



Energy Efficiency Program

# 3<sup>rd</sup> Party Programs Overview 2019-2021

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# Legislative Requirements (Refresher)

## ✓ Section 8-104B(g)(4) requirements:

- (A) Beginning Jan 2019, must fund Third-Party programs **no less than \$25M/year**.
- (B) Timing of solicitations:
  - During 2018 conduct Third-Party solicitation for one or more years: 2019, 2020, 2021.
  - For Plans beginning 2022 and 2026, utility “shall conduct solicitation process during 2021 and 2025, respectively” for programs offered in one or more years during the plan period.
- (B) Utility identifies sector, technology, or geographical area for which it is seeking requests for proposals
- (C) Utility proposes bidder qualifications, performance measurement process, and contract structure...and general terms and conditions. Subject to Commission approval.
- (D) **Utility retains independent third party to review, score proposals received through solicitation, rank according to cost per lifetime kWh saved, and assemble the portfolio of third-party programs.**
- (D) Shall recover all costs associated with Commission-approved, third-party administered programs regardless of success of programs.

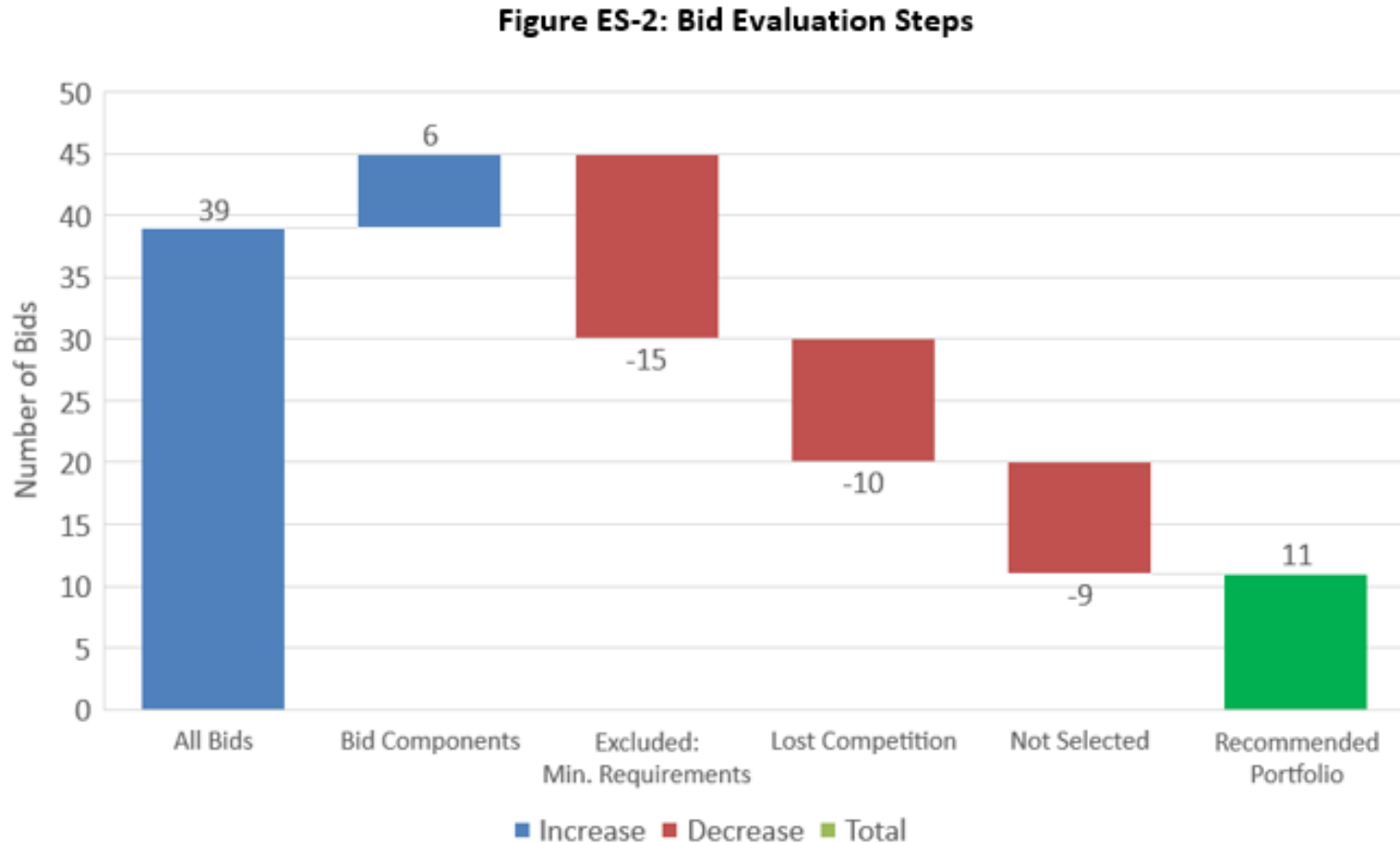
## ✓ Section 8-104B(c) requirements:

