



# DISADVANTAGED AREAS POLICY PROPOSAL WORKING GROUP

## IL POLICY MANUAL 3.0

APRIL 17, 2023

***AmerenIllinoisSavings.com***

## Policy Proposal and Rationale

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**Opportunity:** Better serve disadvantaged communities across the utility service territory, improving equity and inclusion.

**Evidence:** 1) Empower Communities research and 2) analysis from January 2023 WG meeting of AIC Small Business program data 2018-21 showing disparity.

**Proposal:** Apply NTG Ratio of 1.0 to business programs that successfully serve disadvantaged communities.

### **Rationale:**

- Incentivizes programs to more proactively target disadvantaged communities
- Acknowledges additional Marketing Education & Outreach (ME&O) needed to serve these areas, including coordination with community partners and potential participants
- Encourages programs to meet unique customer needs



# Agenda

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## 1) Defining Disadvantaged Areas

- a) High level finding from January 2023 meeting
- b) Criteria for decision
- c) Comparison of some existing approaches
  - IL Solar for All
    - Environmental Indices
    - Socioeconomic Indicators
  - IL R3 Communities
  - Federal Climate and Economic Justice Communities
- d) Recommended method

## 2) Eligible Business Customers

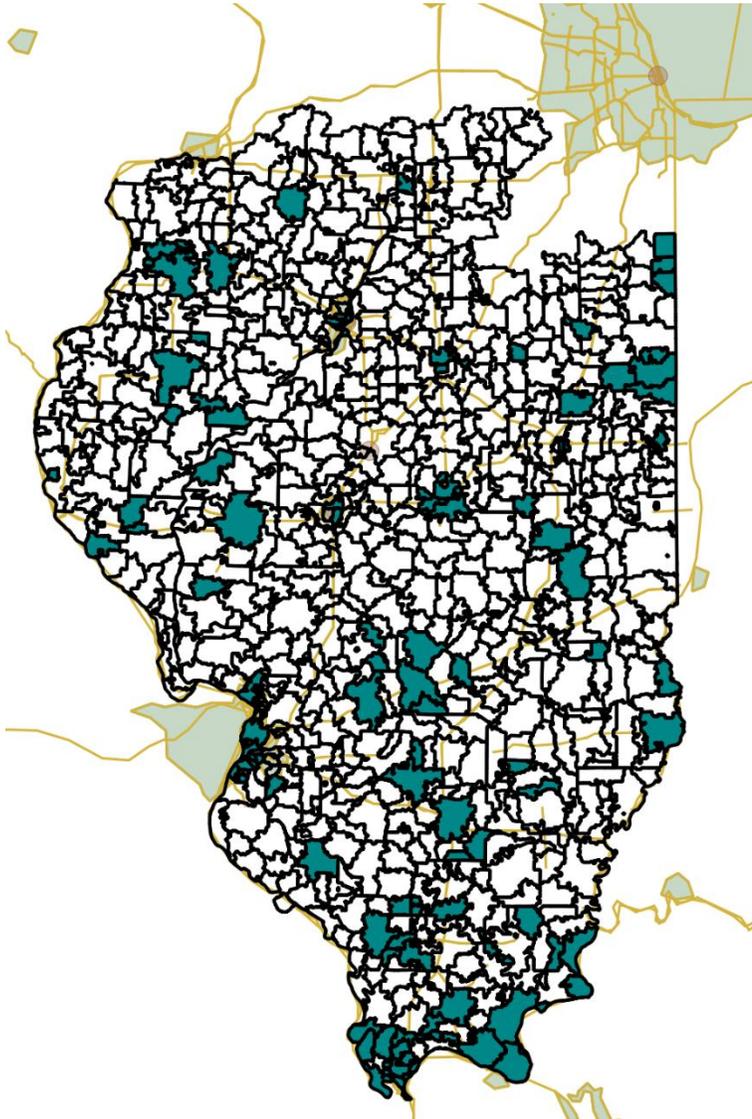
- a) By Program Type
- b) By Rate Class

## 3) Interactions of this policy with other NTG Policies



# January 2023 AIC Analysis (Income / Diversity / Asthma)

80<sup>th</sup> Percentile and above for 2 or more variables:  
IQ, Diversity, or Asthma



	DAs	non-DAs	Total	DAs	non-DAs
<b>Total</b>	<b>\$35,805</b>	<b>\$132,626</b>	<b>\$168,431</b>	<b>21%</b>	<b>79%</b>
2018	\$4,297	\$20,345	\$24,642	17%	83%
2019	\$5,738	\$27,844	\$33,582	17%	83%
2020	\$8,939	\$30,119	\$39,058	23%	77%
2021	\$11,211	\$29,649	\$40,860	27%	73%
2022	\$5,620	\$24,669	\$30,289	19%	81%
<b>Number of Zip Codes:</b>	<b>138</b>	783	921	<b>15%</b>	
<b>Number of AIC Business Accounts:</b>	<b>66,729</b>	136,253	202,982	<b>33%</b>	
<b>Number of Households:</b>	<b>408,802</b>	956,678	1,365,480	<b>30%</b>	
<b>Number of Individuals:</b>	<b>1,004,836</b>	2,357,700	3,362,536	<b>30%</b>	

\* Values are: Overall Electric Incentives per # of AIC Business Accounts in each zip code.

