**Illinois EE Stakeholder Advisory Group**

**Fuel Conversion Working Group**

**Policy Questions – Request for Responses (6/25/2021)**

**Instructions for Responding to Policy Questions:**

* Interested parties are requested to respond to policy questions no later than **Friday, July 9 –** send responses to Celia@CeliaJohnsonConsulting.com.
* Please provide responses **within this Word document.**
* The SAG Facilitator will organize responses to questions and circulate in advance of Meeting #6, scheduled on Thursday, July 15.

**Policy Questions for Discussion During July 15 Meeting**

* 1. Are savings constrained by the 10% limit in (b)25? Yes.
		1. Should discussion of this issue be paused due to pending energy bill? *Note: “Pausing” means keeping as a source calculation (current IL-TRM).* Yes, provided that the only changes to current TRM are updates to heat rates and other minor calculational adjustments (i.e., just technical refinements to current assumptions).
	2. Should eligibility be constrained to measures that provide customers monetary savings (either bill savings or total lifecycle cost savings)? No. First, there is no way to police such a requirement – you can do so on average, but what about customers who are not average? Second, we don’t do that for any other measure. That is partly because customers often make investment decisions for reasons other than energy savings – comfort, getting cooling for the first time, or even because they think it is environmentally the right thing to do. It is impossible to unbundle EE savings from such other features that interest customers. It may be OK to put constraints on marketing to low income customers absent an assessment that it will lower bills, but we should not go any further than that.
	3. Can the gas utilities claim kWh equivalent savings? No. There is no statutory basis for such claims. Further, it is bad public policy absent clarity on how increasing gas usage can be squared with decarbonization of buildings.
	4. Evaluation consideration: If SAG decides that gas conversion is allowed for fuel switching measures, can the same be allowed for other measures that have both fuel components? No. For the same reasons previously stated.
	5. If proposed legislation that adopts a site conversion for fuel switching in the electric EE statute is passed, should CHP also be calculated at site for consistency? *Note: Question raised by ICC Staff after 6/21 meeting.* That would be logical. At a minimum, CHP impacts should be calculated on a carbon equivalency basis as new legislation is clearly oriented around reducing GHG emissions. Note that under a carbon equivalency provision CHP that is driven by renewable fuels (e.g., biogas from waste water treatment plants), would be treated differently than fossil gas fueled CHP.