



# AMEREN ILLINOIS DISADVANTAGED AREAS POLICY PROPOSAL

## IL POLICY MANUAL 3.0

SEPTEMBER 8, 2022

***AmerenIllinoisSavings.com***

# Findings from Recent Evaluation Studies

## Empower Communities Study

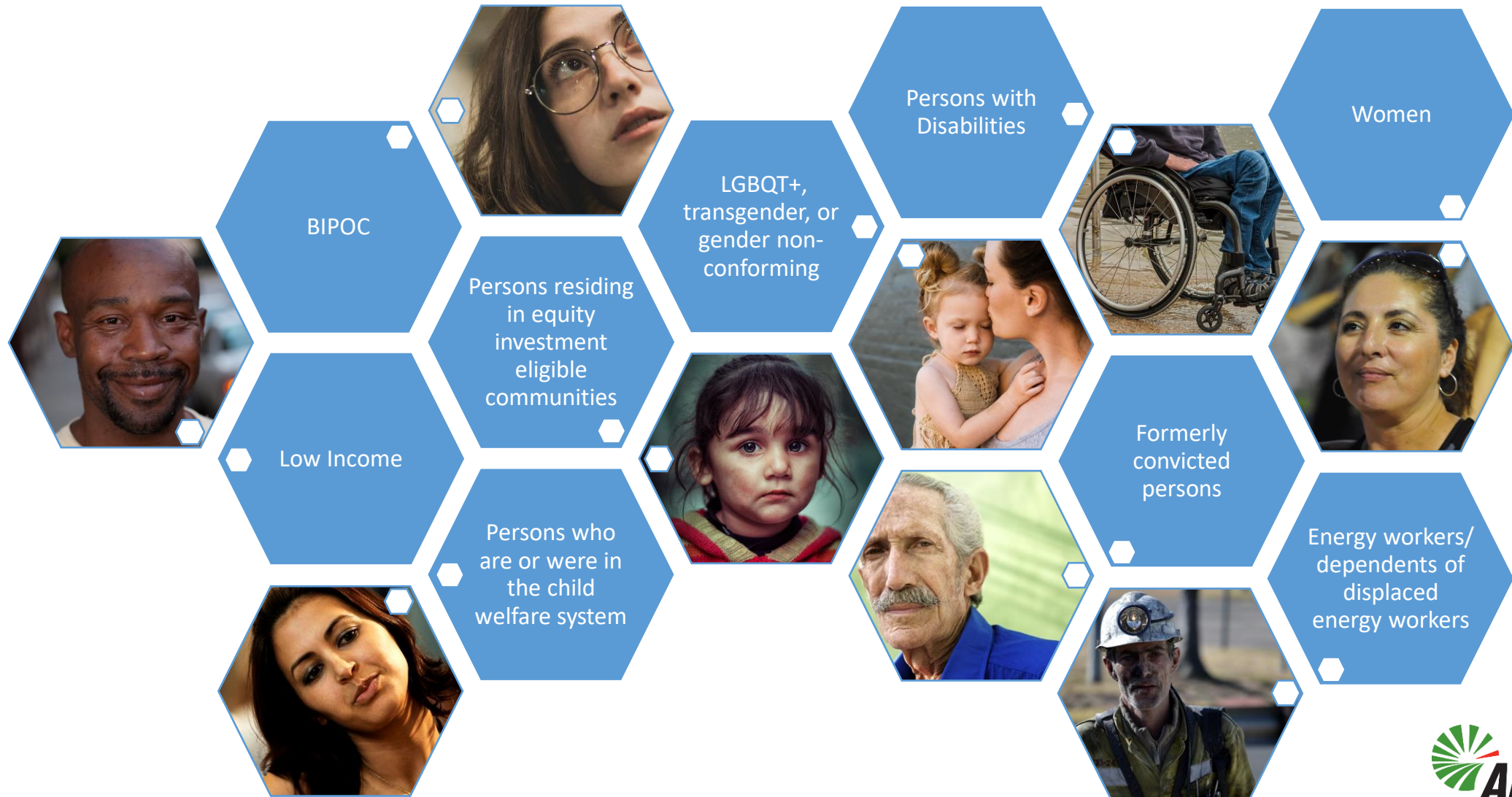
Finding:	Requires Additional:
Customers are primarily unaware of AIC EE Programs	Marketing, education, and outreach (ME&O) Engagement with Community Partners Coordination for activation on projects Trained Program allies
Only modest interest in participating	
Other priorities and perceived lack of control over energy costs	
Many other barriers to participation: cost, procedures, structural, knowledge, and workforce/supply chain limitations	

