

Single Family Income Qualified Eligibility Policy Proposal

June 26, 2023

SF IQ Eligibility Verification Barrier

- Program requires customers to provide proof of income records:
 - Multiple pages of tax return with redactions; or
 - Statement of income
- Records aren't easily accessible and locating documents can be time consuming
 - Tax returns completed online through a provider
 - Lack of recordkeeping
- Lack of access to tools or capabilities to provide information to Ameren
 - No internet access
 - Technologically challenged
 - No computer available

SF IQ Policy Rationale

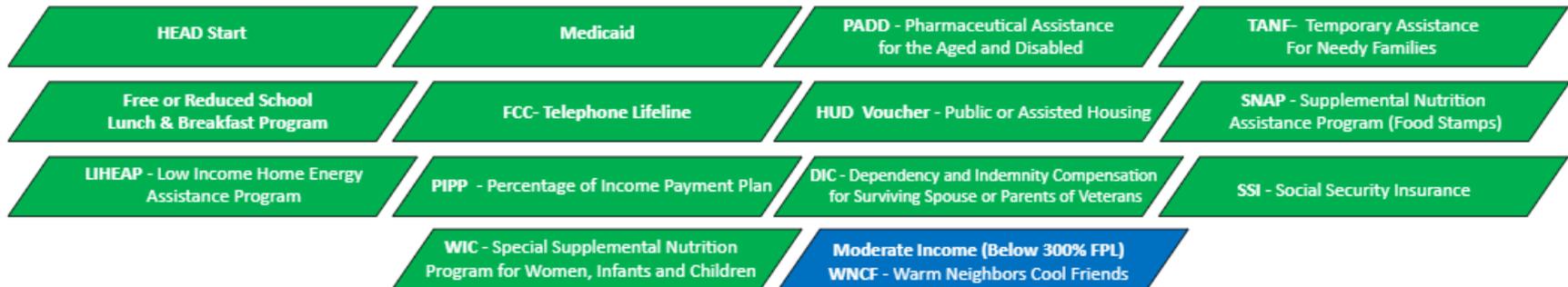
- Most customers participating in the state or federal income eligible assistance programs or energy assistance programs should be expected to have incomes at or below 80% of Area Median Income or at or below 300% Federal Poverty Level.
- Income verification for single-family income qualified homes can be challenging, expensive and time-consuming. To ensure that such challenges, costs and or impositions on customers do not adversely affect program administrators' ability to serve; there should be multiple pathways to establishing income eligibility for purposes of program participation and spend tracking.

- This policy would establish pathways to identifying customers as income qualified by their participation in other income eligible programs
- The following pathways could be acceptable ways to demonstrate income eligibility for single family customer participation in program administrator income qualified single-family programs.

IQ Proxy Programs

Low Income (Green) - Below 200% FPL, Mod Income (Blue) - Below 300% FPL

**List is not extensive of all Proxies. Additional Proxy Programs could be considered.*



SF IQ Policy Proposal



This policy establishes pathways to identifying customers by their participation in other income eligible programs. Program administrators may verify eligibility using documentation submitted showing participation in an income eligible program. For example, the following pathways would be acceptable ways to demonstrate income eligibility for single family customer participation in program administrator income qualified single-family programs:

- Participation in a weatherization assistance program with like eligibility
- Participation in ratepayer-funded, utility shareholder-funded, federal, state, or locally-funded energy assistance programs with like income eligibility (e.g., Low Income Home Energy Assistance Program (LIHEAP), Percentage of Income Payment Plan (PIPP))
- Participation in other state, federal, or local income eligible programs with like income eligibility (e.g., Supplemental Nutrition Assistance Program (SNAP), Medicaid)
- For tenant-occupied single family and 2-unit homes, location in a Census Tract identified by the Program Administrator as low-income. As a starting point, the Program Administrator should use HUD's annually published "Qualified Census Tracts." HUD's Low-Income Housing Tax Credit Qualified Census Tracts must have fifty percent (50%) of households with incomes below sixty percent (60%) of Area Median Income or areas that have a poverty rate of twenty-five percent (25%) or more. However, the Program Administrator's target Census Tracts may be expanded or restricted based on additional analysis demonstrating that the change would ensure that the majority of homes treated would have at least fifty percent (50%) of tenants with incomes at or below eighty percent (80%) of Area Median Income. For example, a Program Administrator may choose to target a higher percentage of poverty within their definition of a low-income Census Tract.

