



Memorandum

To: Erin Daughton, Kimberly Swan, Elder Calderon, ComEd; Elizabeth Horne, ICC; Celia Johnson, SAG

CC: Adam Knickelbein, Neil Curtis, Charles Ampong, Guidehouse

From: Mike Frischmann, George Frymire, Katie Dolan, EcoMetric

Date: June 16, 2026

Re: ComEd CY2025 Energy Efficiency Programs Economic Impacts Reporting

1 Introduction

This memo presents the results of Guidehouse’s analysis of economic and employment impacts produced by ComEd’s CY2025 Business, Residential / Income Eligible, Pilot, and Market Transformation programs (collectively, the “energy efficiency (EE) programs”).

This analysis was conducted in alignment with Version 3.0 of the Illinois Energy Efficiency Policy Manual¹ (Policy Manual), requiring that each program administrator in Illinois annually report estimates of the economic development and employment impacts of its energy efficiency (EE) programs.

The Economic Impact Assessment methodology used in this analysis (described in the next section) is consistent with that developed by consensus with the Illinois Stakeholder Advisory Group Non-Energy Impacts Working Group and used in the previously submitted CY2018 – CY2024 economic analyses.

2 Results

The results from the CY2025 Economic Non-Energy Impact (NEI) analysis indicate that the ComEd energy efficiency portfolio and voltage optimization generated 28,695 job-years², \$1,968 Million in total labor income, and \$7,929 Million in industry output.

¹ https://www.ilsag.info/wp-content/uploads/IL_EE_Policy_Manual_Version_3.0_Final_11-3-2023.pdf

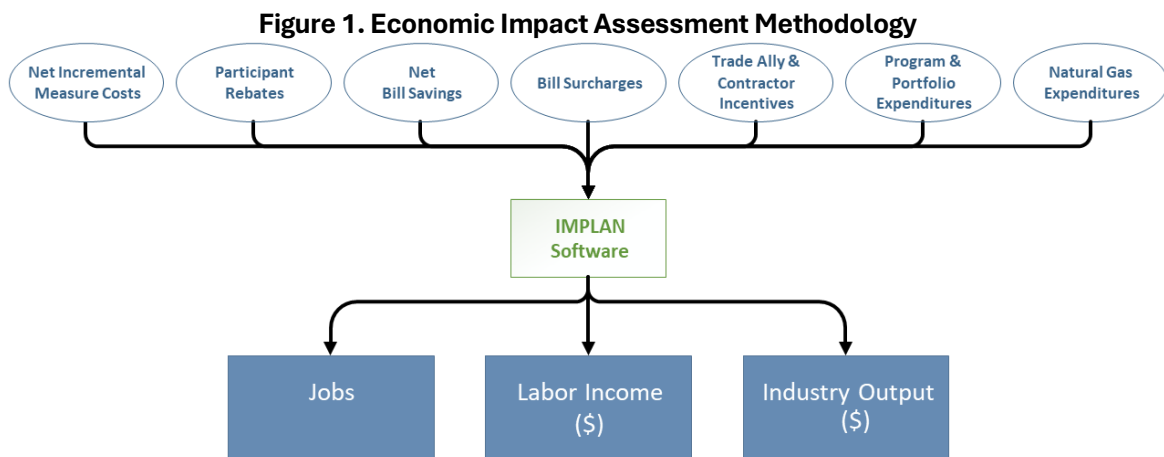
² Job years are a headcount of industry-specific mix of full-time, part-time, and seasonal employment jobs for one year, simply put, one job for one year is one “job year”. <https://support.implan.com/hc/en-us/articles/360044986593-Glossary>

3 Process

3.1 Economic Impact Assessment Methodology

The economic impact assessment for ComEd’s EE programs follows a three-step process approved by the Illinois Energy Efficiency Stakeholder Advisory Group Non-Energy Impacts Working Group³ in November 2019, depicted in Figure 1 and described below:

- 1) Collect data for the economic activities associated with the energy efficiency programs
- 2) Use multipliers and ratios from the IMPLAN economic model to estimate the economic impacts of ComEd’s energy efficiency portfolio
- 3) Analyze the results, including summarizing, comparing, and assessing the economic measures (e.g., industry output, labor income, and jobs)



Source: https://www.ilsag.info/wp-content/uploads/IL_SAG_NEI_Presentation_06-NOV-2019_Final.pdf

Following this three-step process, this report provides estimates on how the ComEd energy efficiency programs are forecasted to affect the Illinois economy.

