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Comments on Nicor's Proposed 4-Year Implementation Plan for Future Energy Jobs Act

The Metropolitan Mayors Caucus shares common objectives with the Future Energy Jobs Act (FEJA). These include:

- Moving Illinois to the new clean energy economy;
- Saving current and creating new clean-energy jobs;
- Training the future workforce in clean energy;
- Accelerating the growth of solar, wind and district energy;
- Expanding energy efficiency for all sectors; and
- Supporting clean energy programs for low-income communities.

Our Greenest Region Compact 2 (GRC2) identified specific municipal priorities that could be done in collaboration with Nicor to achieve these common objectives. We appreciate the opportunity to comment on Nicor's 4-year energy efficiency implementation plan presented to the Stakeholder Advisory Group (SAG). Nicor's presentation was very comprehensive and well-executed. Following are specific municipal-sector requests for inclusion into this plan to be presented to the Illinois Commerce Commission in June.

On behalf of our member communities, we wish to assert the important role of municipalities in achieving the objectives of the new law. The Mayors Caucus, our member communities and Councils of Governments (COGs) are vital stakeholders and likely partners in its anticipated success.

Energy Efficiency

To ensure that Caucus members have the best range of options for the next four years, we recommend that Nicor strongly support energy efficiency for municipalities and other local governments. As public sector clients will no longer be served by a dedicated program, flexibility should be allowed in budgeting and programming to adapt to this new structure over the 4-year period. Resource re-allocation should be allowed to support programs of greatest need, activity and savings. We recommend that Nicor address the following program elements in their upcoming submittal to the Illinois Commerce Commission:

City of Chicago · DuPage Mayors and Managers Conference · Lake County Municipal League · McHenry County Council of Governments
Metro West Council of Governments · Northwest Municipal Conference · South Suburban Mayors and Managers Association
Southwest Conference of Mayors · West Central Municipal Conference · Will County Governmental League

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1. Public Sector energy and water efficiency

A. Building and Facility Retrofits

Retrofitting public buildings for energy efficiency is the #2 most common goal identified in our comprehensive study of local and regional sustainability plans. There will be continued demand for energy efficiency services and incentives. The Caucus has served as an aggregator of public sector energy efficiency projects for many years and strongly advocates for sustained public sector support. Comprehensive programs are needed. These should include tailored technical assistance; full-facility audits, capacity- building for public administrators and facility managers.

Proposed program partners: Existing service providers with expertise in serving the public sector, especially energy auditors, and technical assistance providers should be engaged.

B. Enhanced Incentives

Public sector participation in energy efficiency programs has been facilitated by enhanced incentives under DCEO programs. These higher incentive levels must be maintained. All local governments, especially schools, park districts, townships and others benefit from cost reductions, enhanced building performance and environmental benefits associated with energy efficiency upgrades. These public benefits will be jeopardized if incentives are reduced and public agencies are unable to invest in energy efficiency. We request that public sector incentives be maintained at currently enhanced levels.

C. Water-Energy Efficiency

The Caucus supports new program development to serve local water utilities and achieve savings targets. FEJA offers opportunities to leverage inter-related efficiencies in water processing and energy. Efficient delivery of water supply and wastewater processing are identified as priorities in the GRC2. Nicor's proposal to develop a green infrastructure program is innovative and commendable.

Proposed program partners: Municipal water supply utilities and wastewater utilities, their associations, the Caucus, and water efficiency allies can be engaged in the development of impactful new programs.

D. Energy Efficiency Program Outreach

As a trusted advocate for its 275 municipal members, the Caucus can activate local governments to participate in stream-lined, targeted energy efficiency programs. Having grown public sector participation in energy efficiency by 860% in 5 years, the Caucus can facilitate alignment of Nicor's Business Sector programs with public sector abilities and interests to maximize effectiveness. We recommend that the Caucus be engaged to provide outreach services.

Proposed program partner: Metropolitan Mayors Caucus

2. Residential tree planting program

Strategic tree planting has been shown to reduce residential heating and cooling energy over the long term. Other states and utilities are using this popular measure to reach targets and serve constituents. The Caucus has successfully administered public sector urban forestry programs benefitting 125 local governments. Nicor is to be commended for its commitment to developing tree planting and green infrastructure programs. The Caucus supports participation from Com Ed, as well.

Proposed program partners: Metropolitan Mayors Caucus could be engaged to develop a program, to potentially be managed by a third party.

3. Residential energy efficiency and income-eligible targets

Municipalities are important and trusted front-line providers of health and human services to residents. They are natural partners for the delivery of energy efficiency programs targeted to low-income communities. Consider a strategy such as a community energy challenge for effective resident engagement. Other programs could include distribution of energy efficiency products and resident education. We recommend that Nicor commit to incorporating municipalities as a channel to support residential energy efficiency programs. Caucus members will participate in the statutory Low-Income Advisory committee, now under development.

Proposed program partners: Councils of governments; municipalities; the Metropolitan Mayors Caucus; and the Low-Income Advisory group

4. Franchise fees that encourage clean energy

Nicor currently offers both unbilled-energy and a cash option for franchise compensation to municipalities. The Caucus supports choices that promote greater energy use tracking, energy efficiency and renewable energy in municipal facilities.

Proposed program partners: Metropolitan Mayors Caucus and member councils of governments.

5. Economic development through clean energy job training

Clean energy job training programs are specified in FEJA. The Caucus advocates for implementation of equitable, effective programs that can create economic development opportunities for economically disadvantaged communities. Effective energy efficiency programs for commercial, industrial and residential sectors are vital to the growth in clean energy jobs. Local governments, and allies in the civic, academic and private sectors will support job-training programs, in coordination with existing workforce development agencies. We recommend that Nicor commit to incorporating municipalities as a channel to support clean energy job training by setting aside a portion of all job training funds to be used in partnership with municipalities for local workforce development.

Proposed program partners: Municipalities, higher-education, workforce development agencies, the Metropolitan Mayors Caucus and many others.

Respectfully submitted,



Edith Makra
Director of Environmental Initiatives

C: John Ostenburg, Mayor, Village of Park Forest and Environment Committee Chairman