

ComEd[®]
Energy Efficiency Program

ComEd Energy Efficiency Program Draft Portfolio Plan – 2022-25

October 26, 2020

Presented to the Illinois Energy Efficiency Stakeholder Advisory Group

*ComEd Offers This Preliminary Draft Plan For Discussion And Negotiation Purposes Only; Not Admissible For Any Purposes In An Adversarial Proceeding; Facts And Figures Contained Herein Are Subject To Change



Opening Remarks

Denise Munoz

Director of Energy Efficiency Services

What we would like to share today

» Opening Remarks

» Team Overview

» Portfolio Overview

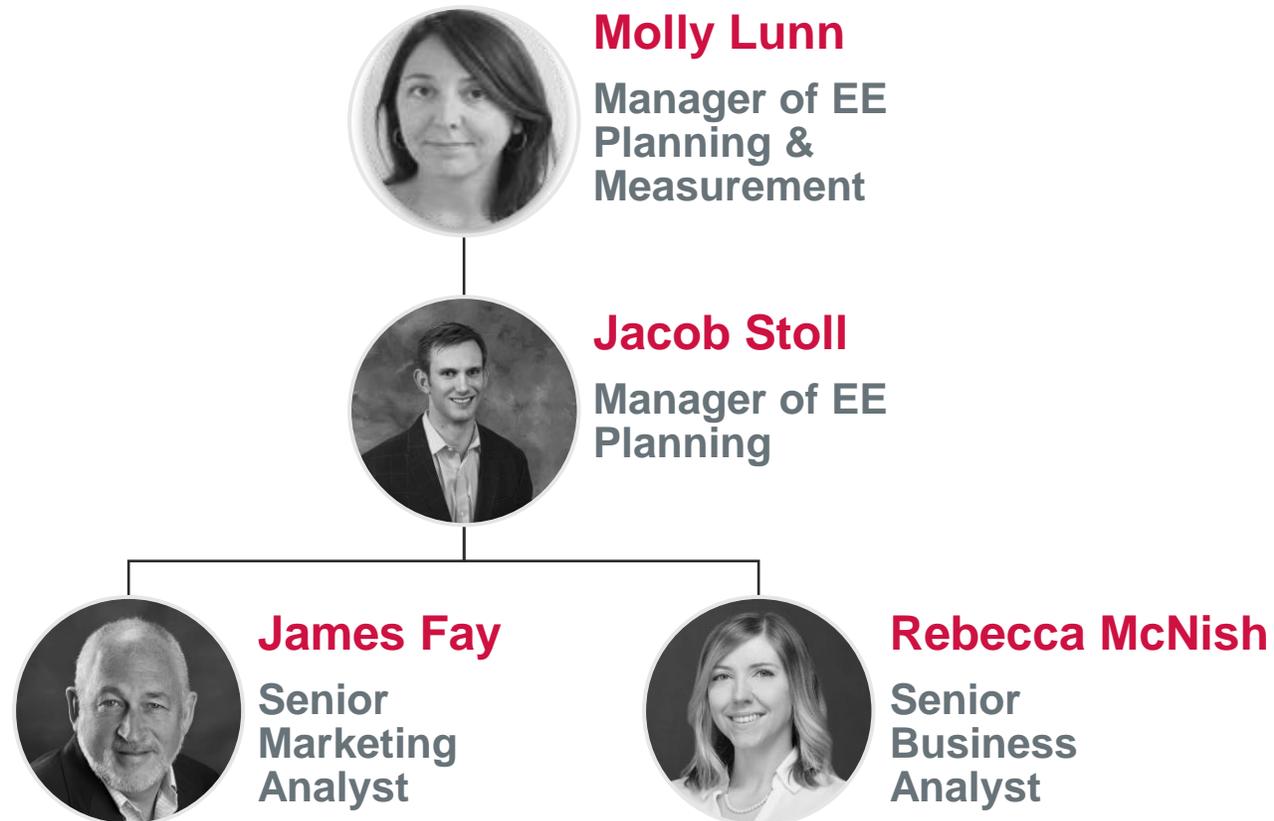
- Goals and Budgets
- Key Changes
- Portfolio Summary
- Total Resource Cost (“TRC”) Results

» Program Highlights

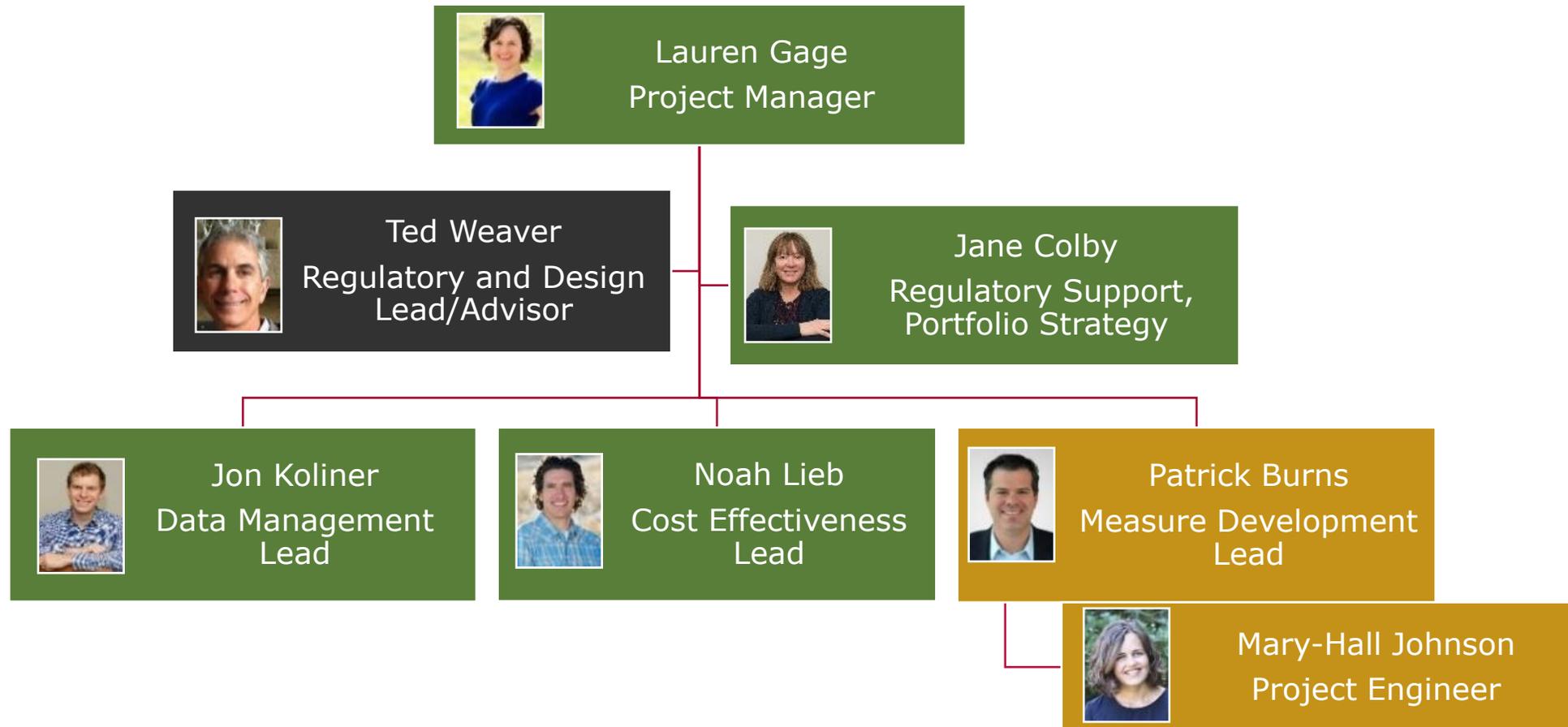
- Income Eligible & Residential
- Business
- Third Party
- Portfolio-Level (e.g., Research & Development “R&D”)

» Other Key Areas

Team Overview – ComEd



Apex Team Overview



Goals and Budgets

Year	2022	2023	2024	2025
CPAS Goal (%)	13.10%	14.40%	15.70%	17.00%
CPAS Goal (MWh)	10,296,697	11,318,507	12,340,316	13,362,126
Legacy Savings (%)	3.50%	3.10%	2.80%	2.50%
Legacy Savings (MWh)	2,751,026	2,436,623	2,200,821	1,965,018
AAIG (%)	1.30%	1.30%	1.30%	1.30%
AAIG (MWh)	1,021,810	1,021,810	1,021,810	1,021,810
Estimated Expiring Savings	(530,797)	(491,196)	(576,861)	(596,869)
First-Year Savings to Achieve CPAS	1,487,632	1,393,828	1,391,513	1,399,748
First-Year Savings to Achieve AAIG	1,552,607	1,513,005	1,598,671	1,618,678
Budget (\$ Millions)	\$ 376.4	\$ 376.4	\$ 376.4	\$ 376.4

Key Portfolio Changes

- » Streamline program implementation, through **program consolidation** and contracting efficiencies – consolidate from 36 to 18 programs
- » **Increase impact in Income Eligible ("IE") communities** – improve program design and targeting, bridge to other ComEd programs, and evolve how we think about helping customers save and measure impact
- » **Lower overall** implementation costs through **changes to program delivery**, including:
 - Move targeted measures **upstream**, toward distributors & retailers
 - Grow **networked lighting control** programs for Commercial and Industrial ("C&I") customers
 - Improve efficiency and efficacy in **Third Party Program** spend
- » Add **new savings opportunities from in-flight pilots and market transformation efforts**
- » Hold existing portfolio level costs at current levels or lower (Evaluation, R&D, Labor, Reporting, Education & Awareness)

What is Portfolio Consolidation?

