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Executive Summary

Commonwealth Edison Company (“ComEd”) submits its 2026–2029 Energy Efficiency and Demand Response Plan (“Plan” or “Plan 7”) and the accompanying 2026-2029 Energy Efficiency and Demand Response Plan Stipulation Agreement (“Stipulation”)¹ to the Illinois Commerce Commission (“Commission” or “ICC”) for approval in accordance with Section 8-103B of the Public Utilities Act (“Act” or “PUA”). Since June 1, 2008, ComEd has administered energy efficiency (“EE”) programs to retail customers in its service territory in accordance with Section 8-103 or 8-103B of the Act, as applicable. Plan 7 covers the four-year period commencing January 1, 2026, and extending through December 31, 2029 (“Plan Period” or “Plan 7 Period”).

Plan 7 and Stipulation Highlights

- **Offering a Diverse Portfolio of Programs for All Applicable Customers:** ComEd’s portfolio serves four primary customer groups: residential customers, commercial and industrial (“C&I”) business customers, public sector customers, and income eligible (“IE”) customers. Residential customers, including IE customers, will be offered a suite of program elements that provide opportunities for them to participate in the portfolio (e.g., Home Energy Products, Single-Family Home Energy Savings, Multi-Family Energy Savings). ComEd will also offer a variety of opportunities to participate in the portfolio for C&I customers, which include businesses and public sector customers (e.g., Small Business, Incentives). Allocation to customer sectors will be based on their portion of program budgets. Portfolio-level costs, excluding IE Research & Development (“R&D”), will be limited to an annual average of no more than \$40 million each year, less than 9% of the annual portfolio budget.
- **Maximizing IE Program Spend:** While the law requires that a minimum of \$40 million per year be allocated towards IE programs, ComEd has dedicated an average of \$100 million per year on measures targeted at low-income households, including IE R&D, public housing efforts, and health and safety (“H&S”). ComEd’s annual IE whole building weatherization programs budget will be a minimum of \$74 million, 80%² of the total budget specifically dedicated to serving IE customers. Within the whole building weatherization program budget, an average \$27 million annually will be

¹ In addition to ComEd, the signatories to the Stipulation are the Natural Resources Defense Council (“NRDC”), the City of Chicago, Community Organizing and Family Issues (“COFI”), by its attorney, National Consumer Law Center (“NCLC”), ACES 4 Youth (“ACES”), People for Community Recovery (“PCR”), Meadows Eastside Community Resource Organization (“Meadows Eastside”) and DarkSky Chicago (“DarkSky”), Meadows Eastside Community Resource Organization (“MECRO”), collectively with ComEd, the “Parties”. See *Commonwealth Edison Company 2026-2029 Energy Efficiency & Demand Response Plan (Plan 7) Stipulation Agreement*, executed [2/28/2025], provided as ComEd Ex. 1.02.

² ComEd’s annual IE whole building weatherization program’s budget is 80% of ComEd’s \$92.5 million IE budget specifically dedicated to serving IE customers, and 15% of the whole building weatherization programs annual budget has been allocated to H&S measures. In addition, \$7.5M has been allocated to IE Sector level activities.

targeted to single-family properties, consistent with the budget in Plan 6, despite ComEd losing the ability to incentivize residential screw-in lighting within IE.

- **Integrating Energy Efficient Electrification (“EEE”) in IE Homes:** ComEd will make best efforts for IE electrification savings to come from both multi-family and single-family homes by, to the extent practicable, integrating delivery of space heating electrification with weatherization measures designed to reduce heating loads (and/or into buildings already known to be efficient/weatherized). ComEd also will support complete electrification of all fossil fuel end uses so that participating IE customers can realize benefits not only of reduced volumetric charges for fossil fuels but also fixed monthly charges for delivery.
- **Modifying Statutory Goals for Program Years 2028 and 2029:** In 2023 and 2024, ComEd participated in a statewide baseline and potential study to set the foundation for assumptions about additional kilowatt-hour (“kWh”) savings that EE programs could achieve in 2026-2029.³ This analysis concluded that ComEd could not achieve the unmodified statutory savings goals defined in Section 8-103B(b-5) for Program Years 2028 and 2029 while also meeting other Plan objectives, such as ensuring equitable access by customers to efficiency opportunities and enhancing the diversity of providers of efficiency products and services in ComEd’s service territory, within the budget limitations set by Section 8-103(m). ComEd made available to its stakeholders the findings of the potential study, Plan 7, and the underlying assumptions in the Plan’s modeling batch files. Throughout planning collaboration, the stakeholders⁴ stressed that the primary plan objectives are to ensure equitable access by customers to efficiency opportunities and enhance the diversity of providers of efficiency products and services in ComEd’s service territory. Stakeholders agreed that ComEd could accomplish these objectives by continuing to commit an annual minimum IE spend of \$100 million with a focus on whole building weatherization. Stakeholders acknowledged that ComEd could not achieve the unmodified statutory savings goals in Program Years 2028 and 2029 while continuing to spend an annual minimum of \$100 million on IE offerings focusing on weatherization and that there was sufficient evidence upon which the Commission could and should modify the Cumulative Persisting Annual Savings (“CPAS”) goals set forth in this Plan. ComEd and the stakeholders also agreed that the Applicable Annual Incremental Goal (“AAIG”) for each calendar year, calculated using the CPAS goal for the calendar year and the CPAS goal for the immediately preceding calendar year, would need to be modified and approved by the Commission under Section 8-103B.

³ See *GDS, Illinois 2023 Baseline and Potential Study*, available at <https://www.ilsag.info/wp-content/uploads/IL-Baseline-and-Potential-Study-SAG-Presentation-August-13-2024-V2.pdf> (last accessed February 20, 2025) (attached hereto as Appendix B).

⁴ The stakeholders in this plan are the Natural Resources Defense Council (“NRDC”), the City of Chicago (“City”), Community Organizing and Family Issues (“COFI”), by its attorney, National Consumer Law Center (“NCLC”), ACES 4 Youth (“ACES”), People for Community Recovery (“PCR”), and DarkSky Chicago (“DarkSky”), Meadows Eastside Community Resource Organization (“MECRO”), ICC Staff (“Staff”) and Office of Attorney General (“OAG”).

- Streamlining Third-Party Programs:** The Plan 7 third-party (“Third-Party”) program solicitation process will focus on developing a comprehensive energy coaching service (“Energy Advising”) with the intent of increasing comprehensive participation within C&I programs. The service will use existing virtual analytics tools to on-board customers and establish a long-term EE plan. Once this solicitation process has been completed, other new, innovative ideas can continue to be submitted for consideration through ComEd’s existing R&D submission process.

Expanding Supplier Diversity: Building on ComEd’s successful Market Development Initiative (“MDI”), ComEd will dedicate an average \$4 million annually to the MDI targeted at further diversifying the suppliers and workforce supporting the EE portfolio.

Portfolio Summary by the Numbers

Table ES-1 provides, for each calendar year, statutory and modified CPAS and AAIG goals for Plan 7. Table ES-2 provides Plan 7 budgets by program and year. Table ES-3 provides projected Plan 7 CPAS by program and year. See ComEd Ex. 1.03R (Section 8-103B(m) Budget Calculations).

TABLE ES-1: STATUTORY AND MODIFIED PLAN 7 CPAS AND AAIG GOAL

Item	2026	2027	2028	2029
Statutory CPAS (MWh)	14,857,095	15,604,099	16,351,104	17,098,109
Statutory CPAS (%)	17.90%	18.80%	19.70%	20.60%
Plan 7 CPAS (MWh)	14,857,819	15,604,819	16,127,818	16,753,818
Statutory AAIG (MWh)	747,000	747,000	747,000	747,000
Plan 7 AAIG (MWh)	747,000	747,000	410,000	626,000
Plan 7 First-Year Savings AATS (MWh)	1,410,751	1,377,948	1,397,642	1,262,721
Expiring Savings (MWh)	663,751	630,948	987,642	636,721
Plan 7 Budget (\$M)	\$454.20	\$454.20	\$454.20	\$454.20

TABLE ES-2: PLAN 7 BUDGETS BY PROGRAM AND YEAR

Programs	2026 CY Cost (\$M)	2027 CY Cost (\$M)	2028 CY Cost (\$M)	2029 CY Cost (\$M)	4-Year Plan Cost (\$M)
Res/IE Programs - EE Programs					
Behavior - Res	\$6.2	\$6.3	\$6.3	\$6.5	\$25.4
Contractor/Midstream Rebates	\$12.8	\$14.0	\$14.6	\$14.1	\$55.5
Home Energy Products	\$32.4	\$34.1	\$26.6	\$27.6	\$120.5
Multi-Family Energy Savings	\$27.0	\$27.3	\$27.1	\$27.4	\$108.8
New Construction	\$5.8	\$6.0	\$6.3	\$6.4	\$24.5
Single-Family Home Energy Savings	\$7.6	\$7.8	\$8.0	\$8.2	\$31.7
Whole Home Electric	\$41.1	\$40.7	\$40.9	\$39.7	\$162.3

Programs	2026 CY Cost (\$M)	2027 CY Cost (\$M)	2028 CY Cost (\$M)	2029 CY Cost (\$M)	4-Year Plan Cost (\$M)
Overhead (Non-Program) Costs	\$12.8	\$12.8	\$12.8	\$12.8	\$51.0
Res/IE Total	\$145.7	\$148.9	\$142.5	\$142.6	\$579.7
Business - EE Programs					
Business Energy Analyzer	\$1.4	\$1.5	\$1.9	\$1.5	\$6.3
Behavior - Bus/Pub	\$9.9	\$10.6	\$11.3	\$12.1	\$44.0
Commercial Food Service	\$0.5	\$0.5	\$0.5	\$0.5	\$1.9
Energy Advising	\$7.5	\$10.5	\$13.8	\$15.7	\$47.5
Incentives	\$78.8	\$76.6	\$76.1	\$71.8	\$303.2
Midstream/Upstream	\$40.9	\$35.2	\$40.4	\$42.9	\$159.4
New Construction - Bus/Pub	\$3.3	\$4.0	\$4.7	\$4.0	\$15.9
Small Business	\$89.5	\$88.5	\$83.7	\$82.8	\$344.6
Targeted Systems	\$28.7	\$29.8	\$30.9	\$32.1	\$121.5
Overhead (Non-Program) Costs	\$12.8	\$12.8	\$12.8	\$12.8	\$51.4
Business Total	\$273.3	\$269.9	\$276.3	\$276.1	\$1,095.7
Portfolio and Multi-Sector Costs					
Voltage Optimization	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Overhead (Non-Program) Costs	\$35.2	\$35.3	\$35.4	\$35.5	\$0.0
Portfolio Level Costs	\$35.2	\$35.3	\$35.4	\$35.5	\$141.3
ComEd Programs Total	\$454.2	\$454.2	\$454.2	\$454.2	\$1,816.7

TABLE ES-3: PROJECTED PLAN 7 CPAS BY PROGRAM AND YEAR

Programs	2026 Plan 7 CPAS Contribution (MWh)	2027 Plan 7 CPAS Contribution (MWh)	2028 Plan 7 CPAS Contribution (MWh)	2029 Plan 7 CPAS Contribution (MWh)	4-Year CPAS Energy Savings (MWh)
Res/IE Programs - EE Programs					
Behavior - Res	81,873	145,964	193,012	222,758	222,758
Contractor/Midstream Rebates	68,999	139,554	210,110	277,138	277,138
Home Energy Products	282,604	565,012	849,246	1,099,078	1,099,078
Multi-Family Energy Savings	20,860	41,229	61,104	80,604	80,604
New Construction	12,227	24,455	36,682	48,910	48,910
Single-Family Home Energy Savings	3,876	7,752	11,734	15,624	15,624
Whole Home Electric	25,323	50,228	74,136	97,528	97,528
Res/IE	495,764	974,195	1,436,025	1,841,639	1,841,639

Programs	2026 Plan 7 CPAS Contribution (MWh)	2027 Plan 7 CPAS Contribution (MWh)	2028 Plan 7 CPAS Contribution (MWh)	2029 Plan 7 CPAS Contribution (MWh)	4-Year CPAS Energy Savings (MWh)
Business - EE Programs					
Business Energy Analyzer	51,248	107,183	172,367	224,946	224,946
Behavior - Bus/Pub	47,687	97,646	149,877	204,381	204,381
Commercial Food Service	1,511	3,021	4,532	6,043	6,043
Energy Advising	19,213	45,343	79,158	116,560	116,560
Incentives	202,262	397,193	591,418	772,024	772,024
Midstream/Upstream	199,047	355,238	521,871	690,282	690,282
New Construction - Bus/Pub	6,698	13,395	20,093	26,790	26,790
Small Business	236,586	469,891	690,429	905,435	905,435
Targeted Systems	76,135	153,388	231,784	277,289	277,289
Business	840,385	1,642,299	2,461,528	3,223,749	3,223,749
Multi-Sector and Portfolio-Level Activities					
Research & Development	7,355	14,710	22,064	29,419	29,419
Voltage Optimization	67,248	136,290	207,110	207,110	207,110
ComEd EE Portfolio					
ComEd Programs Total	1,410,751	2,767,494	4,126,728	5,301,918	5,301,918

1. Introduction

Since 2008, ComEd has offered a growing portfolio of EE programs and services to its residential and C&I customers that has enabled its customers to save more than \$11 billion on their electric bills to date. Plan 7 builds on these previous efforts and successes by continuing successful programs, adding new programs, and offering outreach efforts that target specific customer segments.

