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IL EE Stakeholder Advisory Group (SAG) Comments on IL-TRM Policy Issue #2: Renewable / Solar Generation

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Policy Issue #2: New Measures Involving Renewable / Solar Generation

<u>Policy Issue #2, Question 1</u>: Does the statutory definition of "energy efficiency" allow a solar as energy efficiency measure (i.e. rooftop solar generation) in the Illinois TRM?

Thank you to the Stakeholder Advisory Group (SAG) and the Illinois Commerce Commission (ICC) for the opportunity to comment on these proposed new measures for the Illinois Technical Resource Manual (TRM). MEEA is a collaborative network, promoting energy efficiency (EE) to optimize energy generation, reduce consumption, create jobs and decrease carbon emissions in all Midwest communities. We see EE as the least-cost foundation of the clean energy economy, creating immediate energy savings, providing career pathways, reducing emissions, improving new and existing buildings and boosting Midwest business and industries. MEEA is a nonpartisan organization made up of 170+ diverse members including 96 member organizations based or working in Illinois. MEEA's members include energy service companies, state and local governments, electric and gas utilities, academic and research institutions, and community-based organizations throughout thirteen states in the Midwest.

MEEA's position is that the statutory definition of energy efficiency in 20 ILCS 3855/1-10 and 220 ILCS 5/8-104(b) does not allow rooftop solar generation or solar photovoltaic panels (solar PV) as an EE measure in the TRM. MEEA, as an organization, is fuel agnostic – advocating for EE regardless of the fuel source of electricity generation. Solar PV is a supply-side generation source, not a demand-side efficiency measure. Installing customer-sited solar PV does not reduce "the amount of electricity or natural gas consumed in order to achieve a given end use." To put it plainly, adding solar PV to a roof does not change the amount of energy needed by the customer, it only changes the source of the supply that they draw from.



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While our position is that customer-sited solar PV is not an energy efficiency measure, should the ICC consider approving solar PV in the TRM, then we suggest limiting it to peak demand savings. MEEA recognizes that customer-sited solar PV as a distributed energy resource (DER) provides meaningful benefits, as it can contribute significantly to improving grid flexibility and reliability. While solar PV does not reduce the amount of energy needed for a given end use, it can alleviate grid strain by reducing the amount of energy a household needs to draw from the grid. In a time of rising demand and higher peak demand, both peak demand savings and energy savings are crucial, but they are not the same.

The state of Illinois has other programs, like Illinois Solar for All, that incentivize solar PV installation. Customers could certainly benefit from utility EE programs and state funded solar programs like Illinois Solar for All being offered jointly or in coordination. That is not to say, solar PV should be added as an efficiency measure to the TRM. If solar PV (or any other supply-side DER) were added to the TRM, it should only be allowable for cost recovery to the extent that the DER is providing necessary peak demand reduction and not count toward energy saving goals.

<u>Policy Issue #2, Question 2</u>: Does the statutory definition of "energy efficiency" allow a solar thermal measure (i.e. solar hot water and solar air heaters) in the Illinois TRM?

MEEA appreciates the SAG separating these two issues, as we take a different position on solar thermal than we do on solar PV. Unlike solar PV, solar thermal can actually "reduce the amount of electricity or natural gas consumed in order to achieve a given end use" and as such could be an allowable energy efficiency measure in the TRM.

Solar thermal, as ComEd outlined in their presentation, "captures solar energy as heat using a thermal absorber [and] transfers this heat to a working fluid, which is then used for onsite thermal applications" like water heating, space heating, and pool heating. The thermal heat directly reduces the amount of kWh or therms needed for those end uses. As such, MEEA would support the addition of solar thermal applications to the TRM.

In their June 9, 2025, presentation to the SAG, ComEd raised the fact that combined heat and power (CHP) is not defined as an energy efficiency measure in statute but is included in the TRM while solar PV is not. We believe there is sound reasoning for this. CHP, contrary to solar PV, meets the statutory definition of EE under the Illinois Power Agency Act and Public Utilities Act because the thermal energy captured is used for onsite heating applications, and it ultimately reduces the amount of electricity or natural gas consumed to achieve an end use — in addition to its role as a generating source. Thus, we



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believe that solar thermal is more akin to CHP than solar PV and should be allowed as a measure within the Illinois TRM.

Thank you for your time and consideration.

Sincerely,

Paige Knutsen

Executive Director

Midwest Energy Efficiency Alliance