

November Income-Eligible Electrification Working Group Meeting

November 14th

1 – 2:30 pm central

Introduction and Review

- Monthly meetings as an opportunity for the various organizations working with ComEd on income-eligible electrification to share information about what is working, what isn't working, how things are going, new opportunities or learnings, and ask questions of each other. Use this group as a sounding board and opportunity to crowd source ideas to work through barriers or struggles.
- Other meeting dates on everyone's calendars already - please ensure at least 1 representative from your organization is in attendance. Also please let Molly Graham know if you have new colleagues that need to be added to the distribution list for this group.
- If you have topics to suggest, questions to pose, or ideas for future meetings please let Kara Jonas or Molly Graham know.
- Meeting materials can be found on our webpage
<https://www.mwalliance.org/comed-income-eligible-energy-efficiency-electrification-working-group>

Multifamily Implementation Progress Update (Brody Vance, Franklin Energy):

- Working on identifying the ideal building characteristics to help auditors understand who is and is not a good fit for electrification projects. Franklin is working with a building now who wants to phase in their electrification scope over time
- Working with MN CEE's bill impact calculator, but it hasn't been a perfect solution for multifamily buildings. Franklin has been working on another iteration with CEE to account for unique variables or considerations for multifamily buildings
- Getting a lot of leads from partners (Elevate and CMC), still looking for more leads to build up the pipeline for 2023 and beyond; 2023 pipeline is small compared to the annual goal that needs to be met
- Training up more Franklin staff on electrification and differences in the building assessments from traditional energy efficiency programs
- Trade allies are busy right now with the lower temps, responding to a lot of no-heat calls, to get on their calendars to get pricing for a scope is challenging - **the ask for the group is a list of contractors who have done good electrification work (electricians, HVAC with heat pump experience). Franklin needs help building up the contractor network**
- Kara – Not a question, rather a comment to emphasize the collaboration and sharing leads for electrification customers. This seems to be going well so far and ComEd would like to see this collaboration continue
- Mark - can you talk more about the ideal MF building and the characteristics you're finding?
 - Brody - Low rise with the HVAC equipment in-unit, bigger buildings will typically have central systems. The units don't need to have existing air

conditioning, but if they don't have any AC there may be an increase to electric bills with new cooling load, so it may be trickier to see resident utility bill reductions. Gas cooking is fine, but existing electric cooking equipment may be a more ideal characteristic, one less electric circuit to run which is an additional cost beyond panel upgrades. Individual or central water heating are both fine, doesn't have to be in-unit.

- Pauravi - why is it okay to have central water heating, I thought that was a billing issue similar to central HVAC?
- Brody - It's fine to leave the water heating cost as paid by the landlord, the building owner will still see some cost savings, central water heating just won't contribute to any bill saving opportunities for the resident
- Bill calculator doesn't adequately account for dehumidification savings yet, if dehumidifiers are already in the building
- MN CEE will try to dig up some more contractors to send to Franklin to help build out that contractor network

Single Family Implementation Progress Update (Kristen Pratt Kalamian, Resource Innovations)

- Still working with one contractor (Anura) and that partnership is going well
- RI/Anura have identified 6 EEE customers and scopes of work have been completed, 4 of the 6 have given the head nod to move forward with electrification measures
- Anura is helping identify more homes to build up a pipeline
- Moving forward with CMC partnership for in-field QA/QC, they're working on designing their observation form, plan, and scorecard
- Requiring single family customers to fully electrify, they won't be able to keep any gas end uses
- Updated Salesforce to account for new electrification measures, have some question about the datafile to share information with ComEd and RI is working through those right now
- Already using an approved tool in the field to estimate bill impacts
- Some tools are in place: customer authorization form, working on the audit report and customer acknowledgement form
- Working on building out approved talking points for the contractors, a flyer for the program, and some contractor FAQs to help expand their education
- Looking to 2023, RI is hoping to focus strongly on further fleshing out customer education tools and expanding their contractor base. Excited to engage community partners to help with outreach to build a pipeline of customers and looking to coordinate more with other implementation partners
- Pauravi – To clarify, you're not using MN CEE's bill impacts calculator?
 - Kristen - RI is not, but CEE reviewed and approved the calculator we are using
- Ranal - Question about the M&V overlay project, wanted to flag that the M&V stuff is still pending a contract with ComEd. CEE and RI should have a conversation about customer education needs and talking points about the

data collection and sharing information with CEE. Expecting to start the M&V project soon

- Kristen – Yep, it would be great to schedule a call and we will defer to CEE about what the customer needs to sign off on in order to share their data
- Emily - There could be some areas of collaboration with contractor training initiative and webpage they're building, need to share information about this project

