

Response to Northern Illinois Utility Income-Qualified Weatherization Protocols

CEDA

Urban Efficiency Group

National Consumer Law Center

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Attic Insulation

- **RI/Utility Protocol:** *Attic insulation should be installed when existing attic insulation is rated at R-19 or lower. Existing insulation levels should be brought up to R-49.*
- **CEDA Response:** This is a missed opportunity. Energy Star recommends a minimum R-38 level.
 - IHWAP standard is R-49, which is in alignment with most building codes.

Gas Furnace Replacement

- RI/Utility Protocol: *Emergency replacement only. See Mechanical Replacement Decision Trees (Appendix H) for baseline conditions that allow for repair vs replacement. Efficiency of new furnace must be $\geq 95\%$*
- CEDA Response: Missed opportunity. IHWAP will typically upgrade 80% or less efficient units with 95% plus. There are a lot of savings to be gained at the source. However, not all gas furnaces can be replaced with 95% if condensate drainage is not practicable.
- NCLC: Emergency-replacement-only criterion was part of stipulation in light of state's clean energy goals

“Emergency defined as “ComEd will not provide incentives for early replacements of single-family central A/Cs, gas furnaces, gas boilers or gas water heaters in its utility-only IE programs (including utility-only CAA) except in cases of

- emergency, health and safety needs
- when the measure requires significant annual maintenance costs, and/or
- opportunities for heat pumps or electrification exist.”

Boiler Replacement

- **RI/Utility Protocol:** *Emergency replacement only. See Mechanical Replacement Decision Trees (Appendix H) for baseline conditions that allow for repair vs replacement. New boiler efficiency should be $\geq 95\%$.*
- **CEDA Response:** This standard of 95% or greater does not allow for Steam boiler replacement which cannot achieve more than ~82% EFE.
- **NCLC:** Emergency-replacement-only criterion was part of stipulation in light of state's clean energy goals

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- emergency, health and safety needs
- when the measure requires significant annual maintenance costs, and/or
- opportunities for heat pumps or electrification exist.”

Electric Resistance Base Board Replacement

- **RI/Utility Protocol:** *Electric resistance base board can be replaced with ductless mini splits, regardless of age or condition. Please ensure the home's heating load can be served by the ductless mini splits. New ductless mini splits must meet NEEP Cold Climate specifications:*
 - *HSPF2 \geq 8.5 (10 HSPF equivalent)*
 - *COP @ 50 F \geq 1.75*
 - *SEER2 \geq 15 (15 SEER equivalent)*
- **CEDA Response:** Without comprehensive attic / wall / crawl insulation and air-sealing, this may not have positive results for the client from a comfort perspective. Comprehensive building envelope measures installation in conjunction with heat pump installation is critical.

Electric Resistance Water Heaters Replacement

- **RI/Utility Protocol:** *Existing electric resistance water heaters can be replaced with Heat Pump Water Heaters regardless of age or condition. New Heat Pump Water Heater must be Energy Star Rated. Please consult with homeowner, and gain their approval, about replacement of water heater if existing water heater has been replaced recently.*
- **CEDA Response:** Okay, depending on appropriate site conditions to accommodate a heat pump hot water tank (e.g. sufficient room sizing, ambient heat availability), and may result in reductions in ambient air temperature.

Central Air Conditioner Replacement

- **RI/Utility Protocol:** *Emergency replacement only. CAC must be \leq SEER 10 and manufactured before 2000 to qualify for replacement. The efficiency of the new CAC must have SEER 2 \geq 15.2 (16 SEER equivalent). See Mechanical Replacement Decision Trees (Appendix H) for baseline conditions that allow for repair vs replacement.*
- **CEDA Response:** Before 2000 seems to be an arbitrary year. Higher SEER enforcement began in 2006. Refrigerant compatibility (422 vs 410A) is also a variable for replacement since 410A is no longer available. Refrigerant type and cost considerations (e.g., line flushing) should be part of the decision tree.

