
Illinois DEA Case Study Work Group

Meeting #1: The Stakeholder Engagement Process

Meeting Notes

March 6th 2024

Introduction

MEEA introduced the meeting and the project team. MEEA shared the list of people who responded to the work group invitation.

E4TheFuture reviewed the project background, goals, and objectives. E4TheFuture introduced the National Standard Practice Manual (NSPM) and Distributional Equity Analysis Guide.

- NSPM: <https://www.nationalenergyscreeningproject.org/national-standard-practice-manual/>
- DEA Guide (soon to be published): <https://emp.lbl.gov/publications/distributional-equity-analysis>
- Illinois DEA Case Study Website, where you will find meeting materials (presentations, meeting notes, etc.): <https://deacasestudy.org>

Overview of Distributional Equity Analysis

Synapse presented an overview of Distributional Equity Analysis (DEA), including the following elements:

- The four dimensions of energy equity (recognition, procedural, distributional, and restorative), and how this case study project will focus on the Distributional portion.
- A definition of distributional equity and DEA.
- The limits of Benefit Cost Analysis (BCA) (also known as cost-effectiveness testing) in addressing equity; the difference between BCA and DEA; and how they use many of the same inputs and assumptions to answer separate questions.
- The relationship between DEA and broader system-wide equity assessments.
- An overview of the seven stages of conducting a DEA.

Summary of Questions & Answers

Questions with an '*' indicate they were asked but were not explicitly answered in the meeting, and are therefore answered more fully below.

Overview of the DEA

What are Distributed Energy Resources (DERs)?

A: DERs are energy generation and storage technologies that are small, flexible, and can provide some or all of a customers' energy demands. DERs include energy efficiency, demand response, distributed generation, building and transportation electrification programs, and distributed storage, distributed generation and non-wires alternatives. DERs are expected to play a significant role in the energy transition.

What types of DERs are in the scope of the Illinois DEA case studies?

A: The ICC staff have suggested energy efficiency and beneficial electrification as the candidate DERs for the two case studies.

Do DEAs evaluate the utility investment in the grid that would support the DERs?

A: The two proposed Illinois case studies will focus on the DER program itself. However, DEA is not limited to only DERs. Analysts can evaluate a wide range of investments using DEA.

Will this study be limited to just assessing utility infrastructure investments? For example, would it include utility policies that are also inequitable such as current credit and collections procedures?

A: This project will not be focusing on existing utility policies, such as the two mentioned here. A systemwide equity analysis is better suited to assess all dimensions of equity of a given utility.

Can you describe the differences between a DEA and BCA?

A: There are two main differences. First, a DEA compares the impacts of an investment on two customer groups – priority populations and all other customers, while BCA looks at all customers on average. Second, DEA can have a range of non-monetary equity metrics, while BCA focuses on monetary costs and benefits.

Stages to Conducting a DEA

How (and when) will the results of this study be used?*

A: The purpose of this project is to demonstrate the use of DEA and develop robust case studies that can inform future proceedings and dockets in Illinois and be referenced by analysts who seek to implement a DEA in other states. Whenever possible, results will be used to inform current proceedings and dockets in Illinois, but the project team acknowledges that this real-life application may be challenging and limited by the project schedule.

Would each utility develop its own DEA, or would DEA be conducted in a statewide analysis?

A: In general, a DEA should be coupled with a BCA and follow the structure and context of the BCA. For our case studies, we are looking for existing BCAs. If those BCAs are prepared separately for each utility, then the DEAs will be as well.

Are DEAs required by any utility or state?

A: No. We are not aware of any state or utility that requires or conducts DEA for energy utility investments. It is a new approach to addressing distributional equity in the energy sector.

Can the same DEA process be used for Investor Owned Utilities as well as municipal and co-op needs?*

A: We anticipate that the same DEA process can be used for evaluating DERs investments for any type of electric or gas utility. However, it is likely that data availability will differ for municipals, co-ops, and investor-owned utilities, since municipals and co-ops generally have different regulatory processes and regimes from those of investor-owned utilities.

How does one assess whether a DEA passes or fails?