Elevate Electrification Pilot Update (Jackie Montesdeoca, Elevate)

- Goal of 100 units this year, it looks like Elevate will be completing at least 71 (at least 33 single family and 38 multifamily units)
- Construction is scheduled for the next 18 single family homes
- Currently in the analysis stage with 29 additional single family homes (pre-audit), expecting a 50-70% conversion rate. Additional multifamily buildings currently in the pipeline (approximately 46 units, all in various stages of interest/negotiation)
- Biggest question is what we're offering to owners in 2023 beyond what's being offered this year for multifamily
- Kara - congrats Elevate, this is a huge amount of progress in identifying units, 71 is great for 2022. For those that aren't aware, Elevate worked with the Historic Chicago Bungalow Association to do some outreach and it seemed to be really successful to identify homes that have previously received EE measures and want to electrify. Overall great progress so far
 - Jackie - it was all thanks to the strong relationship and trust that customers have with HCBA and the outreach they were able to do to reach back to homes who have participated in EE

Energy Efficient Electrification Communication Research (Liz Kelley, Illume Advising)

- Conducted a survey with ComEd customers, 84% were income eligible with 60% identified as renters (additional characteristics/demographics broken out in slide deck)
- Illume asked questions about education, home type (single family vs. Multi), homeownership, and cooling systems
 - Of note: 52% only had window AC units and 9% had no cooling at all
- Key findings:
 - Owners and renters have different needs and orientations to energy. Level of information needed concerning projected operating costs really differed, homeowners were more likely to want an in-depth explanation on their bill savings
 - Customers wanted information on how safe the equipment would be, if it will save them money on utility bills, how efficient the new equipment is, and why ComEd would offer a program like this
 - Customers had different orientations to safety, both owners and renters indicated that their home being safe and healthy was a priority, although it seemed to be even more important to renters

- Some customers viewed electric cooking equipment as safer and would be their motivation for using electric cooking. Proponents of natural gas cooking didn't view electric as safer
 - Some customers had concerns/past experiences with electrical fires, or space heaters plugged into dangerously overloaded circuits
- Increasing awareness of electrification technologies early is very important, only 21% were familiar with a heat pump and only 57% were familiar with energy efficiency. Priming messaging for customers to demystify and familiarize people will be important, including why ComEd would offer a program like this to customers. This messaging should likely occur **before** a home receives an electrification audit
 - This can also help quell any suspicions as to why their electric company is incentivizing them to go all electric
- 3 buckets for communication touchpoints based on project timeline: Priming messaging is broad and high level, next would come situation-specific messaging because different people will want different levels of detail (broke down motivations into high level, more detailed, and most detailed information categories), finally operational messaging about how to use and maintain the new equipment:
 - Priming:
 - Recommendation #1: utilize current messaging about safety from the draft audit report in priming message channels. Identify opportunities to layer priming messages onto existing marketing collateral, including information on the benefits of electrification and safety
 - Recommendation #2: use current messaging about bill savings in priming messaging channels (people are more concerned with bill savings than carbon savings)
 - Audit report feedback:
 - Recommendation #3: add information to provide clarification on why ComEd is offering the program, offer visuals of the equipment to be installed, and how to maintain and operate the equipment into the audit report the resident receives
 - Situation-specific messaging
 - Recommendation #4: layer the information in the audit report so that customers can dig as deep as they need until they feel satisfied with their understanding (high level, more detailed, and most detailed buckets)
 - Channel considerations & trust
 - Recommendation #5: build trusty through consistent messaging across channels and actors (landlords, contractors, EESPs, and others need consistent messaging to provide the customer)

- BlocMaps software for planning and executing large scale electrification programs, including data on heating fuel type, building type, building vintage, residents that have previously participated in EE, residents who meet income criteria, and EJ communities. BlocMaps merges all the datasets together at the building level to create predictive feasibility for electrification in a map format. This can help ComEd and partners identify potential targets for electrification communication and marketing
- The search criteria is able to be filtered based on your needs
- BlocMaps shows cost estimates for measures and carbon impacts if the measures are applied (can be shown across a portfolio of buildings) to help cities achieve their carbon goals
- This tool helps fill data gaps for program planning and targeting and BlocPower will be doing an analysis for ComEd's territory
- BlocPower will also be delivering instant an billing report/calculator for ComEd, based on what they did for Ithaca New York
 - A user can enter in building characteristics to help build a recommended scope of work, estimated savings, estimated incentives (beyond just ComEd incentives, including state, federal, and local programs)
 - The tool will have income-eligible automation based on census tract so the customer doesn't need to indicate their income level to understand the incentives they may qualify for
- Both tools should be built out for ComEd in early 2023
- Ranal - How do you define heat pump feasibility?
 - Depends on existing equipment, building size, and building age
- Emily - Does that apply for centrally ducted and ductless heat pump equipment?
 - Believe it's both but BlocPower will confirm
- Brody - How soon will the financing and green leasing be available to multifamily customers? Customers have already asked about financing a heat pump
 - It's available now
- Mark - As Alyssa mentioned, this partnership between BlocPower and ComEd has been staged to build out the analytics for a data-driven approach to identify buildings. Phase 2 is being worked out as a collaborative group, but ComEd is excited about the tools to help find the right customers, faster