- » As a part of Plan 6, we are looking at how to improve and streamline our portfolio
 - Understanding and navigating 36 programs and 15 ICs is difficult for customers, partners, and stakeholders – even our own team
 - Administering 36 programs is also a heavy lift for our team; Plan 6 offers opportunities to improve efficiencies and eliminate any redundancies
 - How can we improve the customer experience and our team’s operations?
- » **What it is:** An opportunity to step back and improve incrementally upon an extremely successful portfolio and complement to our broader Customer Solutions Portfolio
- » **What it’s not:**
 - Elimination of a bunch of programs – in most cases, consolidation
 - How the Portfolio will exclusively be managed/procured/implemented – will help inform, but internal administration will likely look a little different, just as it has in Plan 5

RESIDENTIAL & INCOME ELIGIBLE

Single Family Upgrades	Contractor/ Distributor Rebates (Midstream/ Upstream)	Product Distribution	Behavior	Multifamily Upgrades	Recycling	Retail/Online
Home Energy Assessment	Heating & Cooling (HVAC) Rebates	Elementary Education Kits	Home Energy Report	MF Market Rate	Fridge & Freezer Recycling	Appliance Rebates
IE SF Upgrades	Residential Midstream HVAC	IE Kits		IE MF Upgrades		Lighting Discounts
IE SF IHWAP		Food Bank Distribution		IE MF IHWAP		IE Retail Discounts
Manufactured Housing Retrofit				Public Housing Upgrades		

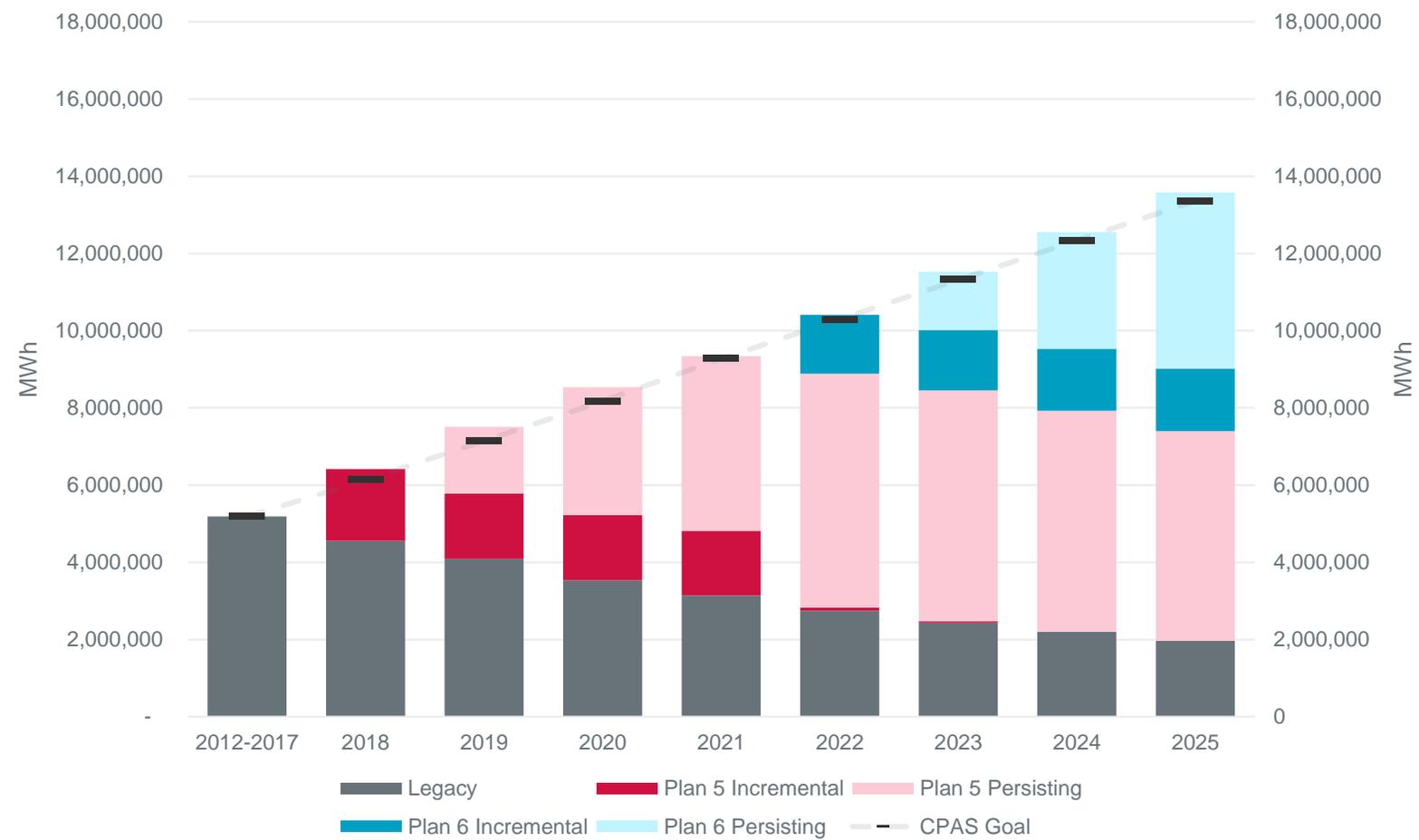
BUSINESS

Assessments/ DI	Incentives	Behavior	Targeted Systems	Small Business	Midstream/ Upstream	Targeted Outreach
Facility	Standard	Strategic Energy Management	Industrial Systems Optimization	Small Business - Public & Private	Instant Discounts	Non-Profit
	Custom	Business Energy Analyzer	Retro-commissioning	Small Business - Kits	Commercial Cooking	Agriculture
						Telecom
						Grocer
						Distressed

MULTI-SEGMENT

Voltage Optimization	On-Bill Financing	New Construction	R&D/Market Trans
		Business New Construction (Business)	Emerging Tech
		Affordable Housing New Construction (IE)	Market Transformation

Cumulative Persisting Annual Savings



» The portfolio continues to exceed statutory CPAS goals through Plan 6

Portfolio Summary

	2022	2023	2024	2025
First-year Savings (Net MWh)	1,529,890	1,566,325	1,610,443	1,618,808
Lifetime Savings (Net MWh)	16,900,586	16,998,574	17,977,225	18,336,435
Total Expiring Savings	(530,797)	(491,196)	(576,861)	(596,869)
CPAS Goal	10,296,697	11,318,507	12,340,316	13,362,126
Portfolio CPAS	10,415,874	11,525,664	12,559,246	13,581,186
CPAS: Plan 6 vs Goal	101%	102%	102%	102%
Statutory Budget	\$ 376.4	\$ 376.4	\$ 376.4	\$ 376.4
Portfolio Budget (\$M)	\$ 376.4	\$ 376.1	\$ 375.8	\$ 376.3
Budget: Plan 6 vs Goal	100%	100%	100%	100%
\$/First-year kWh	\$ 0.25	\$ 0.24	\$ 0.23	\$ 0.23
\$/Lifecycle kWh	\$ 0.022	\$ 0.022	\$ 0.021	\$ 0.021
Portfolio TRC	1.8	1.9	1.9	1.9
Portfolio TRC - Excluding IE Programs	2.2	2.3	2.2	2.2
Portfolio Weighted Average Measure Life (WAML)	11.8	11.8	11.9	12.0
Converted Therms (First-year, MWh)*	102,181	102,181	102,181	102,181
Eligible Portfolio Therms (first year)	3,487,405	3,487,405	3,487,405	3,487,405
Eligible Portfolio Therms (lifetime)	39,743,673	42,117,855	43,294,992	45,604,591
Carve Outs (% of Goal)				
Income Eligible Spending	280%	289%	294%	299%
3rd Party	109%	113%	115%	119%
Public	124%	117%	115%	114%

- » The portfolio is meeting or exceeding all statutory goals and budgets each year
- » WAML has increased from Plan 5 (10.8-11.6) and CY2019 eval results (11.3)
- » Portfolio TRC value has increased from CY2019 eval results (1.33 with IE and VO)

Programs: Cost and Savings

Total Cost (\$M)

Net Savings (First-Year with Converted Therms)

Segment	Program	2022	2023	2024	2025
Res/IE	Retail/Online	\$38.1	\$39.0	\$37.9	\$38.9
Res/IE	Single Family Upgrades	\$24.8	\$25.3	\$24.8	\$24.7
Res/IE	Multifamily Upgrades	\$22.2	\$23.5	\$24.4	\$24.3
Res/IE	Product Distribution	\$13.9	\$13.9	\$14.0	\$14.0
Res/IE	Behavior - Res	\$6.3	\$6.8	\$6.7	\$6.7
Res/IE	Recycling	\$5.0	\$5.5	\$5.8	\$6.0
Res/IE	Contractor/Midstream Rebates	\$3.2	\$3.5	\$3.6	\$3.8
Res/IE	New Construction- Res/IE	\$3.0	\$3.0	\$3.3	\$3.5
Res/IE	Sector General - Res/IE	\$1.7	\$1.7	\$1.7	\$1.7
Business	Small Business	\$76.2	\$84.9	\$84.1	\$85.4
Business	Incentives	\$81.5	\$68.7	\$71.6	\$71.7
Business	Targeted Systems	\$24.8	\$25.8	\$26.4	\$27.6
Business	Midstream/ Upstream	\$13.8	\$13.3	\$12.9	\$12.6
Business	Behavior	\$6.3	\$6.3	\$6.3	\$6.3
Business	New Construction	\$5.9	\$5.6	\$4.9	\$5.0
Business	Assessment/DI	\$3.0	\$3.0	\$3.0	\$3.0
Business	Sector General - Business	\$6.6	\$7.1	\$7.7	\$8.2
Multi-Segment	Voltage Optimization	\$0.0	\$0.0	\$0.0	\$0.0
All	Overhead (Non-Program) Costs	\$40.2	\$39.3	\$36.7	\$32.7
		\$376.4	\$376.1	\$375.8	\$376.3

2022	2023	2024	2025
206,123	214,698	216,827	207,155
35,255	33,914	32,694	31,600
29,398	29,711	29,030	26,831
127,663	134,723	140,500	139,251
108,900	128,600	86,300	75,800
10,974	11,562	12,357	12,974
13,355	15,138	16,882	18,620
2,808	2,728	2,934	3,037
-	-	-	-
224,449	226,782	226,593	220,857
265,335	255,900	271,382	272,472
95,496	98,513	102,104	108,804
176,522	179,020	178,967	165,180
36,395	36,395	36,395	36,395
14,853	15,218	13,522	14,368
3,364	3,364	3,364	3,364
-	-	-	-
165,000	165,000	224,000	263,000
14,002	15,059	16,593	19,099
1,529,890	1,566,325	1,610,443	1,618,808

