

Applying a Framework for Addressing Cost-Effectiveness and Distributional Equity in Distributed Energy Resource Investment Decisions

Illinois Work Group Seventh Meeting

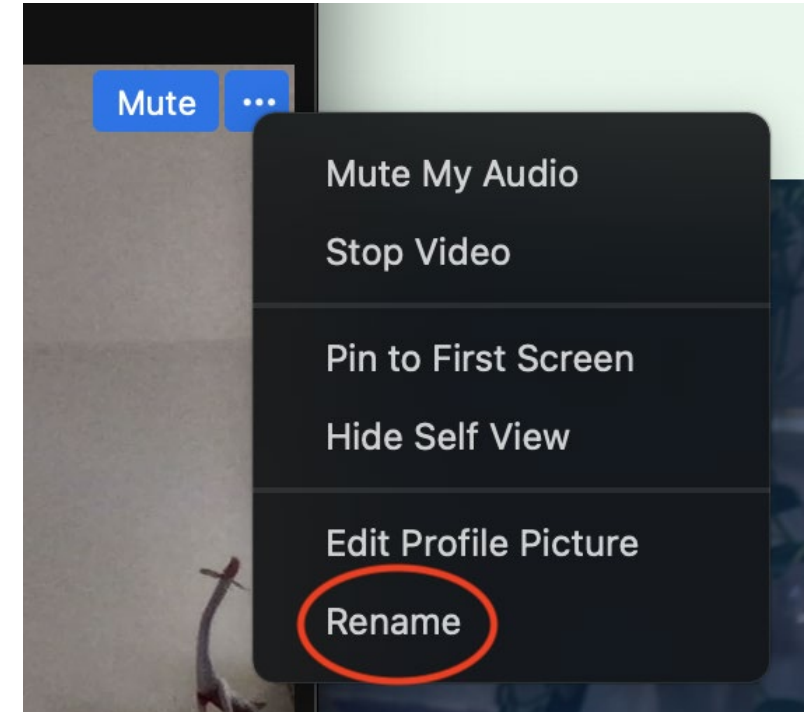
May 1, 2025

Julie Michals, E4TheFuture

Alice Napoleon, Tim Woolf, and Ellen Carlson, Synapse Energy Economics
Greg Ehrendreich and Natalie Newman, Midwest Energy Efficiency Alliance

Housekeeping

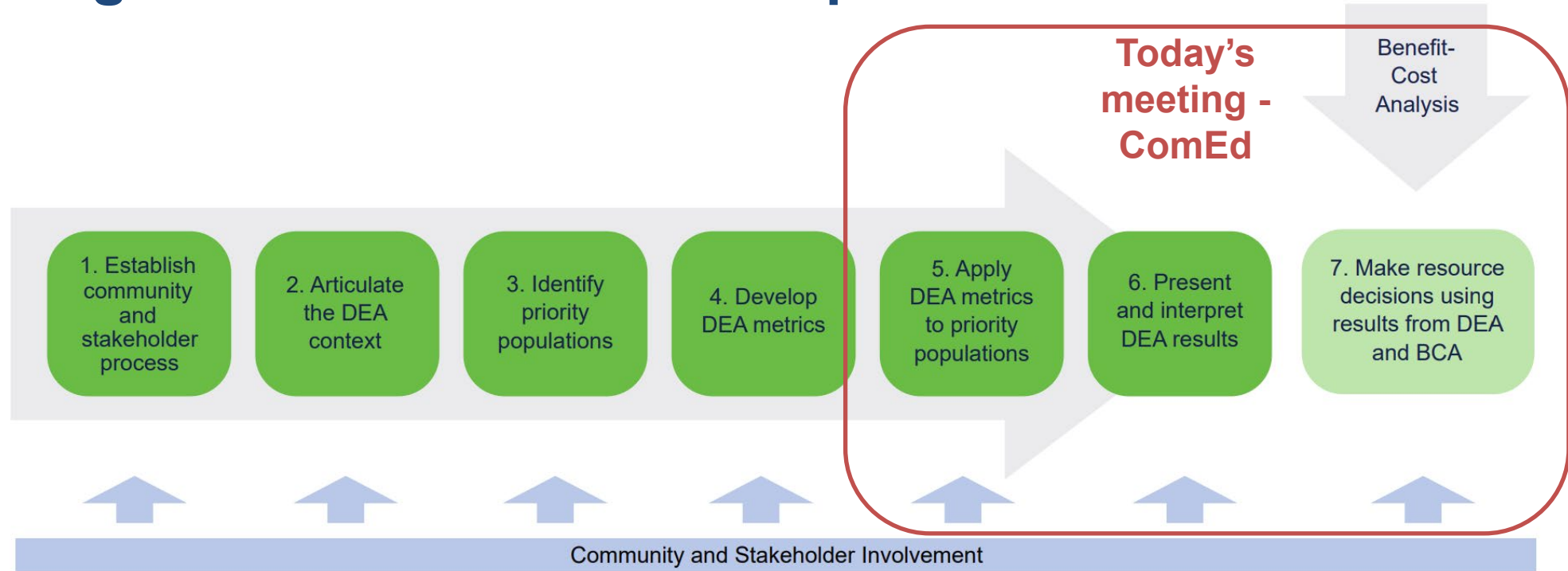
- Please add your affiliations and pronouns to your Zoom name.
- Please mute yourself when you are not speaking.
- If you have a comment or question, please raise your hand or use the chat.
- We will be recording the session to share with DEA Work Group members that could not attend this call.



Agenda

1. Introductions
2. Recap: project goals, the role of the DEA Work Group, and DEA
3. Stages 5-6 of the DEA: Apply DEA metrics to priority populations (focus on ComEd), present and interpret results
 - Background on ComEd's EE plan
 - Metrics findings and results
4. Stage 7 of the DEA: Make resource decisions using results of BCA and DEA
 - Initial conclusions and recommendations
5. Project schedule and next steps

DEA Stages – where we are in the process



Final report and final meeting - **June**

- Describe Ameren BE and ComEd EE case studies
- Present priority populations, metrics, analysis for DEA
- Present results of DEA in relation to BCA results
- Provide recommendations to inform future DEA case studies

ComEd EE case study: recap and metric summary

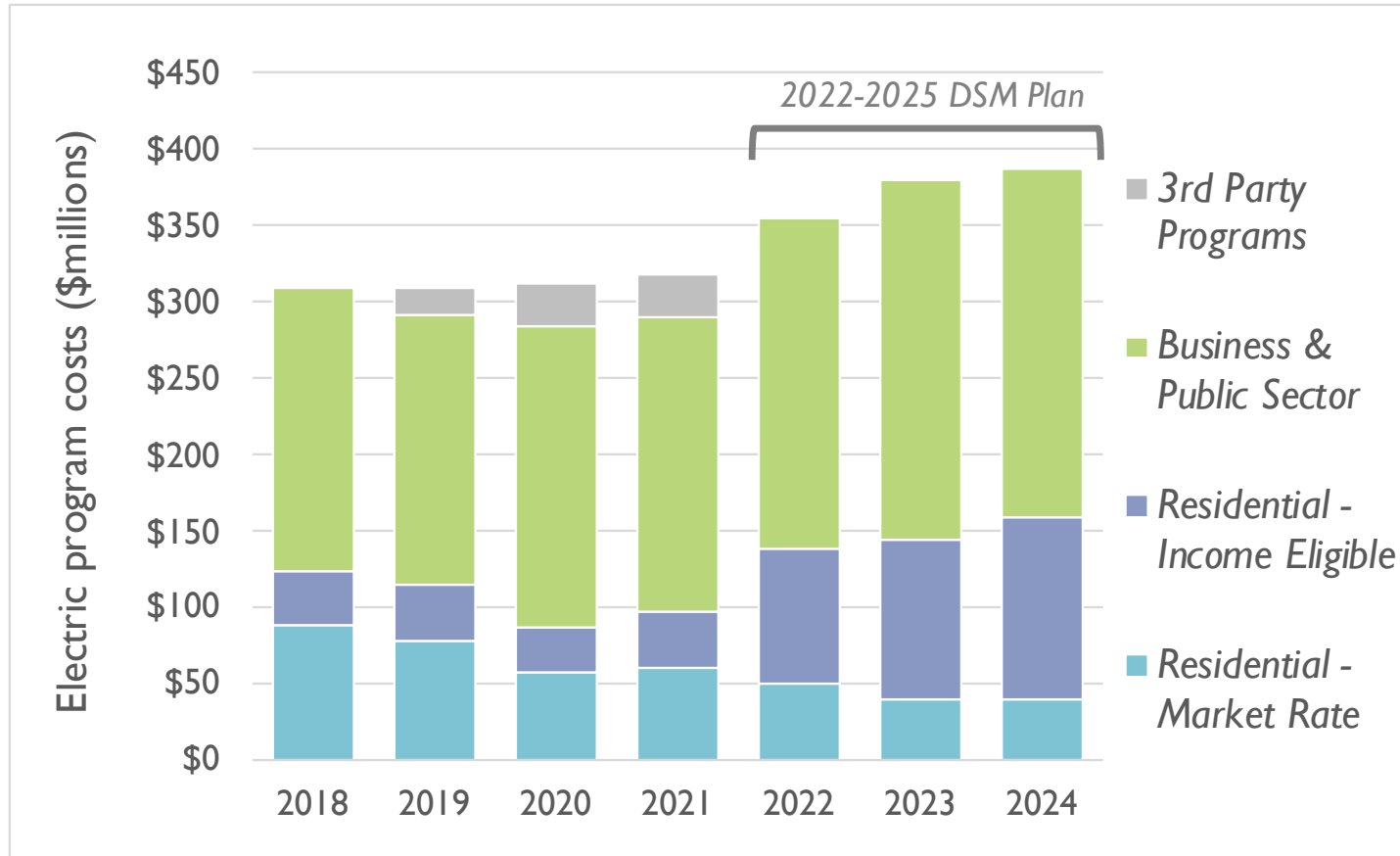
In previous meetings we determined the DEA context, priority population, and metrics for each case study. During this meeting, we are focusing on ComEd:

Proposal	Utility	DER	Programs	Priority Population	Perspective
Case Study #1	ComEd	EE Plan	<i>Focus on residential programs</i>	Low-income ("income eligible", or IE)	Retrospective

Metric	Assessment level	Included in DEA?
1. Participation	<i>Residential sector</i>	Included
2. Utility Investment	<i>Residential sector</i>	Included
3. Energy Savings	<i>Residential sector</i>	Included
4a. Rate Impacts	<i>Entire portfolio</i>	Insufficient data
4b. Bill Impacts	<i>Entire portfolio</i>	Insufficient data
5. Shutoffs	<i>Residential sector</i>	Insufficient data

Background on ComEd's 2022-2025 EE Plan

ComEd EE Portfolio Overview











- This case study focuses on the past three years of the 2022-2025 Energy Efficiency and Demand Response Plan (“EE Plan”)
- Section 8-103B of the Public Utilities Act requires electric utilities to file 4-year EE plans aimed at achieving a set level of energy savings each year.
- Spending on residential income eligible programs has roughly doubled since the previous plan cycle.

Data source: ComEd Annual Reports, available at: <https://www.ilsag.info/reports/utility-reports/#comed>

ComEd Residential EE Programs Overview

Focus of this DEA is on the residential sector programs, which include offerings for income-eligible (IE) customers in addition to market rate programs.

Sector	Program	% Res Budget ⁽¹⁾	Description
Residential & Income Eligible	 Retail/Online*	27%	Rebates for Energy Star certified appliances, home products and lighting products.
	 Single Family Upgrades*	23%	Free assessments and installation of energy savings products
	 Multi-Family Upgrades*	23%	Efficiency upgrades for multi-family properties, including gas and electric measures for tenant units and common areas
	 Whole Home Electric*	7%	Comprehensive upgrades and weatherization to convert income-eligible single-family and multifamily buildings to all-electric.
	 Product Distribution*	10%	Kits and distribution of products through Food Banks, Food pantries and other partners
	 Residential New Construction*	3%	Affordable Housing New Construction (AHNC) and Electric Homes New Construction (EHNC)
	 Contractor/Midstream Rebates	2%	Incentives for replacing heating & cooling equipment with energy efficient measures.
	 Home Energy Reports	5%	Reports on household energy usage patterns and personalized efficiency advice, including behavioral principles

**includes income-eligible offerings*

ComEd EE Portfolio Overview – Stipulations and Reporting

- The Energy Efficiency Stakeholder Advisory Group (SAG) was established by the ICC to provide transparency and collaboration in the development and implementation of utility EE programs in Illinois.
 - The SAG reviews new program designs, budgets and progress against statutory goals
 - Non-financially interested SAG members may be involved in settlement discussions around the EE plans
- [Revised Stipulation Agreement](#) for ComEd's Revised 2022-2025 EE Plan requires ComEd to report on several metrics starting in 2022 quarterly and annual reports, including:
 - Participation and savings for Income Eligible (IE) Multifamily programs
 - Program participation by zip code
 - Health and safety spending (*see next slide*)
 - Supplier diversity metrics (*see next slide*)

Stipulation metrics not assessed in this DEA

- **Health & safety (H&S) spending:** spending on H&S measures that allow energy efficiency work to safely proceed, as required by statute.⁽¹⁾
 - This includes measures addressing structural/roof issues, asbestos or mold, electrical or mechanical issues, etc., that may be a barrier for installing EE.
 - ComEd reports the \$ spending on H&S for the single-family and multifamily energy savings programs.
- **Supplier diversity metrics:** number of diverse contractors and portion of spending on diverse contracts
 - Spending and # of vendors who are: minority-owned, women-owned or veteran owned.
 - Synapse does not have geographic information to know whether these are Illinois businesses or employ Illinois staff

H&S spending was not previously chosen as a metric for this DEA.

