

**Illinois EE Stakeholder Advisory Group
Large Group SAG Meeting**

Wednesday, April 17, 2024

9:00 am – 12:30 pm

Teleconference

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Meeting Materials

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- [IQ South EE Ideas Presentation](#)
- [Elevate EE Idea Presentation: Diverse Contractor Support](#)
- [Joint Stakeholder EE Idea Presentation: Residential IQ Ideas](#)

Attendees

Name	Company or Organization
Celia Johnson	SAG Facilitator (Celia Johnson Consulting)
Jorge Medina Zambrano	SAG Meeting Support (Inova Energy Group)
AJ Young	U.S. Greenlink
Abigail Miner	IL Attorney General's Office
Amy Jewel	Elevate
Andrew Cottrell	ScottMadden
Andrew Gorecki	Franklin Energy
Andrey Gribovich	DNV
Andy Vaughn	Leidos
Annette Beitel	Future Energy Enterprises (IQ South Senior Facilitator)
Antonia Ornelas	Elevate
Becca McNish	DNV
Blaine Fox	CMC Energy
Brian Kirchman	ComEd
Cassidy Kraimer	Community Investment Corp.
Cheryl Watson	Equitable Resilience & Sustainability LLC

Name	Company or Organization
Chris Neme	Energy Futures Group, representing NRDC
Chris Vaughn	Nicor Gas
Darren McRoy	Walker-Miller Energy Services
David Brightwell	ICC Staff
Deirdre Collins	VEIC (IL-TRM Administrator)
Denise Moore	Black Business Alliance Peoria Chapter
Deondre Rutues	Future Energy Enterprises (IQ South Facilitation Team)
Elizabeth Applegate	Applied Energy Group (AEG)
Elizabeth Horne	ICC Staff
Eljona Fiorita	CLEAResult
Erica Tillotson	ScottMadden
Erika Dominick	Walker-Miller Energy Services
Erin Daughton	ComEd
Fernando Morales	Ameren Illinois
Gregory Norris	Aces 4 Youth
Hilary Snover	CLEAResult
Jamie McCloskey	Staples Energy
Jarred Nordhus	Peoples Gas & North Shore Gas
Jason Fegley	Ameren Illinois
Jean Gibson	Peoples Gas & North Shore Gas
Jeff Carroll	DNV
Jennifer Pearson	CEDA
Jillian Zell	Opinion Dynamics
Jim Fay	ComEd
John Carroll	Ameren Illinois
Jonathan Skarzynski	Nicor Gas
Josh Sharon	ComEd
Julie Hollensbe	ComEd
Karen Lusson	National Consumer Law Center (NCLC)
Kari McCue	Nicor Gas
Kari Ross	NRDC
Kate Shonk	Citizens Utility Board
Kathryn Brewer	CLEAResult
Kathy Walk	C.E.F.S. Economic Opportunity Corp.
Keith Cronin	VEIC (IL-TRM Administrator)
Ken Parker	Community Investment Corp.
Kim Swan	ComEd
LaJuana Garrett	Nicor Gas
Lance Escue	Ameren Illinois
Linda Zabors	Energy Infrastructure Partners
Lucas Born	Power Takeoff
Lynda Powers	Resource Innovations

Name	Company or Organization
Maria Onesto Moran	Green Home Experts
Matt Armstrong	Ameren Illinois
Melissa Helphingstine	Primera Engineering
Michael Brandt	Elevate
Mike King	Nicor Gas
Miritza Thorpe	Ameren Illinois
Nate Baer	Staples Energy
Nelson May	Future Energy Enterprises (IQ South Facilitation Team)
Nick Moshage	Walker-Miller Energy Services
Nick Warnecke	Ameren Illinois
Nikia Perry	SEEL
Nikki Pacific	Ameren Illinois
Odette Hyatt-Watson	East Central Community Action Agency
Omayra Garcia	Peoples Gas & North Shore Gas
Pace Goodman	ILLUME Advising
Pat Justis	Ameren Illinois
Peter Pasholk	CCRPC
Philip Mosenthal	Optimal Energy, representing IL AG and NCLC
Rick Tonielli	ComEd
Randy Opdyke	Nicor Gas
Rashaan Keeton	Center for Energy and Environment
Remelt Rutledge	No Organization Identified
Ronna Abshire	ICC
Salina Colon	CEDA
Sam Dent	VEIC (IL-TRM Administrator)
Sara Castleberry	Resource Innovations
Seth Craigo-Snell	SCS Analytics
Sharon Mullen	Abacus Energy Works
Shivana Shrestha	Walker-Miller Energy Services
Steven LaBarge	ComEd
Tara Cunningham	Rinnai
Thomas Ketchum	South Suburban Action Conference
Ted Weaver	First Tracks Consulting, representing Nicor Gas
Theresa Collins	Senior Services Plus
Tim Dickison	Ameren Illinois
Tina Grebner	Ameren Illinois
Tisha Burnside	Resource Innovations
Victoria Nielsen	ScottMadden
Zachary Froio	Applied Energy Group (AEG)

Meeting Notes

Follow-up items indicated **in red**.

Opening and Introductions

Purpose of April 17 SAG Meeting:

- For stakeholders to present Energy Efficiency Ideas for Illinois utilities to consider in developing their 2026-2029 EE Plans.
- The April 17 meeting is focused on residential income qualified ideas. Download the Energy Efficiency Ideas Tracker for a summary of all EE Idea submittals.

[SAG Facilitator Introduction: April EE Idea Meetings](#)

IQ South EE Committee Income Qualified Ideas

EE Ideas tracker rows 46-52)

Annette Beitel, Nelson May and Deondre Rutues, Future Energy Enterprises (IQ South EE Committee Facilitation Team)

- IQ-S Subcommittees have multiple objectives and will continue through 2025 – this presentation will focus on activities that will be used to refine recommendations for Ameren IL in September
- IQ-S Leadership Team recommends that the ideas described in this presentation are implemented statewide, not just in Ameren IL’s service territory.
- Increase and Support Diverse Contractors
 - Co-Chair: Odette Watson – East Central Illinois Community Action Agency
 - Co-Chair: Erika Dominick – Walker Miller Energy Services
 - Co-Chair: Jamey Neal – Ameren Illinois
- Support Returning Citizens Entering the Clean Energy Workforce
 - Co-Chair: Scott Alan Davis – Solutions for Energy Efficient Logistics (SEEL)
 - Co-Chair: Nikia Perry – Solutions for Energy Efficient Logistics (SEEL)
- AC/High Heat Pilot Program to Address High Heat Days
 - Co-Chair: Theresa Collins – Senior Services Plus
 - Co-Chair: Jamey Neal – Ameren Illinois
 - Co-Chair: John Carroll – Leidos
- Clean Energy Plans “Framework” for CBOs, CAAs, and Local Governments
 - On hiatus for now due to funding constraints
 - Expect to start up again early 2025.