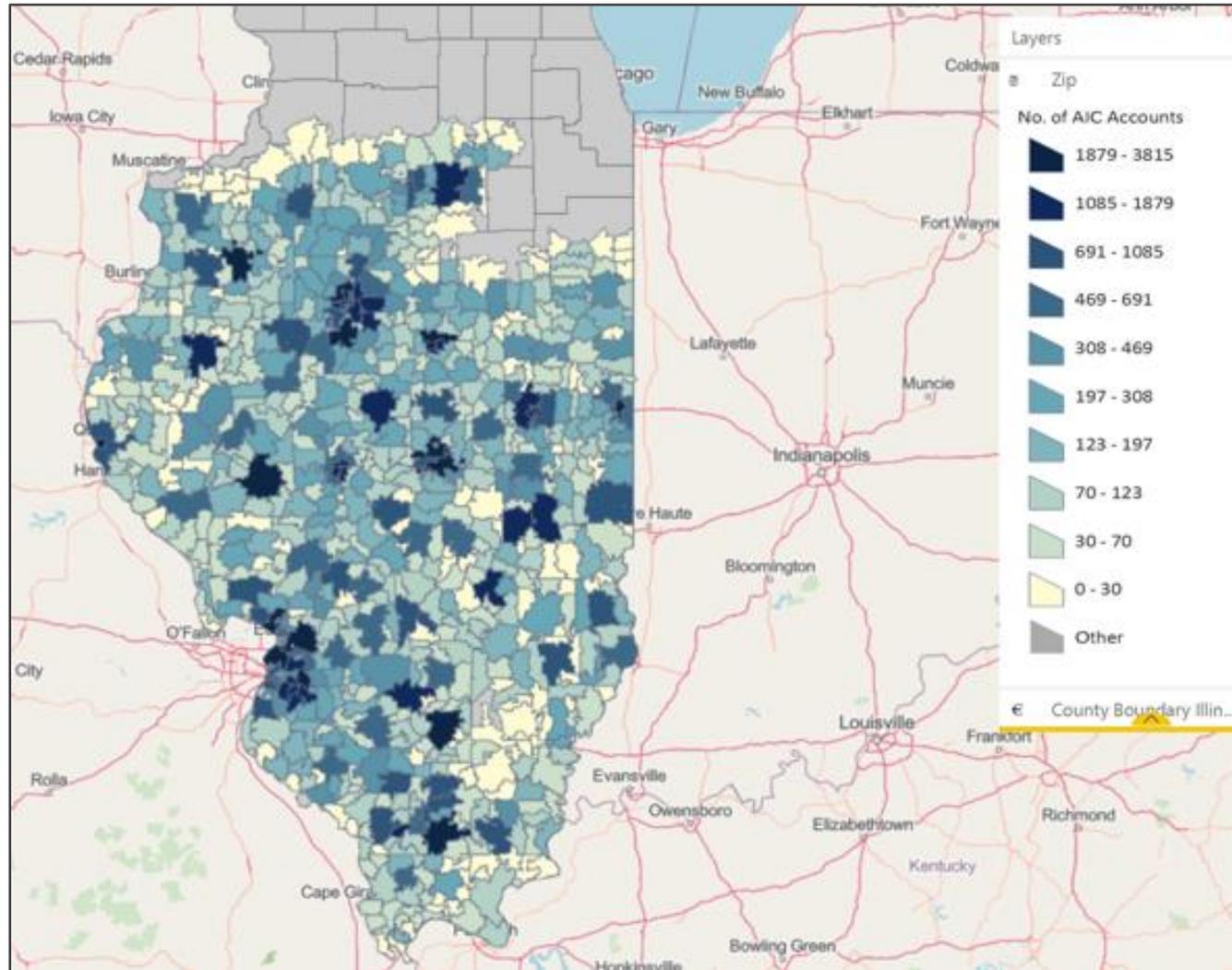


## Criteria for Defining Disadvantaged Areas

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- 1) An established method**
- 2) Robust / Appropriate identification of the areas of need**
  - a) Reliance on residential data (income, diversity, health, energy burden, etc.)**
  - b) Empower Communities Study provides some guidance**
    - 1. Decatur**
    - 2. Monmouth**
    - 3. East St. Louis**
    - 4. Southern Rural Counties**
- 3) Well documented / Easily understood / Transparent**
- 4) Continuity / Access / Adjustable / Stakeholder Engagement**

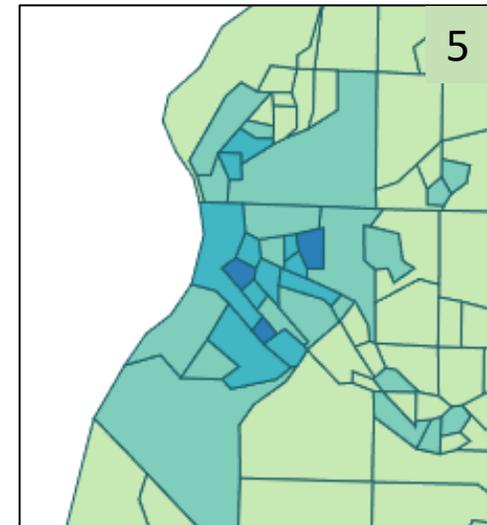
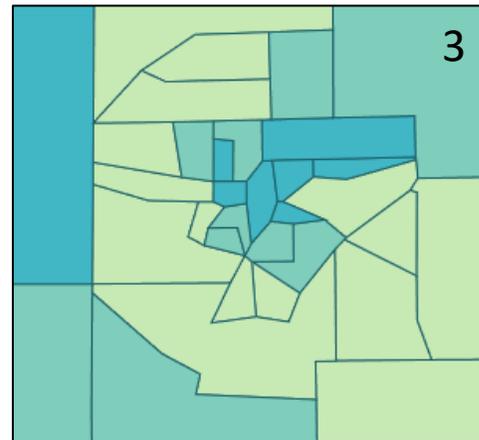
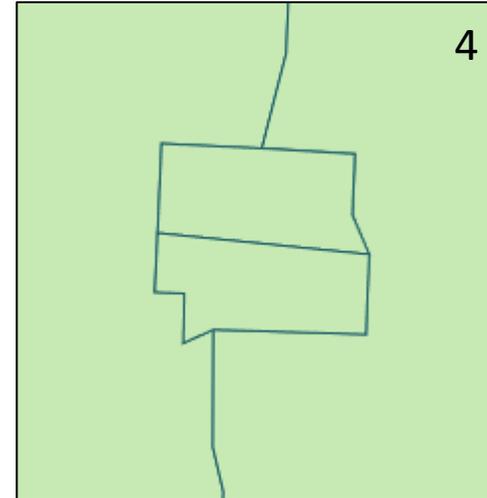
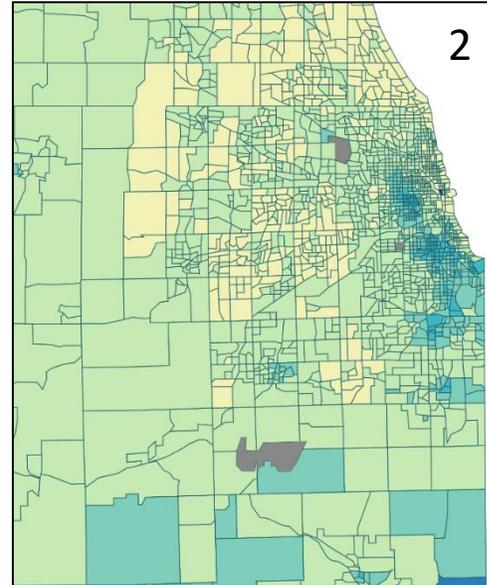
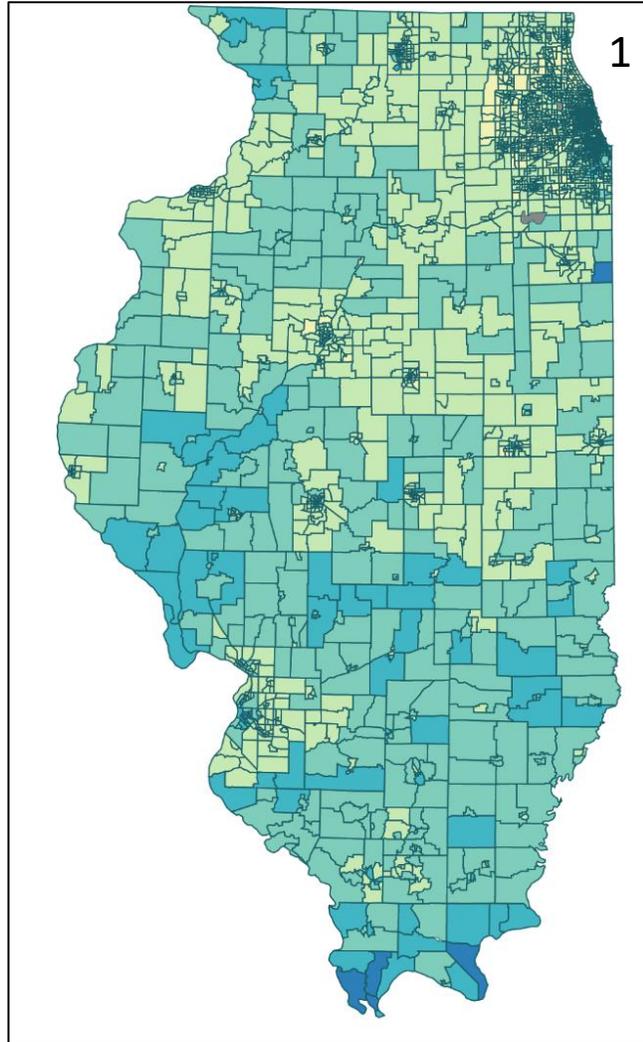
# AIC Business Customers