## Low Income Needs Assessment

Finding:	Requires Additional:
High Energy Burden for Residential Customers:	Marketing, education, and outreach (ME&O) Innovative multifamily strategies Mitigation of HCS barriers Engagement with Community Partners
Low (8.2%) and Moderate (4.1%) Income	
Renters (6.4%)	
Multifamily (5.0%) and Mobile Homes (5.9%)	
Health, Comfort, and Safety (HCS) Challenges	
Low Awareness of AIC EE Programs	



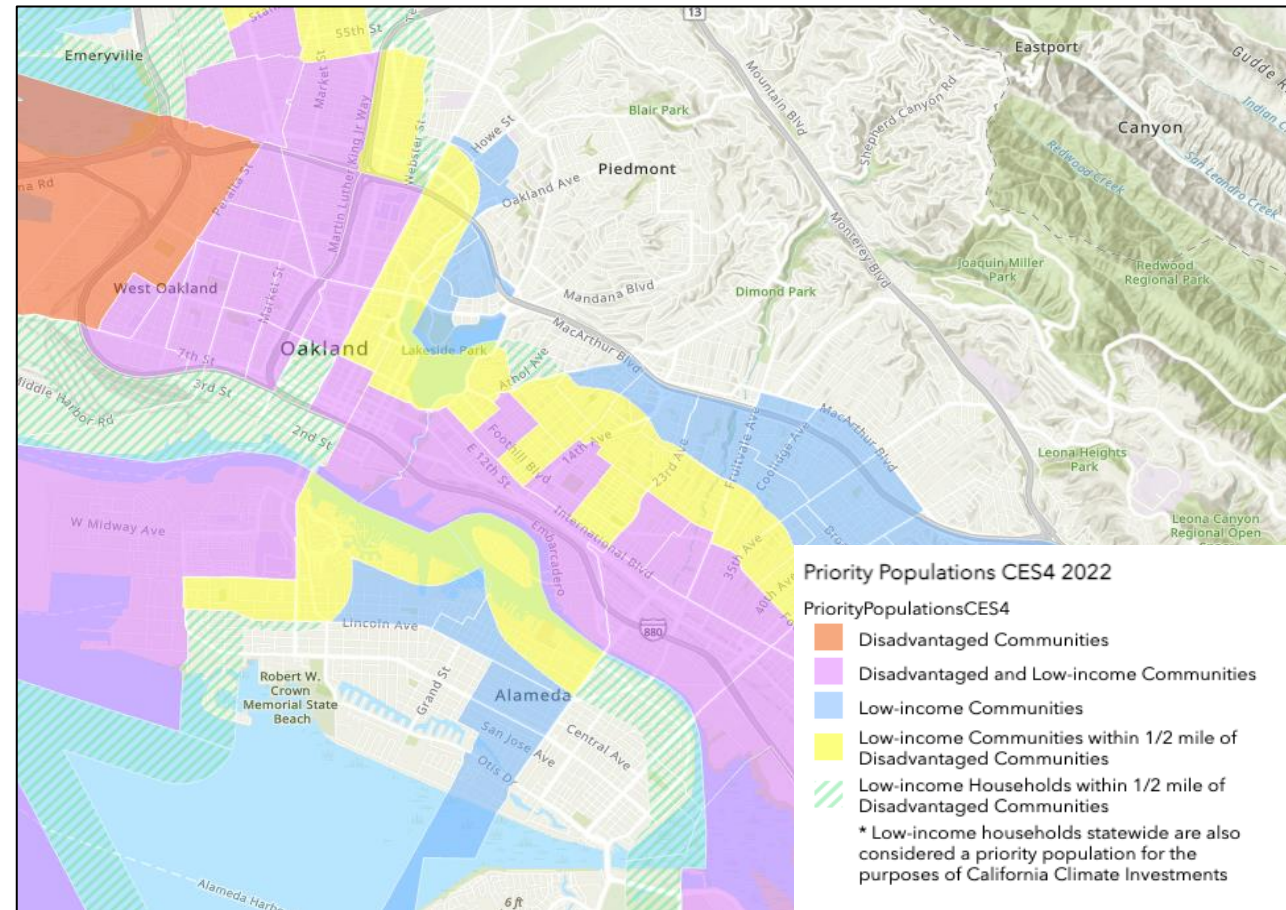
# SB-2408 (“Equity Focused Populations”)