Additional tracking/data is needed for supplier diversity/workforce impacts to be used as a DEA metric

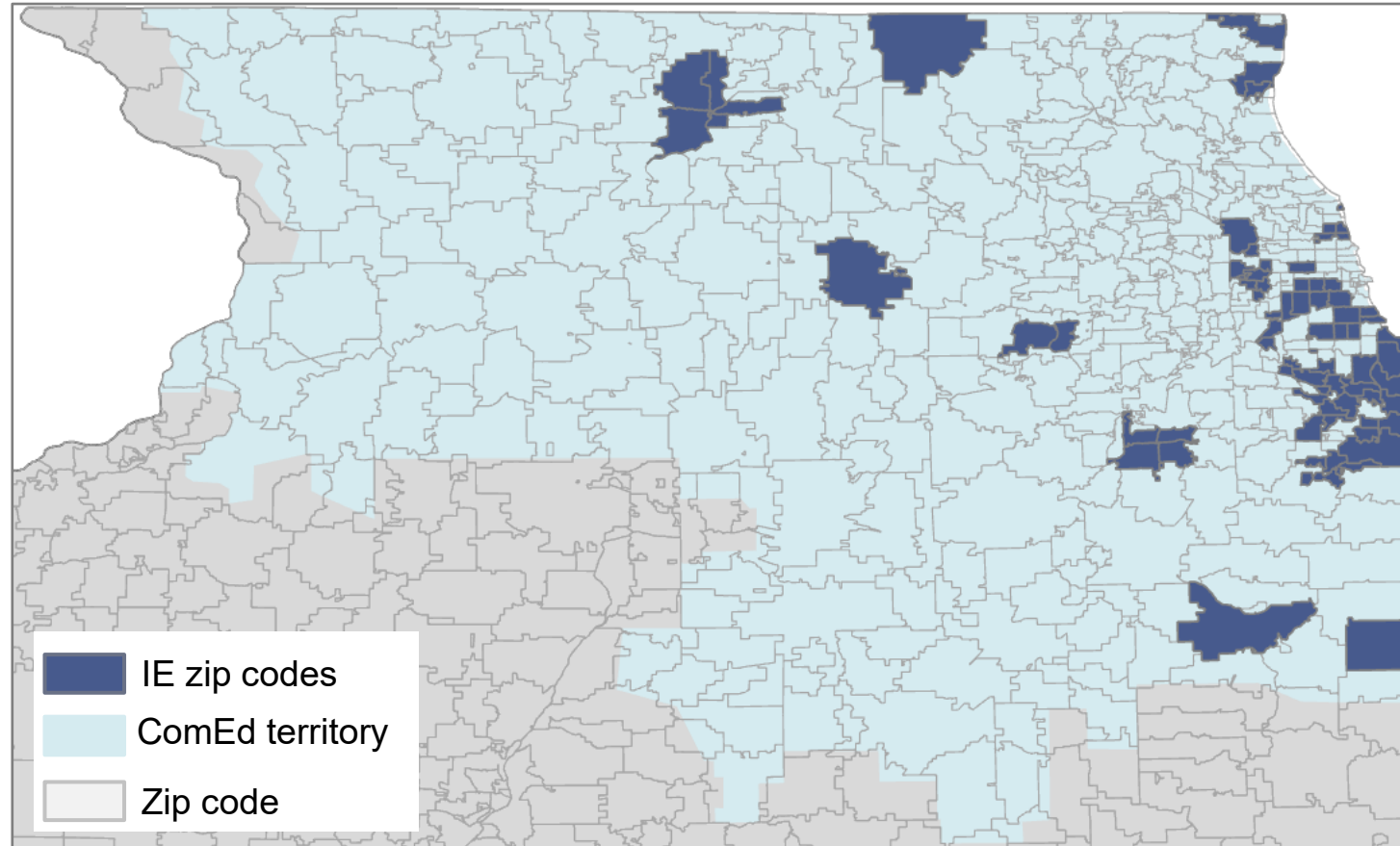
(1) <https://www.ilga.gov/legislation/publicacts/102/PDF/102-0662.pdf>

Stage 5 - Apply DEA metrics to priority populations

Initial findings for ComEd EE Plan

Priority Population for DEA: Income-Eligible

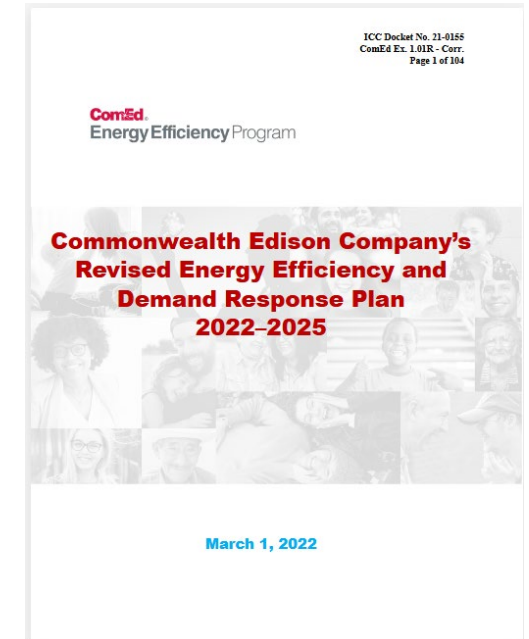
- EE programs define low-income (income-eligible) households as those whose income is at or below 80% of the Area Median Income (AMI).⁽¹⁾
 - Some ComEd EE programs utilize income eligible zip codes or census tracts to determine eligibility, which are zip codes or census tracts where at least 50% of a geography's households meet this threshold.
- Other programs and policies in place in Illinois may use different definitions of low-income than the EE programs.



(1) <https://www.ilga.gov/legislation/publicacts/102/PDF/102-0662.pdf>

Data sources for DEA metrics

- **2022-2025 Revised EE and DR Plan** – program descriptions, budget, energy savings forecasts
- **Quarterly Reports (2022-2024)**
- **Cost effectiveness reports (2022-2024)**
- **Testimony from relevant dockets** – benefit cost analysis methods
 - 21-055 – Revised ComEd 2022-2025 EE and DR Plan
- Communication with ComEd staff (calls and emails)











ComEd Revised EE and DR Plan 2022-2025

Metrics Results

Metric 1: Participation

- ComEd reports participation annually and quarterly in reports
- ***Bold:*** Participation data assessed for inclusion as a DEA metric

Program		Participation data available & comparable?
	Retail/Online	Yes
	Single Family Upgrades	Yes
	Multi-Family Upgrades	Yes
	Whole Home Electric	Yes
	Residential New Construction	Different participation units tracked for IE and MR
	Product Distribution	Different participation units tracked for IE and MR
	Contractor/Midstream Rebates	Geared towards general residential customer population
	Home Energy Reports	Geared towards general residential customer population

IE: Income Eligible

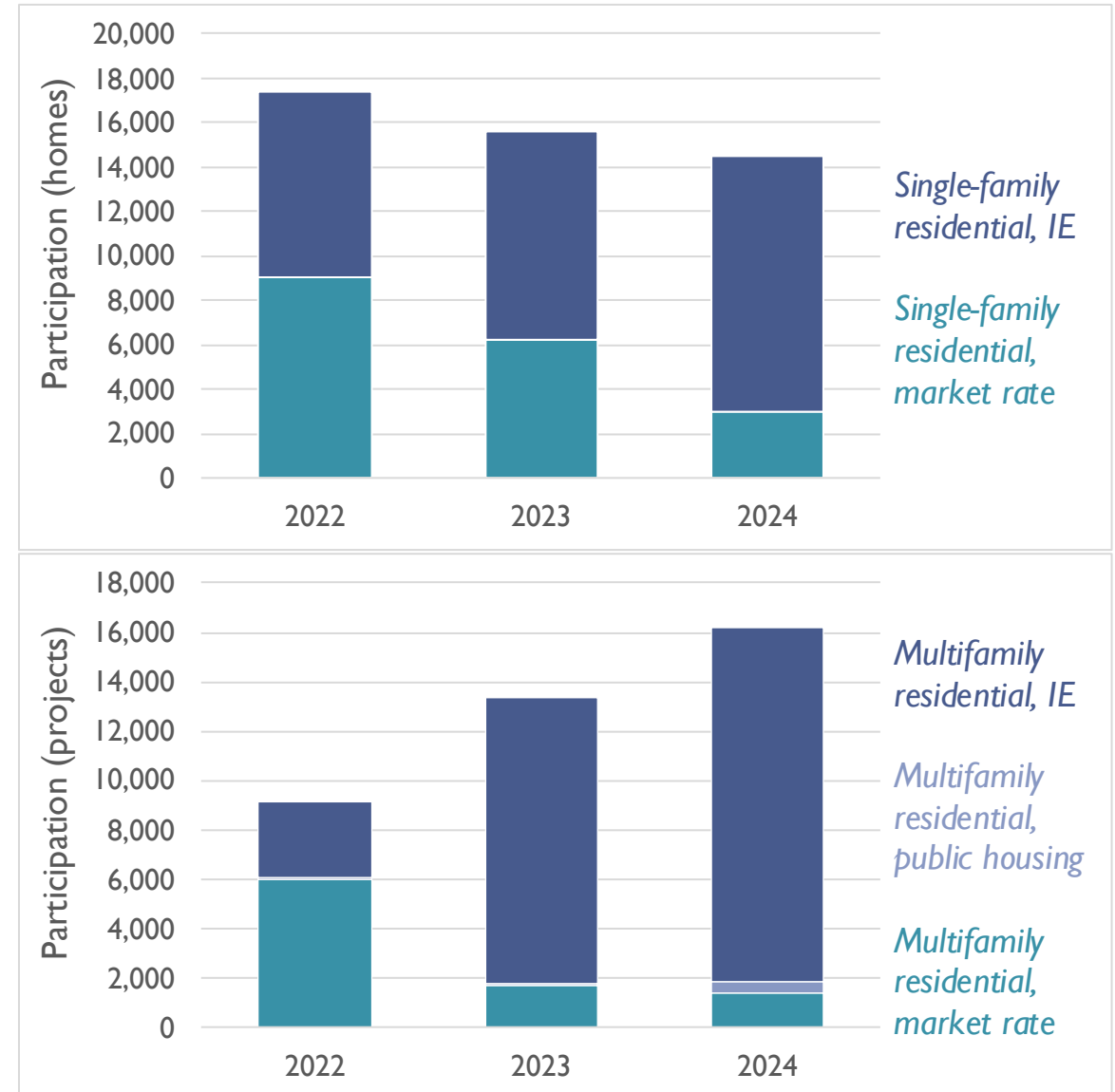
MR: Market-rate (non-income eligible offerings)

Metric 1: Participation – Single-Family & Multifamily Upgrades

- Over the past three years, **63%** of participation in the Single-Family Upgrades program was from IE programs
- **71%** of participation in the Multifamily Upgrades program was from IE projects and public housing projects

Equity Implication

Benefits weighted more towards IE customers than other customers.

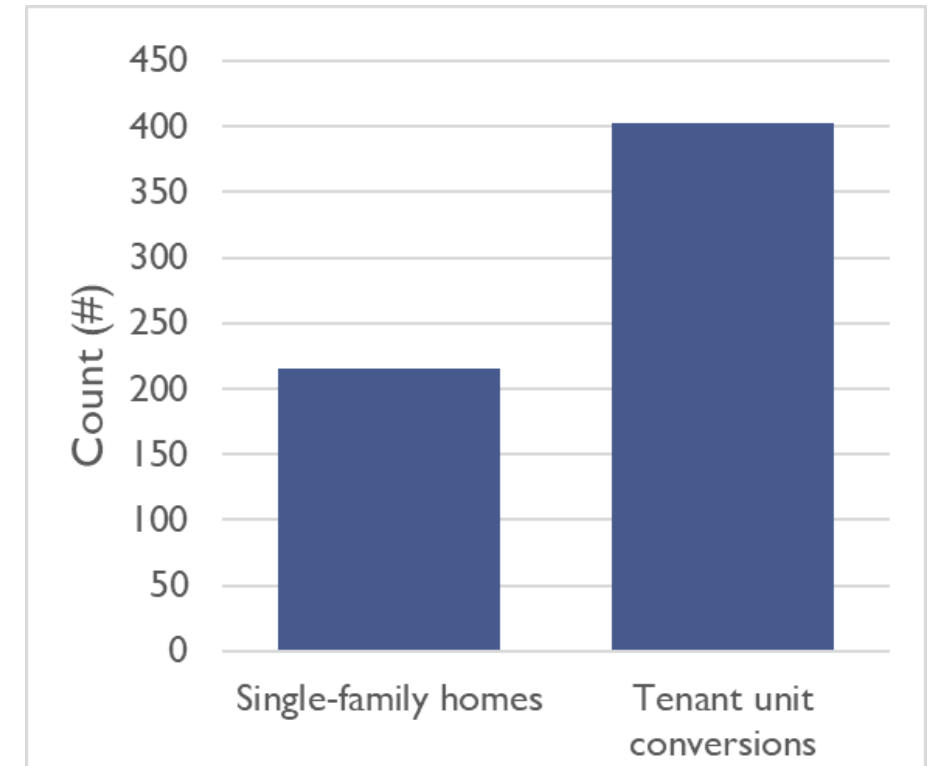


Metric 1: Participation – Whole Home Electric

- 100% of Whole Home Electrification is for IE customers
- In 2023 and 2024, the Whole Home Electrification program served 215 single family IE homes and converted 402 IE tenant units across 9 multifamily buildings

Equity Implication

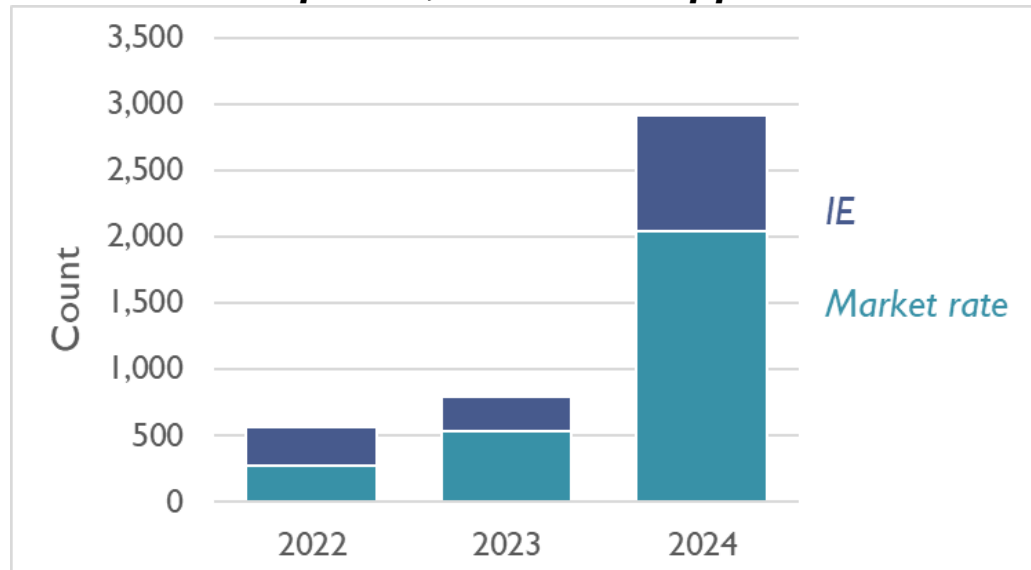
Benefits dedicated towards IE customers



Metric 1: Participation – Retail/Online

- Over the past three years, **38%** of home appliance rebates and **71%** of lighting measures were for IE participants

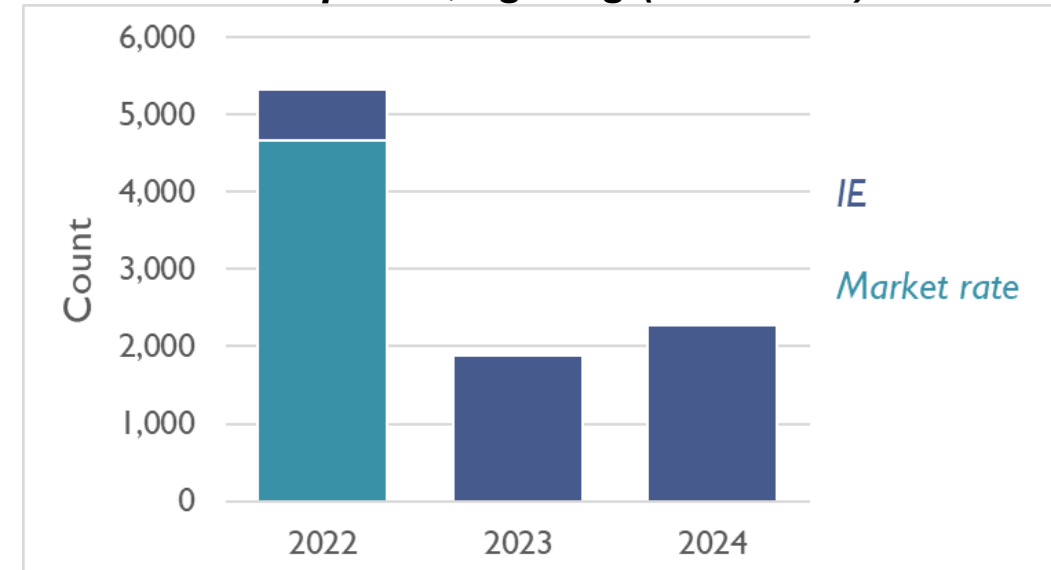
Participation, # of home appliances



Equity Implication

IE customers are offered higher incentives, not clear how IE participation aligns to share of IE customers

Participation, lighting (# of bulbs)*








**Note, lighting only offered to IE customers starting in 2023*

Equity Implication

Benefits weighted more towards IE customers than other customers.