IQ South EE Idea: Increase and Support Diverse Contractors

- Diverse Contractors Subcommittee Members
 - Odette Watson, East Central Illinois Community Action Agency
 - Denise Moore, Black Business Alliance Peoria Chapter
 - Erika Dominick, Walker Miller Energy Services
 - Amber Anderson, Walker Miller Energy Services
 - Suskin Lockett, Jr., Reasonable Heating Cooling and Insulation
 - Jose Lockett, Reasonable Heating Cooling and Insulation
 - Peter Pasholk, Champaign County Regional Planning Commission
 - Jamey Neal & Tim Dickison, Ameren Illinois Staff
- Identify and recruit ten (10) additional diverse contractors who are interested in supporting Ameren Illinois’ energy efficiency portfolio by the end of 2024.
 - Contractors Identified who may have relevant weatherization skills (operating in underserved areas)

- Effingham – 136 Contractors
 - Decatur – 91 Contractors
 - St. Clair/Madison County – 123 Contractors
- Of the above, at least six are diverse.
- Interview process:
 - There will be a focus on awareness, interest in participating, and any barriers preventing them becoming Program Allies
 - Future program Allies will be asked about any key challenges, benefits, and additional support needed in order to fine-tune onboarding processes and address barriers efficiently.
- Subcommittee work-to-date
 - Literature review summarizing available research on developing and supporting diverse contractors.
 - Summary of key learnings about challenges and opportunities
 - Business case analysis to understand how to increase diverse contractors, implementers, and professionals.
 - Identifying and geomapping existing diverse contractors and implementers
- Goals
 - The percentage of the funds allocated to diverse contractors should equal the percentage of diverse citizens in the service territory.
 - Increase geographic coverage of diverse contractors to build capacity across the state.
 - Focus on equity and representation with the implementation of these goals.
 - There should be additional support (training and hiring) to bring in under-employed residents.
 - Continue support for ongoing diverse contractors to help them successfully.
 - Funding for program allies to complete necessary certifications for weatherization
- Feedback has been requested from the IQ-S committee in order to evaluate suggestions for improvement.

Karen Lusson – (via chat) Can you elaborate on the "contractor" definition? Are these subcontractors with Walker-Miller as the implementer? Trade allies? Just trying to get a sense of what level of contracting the diverse contractors are at

Annette Beitel – The "contractors" Deondre refers to are Program Allies. (the folks who do work in the field). However, the subcommittee work is focused more broadly to include implementation firms and diversifying the EE workforce more generally.

Karen Lusson – What does the current contracting structure look like? Walker-Miller as implementer. But is there another layer between Walker-Miller and the trade allies? And if so, are you seeking a local and diverse implementer pool at that level? Glad to see the emphasis is on LOCAL and diverse contracting.

Annette Beitel (via chat) – Program Allies are not under contract to Ameren IL (or Walker-Miller). They have to meet certain requirements (ICC registered, Building Performance Institute certification, sign Program Ally agreement).

Karen Lusson – Is there an implementer between Walker-Miller and the implementers? Is there an interest in getting local diverse contractors?

Annette Beitel – Ameren funds Leidos, Walker-Miller contracts with various implementers (one of the ones Leidos contracts) who is responsible for the braided IHWAP. The focus is increasing program allies, typically small firms (10-12 people) aiming to increase the diverse contractor base. Based on Odette's initiative we need more diverse contractors to identify feedback more efficiently in order to help improve program operations.

Denise Moore (via chat) – With the support of Ameren (MDI program), my Minority Business Development Center in Peoria, has conducted a Minority Contractor Development program for the last 4 years. We have learned quite a bit about the struggles of these contractors.

Denise Moore – Small contractors do not receive enough work and must work multiple jobs which creates inefficiencies. There has been back-office support provided in order to optimize their operations. As a nonprofit there is a limit to how many contractors can be supported. After the contractor goes through the development program, there is a 60-90 business setup support.

Erika Dominick – Walker-Miller works closely with Denise and supports the help that is being provided to these diverse contractors which is instrumental in developing new contractors and helping them thrive and provide additional services.

Karen Lusson (via chat) – I think Denise also highlights the importance of implementers and the utilities not making significant changes in a program mid-plan because it impacts contractors' (trade/program allies) ability to plan and schedule work. This is a concern I've heard from Northern Illinois subcontractors/trade allies.

Deondre Rutues – With the upcoming interviews with contractors there will be a better visualization of the issues contractors are facing in order to improve the perspective of how new ideas and generate improvements in the program.

IQ South EE Idea: Support Returning Citizens entering the Clean Energy Workforce

- In Illinois, an estimated three million of the state's 12.7 million residents have criminal records; half of them have convictions
 - A total of 548,000 Illinois residents have felony convictions.
 - At least 14% of them are Black adults compared to 3% of adults overall nationally.
- Returning Citizens Subcommittee Members
 - Scott Alan Davis, Solutions for Energy Efficient Logistics (SEEL)
 - Nikia Perry, Solutions for Energy Efficient Logistics (SEEL)
 - Tisha Burnside, Resource Innovations
 - Terry Burnside, House of Hope Peoria, INC
 - Joe Mapp, Precious Blood Ministry of Reconciliation (PBMR)
 - Raphel Jackson, Stateville C.C.
 - Kameron Huckleby, Access Living