ComEd submits Plan 7 to the Commission in accordance with Section 8-103B of the PUA. As amended, the provisions of Section 8-103B continue to require ComEd to have one of the largest EE portfolios in the country, with aggressive energy savings goals that will be challenging to achieve. The overall ComEd savings goal is the achievement of CPAS of 21.5% by 2030 and subsequent savings goals beyond 2030, as established by the ICC.

In 2023 and 2024, ComEd participated in a statewide baseline and potential study to set the foundation for assumptions about additional kWh savings that EE programs could achieve in 2026-2029.⁵ The baseline study surveyed a sample of residential and non-residential customers to determine important characteristics of energy-using equipment and their operation. The potential study projected program savings potential through 2029 for key customer classes, customer segments, and end uses. This analysis concluded that ComEd could not achieve the unmodified statutory savings goals defined in Section 8-103B(b-5) for Program Years 2028 and 2029 while also meeting other Plan objectives, such as ensuring equitable access by customers to efficiency opportunities and enhancing the diversity of providers of efficiency products and services in ComEd's service territory, within the budget limitations set by Section 8-103(m).

ComEd made available to its stakeholders the findings of the potential study, Plan 7, and the underlying assumptions in the Plan's modeling batch files. Throughout planning collaboration, the stakeholders stressed that the primary plan objectives were to ensure equitable access by customers to efficiency opportunities and enhance the diversity of providers of efficiency products and services in ComEd's service territory. Stakeholders agreed that ComEd could accomplish this by continuing to commit an annual minimum IE spend of \$100 million with a focus on whole building weatherization. Stakeholders acknowledged that ComEd could not achieve the unmodified statutory savings goals in Program Years 2028 and 2029 while continuing to spend an annual minimum of \$100 million on IE offerings with a focus on weatherization and that there was sufficient evidence upon which the Commission could and should modify the CPAS goals set forth in this Plan, as shown in Table ES-1.

ComEd and the stakeholders also agreed that the AAIG for each calendar year is calculated by taking the difference between the CPAS goal for the calendar year that is the subject of the independent evaluator's determination and the CPAS goal for the immediately preceding calendar year, as such CPAS goals have

⁵ See *GDS, Illinois 2023 Baseline and Potential Study*, available at <https://www.ilsag.info/wp-content/uploads/IL-Baseline-and-Potential-Study-SAG-Presentation-August-13-2024-V2.pdf> (last accessed February 20, 2025) (attached hereto as Appendix B).

been or will be modified and approved by the Commission under Section 8-103B. As a result of these calculations, ComEd's AAIG for each Plan year is shown in Table ES-1.

These conclusions were reached during extensive negotiations with stakeholders over several months that addressed key components of the Plan, including energy savings goals, IE and EEE program spend, coordination with the gas utilities, and Third-Party EE programs. These efforts were successful and resulted in the executed Stipulation (Appendix 1.02) and Plan 7.

2. Plan Overview

Plan 7 is designed to address and balance the multiple statutory requirements laid out in subsection (g) and other applicable provisions of Section 8-103B of the PUA, as follows:

- Achieve the modified CPAS goals using the statutory budgets for each of the four years of the Plan and demonstrate that the proposed EE measures will achieve the applicable requirements.
- Demonstrate consideration of program options for (i) advancing new building codes and municipal regulations governing existing and new building efficiency improvements and (ii) supporting efforts to improve compliance with such codes, standards, and regulations as a potentially cost-effective means of acquiring savings to count toward savings goals.
- Demonstrate that ComEd's portfolio, excluding the IE programs, is cost-effective using the Total Resource Cost ("TRC") test; however, individual measures need not be cost-effective.⁶
- Present a portfolio that represents a diverse cross-section of opportunities for customers of all rate classes, except those that opted out, to participate.⁷
- Demonstrate that the Plan integrates the delivery of EE programs with (i) natural gas efficiency programs, (ii) programs promoting distributed solar and demand response ("DR"), and (iii) other efforts to address bill payment issues.
- Solicit and fund, at a minimum, a \$25 million per year Third-Party EE implementation program.
- Provide programs for IE customers funded at a minimum of \$40 million per year.⁸
- Allocate 10% of the portfolio budget to public sector customers.⁹
- Implement cost-effective DR measures to reduce peak demand by 0.1% over the prior year for eligible retail customers and customers that elect to receive hourly service from ComEd.

⁶ See 220 ILCS 5/8-103B(g)(3) (providing that "[i]ndividual measures need not be cost effective").

⁷ See 220 ILCS 5/8-103B(f).

⁸ Section 8-103B provides that low-income households are those households at or below 80% of the Area Median Income ("AMI"). See 220 ILCS 5/8-103B(c).

⁹ See 220 ILCS 5/8-103B(c).

- Include a cost-recovery tariff mechanism.
- Provide for the independent evaluation of portfolio cost-effectiveness, as well as a full review of the multi-year Plan’s results of the broader net program impacts. Such independent evaluation will influence, to the extent practicable, future adjustment of measures. The resources for such evaluation shall not exceed 3% of the portfolio budget in any year.
- Provide for adjustment to ComEd’s return-on-equity component of its weighted average cost of capital to implement performance adjustments related to the extent to which ComEd achieves the AAIG.¹⁰
- Demonstrate how it will ensure that program implementation contractors and EE installation vendors will promote workforce equity and quality jobs and collect data no less than quarterly to ensure compliance.
- Allocate no more than 4% of the portfolio budget for research, development, or pilot deployment of new technology platforms or innovative approaches.¹¹

ComEd’s analysis of the Plan’s costs to acquire EE savings demonstrates that the modified CPAS and statutory DR targets applicable to ComEd during the Plan Period can be met within the statutory budgets. ComEd has therefore balanced the program mix such that the entire cost of the portfolio is within the overall budget, as reflected in Table 2-1.

TABLE 2-1: FORECASTED PLAN 7 SAVINGS¹²

Savings	2026	2027	2028	2029
Statutory CPAS (MWh)	14,857,095	15,604,099	16,351,104	17,098,109
Plan 7 CPAS (MWh)	14,857,819	15,604,819	16,127,818	16,753,818
Percent of Goal	100%	100%	99%	98%
CPAS Surplus/Shortfall (MWh)	724	720	-223,286	-344,291
Portfolio Peak Demand Savings (MW)	186	175	173	158
Percent of DR Goal	3157%	2941%	2902%	3575%

Table 2-2 shows ComEd’s budgets for these statutorily required customer segments, as well as the \$100 million minimum Third-Party statutory requirement for Plan 7.

¹⁰ Adjustments are provided for incremental goals falling under 0.6% of average sales during 2014-2016. See 220 ILCS 5/8-103B(g)(7)(C).

¹¹ See 220 ILCS 5/8-103B(h).

¹² See footnote 2, *supra*.

TABLE 2-2: PLAN 7 BUDGETS FOR STATUTORILY REQUIRED SPEND PROGRAMS

Programs	2026		2027		2028		2029	
	Cost (\$M)	%	Cost (\$M)	%	Cost (\$M)	%	Cost (\$M)	%
Budget	\$454.2	100%	\$454.2	100%	\$454.2	100%	\$454.2	100%
Public Sector Share	\$43.8	10%	\$43.8	10%	\$45.0	10%	\$45.1	10%
Income Eligible Share	\$104.5	23%	\$105.6	23%	\$101.2	22%	\$100.7	22%
Third-Party Share	\$16.5	4%	\$26.8	6%	\$44.9	10%	\$49.9	11%

2.1 Challenges

In Plan 7, the total savings required to meet annual goals increases substantially, due to a large quantity of expiring savings. This issue is compounded by three critical planning and implementation challenges that extend over the planning horizon. These challenges greatly affect the shape of the portfolio and ComEd’s ability to execute this Plan. Each issue and ComEd’s proposed approach are described below.

2.1.1 Market Transition to LED Lighting

Cost-effective residential lighting historically has been a mainstay of the ComEd EE portfolio. In response to increased efficiency standards enacted as part of the Energy Independence and Security Act of 2007 (“EISA”), ComEd eliminated market rate lighting in Plan 6 but continued to offer lighting incentives to IE customers. In this Plan, ComEd assumes market transition to LED lighting in the residential sector will be complete and, therefore, includes no residential LEDs, apart from exterior and common area linear fixture lighting for multi-family premises.

In the commercial sector, ComEd assumes the transition from legacy lighting to LED will continue. Opportunities for commercial lighting projects are likely to be found in smaller businesses and low-income areas, making it more challenging for ComEd to identify cost-effective projects in the remaining potential. Plan 7 begins to phase out TLEDs by limiting them to direct install early replacement opportunities in the Small Business program and continues the company’s efforts to deliver commercial incentives and services in disadvantaged communities. Savings from commercial lighting controls continue to be pursued in Plan 7, but energy savings from this measure have been less than originally projected.

There is no known technology that can cost-effectively replace lost lighting savings. Plan 7 addresses this by developing several new low-cost programs that focus on achieving savings by influencing customer behavior, such as New Construction Market Transformation and Business Energy Analyzer (“BEA”).

2.1.2 Higher Program Costs

Inflation, changes in the labor force, and other factors increased program labor, equipment, and implementation costs over the course of Plan 6, and upward pressure on program costs is expected to continue in the foreseeable future. Plan 7 includes inflation assumptions, discussed between ComEd and stakeholders, that portend only a marginal increase in program costs. If costs turn out to be higher than

what has been assumed, it will make it more difficult for ComEd to reach its statutory goals.

Additionally, the high cost of delivering programs to hard-to-reach customers has proven persistent in areas like residential weatherization and electrification, where there is limited potential. The Plan 7 portfolio balances higher-cost measures with lower-cost ones to keep the overall cost per kWh of savings at a level that enables goal achievement. Controlling the average cost per kWh is critical to achieving Plan 7 goals. This is done by optimizing program structures to decrease administration costs and increase incentive funds and savings proportionally. This can be seen in efforts such as Home Energy Products, which incorporates previous program offerings of Retail/Online, Product Distribution, and ENERGY STAR® Retail Products Platform. Additionally, measure mixes have been optimized against related programs to reduce competition between programs and optimize incentive values.

2.1.3 Energy Efficiency Electrification Caps

Section 8-103B limits the amount of EEE measure savings ComEd can claim in two ways. First, it caps the percentage of annual energy savings from EEE measures to 10% of total portfolio savings. Second, it requires that 25% of total EEE savings must come from electrification of end uses in low-income housing. EEE is costly and in the early stages of market adoption, but opportunities to expand EEE measures exist in the commercial and industrial sectors. EEE measures in IE housing programs are more expensive, with the number of IE EEE measures implemented constrained by cost. The statutory requirement to count 25% of EEE savings as IE effectively caps EEE savings from the commercial and industrial sectors, since those savings cannot exceed three times the quantity of IE EEE savings. ComEd can increase commercial and industrial EEE adoption by incentivizing more cost-effective measures, such as fork trucks, but those savings are limited by what can be done on the IE side. EEE measures and budget in Plan 7 reflect this limitation. Additionally, upcoming instability in energy markets related to increasing capacity costs and differences in low-income gas and electric discount rates may reduce the pool of electrification products that can decrease total bill impacts to the customer. Such challenges reduce the number of IE customers that can benefit from electrification, decreasing overall electrification potential for the portfolio.

2.1.4 Funding Uncertainty

To help reduce EE program administration costs, ComEd seeks to leverage aligned funding sources, such as the Illinois Home Weatherization Assistance Program (“IHWAP”) and Inflation Reduction Act (“IRA”) in applicable Plan 7 programs. However, the new Trump Administration has signaled a willingness to freeze or withdraw clean energy and related funding. Plan 7 assumes the continued availability of IHWAP funding but recognizes that reliance on government funds is a risk under the current Administration.

2.2 Opportunities

Although ComEd is facing some significant challenges, there are several opportunities contained in this Plan, as described below.

2.2.1 New Behavior-Based Programs

Plan 7 expands the opportunity for ComEd to help C&I customers identify and implement operational and behavioral energy-saving improvements in their facilities. A new offering, BEA, will enable C&I customers of any size to access and leverage their energy usage information and adopt customized energy-reduction recommendations to reduce their energy use. The Plan 7 Third-Party solicitation process will focus on developing a comprehensive energy coaching service, Energy Advising, with the intent of increasing comprehensive participation within C&I programs. Energy Advising will use existing virtual analytics tools to on-board customers and establish a long-term EE plan.

2.2.2 Market Transformation Integration

ComEd will continue to work closely with stakeholders and the other Illinois utilities to advance the regulatory and evaluation frameworks required to support the Market Transformation initiatives begun during Plan 6 and integrate them into ComEd's EE programs in Plan 7. ComEd's first market transformation pilot, ENERGY STAR Retail Products Platform, is fully integrated into the Home Energy Products program under Plan 7. ComEd is applying the lessons learned from that integration into its new construction stretch building codes pilot which will align with, and ultimately be integrated into, the residential and commercial New Construction program. Other Plan 7 market transformation work will include the development of building performance standards for building renovations.

2.2.3 All Electric Home Weatherization

A new program in Plan 7, Whole Home Electric, will upgrade IE single-family and multi-family homes and buildings with comprehensive measures that include electrification technologies. Fossil-fueled appliances and heating and cooling systems will be replaced with electric appliances and systems, with a focus on converting IE homes using inefficient electric resistance heating systems to efficient heat pump technologies. Weatherization will also be available through the program if the home or building has not been previously weatherized.

3. Plan 7 Development

As discussed below, the portfolio ComEd proposes in Plan 7 is the product of a multi-stage effort to gather and process the information required to meet savings goals while maintaining cost-effectiveness. At a high level, the multi-stage analysis can be broken down into three distinct stages: measures, programs, and portfolio. The TRC test is used at each stage.