# Examples From Other Jurisdictions

- [Massachusetts](#)
- [New York](#)
- [California](#)
- [Colorado](#)
- [Michigan](#)



## Policy Rationale

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“Target programs to the communities that need efficiency the most, such as people living in low-income neighborhoods or in high-pollution areas. This involves shifting funding to allow for larger rebates and investments in these communities; increasing marketing, outreach, and education; and designing programs that specifically address the needs of the particular community or region. Fundamental program rules (like how we measure the costs and benefits of programs) may need to be adjusted to successfully implement this strategy.”

["Energy Efficiency Reform Is Needed to Reach All Communities", NRDC, June 2020](#)



## Policy Proposal and Rationale

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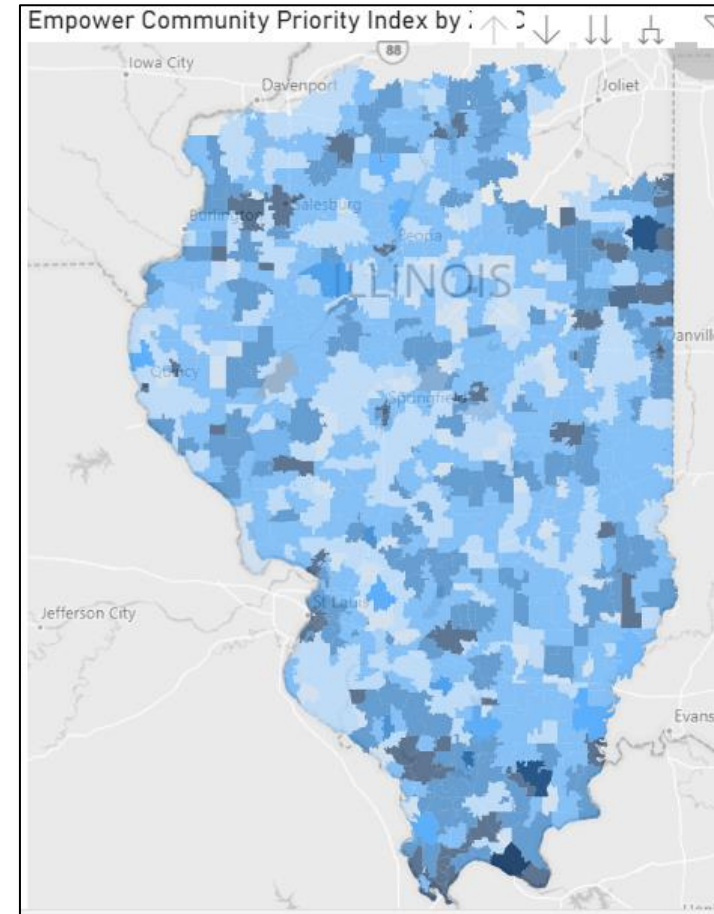
**Programs successfully serving communities identified and designated to be disadvantaged areas will receive a NTG Ratio of 1.0, similar to that for all income qualified programs.**

- Address continuing concerns around equity in program access and participation
- Acknowledge the additional ME&O strategies and coordination efforts (with community partners and potential participants) that are needed to serve these disadvantaged areas
- Encourage utilities to build inclusive programs that will drive customer success and adoption in these communities