- Remel Rutledge, Chicago School of Professional Psychology
 - Dirk Nauman, Nauman Innovation Group
 - Jamey Neal & Tim Dickison, Ameren Illinois Staff
- Objective #1
 - Develop strategies and tactics to further support successful identification, training, hiring and retention of “Returning Citizens” in the EE, solar and related efforts workforce.
- Objective #2
 - Develop business case and toolkit for employers and employees.
- The previously mentioned business case analysis showcases the importance of returning citizens workforce aid in order to increase representation and increase positive impacts to communities that have been affected by incarceration and family separation.
- Subcommittee work-to-date
 - Background research summary of available information
 - Literature review of how effective these returning citizens program have been across the state.
 - Business case to understand how return citizens in the clean energy ecosystem can be beneficial.
 - 7 interviews with returning citizens to understand challenges faced.
 - Recruited 7 returning citizens for subcommittees.
- Illustrative questions in interviews with returning citizens focused on the following:
 - Transition Back to Workforce
 - Building Trust and Rapport in Workplace
 - Overcoming Workplace Biases
 - Challenging Integrating into Workplace Culture
 - Ongoing Support Needs
- Questions for prospective employers
 - Employers who are unwilling to hire Returning Citizens & Employers who have hired Returning Citizens
 - Perceived/Actual barriers and challenges.
 - Legal considerations and concerns
 - Changing corporate culture around Returning Citizens
 - Internal discussion about hiring Returning Citizens
 - Training, support and development of Returning Citizens
 - Needed tools and support to be successful.
 - Desired ongoing support for employers
- Proposal
 - Identify, engage, support and connect at least ten (10) Returning Citizens/per service territory/each year with clean energy jobs in the utility service territory.
 - Reduce recidivism.
 - Identify at least ten (10) Employers/per service territory/each year who are willing to hire Returning Citizens in Clean Energy Jobs.
- There should be focus for IL to be a leader in engaging returning citizens in clean energy workforce instead of just a leader in incarceration.
- Feedback has been requested from the IQ-S committee in order to evaluate suggestions for improvement of returning citizens program.

Denise Moore (via chat) – I believe the foundation for success in this area begins before individuals are released, with a warm hand off to an organization that will connect with them upon their release.

Deondre Rutues – Through some of the interviews there has been a recognition that depending on the facility there will be various internal training programs that are most helpful towards gainful employment upon release. Not all facilities have the same programs, which makes it difficult to standardize. There have been ideas about recruiting returning citizens to speak with current inmates in order to present their personal case study so that more individuals who get involved in the program.

Denise Moore – Some staff members from our office help with on-site interviews in transition center implementing short-term training programs sometimes presented in-office in order to smooth the transition and aid with successful employment post-release.

Deondre Rutues – Mentorship programs like Defy Ventures are essential for providing life skills, interview preparation, resume building, and technology training, which returning citizens often struggle with.

Tim Dickinson – Blackburn college is hosting Dr. Larry D Terry to speak about black justice in the upcoming week. Renowned Criminal & Restorative Justice Advocate Dr. Larry D. Terry II to Speak at Blackburn - Blackburn College

Chris Neme – Funding recommendation for diverse contractors should be an equal percentage of funds be to match the percentage of diverse citizens. Is that related to utility hiring diverse contractors or across trade allies beyond utility hiring?

Annette Beitel – The focus has primarily been on program allies, although there's potential to support Ameren or its subcontractors indirectly. Ameren has programs in IQ and market rate spaces that provide leave for approved contractors, presenting an opportunity to funnel more funding to diverse contractors. The recommendation is to set a goal where a percentage of program ally funding, such as 20%, goes to diverse contractors, aligning with the demographics of the state.

Phil Mosenthal – Do you know where the utilities are in terms of what percentages they are currently at regarding diverse contractors based on spending?

Annette Beitel – It would be useful to see this data. There is a focus on geographical distribution as well, not just about spending.

Philip Mosenthal – If the utilities are tracking this information and could provide baselines it would be greatly appreciated.

Annette Beitel – Often this information is not public and not readily available. Supports Philip's recommendation for data visibility.

Celia Johnson – There are new metrics related to diverse contractor spending and reporting that will be available later this year [via quarterly utility reports].

IQ South EE Idea: AC/High Heat Pilot Program to Address High Heat Days

- Subcommittee members

- Theresa Collins, Senior Services Plus
- Kevin Bushur, C.E.F.S Economic Opportunity Corporation
- Kathy Walk, C.E.F.S Economic Opportunity Corporation
- Joy Paeth, Age Smart Community Resources
- Nicole Popejoy, Illinois Association of Community Action Agencies
- Dawn Rear, Champaign County Regional Planning Commission
- Becky Salazar, Egyptian Area Agency on Aging
- Jamey Neal, John Carroll, & Tim Dickison, Ameren Illinois Staff
- Objectives
 - Create a business case for High-Heat Energy Efficiency Programs for vulnerable customers/communities to advise and inform about how this program would be valuable.
 - Create, implement, oversee and evaluate pilot programs to help vulnerable customers/communities manage high heat.
 - Create education materials for customers explaining the dangers of high heat and cooling resources available to them (cooling centers, i.e grocery stores or libraries)
- Subcommittee work-to-date
 - Comprehensive review of available funding resources (private, state and federal) to consider leveraging.
 - Measure table detailing proposed cooling measures (costs, installation requirements, pros, and cons)
 - Review of existing research and literature on high heat days and their impact on at-risk populations in IL
 - Key takeaways from federal initiatives to educate the public on the risk of high heat and education tactics.
- EE Idea Overview and Rationale
 - The IQ-S AC/High Heat Subcommittee is proposing a statewide program that would offer:
 - Emergency Cooling Resources to at-risk, eligible IQ households via one or more energy efficient measure package(s), depending on the customer and residential dwelling type.
 - Expected Outcomes
 - Generating savings
 - Providing bill relief to IQ customers
 - Protecting IQ customers against life-threatening high heat episodes
- Goals
 - Inclusion of AC in Weatherization: Comprehensive weatherization should include AC if there is no AC present, or if the AC is functioning below 50% capacity. Typically, equipment older than 15 years old should be replaced.
 - Addressing the Risk to Seniors: 11 – 13% of seniors do not have working AC (underreported). Seniors also struggle to access publicly available cooling resources.
 - Proposed Number of People Served: Proposing to serve 1/10th of the vulnerable population, per year, in the next 4-year plan.
- Funding
 - Seek Supplemental funding for AC Resources
 - One Possibility might be IRA Funding: To help finance the AC/High Heat Program, IRA funding could be leveraged for customers with a source of income in the form of a tax credit.