The analysis includes direct effects, indirect effects, and induced demand in the economy. Direct effects are the initial effects in energy supply and energy efficiency related industries due to the ComEd portfolio. They include changes in employment and demand for regional production triggered by the implementation and management of ComEd’s EE programs. Indirect effects are effects from business-to-business purchasing in the supply chain, or changes in spending for households directly impacted by the EE programs. They include increased purchases from program suppliers who must in turn increase purchases from their suppliers and so forth as the initial expenditure ripples through interconnected

³ https://www.ilsag.info/wp-content/uploads/IL_SAG_NEI_Presentation_06-NOV-2019_Final.pdf

industries. Induced effects include secondary impacts generated from household to business spending as labor income changes that result from both direct and indirect activity affect the local economy.⁴

The analysis presents economic impacts in terms of job years, labor income, and industry output. Labor income is comprised of employee compensation, including wages and benefits, and proprietor income. Labor income is representative of the total value of all forms of employment income paid throughout the Illinois economy for 2025.⁵ Industry output is the total annual production value of each industry; it can be described as business sales or revenues. In terms of retail output and wholesale trade, these industry output values are equal to gross margin or marginal revenue, not total revenue.⁶

3.2 Summary of Input Data

Table 1 presents a summary of input data used for the CY2025 economic and employment impact analysis.

Table 1. Summary of ComEd's CY2025 Economic and Employment Impact Analysis Input Data

Impact Category	Amount (\$ Millions)	Description of Impact	Time Period
Bill Savings	\$3,737	Positive economic effect on ratepayers	2025-2049
Program Funding	-\$439	Negative economic effect on ratepayers	Over WAML ⁷ period (Electric: 2025 – 2036)
Net Ratepayer Bill Savings	\$3,298	Net economic effect on ratepayers	2025-2049
Lost Utility Fuel & Transp. Expenditures	-\$83	Negative economic impact on fuel production and transportation	2025-2049
Incentives and Rebates	\$301	Positive economic effect on ratepayers	2025
Net Incremental Measure Costs	\$358	Negative economic effect on ratepayers; positive economic effect on retailers and suppliers	2025
Program Administration Costs	\$99	Positive economic effect from utility spending	2025
Voltage Optimization (Capital Expenditures)	\$39	Positive economic effect from utility spending	2025

Source: Guidehouse analysis of ComEd CY2025 Data

⁴ Direct, indirect, and induced effects are defined more fully in Section 6.7 of the Illinois Energy Efficiency Policy Manual Version 3.0.

⁵ <https://support.implan.com/hc/en-us/articles/360024509374-Understanding-Labor-Income-LI-Employee-Compensation-EC-and-Proprietor-Income-PI>

⁶ <https://support.implan.com/hc/en-us/articles/360044986593-Glossary>

⁷ WAML refers to weighted average measure life; the measure life for each program is based on the measure life of each measure weighted proportionally to its net savings contribution to that particular program.

Each impact category is described in more depth below.

- **Bill Savings:** This category represents the monetized savings that program participants realize from their energy efficiency improvements. Bill savings are monetized by multiplying the net verified savings values⁸ by each customer's applicable unit energy cost.⁹ Bill savings are realized through the lifetime of the measure as a positive cash flow to the participants.
- **Program Funding:** This category represents the bill surcharges¹⁰ collected from all ratepayers to fund the utility programs.
- **Net Ratepayer Bill Savings:** This is the net positive bill savings realized by all ratepayers: bill savings less program funding charges.
- **Lost Utility Fuel and Transportation Expenditures:** This category represents decreased expenditures on fuel and transportation (and therefore decreased job creation) due to decreased electric generation as a result of energy efficiency measures.¹¹
- **Incentives and Rebates:** These categories represent payments made by the utility to program energy efficiency service providers and contractors as part of the installation of energy efficiency measures in CY2025 and rebate payments made by the utility to program participants in CY2025.¹²
- **Net Incremental Measure Costs:** This category is the sum of all incremental measure costs that program participants expended on energy efficiency projects through ComEd's portfolio in CY2025. As in verified cost-effectiveness analysis, incremental measure costs used in this analysis are net costs calculated using SAG-approved net-to-gross (NTG) values. From the perspective of the participants, this is a negative cash flow as they expend money implementing a project. From the perspective of contractors, energy efficiency service providers, and distributors this is a positive cash flow as they receive income from sales of energy efficiency products and services.
- **Program Administration Costs:** This category models a positive economic impact generated from utility expenditures on program administration.¹³

3.3 Employment Impacts

Table 2 presents a summary of the employment impacts of the CY2025 investments for all programs separated into direct, indirect, and induced effects. Because the programs produce long-term economic impacts as a result of persisting energy savings, employment impacts produced are not confined to a particular year but occur over the 2025-2049 time period.

