

Removing Barriers to Energy Efficiency Partnerships



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IL SAG

Partnerships Benefit Efficiency

- Non-utility resources can improve programs
 - Fill in programmatic gaps
 - Provide larger incentives to attract customers without more utility resources
 - Create attractive incentive packages, without additional cost to utility
 - Design flexible programs that leverage nonutility resources to attract customers

Partnerships Benefit Efficiency

- Lowers operational and admin costs for both utility and nonutility programs by
 - Eliminates duplication of resources
 - Speeds multi-party work processes
- Lowers utility marketing costs
 - Increases customer intake streams
 - Encourages non-utility messengers to market utility programs

Partnerships Benefit Efficiency

- More convenience for customers
- Less customer confusion

Partnership Opportunities

- Non-utility partner could be any government or charitable program.
- Current and forthcoming programs include:
 - Energy Impact Illinois;
 - Energy Savers;
 - City's Energy Impact Zones; and
 - Illinois Home Performance w/ Energy Star.

The Barrier: Disincentive to Coordinate

- Lack of clarity on savings attribution leaves utilities unable to participate fully in nonutility programs:
 - Nonutility efficiency programs are seen as competition
 - Limited budgets do not allow work where progress toward goals is uncertain

The Barrier: Examples

- Consumer uses utility and non-utility energy efficiency programs simultaneously
 - One offers rebates and the other offers financing
- Programs coordinate to present a unified service to consumers
 - Non-utility provides construction oversight and utility provides incentives

The Barrier: Examples

- Utilities provide financial, marketing, or other support to non-utility program
 - Utility funds a portion of rebates marketed as part of a government or charitable program
- Utilities advise non-utility energy efficiency program on how best to coordinate with existing utility programs
 - CDFI with a loan program wants to help its customers apply for utility rebates

Treatment in Other States

- CA, FL, MA, MI, MN, and NC attribute full savings from ARRA-funded energy efficiency programs to utility program administrators.
- NY, WI, and HI's ARRA-funded programs are administered by same folks who run the state's utility customer-funded EE programs: Either the utility or the third-party administrator.

Proposed Solution

- Need clarity that only the ICC can provide.
- Petition the ICC to request clarification on attribution of energy efficiency savings from joint programs to utilities' efficiency targets.

Discussion

Thank you