- IRA funds are expected to become available in 2025 through the Illinois EPA
 - The Subcommittee recognizes that the effort would be challenging to conduct with available IQ Utility Funding
- The DOE also have funding available as well as DCEO that could be tapped into
- Key Challenges
 - Vulnerable populations are afraid to use cooling resources because it will increase their bills.
 - Can cooling resources be paired with small solar?
 - Deploy portable ASHP to provide cooling and heating to a single room.
 - Utilities' perception of cooling resources generates fewer savings than other types of efficiency measures
 - Can cooling resources be evaluated differently in order to be more objective?
- Feedback on addressing fear of using cooling resources because of increased bill and the perception that cooling resources are not “affordable” to utilities as an energy savings measure.

Chris Neme – One of the challenges is that utilities have fixed budgets for comprehensive IQ measures. Older AC equipment is quite expensive which, if spent on one location, cannot be spent on order locations, preventing a comprehensive approach to broader measures. Have the trade-offs been evaluated?

Annette Beitel – Providing cooling resources through available funds is a challenge. There has been some thought addressing this issue, but one solution is working through the IQ TRM process making sure that cooling savings are accurate. In terms of the cost, the emphasis is on using federal funds (IRA, IL EPA, DCEO) to leverage utility funding. Equally considering bulk purchases and negotiating with trade allies to standardize costs and improve implementation analysis. Oftentimes measures that get implemented first are the most cost effective and cooling measures are pushed to the end.

Chris Neme – The challenge is not leaving poor customers to get one expensive measure vs other multiple measures that could help overall.

Annette Beitel – There are significant issues with seniors and climate change affecting heat waves making them more dangerous if these cooling measures are not implemented and increased significantly.

Chris Neme – In addition to ductless mini-splits, there's mention of room heat pumps, which could offer a more cost-effective solution for single-room applications. The NY housing authority developed a window heat pump that is now being deployed in NY public housing. This might be a good suggestion to consider implementing.

Annette Beitel – If there are any resources that could be shared would be useful to analyze.

John Carroll (via chat) – Gradient is the manufacturer in that NY PHA project.

Chris Neme (via chat) – Here's a link to an article on new window heat pump technology: <https://www.theverge.com/23951214/heat-pump-nycha-public-housing-electric-sustainable>

Keith Cronin (via chat) – VEIC completed an evaluation of in-unit heat pumps for California, the final report is publically available: [ET22SWE0035_Multifamily-In-Unit-Heat-Pumps_Final-Report.pdf](#) (calnext.com)

Andrey Gribovich (via chat) – There are two manufacturers for the NY window HP effort - Gradient and Midea.

Karen Lusson – Supports IQ-S mention of this issue. High heat has been the topmost killer in the world. Also wanted to mentioned disabled individuals and children being at risk for this issue. Central and southern Illinois is a bigger challenge due to harsher weather. Urban heat islands and non-white populations are more impacted by these heat issues. References documentary 'Cooked' highlighting issues in Chicago in the 90's. Also highlights an affordability issue due to the high costs of running cooling equipment. One action that the Commission has taken to address this issue has been the implementation of discount rates. All three gas companies have been ordered to implement gas discount rates by October of the current year. It's noted that Ameren has appealed against the gas discount rate orders, which is seen as unfortunate given the potential benefits for affordability of utility rates.

Annette Beitel – Cooling resources are scary even when given away because the electricity rates and using high energy cooling resources make them unaffordable. There is mention of the societal cost due to emergency services directed to seniors who suffer from heat exhaustion and issues due to lack of cooling implementation in home.

Theresa Collins (via chat) – This is a health, life, and safety issue. Cooling is a necessity, not a luxury.

Karen Lusson (via chat) – Kudos to the AG's office for their bill, which was signed into law and took effect January 1st, that lowered the temperature for disconnection moratoriums in the summer from 95 degrees to 90 degrees or when the National Weather Service issues a Heat Index Advisory (which incorporates humidity impacts).

Karen Lusson (via chat) – Important documentary highlighting the twin problems of poverty and high heat: Cooked: Survival by Zip Code <https://www.pbs.org/video/cooked-survival-by-zip-code-tilbr2/#:~:text=Cooked%3A%20Survival%20by%20Zip%20Code%20tells%20the%20story%20of%20the,%2C%20elderly%2C%20and%20African%20American.>

IQ South EE Idea: Clean Energy Plans “Framework” for CBOs, CAAs, and Local Governments

- Objectives

- Create a Framework for Community Energy Planning to help local governments and CBOs/CAAs develop “Integrated Clean Energy Plans” for underserved communities.
 - Identify available programs/funding sources to help CBOs/CAAs and local governments implement.
- Subcommittee work to date
 - Background Research: Identification of relevant clean energy programs & resources available in Illinois
 - Financing Review: Analysis of available financial resources for CBOs/CAAs/Local Governments to develop Clean Energy Plans
 - Resources Review: Review of tools and resources available to public sector leaders developing Clean Energy Plans
 - Interviews: Stakeholder Interviews to understand the needs of local governments when developing Clean Energy Plans
- EE Idea overview and rationale
 - The Program would seek EE funding to:
 - Support local governments, CBOs and CAAs to develop “Integrated Clean Energy Plans” for underserved communities (they can follow “Integrated Clean Energy Framework”)
 - Help identify and apply for utility and other sources of funding to implement their plan.
- Goals
 - Integrated Clean Energy Plans could include, but not be limited to:
 - Identifying Data Sources to understand a communities’ energy needs.
 - Educating Customers (individuals or businesses) about EE Plan and resources to train and foster local employment.
 - Integrating Clean Energy Resources such as Energy Efficiency, Solar, and other renewables, EV Vehicles, and EV Charging
 - Ensuring resiliency of energy resources to support effective climate adaptation and electrification.
- Identify Available Programs/Resources: Identify available resources that could be leveraged to develop and implement such Clean Energy Plans in underserved communities, including.
 - Utility resources
 - State and federal programs/funding
 - Foundation funding
 - Private funding (community banks or IL Climate Bank)
- SAG Participant Feedback Requested on: Utility funding for helping CBOs/CAAs/Local governments prepare Clean Energy Plans Utility funding to help with grant writing to secure funds.