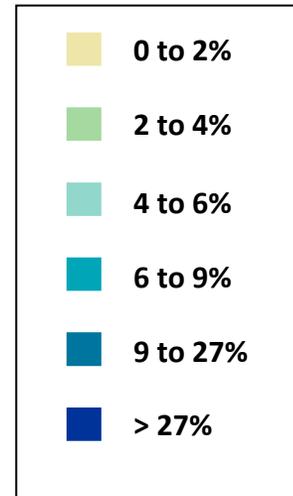
	AIC BUSINESS ACCOUNTS
ELEC	186,367
GAS	68,503
<b>TOTAL</b>	<b>202,982</b>



# Energy Burden



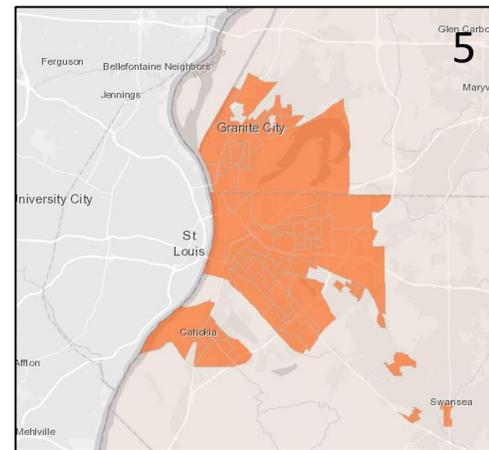
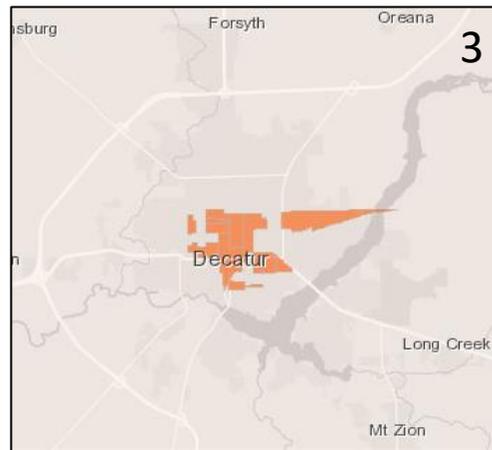
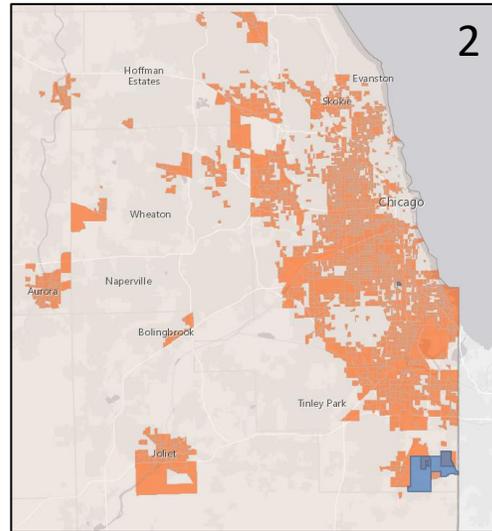
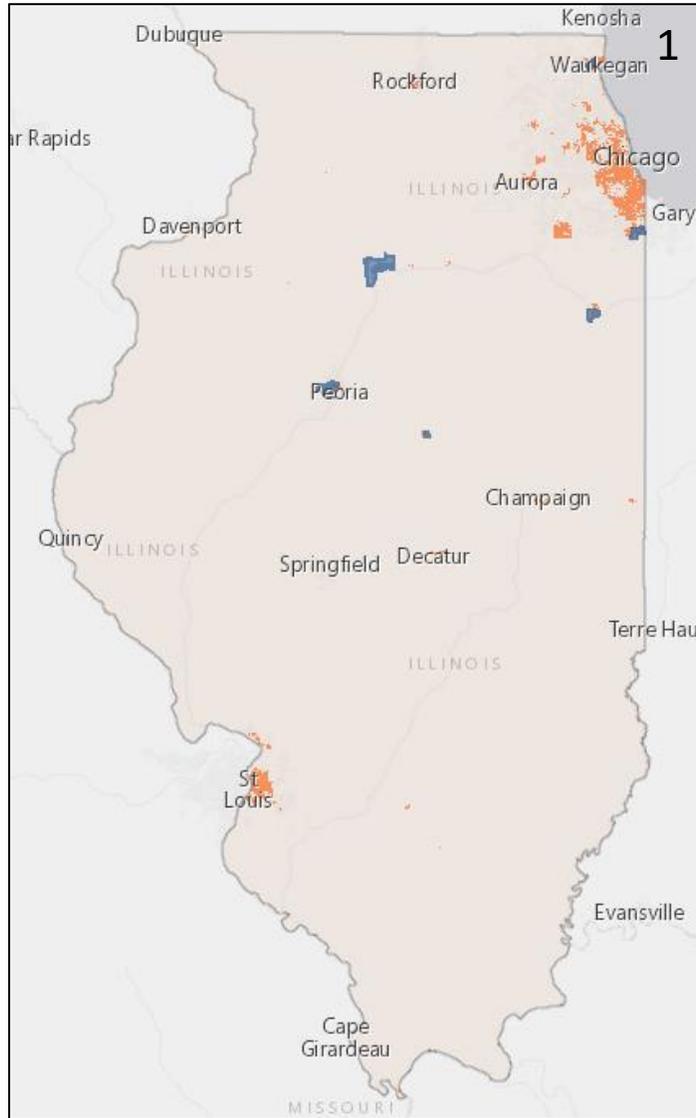
1. Statewide
2. Chicago Metro
3. Decatur
4. Monmouth
5. East St. Louis



[Department of Energy - Low-Income Energy Affordability Data \(LEAD\) Tool](#)