Metric 1: Participation – Summary

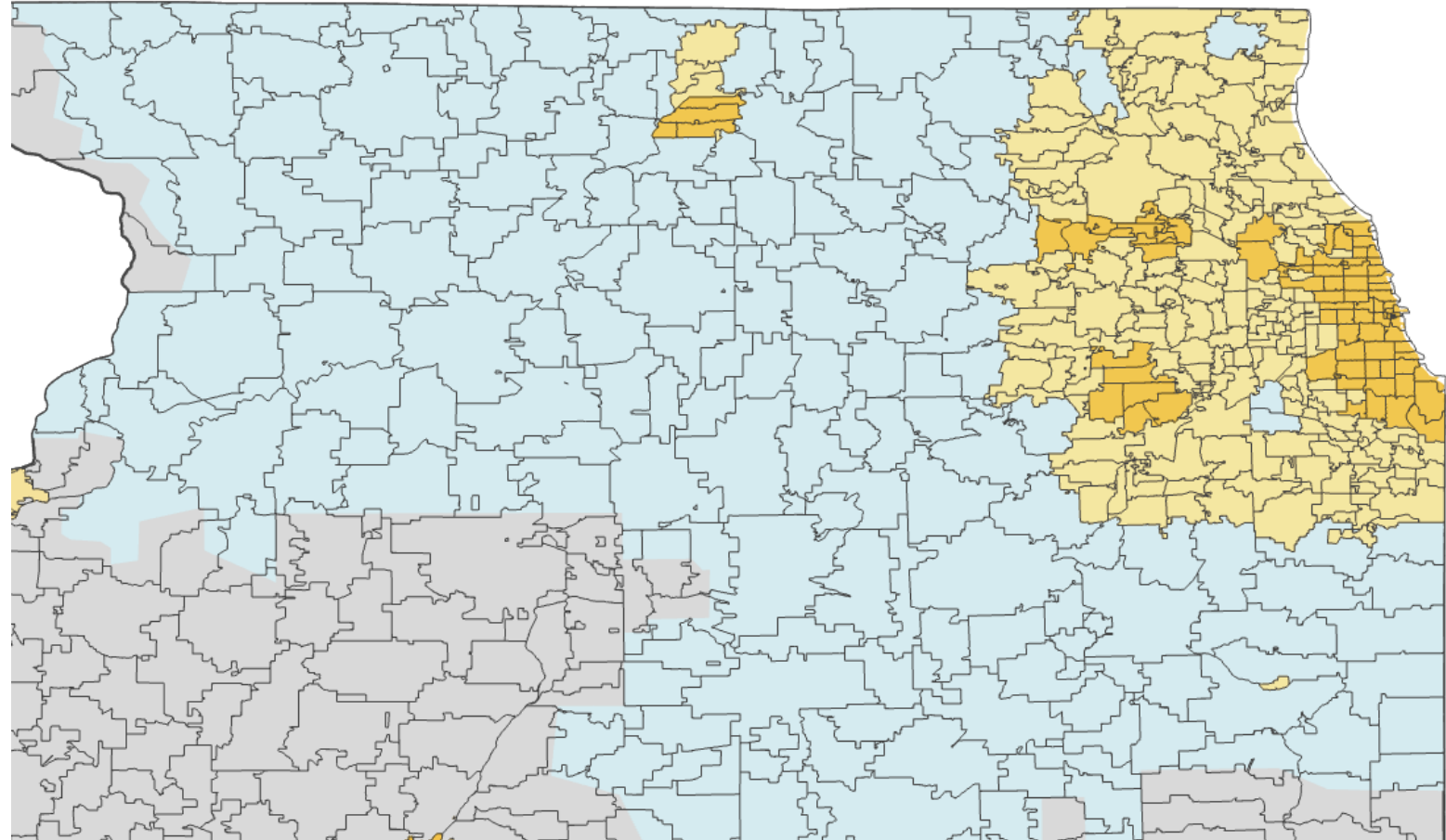
Program	IE % Participation	Equity Implication
 Retail/Online - appliances	38%	<i>IE customers have slightly lower share of participation but receive higher incentives</i>
 Retail/Online - lighting	71%	<i>Benefits weighted more towards IE customers than other customers.</i>
 Single Family Upgrades	63%	<i>Benefits weighted more towards IE customers than other customers.</i>
 Multi-Family Upgrades	71%	<i>Benefits weighted more towards IE customers than other customers.</i>
 Whole Home Electric	100%	<i>Benefits dedicated towards IE customers</i>

Questions?

Urban Areas in ComEd territory, by zip code

Greater Chicago is defined as “urban” and “suburban” while the rest of ComEd’s territory is rural.

-  Urban areas
-  Suburban areas
-  ComEd territory
-  Zip code boundary

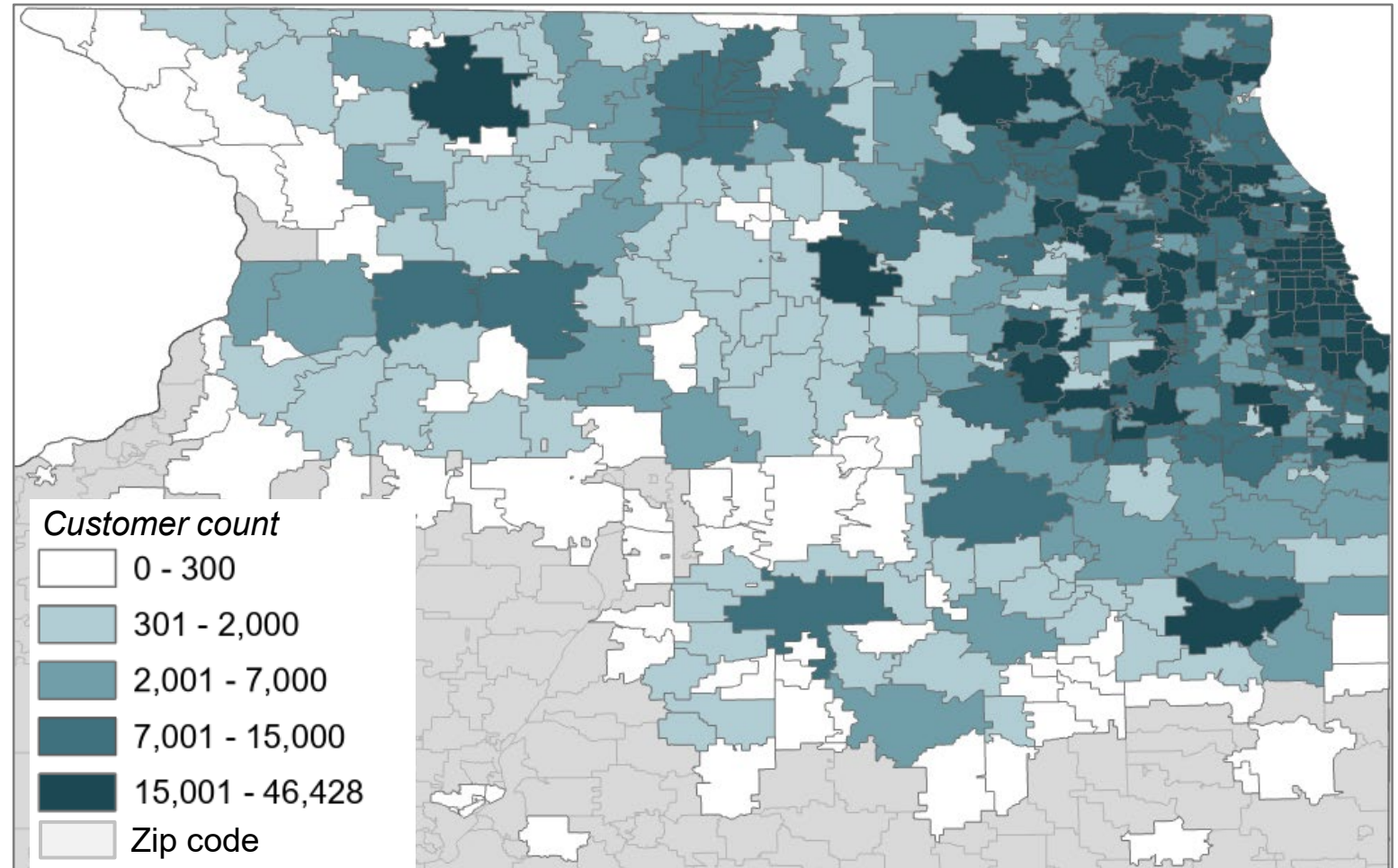


Source: National Center for Education Statistics. ZCTA Locale Classifications.
<https://nces.ed.gov/programs/edge/Geographic/ZCTAAssignments>

ComEd Customers by Zip Code

Total Customers, 2023

Area	% ComEd customers
Urban	38%
Suburban	50%
Rural	12%



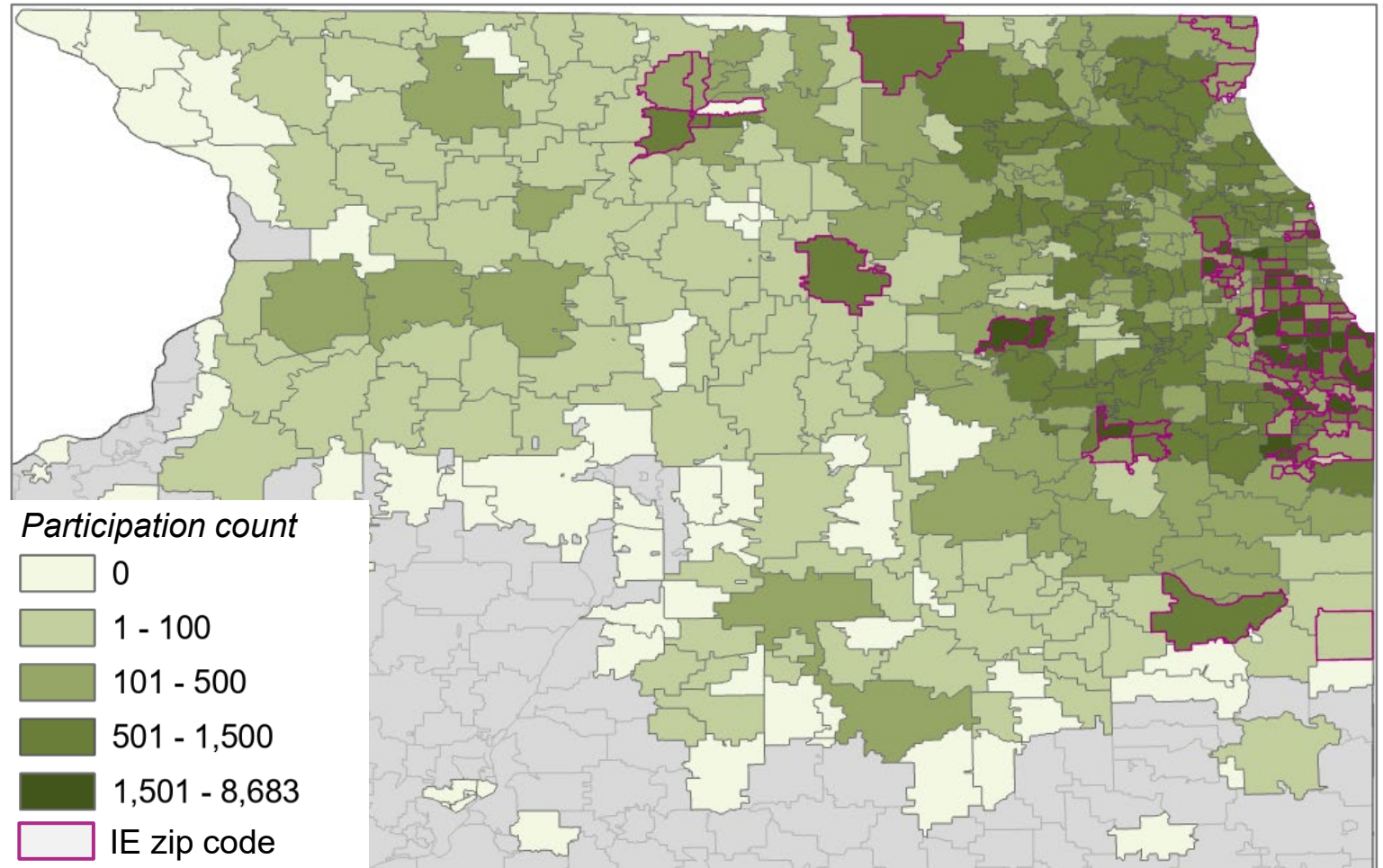
Source: 2023 Credit and Collections Arrearage Annual Reporting, ComEd, Filed May 1, 2024:
<https://www.icc.illinois.gov/chief-clerk-office/filings/list?sd=6383966400000000000&dts=365&ft=2&dt=240&ddt=10127>

Metric 1: Participation, Single Family Upgrades by zip code

Single-family upgrades participation by zip code is similar to the share of ComEd customers in those zip codes

Residential Single Family Upgrades Participation, 2022-2024

	Single-family Upgrades Participation %	For context: % ComEd customers
Urban	39%	38%
Suburban	53%	50%
Rural	9%	12%



Note: Participation based on number of projects, vs unique customers

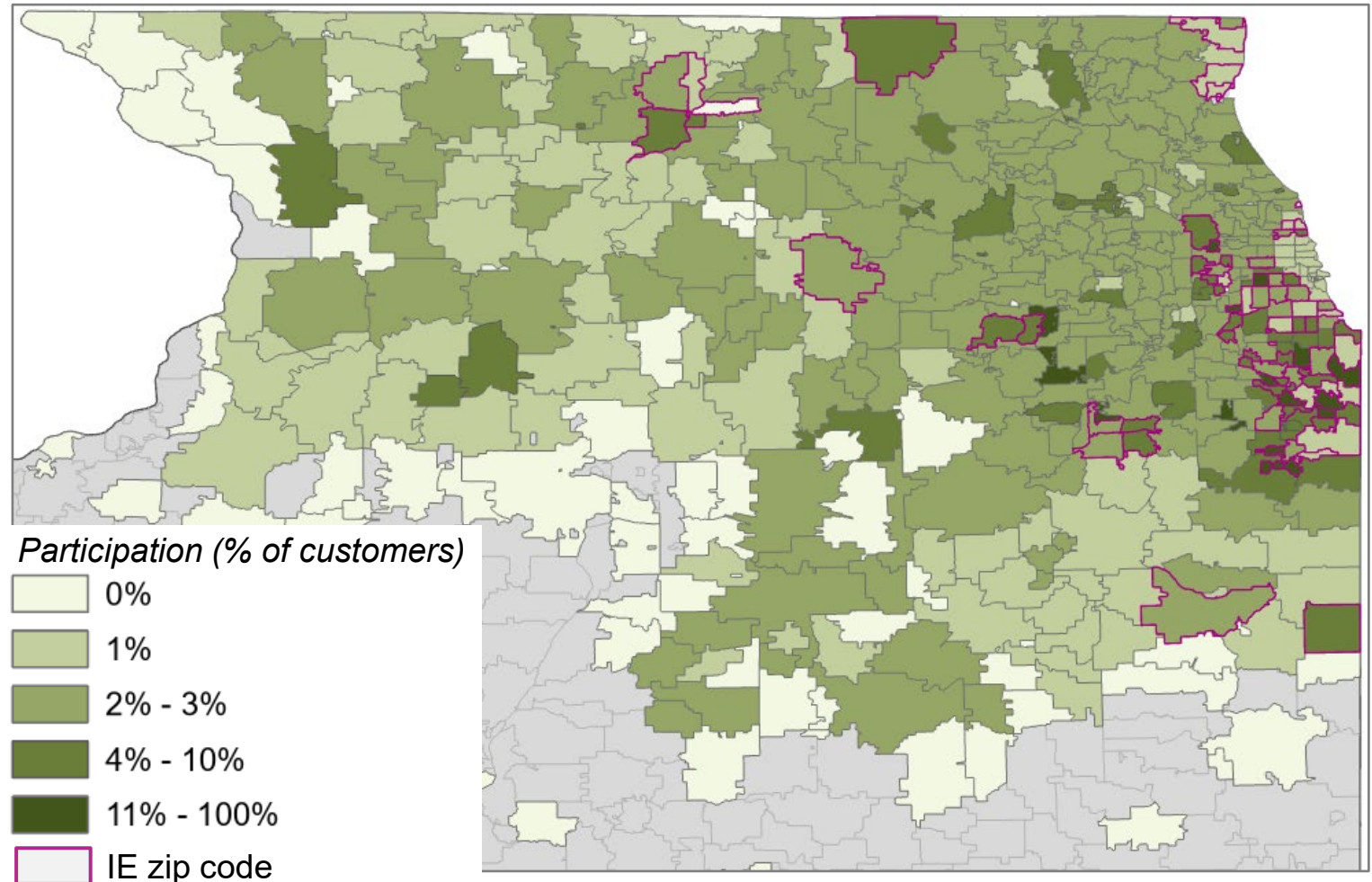
Metric 1: Participation, Single Family Upgrades by zip code

Single-family upgrades participation by zip code is similar to the share of ComEd customers in those zip codes

	Single-family Upgrades Participation %	For context: % ComEd customers
Urban	39%	38%
Suburban	53%	50%
Rural	9%	12%

Note this illustrates a directional analysis; not 1:1 mapping of project to customer as some customers may participate in multiple program components.

