

**Illinois EE Stakeholder Advisory Group
Equity Subcommittee Meeting:
Joint with Income Qualified (IQ) North and South EE Committees**

**Wednesday, July 24, 2024
9:30 – 11:00 am**

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Meeting Materials

Materials are posted on the [July 24 meeting page](#):

- [July 24, 2024 SAG Equity Subcommittee Agenda – Joint with IQ North Committee and IQ South Committee](#)
- [The JPI Group and Opinion Dynamics Presentation: Ameren Illinois Market Development Initiative Assessment](#)

Attendees

Name	Company or Organization
Celia Johnson	SAG Facilitator (Celia Johnson Consulting)
Jorge Medina Zambrano	SAG Meeting Support (Inova Energy Group)
Abigail Miner	IL Attorney General's Office
Alan Elliott	Opinion Dynamics
Alex Deeb	Ameren Illinois
Allison Gregoire	Nicor Gas
Briana Moore	Will County Land Use Department
Bryan Haney	Erthe Energy Solutions
Caty Lamadrid	Inova Energy Group
Cheryl Johnson	People for Community Recovery
Cheryl Watson	Equitable Resilience & Sustainability
Chris Vaughn	Nicor Gas
Christina Frank	Peoples Gas and North Shore Gas
Darnell Johnson	Urban Efficiency Group
Deb Perry	Ameren Illinois
Elizabeth Horne	ICC Staff
Erika Dominick	Walker-Miller Energy Services
Erin Stitz	Applied Energy Group
Fernando Morales	Ameren Illinois

Name	Company or Organization
Gabriel Nagy	ComEd
Gregory Norris	Aces 4 Youth
Hannah Howard	Opinion Dynamics
Jaleesa Scott	ComEd
Jarred Nordhus	Peoples Gas and North Shore Gas
Jeff Carroll	DNV
Jen Loomis	Opinion Dynamics
Jillian Zell	Opinion Dynamics
Joe Page	C.E.F.S. Economic Opportunity Corp.
Jonathan Skarzynski	Nicor Gas
Julia Friedman	Opower
Karen Lusson	National Consumer Law Center (NCLC)
Keyla Ward	Ameren Illinois
Kim Swan	ComEd
Lance Escue	Ameren Illinois
Leyah Williams	ICC
Lisa Miranda	Rebuilding Together
Matt Armstrong	Ameren Illinois
Michele McSwain	Sustainable Environmental and Economic Development Solutions
Monique Leonard	Ameren Illinois
Nelson May	Future Energy Enterprises (IQ South Facilitation Team)
Nick Bafaloukos	ComEd
Nick Lovier	Ameren Illinois
Nick Warnecke	Ameren Illinois
Omayra Garcia	Peoples Gas and North Shore Gas
Paul Douglas	The JPI Group
Philip Mosenthal	Optimal Energy, representing NCLC
Ronna Abshure	ICC
Sam Stahl	Ameren Illinois
Sarah Hayek	RiseKit
Selena Worster Walde	Erthe Energy Solutions
Susan Buck	ComEd
Tamika J. Cole	Walker-Miller Energy Services
Tara Cunningham	Rinnai
Ted Weaver	First Tracks Consulting, representing Nicor Gas
Theresa Collins	Senior Services Plus
Tim Dickison	Ameren Illinois
Tina Grebner	Ameren Illinois
Tisha Burnside	Resource Innovations
Wade Morehead	Morehead Energy

Meeting Notes

See **red font** for follow-up items.

Opening and Introductions

Purpose of July 24 meeting*:

- To educate Subcommittee participants on the Ameren Illinois Market Development Initiative assessment.

*Two topics planned for the July 24, 2024 Equity Subcommittee meeting are rescheduled for August 19, 2024 due to a meeting security issue that occurred during the July 24 meeting.