Programs: Persisting Savings & WAML

Persisting Savings (Net MWh with Converted Therms)

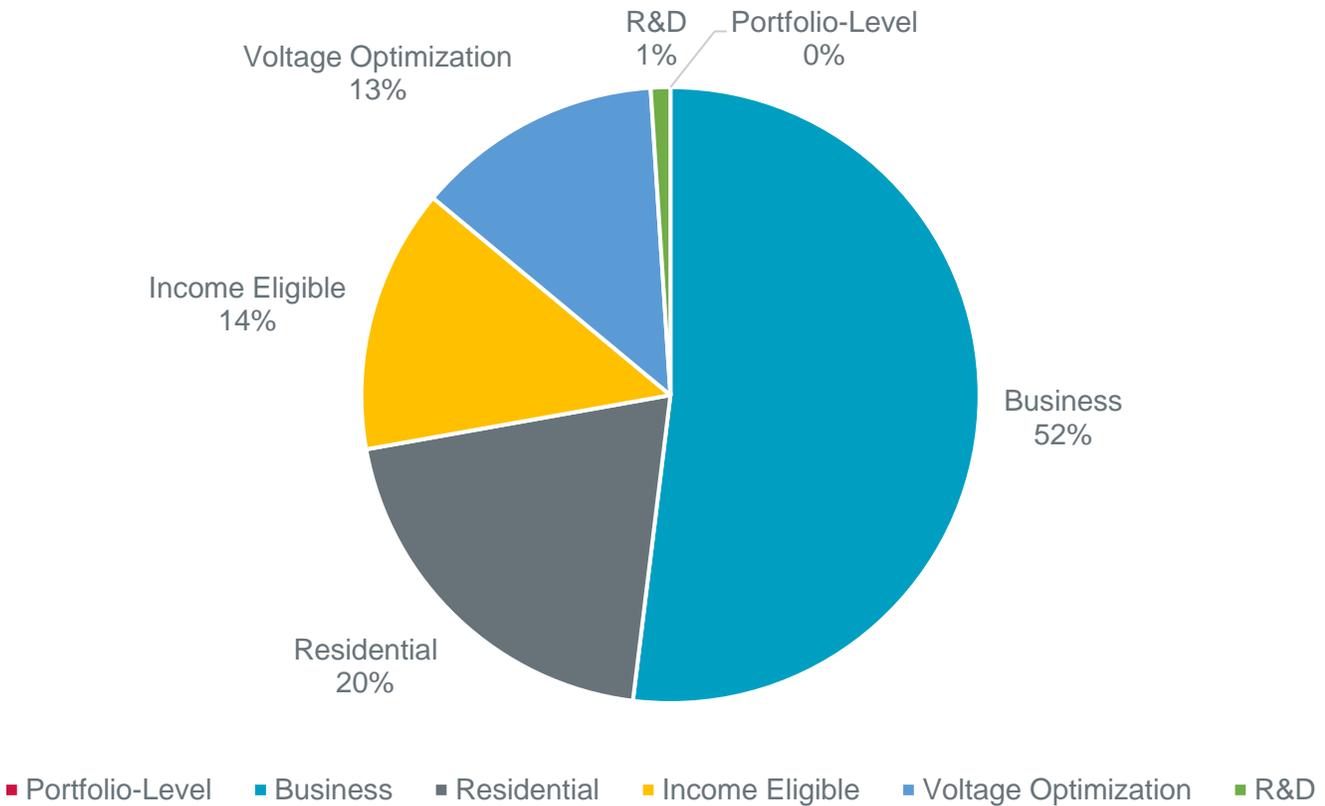
WAML

Segment	Program	2022	2023	2024	2025	2022	2023	2024	2025
Res/IE	Retail/Online	206,123	420,820	637,647	844,803	10.3	10.3	10.3	10.3
Res/IE	Single Family Upgrades	35,255	69,168	101,375	132,489	11.0	11.1	11.2	11.3
Res/IE	Multifamily Upgrades	29,439	59,150	86,160	110,529	8.6	8.8	9.1	9.7
Res/IE	Product Distribution	127,663	262,387	402,851	542,065	9.7	9.7	9.7	9.7
Res/IE	Behavior - Res	108,900	213,542	253,037	272,743	10.0	10.0	10.0	10.0
Res/IE	Recycling	10,974	22,536	34,893	47,867	6.5	6.5	6.5	6.5
Res/IE	Contractor/Midstream Rebates	13,355	28,493	45,352	63,950	15.6	15.5	15.5	15.5
Res/IE	New Construction- Res/IE	2,808	5,536	8,386	11,341	25.0	25.0	25.0	25.0
Res/IE	Sector General - Res/IE	-	-	-	-				
Business	Small Business	224,449	451,231	677,384	896,978	13.4	13.4	13.3	13.3
Business	Incentives	265,335	521,235	792,079	1,063,349	14.0	13.7	13.6	13.6
Business	Targeted Systems	95,496	194,009	296,112	396,126	9.7	9.7	9.7	9.7
Business	Midstream/ Upstream	176,522	355,542	534,509	699,688	11.0	11.0	11.0	11.0
Business	Behavior	36,395	72,791	109,186	145,582	5.0	5.0	5.0	5.0
Business	New Construction	14,853	30,071	43,593	57,960	17.4	17.4	17.4	17.4
Business	Assessment/DI	3,364	6,728	10,091	12,722	4.6	4.6	4.6	4.6
Business	Sector General - Business	-	-	-	-				
Multi-Segment	Voltage Optimization	165,000	330,000	554,000	817,000	15.0	15.0	15.0	15.0
All	Overhead (Non-Program) Costs	14,002	29,061	45,654	64,753	14.7	14.4	13.9	13.3
		1,529,932	3,072,299	4,632,310	6,179,945	11.8	11.8	11.9	12.0

Total Portfolio – Savings

- » Business programs continue to makeup over half of total portfolio savings
- » Income Eligible programs account for approximately 14% of total portfolio savings, nearly five times as much as Plan 5
- » Portfolio-level spend has no associated savings but is shown here for consistency with budget categories on followings slide

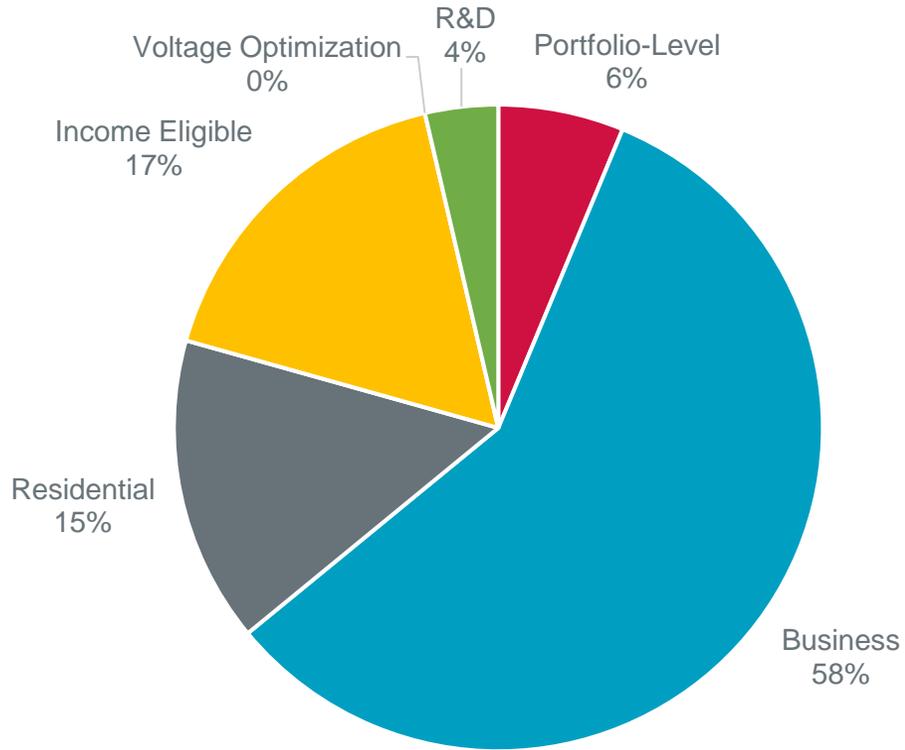
Savings (Net first-year including therms, 4-year average)



Total Portfolio – Budget

- » Business programs continue to makeup over half of total portfolio budget, with ~37% of business spend attributed to public sector
- » VO is funded via Distribution formula rates instead of EE formula rates and is not paid out of the EE Rider
- » R&D costs are shown separately for consistency with savings categories on prior slide, but they are portfolio-level costs

Budget (4-year average)



■ Portfolio-Level ■ Business ■ Residential ■ Income Eligible ■ Voltage Optimization ■ R&D

TRC Results

TRC

Segment	Program	2022	2023	2024	2025
Res/IE	Retail/Online	2.84	2.74	2.74	2.66
Res/IE	Single Family Upgrades	0.57	0.56	0.56	0.56
Res/IE	Multifamily Upgrades	0.62	0.58	0.54	0.48
Res/IE	Product Distribution	4.33	4.36	4.41	4.45
Res/IE	Behavior - Res	3.33	3.70	2.54	2.28
Res/IE	Recycling	0.51	0.51	0.52	0.53
Res/IE	Contractor/Midstream Rebates	1.47	1.58	1.69	1.79
Res/IE	New Construction- Res/IE	0.64	0.60	0.61	0.62
Business	Small Business	2.71	2.66	2.66	2.58
Business	Incentives	1.61	1.98	2.05	2.11
Business	Targeted Systems	1.46	1.50	1.53	1.57
Business	Midstream/ Upstream	5.30	5.17	5.04	4.87
Business	Behavior	0.76	0.77	0.79	0.81
Business	New Construction	1.12	1.06	0.92	0.93
Business	Assessment/DI	0.15	0.15	0.16	0.16
		1.82	1.92	1.88	1.86

Income-Eligible & Residential Programs

Increasing Impact in IE Communities

Challenge: In 2018, ComEd began offering a large suite of EE programs specifically tailored to IE customers; however, more than 40% of ComEd’s residential customers qualify for these offerings and annual resources are limited, which creates the need to optimize the impact of these dollars.