- Preference for not-for-profit entities and government agencies that have existing relationships with or experience serving low-income communities in the State..

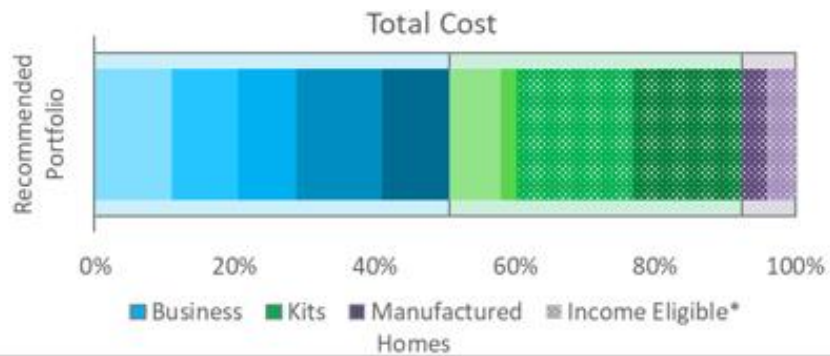
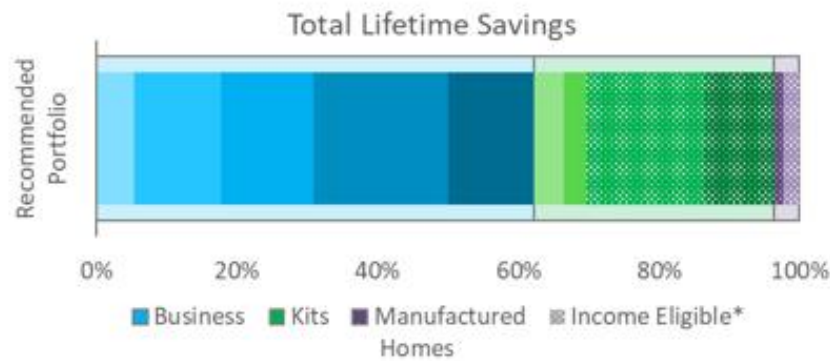
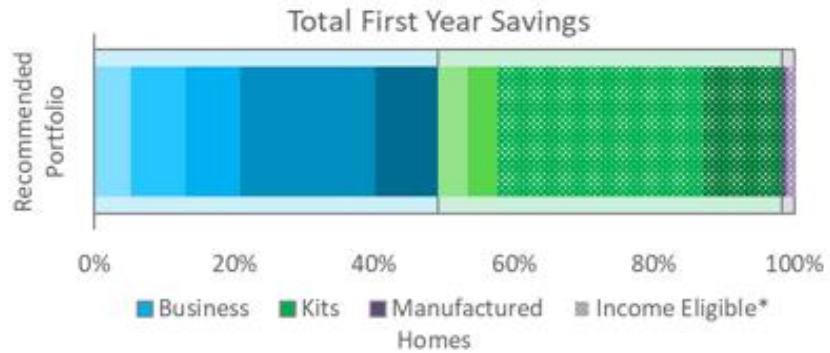
# Stipulation Requirements (Refresher)