3.1 Illinois TRC Test

Section 8-103B(g)(3) of the Act requires that the portfolio of EE measures—not including IE programs—be “cost-effective,” which is defined as having satisfied the TRC test. *See* 220 ILCS 5/8-103B(g)(3); *see also* 220 ILCS 5/8-103B(a). The statute further confirms that “[i]ndividual measures need not be cost effective.” *See* 220 ILCS 5/8-103B(g)(3).

Illinois defines the TRC test as follows:

“Total resource cost test” or “TRC test” means a standard that is met if, for an investment in energy efficiency or demand-response measures, the benefit-cost ratio is greater than one. The benefit-cost ratio is the ratio of the net present value of the total benefits of the program to the net present value of the total costs as calculated over the lifetime of the measures. A total resource cost test compares the sum of avoided electric utility costs, representing the benefits that accrue to the system and the participant in the delivery of those efficiency measures and including avoided costs associated with reduced use of natural gas or other fuels, avoided costs associated with reduced water consumption, and avoided costs associated with reduced operation and maintenance costs, as well as other quantifiable societal benefits, to the sum of all incremental costs of end-use measures that are implemented due to the program (including both utility and participant contributions), plus costs to administer, deliver, and evaluate each demand-side program, to quantify the net savings obtained by substituting the demand-side program for supply resources. In calculating avoided costs of power and energy that an electric utility would otherwise have had to acquire, reasonable estimates shall be included of financial costs likely to be imposed by future regulations and legislation on emissions of greenhouse gases (“GHG”). In discounting future societal costs and benefits for the purpose of calculating net present values, a societal discount rate based on actual, long-term Treasury bond yields should be used. Notwithstanding anything to the contrary, the TRC test shall not include or take into account a calculation of market price suppression effects or demand reduction induced price effects.

In basic terms, the TRC test compares the benefits realized by installing a measure with the costs to install that measure. Benefits are calculated as the product of the measure’s estimated energy and peak demand savings and the utility’s avoided cost. Costs are equal to the incremental capital, installation, and operations and maintenance (“O&M”) costs. The incremental cost is defined as the difference between the cost of the efficiency measure and the cost of the measure that otherwise would have been installed.

3.2 Measures Analysis

To design Plan 7, ComEd first focused on measures that are contained within the Illinois Stakeholder Advisory Group (“SAG”)-vetted and Commission-approved Illinois Statewide Technical Reference Manual (“IL-TRM”), which provides measure-level data used to determine a measure’s cost-effectiveness including, but not limited to, measure life, measure cost, coincidence factor, and calculation of savings.¹³ Version 12 of the IL-TRM was used as the primary data source for most EE measures; when Version 13 of the IL-TRM was released in late 2024, ComEd updated measure details to align with significant IL-TRM changes.

The first stage of the analysis—the measures analysis—used the TRC test to determine the cost-effectiveness of the individual EE measures. At the measure stage, the TRC test only analyzes the cost of each measure, which means that program administration costs are not included because they are not yet

¹³ *Id.*

relevant. Only the benefits associated with the measure are compared to the measure’s costs.

While the IL-TRM provides an extensive starting point for measures, it is by no means comprehensive, particularly where more complex measures are concerned. For more complicated measures that were not included in the current IL-TRM, ComEd relied on savings algorithms, assumptions, and values provided by the program implementers and independent evaluators.

The cost-effectiveness analysis also requires the estimate of the useful life of each measure to account for all of the energy savings realized by implementation of the measure over time. For example, installing an LED generates savings relative to an incandescent bulb for a number of years, depending on how many hours per year, over how many years, the bulb is used.

Finally, the cost-effectiveness analysis requires a discount rate to estimate the present value of the efficiency measure’s costs and benefits. The TRC test definition includes the calculation of this discount rate as prescribed by law. See 20 ILCS 3855/1-10. Real and nominal societal discount rates are listed in the IL-TRM. The societal discount rate used for analyses pertaining to the Plan 7 cycle is in IL-TRM Version 12.

ComEd utilized Analytica for Plan 7 modeling and cost-effectiveness analyses, ensuring consistency with current evaluation cost-effectiveness testing. Analytica, a visual software environment that specializes in building quantitative decision models, uses a variety of data inputs to perform the analyses. Major inputs to the model include, but are not limited to, Avoided Energy Cost, Avoided Ancillary Charges, Avoided Capacity Cost, Avoided Transmission and Distribution Cost, Line Losses, Carbon Adder and Escalators. Detailed TRC assumptions and sources can be found in Appendix A (TRC Assumptions and Sources).

Using this data, ComEd calculated the value of the TRC test for each of the measures in consideration for Plan 7. Measures that score a ratio of benefits to costs of 1.0 or greater are considered to pass the TRC test. In general terms, the TRC test compares benefits (i.e., avoided costs, energy and demand savings) and costs (i.e., incremental capital, installation and O&M costs of measures). The formal expression of the Illinois TRC test is as follows:

$$TRC = \frac{\sum_{t=1}^N \frac{UAC_t + OQB_t}{(1+d)^{t-1}}}{\sum_{t=1}^N \frac{PRC_t + PCN_t + UIC_t}{(1+d)^{t-1}}}$$

Where :

UAC_t = Utility Avoided Cost in year t

OQB_t = Other Quantifiable Societal Benefits in year t

PRC_t = Program Costs in year t

PCN_t = Participant Costs in year t

UIC_t = Utility Increased Supply Costs in year t

d = Discount Rate

The TRC test is often applied to assess the cost-effectiveness of individual EE measures as well as EE programs. When the analysis of measures is prepared, we look at a single measure's costs and benefits and do not include variables such as program implementation costs because, at this stage in the analysis, there are no program costs.

3.3 Programs Analysis

The second analysis stage is the bundling of cost-effective EE measures into programs and performing the cost-effectiveness analysis at the program level. The program implementation and administration costs are included in this TRC test analysis.

Upon analyzing the results of the TRC test on individual EE measures, ComEd then determined whether any of those individual measures could be "bundled" into a program element. A program element is a general classification that references the types of measures that might be offered within a program targeted at a specific market. The bundling process is used because very few, if any, program elements and programs are designed and implemented as only including a single measure. Rather, program designers build programs around combinations of measures that might appeal to a given market and that can be delivered using similar channels. The bundling process is also necessary because, in subsequent steps, ComEd estimates how many of each measure would or could be adopted by program participants and then sums the energy and demand reduction impacts of these measures.

After bundling measures into program elements, ComEd calculated the TRC test at a program level to determine cost-effectiveness at the program level (as opposed to the program's measures individually). There are three differences between this program-level cost-effectiveness analysis process and the cost-effectiveness analysis process for measures discussed above. First, when analyzing measures, the Program Cost ("PRC") variable ("program administrator costs") in the Illinois TRC test is set to zero. However, program-level analysis requires that the PRC variable equal the cost to implement and administer the program.

Second, while the measure analysis focused on the cost-effectiveness of a single measure, program analysis, by definition, is the cost-effectiveness of a bundle of measures as those measures are adopted by program participants. This means that, at the program level, ComEd must also project the number of measures that are expected to be adopted as a result of the program.

The third difference is directly related to the second. Every customer who receives an incentive for undertaking a specific program-sponsored activity is a participant, but not every participant is motivated to undertake that activity by the program. Some percentage of program participants will be "free riders"—participants that would have undertaken the desired action even in the absence of the program. To account for these free riders, the estimated savings for a program is reduced by the amount of savings attributed to the free riders. At the same time, however, there will be some customers who undertake the action the program is attempting to motivate, but who do not actually take any incentive from the program. Savings from these customers are known as "spillover." Just as the effects of free riders are accounted for, so are the effects of spillover.

The net effect of free ridership and spillover is known as the net-to-gross (“NTG”) ratio, which is the ratio of: (1) net program savings, which are calculated as the net of free ridership and spillover, and (2) gross program savings, which are equal to the total number of measures installed and their associated savings. For Plan 7, the NTG ratio estimates for continuing programs are generally based on the results of the most recent evaluation reports completed by the independent evaluator. In certain cases, these values were adjusted to reflect likely future market behavior. For continuing programs, cost data was based on the current costs of delivering the programs. These costs were adjusted to reflect potential increases or decreases in cost elements over time.

For new programs, ComEd used NTG ratios determined by the independent evaluator. Program cost data used for new programs is based on the costs reported by others in the industry implementing similar programs. The data was then modified to reflect adjustments that would be expected in the ComEd service territory. Similarly, the participation data was based on the actual or projected achievements of similar programs. These data were also compared against the market potential study ComEd conducted (discussed in Section 4.2 *infra*).

Finally, per Section 8-103B, TRC benefits include quantifiable social benefits, or Non-Energy Impacts (“NEIs”). Beginning in 2017, ComEd’s independent evaluator conducted research to quantify and monetize societal, utility, and participant NEIs associated with ComEd’s programs. In addition to NEIs currently deemed in the IL-TRM and other quantifiable NEIs, such as water savings, other fuel savings, and avoided O&M, the Plan 7 TRCs were calculated with and without societal NEIs amongst the benefits. This planning enhancement is discussed in Section 4.3 *infra*.

3.4 Portfolio Analysis

In the third, and final, analysis stage, the programs are bundled into the overall portfolio and analyzed for cost-effectiveness, which includes the non-program specific, portfolio-level costs in the cost-effectiveness test. It is also at this stage that the portfolio is balanced, with program participation levels being increased or decreased in an effort to satisfy multiple objectives including but not limited to cost-effectiveness; portfolio reach; IE, Public Sector, and Third-Party carveouts; budget constraints; funding assurance for portfolio-level costs (e.g., evaluation); and, for Plan 7, Stipulation requirements.

4. Key Planning Enhancements

When developing Plan 7, ComEd undertook several enhancements to its planning process, as described below.

4.1 End-Use Baseline Study

ComEd has conducted end-use baseline studies in the past to determine the status of efficiency measures in the ComEd market. During Plan 7, ComEd participated in a statewide end-use baseline study to set the foundation for assumptions about additional kWh and therm savings that EE and EEE programs could achieve in 2026-2029.¹³ The baseline study surveyed a sample of customers to determine important

characteristics of energy-using equipment and their operation. It was designed to capture energy usage data for all ComEd customers (other than those eligible customers that had chosen to opt out), including IE and public sector customers.

4.2 Market Potential Study

Based on the state of EE equipment and usage in ComEd's service territory established in the end use baseline study, ComEd participated in a statewide market potential study, provided as Appendix B, to estimate the future potential cost-effective EE and EEE savings that could be achieved from programs.¹⁴ The market potential study projected program savings potential through 2029 for key customer classes, customer segments, building types, and end-uses. The results were used to ensure program energy savings assumptions were consistent with the potential for savings available in the market. The results of both the baseline and market potential studies were reviewed at length with interested stakeholders in the SAG.

4.3 Stakeholder Input and Collaboration

Like Plan 6 and those before it, the SAG and its stakeholder participants have been crucial in the development of Plan 7. Consensus-building first began through the SAG process, during which positions, challenges, and opportunities were presented and discussed by the utilities and the stakeholders. SAG members also offered new program ideas, and ComEd provided SAG members the opportunity to preview Plan 7 and solicited stakeholder feedback. Following SAG discussions, ComEd engaged in extensive negotiations with several stakeholders to reach agreement. Over several months, ComEd and the negotiating stakeholders discussed key components of the Plan, culminating in the Stipulation executed by the signatory parties. Key aspects of the Stipulation, ComEd Ex. 1.02, are as follows:

- **Energy Savings Goals:** As noted in the Stipulation, the parties to the Stipulation urge the Commission to approve the Plan with modified goals for Program Years 2028 and 2029 and within the budgets established by Section 8-103B(m) for the Plan Period.
- **IE Program Spend:** While the law requires that a minimum of \$40 million per year be allocated towards IE programs, ComEd has committed to spend an average of \$100 million per year on measures targeted at low-income households, including IE R&D, public housing efforts, and H&S but excluding allocated overhead. ComEd will spend an average of \$74 million per year on IE whole building weatherization programs, as these projects have the greatest impact on customer energy bills. Within the whole building weatherization program elements, an annual average of \$27 million will be targeted to single-family properties. This increased focus on single-family housing reflects ComEd's customer composition, as single-family buildings make up approximately 42% of IE

¹⁴ See *GDS, Illinois 2023 Baseline and Potential Study*, available at <https://www.ilsag.info/wp-content/uploads/IL-Baseline-and-Potential-Study-SAG-Presentation-August-13-2024-V2.pdf> (last accessed February 20, 2025) (attached hereto as Appendix B).