Chris Neme – This proposal makes a lot of sense. Utilities spend money portfolio-level that support the program as a whole as well as R&D generating savings long-term not so much short-term. It would depend on the program costs as well. Recent efforts in settlement agreements to integrate efficiency and other clean energy initiatives for a more cohesive approach to serving customers and communities.

Annette Beitel – Emphasizes the critical importance of integrating energy efficiency (EE) and solar initiatives, noting a significant disconnection that exists in current practices. Strong support for stakeholders to prioritize addressing this

issue in upcoming settlement negotiations, highlighting the necessity of seamlessly integrating EE and solar efforts.

Ted Weaver – This is a resource allocation issue. What would a CBO or CAA plan look like (considering that CBOs and CAs serve specific geographic communities)? Would it be different than the government plan?

Annette Beitel – Example- Senior Services Plus works with seniors in 6 counties; this would be a plan for how they can access a suite of clean energy needs for their constituents. Another example is the multitude of programs available through CCRPC. Ideally these resources integrate seamlessly to assist customers efficiently, avoiding repetitive processes like multiple LIHEAP applications. This approach aims to optimize resource utilization and enhance the overall effectiveness of clean energy initiatives within the community.

IQ South EE Idea: Mobile Home Initiative to deliver EE Measures to Mobile Homes

- Original Idea for Mobile Home Initiative proposed by Dalitso Sulamoyo, Executive Director of CCRPC
 - Supported by Kristol Simms
 - Rationale:
 - Mobile homes very underserved throughout country in state weatherization programs (including IHWAP)
 - Highest energy use per square foot
 - Currently, lowest income populations relative to SF and MF
 - Contractors do not want to perform on mobile homes due to messiness of the job and lack of weatherization training specific to mobile homes.
- EE Idea rationale
 - Overall Proposal:
 - Statewide Mobile Home Program: Number of mobile homes served in IHWAP weatherization plus utility weatherization efforts should be proportionate to population served for SF and MF homes served.
 - Key Elements:
 - Comprehensive (with considerations of cost-effectiveness)
 - Offered through CBOs/CAAs as much as possible.
 - Use to bolster employment of hard-to-employ through training and connecting local residents with Program Allies not under contract with FEE or Ameren
 - Shout out to Nate and Peter effectively integrating returning citizens into the workforce.
 - The proposal should be considered statewide.
 - Each utility should have their own program. Currently, the Ameren program is not optimized and should not be replicated.
 - Even for northern Illinois Mobile homes are severely underserved even considering being included in IWHAP.
 - Key challenges
 - Pairing Solar: Can we pair solar with weatherization for mobile homeowners to reduce incredibly high bills?
 - Optimizations: Which measures are most cost-effective?
 - Discussion: Understanding the role of cooling due to mobile home construction and population inhabiting mobile home parks

- Health & Safety: H&S funding is essential to weatherize mobile homes.
- Time Commitment: Considerable time to develop contractor network.
- Specialized skill set needed.
- Lots of reluctance in contractor base to serve mobile homes.
- Feedback Requested on should proportion of mobile homes served equal number of SF and MF homes served relative to population living in these dwelling types EVEN if mobile homes more expensive to weatherize?

Julie Hollensbe (via chat) – Can the research that Annette referenced on mobile homes be shared?

Erika Dominick – Also interested in this information.

Julie and Erika encouraged to reach out to Annette directly.

Karen Lusson (via chat) – For the mobile home program, does it apply to rented mobile homes as well as customer-owned homes? Not sure what the stats are in terms of rented vs. owned. Is community solar open to mobile homes? That makes more sense than panels on the home itself in terms of costs if that's what you're suggesting. The state of IL now has a US DOE pilot going that connects LIHEAP customers to community solar.

Annette Beitel – This applies to renters as well, with the owners' permission. There is no stipulation about rent cost maintenance. A solar program was implemented with difficulty initially and was dropped due to increased difficulty and high perceived cost.

Annette Beitel – Most of the mobile homes rented in parks are owned by the mobile home park. Large private equity firms are buying mobile home parks and raising rents. It would be difficult to implement the program and limit owners' flexibility on rent rate changes.

Karen Lusson (via chat) – They can raise it for the usual reasons, i.e. inflation, etc. but they shouldn't be able to raise rates associated with the new EE investments. That shouldn't be a barrier if worded that way. I can give you sample contracts for the mobile homeowners to make sure this doesn't happen.

Peter Pasholk (via chat) – There are different considerations to make for mobile home. Most occupants own their home but pay a lot fee. There is a disconnect that typical EE program agreements need to be amended for.

Phil Mosenthal – it does make a lot of sense to work more in that area to the needs of the population and a concerted effort is necessary.

Karen Lusson (via chat) – Just confirmed from a colleague at NCLC that the IRA rebates HOMES program includes subsidies for HVAC, including cooling products.

Elevate EE Idea

Market Development Initiative Diverse Business Support (EE Idea tracker row 45)

Amy Jewel, Elevate

- Diverse contractors in energy efficiency programs
 - This idea focuses on Contractors, also called “Trade Allies” or “Energy Efficiency Service Providers.”
 - •Typically, these are the companies that install energy efficiency measures
 - •Often contractors are specialized in one type of measure, such as: lighting, weatherization, or HVAC.
 - •Many have been highly successful in the energy efficiency programs
 - •Some firms may also be a new or emerging business
- Types of Diverse Contractors
 - MBE, WBE, VBE, DBE
 - Often certified by local government bodies, state government, or national organizations
- Typical requirements:
 - Have at least 51% ownership by a minority, woman, or person with a disability, OR
 - Have at least 51% of their business controlled by one or more minority groups, women, or persons with a disability.
 - The owner must be a citizen of the United States or a legal permanent resident alien.
 - Have annual gross sales of less than \$150 million.
- Each utility has a Market Development Initiative to support diverse businesses’ growth in the energy efficiency program.
- The MDI teams may already be planning to cover these ideas!
- Two Common Barriers
 - Lack of certification
 - Many diverse contractors meet the requirements to be a MBE, WBE, DBE, or VBE but are not certified.
 - The certification is long, confusing, and requires a significant amount of time and resources to fill out paperwork, respond to comments, and provide additional documentation (if requested)
 - It can take anywhere from 3 months to well over a year.
 - A common refrain from diverse firms is: “Where do I even begin?”
 - In one example, a diverse business working on one of the joint utility programs has recently been in the process for over a year, and they report it has been very confusing to them. This is actually one of the bigger diverse contractors with dedicated office staff.
 - •Smaller firms do not have dedicated office staff and struggle even more to work on these certification applications.
 - Without the certification, the diverse businesses do not ‘count’ toward most of the utilities’ diverse spending goals and may have difficulty in growing their business in other programs with diverse spending goals.
 - Two separate ideas:
 - 1. Allow new, small, diverse firms to self-identify as diverse for a period of two years while they seek their certification from an official certifying

