

Prohibited Expenses

July 11, 2023 Policy Manual Subcommittee Meeting

Presented by Elizabeth Horne, ICC Staff

Proposed Language Changes
(Proposed Effective Date for Policy Manual: January 1,
2024)

Energy Efficiency cost recovery is controlled by the Public Utilities Act, Commission rules and the Program Administrators' tariffs on file with the ICC. Subject to the Act, the applicable rules and tariffs, Program Administrators shall explicitly incorporate expense prohibitions in all vendor contracts (including contracts for vendor subcontractors) that involve costs to be recovered through the Energy Efficiency cost recovery tariff mechanisms. Such expense prohibitions are applicable to utilities and their subcontractors. Prohibited expenses shall not be recoverable from Illinois ratepayers through the Energy Efficiency cost recovery tariff mechanisms. **The following list of prohibited expenses is intended to be a point of reference, not an all-inclusive record of prohibited expenses.** Prohibited expenses shall include, but shall not be limited to:

- Direct payment for alcoholic beverages; and
- Tickets to Sports Events
- Marketing of the utility name which fails to relate to or reference either in writing, orally or visually, Energy Efficiency Programs, products or services.
- **Entertainment Event Tickets to concerts, festivals, exclusive events, and social activities that are not associated with energy efficiency program(s), products, or services.**

Overview of Proposed Changes

ICC Staff concurs the following changes to Section 5.4 Prohibited Expenses based on subcommittee feedback:

- 1) Tickets to Sports Events;
- 2) The following list of prohibited expenses is meant to serve as a reference, not an all-inclusive record of prohibited expenses.

ICC Staff does not concur with the proposed changes to Section 5.4 Prohibited Expenses based on subcommittee feedback as they do not align with the disallowed costs for sports and entertainment sponsorship as set forth in the final orders of dockets **16-0032, 16-0456, 17-1190, & 18-0913**.

- 1) Tickets to Sports Events **not including sponsorships utilized to market Energy Efficiency Programs, products, or services;**
- 2) Event Tickets for Entertainment **not including sponsorships utilized to market Energy Efficiency Programs, products, or services.**