

Income Eligible Net-to-Gross

8/6/2019

2018 IE Lighting Discounts

- IE-tailored offering, providing deep in-store discounts at participating stores in high-density IE communities
- Over 200 participating stores, including many new retailers (e.g., Dollar Tree)
- Program is critical, because approximately 20-25% of all households that purchase “most” or “all” incandescent lighting earn \$39,999 or less annually
- Total 2018 costs of \$4.2M – 11% of IE total spend, and 1% of total ComEd 2018 budget

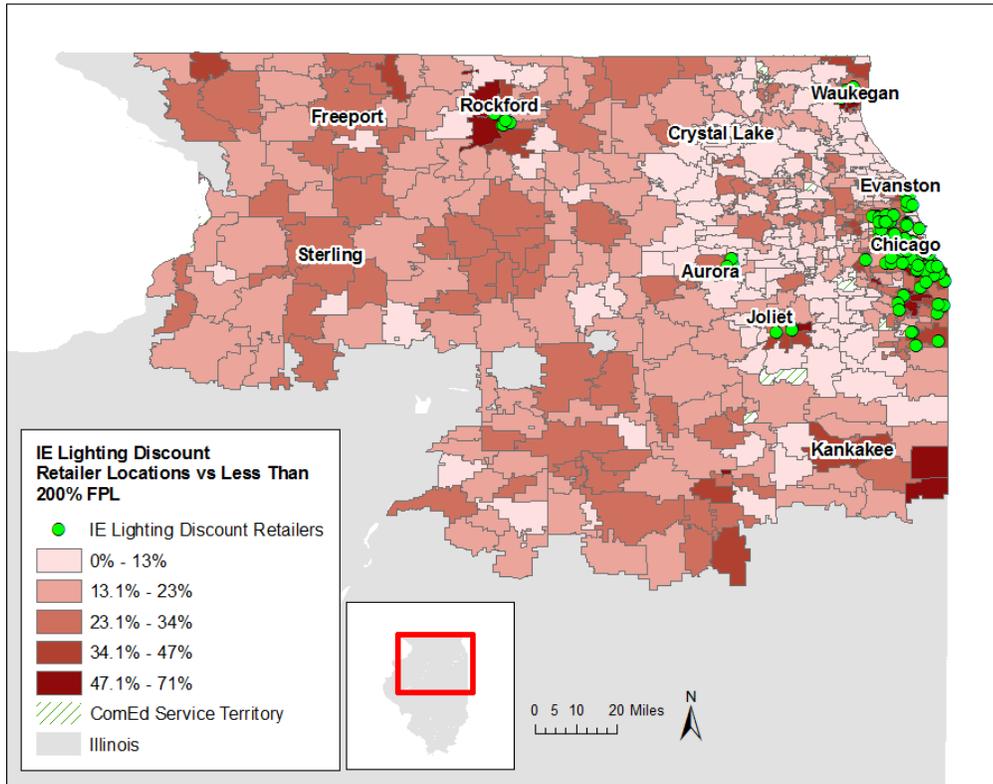
Poor Research Should Not Initiate a Change to the Entire IE NTG Framework

- ComEd strongly disagrees with the conclusions Staff is drawing from Navigant's study
- This was a single study, with a sample size of 69 customers, at 3 IE stores, for a program that sold 1M+ bulbs/421K packages
- Study itself only focused on large retailers, and left out small retailers that accounted for 45% of sales
- Navigant's own GIS research demonstrates stores are in high density low income areas

2018 Lighting Discounts Store Locations

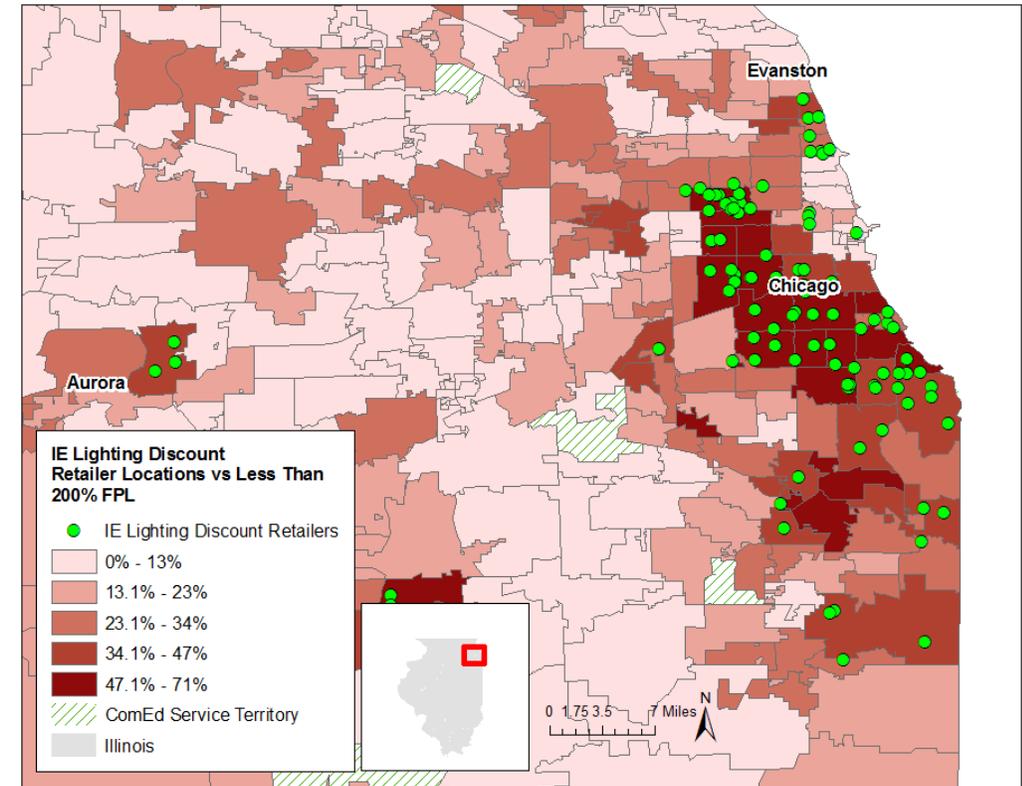
Key Takeaway: Retailer locations align with high density low income zip codes, as defined by the Federal Poverty Line.

Lighting Discounts vs FPL¹⁵



Most of the retailers are concentrated in the Greater Chicago Area, although there are pockets of retailers in zip codes with high densities of low income residents.

Lighting Discounts vs. FPL Chicago Area¹⁶



The retailers in the Greater Chicago area are generally in zip codes with high densities of low income residents.

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[15] Lighting Discounts retailer locations 2019 against a map showing the density of households less than 200% of the FPL by zip code.

[16] Same as map to the left but zoomed into the Greater Chicago Area

Case Against Shifting NTG Framework for IE

- It is inevitable that some non-IE customers will visit IE stores, but the reverse is true as well, and ComEd doesn't currently get special treatment for those stores
- If that consideration is incorporated into Res Lighting, then it should be applied to all Res offerings, like HEA and FFR, which have strong evidence of significant participation in IE communities
- This will require significant time and financial resources on the part of Navigant, utilities, and stakeholders

Proposal

- Our proposal is simple:
 - Leave current IE NTG framework as is for all offerings (particularly as we are talking about 1 relatively small offering)
 - ComEd will not push for incorporation of IE consideration into NTG for all Residential offerings