Plan 6 presents an opportunity to expand the impact of Plan 5 efforts, by better targeting and driving impacts for the most in-need customers, as well as considering new ways to reach more IE customers each year. **There are four key opportunities for increased impact:**

Outcomes	 <p>Design & Target: Ensure dollars are going to those who need it most</p>	 <p>Bridging the gap: Ensure customers receive a fuller set of solutions that make sense for them</p>	 <p>Save: Help customers ensure that they are seeing actual savings on their bills</p>	 <p>Measure: Begin to more systematically track (and over-time improve) customer bill impacts</p>
Workstreams	<p>1</p> <p>Design & Target: Optimize impact of current funds and programs to ensure that the deepest savings go to customers that need it the most while ensuring offerings for all eligible customers</p>	<p>2</p> <p>Bridging: Refine program delivery for customer benefit, coordinating EE and financial assistance programs when possible</p>	<p>3</p> <p>Save & Measure: Measure and track customer bill impacts more systematically, while making actual (versus deemed) savings more sustainable</p>	
Key Workstream Highlights	<ul style="list-style-type: none"> ✓ Establish sliding scale for existing offerings ✓ Shift some current Res offerings to only IE customers ✓ Continue to identify and pilot new measures/offerings to increase savings and stretch dollars further for IE customers 	<ul style="list-style-type: none"> ✓ Deliver umbrella outreach strategy through CBOs within targeted communities ✓ Identify coordination opportunities with Customer Experience & Revenue Management teams to better serve IE customers 	<ul style="list-style-type: none"> ✓ Analyze the potential bill impacts for IE and Residential programs ✓ Set customer savings expectations ✓ Preemptively engage customers if participation/program results deviate from the expected result 	

Increase Plan 6 IE Program spend to annual average ~\$72.6M

Workstream 1: Design & Target – Analytics Insights

Assessment of Plan 5 IE and Res EE programs highlights opportunities for providing deeper savings to customers most in need, and expand options for all eligible customers, while achieving savings targets

2018/2019 Income Eligible (IE) and Residential Program Participation Geographic Analysis: EE incentives should be further aligned with communities most in need

- There is a lower than expected concentration of IE EE program participation in areas with the greatest need (ex. only ~9% of IE Single-Family (SF) incentives are in areas where >70% of the households qualify as IE)
- Residential Program participation is predominately not occurring in high density low-income areas (ex. only 16% of incentives were spent in zip codes where >50% of the households qualify as IE, only 7% for zip codes where >60% of the households qualify as IE and 2.5% for areas with >70%)
- Future targeting will leverage analytics to target customers and communities most in need

Financial Impacts of Programs: While IE EE programs help IE customers, Res Programs also have sizable impacts and could be targeted to IE customers (particularly for customers closer to the income threshold)

- Preliminary analysis shows that comprehensive IE programs have a larger wallet impact than Res Programs, however, the impact from Res Programs is not insignificant, and could increase if Res Program measures are adapted for the IE market

Workstream 1: Design & Target

1

Target deepest savings to most in-need

- Limit IE SF to only customers at or below 150% Federal Poverty Level and/or high arrearages/wallet share
- Establish similar, more stringent threshold for IE MF, e.g., qualify properties in zip codes with 60% IE households (vs. 50% now) and Illinois Home Weatherization Assistance Program (IHWAP) income-qualified
- Develop and test targeting strategies of IE SF and MF Programs using analytics for high density communities

2

Shift current Residential EE offerings to Income Eligible customers

- Shift Home Energy Assessments (HEA), Market Rate MF, and Elementary Education Kits to IE customers (e.g., 50+ zip codes or other validation)
- IE customers that are above new thresholds can be directed to HEA/Market Rate MF and other lower touch offerings
- Establish centralized outreach/intake to help navigate SF and MF programs, and develop materials/methodology for handling inquiries and pointing customers to the appropriate programs

3

Continue to identify and pilot new measures/offerings to increase savings and stretch dollars further for IE customers

- Identify and pilot new measures/offerings to increase savings and stretch dollars further for IE customers (ex. cost-effective deep retrofits, beneficial electrification, adjust on-bill underwriting criteria/offer higher incentives for low/moderate income customers, etc.)

Workstreams 2 & 3: Bridging the Gap, Save and Measure

- » *Goal 2:* Improve delivery of EE and other ComEd programs to IE customers
 - Pilot umbrella outreach strategy through CBOs within targeted communities, and sync with Bill Assistance Outreach
 - Identify and test coordination opportunities with Bill Assistance & Revenue Management teams to better serve IE customers

- » *Goal 3:* Measure and track customer bill impacts more systematically, while making actual savings sustainable
 - Refine bill impact information for individual and aggregate program impacts and measure for Plan 6
 - Set and reinforce customer savings expectations
 - For high-touch offerings, pilot potential approaches to tracking actual v. deemed savings, as well as preemptive outreach to customers when merited
 - For other offerings, offer education on ways to track bill impacts from EE, e.g., My Account

Other Key Changes – Income Eligible & Residential

- » Consistent commitment to funding for coordinated program with IHWAP, with a goal to get to 100% braided projects within Plan 6
- » Increase spend within Multi-Family, primarily by transitioning current market-rate program to be focused on IE properties, tenants and landlords
- » Coordination with gas utilities on utility-only (outside of IHWAP) offerings
- » Manufactured Housing served through Single Family Upgrades
- » Food Bank Distribution and Income-eligible Kit programs transition from Third-Party
- » Growth of Product Distribution (i.e., Kits, Food Bank), particularly for IE customers
- » Within Single Family Upgrades, Home Energy Assessment offering will continue to leverage virtual assessment capabilities

Income Eligible & Residential Summary

Total Cost (\$M)

Segment	Program	2022	2023	2024	2025
Res/IE	Retail/Online	\$38.1	\$39.0	\$37.9	\$38.9
Res/IE	Single Family Upgrades	\$24.8	\$25.3	\$24.8	\$24.7
Res/IE	Multifamily Upgrades	\$22.2	\$23.5	\$24.4	\$24.3
Res/IE	Product Distribution	\$13.9	\$13.9	\$14.0	\$14.0
Res/IE	Behavior - Res	\$6.3	\$6.8	\$6.7	\$6.7
Res/IE	Recycling	\$5.0	\$5.5	\$5.8	\$6.0
Res/IE	Contractor/Midstream Rebates	\$3.2	\$3.5	\$3.6	\$3.8
Res/IE	New Construction- Res/IE	\$3.0	\$3.0	\$3.3	\$3.5
Res/IE	Sector General - Res/IE	\$1.7	\$1.7	\$1.7	\$1.7
		\$118.2	\$122.1	\$122.3	\$123.8

Net Savings (First-Year with Converted Therms)

2022	2023	2024	2025
206,123	214,698	216,827	207,155
35,255	33,914	32,694	31,600
29,398	29,711	29,030	26,831
127,663	134,723	140,500	139,251
108,900	128,600	86,300	75,800
10,974	11,562	12,357	12,974
13,355	15,138	16,882	18,620
2,808	2,728	2,934	3,037
-	-	-	-
534,475	571,074	537,523	515,269

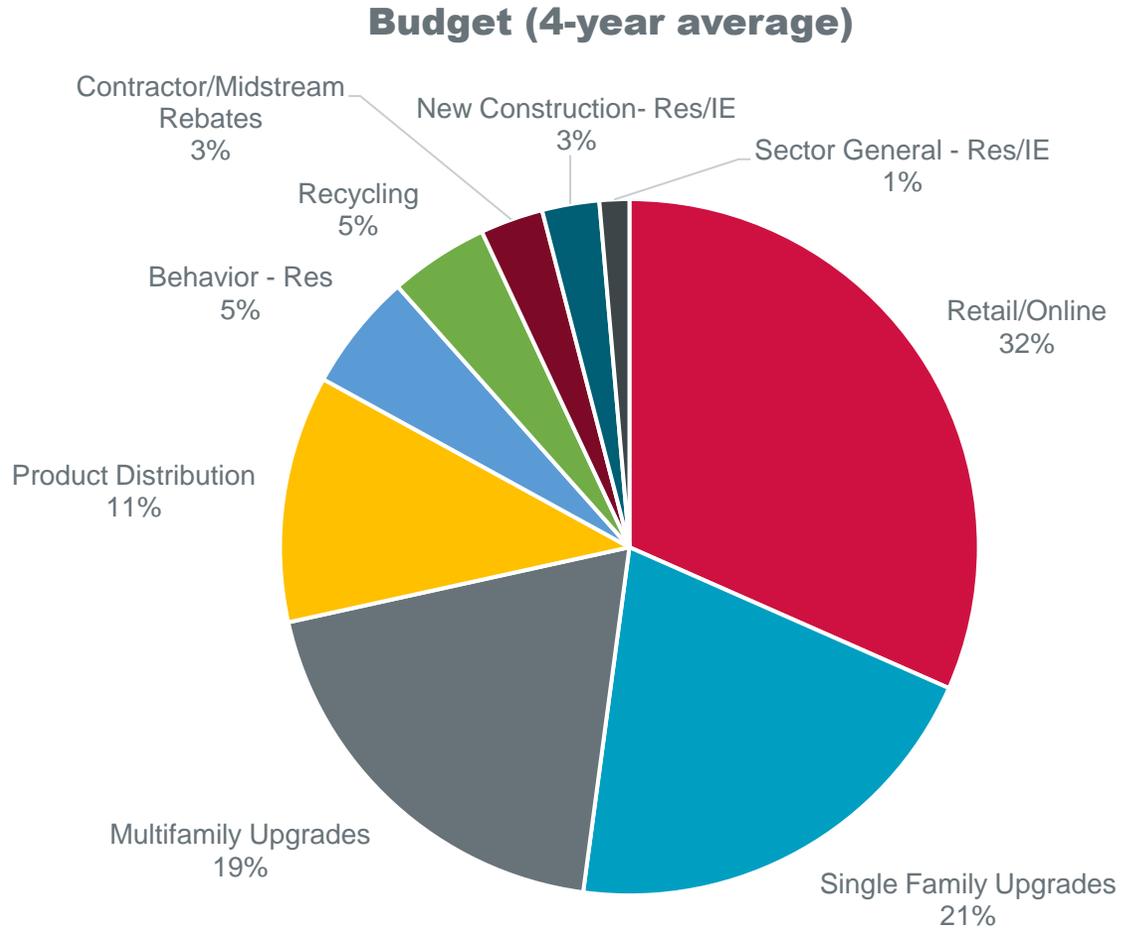
Income Eligible Targeted Spend

Income Eligible Spending (\$M)