Ameren Illinois Market Development Initiative (MDI) Assessment

Nick Lovier, Ameren Illinois; Paul Douglas and Nikole DiPillo, The JPI Group; Alan Elliott and Dr. Jen Loomis, Opinion Dynamics

Overview

- Ameren Illinois MDI was established in 2018, aiming to:
 - Engage customers who have not previously benefited from energy efficiency
 - Build greater community engagement, while creating energy industry jobs and delivering cost savings to those that need it the most
 - Increase number of energy efficiency jobs available to local and diverse candidates
 - Support new or growing energy efficiency businesses
- Implementation composed of distinct areas:
 - Community-Based Organization channel
 - Resource Innovations is supporting this effort
 - Diverse Vendor Procurement channel
 - Increase local jobs
 - Build connections between driver Ameren's channel partners
 - Walker-Miller is the main implementer
 - Workforce Development channel
 - Support new growing Energy Efficiency businesses
 - Connect job seekers with new opportunities
 - Implemented by SEEL
 - Integration of above channels into Ameren Illinois Energy Efficiency programs

Considerations

- Ameren MDI is the first utility program of its kind since 2018 and therefore cannot be benchmarked against other programming
- Eventually there will be opportunity to benchmark against other programs as all other Illinois Utilities were required to launch MDI in 2022
- The team relied on extensive experience in CBO engagement and workforce development.
- Goals are set at the individual partnership level - not at the channel level - to ensure each agency's unique needs are met
- Aggregated individual partnership goals were used to assess the overall performance of the CBO partnerships channel

MDI Assessment Goals

Assess MDI performance to date and recommendations strategies to:

- Improve the impact of MDI activities and implementation
- Innovate at the intersection of energy efficiency and diversity, equity, and inclusion
- Strengthen CBO partner engagement
- Build an infrastructure of tools, resources, and mentors for diverse vendors
- Grow diverse spend in an equitable manner
- Drive greater impacts for communities.
- Leverage knowledge to identify further opportunities to innovate Focus on improving data tracking, metrics, and reporting to better communicate MDI's contributions and progress.

Key Areas Assessed for CBO and DVP Channels

- KPIs
- Identified ways to strengthen implementation processes
- Explored how to enhance partnerships with CBOs (Community-Based Organizations)
- Improved marketing, education, and outreach strategies
- Alignment with best practices
- Enhanced metrics and reporting to monitor MDI progress
- Communicating MDI contributions to energy efficiency programs, disadvantaged communities, and a diverse workforce

Methods

- Focused on improving data tracking and refining or expanding KPIs
- Translated data into external and internal progress reporting to better tell the story
- MDI staff interviews:
 - Leidos
 - Resource Innovations
 - Walker-Miller Energy Services
 - SEEL
 - National Energy Foundation
- CBOs Partners Interviews (8)
- EE Channel Partner Interviews (10)
- Semi-structured interviews when not having a massive population
- Selected CBOs with different levels of engagement based on partnership agreements
- Identified channel partners with the potential for leveraging diverse vendors

Key Terms

- KPI (Key Performance Indicator): Metrics used to measure the effectiveness and impact of MDI initiatives, including diversity engagement and community outreach
- MDI Staff: Entities responsible for executing program strategies and activities within the MDI framework
- EE Channel Partner: Third-party implementers of Ameren Illinois's Energy Efficiency Programs
- CBO Partner: Community-Based Organizations that engage with local communities to enhance participation in Energy Efficiency Programs
- Tier 3 Spend: Spending by Ameren's vendors (e.g., EE Channel Partners) to procure goods and services

CBO Partnership Program Findings

Strengths:

- Expanded the number of partnerships since inception in 2018
- Significant increase in overall partnership spend from \$450,000 to \$850,000
- Partners are satisfied with support levels
- Positive connection and interaction with MDI Workforce Development program
- Partners consider marketing practices offered in partnership with Ameren Illinois to be effective
- Current metrics align with best practices
- Addition of tracking program referrals in 2023 provides visibility to impact for partners

CBO Partnership Program Interviews:

- Largely satisfied with support from Ameren and Resource Innovations
- Adequate supply of e-kits for distribution at events
- Variety of outreach activities reported by CBO staff
- Metrics track the effectiveness of message delivery:
- Effective metrics for online videos and hosted events
- Less certainty with metrics for mailed pamphlets and distribution box material
- Challenges with Certain Outreach Methods:
 - Uncertainty if mailed pamphlets are seen by clients
 - Teenagers might discard mail, or pamphlets may go unnoticed in distribution boxes

Exceeded KPIs in 2023 (Q1/Q2):

- Customers Engaged
- Events
- Energy kits
- Program Referrals

Karen Lusson, National Consumer Law Center (via chat) – Did you benchmark against state weatherization program practices or other programs in other parts of the U.S.?

Alan Elliott, Opinion Dynamics (via chat) – We did not formally benchmark against those programs but we did leverage our knowledge of those kinds of programs out there to assess the extent to which the MDI aligned with best practices.