- ✓ **Summary:** In 2018-2021, **\$6M annual IE spending from Third-Party programs** (three years), with additional \$6M annual spending (4 years) through third-party, R&D or core portfolio. Consensus on Third-Party RFPs and review of proposals.
- ✓ **Section III.E:**
  - In addition to the \$6 million allocated to Third Party programs in years 2-4 of the Plan ..., ComEd commits to spend on average, over the four-year Plan period, a minimum of \$6 million annually dedicated to Income-Qualified programs or research from either Research and Development (“R&D”) or Third Party expenditures, provided that there are proposals for such spending and appropriate R&D opportunities that are meritorious.
  - **ComEd commits to work with stakeholders** with the goal of reaching consensus on the development of R&D IQ programs and Third Party requests for proposals (“RFPs”) related to these programs, as well as the review of Third Party proposals that are received. The IQ Third Party programs will be developed through separate RFP(s) specifically dedicated to IQ programs.
- ✓ **Section IV.C.1.:** Preference for not-for-profit entities and government agencies that have existing relationships with or experience serving Low- Income communities in the State.

# Bid Selection Process

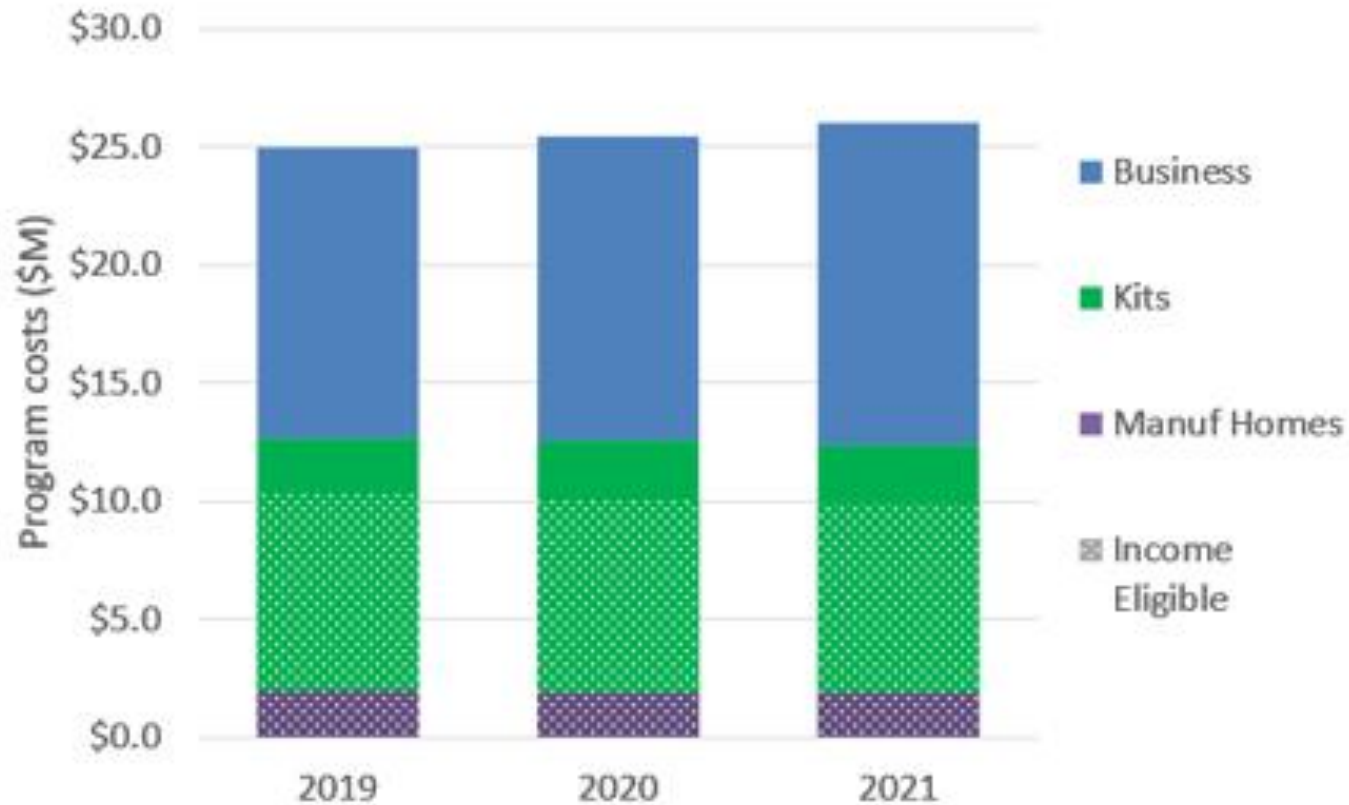


# Selected Program Savings & Costs %



# Selected Program Annual Costs

Figure ES-5: Selected Portfolio, Annual Costs





# Business & Public

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# Business Programs: Public Disadvantaged Communities - 360 Energy/Sedac



