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Market Transformation Program Ideas for IL Utilities' 2022-2025 Plans



Presented at IL SAG Meeting

June 3, 2020

Ideas Being Presented

- Municipal Building Performance Standards
- Affordable Housing New Construction - Third Party Certification
- Affordable Housing New Construction - Market Transformation

Municipal Building Performance Standards (MT)

- **Program concept:**
 - Utilities help one or more municipalities to develop EE standards for existing buildings
 - E.g. recent St. Louis, MO example
 - But variety of other options too (e.g. rental energy ordinances)
 - Utilities support implementation of such standards
 - Technical support to building owners and/or municipalities
 - Incentives for upgrades to meet standards (probably thru existing programs)
 - Utilities get credit for savings generated by standard
 - Both thru direct participation in their programs...and MT effects on other buildings that may not participate
 - Both in near term leading up to standard going into effect...and longer-term after it is in effect
 - MT credit would need to be sorted out through on case by case basis, depending on utility role
- **Target market:**
 - Any potentially interested IL municipality
- **Rationale:**
 - Potential for broad adoption of efficiency upgrades over time, perhaps at modest utility cost

Affordable Housing New Construction – 3rd-Party Certification (non-MT)

- **Program concept:**

- ComEd’s Affordable Housing New Construction Program (and any other comparable utility programs) should allow/accept certifications through a 3rd-party standard - for both gut rehab and new construction properties.
 - Consider accepting: All third party-standards accepted through the IL Housing Development Authority’s (IHDA) Low-Income Housing Tax Credit processes (i.e. IHDA’s own Sustainable Design Checklist, National Green Building Standard, Enterprise Green Communities)
 - Accept and incorporate even higher incentives/grants for best-in-class third party standards (i.e. Enterprise Green Communities 2020 Plus, Passive House, Living Building)

- **Target market:**

- Affordable housing developers

- **Rationale:**

- Reduces paperwork & cumbersome administrative processes, which can slow or prevent program participation
- Potential increase in program participation
- Encourages higher standards for the building stock and residents that need it most

Affordable Housing New Construction Market Transformation

- **Program concept:**

- Utilities work with IHDA to promote advanced EE standards in new affordable housing procurement
 - E.g. Passive House levels of efficiency
 - Maybe initially through points system for competitive contracts
- Utilities support developers in designing to meet those standards in near/mid-term
 - Technical support
 - Incentives for upgrades to meet standards
- Support can decline over longer-term, perhaps even with incentives eliminated
 - Maybe keep technical support
 - Utilities still get MT credit for resulting savings; amount of credit based on utility role & MT protocols

- **Target market:**

- IDHA
- Affordable housing developers

- **Rationale:**

- Potential for broad adoption of EE upgrades over time, perhaps at modest long-term cost
- Addresses critically important low income rental housing

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