

# Initial Feedback on ComEd's 10/8 Draft EE Plan

Non-Financially Interested Stakeholders

October 29, 2024

# Context

- Feedback is preliminary and high level
  - Not all stakeholders were able to carefully review ComEd's materials given schedules
  - We have not had the chance yet to fully discuss questions/concerns with ComEd
  - This is a non-exhaustive list of feedback that will change pending more conversations
  - Included in this list are items stakeholders raised in our "Initial Asks" due to ComEd on 9/11 that were not specifically covered during the 10/8 portfolio presentation
- Feedback is from the following Non-Financially Interested Stakeholders:
  - Natural Resources Defense Council (NRDC)
  - National Consumer Law Center (NCLC)
  - City of Chicago
  - Dark Sky Initiative
  - People for Community Recovery (PCR)
  - Blacks in Green (BIG)
  - Illinois Attorney General\*
  - ICC Staff

*\* IL AG has participated in discussions, but their feedback is limited to the requests around savings goal modeling*

# Key Areas We Liked

- Portfolio Level costs have been minimized from current plan
- Focus on comprehensive offerings, at least for some programs
- Commitment of a 13.2 or 13.3 weighted average measure life (WAML) each year of the plan

# Savings Goals

- Stakeholders request ComEd re-run the proposed portfolio with \$106M/year for IE budgets (\$100M from current plan + 6% increase)
  - Consider potential study STIP+ scenario to help inform this
- Goals ultimately must assume some leveraging of IRA heat pump rebates
  - Conversations on leveraging to follow; we respect there are some unknowns
- CPAS Achievement (Achieved as % of Goal) incorrect on slide 27 (should be 101%, not 99%)

# Income Eligible (IE) Programs

- The drastic reduction in overall Res IE spend from the current plan is concerning (\$100M/year to \$60M/year).
  - Interrupts momentum of existing programs, leaving IQ SF homeowners/renters without significant weatherization opportunities.
  - Significant impacts on subcontractors, CAAs and the workforce that will be affected by this cut.
  - For NCLC this is a non-starter.
- Distribution of spending between Multifamily program and Single-family program is too wide (\$42-45M/year : \$1M/year). How and why did the company land on these figures?
- From Initial Asks: Plan/budget for at least 90% of IQ measure spending to be on “major measures”. In no event will the Company spend less than 85% of IQ budget on such measures. Major measures are defined as:
  - Weatherization/building envelope measures,
  - HVAC distribution system and/or ventilation measures,
  - Major HVAC equipment measures (including heat pumps to displace electric resistance heat and/or for electrification),
  - Water heating equipment measures (including heat pump water heaters to displace electric resistance heat and/or for electrification),
  - Appliance replacement measures (including induction cooktops and/or Energy Star dryers installed as part of electrification projects),
  - Health and safety improvements.

*Note: will have additional feedback once we dive deeper into program details*

# IE Program: Single-family

- It's stakeholders' understanding that ComEd is planning to contribute 0% of IE budget to IHWAP braided programs.
  - Is that correct? Was this discussed with gas companies, who did propose continuation of SF IE weatherization braiding?
- From Initial Asks: Continue/expand IE mobile home support under the Home Energy Savings offering.

*Note: will have additional feedback once we dive deeper into program details*

# IE Program: Multifamily

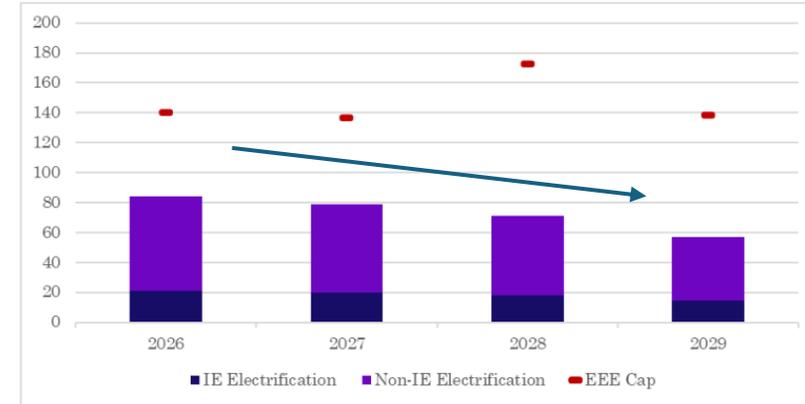
All From Initial Asks:

- Retrofit heat pumps to displace electric resistance heat in at least 70% of electric resistance-heated participating apartments each year.
  - Installations must be accompanied by customer education on how to operate the systems to maximize bill savings
- Comprehensively assess building envelope efficiency upgrade opportunities, as well as all likely cost-effective central HVAC system and common-area lighting systems, in all IQ multifamily buildings served by the program. Achieve building envelope and central HVAC system improvements in at least 67% of buildings for which such upgrades are found to be economic. Share draft protocols on how such opportunities will be assessed with signatory parties for discussion before the 2026 program year.

