

## **SAG Policy Manual Subcommittee**

### **Summary of Next Steps from December 14, 2022 Meeting**

#### **Interactions between Electrification and Other Efficiency Measures (Joint Stakeholder Proposal)**

- Follow-up: Discuss at January Policy Manual Meeting
  - Ameren IL will review policy language with their legal team; follow-up at the January Subcommittee meeting.

#### **IL-TRM Administrator Role (ComEd Proposal)**

- Follow-up: Discuss at February Policy Manual Meeting
  - ComEd will make additional edits to Policy Manual and TRM Policy Document for review by the Subcommittee.
  - Subcommittee participants will review the definition of “Non-Financially Interested Parties” and discuss adding it to the Policy Manual definitions section.
    - Definitions from [SAG Process Guidance Document](#): *A non-financially interested stakeholder participant does not have a financial interest in Illinois utility energy efficiency portfolios, or a financial interest with Illinois utilities. A “financially interested party” means any person or entity, or employee of an entity, that engages in the purchase, sale, marketing or implementation of energy efficiency products, services, programs, pilots or research. A “financially interested party” may also engage in other work with utilities outside of energy efficiency.*

#### **Electrification Cost-Effectiveness (Ameren Illinois Proposal)**

- Follow-up: Discuss at January Policy Manual Meeting
  - Ameren Illinois will consider the feedback/discussion and share an update at the January meeting.
  - Additional topics to discuss:
    - Where is this provision is proposed to be added to the Policy Manual?
    - What is the proposed effective date?

#### **Single Family IQ Eligibility Verification Guidelines (Ameren Illinois Proposal)**

- Follow-up: Discuss at February Policy Manual Meeting
  - Karen Lusson: For single-family, tenant-occupied properties, do you engage with the building owner or just the tenants? A building owner agreement would be important to ensure the low-income tenant isn't kicked out once the improvements are made.
    - ComEd will follow-up.
  - A Small Group will meet to discuss policy components related to landlords, including the possibility of including a rent roll option for verification. The meeting will be scheduled in the second half of January by the SAG Facilitator. Reach out to [Celia@CeliaJohnsonConsulting.com](mailto:Celia@CeliaJohnsonConsulting.com) to join this Small Group.
    - Follow-up from Small Group meeting will be held at February Subcommittee meeting.
  - For context, Subcommittee participants to review multi-family eligibility verification policy from current Policy Manual:

**Excerpt from Current IL EE Policy Manual Version 2.1, Section 4.3, Income Eligibility Verification Guidelines for Low Income Customers (see pages 17-19)**

The majority of tenants in a multi-family building should be expected to have incomes at or below eighty percent (80%) of Area Median Income in order to provide Energy Efficiency Measures and services to the building under Program Administrator income qualified Energy Efficiency Programs in Illinois. Because income verification for low-income multi-family buildings can be challenging, expensive and time-consuming, and in order to ensure that such challenges, costs and/or impositions on building owners and tenants do not adversely affect a Program Administrator's ability to serve low-income multi-family buildings, there should be multiple pathways to establishing income eligibility for such buildings. The purpose of having multiple pathways is to enable income eligibility to be established relatively quickly and easily – minimizing time, hassle, and paperwork required of both the Program Administrator and building owners (Participants) – while providing assurance that the buildings treated include a majority of tenants that are income eligible. The multiple pathways also assist Program Administrators in serving the affordable multi-family sector more effectively, helping to maximize the time spent serving the building and tenants.

The following pathways are all acceptable ways to demonstrate income eligibility for multi-family building participation in Program Administrator income qualified multi-family Programs or pilots. The definition for multi-family shall be consistent with each Program Administrator's own definition within their service territory and Programs. Each Program Administrator has the discretion to choose any of the following pathways:

