

**To:** CUB, EDF, AG, NRDC  
**CC:** ComEd, Nicor Gas, Peoples Gas and North Shore Gas, Jennifer Morris, ICC  
**From:** Navigant Evaluation Team  
**Date:** February 21, 2018  
**Re:** Comments on Four-Year Evaluation Plan

## Introduction

Navigant received comments from stakeholders on the four-year evaluation plans for ComEd, Nicor Gas, Peoples Gas and North Shore Gas. Navigant took those comments into account as we revised the evaluation plans. This memo summarizes how we responded to those comments and, where relevant, addresses questions.

## Response to Comments

### Comments Regarding the 2018-2021 Draft Evaluation Plans for Ameren IL, ComEd, Nicor, and North Shore Gas/Peoples Gas

#### **Comment:**

Thank you for the opportunity to provide comments on your draft 2018-2021 evaluation plans. The following comments and questions are being submitted on behalf of the Citizens Utility Board (CUB), Environmental Defense Fund (EDF), Illinois Attorney General's Office, and the Natural Resources Defense Council (NRDC), as a part of a commitment to support the growth of energy efficiency, particularly within the state's low-income communities and multifamily housing sector.

The above organizations are either a part of or allies to the Illinois Energy Efficiency for All (EEFA) Coalition, which works to make multifamily housing in Illinois healthy and affordable through energy efficiency. The work of the coalition has drawn in stakeholders and expertise from the affordable housing, financing, utility, regulatory, health, energy, environmental justice and low-income advocacy arenas. While these comments have been influenced by these broad-sector conversations, they are only submitted on behalf of the above signatories.

The majority of the following comments apply to all the draft evaluation plans. If a comment/question applies to only one utility's plan, we make sure to specify so.

#### **Non-Energy Benefits**

- We were encouraged to see the inclusion of Non-Energy Benefits (NEBs) research in many of the utilities' evaluation plans.
- We recommend that all the utilities plan for research, data collection, and reporting on non-energy benefits, with an emphasis on NEBs in income eligible market sector but also other market sectors.
- The following details on NEBs research should be added to the plans:
  - For which programs will NEBs be studied?
  - What NEBs do you plan to study, and how will this selection be determined?
  - What is the timing of this research?
  - When will results of the research be incorporated into reporting and planning?

- We recommend the inclusion of at least the following NEBs in research: job (direct, indirect, and induced), reduced collection/arrears/shut-off costs, health improvements, and safety improvements
- What, if any, NEBs research has already been conducted?

**Response:**

- For which programs will NEBs be studied? *In CY2018, we are focusing on quantifying NEBs associated with income eligible programs. In addition, we are adding screening questions for NEBs in our participant surveys. Based on the responses, we will select two programs each year that are good candidates to quantify NEBs in CY2019-CY2021.*
- What NEBs do you plan to study, and how will this selection be determined? *For income eligible programs, we plan to study job (direct, indirect, and induced), reduced collection/arrears/shut-off costs, health improvement benefits, and safety improvement benefits. For other programs, we will conduct secondary research to determine what are the most likely NEBs associated with the individual programs.*
- What is the timing of this research? *See the first response.*
- When will results of the research be incorporated into reporting and planning? *We will release reports following each NEBs quantification study, which will be available to the utilities for their planning purposes.*
- We recommend the inclusion of at least the following NEBs in research: job (direct, indirect, and induced), reduced collection/arrears/shut-off costs, health improvements, and safety improvements. *Agreed*
- What, if any, NEBs research has already been conducted? *We have conducted secondary research on NEBSs associated with income eligible programs.*

**Coordinating Evaluation Research**

**Comment:**

Every plan should explicitly state that the evaluation team will work with the Economically Disadvantaged Advisory Group in addition to IL SAG, the utility, and ICC staff.

**Response:**

Navigant has also added additional language about coordination in the Affordable Housing New Construction, Single Family, and Multi-family income eligible programs; we do plan to coordinate wherever possible with the Economically Disadvantaged Stakeholder Advisory Committee.

**Effective Marketing and Outreach**

**Comment:**

We recommend adding clarity and additional details on how effective marketing and outreach is defined and tracked.

For example - we would also like to see the availability of translated materials be integrated into the success measurement.

**Response:**

Agreed. We will discuss this topic with ComEd and will include it in our evaluation research list. Evaluation research documents will be sent separately and will be available for stakeholder comment.

**Geography and Diversity of Participants and Trade Allies**

**Comment:**

- Track and report the geographic and demographic information of all participants at both the program and portfolio level.
  - 'Participant' is more than just household participation in residential programs and should be construed to cover participants in all programs such as retailers participating in mid-

stream programs, local governments participating in public sector programs, schools participating in education programs, etc.