A: DEAs use simple, benchmarked, and weighted results as ways to present and analyze results. Benchmarks provide an important point of reference for DEA results since they allow for a comparison to a desired threshold or goal for the priority population and for all other customers.

Why would the percent of a DER investment going towards a priority population not be considered a DEA metric?

A: In most cases, the percent of a DER investment going towards a priority population closely tracks the “participation rate” metric. Participation rate indicates what portion of a population (priority or general) participates in a DER program or otherwise installs a DER. The participation rate can be used as a DEA metric and is one of the more important metrics because it indicates the extent to which the DER is serving the priority population.

How can this group promote utility buy-in to the DEA framework?*

A: This project will provide an opportunity for utilities to collaborate with stakeholder groups on a DEA. Further, the Illinois Commerce Commission could encourage utility buy-in for these cases studies and for future DEAs. The ICC commissioners and staff have expressed a lot of support for these case studies and DEA in general.

Do DEAs consider multi-generational equity benefits?

A: Equity benefits to future generations are addressed to some extent in benefit cost analyses through the selection of discount rates. Low discount rates will emphasize the impacts on future generations, while high discount rates will de-emphasize those impacts. Discount rates are not necessarily addressed in DEAs because the DEA metrics are often not in monetary terms. The National Standard Practice Manual (NSPM) for BCAs discusses the implications for discount rate assumptions.

Work Group Representation

Is there a consumer representative in the stakeholder Work Group, besides the consumer advocate?*

A: One CBO, one community member, and the Illinois Association of Community Action Agencies are already participating in this process. We are working on recruiting additional representation from CBOs and other community representatives.

Are stipends being offered to community-based organizations (CBOs)?*

A: Yes, stipends will be offered to certain CBOs or community representatives. The details of that are still being worked out by MEEA and will be discussed at our Work Group Meeting #2.

The Income-Qualified (IQ) North Energy Efficiency (EE) Committee Leadership Team and IQ South EE Committee Facilitator (groups outside SAG) may be interested.

A: Many members of SAG are participating in the group already, and we will share the final case study results with the SAG after they are completed. Also, we will ask Celia Johnson to extend an invitation to the SAG distribution list for future meetings of the DEA Case Study Work Group.

Southern Illinois groups don't seem to be well-represented in this Work Group.*

A: The project team will reach out to the suggested individuals (Gregory Norris).

Are there CBOs that represent the priority populations that will be the focus of these case studies?*

A: To the extent that these CBOs are not already in the Work Group, we will invite representatives of these groups to join the Work Group. Input from representatives of these groups will be important for defining the DEA context, priority populations and metrics, and the Project Team will likely reach out to and coordinate with these groups. The Project Team will also ensure that interaction with CBO representatives and any community members, in particular to identify priority metrics and results of DEA, will follow community engagement guidelines, such as those provided in the forthcoming US DOE DEA Guide.

Poll Question: What do you hope to learn from this DEA case study project?

Results (in order of number of positive responses)

Option	Count of Positive Responses	Percentage (%)
How to use the DEA results along side the BCA to inform utility DER proposals	18/26	69%
How to prioritize metrics to include in the DEA	15/26	58%
How DEAs can inform program design (and vice versa)	15/26	58%
How the DEA framework relates to broader system-wide equity frameworks	14/26	54%
How to identify data to inform the DEA and address potential data gaps	11/26	42%

1. Project Schedule and Next Steps

Work Group Meeting	Approximate Date
#1 - Introduction to process and relevant policies	3/6/2024
#2 – Proposed Case Studies & DEA Context	Late April/Early May 2024
#3 – Priority Populations and Analysis	Q3 2024
#4 – DEA Metrics and Analysis	
#5 – DEA Results – part I	Q4 2024
#6 – DEA Results – part II	
#7 – Review Final Results & Draft Report	Q1 2025
#8 - Final Report & Decision-making	Q2 2025

Next Steps for the Project Team

1. Follow-up with invitations to specific individuals and organizations suggested by Work Group members, including the IQ Illinois SAG, IQ North EE Leadership Team, IQ South EE Committee Facilitator, and Gregory Norris.
2. Keep the Work Group posted on forthcoming publication of the US DOE *Distributional Equity Analysis for Energy Efficiency and Other DERs – A Practical Guide*, which will be posted to LBNL’s website at <https://emp.lbl.gov/publications/distributional-equity-analysis>
3. Brainstorm examples to help clarify the DEA process, goals of this study, and communicate to the Work Group members and present these in the next Work Group Meeting.
4. Draft two proposed DEA Contexts for circulation to the Work Group by late-April.