TABLE 5-4: PROJECTED CPAS SAVINGS BY PROGRAM AND YEAR

Programs	2026 Plan 7 CPAS Contribution (MWh)	2027 Plan 7 CPAS Contribution (MWh)	2028 Plan 7 CPAS Contribution (MWh)	2029 Plan 7 CPAS Contribution (MWh)	4-Year CPAS Energy Savings (MWh)
Res/IE Programs - EE Programs					
Behavior - Res	81,873	145,964	193,012	222,758	222,758
Contractor/Midstream Rebates	68,999	139,554	210,110	277,138	277,138
Home Energy Products	282,604	565,012	849,246	1,099,078	1,099,078
Multi-Family Energy Savings	20,860	41,229	61,104	80,604	80,604
New Construction	12,227	24,455	36,682	48,910	48,910
Single-Family Home Energy Savings	3,876	7,752	11,734	15,624	15,624
Whole Home Electric	25,323	50,228	74,136	97,528	97,528
Res/IE	495,764	974,195	1,436,025	1,841,639	1,841,639
Business - EE Programs					
BEA	51,248	107,183	172,367	224,946	224,946
Behavior - Bus/Pub	47,687	97,646	149,877	204,381	204,381
Commercial Food Service	1,511	3,021	4,532	6,043	6,043
Energy Advising	19,213	45,343	79,158	116,560	116,560
Incentives	202,262	397,193	591,418	772,024	772,024
Midstream/Upstream	199,047	355,238	521,871	690,282	690,282
New Construction - Bus/Pub	6,698	13,395	20,093	26,790	26,790
Small Business	236,586	469,891	690,429	905,435	905,435
Targeted Systems	76,135	153,388	231,784	277,289	277,289
Business	840,385	1,642,299	2,461,528	3,223,749	3,223,749
Multi-Sector and Portfolio-Level Activities					
Research & Development	7,355	14,710	22,064	29,419	29,419
Voltage Optimization	67,248	136,290	207,110	207,110	207,110
ComEd EE Portfolio					
ComEd Programs Total	1,410,751	2,767,494	4,126,728	5,301,918	5,301,918

Table 5-5 summarizes the projected first-year and lifecycle costs, in dollars per kWh, for each of the program elements. Residential and IE Programs and Business and Public Sector Programs include sector general costs.

Programs	2026 CY Cost (\$M)	2027 CY Cost (\$M)	2028 CY Cost (\$M)	2029 CY Cost (\$M)	4-Year Plan Cost (\$M)
Overhead (Non-Program) Costs	\$6.0	\$6.0	\$6.0	\$6.0	\$23.9
Residential - EE non-IE Total	\$41.2	\$43.4	\$41.3	\$41.9	\$167.8
IE Costs					
Behavior - Res	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Contractor/Midstream Rebates	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Home Energy Products	\$17.5	\$18.4	\$13.7	\$13.8	\$63.4
Multi-Family Energy Savings	\$27.0	\$27.3	\$27.1	\$27.4	\$108.8
New Construction	\$4.5	\$4.6	\$4.7	\$4.8	\$18.7
Single-Family Home Energy Savings	\$7.6	\$7.8	\$8.0	\$8.2	\$31.7
Whole Home Electric	\$41.1	\$40.7	\$40.9	\$39.7	\$162.3
Overhead (Non-Program) Costs	\$6.8	\$6.8	\$6.8	\$6.8	\$27.1
Residential - EE IE Total	\$104.5	\$105.6	\$101.2	\$100.7	\$412.0
Total Residential and IE Costs	\$145.7	\$148.9	\$142.5	\$142.6	\$579.7

TABLE 5-11: RESIDENTIAL & INCOME ELIGIBLE NET SAVINGS (MWH)

Programs	2026 First-Year Energy Savings (MWh)	2027 First-Year Energy Savings (MWh)	2028 First-Year Energy Savings (MWh)	2029 First-Year Energy Savings (MWh)	4-Year Plan First-Year Energy Savings (MWh)
Non-IE Savings					
Behavior - Res	81,873	85,296	84,735	80,019	331,923
Contractor/Midstream Rebates	68,999	70,555	70,555	67,028	277,138
Home Energy Products	86,901	89,424	131,327	102,355	410,007
New Construction	1,347	1,347	1,347	1,347	5,388
Residential - EE non-IE Total	239,120	246,622	287,965	250,749	1,024,455
IE Savings					
Home Energy Products	195,703	192,984	152,907	147,477	689,071
Multi-Family Energy Savings	20,860	20,368	19,877	19,508	80,613
New Construction	10,881	10,881	10,881	10,881	43,522
Single-Family Home Energy Savings	3,876	3,876	3,995	3,995	15,741
Whole Home Electric	25,323	24,905	23,907	23,392	97,528
Residential - EE IE Total	256,644	253,014	211,566	205,252	926,476
Total Residential and IE Costs	495,764	499,636	499,531	456,001	1,950,931

conditioning temperature set-points, and turning off/unplugging electronic equipment when not in use. Given the design of the program and the method of measuring energy savings (which relies on the customer’s monthly energy consumption versus a control group), the breadth of measures actually undertaken is not known.

- **Program Targets:** Behavior – Res/IE program targets are shown in Table 5-12.

TABLE 5-12: BEHAVIOR – RES/IE PROGRAM TARGETS

Category	2026	2027	2028	2029
Participation Levels				
Total Measure Counts	1,357,349	1,414,098	1,404,798	1,326,618
Total IE Measure Counts	0	0	0	0
Annual Savings Targets				
Cumulative Persisting Annual Savings (Does not include historical)				
Net Composite Savings (MWh)	81,873	145,964	193,012	222,758
Net Composite IE Savings (MWh)	0	0	0	0
First-Year Annual Total Net Savings				
True Electric Savings (MWh)	81,873	85,296	84,735	80,019
Demand Savings (MW)	14	14	14	13
Claimed Therms	0	0	0	0
Claimed Therms (MWh)	0	0	0	0
Claimed Electrification (MWh)	0	0	0	0
Composite Savings (MWh)	81,873	85,296	84,735	80,019
First-Year Annual Income Eligible Net Savings				
True Electric Savings (MWh)	0	0	0	0
Demand Savings (MW)	0	0	0	0
Claimed Therms	0	0	0	0
Claimed Therms (MWh)	0	0	0	0
Claimed Electrification (MWh)	0	0	0	0
Net Composite Savings (MWh)	0	0	0	0
Program Budget				
Total Budget (\$M)	\$6.2	\$6.3	\$6.3	\$6.5
Total IE Budget (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
IE spend as % of Program Budget	0%	0%	0%	0%
Cost-Effectiveness				
TRC	3.57			
UCT	2.32			
\$ per first-year kWh	\$0.08			
\$ per lifetime kWh	\$0.01			

- Eligible Measures:** Eligible measures will include a variety of ENERGY STAR-certified appliances and other energy-efficient home products including, but not limited to, air purifiers, clothes washers, dehumidifiers, electric and heat pump clothes dryers, room air conditioners, refrigerators (ENERGY STAR Retail Products Platform only), advanced power strips, weatherization products, and smart thermostats. ComEd may revise eligible measures and incentive amounts as needed in accordance with current market conditions, technology development, evaluation results, and program implementation experience.
- Program Targets:** Home Energy Products program targets are shown in Table 5-13.

TABLE 5-13: HOME ENERGY PRODUCTS PROGRAM TARGETS

Category	2026	2027	2028	2029
Participation Levels				
Total Measure Counts	3,138,971	3,178,266	2,353,412	2,363,420
Total IE Measure Counts	1,143,945	1,135,714	732,772	720,637
Annual Savings Targets				
Cumulative Persisting Annual Savings (Does not include historical)				
Net Composite Savings (MWh)	282,604	565,012	849,246	1,099,078
Net Composite IE Savings (MWh)	195,703	388,687	541,594	689,071
First-Year Annual Total Net Savings				
True Electric Savings (MWh)	138,707	141,651	108,341	109,134
Demand Savings (MW)	15	16	12	12
Claimed Therms	4,812,340	4,700,422	5,913,354	4,716,078
Claimed Therms (MWh)	141,050	137,769	173,320	138,228
Claimed Electrification (MWh)	2,848	2,987	2,573	2,469
Composite Savings (MWh)	282,604	282,408	284,234	249,832
First-Year Annual Income Eligible Net Savings				
True Electric Savings (MWh)	54,498	55,040	38,151	37,435
Demand Savings (MW)	6	6	5	5
Claimed Therms	4,813,983	4,702,026	3,911,232	3,750,663
Claimed Therms (MWh)	141,050	137,769	114,599	109,894
Claimed Electrification (MWh)	156	174	157	147
Net Composite Savings (MWh)	195,703	192,984	152,907	147,477
Program Budget				
Total Budget (\$M)	\$32.4	\$34.1	\$26.6	\$27.6
Total IE Budget (\$M)	\$17.5	\$18.4	\$13.7	\$13.8
IE spend as % of Program Budget	54%	54%	52%	50%
Cost-Effectiveness				
TRC	9.98			
UCT	10.70			
\$ per first-year kWh	\$0.11			
\$ per lifetime kWh	\$0.01			

TABLE 5-14: SINGLE-FAMILY HOME ENERGY SAVINGS PROGRAM TARGETS

Category	2026	2027	2028	2029
Participation Levels				
Total Measure Counts	43,948	43,948	43,948	43,948
Total IE Measure Counts	43,948	43,948	43,948	43,948
Annual Savings Targets				
Cumulative Persisting Annual Savings (Does not include historical)				
Net Composite Savings (MWh)	3,876	7,752	11,734	15,624
Net Composite IE Savings (MWh)	3,876	7,752	11,734	15,624
First-Year Annual Total Net Savings				
True Electric Savings (MWh)	3,850	3,850	3,850	3,850
Demand Savings (MW)	1	1	1	1
Claimed Therms	883	883	4,923	4,923
Claimed Therms (MWh)	26	26	144	144
Claimed Electrification (MWh)	0	0	0	0
Composite Savings (MWh)	3,876	3,876	3,995	3,995
First-Year Annual Income Eligible Net Savings				
True Electric Savings (MWh)	3,850	3,850	3,850	3,850
Demand Savings (MW)	1	1	1	1
Claimed Therms	883	883	4,925	4,925
Claimed Therms (MWh)	26	26	144	144
Claimed Electrification (MWh)	0	0	0	0
Net Composite Savings (MWh)	3,876	3,876	3,995	3,995
Program Budget				
Total Budget (\$M)	\$7.6	\$7.8	\$8.0	\$8.2
Total IE Budget (\$M)	\$7.6	\$7.8	\$8.0	\$8.2
IE spend as % of Program Budget	100%	100%	100%	100%
Cost-Effectiveness				
TRC	0.85			
UCT	0.77			
\$ per first-year kWh	\$2.01			
\$ per lifetime kWh	\$0.15			

5.2.4 Multi-Family Energy Savings

- Program Description:** Multi-Family Energy Savings is a single comprehensive program that will provide a range of EE services to qualifying property owners, managers, public housing authorities, and tenants. These services will include EE assessments, energy-saving products, and incentives for larger capital projects, and EE measures installed by a participating EE service provider. The program also will provide technical assistance to support implementation. These services will be available to IE properties, as well as buildings owned or managed by Public Housing Authorities.
- Collaboration:** It is ComEd’s intent that, to the extent possible, it will offer this program jointly or in

coordination with Nicor Gas, Peoples Gas, and North Shore Gas. ComEd also intends to work with CAAs and leverage the IHWAP to braid utility dollars with state and federal dollars.

- **Delivery Strategy:** An implementation contractor will deliver the program and will work with ComEd to finalize the program design, develop marketing materials, conduct program marketing and outreach activities, recruit and manage a closed network of service providers, provide energy assessments, and, when appropriate, direct installations in the target market. To ensure coherence and coordination of this offering, the implementation contractor will manage all program components of Multi-Family Energy Savings, including assessments and direct installation or delivery of measures, incentive processing for large capital projects and EE measures, and the braided work delivered through the IHWAP. The implementation contractor may use subcontractors and / or partners to assist with the delivery.
- **Target Market:** This program will target all IE multi-family (defined as three or more units) building owners and managers in ComEd’s service territory that serve renters with incomes at or below 80% of the AMI. It also will target building owners and managers with buildings served by statewide weatherization assistance programs, such as IHWAP, and Public Housing Authorities with owned and managed buildings.
- **Marketing Strategy:** This program’s marketing strategy will be to employ highly targeted communication channels to likely eligible building owners and property managers throughout the ComEd service territory. This will intend to build on existing marketing channels already in use by nonprofit entities and government agencies that have existing relationships with, or experience serving, IE communities. ComEd will supplement marketing to properties participating in IHWAP, as needed. Multi-family building owners and managers may be marketed to through a variety of potential channels including, but not limited to, direct mail, social media, community partner outreach, and community events. Marketing may also be done through ComEd’s customer assistance programs.
- **Eligible Measures:** Eligible measures may include programmable and smart thermostats, advanced power strips, faucet aerators, low-flow showerheads, and pipe insulation. Incentives for appliances, furnaces, cooling equipment, water heaters, boiler tune-ups and replacements, air sealing, and attic and wall insulation will also be available, as well as H&S measures as budget allows.
- **Program Targets:** Multi-Family Energy Savings program targets are shown in Table 5-15.

TABLE 5-15: MULTI-FAMILY ENERGY SAVINGS PROGRAM TARGETS

Category	2026	2027	2028	2029
Participation Levels				
Total Measure Counts	14,956	14,877	14,329	14,154
Total IE Measure Counts	14,956	14,877	14,329	14,154
Annual Savings Targets				
Cumulative Persisting Annual Savings (Does not include historical)				
Net Composite Savings (MWh)	20,860	41,229	61,104	80,604
Net Composite IE Savings (MWh)	20,860	41,229	61,104	80,604

providers and residential customers purchasing and/or installing new or replacement HVAC equipment through a participating distributor in ComEd’s service territory.

- **Marketing Strategy:** ComEd will leverage existing product market channels to generate program awareness and develop strong partnerships with participating heat-pump-trained contractors/geothermal EE service providers and distributors. Marketing will utilize specific messaging, targeted campaigns, and behavioral tactics to drive the stocking, purchasing, and installation of high-efficiency HVAC equipment. Additionally, messaging is intended to reach residential customers to drive the awareness and selection of high-efficiency HVAC products. Tactics may include webinar trainings, bill inserts, collateral materials, web communications, and electronic channels.
- **Eligible Measures:** Eligible measures will include air source heat pumps, ductless mini-split heat pumps, and geothermal (ground source) heat pumps. ComEd may revise eligible measures and incentive amounts as needed in accordance with current market conditions, technology development, evaluation results, and program implementation experience.
- **Program Targets:** Contractor/Midstream Rebates program targets are shown in Table 5-16.