Segment	Component	Program	2022	2023	2024	2025
Res/IE	IE SF Upgrades	Single Family Upgrades	\$10.4	\$10.4	\$10.8	\$10.8
Res/IE	IE SF Upgrades - IHWAP	Single Family Upgrades	\$4.9	\$5.0	\$5.1	\$5.2
Res/IE	Home Energy Assessment	Single Family Upgrades	\$8.9	\$9.3	\$8.4	\$8.2
Res/IE	IE Multifamily Upgrades	Multifamily Upgrades	\$8.3	\$10.0	\$11.8	\$13.4
Res/IE	IE MF Upgrades - IHWAP	Multifamily Upgrades	\$5.5	\$5.6	\$5.7	\$5.8
Res/IE	Public Housing Upgrades	Multifamily Upgrades	\$2.5	\$2.5	\$2.5	\$2.5
Res/IE	Affordable Housing New Construction	New Construction- Res/IE	\$3.0	\$3.0	\$3.3	\$3.4
Res/IE	IE Kits	Product Distribution	\$6.2	\$6.1	\$6.1	\$6.0
Res/IE	IE Retail Discounts	Retail/Online	\$5.0	\$4.9	\$4.8	\$4.8
Res/IE	Food Bank Distribution	Product Distribution	\$4.2	\$4.1	\$4.0	\$3.9
Res/IE	Elementary Education Kits	Product Distribution	\$2.4	\$2.6	\$2.7	\$2.9
Res/IE	Sector Outreach - Income Eligible	Sector General - Res/IE	\$1.0	\$1.0	\$1.0	\$1.0
Res/IE	Sector General - Income Eligible	Sector General - Res/IE	\$0.3	\$0.3	\$0.3	\$0.3
All	Portfolio-Level	Overhead (Non-Program) Costs	\$7.5	\$7.5	\$7.2	\$6.5
		Total	\$69.9	\$72.2	\$73.5	\$74.7

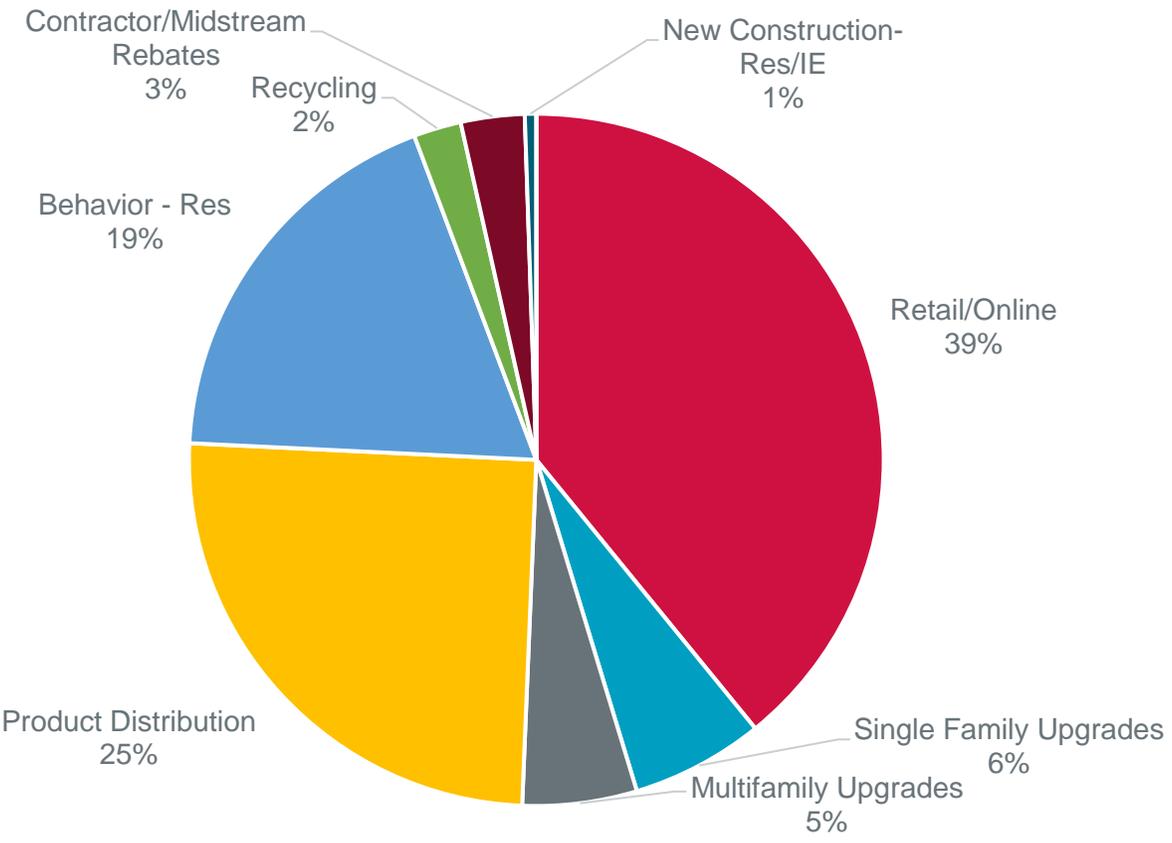
- » 4-year average of \$72.6M is ~50% more than Plan 5 commitment
- » SF/MF comprehensive spend is more than double Plan 5
- » MF spend is ~double Plan 5, including significant IHWAP shift

IE/Res – Budget



IE/Res – Savings

Savings (Net first-year including therms, 4-year average)



Business & Public Sector Programs

Key Changes – Business & Public Sector

- » Small Business expansion to include 0 – 200 kW sized customers (up to 400 kW from Public)
- » Streetlights will be incorporated into Incentives; expecting a declining opportunity for Streetlights from 2022-25
- » Expected growth in foundational programs like Incentives, Small Business and Targeted Systems
- » Targeting of large C&I customer through a focused Energy Efficiency Service Provider and internal Large Customer Services team effort to develop larger and deeper savings projects.
- » Integration of relevant Plan 5 Third-Party programs into existing offerings
- » Expansion of measures offered in Midstream/Upstream

Business & Public Sector Programs

Segment	Program	Total Cost (\$M)				Net Savings (First-Year with Converted Therms)			
		2022	2023	2024	2025	2022	2023	2024	2025
Business	Small Business	\$76.2	\$84.9	\$84.1	\$85.4	224,449	226,782	226,593	220,857
Business	Incentives	\$81.5	\$68.8	\$71.6	\$71.7	265,335	255,900	271,382	272,472
Business	Targeted Systems	\$24.8	\$25.8	\$26.4	\$27.6	95,496	98,513	102,104	108,804
Business	Midstream/ Upstream	\$13.8	\$13.3	\$12.9	\$12.6	176,522	179,020	178,967	165,180
Business	Sector General - Business	\$6.6	\$7.1	\$7.7	\$8.2	-	-	-	-
Business	Behavior	\$6.3	\$6.3	\$6.3	\$6.3	36,395	36,395	36,395	36,395
Business	New Construction	\$5.9	\$5.6	\$4.9	\$5.0	14,853	15,218	13,522	14,368
Business	Assessment/DI	\$3.0	\$3.0	\$3.0	\$3.0	3,364	3,364	3,364	3,364
		\$218.0	\$214.8	\$216.8	\$219.8	816,413	815,193	832,327	821,440

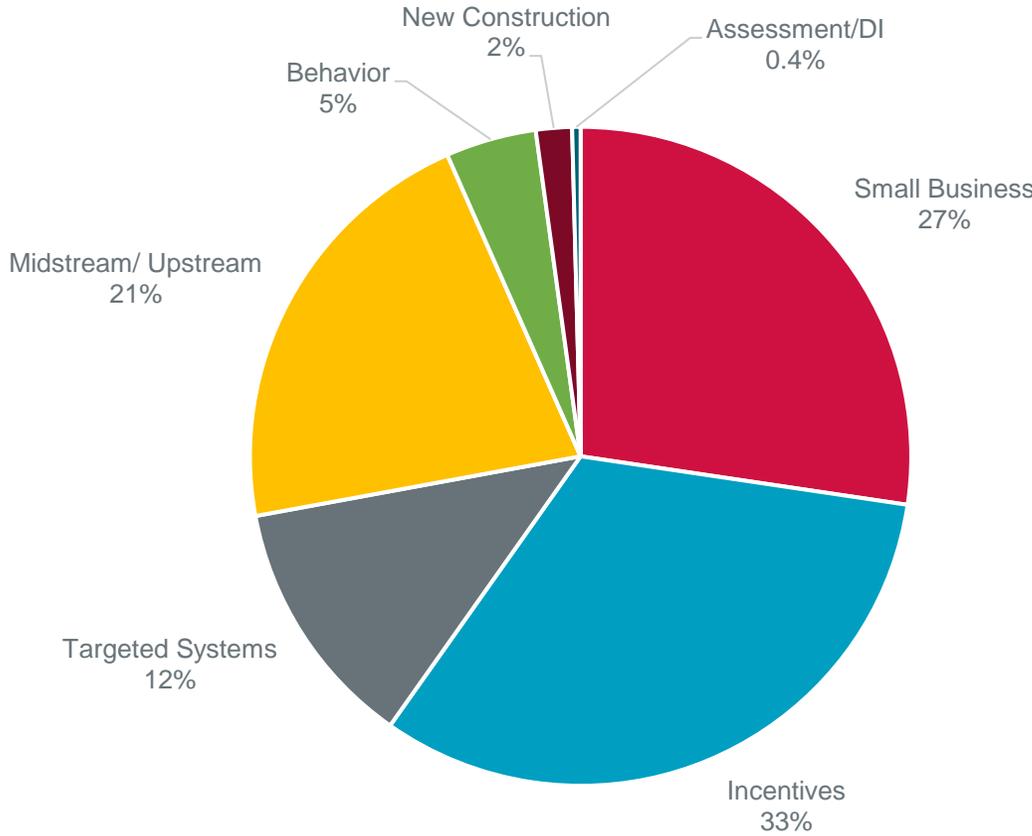
Public Sector Targeted Spend

Public Spending (\$M)