- body. Allow utilities to 'count' self-identified diverse businesses towards their diverse spending goals.
 - 2. Provide support, coaching, and resources to diverse businesses seeking to gain a diverse business certification. This support should include: explanation of the types of diverse certifications; explanation of the process for applying for the certification; support in creating the applications for the certifications, including support for filling out the paperwork and assembling the required documentation; a grant to cover the cost of the certification fee; and other support as-needed for the certification process, such as responding to any follow-up questions from the certification bodies.
 - Required insurance costs.
 - Many diverse businesses have challenges meeting the insurance requirements of the utility energy efficiency programs.
 - Multiple diverse businesses have stated that the insurance requirements are cost prohibitive, especially for small, newer firms just trying to get started in the market.
 - Idea
 - The utilities could provide grants to small businesses to assist them in paying for the increased cost of meeting the insurance requirements of the utilities.
 - These are envisioned as two year grants that would assist businesses as they begin working within the EE portfolio and grow their businesses.
 - After the initial two year period, it is envisioned that the businesses would develop more cash reserves to pay for expenditures such as the higher costs of insurance.
 - Thus, after two years the expectation shifts to the contractor to providing insurance levels sufficient enough to remain in the program without financial assistance.
- Impact
 - Help to make the EE portfolios more equitable by addressing two common, known barriers to participation from diverse businesses working as contractors.
 - Once the diverse businesses have obtained their diverse certification they will be able to increase the work their business can complete, for both the utility EE portfolios and from other funders or programs that also have diverse business certification goals.
 - The insurance support would allow contractors to begin building their businesses and to get their 'foot in the door' of the utility EE programs.
 - Otherwise, contractors cannot participate and cannot begin gaining experience in working within the EE portfolio.
- Examples: Diverse Contractor Certification Support
 - Elevate completed a pilot in 2021 in which we used grant funding to provide support for diverse businesses to gain diverse certification.
 - The pilot was highly successful, helping a number of diverse contractors through the process to apply for and gain their certification.
 - The support was structured as a six-week workshop.
 - Five contractors submitted diverse certification applications due to the support; all of them received certification and all but one are still working within at least one joint utility program today.

Nate Baer (via chat) – Is it feasible for the utilities to "recover" some of the utility underwriting of insurance costs by doing something like "on bill financing" basically a small fee is held back from the incentive payments until the initial utility investment is repaid?

Karen Lusson (via chat) – Perhaps the funding for insurance subsidies could come from the MDI budget or portfolio (admin) budget, potentially. I would add that NFPs with a majority of diverse staff should be added to the utility's counting toward diverse businesses. Elevate and the CAAs are a perfect example of this.

Amy Jewel – Yes, MDI budget would be a great place to start. Nonprofits currently don't count towards diverse spending.

Karen Lusson – Is the suggestion that the customer finances this?

Nate Baer - Many utility program incentives are paid directly to the contractor serving the customer. A portion of these incentives, perhaps \$5 or \$10 out of every \$200, is retained and pooled over four years. This pooled money would then be used to provide financial assistance to the next group of diverse contractors entering the program, creating a more sustainable system where funds circulate to support future contractors in need of assistance.

Annette Beitel (via chat) – Another barrier for small businesses is effectively managing Personally Identifiable Information. Have you given thought to how to address this issue? Cyber risk incidents have increased dramatically over the past few years.

Amy Jewel – The contractor is working directly with the customers but also working with program implementers. Will discuss with team.

- The Energy Trust of Oregon, which implements energy efficiency programs on behalf of utilities in Oregon, has implemented this idea. They allow diverse businesses to self-identify as diverse while they are working to obtain their diverse business certification.
- In order to self-identify (or self-certify) as diverse, the business owner fills out a simple form.
- The Energy Trust of Oregon also has a "Pathways to Certification" program in which they support trade allies in getting diverse certification at no cost.
- The Energy Trust has seen the largest gap in certification among residential trade allies.
- Staffing impact, budget, and participation
 - These ideas could be implemented within the budgets of the Market Development Initiative of each utility.
 - The estimated cost is approximately \$500-1,000 per contractor supported in gaining diverse certification. However, this cost does not include ongoing workshops that are recommended to support the contractors working on their certification.
 - For insurance support, the estimated cost is unknown.
 - It is estimated that 10-15 contractors could receive support each year, for a total of 40-60 contractors receiving support through the 2026-2029 period.

Erika Dominick (via chat) – Nicor Gas MDI currently offers a certification stipend for contractors participating in its Trade Ally Development (TAD) Program. Contractors can elect to use the stipend for either diverse or industry certification.

Karen Lusson (via chat) – We should check, too, if DCEO's CEJA workforce programs have these stipends, too. • <https://dceo.illinois.gov/ceja/workforce-training-programs.html#:~:text=Through%20the%20Clean%20Jobs%20Workforce,energy%20efficiency%20and%20EV%20maintenance>.

