Illinois Energy Efficiency Stakeholder Advisory Group

2020 SAG Portfolio Planning Process Proposed Energy Efficiency Ideas Template

Submitter Contact Information

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Energy Efficiency Idea Questions

Please check the boxes below to identify 1) the type of idea; 2) which Illinois utility or utilities will be impacted by the idea; and 3) which EE sector the idea impacts.

Check	Type of Energy Efficiency Idea
\boxtimes	New Measure or New Program Idea
\boxtimes	Proposed Program Approach
\boxtimes	Innovative Idea

Check	Illinois Utility Impacted by Energy Efficiency Idea
	Ameren Illinois
	ComEd
	Nicor Gas
	Peoples Gas & North Shore Gas
\boxtimes	All Illinois Utilities

Check	Energy Efficiency Sector Targeted by Energy Efficiency Idea
\boxtimes	Residential Customers – Single Family (non-income qualified/income eligible)
\boxtimes	Residential Customers – Multifamily (non-income qualified/income eligible)
\boxtimes	Residential Customers – Single Family Income Qualified/Income Eligible
\boxtimes	Residential Customers – Multifamily Income Qualified/Income Eligible
\boxtimes	Small Business Customers (commercial & industrial sector)
\boxtimes	Medium/Large Business Customers (commercial & industrial sector)
	Other (research & development, emerging technologies, market transformation)

Additional Questions

1. **Description of Idea:** Describe the proposed idea, including the purpose of the suggested idea and rationale. Describe whether this is an idea that could be implemented in an existing EE program, or whether the idea involves establishing a new measure or program. Please indicate whether additional research may be required before implementation.

<u>Questions to consider</u>: What issue will this proposed change resolve? Will the proposed change increase participation and result in increased energy savings? Will this reduce costs? Will this increase customer satisfaction? Will this help achieve statutory goals? Will this help increase program penetration?

Municipal Energy Efficiency Performance Standards

Several cities across the country – the most recent and first in the Midwest being St. Louis¹ – have developed minimum efficiency performance standards for existing buildings. Several other cities have residential rental energy ordinances that establish minimum efficiency requirements for multi-family rental properties. Such requirements, if adequately/properly enforced, can significantly increase the energy efficiency of large numbers of buildings. This proposal is for utilities to work with one or more municipalities in their service territories to adopt such standards as local market transformation initiatives.

Under such initiatives, the utilities could provide technical support in developing such standards. The utilities would be able to claim at least partial credit for all savings resulting from buildings being upgraded because of the standards, provided a reasonable case could be made that the standards would not have been adopted without their support. The portion of credit claimed would need to be at least partly a function of the importance of the role the utilities play in enabling the standards to go into effect.

As part of the support for the standards – and potentially a critical aspect of the municipality being willing to adopt them in the first place (and therefore a critical element of the utilities' ability to claim savings credit) – the utilities could also provide both technical support and financial incentives to building owners who invest to upgrade their buildings in response to the standards, at least for some period of time. Additional technical assistance and help with compliance will be especially important for any affordable building owners covered by

¹ See: <u>https://www.imt.org/st-louis-passes-first-building-performance-standard-in-the-midwest/</u> PROPOSED ENERGY EFFICIENCY IDEA TEMPLATE – PAGE 2

the standard. Other aspects of utility involvement might include help with benchmarking of the efficiency of existing buildings. There would need to be discussion within the MT working group about how long new incremental savings produced after standards are adopted could be claimed by the utilities.

2. **Implementation:** How will this idea be delivered to the target market? Describe marketing strategies used to reach the target market and minimize market confusion.

Through utility direct engagement with municipalities that may be interested.

3. **Background:** Describe where the idea originated from, including whether this idea has been successfully implemented in other jurisdictions. Provide specific background information that will help utilities and SAG participants understand the proposed idea.

<u>Questions to consider</u>: In what jurisdiction has this idea been successfully implemented? Do you have information on eligible customers, participation achieved, and/or savings achieved? Do you have access to reports describing the successful idea / program approach?

As discussed above, several cities have developed such standards. What is different about this proposal is the notion that the utilities support their development and claim market transformation (MT) related savings credit. That concept is consistent with other state code MT efforts also being discussed in IL.

4. **Idea Impact:** Provide additional information on the customer segment that will be targeted with the program idea, including how and why this idea will have a positive impact on customers participating in Illinois EE programs.

<u>Questions to consider</u>: What level of impact will this idea have on current EE programs? How much additional market share do you estimate this change will impact?

The size of the impact could vary considerably, depending on the size of the municipality and the nature and level of ambition of the performance standards.

5. **Duration:** Is this idea intended to be offered for the duration of the 4-year EE Plan or as a pilot measure or program?

The idea should be applicable through the next two plan cycles (and even beyond).

6. Estimated Budget: Provide the total estimated budget for each program year (2022 – 2025).

Will be very case specific.

7. **Estimated Participation:** Provide participation totals for each program year (i.e. number of measures installed, number of customer participants, etc.)

Will be very case specific.

Sources

If any sources will be useful to Illinois utilities in reviewing ideas, please either provide links within this template or send attachment(s) to the SAG Facilitator with the Energy Efficiency Idea submittal.

See above.