

Inflation Reduction Act (IRA) Savings Attribution Discussion

January 13, 2026, SAG Meeting



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IRA Savings Attribution Context

- The Illinois utilities have been coordinating with Illinois Environmental Protection Agency (IEPA) and the Department of Commerce and Economic Opportunity (DCEO) since 2024 to support utility braiding with Inflation Reduction Act (IRA) funds.
- The aforementioned parties seek to reaffirm previous agreements established for braiding with IHWAP funds, allowing utilities to continue to claim full savings attribution in exchange for their participation in braiding with IRA funds.
- IRA braiding has been a point of discussion for utility plans, with significant stakeholder interest and support.

Illinois Home Weatherization Assistance Program (IHWAP)

Savings Attribution Background and Precedence

- Utility funding of IHWAP projects began in the 2018-2021 cycle.
- In 2018, the utilities coordinated with DCEO and the CAAs to establish all operations to facilitate the new braiding arrangement.
- This included ICC approval and negotiating stakeholders engagement and support on how the utilities would claim savings for their contributions.
- 50% utility cost share with 100% savings attribution. Stipulated agreement in place since 2018.
- Has resulted in a highly successful partnership with a methodology that supports all parties.

IRA Savings Attribution Proposal

- Replicating the existing approach and methodology used with IHWAP.
- A 50% cost contribution for eligible measures by funding utility or utilities (based on fuel type/savings) for full (100%) savings attribution to the funding utility or utilities for funded measures.
 - » Utility/utilities fund 50% of the total cost for eligible measures, as calculated by the CAA; includes material, labor and CAA administration and implementation fees.

Rationale and Benefits of the Proposal

- Customer benefits:
 - » Enables braiding funds with utilities; thus, stretching the program services to income eligible customers further than what utilities and CAAs could otherwise accomplish on their own.
- Operational benefits:
 - » IRA and CAA operations:
 - Maintaining consistent program design allows the state and CAAs to navigate the complexities of IRA operations and requirements.
 - » Consistency in planning, implementation and evaluation:
 - “DOE will not calculate, claim, or track attribution of energy savings for the Home Energy Rebates programs.” There are no concerns of "double counting" results.
 - This methodology is consistent with how each utility budgeted and planned for savings within ICC-approved plans.
 - Allows for most efficient administrative approach for utilities.

Thank you



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