CBO Channel Opportunities for Improvement

- Enhance customer engagement metrics
- Staffing levels and continuity at CBOs
- Provide more training on marketing, education, and outreach strategies, especially for hard-to-reach segments
- Offer technical support with digital tools (Ameren's portal, CRM tools)
- Assist with reporting progress to better manage clientele and ensure participation in energy efficiency programs
- Better communication of Ameren's feedback process to ensure CBOs can communicate successes and challenges effectively

- Address COVID-19 related supply chain issues that impacted progress during the study period (2021-2023)

CBO Channel Recommendations

- Broaden diversity and quantity of partnerships
- Expand metrics to measure the quality of partnerships
- Increase the visibility of CBO funding in external reporting
 - MBI funding grew from \$450,000 in 2021 to \$850,000 in 2023
- Clearly track CBO referrals through Energy Efficiency Program
- Provide CBOs access to Customer Relationship Management (CRM) systems
 - Enhances tracking and follow-up with clientele
 - Increases likelihood of referrals converting to program participants
- Provide clearer definitions of KPIs in reporting portal
- Focus on training CBOs to assist single-family tenants without proof of homeownership in accessing energy efficiency programs
- Facilitate CBO workshops and other forms of knowledge sharing among CBOs

Diverse Vendor Procurement Channel (DVP)

- Data on spending helps identify opportunities for future investment.
- Almost 400 vendors were onboarded, providing a solid foundation for future spend opportunities.
- Achieved a \$7 million spend within the tier three framework.
- Multifaceted approach to identify new vendors, including social media, council chambers, and online databases.
- High-quality meetings and effective communication channels between vendors and Ameren.
- Easy process for vendors to upload data and spend numbers.
- Selective onboarding to ensure vendors are ready for procurement opportunities.
- Increase the number of vendors and diversify services offered to cover more areas beyond electrical, lighting, HR, and marketing.
- Standardize metrics across stakeholders to better measure vendor reach, revenue growth, and profitability.
- Identify new services and solutions that offer more spending opportunities for vendors.
- Improve planning processes to identify spending opportunities at the beginning of the plan cycle.
- Provide RFP support and ensure vendors have the bandwidth and capacity to execute opportunities.
- Boost the percentage of vendors utilized from the DVP database.
- Understand and address reasons why some vendors are not being used to improve utilization rates.

Michele McSwain (via chat) – How does an entity become affiliated with the CBO Partnership program?

Nick Lovier – We assess prospective partners' capabilities and funding, match them with our goals, and, if suitable, collaborate with Resource Innovations to manage and ensure effective CBO partnerships across our service territory.

Alan Elliott, Opinion Dynamics (via chat) – I think it would good to hear from Ameren on this topic but, in general, Ameren works through its existing relationships and networks, including other CBOs, to identify potential candidates. That's not to say it's a closed system. Any CBO can certainly connect with Ameren to see how they can get involved.

Nick Lovier (via chat) – Michele - various ways to become a CBO Partner, but basically, we meet with an organization and determine a potential fit. If an org. expresses interest and there is funding and organizational capacity, there's a good chance we can sign them onto the program and set up goals, milestones, etc.

Karen Lusson, National Consumer Law Center (via chat) – Tier 3 represents what?

Alan Elliott, Opinion Dynamics (via chat) – Spending of the EE Channel Partners on diverse vendors to procure services.

Karen Lusson, National Consumer Law Center (via chat) – Is there info on what contract level it was? Tier 1? Tier 2? Tier 3? One of the goals is to increase the number of Tier 1 contractors. Also, are these local vendors? Illinois-based? Out of state vendors?

Nick Lovier – We require diverse spending from tier one contractors and strive to find local vendors within our service territory, but when unable to, we select out-of-territory implementers who hire locally; using Leidos as our prime implementer allows us to support smaller partners who might struggle with insurance and cybersecurity requirements.