<b>Program Mgr.</b>	Jordan Berman Cutler
<b>Target Segment</b>	Public Schools, State & Federal facilities, Public leased office space & Municipalities
<b>Program Summary</b>	Comprehensive Offering including: RTU system tune-up, w/ bldg optimization study + safety measures Kit
<b>1<sup>st</sup> Year Mwhts</b>	20,000
<b>1<sup>st</sup> Year \$</b>	\$3.3M
<b>\$/kwh</b>	\$.18
<b>\$/lifetime kwh</b>	\$.023
<b>Comments</b>	Concentration will be on serving public buildings in disadvantaged communities.



# Business Programs: Grocery – CLEAResult



New

<b>Program Mgr.</b>	Rick Tonielli
<b>Target Segment</b>	Grocery stores
<b>Program Summary</b>	5,000 eligible grocery stores. Audits using GrocerSmart® modeling software field tool.
<b>1<sup>st</sup> Year Mwhts</b>	7,100
<b>1<sup>st</sup> Year \$</b>	\$2.3M
<b>\$/kwh</b>	\$.34
<b>\$/lifetime kwh</b>	\$.028
<b>Comments</b>	Targets lighting and refrigeration.

# Business Programs: Nonprofit Organizations- Elevate Energy



New

<b>Program Mgr.</b>	Sharon Madigan
<b>Target Segment</b>	Nonprofit, 501(c)3 organizations < 400 kW, whose mission involves providing direct services such as homeless shelters or other transitional housing, food pantries, youth programming, clinics, childcare providers, or other social services
<b>Program Summary</b>	Includes assessments, planning, project management, direct install and deep incentives.
<b>1<sup>st</sup> Year Mwhts</b>	5,200
<b>1<sup>st</sup> Year \$</b>	\$2.7M
<b>\$/kwh</b>	\$.58
<b>\$/lifetime kwh</b>	\$.074
<b>Comments</b>	Closed network of service providers.

# Business Programs: Farm/Agriculture – Franklin



<b>Program Mgr.</b>	Milos Stefanovic
<b>Target Segment</b>	Farm / Agriculture
<b>Program Summary</b>	Offering that targets the full vertical market including farms (dairy, poultry, hogs, cash crops, etc.), greenhouses, indoor agriculture facilities, supply houses, and on-site processing facilities. Provides assessments and incentives.
<b>1<sup>st</sup> Year Mwhts</b>	6,000
<b>1<sup>st</sup> Year \$</b>	\$1.8M
<b>\$/kwh</b>	\$.47
<b>\$/lifetime kwh</b>	\$.061
<b>Comments</b>	Includes indoor vertical farms.

# Business Programs: Small Business Kits – Franklin



<b>Program Mgr.</b>	Catherine Allen
<b>Target Segment</b>	Office, Restaurants and General <100 KW
<b>Program Summary</b>	Delivers three different types of kits by customer segment through cold calling and web portal registration. Kits contain LED bulbs, APS and LF sprayers/aerators.
<b>1<sup>st</sup> Year Mwhts</b>	4,400
<b>1<sup>st</sup> Year \$</b>	\$600K
<b>\$/kwh</b>	\$.16
<b>\$/lifetime kwh</b>	\$.027
<b>Comments</b>	Lead sharing for SBO offering.

# Business Programs: Telecommunications – Franklin



<b>Program Mgr.</b>	Milos Stefanovich
<b>Target Segment</b>	Telecommunications
<b>Program Summary</b>	Telecommunications & Internet Svc Providers; assessments, prescriptive & custom measures for communication equip, rectifiers, HVAC
<b>1<sup>st</sup> Year Mwhts</b>	6,800
<b>1<sup>st</sup> Year \$</b>	\$2.2M
<b>\$/kwh</b>	\$.30
<b>\$/lifetime kwh</b>	\$.029
<b>Comments</b>	Targeted customer segment.



