Illinois Commerce Commission **NEWS**

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ICC Hosts Policy Session on Innovation and Emerging Technologies for Evaluation, Measurement and Verification of Energy Efficiency Programs

CHICAGO: The Illinois Commerce Commission (ICC) recently held a policy session to discuss new methods to measure the energy savings achieved by energy efficiency programs.

Illinois law defines energy efficiency as measures that reduce the amount of electricity or natural gas required to achieve a given end use, such as heating a home or lighting a building. Evaluation, measurement and verification (EM&V) is the current process for assessing energy efficiency programs.

During the session, a national panel of experts focused on how EM&V currently works in Illinois, which uses a technical reference manual (TRM) and "deemed savings." They also discussed emerging technologies related to EM&V, which have become collectively known as "M&V 2.0." Specifically, M&V 2.0 involves a subset of the EM&V process, namely measurement and verification. Panelists discussed how M&V 2.0 may be able to provide more precise measurement of savings produced by energy efficiency programs.

Participants highlighted opportunities for utilizing newly available Advanced Metering Infrastructure (AMI, one component of which is the "smart meter") data to automate measurement and verification processes and make the resulting data available in near real time. This immediate feedback from continuous reporting allows for adjustments earlier in the program, without waiting until the end of a program year. Participants also proposed that M&V 2.0 and related technologies empower a reduction in time consuming site visits to verify the installation of energy efficiency measures. Beyond the quality assurance and quality control process improvements, panelists also explored M&V 2.0's potential to improve future estimates of savings achieved by energy efficiency measures. Lastly, panelists discussed policies and regulatory frameworks in states that are currently considering M&V 2.0 technologies.

"Measuring utility-induced energy savings is extremely difficult because it requires estimating what would have happened if the utility program did not exist," explained David Brightwell, Ph.D., ICC Economic Analyst. "The best method to do this, from a statistical standpoint, is not practical for most programs, and the alternative methods rely on strong assumptions that are not always verifiable. However, this increased granularity of available data made possible by the AMI allows for more testing of predictions and provides opportunities for better developing second-best experimental designs."

"EM&V helps us determine whether energy efficiency targets are met and whether energy efficiency funds are spent appropriately," added ICC Chairman Brien J. Sheahan, who convened the session. "I think this session was an important step forward in keeping regulators, and all other stakeholders, up-to-date and informed on innovation in EM&V."

Meagan Pagels and Wei Chen Lin, Legal and Policy Advisors to Chairman Sheahan, served as moderators for the policy session. Panelists included: Julia Friedman, Senior Policy Manager, Midwest Energy Efficiency Alliance; Michael Brandt, Energy Efficiency Planning and Measurement; Commonwealth Edison; David Brightwell, Ph.D., Economic Analyst, Illinois Commerce Commission; Karen Lusson, Assistant Bureau Chief of Public Utilities, Illinois Attorney General's Office; Annette Beitel, Independent Facilitator, Stakeholders Advisory Group; Kristin Munsch, Deputy Director, Citizens Utility Board; Brian Bowen, Regulatory Affairs Manager, First Fuel; Eliot Crowe, Project Manager, Lawrence Berkeley National Laboratory; Andy Frank, Founder and President, Sealed; Bridgid Lutz, Regulatory and Quality Assurance Analyst for Energy Efficiency, Nicor Gas; Tim Guiterman, Director of Measurement and Optimization Solutions, EnergySavvy; and M. Sami Khawaja, Ph.D., Chief Economist, Cadmus.

The ICC continues to develop a Technical Resource Manual (TRM) to provide transparency and consistency for calculating energy (kWh or therms) and capacity (electric kilowatts) savings generated by the State of Illinois's energy efficiency programs (Docket # 13-0077). To learn more about the scope of the TRM project, visit the Illinois Commerce Commission website: https://www.icc.illinois.gov/docket/casedetails.aspx?no=13-0077

To view the full EM&V policy session agenda and presentation highlights, click here.

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About the Illinois Commerce Commission

The Illinois Commerce Commission's mission is to pursue an appropriate balance between the interests of consumers and existing and emerging service providers to ensure the provision of adequate, efficient, reliable, safe and least-cost public utility services. The Commission consists of three bureaus: the Bureau of External Affairs, which provides educational information on utility issues for consumers, governmental entities and communities and through its Consumer Services Division, resolves customer/utility disputes and develops rules on utility service and consumer protection; the Public Utilities Bureau, which focuses on financial and operational analysis, policy development, public safety and enforcement activities related to electric, natural gas, water, sewer and telecommunications companies; and the Transportation Bureau, which includes trucking insurance and registration, railroad safety, relocation towing, safety towing and household goods moving company enforcement activities. The ICC's five commissioners are appointed by the Governor and approved by the Illinois State Senate for five-year terms.

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