TABLE 5-16: CONTRACTOR/MIDSTREAM REBATES PROGRAM TARGETS

Category	2026	2027	2028	2029
Participation Levels				
Total Measure Counts	5,634	5,899	5,899	5,604
Total IE Measure Counts	0	0	0	0
Annual Savings Targets				
Cumulative Persisting Annual Savings (Does not include historical)				
Net Composite Savings (MWh)	68,999	139,554	210,110	277,138
Net Composite IE Savings (MWh)	0	0	0	0
First-Year Annual Total Net Savings				
True Electric Savings (MWh)	14,009	15,565	15,565	14,787
Demand Savings (MW)	2	2	2	2
Claimed Therms	0	0	0	0
Claimed Therms (MWh)	0	0	0	0
Claimed Electrification (MWh)	54,990	54,990	54,990	52,241
Composite Savings (MWh)	68,999	70,555	70,555	67,028
First-Year Annual Income Eligible Net Savings				
True Electric Savings (MWh)	0	0	0	0
Demand Savings (MW)	0	0	0	0
Claimed Therms	0	0	0	0
Claimed Therms (MWh)	0	0	0	0
Claimed Electrification (MWh)	0	0	0	0
Net Composite Savings (MWh)	0	0	0	0
Program Budget				
Total Budget (\$M)	\$12.8	\$14.0	\$14.6	\$14.1
Total IE Budget (\$M)	\$0.0	\$0.0	\$0.0	\$0.0

For C&I customers, ComEd proposes one set of program elements that will serve both business and public sector customers. Under the Business and Public Sector umbrella, the Plan will offer the following five program elements that target these customers: (1) Small Business; (2) Incentives; (3) Targeted Systems; (4) Midstream/Upstream; (5) Behavior – Bus/Pub; and (6) Business Energy Analyzer. As reflected in Table 5-4, the Business and Public Sector program umbrella is now projected to provide total CPAS of 840,385 MWh; 1,642,299 MWh; 2,461,528 MWh; and 3,223,749 MWh for 2026, 2027, 2028, and 2029, respectively. Within the overall portfolio, these program elements are expected to attain 61% of ComEd’s total CPAS goal for Plan 7. These program elements will provide, to the extent practical, cooperative offerings with the natural gas program offerings of Nicor Gas, Peoples Gas, and North Shore Gas.

Table 5-18 and Table 5-19 provide the projected expenditures and savings for each program element at the business and public sector level. With the addition of the portfolio-level costs allocated to the projected public sector spend at the program element level, ComEd expects to exceed the public sector spend target in each of the four Plan years.

TABLE 5-18: PROJECTED BUSINESS & PUBLIC SECTOR BUDGETS

Programs	2026 CY Cost (\$M)	2027 CY Cost (\$M)	2028 CY Cost (\$M)	2029 CY Cost (\$M)	4-Year Plan Cost (\$M)
Business - EE Programs					
BEA	\$1.4	\$1.5	\$1.9	\$1.5	\$6.3
Behavior - Bus/Pub	\$8.3	\$8.9	\$9.5	\$10.2	\$36.9
Commercial Food Service	\$0.4	\$0.4	\$0.5	\$0.5	\$1.8
Energy Advising	\$5.1	\$7.1	\$9.4	\$10.7	\$32.3
Incentives	\$65.4	\$63.6	\$63.2	\$59.6	\$251.9
Midstream/Upstream	\$35.5	\$30.6	\$35.1	\$37.3	\$138.7
New Construction - Bus/Pub	\$2.8	\$3.4	\$4.0	\$3.4	\$13.6
Small Business	\$75.2	\$74.4	\$70.3	\$69.5	\$289.4
Targeted Systems	\$26.3	\$27.4	\$28.5	\$29.6	\$111.7
Overhead (Non-Program) Costs	\$11.0	\$11.0	\$11.0	\$11.0	\$44.0
Business Total	\$231.6	\$228.3	\$233.5	\$233.2	\$926.6
Public Sector - EE Programs					
BEA	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Behavior - Bus/Pub	\$1.6	\$1.7	\$1.8	\$1.9	\$7.0
Commercial Food Service	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1
Energy Advising	\$2.4	\$3.3	\$4.4	\$5.0	\$15.2
Incentives	\$13.4	\$13.0	\$12.9	\$12.1	\$51.4
Midstream/Upstream	\$5.3	\$4.6	\$5.3	\$5.6	\$20.7
New Construction - Bus/Pub	\$0.5	\$0.6	\$0.7	\$0.6	\$2.4
Small Business	\$14.3	\$14.2	\$13.4	\$13.3	\$55.2
Targeted Systems	\$2.4	\$2.4	\$2.5	\$2.5	\$9.7
Overhead (Non-Program) Costs	\$1.8	\$1.8	\$1.8	\$1.8	\$7.3

Public Total in Business Sector	\$41.7	\$41.6	\$42.8	\$42.9	\$169.1
Business Total Cost	\$273.3	\$269.9	\$276.3	\$276.1	\$1,095.7

TABLE 5-19: PROJECTED BUSINESS & PUBLIC SECTOR NET SAVINGS

Programs	2026 First-Year Energy Savings (MWh)	2027 First-Year Energy Savings (MWh)	2028 First-Year Energy Savings (MWh)	2029 First-Year Energy Savings (MWh)	4-Year Plan First-Year Energy Savings (MWh)
Business - EE Programs					
BEA	51,248	55,935	65,184	52,579	224,946
Behavior - Bus/Pub	40,057	41,966	43,875	45,783	171,680
Commercial Food Service	1,435	1,435	1,435	1,435	5,740
Energy Advising	13,065	17,768	22,994	25,433	79,261
Incentives	168,541	162,452	161,861	150,554	643,408
Midstream/Upstream	173,171	135,886	144,971	146,517	600,545
New Construction - Bus/Pub	5,693	5,693	5,693	5,693	22,772
Small Business	201,098	198,310	188,058	185,381	772,847
Targeted Systems	69,677	70,796	71,938	73,102	285,513
Business Total	723,984	690,241	706,008	686,478	2,806,711
Public Sector - EE Programs					
BEA	0	0	0	0	0
Behavior - Bus/Pub	7,630	7,993	8,357	8,721	32,701
Commercial Food Service	76	76	76	76	302
Energy Advising	6,148	8,362	10,821	11,969	37,299
Incentives	33,721	32,479	32,364	30,053	128,617
Midstream/Upstream	25,876	20,305	21,662	21,893	89,737
New Construction - Bus/Pub	1,005	1,005	1,005	1,005	4,019
Small Business	35,488	34,996	33,187	32,714	136,385
Targeted Systems	6,458	6,458	6,458	6,458	25,831
Public Total in Business Sector	116,401	111,673	113,928	112,887	454,889
Business Total	840,385	801,914	819,937	799,365	3,261,601

The following pages provide detailed descriptions of the Business and Public Sector program elements. A complete list of program measures can be found in Appendix D (Program Measures).

5.3.1 Small Business

- **Program Description:** The Small Business program will provide EE assessments and incentives for the purchase and installation of energy-efficient equipment to small businesses and public facilities.

A closed network of Small Business Program service providers will conduct comprehensive energy assessments, at no cost to the customer, to identify a list of recommended EE improvement opportunities for eligible private and public customers. Service providers will also submit pre-applications on behalf of customers to reserve incentive funding for projects, install the energy-saving measure(s) in the customer’s facility, and bill the customer for their share (if any) of the project cost after incentives have been applied.

- **Collaboration:** None.
- **Delivery Strategy:** An implementation contractor will deliver the program and work with ComEd to finalize the program design and incentives, develop marketing materials for the EE service providers, and conduct program marketing and outreach activities.
- **Target Market:** All commercial and industrial customers, both private and public sector, under 400 kW peak demand.
- **Marketing Strategy:** The Small Business Program will rely upon the implementation contractor and closed service provider network for project development. ComEd will support the service provider network by providing marketing and outreach guidance and support and co-branded promotional materials. The support for service providers will be supplemented by the ComEd marketing and outreach teams, the EE Call Center, and other ComEd departments.
- **Eligible Measures:** Incentives will be available for more efficient lighting and controls, HVAC, compressed air, refrigeration, and building envelope.
- **Program Targets:** Small Business program targets are shown in Table 5-20.

TABLE 5-20: SMALL BUSINESS PROGRAM TARGETS

Category	2026	2027	2028	2029
Participation Levels				
Total Projects	69,139,179	67,862,010	63,207,478	61,988,871
Total Private Projects	58,768,302	57,682,709	53,726,357	52,690,540
Total Public Projects	10,370,877	10,179,302	9,481,122	9,298,331
Annual Savings Targets				
Cumulative Persisting Annual Savings (Does not include historical)				
Net Composite Savings (MWh)	236,586	469,891	690,429	905,435
First-Year Annual Total Net Savings				
True Electric Savings (MWh)	236,586	233,306	221,245	218,095
Demand Savings (MW)	46	45	43	42
Claimed Therms	0	0	0	0
Claimed Therms (MWh)	0	0	0	0
Claimed Electrification (MWh)	0	0	0	0
Composite Savings (MWh)	236,586	233,306	221,245	218,095
Composite Savings (MWh) Private	201,098	198,310	188,058	185,381
Composite Savings (MWh) Public	35,488	34,996	33,187	32,714

Category	2026	2027	2028	2029
Program Budget				
Administration (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Implementation (\$M)	\$14.7	\$14.9	\$14.4	\$14.4
Incentives (\$M)	\$74.8	\$73.7	\$69.3	\$68.4
Marketing and Other (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Total Budget (\$M)	\$89.5	\$88.5	\$83.7	\$82.8
Total Private Budget (\$M)	\$75.2	\$74.4	\$70.3	\$69.5
Total Public Budget (\$M)	\$14.3	\$14.2	\$13.4	\$13.3
Cost-Effectiveness				
TRC	2.02			
UCT	1.58			
\$ per first-year kWh	\$0.38			
\$ per lifetime kWh	\$0.03			

5.3.2 Incentives

- **Program Description:** The Incentives program will provide monetary incentives to business and public sector customers installing qualified EE improvements in their facilities. The incentives will be offered on either a fixed per-unit basis (“standard”) or determined based on the calculated annual energy savings (“custom”). Standard measures have savings algorithms based on the IL-TRM. Custom measures are not in the IL-TRM and are identified and implemented based on site-specific factors. Technical assistance for select projects will be provided to assist in the evaluation and implementation of custom EE projects.
- **Collaboration:** None.
- **Delivery Strategy:** An implementation contractor will deliver the program and work with ComEd to finalize the program design, develop marketing materials, and conduct program marketing and outreach activities.
- **Target Market:** All commercial and industrial customers, both private and public sector.
- **Marketing Strategy:** ComEd will leverage multiple existing product market channels and partnerships with participating service providers to increase program awareness and generate project leads. Marketing will utilize specific messaging, targeted campaigns, and behavioral tactics to drive installation of efficient equipment. Tactics may include direct e-mail, bill inserts, collateral materials, web communications, and electronic channels.
- **Eligible Measures:** Eligible measures will include lighting, lighting controls, commercial appliances, HVAC, refrigeration, compressed air equipment, motors, water heating, Energy Management Systems, industrial measures, and other end-use areas.
- **Program Targets:** Incentives program targets are shown in Table 5-21.

TABLE 5-21: INCENTIVES PROGRAM TARGETS

Category	2026	2027	2028	2029
Participation Levels				
Total Projects	3,762	3,633	3,587	3,338
Total Private Projects	3,126	3,018	2,980	2,774
Total Public Projects	636	614	607	564
Annual Savings Targets				
Cumulative Persisting Annual Savings (Does not include historical)				
Net Composite Savings (MWh)	202,262	397,193	591,418	772,024
First-Year Annual Total Net Savings				
True Electric Savings (MWh)	202,262	194,931	194,225	180,606
Demand Savings (MW)	37	36	36	33
Claimed Therms	0	0	0	0
Claimed Therms (MWh)	0	0	0	0
Claimed Electrification (MWh)	0	0	0	0
Composite Savings (MWh)	202,262	194,931	194,225	180,606
Composite Savings (MWh) Private	168,541	162,452	161,861	150,554
Composite Savings (MWh) Public	33,721	32,479	32,364	30,053
Program Budget				
Administration (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Implementation (\$M)	\$14.6	\$14.3	\$14.3	\$13.8
Incentives (\$M)	\$64.2	\$62.2	\$61.8	\$57.9
Marketing and Other (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Total Budget (\$M)	\$78.8	\$76.6	\$76.1	\$71.8
Total Private Budget (\$M)	\$65.4	\$63.6	\$63.2	\$59.6
Total Public Budget (\$M)	\$13.4	\$13.0	\$12.9	\$12.1
Cost-Effectiveness				
TRC	3.26			
UCT	1.81			
\$ per first-year kWh	\$0.39			
\$ per lifetime kWh	\$0.03			

5.3.3 Targeted Systems

- **Program Description:** Targeted Systems will provide a fully funded engineering study to help optimize operations of existing building and industrial systems and identify low-cost and no-cost measures for systems and processes. The program also will offer Building Operator Certification.
- **Collaboration:** ComEd coordinates the Retro-Commissioning component of this program with Nicor Gas, North Shore Gas, and Peoples Gas, when applicable.
- **Delivery Strategy:** An implementation contractor will deliver the program and work with ComEd to finalize the program design, develop marketing materials, and conduct program marketing and

outreach activities.