## Next Step: Define Disadvantaged Areas in AIC Service Territory

- **Current Definition by Champaign County Regional Planning Commission (CCRPC):**
  - % IQ Population
  - % Non-White Population
- **Further refinement:**
  - Outcomes of the LINA and Empower Communities Research
  - Input and Review by:
    - Evaluators
    - SAG Equity Subcommittee
    - LIEEAC
- **Disadvantaged Areas Identification Threshold**



## Policy Proposal Outcomes

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- This policy:
  - leverages a well-established policy mechanism to encourage important outcomes
  - reduces some of the risk associated with additional investments required to achieve EE in disadvantaged areas
  - encourages innovated program approaches
  - ensures stronger engagement in disadvantaged areas





# Questions

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**Any Questions?**



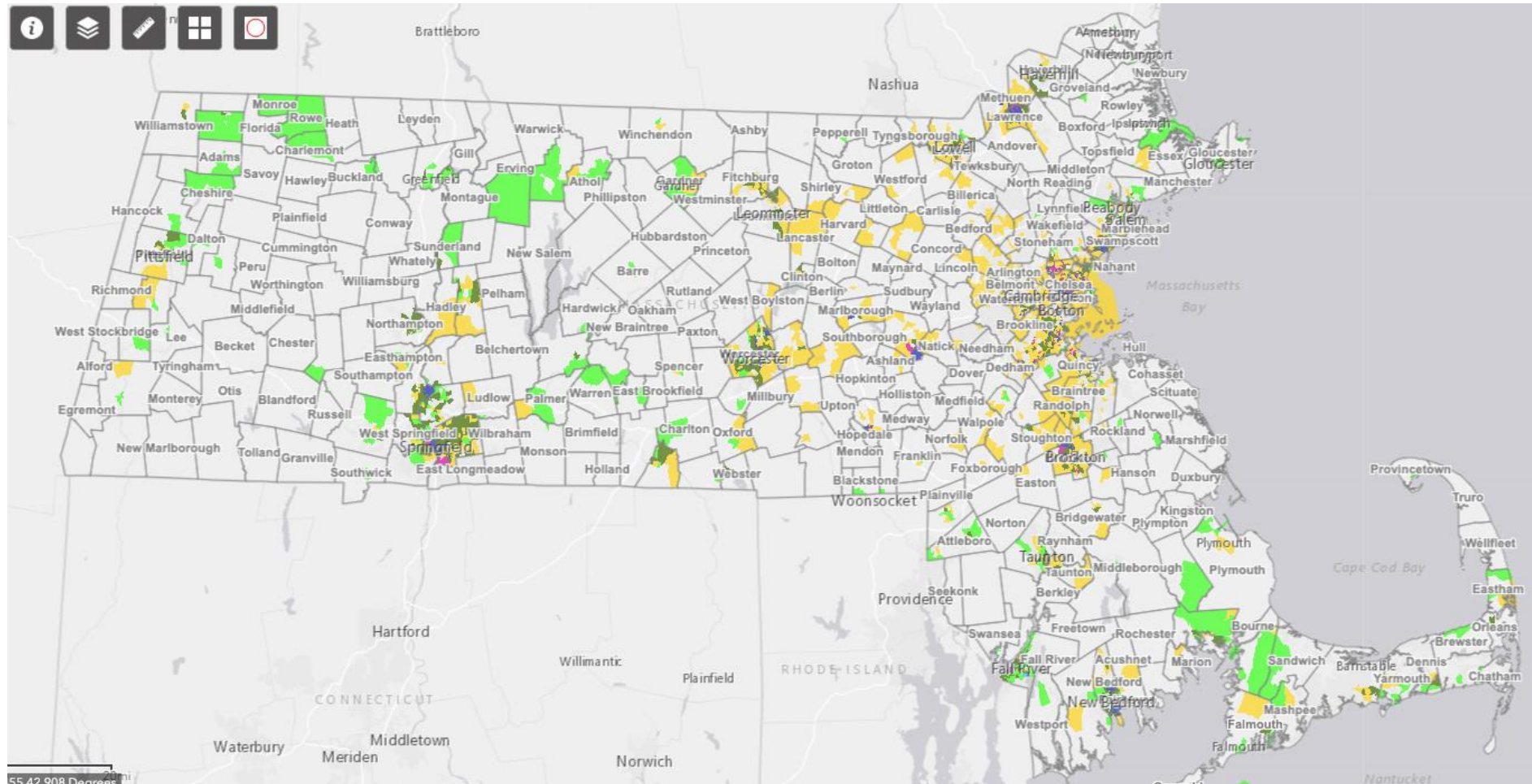