Next Steps for the DEA Work Group

1. Email the project team with any follow-up questions on the DEA process or the Illinois case studies (Julie Michals at jmichals@e4thefuture.org and Greg Ehrendreich at gehrendreich@mwalliance.org).
2. Review the proposed DEA Contexts circulated by the Project Team prior to the next meeting (proposal will be circulated to the work group by email).
3. Reach out to other potentially interested stakeholder groups or pass on contact information to Greg Ehrendreich at MEEA.

Work Group Participants



DEA Work Group – As of Meeting 1

First	Last	Organization/Affiliation
Kevin	Dick	389nm
Bev	Bowlby	Ameren Illinois
Peter	Millburg	Ameren Illinois
Agnes	Mrozowski	Ameren Illinois
Brice	Sheriff	Ameren Illinois
Celia	Johnson	Celia Johnson Consulting
Sarah	Moskowitz	Citizens Utility Board
Kyle	Danko	ComEd
Jim	Fay	ComEd
Molly	Lunn	ComEd
Cassidy	Kraimer	Community Investment Corp (CIC) Chicago
Kenyatta	Parker	Community Investment Corp (CIC) Chicago
MeLena	Hessel	Elevate
Mike	Brandt	Elevate
Kate	Brown	Elevate
Michael	Ihesiaba	Elevate
Amy	Jewel	Elevate
Antonia	Ornelas	Elevate
Briana	Parker	Elevate
Elena	Savona	Elevate
Pastor Booker	Vance	Elevate
Quinn	Parker	Encolor Consulting
Curt	Stokes	Environmental Defense Fund
Fahad	Rashid	EPE Consulting
Cheryl	Watson	Community member
Selena	Worster Walde	Erthe Energy Solutions
Chris	Neme	Energy Futures Group (for NRDC)
Neil	Curtis	Guidehouse
Mark	Mandolini	Honeywell
Roger	Pavey	Illinois Association of Community Action Agencies

First	Last	Organization/Affiliation
Elizabeth	Horne	Illinois Commerce Commission
Ronaldo	Jenkins	Illinois Commerce Commission
Jennifer	Morris	Illinois Commerce Commission
Latifat	Moradeyo	Illinois Commerce Commission
Jim	Zolnierek	Illinois Commerce Commission
Sharon	Louis	MECRO (Meadows Eastside Community Resource Org)
Grey	Staples	Mendota Group
Karen	Lusson	National Consumer Law Center
Kari	Ross	Natural Resources Defense Council
Mike	King	NiCor Gas
Charles	Murphy	Office of the Illinois Attorney General
Susan	Satter	Office of the Illinois Attorney General
Shelby	Smith	Office of the Illinois Attorney General
Hannah	Howard	Opinion Dynamics
Zachary	Ross	Opinion Dynamics
Julia	Friedman	Oracle
Christina	Frank	Peoples Gas and North Shore Gas
Kristen	Kalaman	Resource Innovations
Gilbert	Michaud	School of Env. Sustainability, Loyola University Chicago
Deborah	Dynako	Slipstream
Keely	Hughes	The JPI Group
Michael	Cabrera	The Will Group
Stephen	Taylor	The Will Group
Lee	Shaver	Union of Concerned Scientists
Darnell	Johnson	Urban Efficiency Group
John	Delurey	Vote Solar
Will	Kenworthy	Vote Solar
Boratha	Tan	Vote Solar
Erika	Dominick	Walker-Miller Energy Services
Carla	Walker-Miller	Walker-Miller Energy Services

On mailing list

Attended Meeting 1

Signed up after Meeting 1