# Illinois Solar for All - EJ Communities (Environmental Indices)



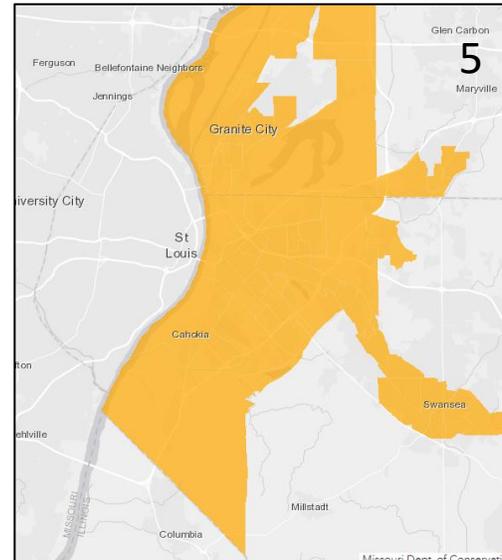
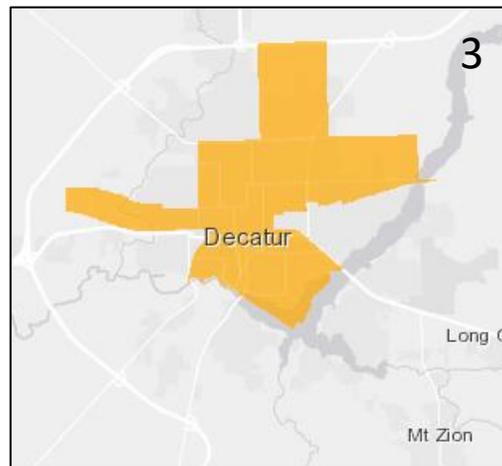
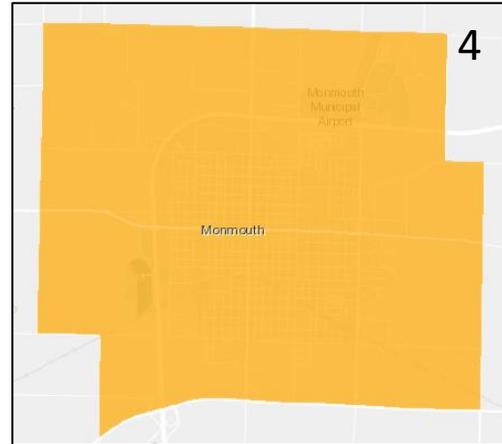
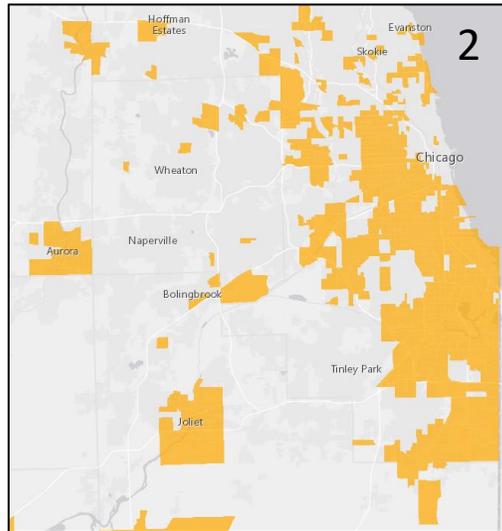
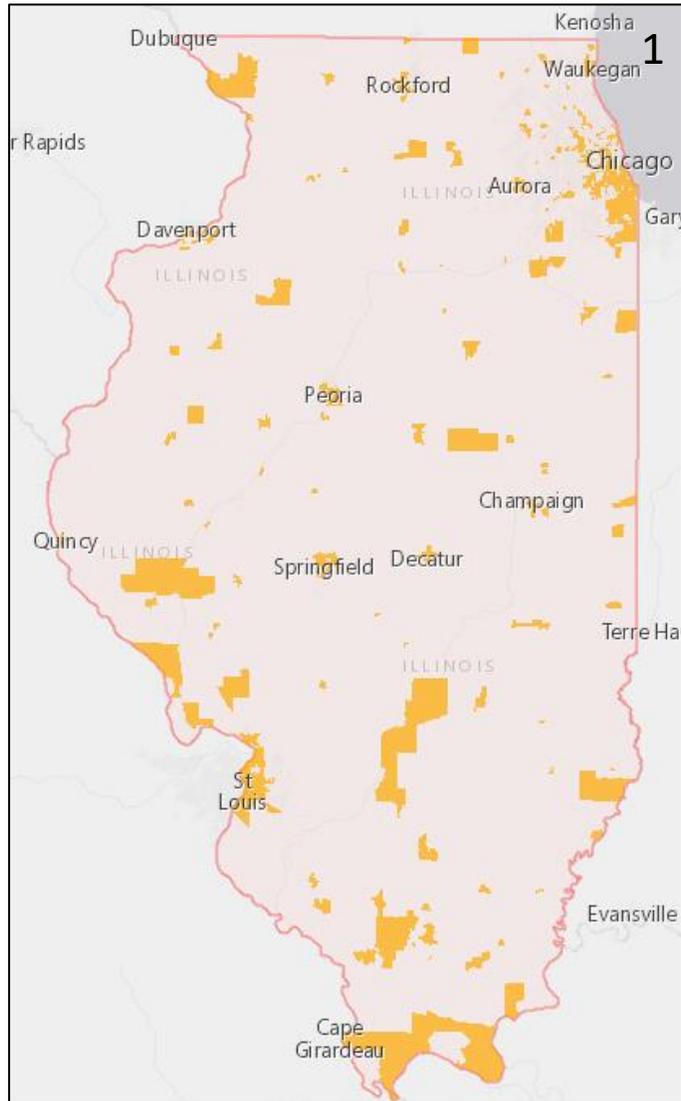
- Through Self Designation
- Through Calculations

- Environmental Justice Indexes**
- Particulate Matter 2.5
  - Ozone
  - Diesel Particulate Matter
  - Air Toxics Cancer Risk
  - Air Toxics Respiratory HI
  - Traffic Proximity
  - Lead Paint
  - Superfund Proximity
  - RMP Facility Proximity
  - Hazardous Waste Proximity
  - Underground Storage Tanks
  - Wastewater Discharge

[IL Solar for All - Environmental Indices](#)