Opportunities for Improvement

- Further diversify the base of vendors in addition to increasing overall diverse spend
- Increase consistency of metrics across various stakeholder reporting and presentations
- Find solutions within limited spending opportunities during the Energy Efficiency Plan Cycle
- Increased support to resolve the following challenges with diverse vendors:
- Inconvenient procurement processes
- Continued focus on supporting vendor employees in AIC territory

Recommendations

- Percentage of vendors utilized for the DVP database
- Distribution of diverse spending across the vendor's
- Analyze conversion rates from enrollment to participation
 - Percentage of growth
 - Participation
- Measure the program's impact on supplier growth
 - Who is growing
 - How they are growing
- Track and analyze jobseekers and supplier diversity retention
- Provide clearer documentation of DVP's contribution to overall AIC diverse spending in progress reports
- Conduct a capabilities assessment and offer targeted support

- What is top of mind for next assessment?
 - ¾ of vendors had not been utilized

Key Findings from the DVP Assessment:

- Opportunity for Improvement: Focus needed on enhancing equity and inclusivity in spending.
- Utilization of Vendors: About 75% of diverse vendors in the DVP database have not been utilized.
- Spending Concentration: Two-thirds of diverse spending is concentrated among three vendors with large contracts.
- Barriers to Usage: Need to address barriers faced by channel partners in leveraging the DVP database more effectively.

Plans for Next Assessment:

- Future Research: Develop detailed plans for a second assessment of the DVP and other MDI channels.
- Stakeholder Engagement: Plan to engage with participating vendors and allies for deeper insights.
- Focus on Workforce Development: Investigate the third MDI channel, including trainees and beneficiaries.
- Timeline: Complete the second assessment throughout 2025 with a final report by the end of 2025.

Karen Lusson, National Consumer Law Center (via chat) – The chart shows suppliers and program ally spend. Wondering about what's happening with increasing diverse higher level implementer contractors. Can you please give a definition of program allies? Are those CBOs who distribute kits and promote the program?

Erika Dominick - Walker-Miller (via chat) – Can you clarify what you mean by contract level? Re the geographic location of vendors, we seek vendors/suppliers that are local the Ameren Illinois service territory as a preference. However, there are also vendors/suppliers outside the service territory and outside of the state of Illinois. Happy to talk thru this more offline if you'd like.

Karen Lusson, National Consumer Law Center (via chat) – I'm wondering about the number of Tier 1 and Tier 2 implementer opportunities.

Karen Lusson, National Consumer Law Center (via chat) – One comment: I want to suggest that if you need to go outside the service territory, that the next step would be to look for Illinois-based contractors. I'm thinking of "local" a bit more broadly if you can't get in-service territory implementors. Then when you've exhausted IL-based, then look out-of-state.

Darnell Johnson (via chat) – What is the path for vendors to scale and increase their utilization to participate in a broader scope of portfolio opportunities? Additionally, how do vendors scale to higher tiers?

Paul Douglas – To scale businesses effectively, it's crucial to assess their back-office capabilities, such as HR systems, compliance, and financial management, during the vendor evaluation process, and then provide targeted resources to address any gaps and support their growth.

Darnell Johnson – Agrees with assessing vendor capabilities for scaling, but we also need to understand why well-equipped vendors are underutilized and address how to better leverage their existing capacity.

Nick Lovier – I agree with those recommendations. I want to clarify that when seeking new vendors, we prioritize the most qualified ones based on their capabilities and fit, starting within our service territory and expanding if necessary. Even if we select a partner from outside the territory, they are required to hire locally to work on the programs.

Ted Weaver – The graph shows the distribution of spending between suppliers, including implementation contractors (tier one and two) and program allies like HVAC and installation contractors. We're working on similar data analysis, but it's tricky because spending on implementation contractors includes rebates and incentives that also benefit program allies. This overlap complicates accurate data tracking and prevents double counting. Has Ameren faced similar challenges or found a solution for this issue?

Karen Lusson, National Consumer Law Center (via chat) – Are "suppliers" implementation contractors?

Alan Elliott, Opinion Dynamics (via chat) – Suppliers are inclusive of diverse implementation contractors as well as the goods and services those contractors procure from diverse vendors (e.g., vendors in the DVP database).

Karen Lusson, National Consumer Law Center (via chat) – Please elaborate on how you are using the word, INCENTIVES. I think of incentives as the EE rebates, etc.

Matt Armstrong – For clarity, we separate diverse program ally spend, which goes directly to customers via incentives, from diverse supplier spend, which is focused on implementation partners. The diverse program ally spend isn't reported to the Commerce Commission because we don't have a formal procedure for that, hence the distinction between the two categories.

Abigail Miner (via chat) – Can ODC confirm 2/3 of spending is concentrated with 3 vendors and 3/4 of vendors are not utilized. Did I record that correctly, and is that within the DVP program only or the entire MDI?

Alan Elliott, Opinion Dynamics – Yes, that is correct.

Closing and Next Steps

Next SAG Equity Subcommittee Meeting:

- August 19, 2024