*Note: will have additional feedback once we dive deeper into program details*

# Electrification

- Decreasing spend over the four years of the plan is problematic.



- Stakeholders recommend a targeted neighborhood approach for both IE and market rate electrification (e.g. propane communities, neighborhood/census tract level, etc.).

## From Initial Asks:

- Require Manual J load calculations – and sizing based on estimated design heating loads – for all heat pump retrofits.
- Launch pilot that includes (1) annual clean and check service for at least three years for a sample of participants; (2) monitoring of performance and energy bills for that clean and check sample, as well as for a control group; (3) conduct evaluation of impacts of clean and check contracts. This pilot should be funded through a potential mix of R&D and EM&V budgets.

*Note: will have additional feedback once we dive deeper into program details*

# Income Eligible (IE) Electrification

- Must assume leveraging of IRA heat pump rebates to reduce costs

## From Initial Asks:

- For ComEd's Whole Home Electric program, the Income-Eligible SF portion is limited to homeowners only. Propose opening this offering to non-owner-occupied SF homes as well, with approval from the homeowner and education materials for the renter.
- Develop tenant rent protections when MF (and SF non-owner-occupied) properties receive electrification measures. ComEd to commit to working with stakeholders on this.

*Note: will have additional feedback once we dive deeper into program details*

# Business and Public Sector Programs

- Stakeholders need more detail on the Third Party program
  - Why is the Company modeling \$52M/year for PYs 2028 and 2029, but savings is projected at 243 GWh in 2028 but 124 GWh in 2029?
- Stakeholders want to better understand the impact of the Bus/Pub Behavior program and the cost/KWh of savings
- Stakeholders are interested in a breakdown of intended Public sector building types by budget (e.g. libraries, schools, community centers, etc.)

## From Initial Asks:

- Stop C&I market rebates for TLEDs. NOTE: OK to continue retrofitting TLEDs as part of small C&I direct install and IQ multi-family DI efforts
  - Need to better understand mix of lighting measures proposed
- Expand small business direct install programs to promote more comprehensive treatment of larger (non-lighting) savings opportunities, including weatherization where applicable. There are likely to be significant building envelope efficiency upgrade opportunities in many small businesses that are not being assessed in current programs. Such major measures have higher barriers than lighting retrofits so are much less likely to be addressed in the future. ComEd to consider this as a joint program offering (as mentioned above).

# Market Development Initiative (MDI)

- Stakeholders appreciate the continued commitment to the MDI program. However, as structured, stakeholders and customers have no understanding of achievements relative to goals or metrics.
- Recommend that northern IL utilities (ComEd, PGL/NS, and Nicor) create a joint MDI program with specific metrics and goals relative to budget and new metrics to be created with stakeholder input
- Need for ombudsman role, as previously requested

*Note: will have additional feedback once we dive deeper into program details*

# Inflation Reduction Act (IRA) Leveraging

- Stakeholders need to better understand the implications and legality of treating IRA EE as a Peak Load Reduction (PLR) resource.
- The company made a comment during the presentation that DOE wants to claim the first 30% of energy savings through IRA programs before utilities can begin to claim savings. Stakeholders have not heard this and need more information on savings attribution conversations with the Feds and State.
- Stakeholders would like to see ComEd work with IHWAP to maximize braiding and IRA leveraging opportunities. IHWAP has suggested that braided utility funds would enable them to cover the full cost of electrification and other measure rebate amounts from the HOMES and HEERA programs that cannot be combined with other federal dollars.
- Stakeholders request ComEd work with municipalities and stakeholders in conversations on IRA leveraging challenges and opportunities.

*Note: will have additional feedback once we dive deeper into program details*

# Other Comments

- Exterior Lighting
  - The potential study shows there is no opportunity for exterior lighting control savings. Does ComEd agree with that?
  - Why does the proposed plan not include streetlighting incentives? Especially for municipalities outside of the City of Chicago?
  - With any exterior lighting, limit measures to “dark sky” compliant models
- Residential
  - Stakeholders want to better understand the impact of the Res/IE Behavior program and the cost/MWh of savings
- Joint Programs
  - Discontinue all joint electric & gas new construction programs. Continue ComEd’s residential all-electric new construction program.
  - Add a commercial all electric new construction program.

*Note: will have additional feedback once we dive deeper into program details*