# Illinois Solar for All – (Socioeconomic Indicators)



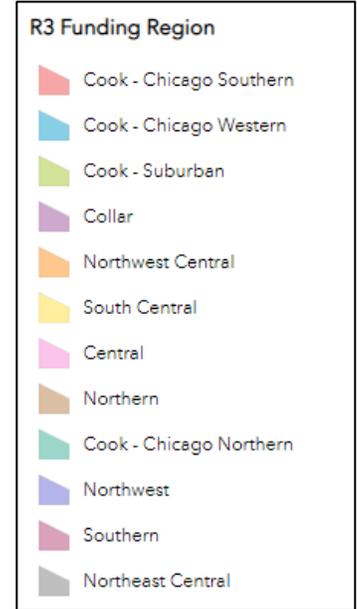
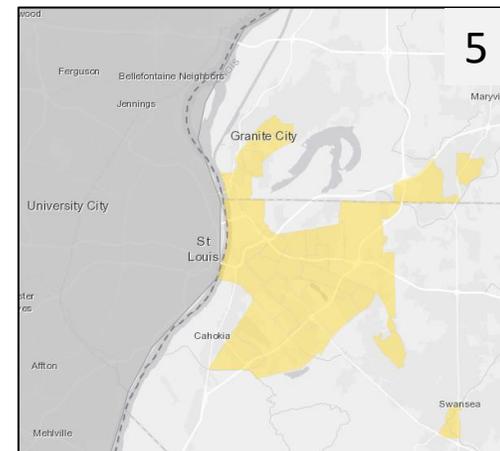
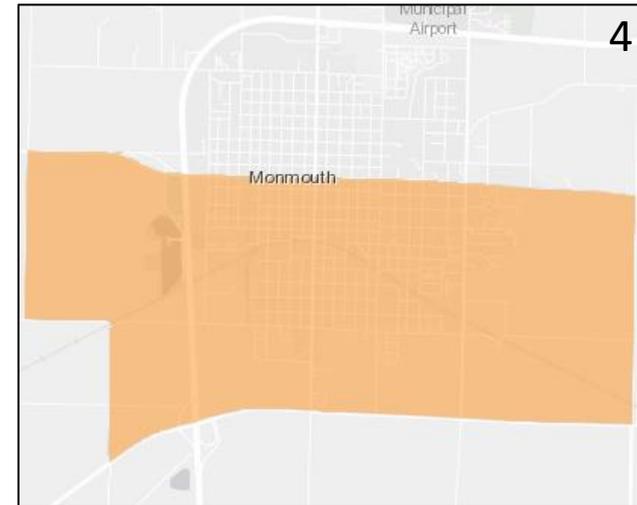
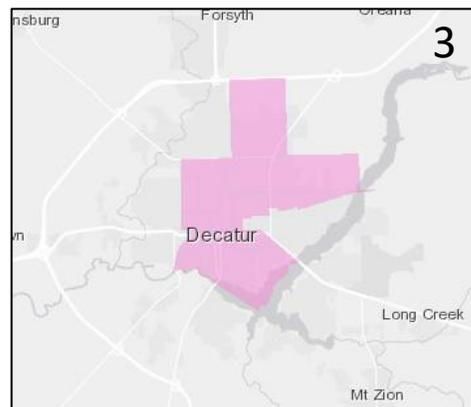
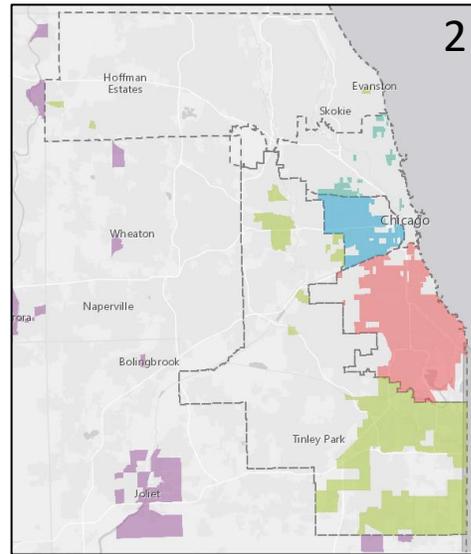
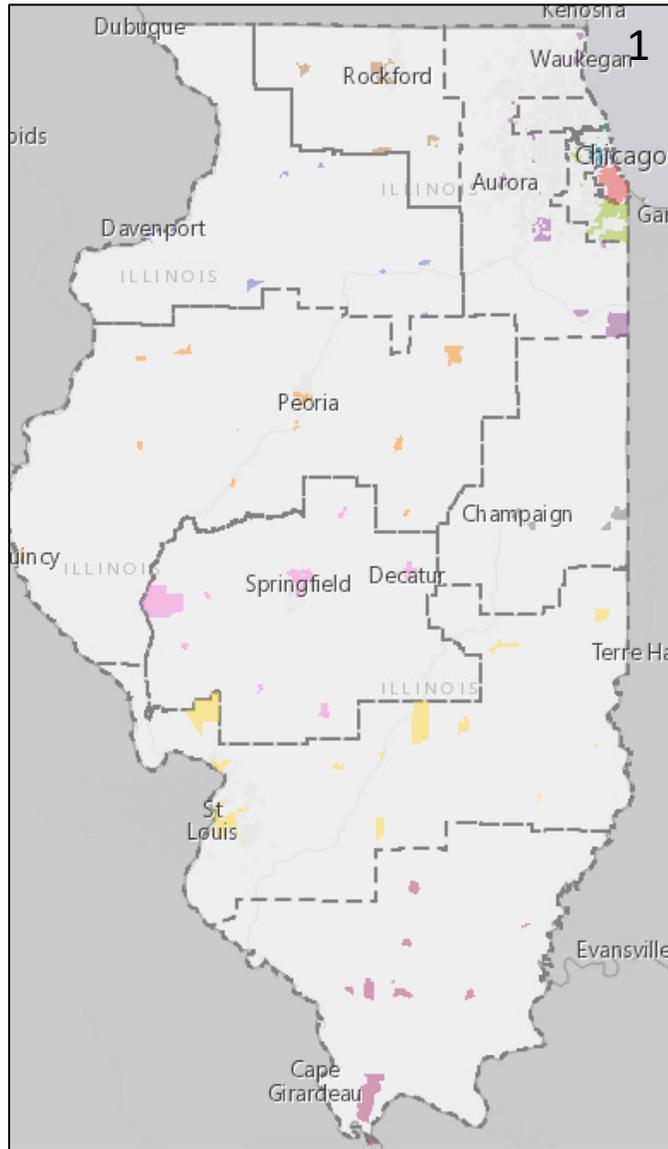
**Socioeconomic Indicators**

- Demographic Index
- Supplemental Demographic Index
- People of Color
- Low Income
- Unemployment Rate
- Limited English Speaking
- Less Than High School Education
- Under Age 5
- Over Age 64

[IL Solar for All - Socioeconomic Indicators](#)



