

Illinois Energy Efficiency Stakeholder Advisory Group

2020 SAG Portfolio Planning Process
Proposed Energy Efficiency Ideas Template

Submitter Contact Information

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Energy Efficiency Idea Questions

Please check the boxes below to identify 1) the type of idea; 2) which Illinois utility or utilities will be impacted by the idea; and 3) which EE sector the idea impacts.

Check	Type of Energy Efficiency Idea
<input type="checkbox"/>	New Measure or New Program Idea
<input checked="" type="checkbox"/>	Proposed Program Approach
<input type="checkbox"/>	Innovative Idea

Check	Illinois Utility Impacted by Energy Efficiency Idea
<input type="checkbox"/>	Ameren Illinois
<input checked="" type="checkbox"/>	ComEd
<input type="checkbox"/>	Nicor Gas
<input type="checkbox"/>	Peoples Gas & North Shore Gas

<input checked="" type="checkbox"/>	All Illinois Utilities
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Check	Energy Efficiency Sector Targeted by Energy Efficiency Idea
<input type="checkbox"/>	Residential Customers – Single Family (non-income qualified/income eligible)
<input type="checkbox"/>	Residential Customers – Multifamily (non-income qualified/income eligible)
<input type="checkbox"/>	Residential Customers – Single Family Income Qualified/Income Eligible
<input checked="" type="checkbox"/>	Residential Customers – Multifamily Income Qualified/Income Eligible
<input type="checkbox"/>	Small Business Customers (commercial & industrial sector)
<input type="checkbox"/>	Medium/Large Business Customers (commercial & industrial sector)
<input checked="" type="checkbox"/>	Other (research & development, emerging technologies, market transformation)

Additional Questions

1. **Description of Idea:** Describe the proposed idea, including the purpose of the suggested idea and rationale. Describe whether this is an idea that could be implemented in an existing EE program, or whether the idea involves establishing a new measure or program. Please indicate whether additional research may be required before implementation.

Affordable Housing New Construction – Third-Party Certification + Market Transformation

- Starting in 2021, ComEd’s Affordable Housing New Construction (AHNC) Program should allow and accept new construction and gut rehabilitation properties to certify through a third-party standard. This would help to reduce paperwork and cumbersome administrative processes that can slow down participation in programs or even prevent developers from wanting to participate. ComEd should consider accepting and encouraging:
 - All third party-standards currently accepted by the IL Housing Development Authority’s (IHDA) 2020-2021 Qualified Allocation Plan for developers applying for Low-Income Housing Tax Credits:
 - IHDA’s own Sustainable Design Checklist
 - National Green Building Standard Certification
 - Enterprise Green Communities Certification
 - LEED for Home or New Construction Certifications
 - Net-Zero
 - Incorporate even higher incentives/grants for best-in-class third party standards:
 - Enterprise Green Communities 2020 and 2020 Plus
 - Passive House
 - Living Building Challenge
- Starting in 2022, all IL utilities should jointly advance a market-transformation initiative targeting new construction of affordable multi-family buildings. Specifically, the utilities should work with

IHDA to get the best-in-class standards like passive house and enterprise green communities 2020 plus included and strongly encouraged in their next qualified allocation plan. This would include pushing for additional points/incentives for those standards and helping ensure the incorporation of strong energy efficiency into LIHTC applications as a priority for IHDA's awarding process. The utilities could provide financial incentives for buildings constructed to those advanced standards for a period of time – perhaps through the 2025 plan cycle – with the idea that developers would learn how to build to those advanced standards over that timeframe such that IHDA could effectively make building to them a requirement (or with enough points attached to them that it is hard to win without building to them) starting in 2026. Thus, in the next plan cycle, the utilities could eliminate financial incentives and provide only technical support while claiming MT savings credit for all buildings constructed.

2. **Implementation:** How will this idea be delivered to the target market? Describe marketing strategies used to reach the target market and minimize market confusion.

Implemented initially through ComEd's affordable housing new construction program, then expanded MT effort by all IL utilities.

3. **Background:** Describe where the idea originated from, including whether this idea has been successfully implemented in other jurisdictions. Provide specific background information that will help utilities and SAG participants understand the proposed idea.

There are some housing authorities across the country that currently award higher points to incentivize best-in-class standards and to developers that commit to a certain level of energy savings performance above their baseline, such as:

- The Pennsylvania Housing Finance Agency (PHFA) awards points specifically for meeting energy efficiency goals. Points are awarded to properties that exceed the requirements of Energy Star Version 3.0 by achieving a HERS index score of less than 70 for substantial rehabilitation projects that are 100% electric, or a HERS index of less than 60 for substantial rehabilitation projects utilizing gas. Moderate rehabilitation projects are awarded points for a HERS index of 80 or less for 100% electric buildings, or a HERS index of less than 75 for moderate rehabilitation projects utilizing gas. PHFA also awards points to developments that meet Passive House Requirements for energy efficiency. Due to the competitiveness of 9% tax credits, the vast majority of buildings applying are including building to passive house standards in their LIHTC applications. This has led to a substantial increase in affordable housing developers in PA building to the passive house standard.

Energy Efficiency for All has a guide that outlines different state strategies for increasing energy and water savings in low-income housing tax credit properties - https://assets.ctfassets.net/ntcn17ss1ow9/7r1ftuS6Fp6ExJ09xGCSeN/0627f8bb57b3cd1a304da7082ec83153/Energy_Efficiency_Strategies_in_LIHTC_properties.pdf. The guide points to the key role housing finance agencies play in encouraging building owners to achieve certain levels of energy and water efficiency.

4. **Idea Impact:** Provide additional information on the customer segment that will be targeted with the program idea, including how and why this idea will have a positive impact on customers participating in Illinois EE programs.

Target customer segment is affordable housing new construction and gut rehab properties. Will have a positive impact by reducing administrative burden and excess paperwork.

Will also have an impact through the opportunity to transform IL's affordable housing new construction market to be building and compiling with the most ambitious green certifications overall, such as passive house and enterprise green communities 2020 plus. This is an opportunity to test out new, ambitious energy efficiency strategies in affordable housing first – rather than starting the market transformation in market-rate housing.

5. **Duration:** Is this idea intended to be offered for the duration of the 4-year EE Plan or as a pilot measure or program?

Duration of 4-year EE Plan

6. **Estimated Budget:** Provide the total estimated budget for each program year (2022 – 2025).

TBD – limited budget implications

7. **Estimated Participation:** Provide participation totals for each program year (i.e. number of measures installed, number of customer participants, etc.)

TBD

Sources

If any sources will be useful to Illinois utilities in reviewing ideas, please either provide links within this template or send attachment(s) to the SAG Facilitator with the Energy Efficiency Idea submittal.

- [Enterprise 2020 criteria](#)
- [LISC – Passive House and Affordable Housing](#)
- [What is Passive Housing - PHIUS](#)
- [IHDA 2020-2021 QAP](#)