SF IQ Policy Proposal



- For non-IHWAP braided, single-family whole building retrofit projects, a self-certification process:
 - Customers will answer these questions:
 - How many people live in your household?
 - What is the estimated combined yearly income for your household? This includes all members of the household aged 18 and above.
 - This information is used to verify income eligibility against the AMI criteria.
 - Additionally, during retrofit service delivery, customers verify their eligibility by signing a customer authorization form.
- For non-comprehensive single-family programs, a self-certification process may also be used, including but not limited to:
 - Customers will answer these questions:
 - How many people live in your household?
 - What is the estimated combined yearly income for your family? This includes all members of the household aged 18 and above.
 - This information is used to verify income eligibility against the AMI criteria.

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- In addition to the options above, Program Administrators may use other approaches that can demonstrably identify single family homes occupied by customers whose incomes are expected to be at or below 80% AMI (or, for Ameren's moderate income offerings, at or below 300% Federal Poverty Level) in a manner less burdensome than by requiring income information. Program Administrators will inform stakeholders of any new qualification approaches and confirm no objections before beginning to use them. Program Administrators will employ the qualification methodologies that are the least burdensome and time-consuming for home owners and maximize the potential for and ease of participation in their Income Qualified single-family Programs.
- Customers identified as eligible to participate in Income Qualified programs using a pathway established above should receive program benefits that align with the income eligibility requirements for the program pathway used to determine eligibility.

NTG for Disadvantaged Areas Policy Proposal

June 26, 2023

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 | |

Policy Proposal and Rationale

Free ridership for certain types of customers in economically-disadvantaged areas is highly likely to be very low. That assumption is supported by data indicating that the participation rate for smaller customers in economically-disadvantaged areas has historically been much lower than for similar customers in communities that are not as economically challenged. To reflect that reality, the net to gross (NTG) ratio for such customers will be set to 100%. This will have the added advantage of creating greater incentives for utilities to target delivery of their efficiency programs to economically disadvantaged areas

Rationale

- 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

Policy Proposal

The economically-disadvantaged areas designated by this policy are:

- 1) Areas identified as “income-eligible households” by Illinois Solar for All (“disadvantaged neighborhood”), and
- 2) the entire area of certain municipalities where at least 50% of the municipality is identified as income-eligible through ILSfA (“disadvantaged municipality”)

The policy will apply to all program activity involving the following customer segments within disadvantaged areas:

- a) residential customers in disadvantaged neighborhoods,
- b) business customers in disadvantaged neighborhoods with rate class designations and/or energy consumption levels below annual thresholds in the table below



Policy Proposal

The policy will apply to all program activity involving the following customer segments within disadvantaged areas:

- a) residential customers in disadvantaged neighborhoods,
- b) business customers in disadvantaged neighborhoods with rate class designations and/or energy consumption levels below annual thresholds in the table below

| Utility | Criteria for Eligibility (either/or) | |
|---------------------------------|---|---|
| | Rate Class | Annual Consumption Threshold |
| Ameren Illinois | Electric: DS-2 (<150 kW) Gas: GDS-2 (<200 therms/day in any month) | Electric: <750,000 kWh/year Gas: <35,000 therms/year |
| ComEd | Small Load Delivery Class (<100 kW) | <750,000 kWh/year |
| Nicor Gas | N/A | <60,000 therms/year |
| Peoples Gas and North Shore Gas | N/A | <35,000 therms/year |



Policy Proposal

For projects jointly delivered by a gas and electric utility, eligibility for either the electric or gas thresholds in the table above would trigger the application of 100% percent NTG ratio for both fuel savings.

- a) any general delivery service municipal customers in a disadvantaged municipality.

It is expected that, though customers in disadvantaged areas are currently underrepresented in evaluation research due to lower participation levels, going forward, this policy will require that research to establish NTGRs for program activity explicitly sample customers in non-disadvantaged areas. Any NTG research targeting customers in disadvantaged areas will fall under Section 7.3 of the policy manual.