Beneficial Electrification Research – Residential Customers (Janice Wakely, ComEd)

- Quantified current electric vs. Gas appliance/end use penetration for residential ComEd customers
- The study set out to understand the likelihood of a customer fuel switching and understand the barriers if they weren't interested in electrification
- Held 3 focus groups and 6 one-on-one interviews with early adopters of heat pumps, electric vehicles, and solar panels; held 2 one-on-one interviews with income eligible customers who participated in ComEd weatherization
- Will share some industry research from Smart Energy Consumer Collaborative

- Among non-adopters of electric products, only 1 in 10 say they are highly likely to switch from gas to electric. Key barriers include lack of familiarity with electrification, the upfront costs, and how to use/operate the new electric equipment (as opposed to their previous habits using gas)
- Quantitative study findings:
 - Sizable potential to increase the adoption of electric products among residential customers
 - Adoption rates are low across most products
 - Asked customers who had existing gas stoves, dryers, water heaters, and lawn mowers if they would switch to electric. Most people were not interested in switching, some people think gas is more affordable and believe switching to electric would be more costly (upfront and over the long term).
 - Key electrification barriers as reported by study participants:
 - Not interested and currently happy with existing equipment
 - Already familiar and comfortable with gas
 - Gas is more affordable/it would be more expensive to convert to electric
 - They already have the gas hookup/would need electric connection
 - Their existing equipment is new, currently under warranty, or does not need to be replaced (not likely to replace before failure)
 - Cooking with gas has better control
 - Gas dryers are seen to be more efficient and dry clothes better
 - Concerns around heat pump reliability and quality of comfort
 - Unfamiliar with heat pumps for space and water heating
 - Electric lawn mowers are inconvenient dealing with a cord or charging the battery, especially with a larger sized yard (battery run time may not cover entire yard)
 - Renters aren't responsible for replacing their equipment
- Consumers indicated they want ComEd to educate them on how electric options can be more cost and energy efficient and why the equipment is better
- ComEd must come across as a trusted resource and providing unbiased information. Customers don't currently view ComEd as a resource on product information
 - HGTV and ENERGY STAR came up as already trusted resources
 - Majority of consumers consider word of mouth, Google searches, third-party reviews, blogs, and Consumer Reports as trustworthy sources of information
 - ComEd needs to inform non-adopters of the total cost of ownership of the electric equipment compared with gas
 - Providing both pros and cons is essential to establishing trust
- Key findings from early adopters:
 - Early adopters leverage YouTube, sales reps, contractors, and existing users as trustworthy sources of product information

- Easy installation and air conditioning capabilities were cited as primary reasons to adopt heat pumps
- Financial concerns, fewer existing users, aesthetics, lack of knowledgeable contractors, unfamiliarity with the product and limited product styles are all points of hesitation
- The adoption time for larger electric products (solar panels, heat pumps, EVs) ranged from several months to several years. Heat pump and EV owners conducted initial product research for at least 2 years
- Early adopters feel that they could have done more thorough research regarding products and switched to more sustainable options earlier
- Things to think about when talking with customers:
 - Avoid terms like decarbonization, electrification, and beneficial electrification
 - Address cost barriers, some other orgs are developing tools for customers to learn and navigate the process (SMUD, Great River Energy, ENERGY STAR creating one-stop online tools to navigate potential savings, costs, rebates/incentives, and find service providers)
 - Lead with cost-savings, include environmental benefits but they will be secondary to cost-savings
 - Ongoing staged customer education will be required, they need to learn more about each or product categories. It may be a long journey to actual purchase of equipment
 - Consider the audience and tailor the messaging appropriately (for example, renters vs homeowners)
- Kristen -
 - How does this apply for income eligible customers who would receive electrification services for free?
 - Janice - didn't address this as part of their research
 - Mark - this was ComEd's first large-scale market research project on this topic, this with the Illume research kind of build on each other
- Alyssa - did health and safety/indoor air quality come up at all?
 - Not really, but next phase of research will dig more into safety