Gas Furnace Tune-Up

- **RI/Utility Protocol:** *Furnaces must not have received a tune-up within the last 3 years. Note: Electric furnace tune-ups are not allowed as the furnace should be replaced with a heat pump.*
- **CEDA Response:** An annual tune up is recommended. Every three years is not standard industry guidance—particularly in light of stipulation criteria. Safety considerations important here, too.

Boiler Tune-Up

- **RI/Utility Protocol:** *Boilers must not have received a tune-up within the last 3 years.*
- **CEDA Response:** An annual tune up is recommended. Every three years is not standard industry guidance. (See previous slide.)

Room Air Conditioner

- **Utility/RI Protocol:** *Emergency replacement only (i.e., room A/C is nonfunctional). Replace with Energy Star efficiency.*
- **CEDA Response:** Missed opportunity to not upgrade less efficient room A/C's with higher efficiency, even if operational. Safety considerations support upgrade. Incorporate decision tree criteria for eligibility.
- **NCLC:** This protocol is inconsistent with the stipulation, which lists installation of window/room ACs as a major measure that should be incorporated into the utility-only program, with no stated restrictions

EC Motors

- **Utility/RI Protocol:** *When furnace or HVAC system is older but running well; Static pressure should be taken to ensure system is functioning as specified.*
- **CEDA Response:** This comment should be more defined; "older but running well" is highly subjective. Guidance and measure installation criteria is unclear.

Inform Customers of their Wx Choices

Issue: The current practice of the utility implementer is to not offer service under the utility-only retrofit program to individuals w/ household income under 200% FPL. These customers are currently being referred to the CAAs' (IHWAP) program only.

- **Best Practices Recommendation:** The customer that qualifies for IHWAP should be informed of both programs, with the differences in services offered detailed and the estimated wait period and prioritization criteria, if any, explained.
- **Bottom line:** The customer should have the option to choose which program they want to participate in as long as they meet program requirements.

HES Initial Assessment Quality

Issue: Quality and Necessity of HES Initial Assessments (Home Visits)

Recommendations:

- Professionals performing assessments or walk-throughs that directly impact program participation, scope of work development or installation of Energy Efficiency Measures (EEM) should hold necessary industry-respected credentials. (This is a critical part of the Wx process.)
- The initial walkthrough should be performed by the contractor and not a third party. (Saves time and program cost.)
- This will reduce the number of visits to the customer's home, reduce the fallout percentage (currently averaging 60% as reported by some contractors) of projects advanced for Wx, and provide a better savings value for both the utility and ratepayers.

IL-Based Contractor Opportunities

CEJA's Emphasis on IL Job Creation: While CEJA does not mandate that energy efficiency projects must use Illinois-based firms, its funding, incubator, and training programs are designed to build and sustain local Illinois businesses so that public clean energy investments directly benefit Illinois communities.

Issue: The opportunities provided to firms outside of Illinois to procure contracts while ignoring local talent that possess the knowledge, skills, and capabilities is misaligned with CEJA goals.

Recommendation: Utilities should provide procurement opportunities to local contractors through an equitable procurement process, giving preference to IL-based firms. If local talent is unable to be sourced, then expand the opportunity to non-Illinois based firms.

Other Issues

Issue: Various vendors have created their own data portals at significant cost, ultimately picked up by ratepayers. These portals are inconsistent between vendors. This creates inefficiencies in the delivery of the programs.

Recommendation: Use of this “proprietary” methodology is inefficient and gives certain entities an edge in winning Tier 1, Tier 2 contracts from the utilities. Illinois utility programs should create and use an Open Access Data Portal that “lives” with the utility. In a sense, it creates a monopoly on Tier 1 contracts for those vendors that have used ratepayer funds to construct the data portal.

Wx Mission vs. Savings Goals

Issue: Stipulation provides for "[a]nnually budgeting for an income eligible health and safety fund of at least 15% of the total IE whole building programs weatherization budget, as defined and described in footnote 4 above."

Recommendation: Be flexible on H&S spend for individual homes to ensure that we minimize walk-aways. (E.g., an average cost basis could be used.) The utility's search for savings goals achievement should not be focused on the IQ weatherization programs. In addition, IQ programs do not need to be technically "cost-effective," as defined under Section 8-103B of the Public Utilities Act.

Questions/Discussion