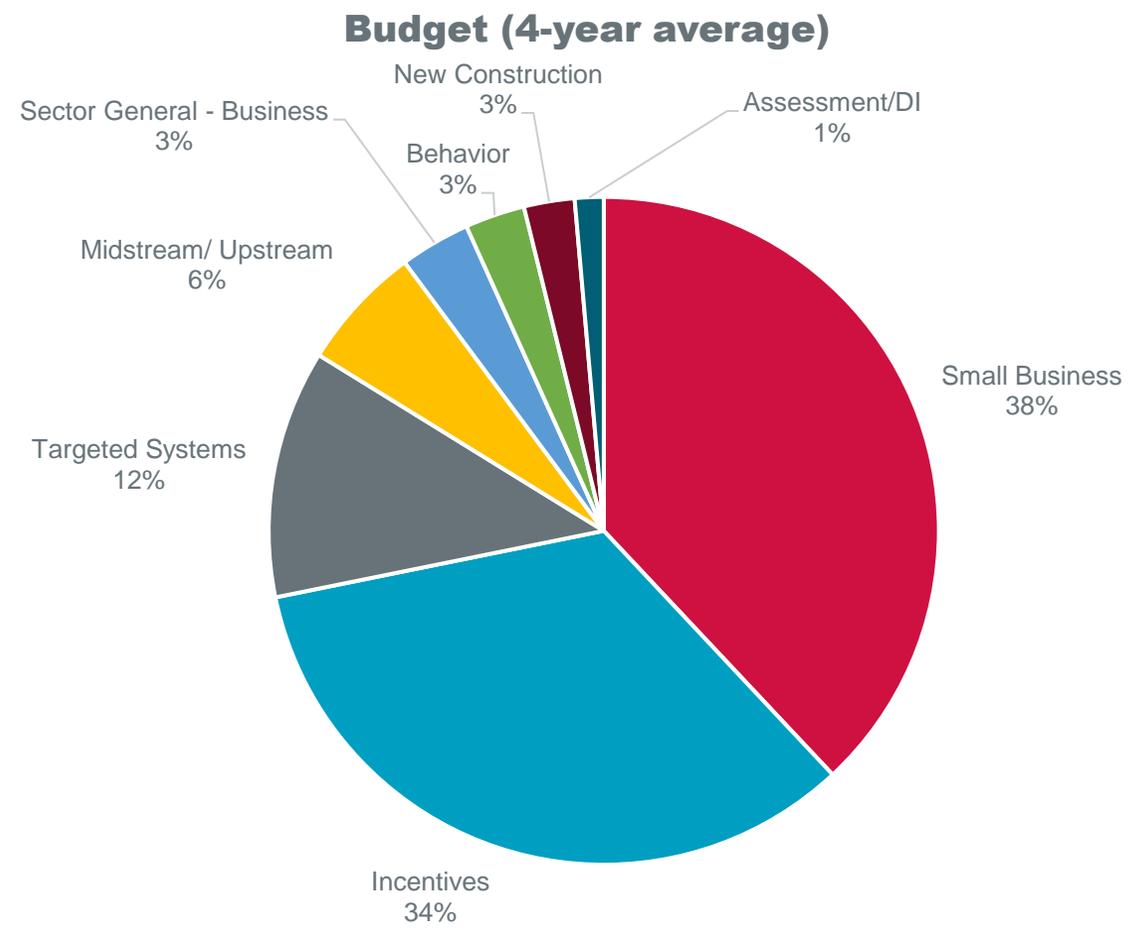
Segment	Program	2022	2023	2024	2025
Business	Small Business	\$8.2	\$8.8	\$8.4	\$8.3
Business	Incentives	\$22.5	\$19.4	\$19.7	\$19.7
Business	Targeted Systems	\$4.0	\$4.2	\$4.2	\$4.4
Business	Midstream/ Upstream	\$1.6	\$1.6	\$1.6	\$1.6
Business	Behavior	\$1.5	\$1.5	\$1.5	\$1.5
Business	New Construction	\$0.6	\$0.5	\$0.5	\$0.5
Res/IE	Public Housing Upgrades	\$2.5	\$2.5	\$2.5	\$2.5
Business	Assessment/DI	\$0.7	\$0.7	\$0.7	\$0.7
All	Overhead (Non-Program) Costs	\$5.0	\$4.6	\$4.2	\$3.7
		\$46.6	\$43.9	\$43.4	\$43.0

Business – Savings

Savings (Net first-year including therms, 4-year average)



Business – Budget



Third-Party Programs

Third-Party Approach

- » Have learned a lot from Plan 5 implementation experience and would like to take these learning and improve Third-Party efficiency going forward
 - Over the course of the first two years of implementation, 11 ICC-approved programs seem to have create some duplication and redundancies, especially on the C&I side
 - Several bidders significantly overestimated projected impact, particularly cost-effectiveness, and many also required significant hand-holding to stand-up offerings
 - Although in some cases, offerings have ramped up over time, others have already been phased out due to poor performance

- » In Plan 6, ComEd would propose the following to its Third-Party RFP administrator
 - RFP be more targeted, focused on the Retro-Commissioning and Industrial Systems Optimization elements (and potentially Custom), under the Targeted Systems offering
 - Minimum of \$25M in spend from these elements, to be administered by 1-2 vendors
 - Very open to new ideas and approaches in this space

Portfolio-Level

Research & Development

- » R&D includes: Emerging Technologies (ET) and Market Transformation (MT)
- » Purpose: To lower the cost and increase the impact of the ComEd EE Portfolio by identifying, testing, validating and integrating the next generation of EE technologies and program delivery strategies
- » Plan 5 R&D average annual budget: ~\$15M (\$13M ET + \$2M MT), actual spend
- » Proposed Plan 6 R&D average annual budget: ~\$11M (\$9M ET + \$2M MT)
- » Themes:

Supporting best-in-class program design

- Market adoption of underutilized portfolio measures
- Help IE program design evolve through pilots and research
- Providing program teams with a supportive test bed

Committing to an MT focus

- Develop new MT initiatives
- Work collaboratively to develop an evaluation pathway that competes with traditional resource acquisition programs on a \$/kWh basis

New measures to replenish portfolio

- New HVAC and controls technologies for business programs
- New residential measures to keep programs healthy
- Continued thinking and testing on untapped areas/new ground

Equity Hiring & Workforce Development

- » Equity hiring and workforce development is a priority for ComEd and our EE Team – it is not only what was promised with FEJA and the right thing to do, but will make our portfolio stronger
 - Can look different to different people, but includes – minorities, women, LGBTQ, veteran, local, and specific communities
 - Portfolio-wide: while IE offerings and communities are a priority, these are portfolio-wide issues and opportunities
- » Hiring
 - Vendor Diversity & Development: program implementation and portfolio-level (e.g., evaluation, R&D) contracting
 - Service Provider Diversity & Development: large network of contractors that perform a majority of the on-the-ground work
 - Community-Based Organizations (CBO's) Diversity & Development: engaging CBOs in our region
 - Workforce Diversity & Development: jobs with ComEd, vendors, service providers, and community organizations
- » ComEd made some progress in Plan 5, but we recognize that we've only scratched the surface and intend to go deeper and do better in Plan 6
 - Dedicated funding to improve intentionality and focus on this space
 - Could support initiatives like expanding Service Provider Diverse Incubator, workforce development study, internship program

Other Key Areas

Incorporating New Ideas into Plan 6

» Streamlining programs to reduce market confusion

– EE Portfolio Consolidation

» Income Eligible

- Portfolio funding levels
- Umbrella delivery model for comprehensive programs
- Customer targeting based on energy burden/billing
- EE – Billing Assistance coordination
- Increased collaboration with CBOs

» Equity hiring

» EE – DR, Solar, and other ComEd offerings

» Other Areas

- Midstream/upstream
- Residential lighting
- Advanced power strips
- Network lighting controls