Average Single Family Upgrades Participation, as % of total customers



Note: Participation based on number of projects, vs unique customers

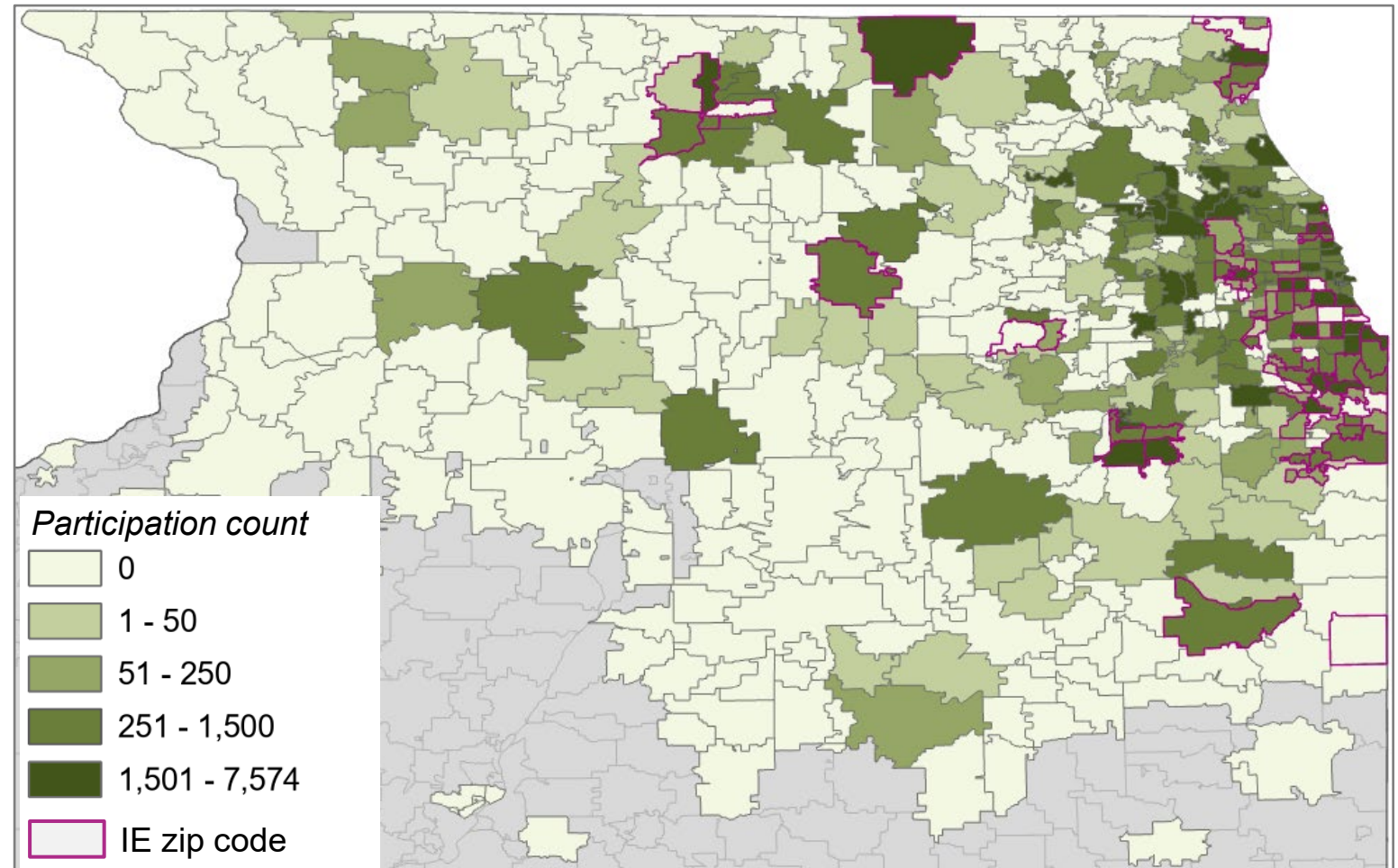
Metric 1: Participation, Multifamily Upgrades by zip code

Higher share of participation in Multifamily Upgrades program in urban areas relative to customer share, compared to rural areas

- In part due to higher density of multifamily housing in urban areas

Residential Multifamily Upgrades Participation, 2022-2024*

	Multifamily Upgrades Participation %	For context: % ComEd customers
Urban	45%	38%
Suburban	51%	50%
Rural	4%	12%



Note: Participation based on number of projects, vs unique customers

Metric 1: Participation, Multifamily Upgrades by zip code

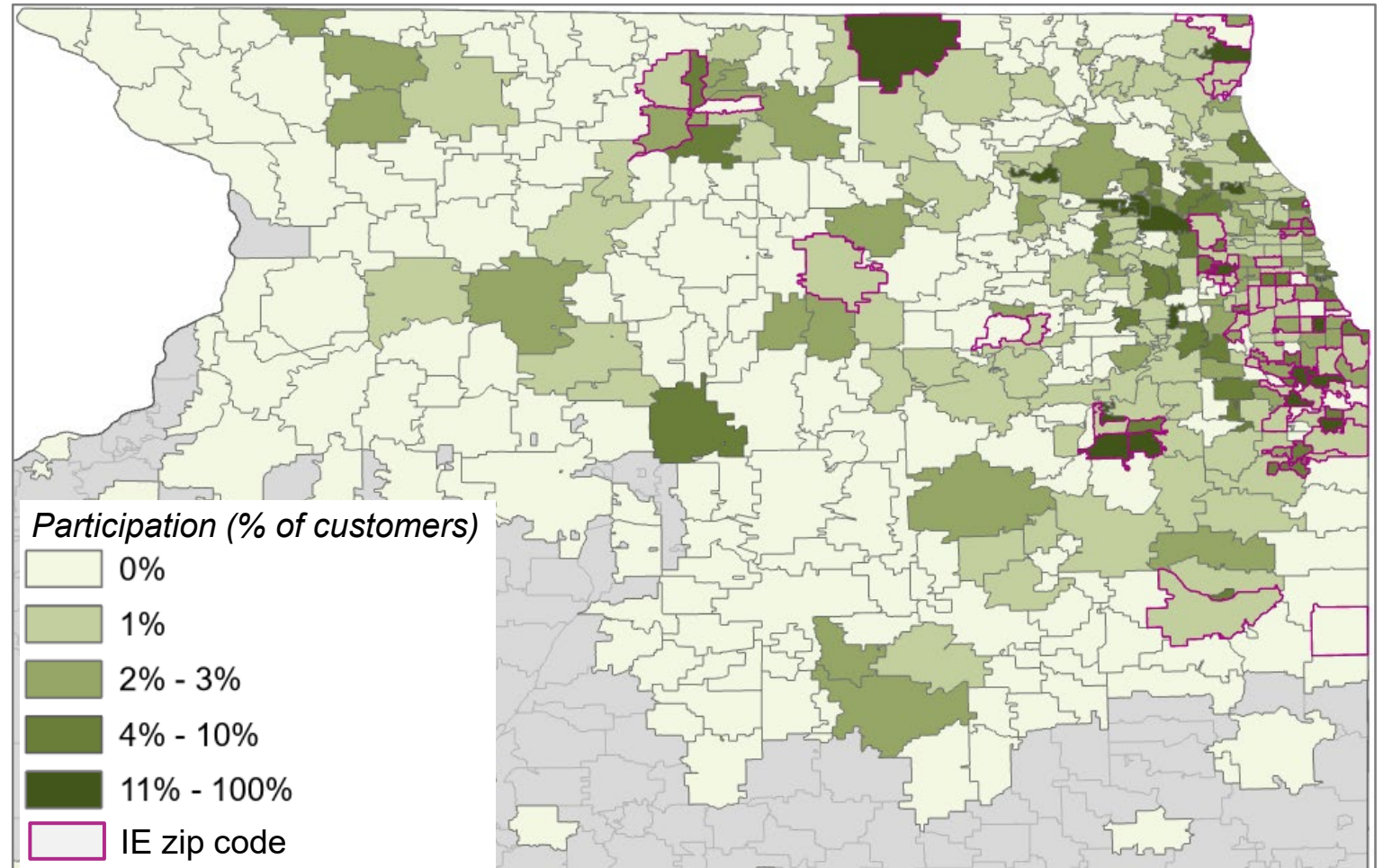
Higher share of participation in Multifamily Upgrades program in urban areas relative to customer share, compared to rural areas

- In part due to higher density of multifamily housing in urban areas

	Multifamily Upgrades Participation %	For context: % ComEd customers
Urban	45%	38%
Suburban	51%	50%
Rural	4%	12%

Note this illustrates a directional analysis; not 1:1 mapping of project to customer as some customers may participate in multiple program components.

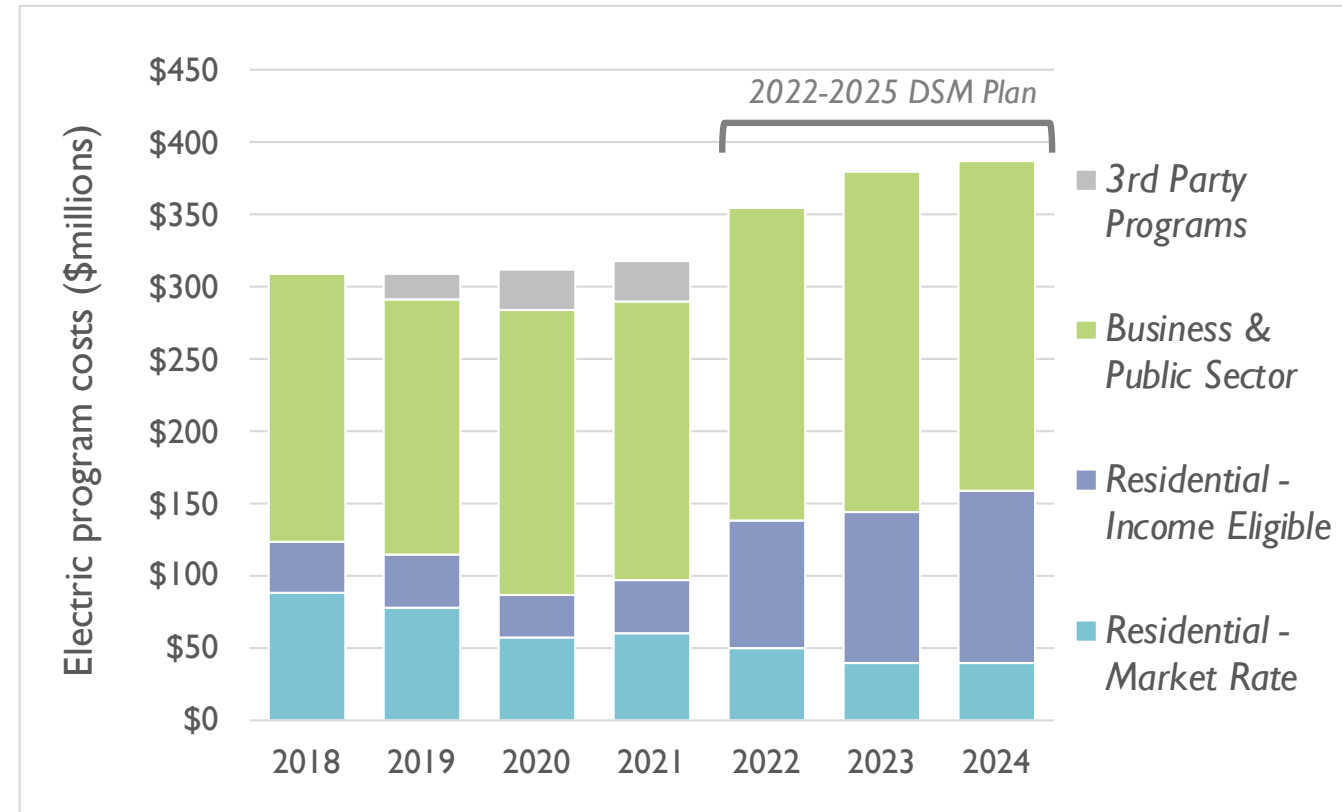
Average Multifamily Upgrades Participation, as % of total customers



Note: Participation based on number of projects, vs unique customers

Metric 2: Utility Investment

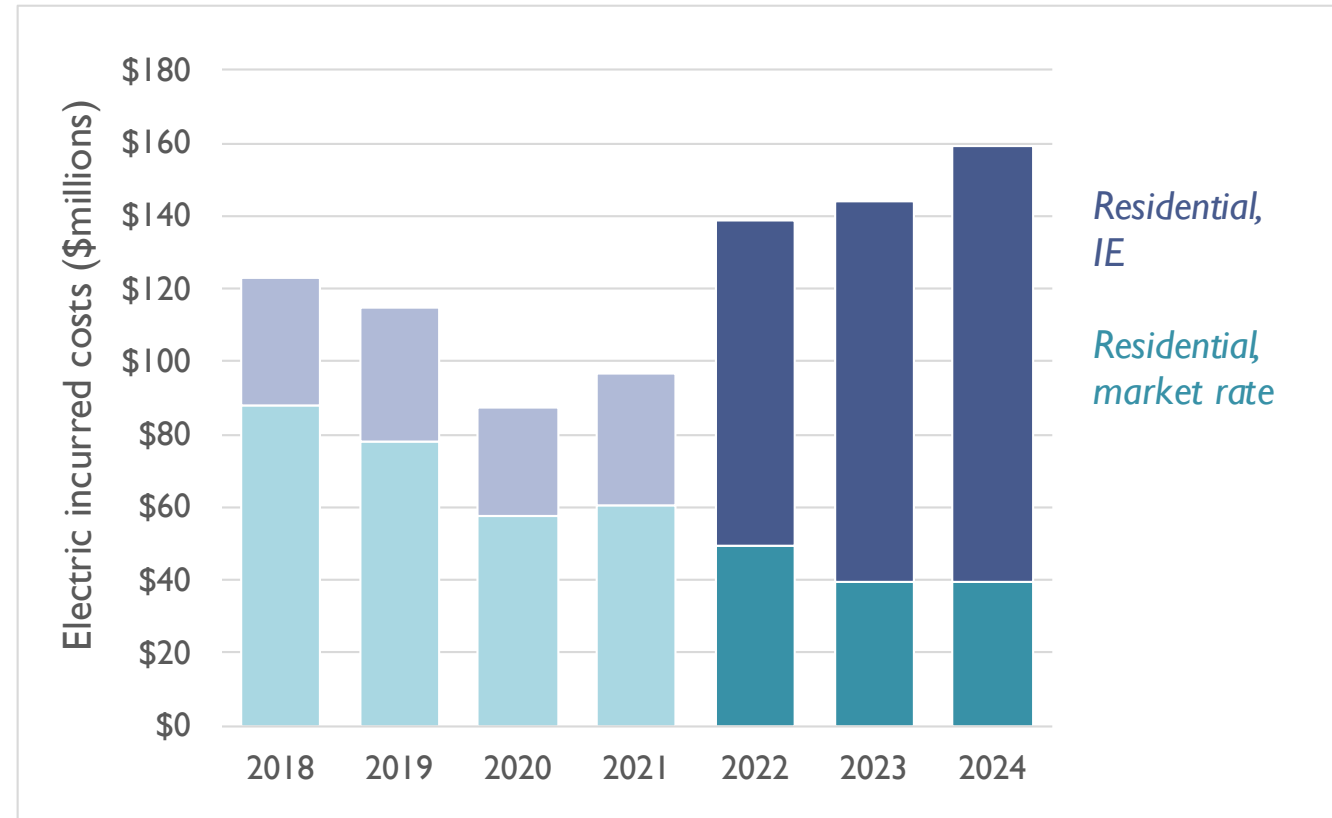
- Residential programs make up **39%** of total EE portfolio budget
- Residential IE programs are **28%** of total EE portfolio budget



Data source: ComEd Annual Reports, available at: <https://www.ilsag.info/reports/utility-reports/#comed>

Metric 2: Utility Investment

- Over the past three years, IE spending was **71%** of total residential spending
 - In previous plan period, IE spending was 32% of residential spending
- Starting in 2022, CEJA requires ComEd to allocate a minimum of \$40M/year to low-income customers in EE plans (*Section 8-103B(c)*).
 - Through ComEd's 2022-2025 EE Plan stipulation agreement, ComEd committed to average annual IE investment of \$100M.