### Additional Material

## Example Frameworks (Massachusetts)

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- MA Energy Efficiency Advisory Council established an Equity Working Group (EWG) to develop targets to guide investments in equity and assess performance in the 2022-2024 Energy Efficiency Plan.
- “Environmental Justice Municipalities” defined as communities where:
  1. Greater than 33% of the population resides in an environmental justice block group and the municipality (as a whole) meets the EJ municipality’s income criteria and at least one additional criterion (e.g., minority or English isolation)
  2. Consumption weighted participation rate from the Residential Non-Participant Customer Profile Study does not exceed 30%

# Example Frameworks (Massachusetts)



<https://www.mass.gov/info-details/massgis-data-2020-us-census-environmental-justice-populations>

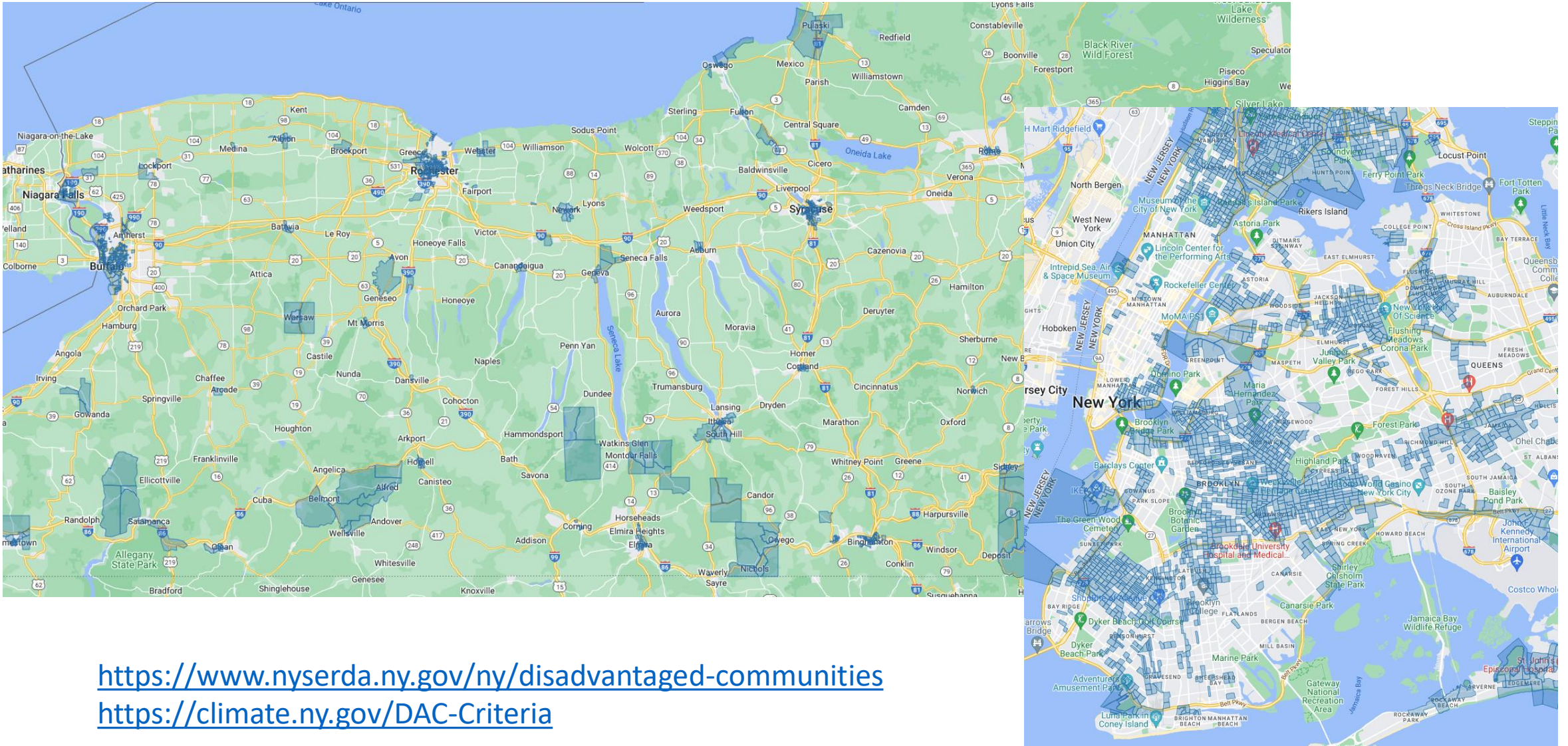
## Example Frameworks (New York)