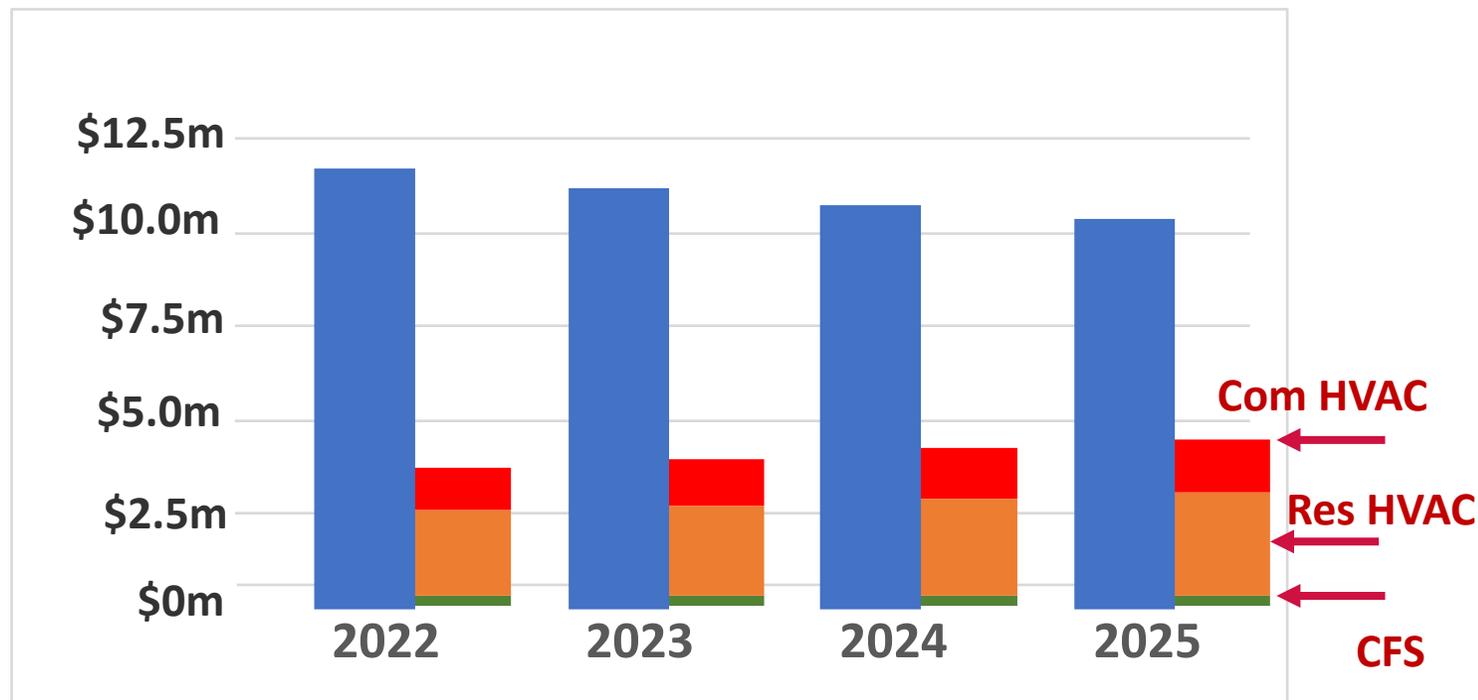
» R&D: 13 of the 18 ideas are concepts that ComEd is evaluating for a pilot or other research

» Other ideas that are more operational and delivery-related in nature will continue to be reviewed along a timeline for launching programs in 2022

» Detailed comments provided in spreadsheet template

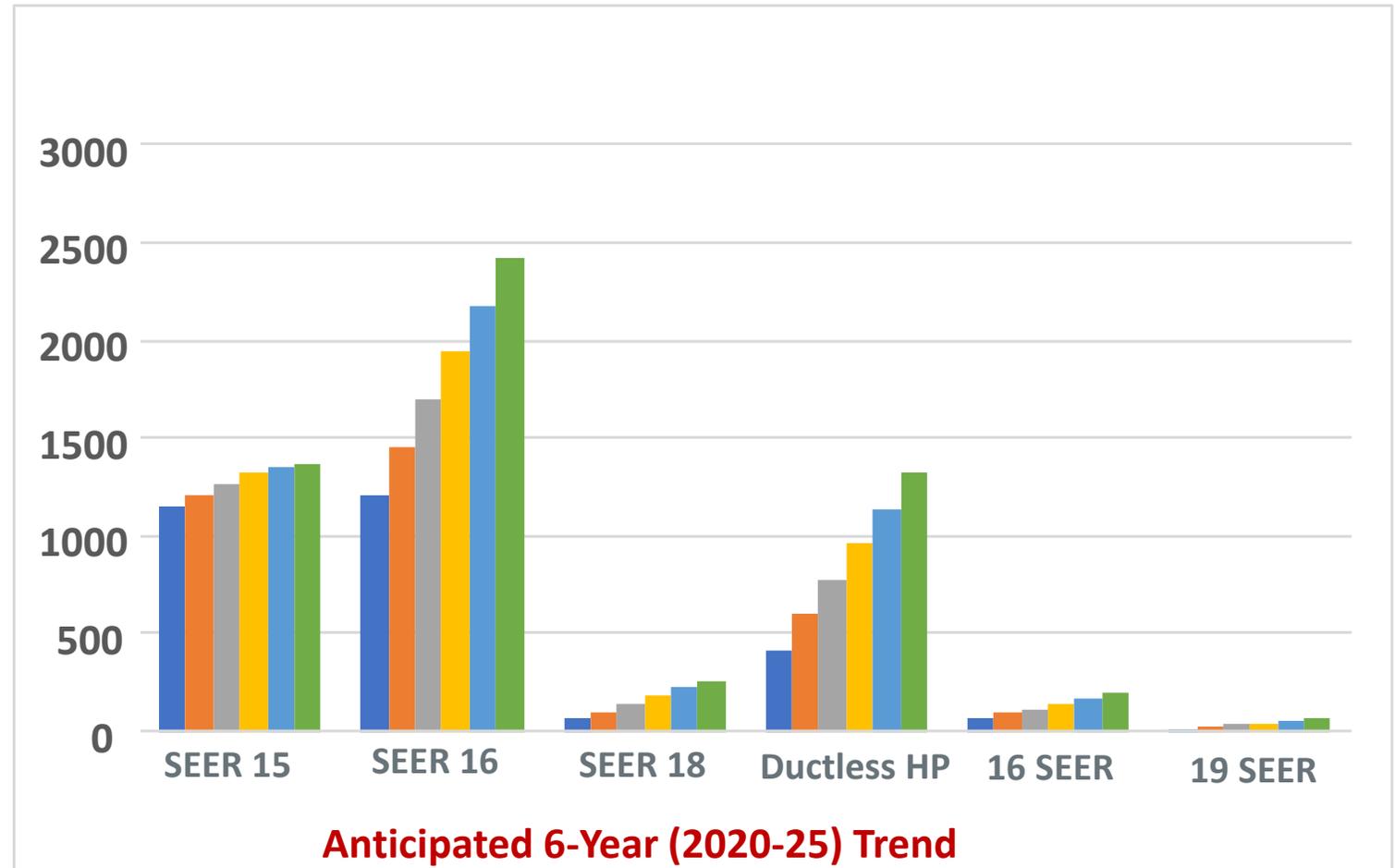
Midstream/Upstream in Plan 6

- » ComEd midstream lighting program – Instant Discounts – is in its 10th year with distributors but is trending down
- » Plan 6 includes 3 new Midstream programs in pilots now:
 - C&I HVAC: 4 measures including Roof Top Units
 - Commercial Food Service Equipment (Joint Program)
 - Residential HVAC (more detail on the next slide)
- » While we see a lot of potential with these shifts upstream, pilots have not been without challenges that will have to be addressed



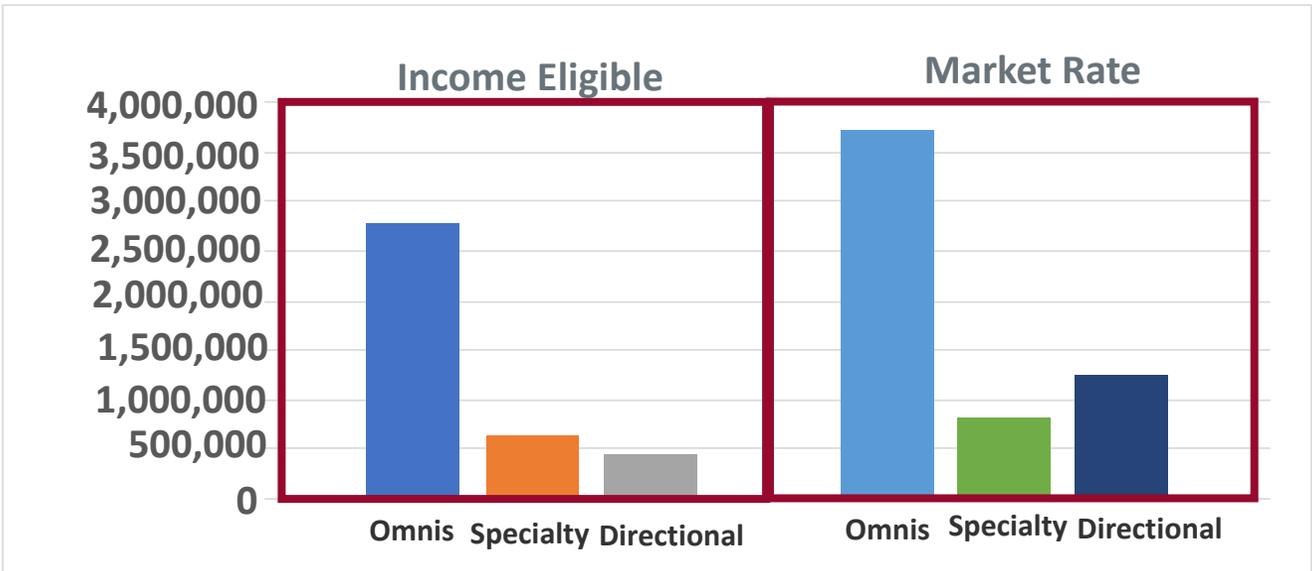
Residential HVAC Participation (2020-25)

- » Strong growth expected through Midstream channel
- » Shift to higher CAC efficiencies is anticipated
- » Strong growth in Ductless Heat Pumps
- » 42% switching from natural gas heating
- » 1 in 6 CAC Early Replacement
- » 1 in 3 HP's Early Replacement