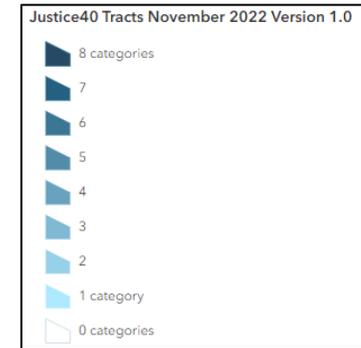
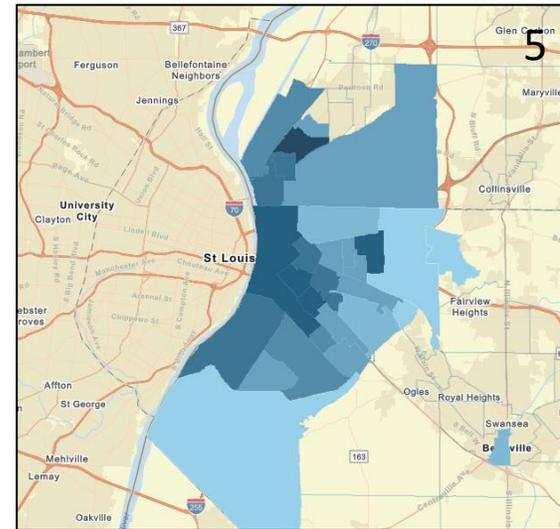
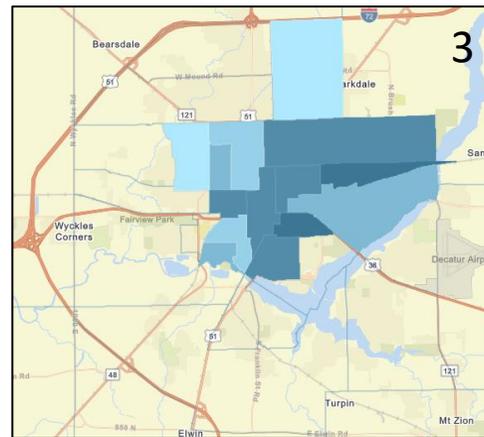
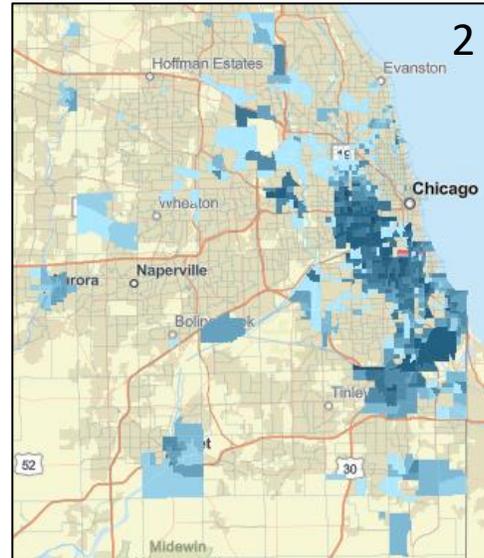
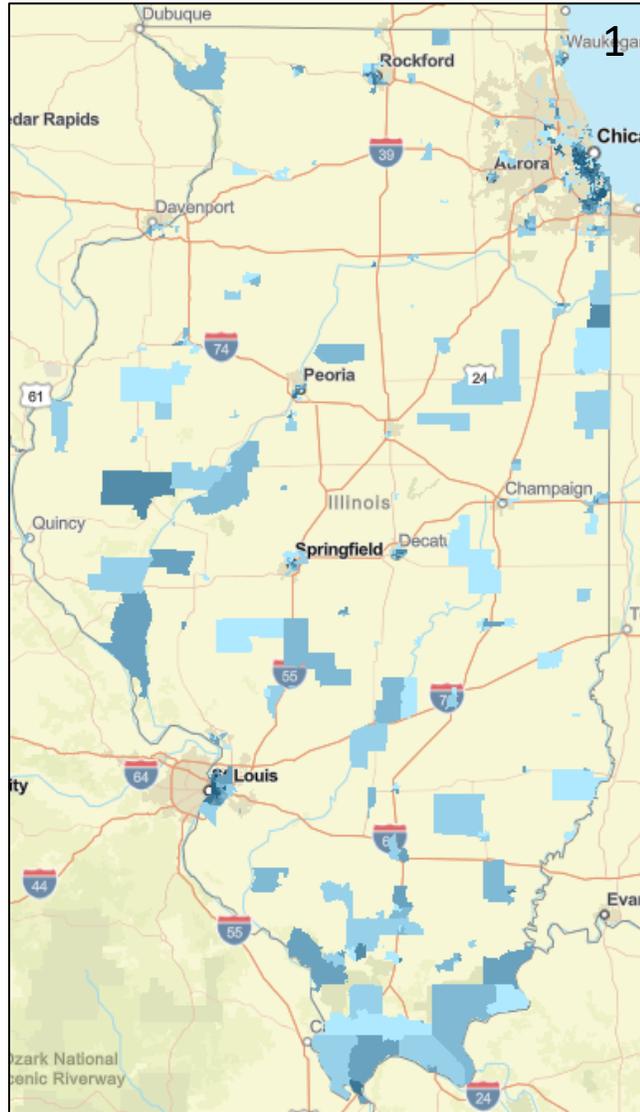
# Illinois R3 Communities



<https://r3.illinois.gov/eligibility/>



# Federal – Climate and Economic Justice (November 2022)

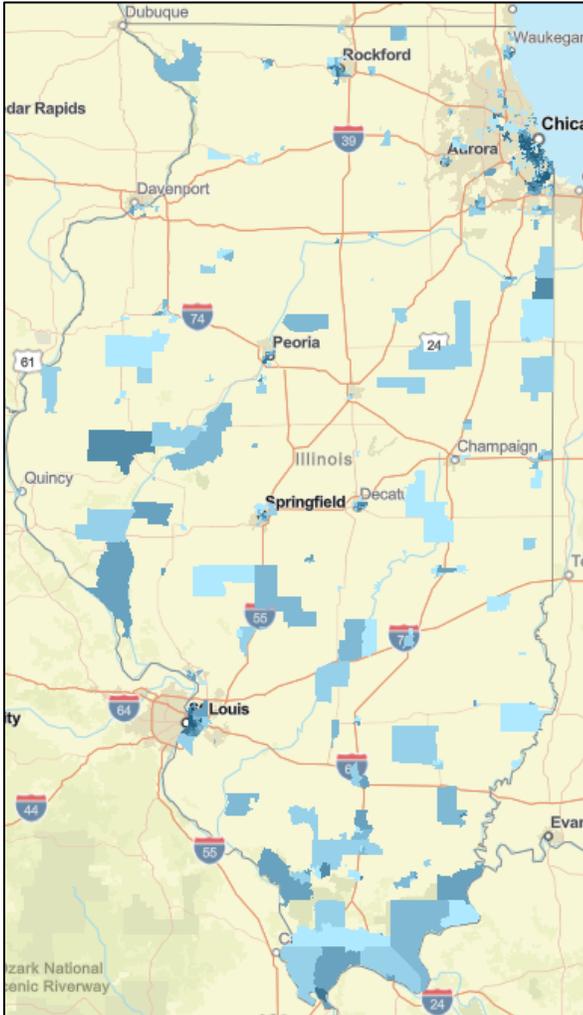


Justice40 by Number of Categories Map November 2022



# Recommendation for Delineation of Disadvantaged Areas

## Climate and Economic Justice Designation (November 2022)



Existing Method?



Appropriate Identification of Areas of Need?