Follow-up item for Elevate Idea:

- **Elevate will consider how to manage Personally Identifiable Information due to cyber security risks.**

Joint Stakeholder EE Ideas

Ameren-specific: IQ Electrification (EE Idea tracker row 6)

Kari Ross, NRDC and Chris Neme, Energy Futures Group, representing NRDC

- Proposal is for Ameren to increase electrification for propane/oil heated homes, including marketing to all propane/oil customers regardless of whether Ameren Gas may be considering them for connection.
- Ameren electrification numbers have been extremely low, probably in significant part because of internal constraints put on marketing to customers that the gas side of the company may want to try to convert to gas.
- Such a constraint is inappropriate as propane-heating customers have the potential for realizing significant energy cost savings through electrification while also being part of the energy transition that is necessary to decarbonize buildings.
- To avoid creating stranded assets, Ameren Gas should not market natural gas expansion to existing propane or electric-resistance heat customers. For IQ residential customers, needed electric appliances should be supplied at zero cost to the customer.

Annette Beitel: Does NRDC think that electrification should be done incrementally? Versus using propane equipment periodically? Considering service panel upgrade costs and customer acceptance issues.

Philip Mosenthal – When doing electrification for natural gas customers the goal is to do the entire home. The savings are significant when doing whole home electrification. In the case of propane, there are opportunities to do partial electrification.

Annette Beitel – Could the existing fuel source be left in the home if performance is low with electrification measures? To electrify a propane customer, is the goal to reduce amount of propane use or eliminate propane use altogether for a particular customer?

Philip Mosenthal – Leaving the existing fuel source is more common when replacing hydronics and using heat pumps.

Andy Vaughn (via chat) – If it's lower cost for the customer to heat with natural gas versus electric, would the desire be to still conduct electrification?

Kari Ross – Gas expansion to these current existing propane customers would still raise costs in general, which is not the prerogative of NRDC. Elimination is the goal.

Karen Lusson – The electric utilities need to make sure that the discount rates are implemented and approved by the customer in order to prevent any issues going forward. Right now, if the cost of making the switch relative to heat vs current costs, then the utility doesn't do it.

Ameren-specific: Ameren should launch a super-efficient, all-electric residential new construction program analogous to ComEd's (EE Idea tracker row 13)

Kari Ross, NRDC and Chris Neme, Energy Futures Group, representing NRDC

- Electric heat is most economical in new construction. Moreover, when building envelopes are optimized, it is the lowest cost option, both for customers who ultimately pay the energy bills and for builders and society (including avoiding gas connection costs).
- However, most buildings in IL are not familiar with advanced heat pumps and other electric appliances.
- Ameren should explore a partnership with Habitat for Humanity in its service territory as part of this effort (similar to Nicor Gas's partnership - except to install all-electric appliances only).

Phil Mosenthal – I have heard concerns about incentivizing energy efficiency over gas-powered homes, with the fear that it might discourage efficiency. However, in Connecticut a similar shift occurred last year. Despite initial concerns, most contractors who traditionally built gas-powered homes started constructing electric homes instead. This shift indicates a positive market transformation benefit, demonstrating that such initiatives can effectively encourage a transition towards more sustainable practices.

Stop central A/C rebates; increase focus on heat pump rebates (EE Idea tracker row 35)

Kari Ross, NRDC and Chris Neme, Energy Futures Group, representing NRDC

- Heat pumps should be the only HVAC measures rebated through non-IQ channels by Ameren and ComEd.
- They provide greater flexibility in terms of their ability to both cool and heat buildings (partial electrification) and savings per unit are much higher as a result.
- This emphasis will also help grow the market for heat pumps, increasing competition and driving down costs over time.

Annette Beitel – Have stakeholders considered a midstream rebate versus a customer facing or contractor facing rebate?

Phil Mosenthal – Midstream retail products program promotes air conditioners.

Annette Beitel – Question was related to distributors who buy the equipment, it can be a less expensive way of getting more heat pumps installed.

Phil Mosenthal – I have seen those programs be quite successful. Incentivizing at the distributor level can enable paying lower incentives pre-markup. Multiplying the rebate impact.

Julie Hollensbe – ComEd's program is structured in this way. Midstream is limited to geothermal and airsource heatpumps. Incentives go through distributor and contractor training is available both with manufactured training and ComEd specific training. Last year sunsetted incentives on central A/Cs.

Annette – More heat pumps are being sold than gas furnaces but still perceived as a new technology. Pricing tends to be all over the map and lack of knowledge of reasonable pricing. Educating customers on what is reasonable to spend on a furnace would be useful.

Kari Ross – Education is important for customers in order to identify the best opportunities for efficiency.

Combined EE Ideas (rows 21-22):

Eliminate furnace and central A/C replacements, unless the HVAC system is no longer functioning, there is a health and safety emergency (e.g. carbon monoxide leak), and/or there is above-average ongoing maintenance costs. When any of these three criteria are triggered for a central HVAC replacement, electric utilities will determine whether the home is a good candidate to first offer a heat pump replacement

Kari Ross, NRDC and Chris Neme, Energy Futures Group, representing NRDC

- Early equipment replacements are very expensive and the substantial savings are relatively short-lived (per dual baselines). Funds would be better spent on weatherizing more homes. Ensure there's consistency in defining emergency conditions across all utilities.
- Ameren-specific: If a gas furnace is eligible for replacement, Ameren's current approach is replacing the furnace first rather than switching fuel type. All non-efficient furnaces should be replaced with Cold Climate Heat Pumps. Bill impacts must be assessed and communicated to customers to ensure customer buy-in.
- 3 criteria
 - 1 nonfunctioning
 - Health emergency (i.e. carbon monoxide)
 - Above average ongoing maintenance costs
- The aim is to redirect resources from presumptive replacements towards enhancing weatherization efforts, aligning with previous discussions on budget priorities within the IQ South committee.

Annette Beitel – I strongly oppose this idea for IQ customers. Derating factor using age as a proxy would not be a good proxy but evaluating derating factors have been validated per TRM. In the field, there could be a requirement that the contractor evaluates the item. There is an assumption that furnaces will always be less cost-efficient than weatherization, but after analysis based on mobile home types the furnaces were most cost-efficient per how many savings achieved per dollar spent. IQ customers have older furnaces break down more often and patch up machinery haphazardly which could create issues down the line.

Kathy Walk – Agrees with concerns expressed.

Philip Mosenthal – NCLC and IL AG are not listed on the slide, but there is overall support for the proposal. Agreement exists on considering emergency, health, and safety issues, or ongoing maintenance problems for heat pump replacements instead of furnace replacements. Heat pump replacements should be selected if they are expected to lower bills, as per current guidelines.