- **Target Market:** Eligible public and private C&I customers in ComEd’s service territory. Typical participants include commercial office buildings, hospitals/health care facilities, higher education buildings, and industrial customers.
- **Marketing Strategy:** Participating service providers are the primary conduit for this program and will market the program through their direct relationships with business and public customers. They will identify, communicate, and enroll customer participants through their own marketing initiatives, supplemented by program-led marketing efforts.
- **Eligible Measures:** Eligible measures include low-cost energy conservation measures that have an average simple payback of 18 months, capital investments, and operational adjustments, such as optimizing operating parameters, properly matching equipment to load, and installing controls that improve system efficiency. Applicable systems include compressed air, process cooling, industrial refrigeration, building HVAC systems, water and wastewater treatment, and process efficiency for heating and cooling in production.
- **Program Targets:** Targeted System program targets are shown in Table 5-22.

TABLE 5-22: TARGETED SYSTEMS PROGRAM TARGETS

Category	2026	2027	2028	2029
Participation Levels				
Total Projects	563	572	581	591
Total Private Projects	525	534	543	552
Total Public Projects	38	38	38	38
Annual Savings Targets				
Cumulative Persisting Annual Savings (Does not include historical)				
Net Composite Savings (MWh)	76,135	153,388	231,784	277,289
First-Year Annual Total Net Savings				
True Electric Savings (MWh)	76,135	77,254	78,395	79,560
Demand Savings (MW)	8	8	9	9
Claimed Therms	0	0	0	0
Claimed Therms (MWh)	0	0	0	0
Claimed Electrification (MWh)	0	0	0	0
Composite Savings (MWh)	76,135	77,254	78,395	79,560
Composite Savings (MWh) Private	69,677	70,796	71,938	73,102
Composite Savings (MWh) Public	6,458	6,458	6,458	6,458
Program Budget				
Administration (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Implementation (\$M)	\$10.4	\$10.8	\$11.3	\$11.7
Incentives (\$M)	\$18.3	\$19.0	\$19.7	\$20.4
Marketing and Other (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Total Budget (\$M)	\$28.7	\$29.8	\$30.9	\$32.1

Category	2026	2027	2028	2029
Total Private Budget (\$M)	\$26.3	\$27.4	\$28.5	\$29.6
Total Public Budget (\$M)	\$2.4	\$2.4	\$2.5	\$2.5
Cost-Effectiveness				
TRC	1.74			
UCT	0.82			
\$ per first-year kWh	\$0.39			
\$ per lifetime kWh	\$0.05			

5.3.4 Midstream/Upstream

- **Program Description:** This program will offer instant discounts to C&I customers or their service providers for opting to purchase (i) high-efficiency rooftop HVAC equipment, (ii) forklift chargers or electric fork trucks, or (iii) high-efficiency food service equipment, such as cooking equipment, refrigerators, and ice makers.
- **Collaboration:** The commercial food service equipment program will be offered jointly with Nicor Gas and Peoples Gas/North Shore Gas.
- **Delivery Strategy:** An implementation contractor or contractors will deliver the program and work with ComEd to finalize the program design, develop marketing materials, and conduct program marketing and outreach activities.
- **Target Market:** This program targets all C&I customers purchasing new or replacement HVAC, forklift chargers, electric fork trucks, or food service equipment.
- **Marketing Strategy:** ComEd will leverage existing product market channels to generate program awareness and develop strong partnerships with participating service providers and distributors. Marketing will utilize specific messaging, targeted campaigns, and behavioral tactics to drive installation of efficient equipment. Tactics may include direct e-mail, bill inserts, collateral materials, web communications, and electronic channels.
- **Eligible Measures:** This program will provide incentives for industrial (forklift) battery chargers, electric fork trucks, rooftop HVAC systems, and high-efficiency commercial cooking equipment.
- **Program Targets:** Midstream/Upstream program targets are shown in Table 5-23.

TABLE 5-23: MIDSTREAM/UPSTREAM PROGRAM TARGETS

Category	2026	2027	2028	2029
Participation Levels				
Total Projects	1,374,131	378,983	583,402	575,983
Total Private Projects	1,195,494	329,715	507,559	501,105
Total Public Projects	178,637	49,268	75,842	74,878

Category	2026	2027	2028	2029
Annual Savings Targets				
Cumulative Persisting Annual Savings (Does not include historical)				
Net Composite Savings (MWh)	199,047	355,238	521,871	690,282
First-Year Annual Total Net Savings				
True Electric Savings (MWh)	197,913	155,009	164,999	163,402
Demand Savings (MW)	45	33	37	37
Claimed Therms	0	0	0	0
Claimed Therms (MWh)	0	0	0	0
Claimed Electrification (MWh)	1,135	1,182	1,634	5,009
Composite Savings (MWh)	199,047	156,191	166,633	168,411
Composite Savings (MWh) Private	173,171	135,886	144,971	146,517
Composite Savings (MWh) Public	25,876	20,305	21,662	21,893
Program Budget				
Administration (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Implementation (\$M)	\$7.6	\$6.0	\$6.7	\$7.0
Incentives (\$M)	\$33.2	\$29.3	\$33.6	\$35.9
Marketing and Other (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Total Budget (\$M)	\$40.9	\$35.2	\$40.4	\$42.9
Total Private Budget (\$M)	\$35.5	\$30.6	\$35.1	\$37.3
Total Public Budget (\$M)	\$5.3	\$4.6	\$5.3	\$5.6
Cost-Effectiveness				
TRC	3.91			
UCT	4.35			
\$ per first-year kWh	\$0.23			
\$ per lifetime kWh	\$0.02			

5.3.5 Behavior – Bus/Pub

- **Program Description:** This program will assist customers from various sectors to identify and implement operational and behavioral energy-saving improvements in their industrial and commercial properties. Under the Strategic Energy Management component, a customer will join a cohort of similar customers to participate in workshops, training, and on-site activities designed to promote more energy efficient behaviors within a facility.
- **Collaboration:** Nicor Gas and Peoples Gas/North Shore Gas, when applicable.
- **Delivery Strategy:** An implementation contractor will deliver the program and will work with ComEd to finalize the program design, develop marketing materials, and conduct program marketing and outreach activities.
- **Target Market:** This program targets all C&I customers.
- **Marketing Strategy:** ComEd outreach includes direct e-mail, bill inserts, collateral materials, web

communications, direct outreach, and electronic channels.

- **Eligible Measures:** All measures are eligible. The program focuses on operational and behavioral measures to improve ongoing operational EE.
- **Program Targets:** Behavior – Bus/Pub program targets are shown in Table 5-24.

TABLE 5-24: BEHAVIOR – BUS/PUB PROGRAM TARGETS

Category	2026	2027	2028	2029
Participation Levels				
Total Projects	108	114	119	124
Total Private Projects	91	95	100	104
Total Public Projects	17	18	19	20
Annual Savings Targets				
Cumulative Persisting Annual Savings (Does not include historical)				
Net Composite Savings (MWh)	47,687	97,646	149,877	204,381
First-Year Annual Total Net Savings				
True Electric Savings (MWh)	47,687	49,959	52,232	54,504
Demand Savings (MW)	0	0	0	0
Claimed Therms	0	0	0	0
Claimed Therms (MWh)	0	0	0	0
Claimed Electrification (MWh)	0	0	0	0
Composite Savings (MWh)	47,687	49,959	52,232	54,504
Composite Savings (MWh) Private	40,057	41,966	43,875	45,783
Composite Savings (MWh) Public	7,630	7,993	8,357	8,721
Program Budget				
Administration (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Implementation (\$M)	\$2.6	\$2.8	\$3.0	\$3.2
Incentives (\$M)	\$7.3	\$7.8	\$8.4	\$8.9
Marketing and Other (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Total Budget (\$M)	\$9.9	\$10.6	\$11.3	\$12.1
Total Private Budget (\$M)	\$8.3	\$8.9	\$9.5	\$10.2
Total Public Budget (\$M)	\$1.6	\$1.7	\$1.8	\$1.9
Cost-Effectiveness				
TRC	3.83			
UCT	1.21			
\$ per first-year kWh	\$0.22			
\$ per lifetime kWh	\$0.03			

5.3.6 Business Energy Analyzer

- **Program Description:** This program consists of a free, opt-in tool that enables commercial and

industrial customers to leverage their energy usage information to gain greater insight and control over their electricity use. The tool serves an important customer education function by providing customers with access to interval data and analytic tools to track their energy usage, optimize energy consumption, and identify immediate low-cost and no-cost energy saving opportunities.

- **Collaboration:** BEA data analytics may recommend a participating customer explore a program that is joint with Nicor Gas, Peoples Gas, or North Shore Gas, depending on which company serves their account.
- **Delivery Strategy:** An implementation contractor will deliver the program and will work with ComEd to finalize the program design, develop marketing materials, and conduct program marketing and outreach activities.
- **Target Market:** This program targets all C&I customers.
- **Marketing Strategy:** ComEd outreach includes direct e-mail, bill inserts, collateral materials, web communications, direct outreach, and electronic channels.
- **Eligible Measures:** All measures are eligible. The program focuses on operational and behavior measures to improve ongoing operational EE.
- **Program Targets:** BEA program targets are shown in Table 5-25.

TABLE 5-25: BUSINESS ENERGY ANALYZER PROGRAM TARGETS

Category	2026	2027	2028	2029
Participation Levels				
Total Projects	1,149	1,255	1,462	1,179
Total Private Projects	1,149	1,255	1,462	1,179
Total Public Projects	0	0	0	0
Annual Savings Targets				
Cumulative Persisting Annual Savings (Does not include historical)				
Net Composite Savings (MWh)	51,248	107,183	172,367	224,946
First-Year Annual Total Net Savings				
True Electric Savings (MWh)	51,248	55,935	65,184	52,579
Demand Savings (MW)	0	0	0	0
Claimed Therms	0	0	0	0
Claimed Therms (MWh)	0	0	0	0
Claimed Electrification (MWh)	0	0	0	0
Composite Savings (MWh)	51,248	55,935	65,184	52,579
Composite Savings (MWh) Private	51,248	55,935	65,184	52,579
Composite Savings (MWh) Public	0	0	0	0
Program Budget				
Administration (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Implementation (\$M)	\$1.4	\$1.5	\$1.9	\$1.5
Incentives (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Marketing and Other (\$M)	\$0.0	\$0.0	\$0.0	\$0.0

Category	2026	2027	2028	2029
Total Budget (\$M)	\$1.4	\$1.5	\$1.9	\$1.5
Total Private Budget (\$M)	\$1.4	\$1.5	\$1.9	\$1.5
Total Public Budget (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Cost-Effectiveness				
TRC	16.82			
UCT	9.69			
\$ per first-year kWh	\$0.03			
\$ per lifetime kWh	\$0.00			

5.4 Multi-Segment Elements

5.4.1 Voltage Optimization

Voltage Optimization (“VO”) is a multi-segment program element that delivers EE savings to residential, IE, business, and public sector customers. As shown in Table 5-26, during the Plan 7 Period, VO is projected to provide CPAS of 67,000 MWh; 69,000 MWh; 71,000 MWh; and 0 MWh for 2026, 2027, 2028 and 2029, respectively. In the context of the entire portfolio, ComEd anticipates that the VO program element will attain 9% of the total CPAS goals in Program Years 2026 and 2027 and 11% of the modified CPAS goal in 2028.

VO optimizes voltage at points on the electric distribution system, thereby reducing electricity consumption by electric consumers’ end use devices.

- **Program Description:** VO is a combination of Conservation Voltage Reduction (“CVR”) and Volt-VAR Optimization (“VVO”). The CVR approach is designed to directly control the voltage of electricity supplied to end-use customers using transformer load tap changers, voltage regulators, and capacitors. The VVO approach coordinates capacitor bank operations to flatten reductions across an entire feeder or network of feeders.
- **Collaboration:** None.
- **Delivery Strategy:** ComEd plans to work internally through its Project Management, Smart Grid and Capacity Planning, Transmission and Substation, and Distribution Operation teams to plan, manage, engineer, construct, test, and activate the VO system on the substations and feeders in the project plan.
- **Target Market:** A total of 63 ComEd distribution substations with 471 distribution feeders are estimated to be viable (i.e., cost-effective), and thus will be targeted during the Plan Period. Unlike most EE programs, VO does not require consumers to change energy-utilization habits or purchase additional equipment to be effective.
- **Marketing Strategy:** Not applicable.

- **Eligible Measures:** VO will be deployed on distribution class substations where the benefit of reduced customer energy consumption is expected to outweigh the cost of deployment. Delivery system work on feeders and substations will be prioritized insofar as practical in order of cost-effectiveness, along with selected smart substations upgraded or installed as part of ComEd’s Energy Infrastructure Modernization Act grid modernization efforts.
- **Program Targets:** VO program targets are shown in Table 5-26.

