**The position of National Consumer Law Center (NCLC) regarding fuel switching and fuel conversions is as follows:**

1. Section b-25 only addresses electric utilities’ ability to count converted gas savings as kWh savings, which is also limited to 10% of their goals. Fuel switching, or any other measures that save a primary fuel but increase an alternative fuel are not controlled by Section b-25.
2. While Section b-25 is not controlling, NCLC recommends as a matter of policy, that all Btu fuel conversions, regardless of the type of measure, should be done consistently. Therefore, NCLC supports using a site (3,413 Btus/kWh) conversion factor for all fuel conversions that are made. In addition to preserving consistency, NCLC also recommends that a site conversion factor is appropriate to apply given the expectation that the electric grid will grow more and more decarbonized, with a likely goal to reach full decarbonization within a period commensurate with some of the longest-lived measures.
3. NCLC recommends fuel switching measures, or other measures that save a primary fuel but increase an alternative fuel, be considered as eligible efficiency measures so long as they are cost-effective, save total Btus, and reduce customers’ bills. That said, NCLC recognizes that eligibility as an efficiency measures does not preclude further consideration from a policy and programmatic perspective of whether parties support the explicit promotion of any specific measure within utility programs. In particular, NCLC opposes fuel switching from electric to gas measures. In addition, NCLC supports rate protection for low income customers on any broad policy that adopts fuel switching as a requirement for achieving zero carbon goals.
4. For purposes of evaluating the cost-effectiveness of a measure or project, NCLC does not believe fuel conversion factors are relevant to cost-effectiveness calculations. Rather, all cost-effectiveness calculations should use each fuel’s respective avoided costs.
5. NCLC recommends that all fuel impacts should be accounted for in crediting savings to utilities. If a measure is promoted by a single utility, and any fuel use is expected to increase, the savings of the primary fuel should be reduced by the converted Btus of the alternative fuel(s) that have increased. For dual-utility measures promoted by both a gas and an electric utility, the TAC should consider the most appropriate method for distributing savings, which will likely be measure specific and depend on baseline assumptions, as is the current practice.
6. NCLC recommends that the positions articulated above should apply regardless of whether one or more fuels are regulated or unregulated, or whether a customer happens to choose to no longer continue as a gas customer. In fact, fuel switching to electric measures from unregulated fossil fuels should be a priority as Illinois’ fuel switching policies evolve. Notwithstanding this position, NCLC opposes using efficiency funds for the subsidization of transportation infrastructure, such as the installation of EV charging stations, and counting such actions as efficiency measures under 8-103B and 8-104 of the Public Utilities Act.