⁸ Net verified savings are the electricity, gas, and water savings presented in the ComEd CY2025 Summary Report Tables 2026-04-30.

⁹ The relevant cost per unit for electricity, gas, and water (e.g., kWh, therms, and gallons) supplied by ComEd in April 2026.

¹⁰ Bill surcharges for CY2025 consist of Program Administration, Sector and Portfolio Administration and Incentives/Rebates costs.

¹¹ The sum of avoided electric and gas fuel purchases in Illinois was calculated using estimated shares of revenues spent on fuel and transportation costs by the power generation sector in Illinois

¹² Incentives and rebates for CY2025 were determined using data provided by ComEd in April 2026.

¹³ Program administration costs were based on program, sector, and portfolio cost data provided by ComEd.

Table 2. Cumulative 2025-2049 Employment Impacts

Impact Type	Job Years (2025-2049)	% Of Total
Direct	7,184	25%
Indirect	2,608	9%
Induced	18,903	66%
Total	28,695	100%

Note: Totals may not align due to rounding

Source: Guidehouse analysis of ComEd CY2025 tracking data

For the CY2025 report, economic impacts of ComEd’s EE programs (including employment impacts) are reported cumulatively for the entire state of Illinois. For impacts over time, the trend identified in previous years — expected to hold for this iteration as well — show large spikes in the initial program year triggered by the implementation and management of ComEd’s energy efficiency programs, including, but not limited to, program incentives, administrative spending, and incremental measure spending. The impacts beyond the given calendar year are derived almost entirely from net ratepayer bill savings generated from ComEd’s energy efficiency programs. These impacts persist over a similar period as the cumulative persisting annual savings (CPAS) produced by the ComEd energy efficiency portfolio.

3.4 Labor Income and Industry Output

Table 3 presents a summary of the cumulative industry labor income and industry output impacts from all CY2025 sectors (from 2025 to 2049).

Table 3. Cumulative 2025-2049 Industry Labor Income and Industry Output Impacts

Impact Type	Labor Income (\$ Millions)	Industry Output (\$ Millions)
Direct	\$509	\$1,356
Indirect	\$223	\$659
Induced	\$1,236	\$5,914
Total	\$1,968	\$7,929

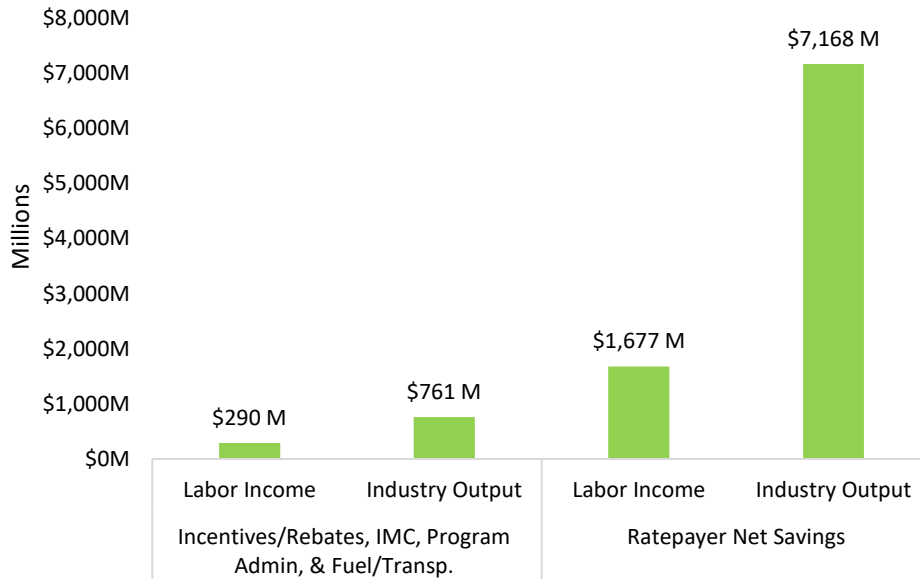
Note: Totals may not align due to rounding

Source: Guidehouse analysis of ComEd CY2025 tracking data

Figure 2 breaks down labor income and industry output impact estimates further. It presents the direct, indirect, and induced impacts associated with labor income and industry output from all CY2025 ComEd sectors. The figure segments these impacts into two categories:

1. Program spending and program-induced spending (incentives, rebates, net incremental costs, program administration, fuel/transportation expenditures etc.) during CY2025, and
2. Net ratepayer bill savings (from 2025-2049).