TABLE 5-26: VOLTAGE OPTIMIZATION PROGRAM TARGETS

Category	2026	2027	2028	2029
Annual Savings Targets				
Cumulative Persisting Annual Savings (Does not include historical)				
Net Composite Savings (MWh)	67,248	136,290	207,110	207,110
First-Year Annual Total Net Savings				
True Electric Savings (MWh)	67,248	69,043	70,820	0
Demand Savings (MW)	12	12	12	0
Claimed Therms	0	0	0	0
Claimed Therms (MWh)	0	0	0	0
Claimed Electrification (MWh)	0	0	0	0
Composite Savings (MWh)	67,248	69,043	70,820	0
Composite Savings (MWh) Private	67,248	69,043	70,820	0
Composite Savings (MWh) Public	0	0	0	0
Program Budget				
Administration (\$M)	\$0	\$0	\$0	\$0
Implementation (\$M)	\$0	\$0	\$0	\$0
Incentives (\$M)	\$0	\$0	\$0	\$0
Marketing and Other (\$M)	\$0	\$0	\$0	\$0
Total Budget (\$M)	\$0	\$0	\$0	\$0
Total Private Budget (\$M)	\$0	\$0	\$0	\$0
Total Public Budget (\$M)	\$0	\$0	\$0	\$0
Cost-Effectiveness				
TRC	2.31			
UCT	1.44			
\$ per first-year kWh	\$1.33			
\$ per lifetime kWh	\$0.09			

5.4.2 New Construction

- **Program Description:** The New Construction program will offer financial incentives for commercial, residential, and affordable housing buildings that exceed minimum energy code requirements, with a focus on electrification. Bundled energy conservation measures and custom or prescriptive approaches for specific building types will be designed to achieve significant energy savings over

the current Illinois energy code.

Residential new construction incentives will apply to site-built and modular detached single-family homes, duplexes, townhomes, and low-rise multi-family dwellings. The affordable housing offering will provide technical assistance and incentives to developers to incorporate energy-efficient building practices into the moderate rehab, major renovation, and new construction of single-family units in multi-family low-rise and mid-rise buildings. The residential offering may transition to ENERGY STAR or another national standard to align with federal tax incentives. The commercial offering will provide technical assistance and incentive funding to building developers for construction or major renovation of commercial and industrial buildings for both private and public customers.

- **Delivery Strategy:** An implementation contractor will deliver the program and work with ComEd to finalize the program design, develop marketing materials, and conduct program marketing and outreach activities. The implementation contractor also will coordinate with the New Construction Market Transformation program.
- **Target Market:** The residential program offering targets homebuilders of site-built and modular detached single-family, duplex, and townhome dwellings. The affordable housing offering targets developers of single-family and multi-family affordable housing units for households with incomes at or below 80% of the AMI. The commercial offering targets building owners and developers of commercial and industrial buildings for private and public customers.
- **Marketing Strategy:** The program will be marketed to building owners, design professionals, builders, and contractors through outreach and education. Marketing will be coordinated and aligned to provide a single message to targeted customers. Tactics may include (i) direct outreach and marketing to architects, engineers, design teams, and developers, (ii) formal education and training events, and (iii) development of partnerships with professional organizations.
- **Eligible Measures:** Energy savings and incentives will be based on achievement of whole building performance targets above minimally code-compliant baseline conditions, with a focus on energy-efficient electrification technologies. Energy-efficient building practices emphasized under the program may include high insulation levels, air sealing, controlled ventilation, high-efficiency HVAC systems including heat pumps, and energy efficient appliances.
- **Program Targets:** New Construction program targets are shown in Table 5-27 and Table 5-28.

TABLE 5-27: NEW CONSTRUCTION PROGRAM TARGETS – RESIDENTIAL

Category	2026	2027	2028	2029
Participation Levels				
Total Measure Counts	143	143	143	143
Total IE Measure Counts	24	24	24	24
Annual Savings Targets				
Cumulative Persisting Annual Savings (Does not include historical)				
Net Composite Savings (MWh)	12,227	24,455	36,682	48,910
Net Composite IE Savings (MWh)	10,881	21,761	32,642	43,522

Category	2026	2027	2028	2029
First-Year Annual Total Net Savings				
True Electric Savings (MWh)	3,076	3,076	3,076	3,076
Demand Savings (MW)	0	0	0	0
Claimed Therms	0	0	0	0
Claimed Therms (MWh)	0	0	0	0
Claimed Electrification (MWh)	9,152	9,152	9,152	9,152
Composite Savings (MWh)	12,227	12,227	12,227	12,227
First-Year Annual Income Eligible Net Savings				
True Electric Savings (MWh)	2,841	2,841	2,841	2,841
Demand Savings (MW)	0	0	0	0
Claimed Therms	0	0	0	0
Claimed Therms (MWh)	0	0	0	0
Claimed Electrification (MWh)	8,040	8,040	8,040	8,040
Net Composite Savings (MWh)	10,881	10,881	10,881	10,881
Program Budget				
Total Budget (\$M)	\$5.8	\$6.0	\$6.3	\$6.4
Total IE Budget (\$M)	\$4.5	\$4.6	\$4.7	\$4.8
IE spend as % of Program Budget	78%	77%	76%	75%
Cost-Effectiveness				
TRC	0.75			
UCT	1.03			
\$ per first-year kWh	\$0.50			
\$ per lifetime kWh	\$0.03			

TABLE 5-28: NEW CONSTRUCTION PROGRAM TARGETS - BUSINESS

Category	2026	2027	2028	2029
Participation Levels				
Total Projects	124	124	124	124
Total Private Projects	105	105	105	105
Total Public Projects	19	19	19	19
Annual Savings Targets				
Cumulative Persisting Annual Savings (Does not include historical)				
Net Composite Savings (MWh)	6,698	13,395	20,093	26,790
First-Year Annual Total Net Savings				
True Electric Savings (MWh)	6,698	6,698	6,698	6,698
Demand Savings (MW)	1	1	1	1
Claimed Therms	0	0	0	0
Claimed Therms (MWh)	0	0	0	0
Claimed Electrification (MWh)	0	0	0	0
Composite Savings (MWh)	6,698	6,698	6,698	6,698
Composite Savings (MWh) Private	5,693	5,693	5,693	5,693

Category	2026	2027	2028	2029
Composite Savings (MWh) Public	1,005	1,005	1,005	1,005
Program Budget				
Administration (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Implementation (\$M)	\$2.3	\$2.8	\$3.3	\$2.8
Incentives (\$M)	\$1.0	\$1.2	\$1.4	\$1.2
Marketing and Other (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Total Budget (\$M)	\$3.3	\$4.0	\$4.7	\$4.0
Total Private Budget (\$M)	\$2.8	\$3.4	\$4.0	\$3.4
Total Public Budget (\$M)	\$0.5	\$0.6	\$0.7	\$0.6
Cost-Effectiveness				
TRC	0.49			
UCT	1.34			
\$ per first-year kWh	\$0.60			
\$ per lifetime kWh	\$0.03			

5.4.3 New Construction Market Transformation

The purpose of Market Transformation (“MT”) is to strategically intervene in markets to create lasting and measurable change in market behavior. This is accomplished by removing barriers and leveraging opportunities to accelerate the adoption of cost-effective EE as a matter of standard practice. MT initiatives are unique in that they typically require resource commitments over a longer period and often have savings impacts that are longer term and quantified differently than those from resource acquisition programs.

ComEd will build upon the MT work begun in Plan 6 to improve the energy performance of commercial and residential buildings through continuing its support of municipalities considering adoption of the Illinois Stretch Energy Code (“Stretch Code”), which was made available for adoption on January 1, 2025¹⁷. The Stretch Code establishes building EE requirements that are more stringent than the existing Illinois Energy Conservation Code. Adoption of the Stretch Code is voluntary; ComEd’s support is intended to increase municipal adoption of the stretch code sooner, and at a higher rate, than would have occurred without ComEd support.

- **Program Description:** ComEd will provide direct support to municipalities considering adoption of the Stretch Code, including education/training of municipal staff and building community, support of municipal enforcement and compliance efforts once the Stretch Code is adopted, and provision of financial incentives to new buildings being constructed in that municipality. Close collaboration with ComEd’s existing New Construction program will be required to ensure a smooth customer experience and a consistent message to the market.

¹⁷ <https://cdb.illinois.gov/business/codes/illinois-energy-codes/illinois-stretch-energy-code.html>

- **Collaboration:** None.
- **Delivery Strategy:** An implementation contractor will deliver the program and will work with ComEd to finalize the program design, develop marketing materials, and conduct program outreach activities to municipalities, both one-on-one and through coordination with groups such as the Metropolitan Mayors Caucus. The implementation contractor will coordinate and facilitate activities working with the R&D team and the New Construction program.
- **Target Market:** Eligible municipalities in ComEd’s service territory; in particular, municipal staff involved in energy codes and standards impacting residential and commercial buildings in their jurisdiction.
- **Marketing Strategy:** Direct outreach to municipal staff and groups such as the Metropolitan Mayors Caucus is intended to raise awareness of the availability of the Stretch Code.
- **Eligible Measures:** All measures that can aid new construction designers and builders to meet Stretch Code requirements.
- **Program Targets:** New Construction Market Transformation program targets are shown in Table 5-29.

TABLE 5-29: NEW CONSTRUCTION MARKET TRANSFORMATION PROGRAM TARGETS

Category	2026	2027	2028	2029
Participation Levels				
Total Projects	500	500	500	500
Total Private Projects	500	500	500	500
Total Public Projects	0	0	0	0
Annual Savings Targets				
Cumulative Persisting Annual Savings (Does not include historical)				
Net Composite Savings (MWh)	7,355	14,710	22,064	29,419
First-Year Annual Total Net Savings				
True Electric Savings (MWh)	7,355	7,355	7,355	7,355
Demand Savings (MW)	1	1	1	1
Claimed Therms	0	0	0	0
Claimed Therms (MWh)	0	0	0	0
Claimed Electrification (MWh)	0	0	0	0
Composite Savings (MWh)	7,355	7,355	7,355	7,355
Composite Savings (MWh) Private	7,355	7,355	7,355	7,355
Composite Savings (MWh) Public	0	0	0	0
Program Budget				
Administration (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Implementation (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Incentives (\$M)	\$0.4	\$0.4	\$0.4	\$0.4
Marketing and Other (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Total Budget (\$M)	\$0.4	\$0.4	\$0.4	\$0.4

Category	2026	2027	2028	2029
Total Private Budget (\$M)	\$0.4	\$0.4	\$0.4	\$0.4
Total Public Budget (\$M)	\$0.0	\$0.0	\$0.0	\$0.0
Cost-Effectiveness				
TRC	0.19			
UCT	12.19			
\$ per first-year kWh	\$0.00			
\$ per lifetime kWh	\$0.00			

5.5 Third-Party Programs

In 2025, following the Commission’s approval of Plan 7, ComEd will work with an independent consultant to implement a solicitation for \$25 million annually of EE programs administered by third parties, as described in Section 8-103B(g)(4) of the Act. The Plan 7 Third-Party solicitation process will focus on developing a comprehensive energy coaching service with the intent of increasing comprehensive participation within C&I programs. The service will use existing virtual analytics tools to on-board customers and establish a long-term EE plan. Once this solicitation process has been completed, other new, innovative ideas can continue to be submitted for consideration through ComEd’s existing R&D submission process.

5.6 Portfolio-Level Activities

In addition to the program activities, the Plan also includes five activities to support the overall operation and administration of the portfolio, i.e., Portfolio-Level activities: R&D, MDI, evaluation, education and awareness, and portfolio administration. Projected Portfolio-Level costs are shown in Table 5-30. In accordance with the Stipulation, ComEd has limited its budgeted portfolio-level costs, excluding IE R&D, to an annual average of no more than \$40 million each year of the Plan Period. Each activity is discussed in more detail below.

TABLE 5-30: PROJECTED PORTFOLIO-LEVEL COSTS

Cost Component	2026 CY Cost (\$M)	2027 CY Cost (\$M)	2028 CY Cost (\$M)	2029 CY Cost (\$M)	4-Year Plan Cost
Portfolio Level Costs					
EE Reg Asset Labor - Portfolio	\$4.9	\$4.9	\$4.9	\$4.9	\$19.4
Evaluation, Measurement & Verification	\$9.1	\$9.1	\$9.1	\$9.1	\$36.4
Facility Assessment	\$2.1	\$2.1	\$2.2	\$2.3	\$8.7
Market Development Initiative	\$4.1	\$4.1	\$4.1	\$4.1	\$16.2
Portfolio Administration	\$8.1	\$8.1	\$8.1	\$8.1	\$32.5
R&D Costs - Market Rate	\$6.6	\$6.6	\$0	\$0	\$26.5

and between ComEd and other Illinois utilities.

Additional areas of focus related to exploring new technology and measure opportunities include, but are not limited to, cold-climate heat pumps and other breakthrough HVAC technologies (both residential and commercial), low-GHG refrigerants and refrigeration innovations, next-generation building energy management and control, process efficiency innovations for large customers, and promising EE electrification technologies or applications that could fit within Illinois' EE framework. ComEd will prioritize innovative program designs, operational enhancements for implementation teams, and market adoption strategies for underperforming portfolio measures. The goal of these efforts is to drive down the \$/kWh of existing program implementation to ensure a more cost-effective portfolio spend that can meet future performance goals.

Areas of focus related to exploring new program design opportunities include, but are not limited to, supporting and advancing ComEd's midstream program portfolio, EE project financing innovations, smarter use of customer advanced metering infrastructure data for implementation efficiencies, and breakthrough program models, such as pay-for-performance and EE as a service. Special attention will be given to opportunities that enhance collaboration between (i) ComEd and local centers of innovation, such as national laboratories, universities, incubators, and accelerators, (ii) ComEd's EE programs under Plan 7 and its other demand response programs, (iii) ComEd's EE and Smart Grid teams, and (iv) ComEd and other utilities. Finally, research will be performed during the Plan 7 Period to inform future plans through studies, including a potential study.

- **Market Transformation:** The purpose of Market Transformation is to strategically intervene in markets to create lasting and measurable changes in market behavior. This will be accomplished by removing barriers and leveraging opportunities to accelerate the adoption of cost-effective EE as a matter of standard practice. Market Transformation initiatives are unique in that they typically require resource commitments over a longer period and often have savings impacts that are longer term and quantified differently than those from resource acquisition programs. ComEd will continue to pursue long-term, cost-effective opportunities for savings through Market Transformation initiatives under the R&D umbrella in Plan 7.

