

SAG Facilitator Introduction to September 16, 2024 Small Group Meeting

Celia Johnson, SAG Facilitator

Purpose of September Meeting

For ComEd to follow-up on the income eligible electrification policy questions presented to SAG on [June 12](#), and discussed in a [July 18](#) SAG Small Group meeting.

SAG Consensus Processes

- ▶ SAG Advisory Role, from Policy Manual Section 3.3:
 - ❖ *The SAG is an advisory body, not a decision-making body. It is a forum that allows parties to express different opinions, better understand the opinions of others, and **foster collaboration and consensus**, where possible and appropriate.*
- ▶ Good Faith Consensus Discussions, from SAG Guiding Principles in the [SAG Process Guidance Document](#):
 - ▶ **Participate in consensus discussions in good faith.** *Topics addressed in SAG may involve consensus decision-making. SAG participants will participate in consensus discussions in good faith, by engaging in respectful dialogue and listening to differing opinions of various parties.*
- ▶ The Commission has recognized and supported the goal of using the SAG forum to collaborate and reach consensus on EE issues with interested participants

SAG Consensus Processes

- ▶ See ICC Docket No. 21-0158, Approval of the 2022-2025 Ameren IL EE Plan:
 - ▶ The Commission has reviewed the evidence in this proceeding and finds that the Company's 2022 Plan meets the requirements of Section 8-103B and Section 8-104 of the Act. In light of the Stipulation, the Commission notes that approval of the 2022 Plan is supported by the Stipulating Parties, as well as the parties to this docket. **The Commission acknowledges and appreciates the continued collective efforts of the parties through the SAG Portfolio Planning Process that resulted in the Stipulation.** Moreover, the Commission observes that the Plan's collaborative development among a diverse group of stakeholders over many months resulted in key stakeholders reaching consensus regarding the proposed Plan, including Staff.
- ▶ See ICC Docket No. 23-0761, adopting Policy Manual Version 3.0 and IL-TRM Policy Document Version 4.0:
 - ▶ **The Commission appreciates the efforts of the participants in collaborating to produce the updates to the EE Policies. The Commission agrees with Staff that the EE Policies filed in this docket are the subject of a consensus between and among all non financially interested stakeholders that participated in the SAG's Policy Manual Subcommittee.** The Commission has broad legal authority under Sections 8-103B and 8-104 of the Act to review and approve the EE Policies filed in this docket. Accordingly, the Commission hereby approves and adopts the EE Policies filed in this docket. Pursuant to their terms, the EE Policies will be effective beginning January 1, 2024.

Policy Manual Section 3.12, SAG Consensus Decision-Making

- ▶ **The SAG does not make use of formal voting.** If the Commission directs a specific decision or action to the SAG, consensus decision-making will be used to reach agreement. Consensus decision-making is in the nature of settlement discussions. As a matter of general agreement, positions or statements made during SAG meetings shall not be used by any party to contradict or impeach another party's position, or prove a party's position, in a Commission proceeding.
- ▶ **If, after a reasonable period of time, as determined by the SAG Facilitator, consensus is not reached, the SAG Facilitator will produce a Comparison Exhibit that identifies the issue, different opinions, and the basis for those opinions.** Where practicable, the parties supporting each position will be identified. For consensus decision-making, **SAG participants shall provide one position on a particular issue, per company or organization.** The SAG Facilitator will share information with SAG participants unable to attend a consensus decision-making meeting, including an opportunity to review and comment on the proposed agreement.
- ▶ For the purposes of the SAG, consensus may be determined through one of three ways:
 1. *In-Person or Teleconference.* Consensus may be determined if no objections are voiced in a SAG meeting to an issue. The meeting may be in-person or over the phone. Determining consensus through lack of objection at a meeting will be used sparingly as it is preferable for parties to see written proposals and have ample time to consider the proposal.
 2. *Review of Written Proposal.* Generally, consensus should be determined through review of a written proposal so parties know what they are agreeing to. **Consensus will be determined on a particular written proposal based on receiving no objections from any party on that written proposal by a date specified reasonably in advance by the SAG Facilitator**, with fifteen (15) Business Days for review and comment.
 3. *Review of Written Proposal, with Affirmative Written Consent.* For items that are filed at the Commission, written affirmative consent of a written proposal will generally be sought so that it is clear which parties are indicating consent.

SAG Process for Resolving Policy Issues

- ▶ Policy issues are typically resolved through the SAG Policy Manual Subcommittee update process, which occurs once every 3-4 years. However, policy questions may arise that require discussion and resolution while the Policy Manual Subcommittee is inactive.
 - ▶ The Policy Manual Subcommittee is currently inactive, since Policy Manual Version 3.0 and IL-TRM Policy Document Version 4.0 were approved by the Commission in December 2023.
 - ▶ 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.
 - ▶ Consensus on a policy issue may need to be limited to non-financially interested parties
- ▶ While the Policy Manual Subcommittee is inactive, open policy issues will be resolved in the following manner:
 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 this Policy page.
 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.

Steps to resolve open policy issues excerpted from [SAG Process Guidance Document](#), Section VIII

SAG Consensus Processes

- ▶ If SAG participants are not able to reach consensus on an issue, there is flexibility on how the issue is resolved. Options used over the years include:
 1. Agree to disagree - issue is withdrawn after a reasonable effort to resolve with interested SAG participants
 2. SAG Facilitator creates a Comparison Exhibit identifying non-consensus issue(s) and positions of interested parties; it is posted on the SAG website for transparency, but the issue is withdrawn
 3. SAG Facilitator creates a Comparison Exhibit identifying non-consensus issue(s) and positions of interested parties; it is filed with the Commission by the party requesting resolution of the issue

Note: If an issue is withdrawn, it may be raised at SAG again in the future.

ComEd Policy Questions

- ▶ On June 12, ComEd presented two policy questions to the Large Group SAG, with recommended resolution
 - ❖ **Policy Issue 1:**
 - For mix market programs such as Midstream, Income Eligible (IE) Energy Efficiency Electrification savings should be allocated at the zip code level to either IE households or non-IE households based on the percent of households in each zip code that are below 80% of the U.S. Department of Housing and Urban Development Area Median Income (AMI) threshold.
 - ❖ **Policy Issue 2:**
 - To claim all achieved Electrification savings within the 10% cap, 25% of the achieved electrification savings must come from income eligible households. If that threshold is not achieved each year, it is not clear what should happen to these savings.
 - For any remaining Electrification savings, ComEd recommends shifting baseline from fuel switching to electric and recategorizing these savings as traditional energy efficiency savings.

Comments and Questions Received in June 2024

- ▶ [Community Investment Corp. Questions on ComEd Policy Proposals](#)
- ▶ [Elevate Comments on ComEd Policy Proposals](#)
- ▶ [Illinois Attorney General's Office and National Consumer Law Center Comments on ComEd Policy Proposals](#)
- ▶ [NRDC Comments on ComEd Policy Proposals](#)

September 16 ComEd Update

- ▶ ComEd update on electrification baseline adjustment
- ▶ ComEd update and proposed resolution on income eligible attribution of electrification energy efficiency midstream measures
- ▶ Discussion and Q&A
- ▶ Written comments on the proposed policy resolution due by Friday, October 4

- ▶ **Next Steps:**
 - ▶ Send comments on ComEd's proposed policy resolution **by Friday, October 4** to Kim Swan (Kimberly.Swan@ComEd.com) and Elder Calderon (Elder.Calderon@ComEd.com)
 - ▶ CC Celia@CeliaJohnsonConsulting.com