Figure 2. ComEd CY2025 Labor Income and Industry Output Impacts (2025-2049)



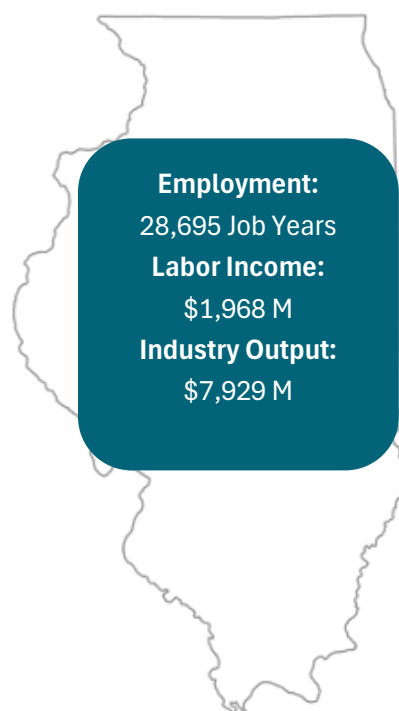
Source: Guidehouse analysis of ComEd CY2025 Data

3.5 Combined Results

Figure 3 provides the CY2025 cumulative economic impacts for all sectors, estimated at the state level.

Employment impacts are long-term effects and not confined to a particular year; job-years represent the cumulative employment impacts.

Figure 3: Estimate of Cumulative Economic Impacts (2025-2049)



Source: Guidehouse analysis of ComEd CY2025 Data

Table 4 and Table 5 provide cumulative economic impacts and employment impacts in a format similar to previous analyses for the purpose of comparison.

Table 4. ComEd CY2025 Energy Efficiency Portfolio Cumulative Economic Impacts (2025-2049)

Time Period	Impact Type	Job Years	Labor Income (\$ Millions)	Industry Output (\$ Millions)
2025 – 2049	Direct	7,184	\$509	\$1,356
2025 – 2049	Indirect	2,608	\$223	\$659
2025 – 2049	Induced	18,903	\$1,236	\$5,914
2025 – 2049	Total	28,695	\$1,968	\$7,929
2024 – 2048	Direct	7,180	\$509	\$1,407
2024 – 2048	Indirect	2,640	\$228	\$674
2024 – 2048	Induced	19,359	\$1,266	\$6,067
2024 – 2048	Total	29,179	\$2,003	\$8,148
2023 – 2047	Direct	5,630	\$398	\$1,147
2023 – 2047	Indirect	2,066	\$181	\$543
2023 – 2047	Induced	11,020	\$720	\$3,338
2023 – 2047	Total	18,715	\$1,300	\$5,028
2022 – 2046	Direct	6,228	\$42	\$1,180
2022 – 2046	Indirect	2,178	\$18	\$556

Time Period	Impact Type	Job Years	Labor Income (\$ Millions)	Industry Output (\$ Millions)
2022 – 2046	Induced	8,049	\$52	\$2,310
2022 – 2046	Total	16,454	\$1,140	\$4,050
2021 – 2045	Direct	7,757	\$479	\$1,400
2021 – 2045	Indirect	3,114	\$222	\$619
2021 – 2045	Induced	9,309	\$503	\$2,020
2021 – 2045	Total	20,180	\$1,210	\$4,040
2020 – 2044	Direct	7,823	\$484	\$1,410
2020 – 2044	Indirect	3,145	\$224	\$623
2020 – 2044	Induced	9,278	\$501	\$2,010
2020 – 2044	Total	20,246	\$1,210	\$4,040
2019 – 2043	Direct	6,583	\$414	\$1,230
2019 – 2043	Indirect	2,706	\$195	\$549
2019 – 2043	Induced	7,458	\$403	\$1,590
2019 – 2043	Total	16,747	\$1,010	\$3,370
2018 – 2042	Direct	5,562	\$340	\$965
2018 – 2042	Indirect	2,241	\$161	\$452
2018 – 2042	Induced	6,904	\$375	\$1,530
2018 – 2042	Total	14,707	\$876	\$2,940

Source: Guidehouse analysis of ComEd CY2025 Data

Table 5. ComEd Energy Efficiency Portfolio Economic Impacts by Periods (CY2018-CY2025)

Time Period	Impact Type	Job Years	Labor Income (\$ Millions)	Industry Output (\$ Millions)
2018 – 2042	Total	14,707	\$876	\$2,940
2019 – 2043	Total	16,747	\$1,010	\$3,370
2020 – 2044	Total	20,246	\$1,210	\$4,040
2021 – 2045	Total	20,180	\$1,210	\$4,040
2022 – 2046	Total	16,454	\$1,140	\$4,050
2023 – 2047	Total	18,715	\$1,300	\$5,030
2024 – 2048	Total	29,179	\$2,003	\$8,148
2025 – 2049	Total	28,695	\$1,968	\$7,929

Source: Guidehouse analysis of ComEd CY2025 Data