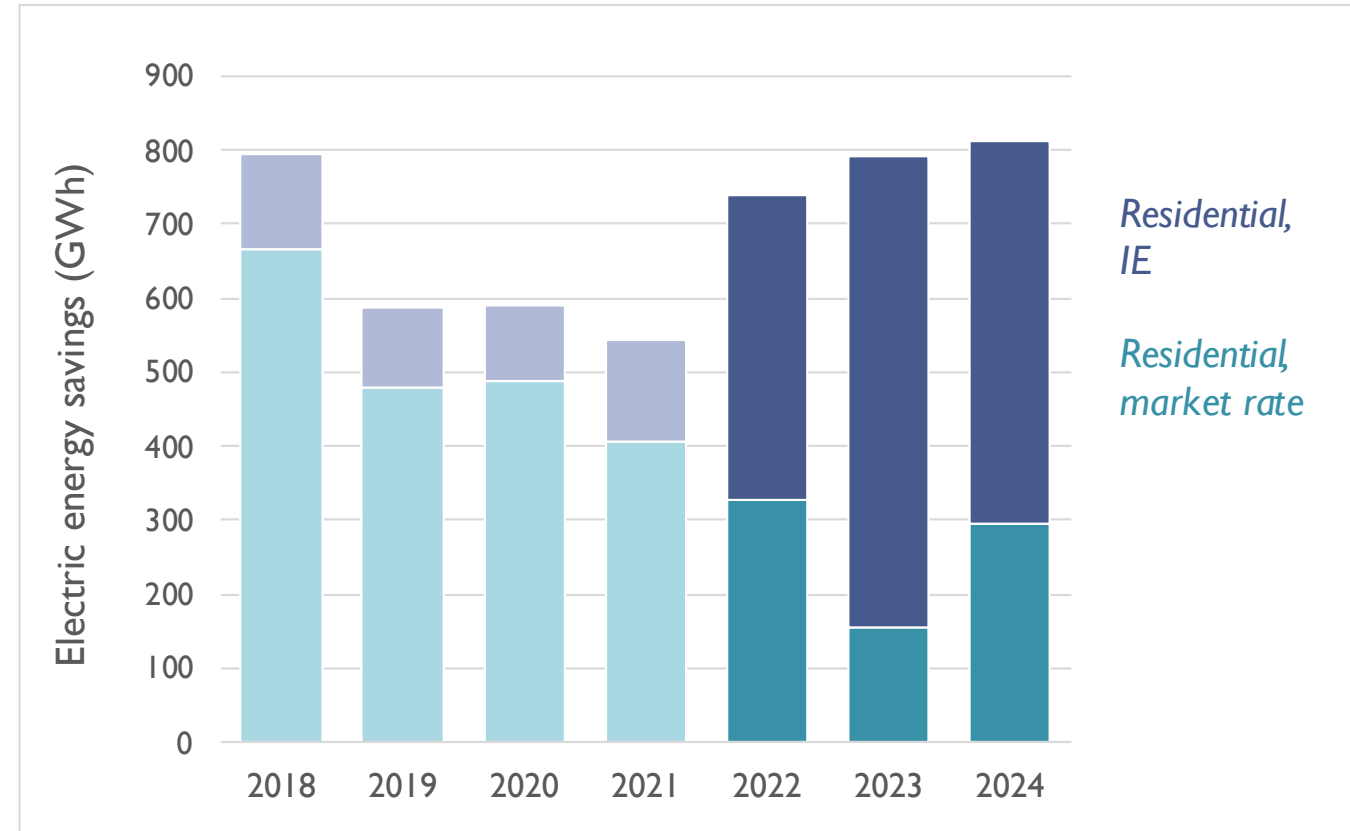
Data source: ComEd Annual Reports, available at: <https://www.ilsag.info/reports/utility-reports/#comed>

Equity Implication

Benefits weighted more towards IE customers than other customers.

Metric 3: Energy Savings

- Residential programs account for **half** of total portfolio energy savings from 2022-2024
 - Residential IE programs are 33% of total EE portfolio savings
- Over the past three years, **67%** of the total residential energy savings were from IE programs
 - This is up from **19%** in previous plan cycle



Data source: ComEd Annual Reports, available at: <https://www.ilsag.info/reports/utility-reports/#comed>

Equity Implication

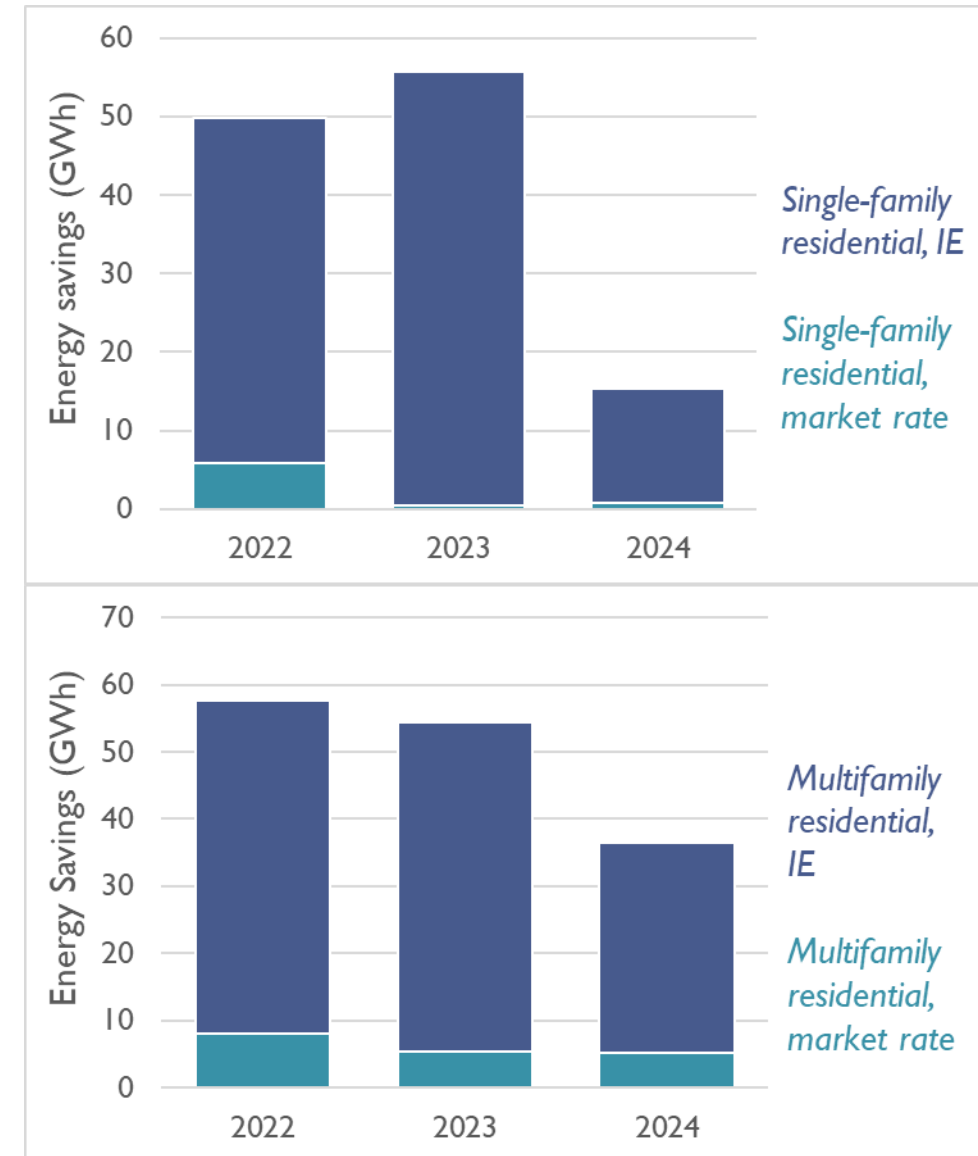
Benefits weighted more towards IE customers than other customers.

Metric 3: Energy Savings – Single Family & Multifamily Upgrades

- On average, **94%** of Single-Family Upgrades energy savings were from IE program participants
- **87%** of Multifamily Upgrades energy savings were from IE projects.

Equity Implication

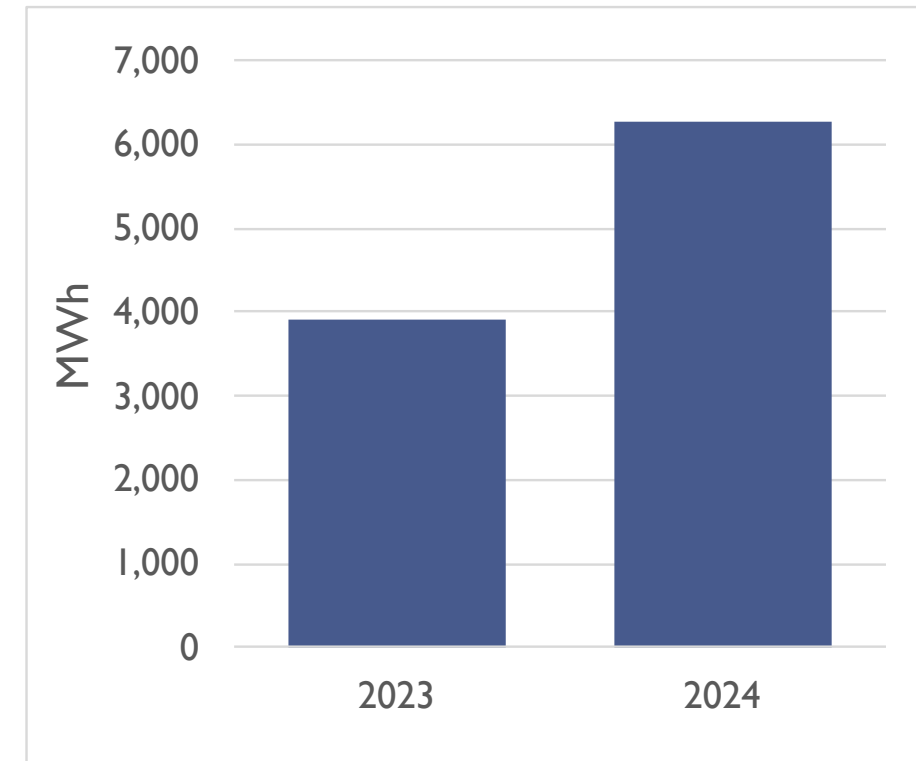
Benefits weighted more towards IE customers than other customers.



Metric 3: Energy Savings – Whole Home Electric

- 100% of Whole Home Electric is IE

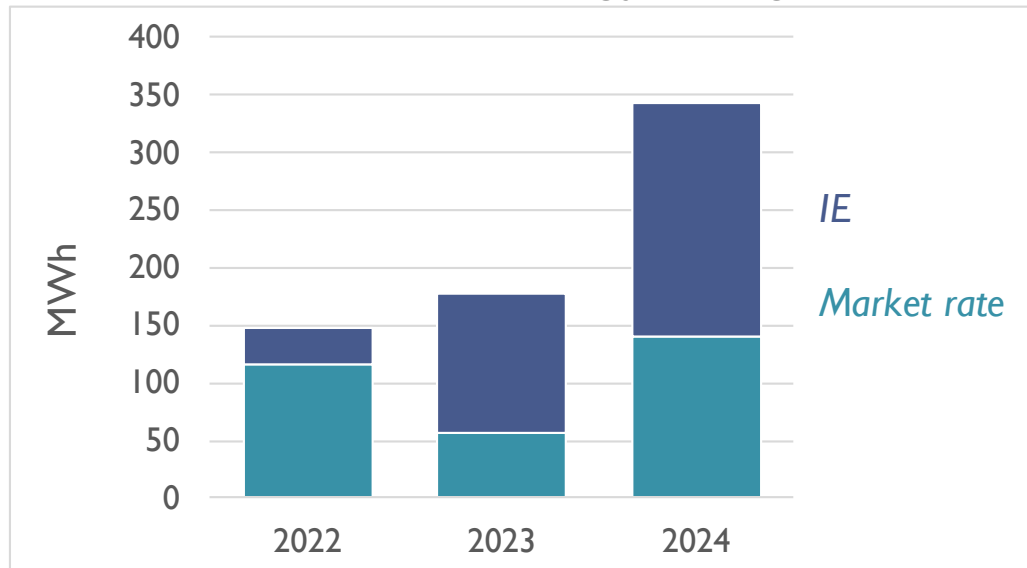
Equity Implication
*Benefits dedicated towards IE
customers*



Metric 3: Energy Savings – Retail/Online & Product Distribution

- Over the past three years, **50%** of retail/online energy savings were for IE participants
- **99%** of product distribution energy savings were from IE kits and food bank measures

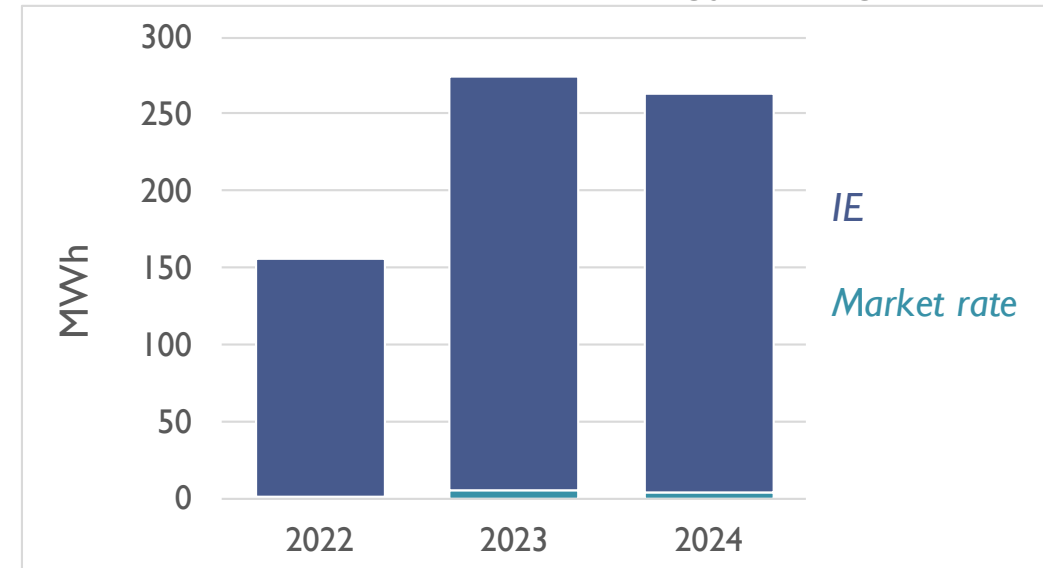
Retail/Online energy savings



Equity Implication

Benefits weighted more towards IE customers than other customers in 2023 and 2024