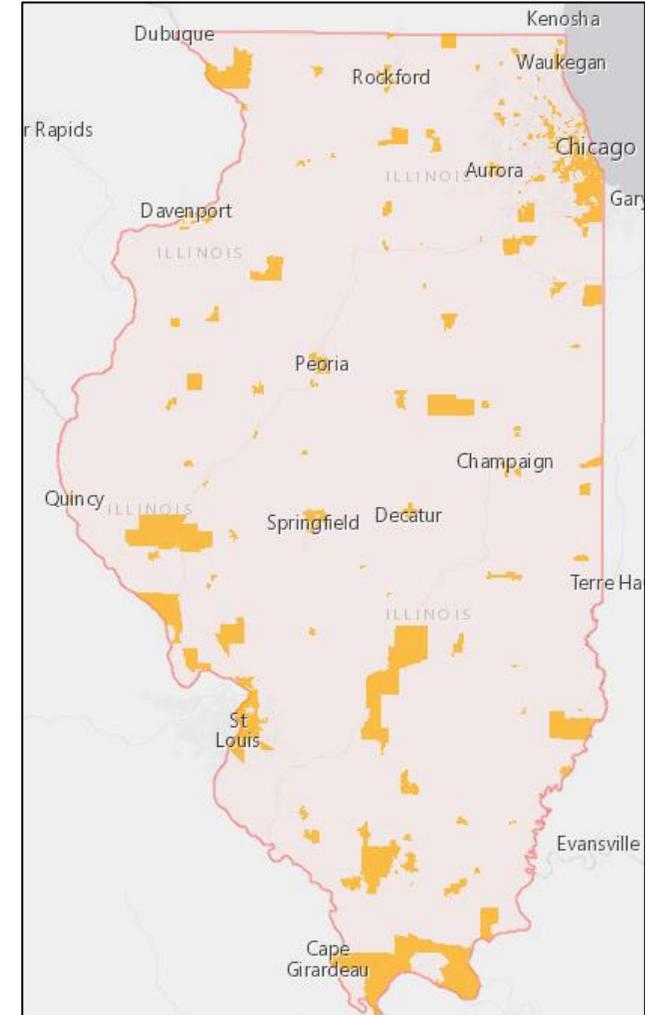
Well Documented / Easily Understood / Transparent



Continuity / Access / Adjustable / Stakeholder Engagement



## Illinois Solar for All Socioeconomic Indicators



# Recommended Eligibility

- All Small Business Program Participants
- AND
- In Other Business Programs
    - DS-2 Customers
    - DS-3A Customers

AIC ELECTRIC	BUSINESS ACCOUNTS
DS-2 – Small General Delivery	168,827
DS-3A – General Delivery < 400 kW	2,848
DS-3B – General Delivery > 400 kW	1,021
DS-4 – Large General Delivery	534
DS-5 – Lighting	29,325

Examples of DS-3A Customers		
FERRUM PROPERTIES LLC	FRIENDSHIP MANOR GROUP	KROGER LP 1
HARRISBURG MELEER REAL ESTATE	CASEYVILLE TOWNSHIP SEWER SYSTEM	HERITAGE WOODS OF CENTRALIA
OLYMPIA SCHOOL DIST 16 DANVERS GRADE SCHOOL	IROQUOIS FEDERAL SAVINGS & LOAN	YMCA
HOLLISTER WHITNEY ELEVATOR CO LLC	UNION CO COURT HOUSE COUNTY CLERK	NORTH BAY PRODUCE INC
PRAIRIE CARDIOVASCULAR INC	PEORIA HOTEL OWNER LLC	PIONEER HI BRED INTERNATIONAL
CITY OF EAST ST LOUIS	KOHL'S DEPARTMENT STORE	SERENITY VALLEY HLTHCARE LLC
TOP AG COOPERATIVE INC	JERSEY COUNTY GRAIN CO	HOME DEPOT
RLI INSURANCE CO	IL LABORERS CONT JATP	TRUMAN FLATT AND SONS



## NTG Interactions with current policies

- **Income Qualified NTGR = 1.0**
  - Residential Programs
  - Program/Customer based
- **NTG Research by Evaluators**
  - No restrictions
  - Adjustments will be required to measure NTGRs in non-DAs

7.3

There has been general consensus among Illinois stakeholders that the NTG Ratio for most Income Eligible Programs is not likely to be significantly different from 1.0, particularly where the person making the participation decision is the Low Income Customer. Therefore, Evaluators will not perform NTG research for Income Eligible Programs unless the SAG and Income Qualified Advisory Committees consensus concludes that there is value in performing the NTG research. If Evaluators propose NTG research for Income Eligible Programs, discussions will be held with SAG participants on the value in and methods for performing such research and the timing of the application of such research.

IL Policy Manual v.2.1

*Effective Date: January 1, 2022*



## Summary of Recommendations

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- **Delineation of Disadvantaged Areas:**