# Income Eligible

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# IE Programs: Food Pantry Distribution – CLEAResult



<b>Program Mgr.</b>	Kara Schwer
<b>Target Segment</b>	Food Pantries
<b>Program Summary</b>	LED bulbs for self install
<b>1<sup>st</sup> Year Mwhts</b>	40,000
<b>1<sup>st</sup> Year \$</b>	\$4.3M
<b>\$/kwh</b>	\$.16
<b>\$/lifetime kwh</b>	\$.036
<b>Comments</b>	Lead sharing to other IE offerings.

# IE Programs: Community Action Agency Kit Distribution – ERC

Legacy  
3<sup>rd</sup> Party  
Program

<b>Program Mgr.</b>	Kara Schwer
<b>Target Segment</b>	Community Action Agencies & other organizations serving IE customers
<b>Program Summary</b>	APS, LED bulbs, shower head/aerators for self install
<b>1<sup>st</sup> Year Mwhts</b>	13,000
<b>1<sup>st</sup> Year \$</b>	\$4.0 M
<b>\$/kwh</b>	\$.38
<b>\$/lifetime kwh</b>	\$.056
<b>Comments</b>	Gateway to other IE offerings.



# IE Programs: New Manufactured Homes – DNVGL



<b>Program Mgr.</b>	Dantawn Nicholson
<b>Target Segment</b>	Manufactured Housing
<b>Program Summary</b>	New Manufactured Housing: Upstream program working with Dealers to promote sales of EE measures in new Manuf Homes and pay incentives to customers.
<b>1<sup>st</sup> Year Mwhts</b>	819
<b>1<sup>st</sup> Year \$</b>	\$1.0M
<b>\$/kwh</b>	\$1.09
<b>\$/lifetime kwh</b>	\$.060
<b>Comments</b>	New upstream model.

# IE Programs: Existing Manufactured Homes - WECC



<b>Program Mgr.</b>	Dantawn Nicholson
<b>Target Segment</b>	Existing manufactured homes.
<b>Program Summary</b>	IE residents in ComEd region. Blower door testing. DI, w/ duct & air sealing. Other DI includes int & ext lighting, low flow showerheads & faucet aerators, APS, water heater pipe wrap and temperature setback, furnace blower motor replacement, and Smart T-stat installation.
<b>1<sup>st</sup> Year Mwhts</b>	786
<b>1<sup>st</sup> Year \$</b>	\$1.0M
<b>\$/kwh</b>	\$1.33
<b>\$/lifetime kwh</b>	\$.110
<b>Comments</b>	New customer target.



# Residential

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# Residential Programs: Elementary Education Kits – Franklin



<b>Program Mgr.</b>	Paul Grimyser
<b>Target Segment</b>	Kits delivered to residential customers through elementary schools.
<b>Program Summary</b>	Provides free energy efficiency kits to elementary schools along with classroom curriculum (showerheads, aerators, LEDs, shower timer, flow rate test, digital thermometer)
<b>1<sup>st</sup> Year Mwhts</b>	4,900
<b>1<sup>st</sup> Year \$</b>	\$1.8M
<b>\$/kwh</b>	\$.47
<b>\$/lifetime kwh</b>	\$.061
<b>Comments</b>	Potential to shift to an IE program.



# Lessons Learned

3<sup>rd</sup> Party Programs

# 2018 Solicitation: Successes

- ✓ **Competitive, open solicitation:** many bids, competitive pricing, options within program categories, innovative opportunities.
- ✓ **Recommended portfolio:**
  - Met Plan targets for cost and savings.
  - Kept some well-liked existing programs (e.g., schools and LI kits).
  - Filled new niche opportunities (e.g., ag, telecom, grocery).
- ✓ **RFP and pricing templates:**
  - Generally solid and caused little confusion.
  - Development effort associated can be leveraged for future solicitations.
- ✓ **Stakeholders were engaged and supportive of processes and decisions.**

# 2018 Solicitation: Challenges

## ✓ Substantial effort required due to:

- Thorough stakeholder processes, especially for RFP development stage.
- Many bids, with wide-open scope → complex review effort.
- Evaluate duplication with existing offerings.
- Inconsistent, low-quality measure inputs from bidders required substantial engineering review and multiple Q&A rounds with bidders.

✓ **Recommended portfolio had 11 programs:** some overlap and potential market confusion concerns with existing programs.

Thank you!