Product Distribution energy savings



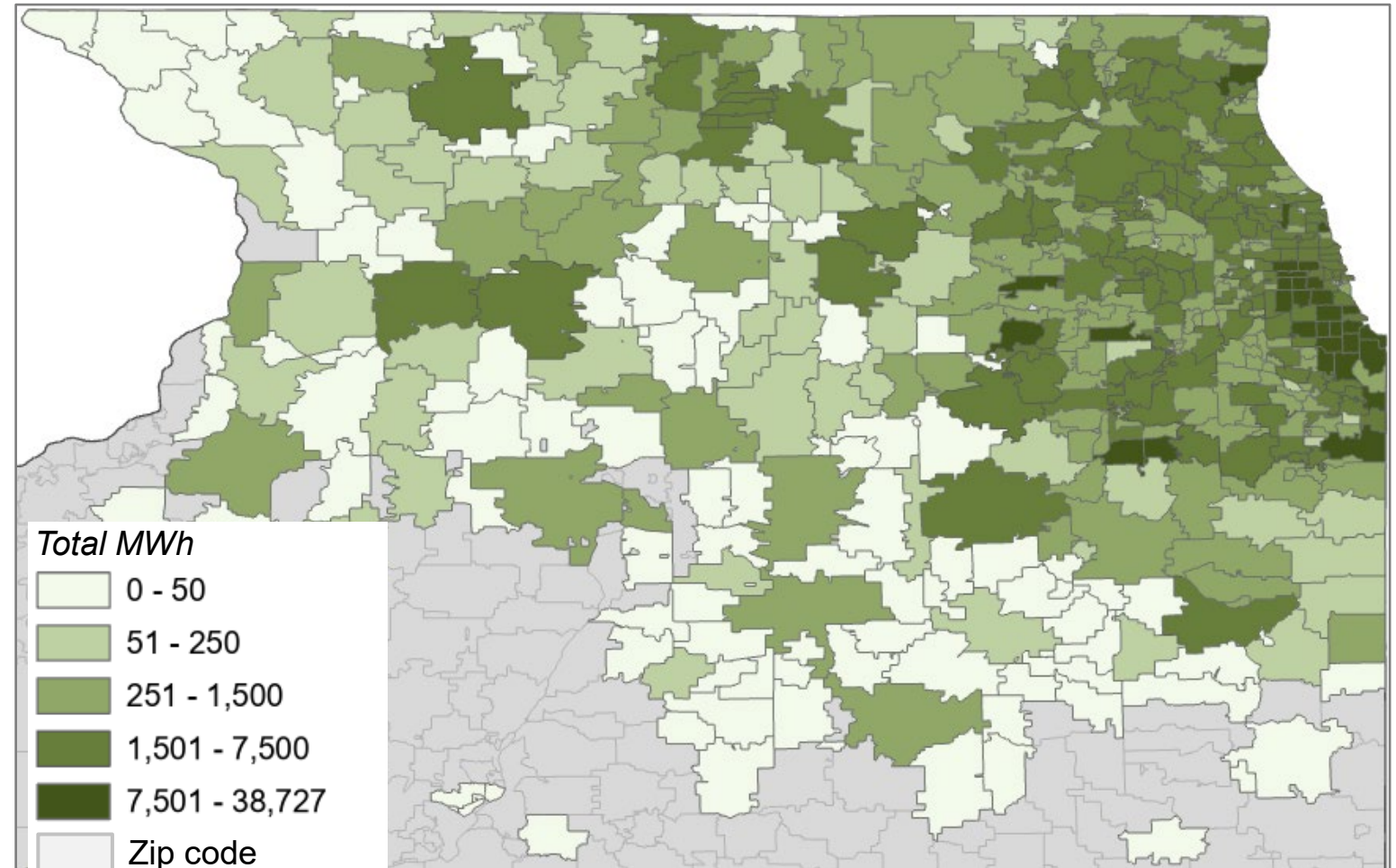
Equity Implication

Benefits weighted more towards IE customers than other customers.






Metric 3: Residential energy savings, by zip code

Residential Programs Energy Savings, 2022-2024 (MWh)

	Share of residential energy savings%	For context: % ComEd customers
Urban	45%	38%
Suburban	45%	50%
Rural	9%	12%



Metric 3: Energy Savings – Summary

Program		IE % Energy Savings	Equity Implication
	Retail/Online	50%	<i>Benefits weighted more towards IE customers than other customers in 2023-24</i>
	Product Distribution	99%	<i>Benefits weighted more towards IE customers than other customers.</i>
	Single Family Upgrades	94%	<i>Benefits weighted more towards IE customers than other customers.</i>
	Multi-Family Upgrades	87%	<i>Benefits weighted more towards IE customers than other customers.</i>
	Whole Home Electric	100%	<i>Benefits dedicated towards IE customers</i>

Questions?

Metric 4a & 4b: Changes in Rates and Bills

We had insufficient data to estimate changes in rates and bills.

- Current data reporting practices regarding gas and electric EE and/or electrification measures do not allow us break out key inputs to identify impacts on all customers for this DEA
- It is difficult to determine actual impact on electric and natural gas sales from the claimed/reported natural gas or electrification measure energy savings, a key input for Step 1.
- We were unable to obtain data from gas utilities to estimate impacts on gas rates in Step 2.

Metric 4a & 4b: Changes in Rates and Bills - Methods

At a high level, a forward-looking assessment of rates and bills for EE programming that includes both electrification and traditional energy efficiency requires the following information and analysis:

1) Estimate impacts on electric rates

- a. Determine increases in electric utility costs due to program implementation
- b. Determine changes (+/-) in electric utility system costs & benefits from EE programs
- c. Determine changes (+/-) in electricity sales from EE programs
- d. Using the above values, calculate electric rate impacts

2) Estimate impacts on gas rates

- a. Determine increases in gas utility costs due to program implementation
- b. Determine changes (+/-) in gas utility system costs & benefits from EE programs
- c. Determine changes (+/-) in gas sales from EE programs
- d. Using the above values, calculate gas rate impacts

3) Determine rate impacts by customer type

- a. For electric-only customers, rate impacts are results of (1)
- b. For customers using both electric and gas, the rate impacts will be both (1) & (2)

4) Determine bill impacts

- a. Calculate bill impacts for all participants and non-participants on average
- b. Understand the share of low-income customers participating in the programs vs all other customers

Metric 5: Shutoffs

- Many low-income customers may face challenges with paying bills and may be more likely to experience shutoffs. Bill savings can help program participants pay their bills and potentially avoid shutoffs.⁽¹⁾
- Analysts have investigated the correlation between shutoffs and energy efficiency programs.⁽²⁾ However, proving a statistically significant historical correlation is still uncertain.⁽³⁾
 - Changes in other policies and external factors, such as service disconnection policies, weather, and impacts of other energy affordability and assistance programs, can make it difficult to determine the impact of the energy efficiency programs alone.
- ComEd is required to track program participation and energy savings for the top 20 zip codes with the highest rates of shutoffs.

Key takeaway





- To further evaluate the the relationship between energy efficiency and shutoffs/affordability, an in-depth research study is needed.

(1) ACEEE. 2023. https://www.aceee.org/sites/default/files/pdfs/toward_affordable_energy_access_-_approaches_to_reducing_energy_unaffordability_arrearages_and_shutoffs_-_encrypt.pdf

(2) ComEd Utility Non-Energy Impacts Research. Guidehouse (Apr 2021). Available at https://www.ilsag.info/wp-content/uploads/ComEd-Utility-NEI-Overview_2021-04-19.pdf

(3) NMR Group, Inc. X1942A Cross-cutting NEI Study – Utility NEI and Arrearage Data Analysis Results. Submitted to Connecticut Energy Efficiency Board. May 2022. Available at: https://energizect.com/sites/default/files/2022-05/X1942A%20Cross-cutting%20Utility%20NEI%20Analysis%20Results%20REVIEW%20DRAFT%202022_05_10.pdf

Summary of DEA Results

Metric	Metric Unit	Conclusion
Participation	 % of participants	<i>Benefits weighted more towards IE customers than other customers.</i>
Utility investment	 % of residential program budget (\$)	<i>Benefits weighted more towards IE customers than other customers.</i>
Energy savings	 % of total energy savings	<i>Benefits weighted more towards IE customers than other customers.</i>
Rate impacts	\$ Relative change in rates	<i>Insufficient data</i>
Bill impacts	 1 st year monthly bill savings	<i>Insufficient data</i>

Questions?

Stage 7: Making Resource Decisions using BCA and DEA Results

ComEd EE Plan

Key Considerations for DEA and BCA Results

- DEA case studies offer insights into distribution of EE program impacts to low-income customers relative to other customers
- We don't have the full picture, as data gaps exist due to various factors: there are limitations on granularity of data and timing of analysis (e.g., the 2022-2025 plan cycle is still ongoing)
- Results of BCA and DEA together can help inform decisions about program funding and program designs, where decision-making may involve more 'art' than 'science' in some cases.

Key Impacts in Benefit-Cost Analysis

Impacts included in the Total Resource Cost (TRC)

Impact Type	Impact Category	TRC Test
Utility System	Electric Energy	cost or benefit
	Electric Capacity	cost or benefit
	Fossil Fuel Costs	cost or benefit
	Program Administration	cost
Host Customer	Avoided replacement costs	benefit
	Incremental Measure Costs	costs
Other	Water Costs	benefit
Societal Impacts	Environmental adder (GHGs)	cost or benefit
	Societal Non-energy Impacts (NEIs) (Public health benefits from emissions and pollutant reductions)	benefit

BCA answers the question:

Does the DER investment bring more benefits than costs to the utility and ratepayers, as a whole?

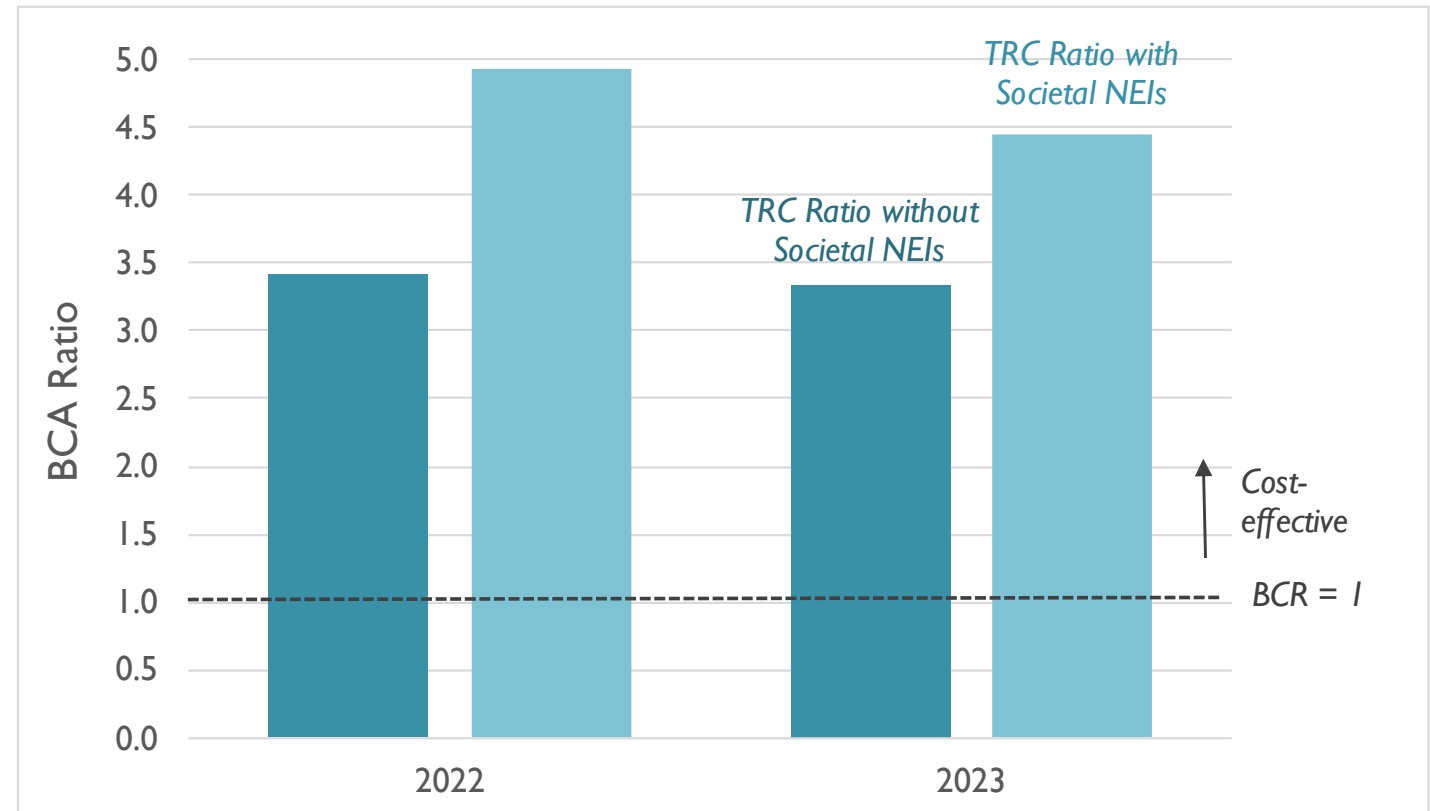
Questions?

ComEd Plan – TRC test results

If **Benefits (\$)** / **Costs (\$)** ≥ 1 ,
the plan is cost-effective.

- *Societal NEIs*: In 2022 and 2023, ComEd residential programs resulted in \$149 and \$178 million in public health benefits, respectively^{(1),(2)}
 - Public health benefits from reduced pollutant emissions calculated using EPA's AVERT/COBRA models.
 - Data not available at a granular level to know who exactly is benefitting from these reduced emissions. Thus, included as a societal benefit in TRC test.

TRC Results for Residential Sector



The overall portfolio must have a TRC ratio > 1 . Income-eligible programs do not have to be cost-effective.⁽³⁾

(1) ComEd CY2022 Societal Non-Energy Impacts Research Report <https://www.ilsag.info/wp-content/uploads/ComEd-CY2022-Societal-NEI-Report-2023-06-12-Final.pdf>

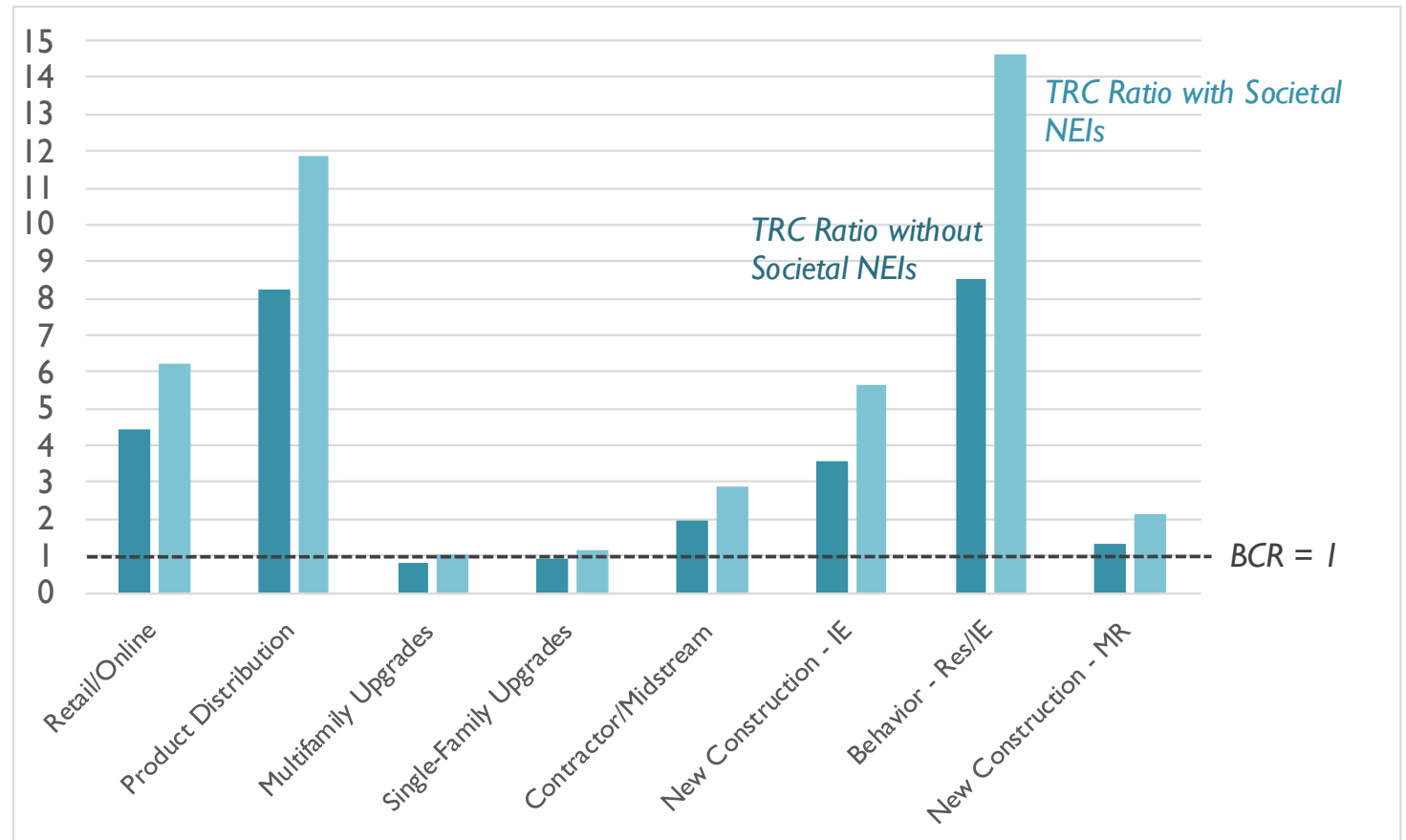
(2) ComEd Societal Non-Energy Impacts CY2023 Research Report. <https://www.ilsag.info/wp-content/uploads/ComEd-Societal-NEI-Impacts-CY2023-Research-Report-2024-06-28-Final.pdf>

(3) Public Utilities Act (220 ILCS 5/8-104(b))

ComEd Plan – TRC test results – 2022 by Program

If **Benefits (\$)** / **Costs (\$)** \geq 1, the plan is cost-effective.