1. Participation in an Affordable Housing Program. Automatic qualification for any property that can provide documentation of participation in a federal, state, or local affordable housing program (agencies can also provide documentation on behalf of a property), for example: Low Income Housing Tax Credit (LIHTC), Housing and Urban Development (HUD), United States Department of Agriculture (USDA), State Housing Finance Agency (HFA), local tax abatement for low-income properties, etc.
2. Participation in the Weatherization Assistance Program. Submission of documentation showing that the property is on the waiting list for, currently participating in, or has in the last five years participated in, the Weatherization Assistance Program.
3. Location in a Low-Income Census Tract. Location in a Census Tract identified by the Program Administrator as low-income. As a starting point, the Program Administrator should use HUD's annually published "Qualified Census Tracts." HUD's Low-Income Housing Tax Credit Qualified Census Tracts must have fifty percent (50%) of households with incomes below sixty percent (60%) of Area Median Income or areas that have a poverty rate of twenty-five percent (25%) or more. However, the Program Administrator's target Census Tracts may be expanded or restricted based on additional analysis demonstrating that the change would ensure that the majority of buildings treated would have at least fifty percent (50%) of tenants with incomes at or below eighty percent (80%) of Area Median Income. For example, a Program Administrator may choose to target a higher percentage of poverty within their definition of a low-income Census Tract.
4. Rent Roll Documentation. Submission of rent rolls documenting that the median rents charged by a particular property are at or below eighty percent (80%) of "Fair Market Rent", as published annually by HUD, which is intended to define rents that

are affordable to households with incomes at or below eighty percent (80%) of Area Median Income.

5. Tenant Income Information. Submission of tenant income information showing that at least fifty percent (50%) of units are rented to households meeting one of the following criteria:
  - a. At or below two-hundred percent (200%) of the Federal Poverty Level, or
  - b. At or below eighty percent (80%) of Area Median Income.
6. Alternative Approaches to Verify Income for Multi-Family Customers. Program Administrators may use alternative approaches to verify income where a Program Administrator can demonstrate that the majority of residents in the multi-family building have incomes at or below 80 percent (80%) of Area Median Income and the verification process is less burdensome than individual tenant income certification. Alternative approaches may include, but are not limited to:
  - a. Demonstrating the income eligibility of multi-family residents through participation in disaster relief programs administered by either federal or local governments;
  - b. Demonstrating the income eligibility of multi-family residents through participation in programs administered by local governments or community organizations.

*In addition to the options above, Program Administrators may use other approaches that can demonstrably identify multi-family buildings primarily occupied by income eligible households in a manner less burdensome than by requiring tenant income information. The income eligibility verification approaches set forth in 6(a) and 6(b) may also be used to qualify income eligibility for single family homes, when such circumstances arise.*

*Program Administrators will employ the qualifications methodologies that are the least burdensome and time-consuming for building owners first and maximize the potential for and ease of participation in their Income Qualified multifamily Programs.*

### **IQ Multi-Family Reporting (Joint Stakeholder Proposal)**

- Follow-up: Discuss at February Policy Manual Meeting
  - Goal is for Policy Manual Subcommittee to agree to reporting principles by end of Q1 2023 (March), then the SAG Reporting Working Group will develop and finalize metrics by end of 2023.
    - SAG Reporting Working Group will further discuss definitions for “subsidized” and “unsubsidized” in 2023.
  - Subcommittee participants to review draft policy further, discuss additional feedback at February meeting.

### **IQ Health & Safety Reporting (Joint Stakeholder Proposal)**

- Follow-up: Discuss at February Policy Manual Meeting
  - Goal is for Policy Manual Subcommittee to agree to reporting principles by end of Q1 2023 (March), then the SAG Reporting Working Group will develop and finalize metrics by end of 2023.
  - Subcommittee participants to review draft policy further, discuss additional feedback at February meeting.

### **NCLC Policy Proposal: Diverse Contracting Reporting Metrics**

- Did not have time to discuss in Dec. meeting; will schedule for discussion in the February Policy Manual Subcommittee meeting.

**Joint Stakeholders Policy Proposal: Equity and Affordability Reporting**

- Did not have time to discuss in Dec. meeting; will schedule for discussion in the February Policy Manual Subcommittee meeting.

**ComEd Policy Proposal: Cumulative Persisting Annual Savings (CPAS) Goal Setting**

- Did not have time to discuss in Dec. meeting; will schedule for discussion in the January Policy Manual Subcommittee meeting.