (quarterly and annual reports)
 - Other resources

SAG Participation

The **majority of SAG meetings are open to all interested parties**, unless a topic may present a financial conflict of interest

- 450+ on Large Group SAG distribution list (typically 100 meeting participants)
- 100+ on each Subcommittee and Working Group distribution list (typically 50 meeting participants)

Example Participants:

- Utilities (Ameren Illinois, ComEd, Nicor Gas, Peoples Gas & North Shore Gas)
- Independent evaluators (Guidehouse, E Source, other smaller evaluation firms)
- Implementers (CLEAResult, DNV, Slipstream, Resource Innovations, etc.)
- Stakeholders (City of Chicago, ICC Staff, National Consumer Law Center, Office of the Illinois Attorney General, etc.)
- Other (community organizations, trade organizations, manufacturers, vendors, etc.)

Stakeholder Participation

How do stakeholders participate in SAG?

- Attend meetings where utilities share EE updates, with an opportunity for Q&A
- Attend meetings where evaluators present key evaluation research results, with an opportunity for Q&A
- Suggest topics or share feedback on the annual SAG Plan
- Share feedback on annual draft evaluation plans, prepared by each utility evaluator
- Share feedback on policy and technical issues (as needed)

IL EE Policy Manual update process (in 2027):

- Propose policy ideas
- Share feedback on policy proposals

SAG Portfolio Planning Process (in 2028, before the March 1, 2029 statutory filing deadline for EE Plans):

- Propose energy efficiency ideas for a utility to consider when developing a 4-year EE Plan
- Share feedback on draft EE Plans
- Non-financially interested stakeholders participate in individual utility negotiations to reach agreement on EE Plans prior to filing with the ICC

SAG Groups

SAG Groups

- **Large Group SAG**

- Covers broad EE topics of interest to the larger group
 - Quarterly meetings
 - In addition to quarterly meetings: Net-to-Gross update process in September + annual EM&V plan process in December

- **SAG Subcommittees**

- Established for necessary issue-specific topics; generally longer term; separate distribution list for each
 - Equity Subcommittee (*est. in 2022*)
 - Policy Manual Subcommittee (*est. in 2014; meets only when the Policy Manual is formally updated*)

- **SAG Working Groups**

- Established to discuss short-term issues that need resolution; separate distribution list for each
 - Market Transformation Savings Working Group (*est. in 2019*)
 - Non-Energy Impacts Working Group (*est. in 2018*)
 - Reporting Working Group (*est. in 2021; meets only as needed*)

SAG Groups (cont.)

- **SAG Steering Committee**

- Holds 1-2 meetings per year – a meeting to review the draft SAG Plan and a mid-year check-in, if needed
- Members include utility representatives, non-financially interested stakeholders, and interested community-based organizations

SAG Equity Subcommittee

Purpose: To discuss topics related to equity in EE portfolios

- Creation of the Equity Subcommittee is referenced in several of the 2022-2025 utility EE Plan Stipulated Agreements
- Coordinate with Low Income Energy Efficiency Accountability Committee (LIEEAC) – IQ North Committee and /or IQ South Committee, on topics of interest to CBOs and CAAs
- Majority of meetings focus on Market Development Initiative updates, coordination with the IQ Committee(s)
- Typically meets quarterly
 - ❖ There are two meeting planned in 2026 (September and October)

Website: <https://www.ilsag.info/meetings/subcommittees/equity-subcommittee/>

Illinois Energy Efficiency Policies

Policy Manual Background

- Creating an Illinois energy efficiency “policy manual” was a directive from the ICC to SAG in 2014
 - Illinois Attorney General’s Office requested a Policy Manual be created in the ICC dockets to approve the 2014-2017 utility EE Plans
 - The first Policy Manual was developed through SAG through a 1+ year Subcommittee process, and approved by the ICC in December 2015
 - The Policy Manual “**provides guiding principles for procurement, oversight, evaluation and operation of the electric and gas Energy Efficiency Programs** authorized under Sections 8-103B and 8-104 of the Illinois Public Utilities Act. The principles and policies articulated in the Policy Manual were derived from Commission orders, policies and procedures developed by the SAG, as well as best practices from state Energy Efficiency Programs delivered throughout the nation.” *See Policy Manual Section 2.1, Background*

Illinois Energy Efficiency Policy Manual Version 3.1 (effective January 1, 2026)

Policy Manual Examples

Evaluation

- Defines responsibilities for independent evaluators
- Independence protocols for evaluators
- Process for annually submitting draft EM&V work plans; process for providing draft EM&V reports

SAG

- Describes role of SAG Facilitator
- Independence protocols for SAG Facilitator
- Options for consensus decision-making at SAG
- Describes recurring SAG activities

Utility EE Plans

- EE Portfolio objectives
- Budget allocations
- Flexibility and budgetary shift rules
- Defines cost categories, to standardize reporting among utilities and for transparency and consistency (examples: marketing costs, evaluation costs)
- Prohibited expenses for EE