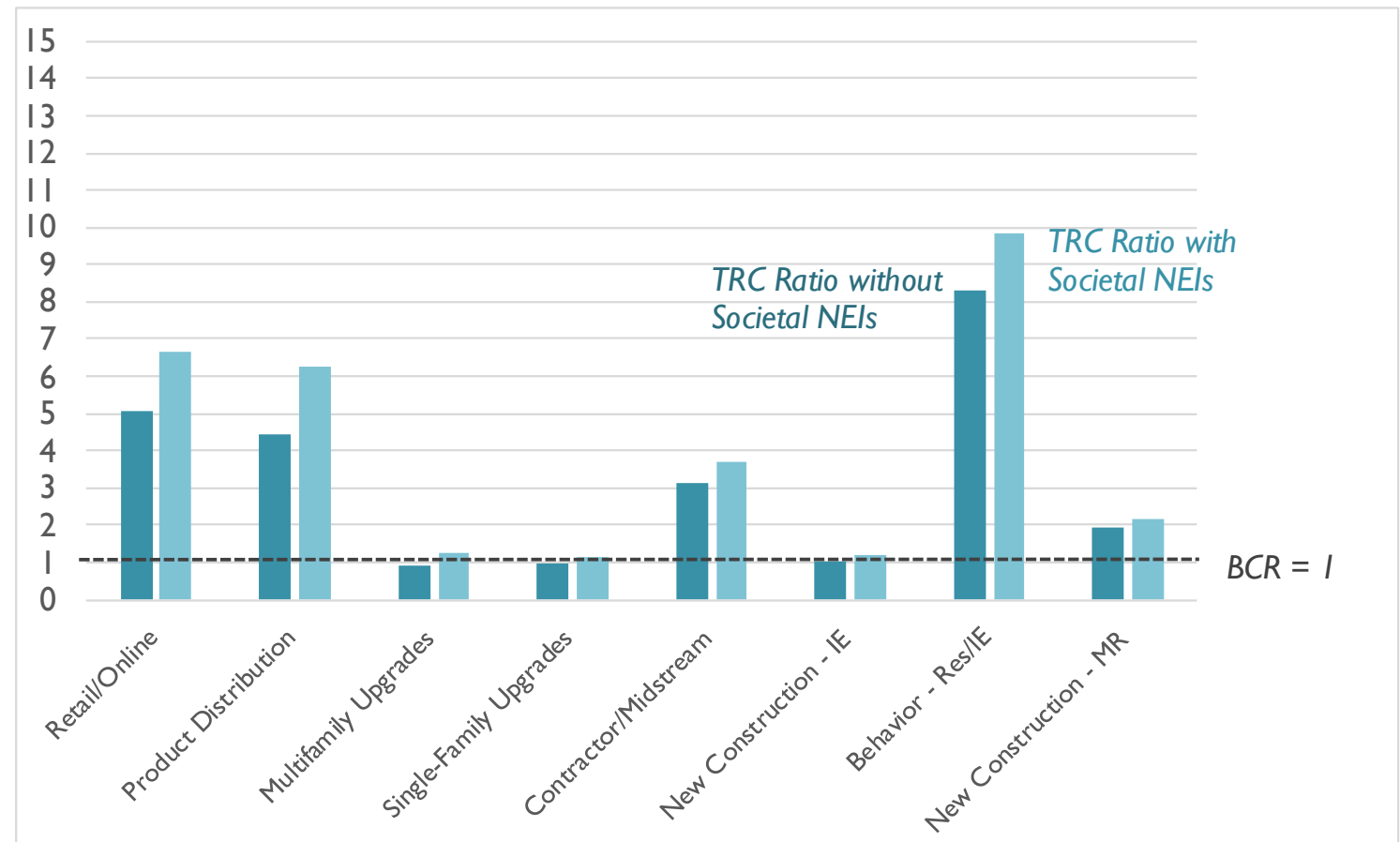
TRC Results for Residential Sector by Program, 2022



ComEd Plan – TRC test results – 2023 by Program

If **Benefits (\$)** / **Costs (\$)** \geq 1, the plan is cost-effective.

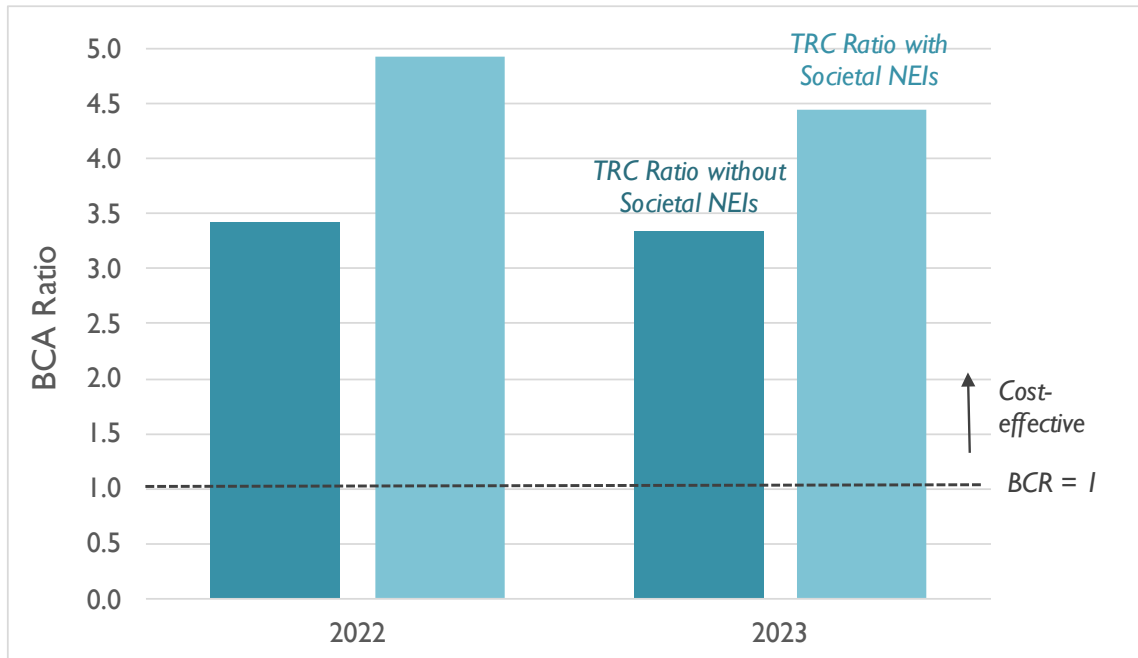
TRC Results for Residential Sector by Program, 2023



BCA and DEA Results





BCA and DEA Results

BCA Results - Residential



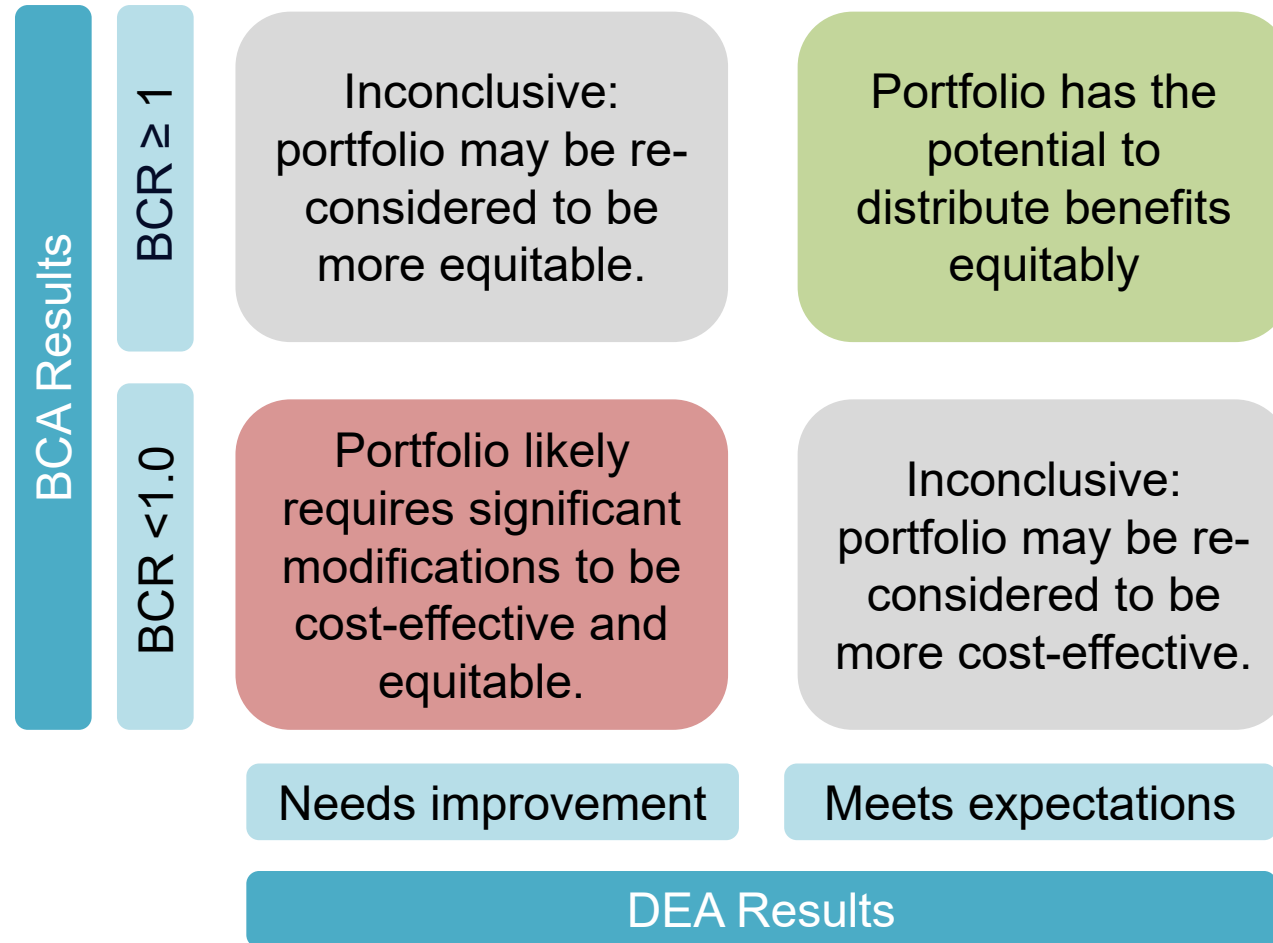
Conclusion: ComEd's residential EE programs are cost-effective.

DEA Results

Metric		Conclusion
	% of participants	<i>Benefits weighted more towards IE customers than other customers.</i>
	% of residential program budget (\$)	<i>Benefits weighted more towards IE customers than other customers.</i>
	% of total energy savings	<i>Benefits weighted more towards IE customers than other customers.</i>
\$	Rate impacts	<i>Insufficient data</i>
	Bill savings	<i>Insufficient data</i>

Questions?

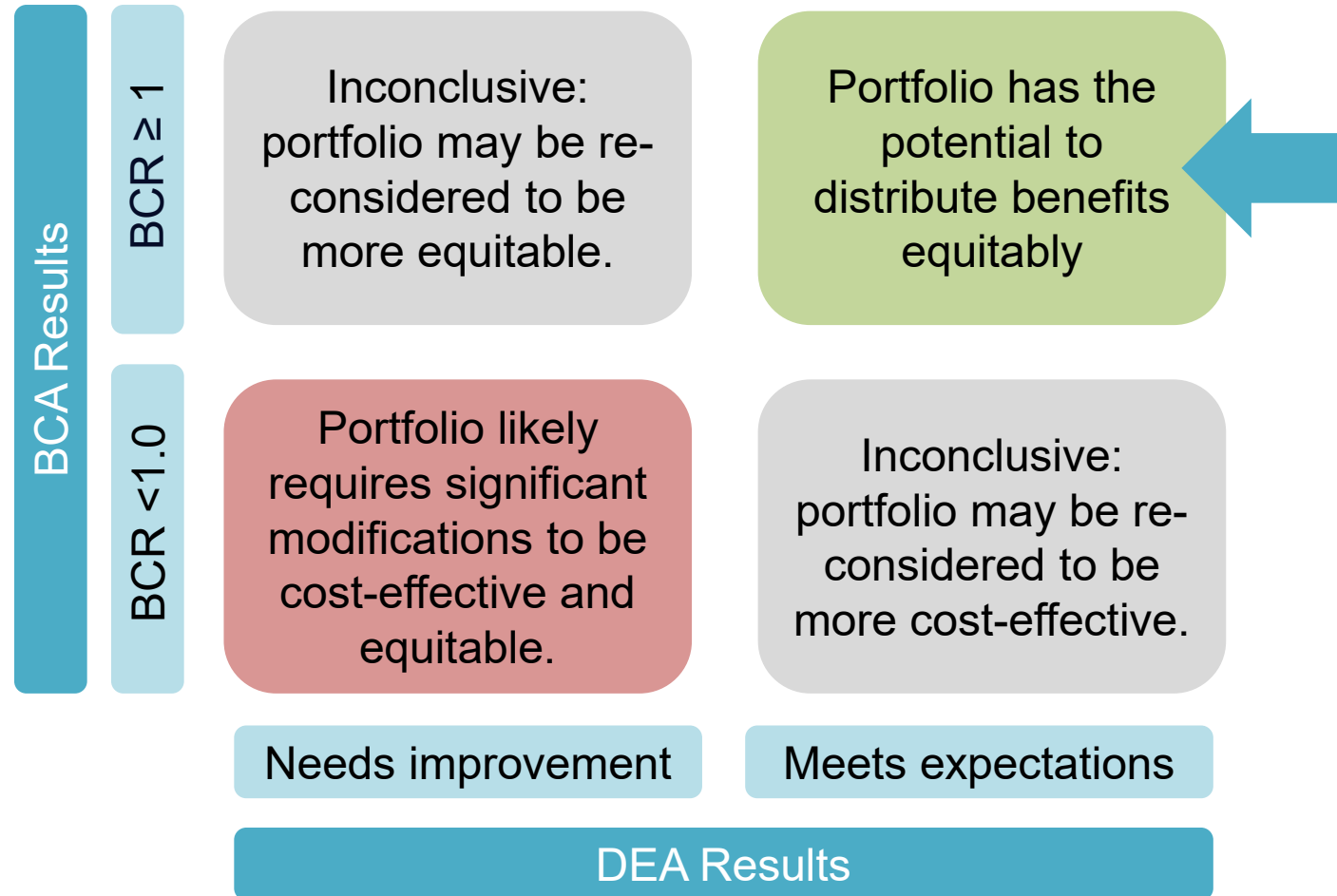
Stage 7. Generic Decision Framework



Framework from DOE Distributed Equity Analysis Guidebook

In the next slide, we present our findings for where the ComEd EE programs fall in this figure.