- Track and report the geography and diversity of trade allies for each program. Reporting should indicate which trade allies are participating in utility energy efficiency programs for the first time.
- Break out customer satisfaction surveys by geography and demographics.
- Track and report the name of all contractors for income eligible programs, and whether they meet the definition of “not-for-profit entities and government agencies that have existing relationships with or experience serving low-income communities in the State.”
- Track and report the number/layer of contracts with the utilities for all programs.

**Response:**

Navigant has been discussing a variety of geographic analyses with ComEd and is optimistic that a number of the items you describe will be fruitful avenues for research if the data is available. Navigant has added additional language about tracking diversity of trade allies and participants in the Single Family and Multi-family income eligible program plans. As we discussed above, we are preparing topic-specific research plans on a number of areas.

Regarding **participants**: We will look into the feasibility of accessing data to track and report demographic and geographic information of all participants at the measure level as well as program and portfolio level. If the data is available for business customers, Navigant will characterize business customers by size of company, location, and other valuable descriptions helpful to ComEd and program partners. If the data is available for building owners, Navigant will characterize income eligible multifamily building owners into subsidized and unsubsidized categories.

Regarding **Trade Allies and Contractors**: If the data is available, we expect to track and report the geography and demographics of trade allies for each program. Reporting will indicate which trade allies are participating in utility energy efficiency programs for the first time. Track and report how many units and structures trade allies need to walk away from because of health and safety concerns like mold, asbestos, and other structural issues. We expect to track and report the name of all contractors for income eligible programs, and whether they meet the definition of “not-for-profit entities and government agencies that have existing relationships with or experience serving low-income communities in the State.”

**Track and report the number/layer of contracts with the utilities for all programs.** It should be noted that the data on the numbers and details of interacting and transactions with trade allies and participants is collected and managed by the utilities and needs to be available in tracking systems and other related files for Navigant to use that information.

**Income Eligible Programs**

**Comment:**

- Measure and report the change in energy burden for all income eligible programs.

**Response:**

Navigant added additional language about this in the Single Family income-eligible program plan. We will first try to quantify reduced energy burden for that program.

**Multifamily (including IE MF)**

**Comment:**

- Track and report multifamily programs separate from single family within the income eligible portfolio.
- Track and report how multifamily projects are taking advantage of non-multifamily specific programs (for example – small business).
- Track and report on subsidized vs. unsubsidized income eligible properties participating.

- Track and report on the conversion from audit to holistic/whole-home or building measures.
- More specifically - track and report on the following (project = 1 property)
  - # of projects that received an energy audit
  - # of projects that received an energy audit and opted not to proceed
  - # of projects that participated only in direct install
  - # of projects that received both direct install and prescriptive and/or custom incentives
  - Outreach Data – such as
    - # of phone program inquiries by qualified owners/managers
    - # of electronic program inquiries received
    - # of site visits completed by outreach staff
- Track and report separately on whole-building, common area, and in-unit installed measures.
- Review TRM/cost-effectiveness values for Income Eligible and market-rate MF measures for any gaps or needed calibrations.
- Surveys should include a mix of subsidized and unsubsidized building owners.

**Response:**

Tracking and reporting customer, implementation and installation related detail is best suited for the utility company. Navigant can certainly help in this effort if that is the final direction from any utility or SAG.

**Walk-Away Issues**

**Comment:**

- Track and report how many units and structures trade allies need to walk away from because of health & safety concerns like mold, asbestos, and other structural issues.

**Response:**

This data is best tracked and reported by the utilities. Navigant added additional language about tracking health and safety issues in the Single Family and Multi-family income eligible programs; we agree this is useful information to report on. We plan to include this research item in our cross-cutting research.

**Market Transformation/R&D**

**Comment:**

- Ameren Illinois electric and Nicor Gas have allocated a portion of their R&D and market transformation funds, respectively, to job training and other efforts to broaden the workforce supporting the delivery of utilities' energy efficiency programs. While we recognize that these programs will not result in energy savings, we recommend an impact and process evaluation of these investments.

**Response:**

Navigant is planning our evaluation of R&D and market transformation initiatives; they will be sent in separate evaluation research documents and available for stakeholder comment. This is a useful process research topic and will be included in our research list for topics to be considered.

**Industrial Exemption**

**Comment:**

- ComEd and Ameren Illinois electric should conduct an evaluation of the impact that the large energy user exemption has had on the cost-effectiveness of the C&I portfolio.

**Response:**

This is an area of process research that has been discussed over the past year. This detail would be best assessed by the ComEd energy efficiency team, not the EM&V team.