Reporting

- Types of reports available for Illinois EE portfolios
- List of info required for utility quarterly reports
- List of info required for utility annual reports

Income Qualified Policy Examples

Section 1: Glossary

- See definition of “Low Income Customer”

Section 3: Illinois Energy Efficiency Stakeholder Advisory Group

- See Section 3.6, Low Income Energy Efficiency Accountability Committee Facilitator Independence
- See Section 3.11, Income Qualified Topics

Section 4: Program and Portfolio Planning

- See Section 4.1, Program and Portfolio Planning Goals
- See Section 4.2, Program and Portfolio Planning Budget Allocation
- See Section 4.3, Income Eligibility Verification Guidelines for Low Income Customers
- Section 4.4, Single Family Income Qualified Eligibility Verification Guidelines
- Section 4.5, One Stop Shop Program Design Definition for Income Qualified Multifamily Retrofit

Section 6: Program Administration and Reporting

- See Section 6.1, Program Flexibility and Budgetary Shift Rules
- See Section 6.5, Program Administrator Quarterly Template Reports and Semi-Annual Narrative Reports
- Section 6.6, Program Administrator Annual Summary of Activities (Annual Report)
- Section 6.8, Income Qualified Multi-Family Reporting Principles
- Section 6.9, Income Qualified Health and Safety Reporting Principles Policy
- Section 6.10, Equity and Affordability Reporting Principles Policy
- Section 6.11, Diverse Contracting Reporting Principles Policy

Updating the Policy Manual

The Policy Manual is updated as needed, through the SAG Policy Manual Subcommittee

- **Timing:** Typically updated every 3-4 years, through a lengthy process where all interested participants have an opportunity to propose policies
- **Participation:** Open to all interested participants; final consensus may need occur between utilities and non-financially interested stakeholders
- See the Policy webpage for additional information: <https://www.ilsag.info/policy/>

Upcoming Policy Manual Activities

- **2026:** The Policy Manual will be updated in 2026 to correct errors due to the passage of the Clean and Reliable Grid Affordability (CRGA) Act in 2025; CRGA was effective June 1, 2026
- **2027:** A comprehensive Policy Manual update process will occur in 2027 through the SAG Policy Manual Subcommittee – including an opportunity for any interested stakeholder to propose new policies, or a change to an existing policy (if needed)

SAG Process for Addressing Policy Issues

Background

- Policy issues are typically resolved through the **SAG Policy Manual Subcommittee update process**
- Since the Policy Manual is only updated every 3-4 years, policy questions may arise that require discussion and resolution while the Policy Manual Subcommittee is inactive

SAG Process for Addressing Policy Issues (when the Policy Manual Subcommittee is inactive)

- Included in the SAG Process Guidance Document
- Referenced on the [Policy page](#) of the SAG website
- Explanation on the next slide

SAG Process for Addressing Policy Issues

1. The SAG Facilitator will review policy requests and schedule for SAG discussion as needed.
2. Background on the policy request will be presented to interested SAG participants.
3. Proposed policy resolution will be circulated to SAG for review, including a request for edits or questions, with a minimum of ten (10) Business Days provided for review.
4. If the SAG Facilitator receives substantive edits, questions or concerns regarding proposed resolution of an open policy issue, a follow-up SAG discussion will be held with interested SAG participants.
5. Final resolution will be documented on the [Policy page](#) of the SAG website.
6. The SAG Facilitator will maintain a “Policy Tracker” describing any policies to be considered in a future update to the Policy Manual or IL-TRM Policy Document.

Note: Policy resolution may require a [Stipulated Agreement](#). Whether or not a stipulated agreement is required will be determined by utilities and non-financially interested stakeholders.

Coordination with IQ Committees

Coordination with IQ Committees

In recent years, SAG and the IQ South Committee have held several joint meetings on topics that may be of interest to IQ Committee members – most of the joint meetings occur in the [SAG Equity Subcommittee](#)

- SAG is happy to hold similar joint meetings with the IQ North Committee going forward
- The SAG Facilitator will coordinate regularly with IQ Committee facilitator(s) if there is an income qualified topic at a SAG meeting that may be of interest to Committee members, recognizing that members are time constrained

Q&A

Contact Information

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Appendix: Upcoming SAG Meetings

- Attend the **SAG Equity Subcommittee virtual meeting** (September 22) where IQ South and IQ North Committee updates will be presented
- Attend the **Q3 Large Group SAG virtual meeting** (September 29) to hear updates from ComEd and Ameren Illinois on EE portfolio progress this year
- Attend the **Q4 Large Group SAG in-person meeting** (November 10) to hear updates from Nicor Gas, Peoples Gas & North Shore Gas on EE portfolio progress; evaluation research results; and an update from Illinois EPA on a federal program
- Attend the **December Large Group SAG meetings** (December 7-8) to learn about draft evaluation plans for each utility for the 2027 program year