

# ComEd Final Order – 13-0495

The Commission notes that a broad consensus has now developed in support of a modified Large C&I Pilot Program. The same can be said for the proposal to iron out the implementation details in a collaborative process -- this proposal has broad consensus support, and there is no objection from any party to that approach. Accordingly, **the Commission conditionally approves the modified version of ComEd's Large C&I Pilot Program, the framework of which is reflected in ComEd/REACT Joint Ex. 1, and directs SAG to engage in its collaborative process to formulate the implementation details of the program.**

The Commission agrees with the general idea and hopes that it will increase net energy efficiency investment for Large C&I customers. An emphasis on this goal is important and should be SAG's focus when working on the specifics of the pilot. The Commission's goal, which is consistent with the statutory goal, is distinct from REACT's goal of ensuring that its clients' Rider EDA funds are available to them. Indeed, the testimony made clear that these customers are already highly motivated and raises the concern that the pilot be designed to limit free riders. The requirement that 33% of project costs be funded by the customer is a good starting point to limit free-riders, subject to certain exceptions for operational optimization projects and combined gas and electric incentives, as set forth in the pilot framework (ComEd/REACT Joint Ex. 1).

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**Because there is a possibility that the final pilot will be different after collaboration at SAG, the Commission orders that the pilot specifics be filed in this docket. After collaboration at SAG, if the final pilot design complies with the following specifications, the pilot can be filed and no further action will be required. The Commission finds that any Large C&I Pilot must: 1) be cost-effective and any measure must pass the TRC, 2) be subject to EM&V, 3) require that customers pay all Rider EDA charges, with 40% supporting the EE plan in general and the remaining available to be refunded back to the participating customer, 4) 33% of project costs must be funded by the customer, 5) projects must be completed within the three year planning period, and 6) unused funds will be returned to the general pool of funds.**

Although IIEC complains about several of these requirements, the Commission finds them necessary to ensure that the proposed pilot complies with Section 8-103. Specifically, IIEC complains that C&I pilot participants should not have to pay DCEO's 25% and that participants' share of overhead should be limited to ComEd's overhead for the C&I pilot. The Commission finds, however, that allowing this would be the same as allowing these customers to "opt-out", which has not been allowed for electric customers.

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ComEd requests a specific finding that “grants” or “progress payments” are allowed. The Commission sees no apparent reason why this cannot be approved. In the Commission’s view, this is just another form of an energy efficiency incentive. As long as the incentive results in cost-effective TRC compliant energy efficiency measures, the Commission can approve it.

Although REACT is correct that nothing specifically requires that funds be spent within the 3 year plan period, it is a reasonable limitation and consistent with the statutory planning period. The AG’s proposal to require a date certain for reserving funds to preserve ComEd’s ability to redirect the funds is reasonable and can be finalized in SAG.

As to REACT’s request that the Commission rule on its original proposal, the Commission declines to rule on a withdrawn proposal. Also, in its BOE, REACT requests that large C&I customers that are covered under DCEO’s plan be allowed to participate in the ComEd Modified Pilot. The Commission rejects this proposal because these customers are statutorily covered under DCEO’s energy efficiency plan and REACT does not explain how this barrier can be overcome.