Building off ComEd's successful pilot of the ENERGY STAR Retail Products Platform (a partnership of utilities across the country to advance the EE of household appliances), ComEd will pursue market transformation initiatives aimed at other markets during the Plan 7 Period. Efforts to support the advancement of stretch energy codes and building performance standards will continue; other areas of potential opportunity include efficient windows and other building shell innovations, residential heat pump equipment, contractor training, lighting controls, and data centers. To explore these concepts, basic research into savings and market potential will likely be funded under the Emerging Opportunities area but then transitioned to Market Transformation once a complete initiative has been created.

ComEd will continue to work closely with stakeholders and the other Illinois utilities to advance the regulatory and evaluation frameworks required to support the Market Transformation initiatives. Due to the critical need for Market Transformation intervention strategies to be transparent and accessible at all stages of development, the ComEd EE R&D Team will continue to provide regular updates to stakeholders on each initiative, work closely with the SAG Market Transformation

Working Group, and participate in regional collaboratives focused on identifying and partnering on new opportunities.

- **Memberships/Other R&D Efforts:** Besides specific R&D projects, ComEd will also continue to invest in organizations that provide information and research in support of utility EE programs, such as E-Source, New Buildings Institute, Continental Automated Buildings Association (“CABA”), American Council for an Energy-Efficient Economy (“ACEEE”), and Consortium for Energy Efficiency (“CEE”). Organizations such as these not only provide new EE reconnaissance but also offer opportunities to take advantage of research being conducted at a national level, leveraging research funds from across the country.

5.6.2 Market Development Initiative

Diverse market development is a priority for ComEd, which has a strong focus on providing opportunities for non-profit organizations, Illinois-based business enterprises, and Certified MBE, WBE, VBE, service-disabled, and LGBTQ-owned business enterprises to compete on an equal basis for materials and services used by ComEd in the implementation of this Plan. During the Plan Period, ComEd will continue its MDI efforts by dedicating an average of \$4 million annually to (1) increase contracting opportunities for diverse business enterprises and CBOs and assist them in developing the necessary capabilities to participate in the delivery of the EE portfolio; and (2) improve the diversity and inclusiveness of the ComEd EE department’s supplier and supplier workforce. ComEd will track and report regularly on MDI performance metrics related to training outcomes, workforce placement, economic impact, and equity and inclusion.

5.6.3 Evaluation

Evaluation activity relates to retaining and compensating the work of an independent evaluator to conduct the required independent evaluation function for the portfolio. ComEd will execute a new evaluation contract or contract(s) for the Plan 7 Period, in accordance with the evaluator independence protocols outlined in the Policy Manual. The statute sets the evaluation budget at no more than 3% of the total annual budget. See 220 ILCS 5/8-103B(g)(6). In Plan 7, ComEd has allocated approximately \$9.1 million per year, on average, which is just under 2% of the total annual budget.

5.6.4 Education and Awareness

Education and Awareness (“E&A”) activities include non-program specific marketing efforts designed to increase customer awareness and understanding of EE and EEE. Building awareness and understanding about the value of EE/EEE helps prepare a customer to take action when they encounter specific EE offerings in the market.

In Plan 7, E&A initiatives focus primarily on delivering the messages of EE, EEE, and overall energy management across the ComEd service territory and, in some instances, with a specific focus on IE and other historically underserved communities. These initiatives will provide customers with knowledge about EE/EEE and the programs offered under the Plan, as well as how their energy usage affects their bills. These marketing efforts will result in customers continuing to become aware of EE/EEE and taking action to

reduce their energy usage and lower their electric bills. Additionally, ComEd will continue to cross-promote EE program marketing with other ComEd customer programs and tools (e.g., DR, real-time pricing) that benefit our customers. General E&A initiatives and tactics to be implemented may include the following:

- Outreach-focused events
- Community-sponsored events
- Advertising campaigns, which may include TV, digital, radio, social and out-of-home executions
- Earned media coverage such as Energy Doctor radio and TV interviews, ComEd EE-focused partnerships, press releases, and news media stories
- Energy Efficiency lifestyle magazines and newsletters
- Targeted customer emails and direct mailings
- Surveys, studies, and testimonials

5.6.5 Portfolio Administration

Portfolio Administration activities will include internal non-program ComEd labor, tracking and reporting systems, the EE Call Center, legal services, and IL-TRM and SAG contracts.

6. Evaluation

6.1 Independent Program Evaluation Contractor

Section 8-103B of the Act requires an annual independent evaluation of the cost-effectiveness of the portfolio, as well as a full review of the multi-year plan results of the broader net program impacts and, to the extent practical, an adjustment of the measures on a going-forward basis as a result of the evaluations. See 220 ILCS 5/8-103B(g)(6). To fulfill this obligation and ensure the evaluator's independence is maintained, ComEd will implement the evaluator independence protocols, as outlined in the Policy Manual.

6.2 Non-Electric Energy-Savings Calculations

Electric utilities subject to Section 8-103B may count savings of fuels other than electricity, which are converted to electric savings on an equivalent British Thermal Unit ("BTU") basis for the premises and may recover the costs of offering the gas EE measures, as defined by Section 8-103B(b-25). The electric utility must also prioritize programs for IE customers, as applicable and practicable. Section 8-103B(b-25) also states, "[i]n no event shall more than 10% of each year's applicable annual total savings requirement as defined in paragraph (7.5) of subsection (g) of this Section be met through savings of fuels other than electricity." See 220 ILCS 5/8-103B(b-25).

The statute enables ComEd to convert the fuel savings to equivalent electric savings on a BTU basis at the premises. Pursuant to Section 11.3 of the Policy Manual, the conversion of fossil fuel savings to electric

savings is based on site energy use, as set forth in Table 6-1. For example, a therm of natural gas savings is converted to kWh savings based on the amount of energy a kWh provides a home or business (i.e., 3,412 BTUs). Thus, as shown in the table below, a therm of natural gas savings (approximately 100,000 BTUs) is equal to 29.3 kWh savings.

TABLE 6-1: FUEL CONVERSION TABLE

Fuel	Heat Content	Equivalent kWh
Natural Gas	100,000 BTU/therm	29.31/therm
Propane	91,333 BTU/gallon	26.77/gallon
Heating Oil (No. 2)	138,500 BTU/gallon	40.59/gallon

If there are gas savings funded with electric customer funds that, when converted, exceed 10% of the annual actual targeted savings (“AATS”) requirement, then all gas conversions for IE programs must be used first, up to the full amount of gas conversion savings available from IE programs, or the full 10% of the AATS limit, whichever is less. Gas conversions for non-IE programs can only be counted towards ComEd’s performance goal after all of the IE gas conversions are made. Note that while therms are emphasized in this Plan, other non-electricity fuels (e.g., propane) may also be converted, as permitted by Section 8-103B.

During the Plan 6 period, the non-electricity energy savings achieved by the ComEd portfolio exceeded the applicable 10% statutory limit, which was based on AAIG, rather than AATS. As was the case with Plan 6, it is anticipated that, through the Plan 7 Period, the portfolio may exceed the revised 10% limit. Pursuant to Section 8-103B(b-25), ComEd will first prioritize therms associated with IE programs. If the IE programs do not provide the full 10% goal allocation, ComEd has the discretion to choose the therms for conversion that best serve the long-term impact of the portfolio (e.g., longer life measures).

Table 6-2 provides a projection from which programs ComEd will convert therms in Plan 7.

TABLE 6-2: PROJECTED CONVERTED THERMS FOR SELECT PROGRAM ELEMENTS

Program	2026 Converted Therms	2027 Converted Therms	2028 Converted Therms	2029 Converted Therms
Res/IE - EE Programs				
Behavior - Res	0	0	0	0
Contractor/Midstream Rebates	0	0	0	0
Home Energy Products	4,812,340	4,700,422	5,913,354	4,716,078
Multi-Family Energy Savings	0	0	0	0
New Construction	0	0	0	0
Single-Family Home Energy Savings	883	883	4,923	4,923
Whole Home Electric	0	0	0	0
Business - EE Programs				
Overhead (Non-Program) Costs	0	0	0	0

Program	2026 Converted Therms	2027 Converted Therms	2028 Converted Therms	2029 Converted Therms
BEA	0	0	0	0
Behavior - Bus/Pub	0	0	0	0
Commercial Food Service	0	0	0	0
Energy Advising	0	0	0	0
Incentives	0	0	0	0
Midstream/Upstream	0	0	0	0
New Construction - Bus/Pub	0	0	0	0
Multi-Sector and Portfolio-Level Activities				
Targeted Systems	0	0	0	0
Overhead (Non-Program) Costs	0	0	0	0
ComEd Programs Total	4,813,223	4,701,305	5,918,277	4,721,001

6.3 Energy Efficiency Electrification Energy-Savings Calculations

Section 8-103B authorizes electric utilities to claim savings from measures that electrify space heating, water heating, cooling, drying, cooking, industrial processes, and other building and industrial end uses that would otherwise be served by combustion of fossil fuel at the premises, provided that the electrification measures reduce total consumption on the premises. See 220 ILCS 5/8-103B(b-27). This provision also states that EE electrification savings counted toward each year’s AATS must be capped at 10% per year, during the Plan 7 Period. Further, at least 25% of EE electrification savings must come from electrification of end uses in IE housing. These electrification savings are in addition to the 10% savings that can be claimed from non-electricity energy savings allowed under Section 8-103B(b-25).

The statute dictates that “the reduction in energy consumption at the premises shall be calculated as the difference between: (A) the reduction in BTU consumption of fossil fuels as a result of electrification, converted to kilowatt-hour equivalents by dividing by 3,412 BTUs per kilowatt hour; and (B) the increase in kilowatt hours of electricity consumption resulting from the displacement of fossil fuel consumption as a result of electrification.” See 220 ILCS 5/8-103B(b-27).

Table 6-3 provides a projection from which market segments ComEd will claim EE electrification savings in Plan 7.

TABLE 6-3: PROJECTED EE ELECTRIFICATION SAVINGS BY MARKET SEGMENT

Market Segment	2026 First-Year Energy Savings (MWh)	2027 First-Year Energy Savings (MWh)	2028 First-Year Energy Savings (MWh)	2029 First-Year Energy Savings (MWh)	4 Year First- Year Energy Savings (MWh)
Residential	58,794	58,915	58,518	55,674	231,901
Income Eligible	21,185	20,569	20,139	19,697	81,589

Market Segment	2026 First-Year Energy Savings (MWh)	2027 First-Year Energy Savings (MWh)	2028 First-Year Energy Savings (MWh)	2029 First-Year Energy Savings (MWh)	4 Year First- Year Energy Savings (MWh)
Business	987	1,028	1,422	4,357	7,795
Public Sector	148	154	212	651	1,165
EE Electrification Total	81,113	80,666	80,291	80,379	322,449

7. Risks & Risk Management

Inherent in any EE portfolio is the uncertainty associated with program performance and evaluation outcomes. These uncertainties lead to risks for ComEd. There are three primary risks that must be managed within ComEd’s portfolio:

- **Modification:** The risk that ComEd does not obtain approval to modify its annual energy savings (MWh) goals as set forth in the Plan
- **Achievement:** The risk that ComEd does not achieve its annual energy savings (MWh) and DR (MW) goals.
- **Budget:** The risk that ComEd exceeds the applicable budget.

Over the past Plan cycles, several potential risk-mitigating factors were introduced, including the IL-TRM and the Policy Manual. Both manuals have been approved by the Commission. The IL-TRM deems the energy savings for many EE measures, removing any risk concerning the measure savings. The Policy Manual has formalized the NTG framework that establishes the NTG value set for most programs, again reducing energy-savings risk.

For Plan 7, additional major risks are as follows:

- **Energy prices** continue to decline, although some price rebound has begun to surface in the capacity markets.
- While an approved Policy Manual, NTG framework, and IL-TRM exist, continued **evaluation uncertainty** adds a new layer of unpredictability, particularly in the application of baselines and *ex-post* reductions to energy savings.
- **Changes to Federal and State law** could impact ComEd’s Plan 7 execution and subsequent savings. ComEd cannot now reasonably plan for changes to Federal and State law given that any changes are entirely unknown at this time. As such, to the extent there are changes in applicable law that materially impact the implementation of ComEd’s Plan 7 or provisions of the Stipulation, the Parties will work collaboratively with ComEd to discuss impacts and, if needed, reach consensus on adjustments or other measures in responses to material changes in law.
- **Cross-program flexibility:** Occasionally a program will not respond to changes in marketing or incentives, and in those cases the program managers may decide it is best to shift funds to other

programs in an effort to offset the savings shortfall.

8. Cost Recovery

Section 8-103B requires that electric utilities include with their Plan filing a cost recovery tariff mechanism, as provided for under Section 8-103B(d), to fund the proposed EE and DR measures and to ensure the recovery of the prudently and reasonably incurred costs of Commission-approved programs. *See* 220 ILCS 5/8-103B(g)(5).

ComEd's EE cost recovery mechanism, Rider EEPP, was approved by the Commission in Docket No. 17-0287 and is currently in effect. ComEd is not proposing any changes to Rider EEPP as part of the Plan 7 filing.

Relatedly, the Commission approved Rider EEPA in Docket No. 17-0312, which calculates and applies the performance adjustments associated with ComEd's achievement of the applicable AAIGs. Like Rider EEPP, ComEd is not proposing any changes to Rider EEPA as part of the Plan 7 filing.