Decision Framework: ComEd DEA









ComEd's residential programs are cost-effective and have potential to distribute benefits equitably

Recommendations:

1. Research participant and utility non-energy impacts, study assess bill impacts
2. Continue current reporting, consider finer geographic resolution where feasible

Recommendations for Improving DEA

Recommendations

Research study	 Research participant and utility non-energy impacts, especially regarding shutoffs and participant health
Data analysis	 Assess bill impacts for IE customers
Reporting	 Develop map or dashboard for reporting. Consider reporting at finer geographic resolution, such as census tracts
	 Report participation rates for IE customers and other customers, and clarify accounting methods
Evaluation	 Conduct analysis on the entire ComEd EE portfolio in 2026 using actual reported program data and results for all years
Program design	 Ensure program offerings are equitably distributed, and implement effective education and outreach

Discussion: What other recommendations for data analysis, research studies, program design or evaluation do you have?

More detailed EE reporting starting in 2025:

- In June 2024, the IL Stakeholder Advisory Group (SAG) working group set a new set of metrics for utility EE program administrators to start collecting/reporting⁽¹⁾, including:
 - Identify whether the zip code is an economically disadvantaged area, and report, by zip code in a spreadsheet:
 - Participation and spending (\$) for IE single-family programs and multifamily programs
 - Health and safety (H&S) spending for each zip code
 - Details on types of measures installed for IE single-family whole building programs
 - Participation for IE multi-family buildings broken out by housing type (public, subsidized, etc.), and number of units (<20 units, 20-49 units, 50+ units)
 - Diverse contracting, including the number of diverse contractors, spending through each category, and share of Trade Allies whose primary business is in an economically disadvantaged area
 - Details on H&S spending by home type, projects weatherized with H&S updates
 - Consider a one-time comprehensive study on cross-referrals from credit and collections departments to IE EE programs, and what share of customers participate (no later than by end of 2026)

(1) <https://www.ilsag.info/reporting-working-group/>

Project Schedule and Next Steps

Estimated Project Schedule and Work Group Meetings

Work Group Meeting	Approximate Date
#1 - Introduction to process, relevant policies	March 6, 2024
#2 – Proposed Case Studies & DEA Context	May 10, 2024
#3 – Priority Populations and DEA Metrics	July 24, 2024
#4 – DEA Metrics	Oct 9, 2024
#5 –Ameren BE DEA – Results I	Dec 13, 2024
#6 – Ameren BE DEA – Results II	March 13, 2025
#7 – ComEd EE DEA – Results	May 1, 2025
#8 – Presentation of draft report	June 2025

Next Steps

- Our team will present final DEA case study results, conclusions and recommendations at the last Work Group meeting (June 2025)
- Please reach out to team with any questions/comments following this meeting (see next slide)
 - Project Coordination: Julie Michals at jmichals@e4thefuture.org
 - Lead Work Group contact: Greg Ehrendreich at gehrendreich@mwalliance.org

Thank you!

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Check out [NESP Events](#) for NSPM and BCA webinars

Stay informed with [NESP News](#)

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Project management



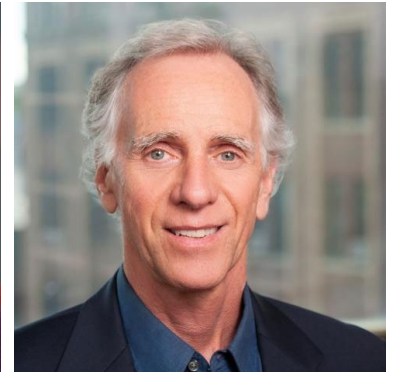
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Tim Woolf
Senior VP



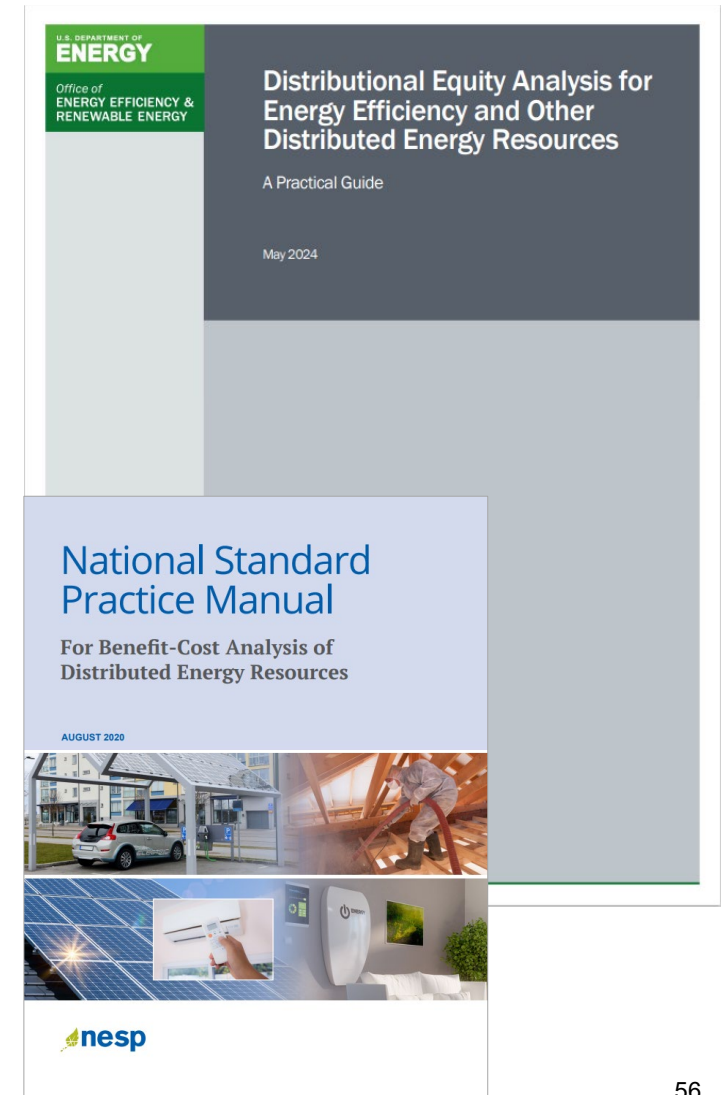
Guiding Resources for the DEA Case Studies

Distributional Equity Analysis for Energy Efficiency and Other Distributed Energy Resources (May 2024)

- Funded by US DOE, through Lawrence Berkeley National Lab (LBNL) and E4TheFuture
- Overseen by an Advisory Committee made up of experts in energy equity and in energy planning.
- Additional information and report available [here](#).

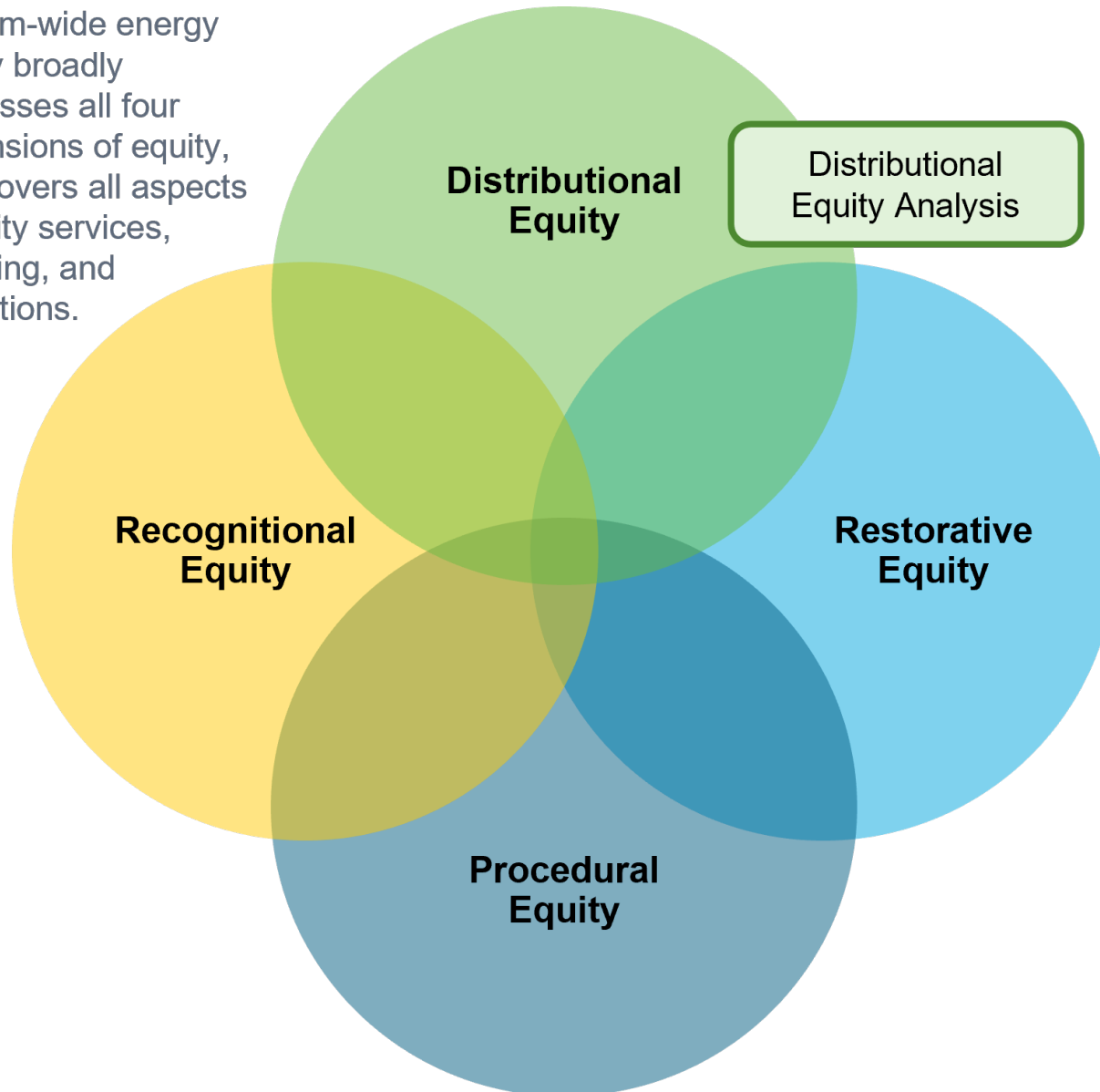
National Standard Practice Manual (NSPM) for DERs

- Benefit Cost Analysis (BCA) guidance being used by states across the country
- With state focus on equity, key questions raised about how BCA addresses equity (or not...)



Background Slides

System-wide energy equity broadly addresses all four dimensions of equity, and covers all aspects of utility services, planning, and operations.



Distributional
Equity Analysis

+

Benefit Cost
Analysis

DEA and BCA
address one aspect of
distributional equity:

**What are the
distributional equity
impacts of utility
resource
investments?**





Eligibility Verification Pathways for IL EE Programs

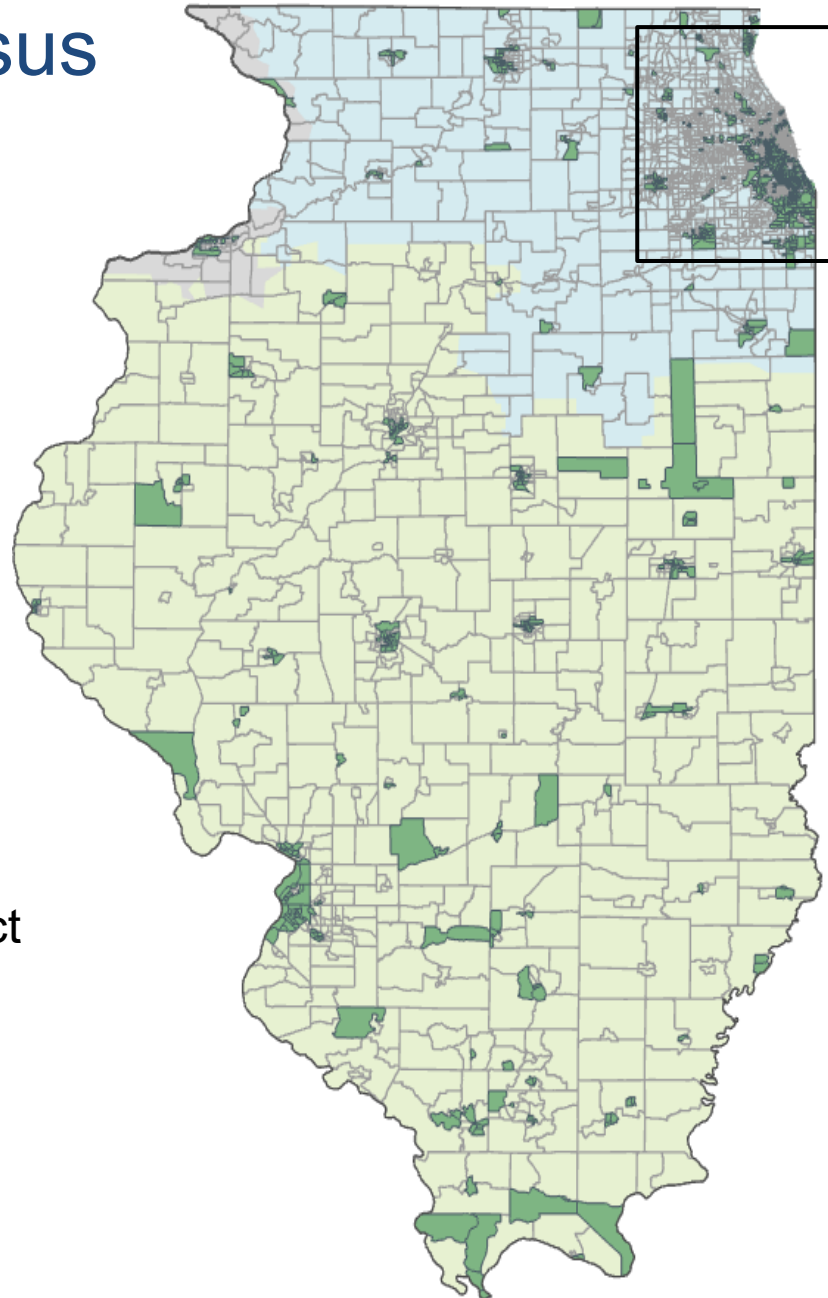
- Low-income customers (income-qualified)
 - Income-qualified multifamily customers – income below 80% of Area Median Income – can verify eligibility through:
 - Showing participation in an affordable housing program or weatherization assistance program
 - Submittal of a Rent Roll documentation or tenant information showing income
 - Located in a Low-Income Census tract
 - Demonstrate participation in disaster relief program or local/community-based assistance programs
 - Income-qualified single family customers - income below 80% of Area Median Income – can verify eligibility through
 - Showing participation in a weatherization assistance program, energy assistance program (such as Low Income Home Energy Assistance Program (LIHEAP) or the Percentage of Income Payment Plan (PIPP), other income eligible programs like the Supplemental Nutrition Program (SNAP),
 - Being located in a census tract identified as low-income (using the U.S. Department of Housing and Urban Development (HUD) annually published “qualified census tracts”)⁽¹⁾
 - Self-certification process

Source: https://www.ilsag.info/wp-content/uploads/IL_EE_Policy_Manual_Version_3.0_Final_11-3-2023.pdf

Low-income census tracts in IL

This map shows the distribution of census tracts that are designated as low-income across Illinois. Utilities are required to dedicate EE benefits to LI customers, including these communities.

-  Low-income census tract
-  ComEd territory
-  Ameren territory
-  Census tract boundary



Chicago area