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- “The [NY] Climate Act recognizes that climate change does not affect all New Yorkers equally. Climate change is a threat multiplier exacerbated by burdens, vulnerabilities, and stressors that differ among communities statewide.”
- Climate Justice Working Group (CJWG) developed criteria to identify disadvantaged communities “...to ensure that frontline and otherwise underserved communities benefit from the state’s historic transition to cleaner, greener sources of energy, reduced pollution and cleaner air, and economic opportunities.”



# Example Frameworks (New York)



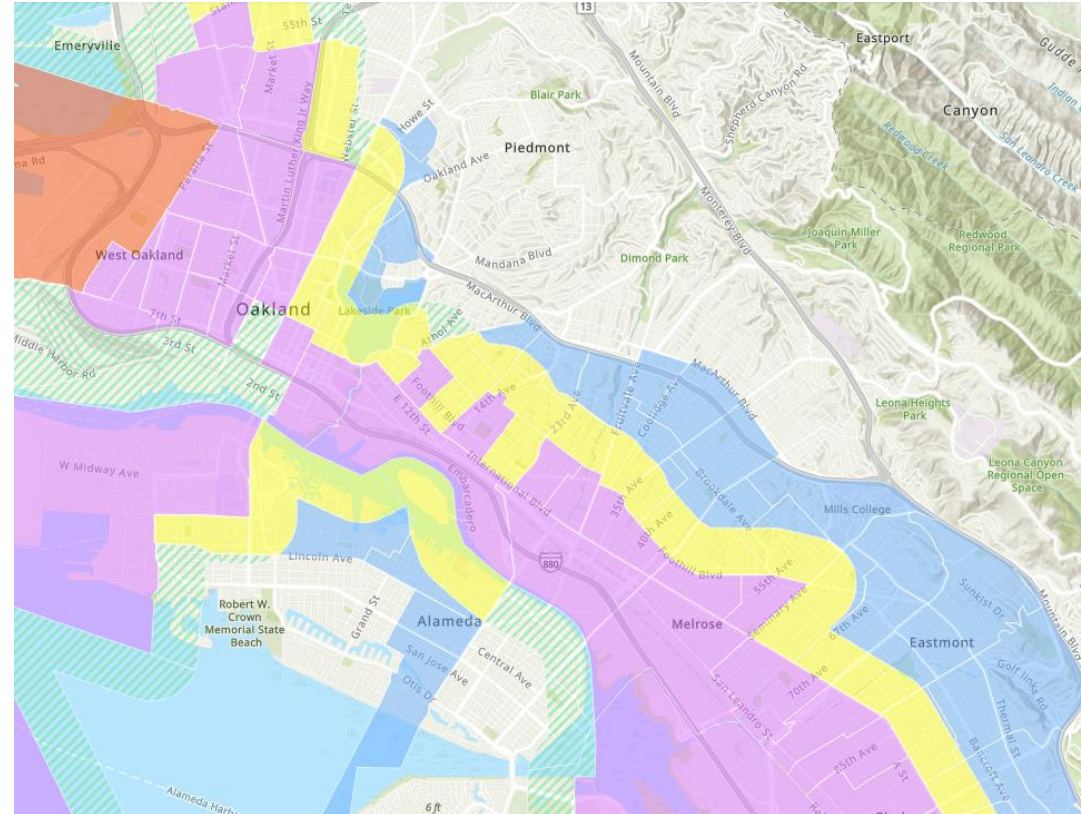
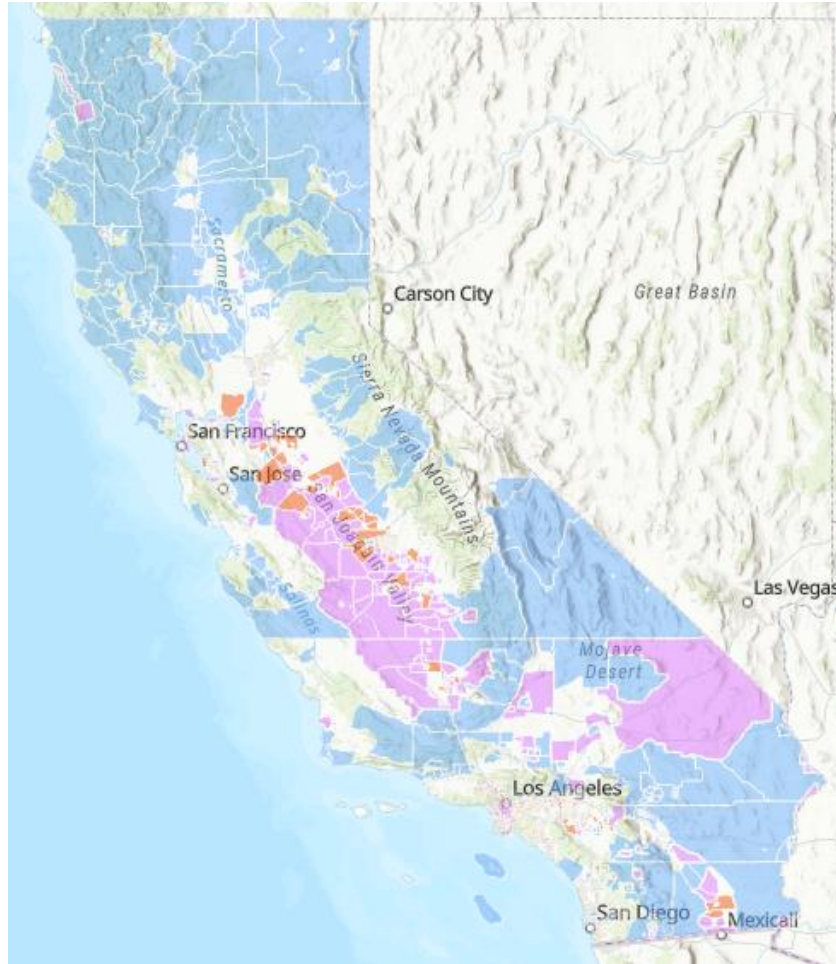
## Example Frameworks (California)

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- The state identifies DACs, drawing on 20 different criteria and grouping them into two main categories:
  - Pollution burden
  - Population characteristics
- Certain populations are especially vulnerable to the impacts of climate change. At least 35 percent of California Climate Investments must benefit these populations.