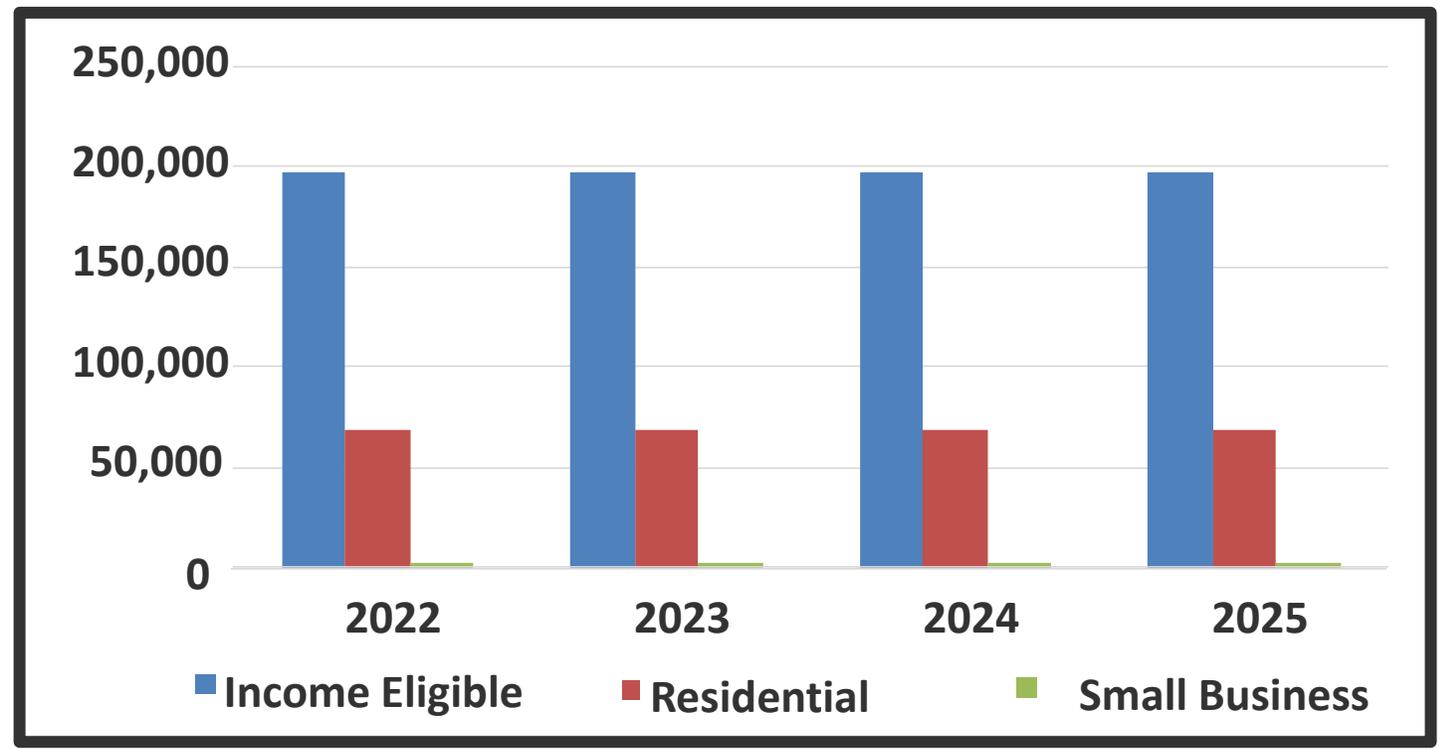
Residential Lighting

- » LED saturation continues to grow; the sockets available for LED conversion is declining (12.5% less market in 2025 vs. today)
- » Portfolio expects to get the same historical share of the market (50% MR; 90% IE) through 2025 (with minor tweaks this week)
- » Residential Lighting is again a positive Portfolio measure making a big contribution to CPAS (we went from over 11m bulbs in '18 to under 5m in '19; we're back to 9.7m in '22)



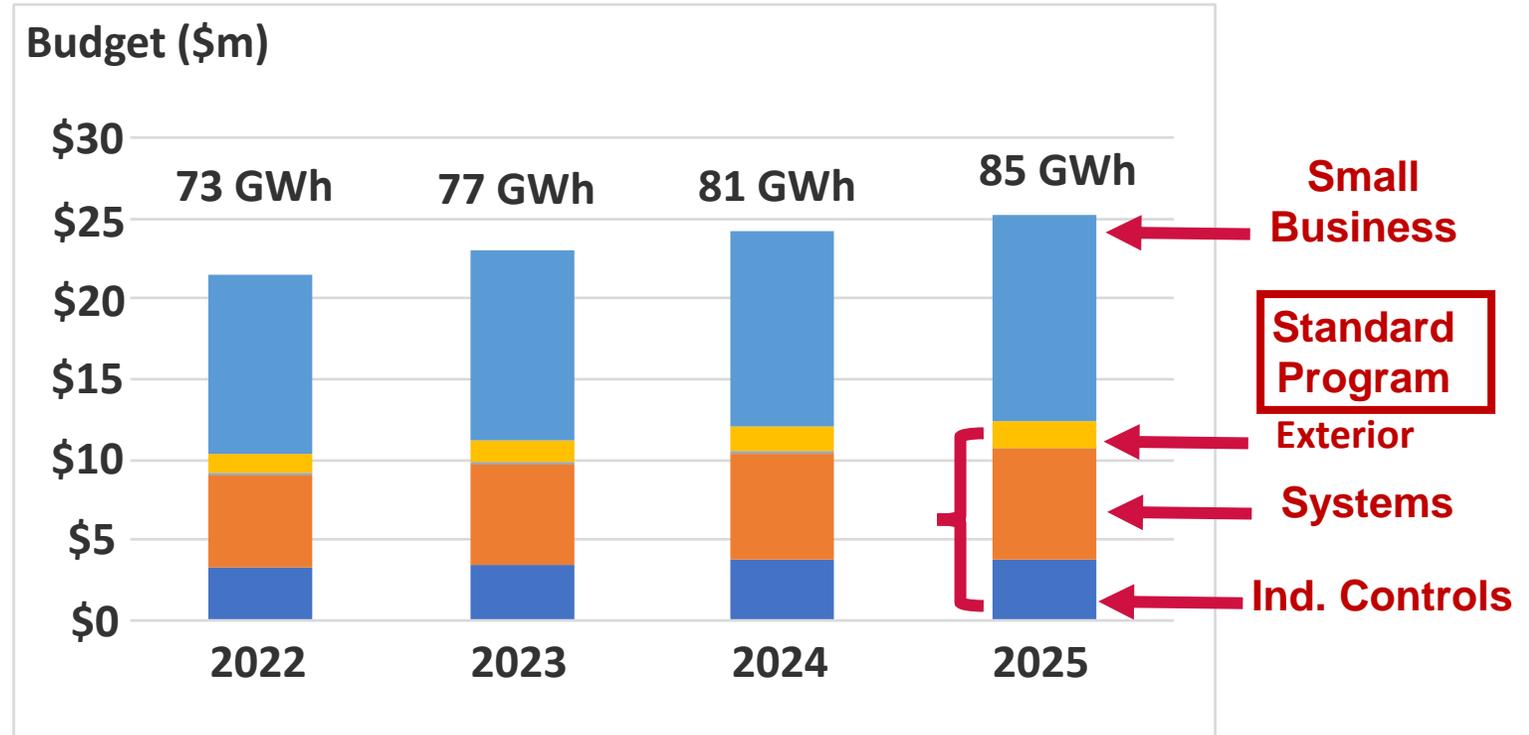
Plan 6 Advanced Power Strips

- » Total Plan 6 Advanced Power Strips exceed 1 million
- » 74% are Income Eligible Programs – 57% Retail, 38% Kits, 5% Direct Install – The rest are Appliance Discounts & Small Biz
- » APS offered in Plan 6 in 11 Programs
- » Small Business Kits also piloting Smart Sockets



ComEd Plan 6 Commercial Lighting Controls Budget

- » ComEd’s current lighting controls program draws from the industry’s best
- » Portfolio Commercial Lighting Controls Grows to nearly 7% of Portfolio Spend
- » This is optimistic, but achievable given the significant barriers to adoption of fully integrated lighting controls



Portfolio Therms

» This table shows therms claimed under the 10% cap

- The portfolio therms exceed the 10% cap by 60%.

» About a third of therms are from IE programs

- Expired savings from therms is minimal

» Smart Thermostats now account for 33% of claimed therms

Program	2019	2022	% Total
IE Kits	14,977	21,203	20.8%
IE SF Programs	8,157	7,074	6.9%
IE MF Programs	19,531	7,575	7.4%
Standard	16,026	10,454	10.2%
Business New Construction	1,518	14	0.0%
Small Business - Public and Private	0	1,128	1.1%
Market Transformation	0	4,385	4.3%
Residential HVAC	3,592	8,456	8.3%
Appliance Rebates	37,313	41,892	41.0%

Avoided Costs

- » Plan 6 will use **CY2021 avoided cost inputs** updated in June 2020; the only modification is updating the inflation rate and societal discount rate from TRM v8.0 to v9.0 values.
- » We are (1) transitioning **from DSMore to Analytica** and (2) transitioning **from hourly to annual average** avoided costs for calculating Plan 6 TRC values. Both changes offer:
 - Consistency with Guidehouse's existing methodology for ComEd's TRC test
 - Consistency with other Illinois utilities' existing methodology
 - Streamlined process with minimal difference on average between resulting benefits
 - Greater flexibility and transparency
- Non-measure level inputs include electric supply cost, ancillary charges, capacity cost, transmission and distribution costs, line losses, escalators, inflation rate, societal discount rate, and gas supply cost were applicable.
- Non-energy impacts include water and sewage, O&M, carbon adder recently revised for consistency across utilities, and quantifiable societal, utility, and participant benefits to be determined by evaluator research and agreed upon by stakeholders.

Summary & Next Steps

- » Draft Plan 6 meets statutory goals, stretches in key stakeholder ask areas, and takes on larger risks than previous plans; key elements include:
 - CPAS goals met and increase to WAML
 - Consolidated programs, to reduce customer confusion and administrative burden
 - Significant increase in Income Eligible spend, including in comprehensive programs and for multifamily customers
 - Movement of measures upstream and new savings opportunities
- » Portfolio has risks – lighting, IE spend ramp up, savings to be claimed from MT programs
- » Getting here has not been easy and margins are relatively small
- » We look forward to hearing feedback from Stakeholders in November, and in the meantime, please do not hesitate to reach out with questions



Thank You!

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