Annette Beitel – Heat pumps are overpriced. The cost could be twice as much as gas furnaces. How is the balance being drawn to maximize service to customers? The idea of giving furnaces to those who need it most is good, but hvac system function is most important regardless of emergency replacement funds. If there is a health emergency that will immediately be treated and that already happens. Ongoing maintenance costs are extremely subjective and difficult to track accurately.

Kari Ross – There is a need for further discussion on defining criteria such as what constitutes "above average" maintenance costs, which may require attaching a dollar amount. The discussion extends beyond HVAC system replacements to include considerations for whole home retrofits during weatherization efforts. Concerns arise about locking IQ customers into reliance on a gas system, especially as state rebates for gas systems decline and there's a push for energy transition. Replacing a furnace could potentially lock customers into a decades-long reliance on an ever-increasing gas system, which poses challenges for transitioning to cleaner energy sources.

Annette Beitel – Moving to electrification is a shared priority. But IQ customers still need gas furnace support given the cost limitations and extended outreach. Even sizing properly heatpumps are not well-educated about the difference between gas and heatpumps and which one is more efficient and more comfortable.

Kari Ross – The idea focuses on redefining criteria for emergency HVAC replacements for residential IQ customers, particularly for electric utilities like Amarin and ComEd. Priority is given to heat pump replacements when feasible, but it's not intended for all residential IQ customers to shift to heat pumps, as discussed in a previous idea. The aim is to ensure that emergency replacements consider factors beyond just system age and prioritize heat pump options when they make sense for the customer.

Ted Weaver – Even in the long-run the state decides that electrification is the move, putting heatpumps in the short-run, installing them actually increases GHG emissions due to the grid not being up to par. Furnace replacements are only done in emergencies, is that not the case?

Phil Mosenthal – This came up because Ameren was doing many furnace replacements for many IQ customers even though they were not emergencies. Is the plan to lock in customers for a long-term plan vs other options?

Chris Neme – There are conditions under which it make sense for equity to replace hvac equipment when there is no heat due to health and safety issues,

but regarding the cleanliness of the grid, there would only be a slight increase in GHG emissions with electrification only in the next 5 years but overall, the savings are greater over 20 years. The proposal does not mandate the exclusive installation of heat pumps but advocates for considering electrification when appropriate, particularly for low-income households, and prioritizing customer preference.

Ted Weaver – While it may be true that over the life is less GHG, it is also true that in near term GHG emissions go up.

Chris Neme – Disagrees with that conclusion.

Karen Lusson (via chat) – Doesn't this EIA data contradict the claim that moving toward electrification emits more GHG?

<https://www.eia.gov/state/data.php?sid=IL>

Ted Weaver – GHG balances analysis would reflect the heatpump effect due to fossil fuel inputs to create needed electricity.

Ted Weaver: Isn't the program design already emergency replacement in northern IL?

Phil Mosenthal: Ameren is doing a lot of non-emergency gas furnace replacements for IQ residential customers. The concern is locking customers into another 20-30 years of natural gas when there is potentially another option for the customer.

For gas or dual fuel utilities, end rebates for market rate residential gas consuming equipment. (EE Idea tracker row 10)

Kari Ross, NRDC and Chris Neme, Energy Futures Group, representing NRDC

- Gas utilities have historically relied very heavily on gas equipment rebates and under-invested in building weatherization, particularly for market rate (non-IQ) homes. There is a significant risk that gas equipment, which will last decades, will need to be converted to electricity at some point in its life if climate goals are to be met.
- Plus, market barriers to high efficiency gas equipment are much lower than for weatherization, so it is more important to focus efforts on the more difficult market. That is particularly true since weatherization is going to be needed regardless of what one believes a decarbonized future will evolve.
- Finally, the most important gas equipment measure - furnaces - will have to be super-efficient (95% AFUE) per federal standards starting in 2028.
- This is a reprioritization of market rate spending due to historic underspending of equipment.

Annette Beitel (via chat) – Do you include faucet aerators, showerheads, pipe wraps, duct sealing in your proposal?

Kari Ross – The main focus is for furnace replacement, but those pieces would be included as long as they are gas-consuming.

Chris Neme – Overall, these kits have not been the focus. If there are weatherization measures that would be load-reducing then they can be considered, but it doesn't have a large impact on the furnace implementation.

Annette Beitel – Even though it's market rate faucet aerators etc are inexpensive and why preclude including them?

Chris Neme – When doing the assessment, it is seen that these measures can be implemented, by all means.

Peter Pasholk – What about mandating air sealing / insulation for all HVAC rebates? This is a type of program I have seen out east.

Peter Pasholk – Consider a market-rate weatherization approach commonly known as "home performance" programs. Grouping rebates for home performance measures into tiers based on estimated savings from the Total Resource Cost Test (TRM) could be implemented where contractors must include certain basic measures like air sealing or insulation to qualify for rebates. This approach has been successful in other programs and could be considered for enhancing market-rate weatherization efforts.

Chris Neme – There could potential benefits and drawbacks of that approach. While ramping up efforts for both low-income and non-low-income sectors is interesting, setting rules that may limit the ability to serve a larger volume of loans.

Annette Beitel – Supports Peter's idea, it's a beneficial concept despite potential execution challenges. Tying HVAC rebates to weatherization requirements for electric customers could incentivize more weatherization efforts in market-rate programs. Some customers may decline weatherization to avoid requirements, and a moderated approach to balance incentives and customer preferences is supported.

Peter Pasholk – There is a program model implemented in New Jersey's Clean Energy Program; it has been effective in promoting whole-house weatherization. In this program, homeowners can access a \$10,000 interest-free loan along with up to \$4,000 in rebates if they undertake insulation, air sealing, and HVAC improvements together. Contractors can benefit from the program by bundling these improvements into a single project for entire neighborhoods, making it lucrative and conducive to addressing comprehensive weatherization needs in market-rate homes.

Closing and Next Steps

- **Tuesday, April 30th Deadline:** Eligible non-financially interested stakeholders who want to participate in EE Plan negotiations will notify SAG Facilitator (Celia@CeliaJohnsonConsulting.com)
- Utilities will respond to EE ideas at the May 14-15 large group SAG meetings