# Example Frameworks (California)



## Priority Populations CES4 2022

### PriorityPopulationsCES4

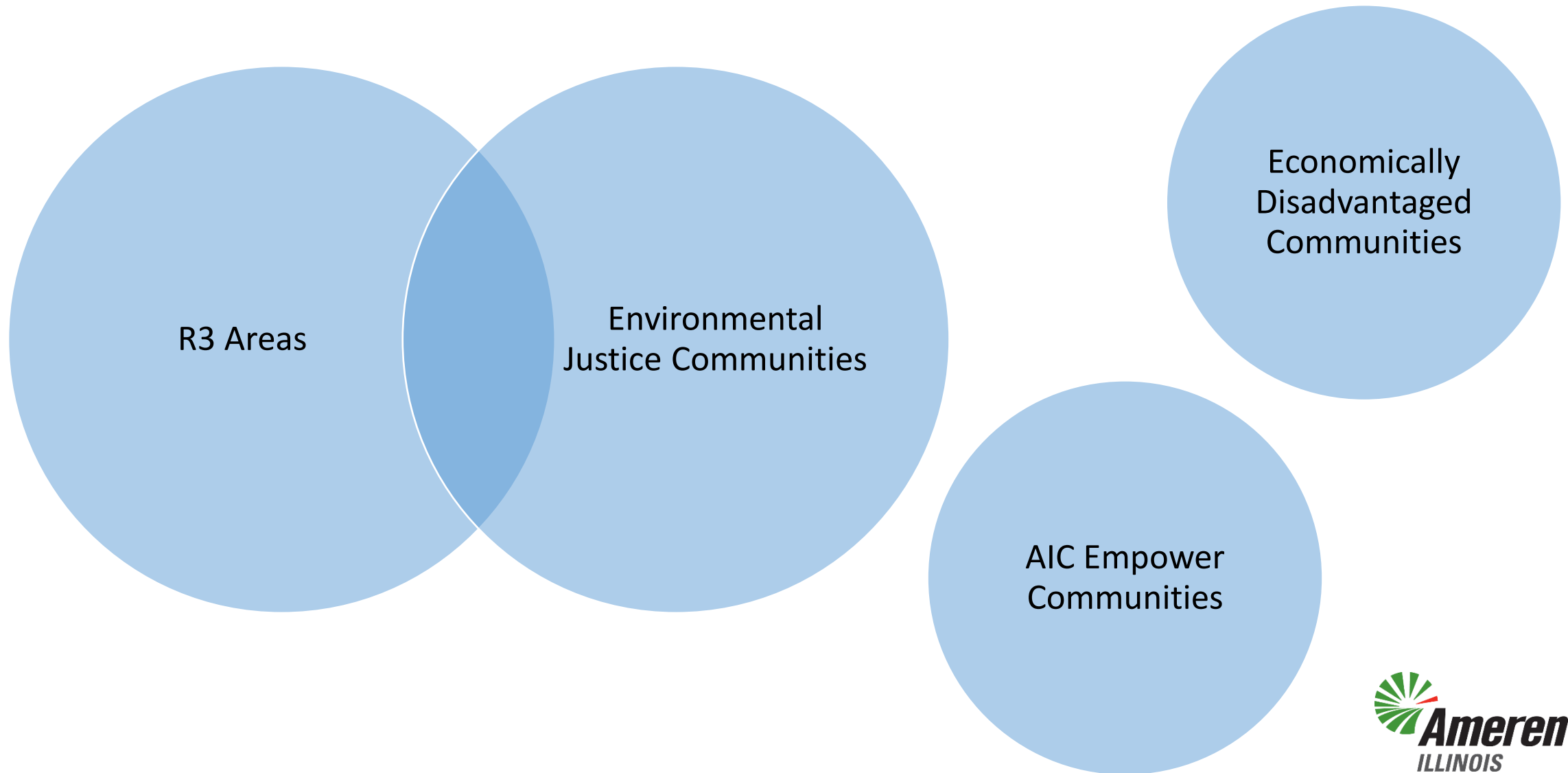
- Disadvantaged Communities
- Disadvantaged and Low-income Communities
- Low-income Communities
- Low-income Communities within 1/2 mile of Disadvantaged Communities
- Low-income Households within 1/2 mile of Disadvantaged Communities

\* Low-income households statewide are also considered a priority population for the purposes of California Climate Investments

<https://webmaps.arb.ca.gov/PriorityPopulations/>

## SB-2408 (“Equity Investment Eligible Communities”)

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