**IL Solar for All –  
Socioeconomic Indicators**

- **Eligible Customers:**

**Small Business Program Participants  
And  
DS-2 and DS-3 Customers in all other  
Business Programs**



**Thank you.**

**Comments / Questions / Discussion**

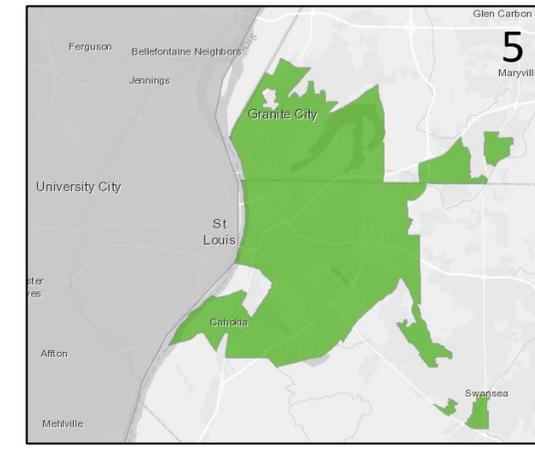
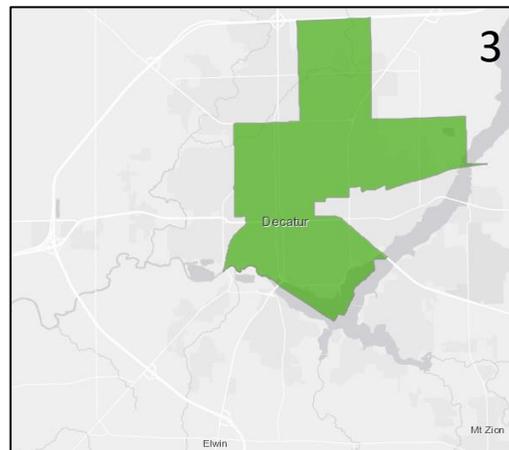
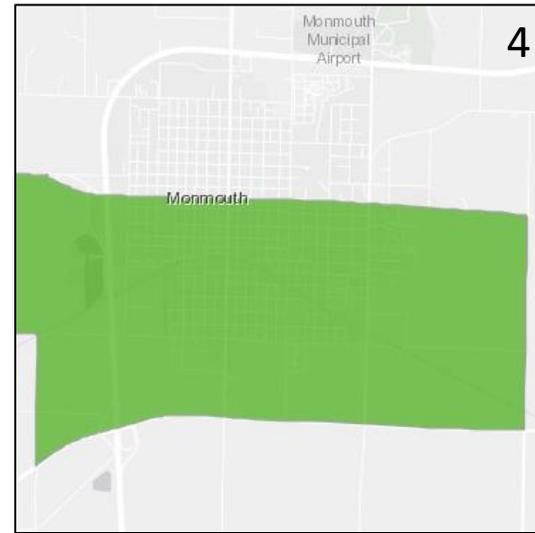
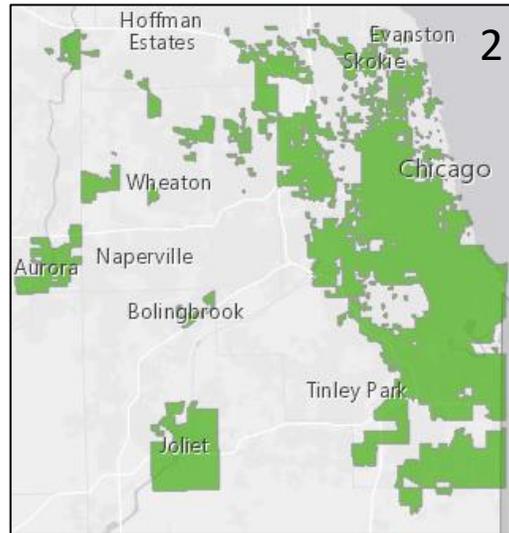
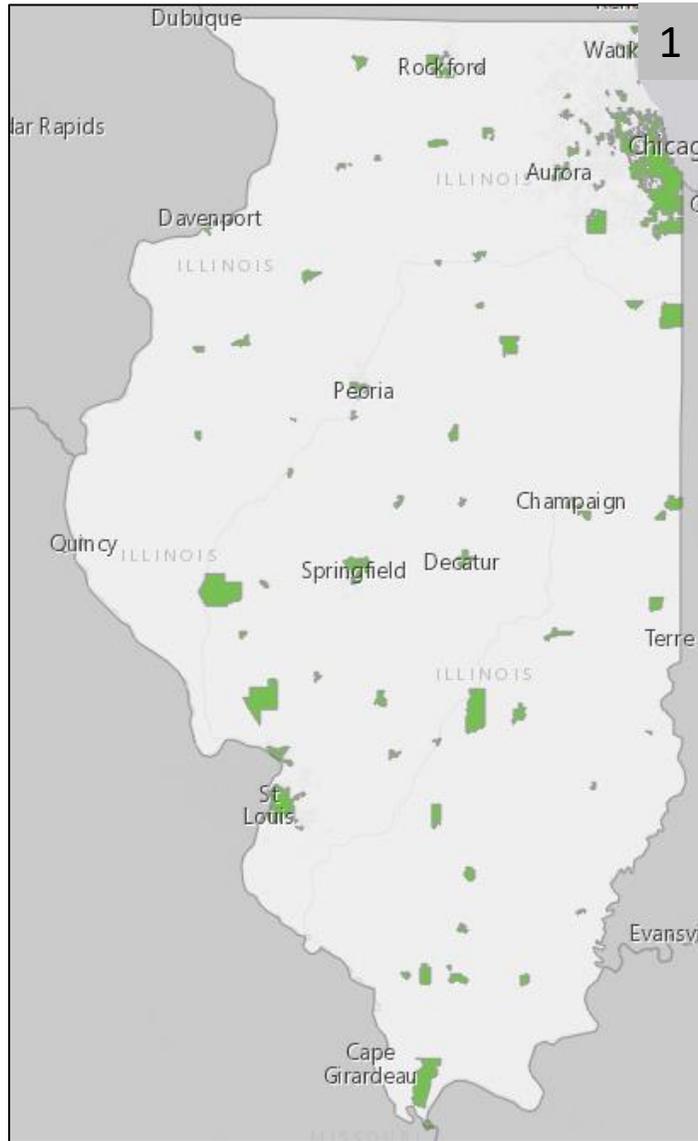




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## Additional Material

# Illinois Equity Investment Eligible Communities (EJ + R3)



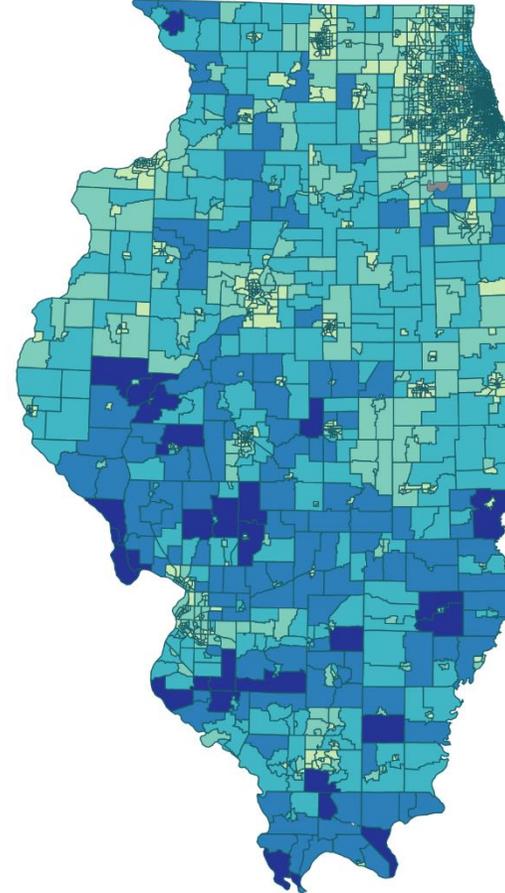
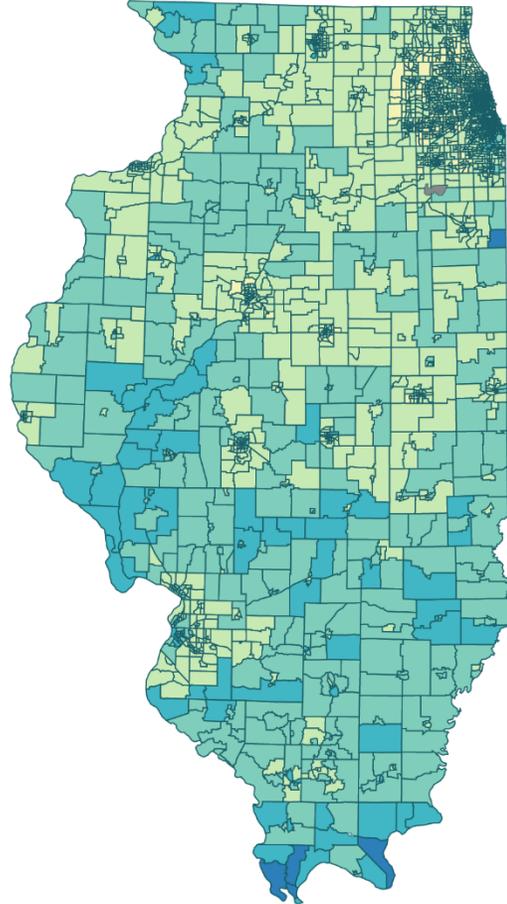
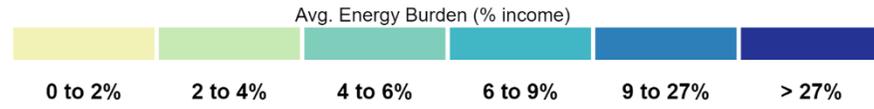
 Equity Eligible (EJ + R3)

Note: Environmental Indices only of the IL Solar for All (EJ)

[Equity Investment Eligible Community Map \(illinois.gov\)](http://illinois.gov)



# Energy Burden and Costs - Illinois



# Energy Burden and Costs – Chicago Metro Area

