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*C&I Program Ideas
for IL Utilities' 2022-2025 Plans*



Presented at IL SAG Meeting

May 12, 2020

Ideas Being Presented

Business Only

- Networked Lighting Controls

Applicable to Business and Residential

- Variable Refrigerant Flow Technology
- Midstream and Upstream Approaches
- Leveraging Other Initiatives

Networked Lighting Controls

- **Program concept:**
 - 2-3 demo projects per utility - create case studies of both energy & non-energy benefits
 - \$0.35-\$0.50/sf rebate (~50 to 70% incremental cost), reduce w/market traction
 - Similar to WI Focus on Energy program
 - 90+ other programs nationally, most with rebate adder per fixture connected to NLC
 - Integration with other programs
 - Consider reducing incentives/program emphasis on TLEDS
 - Consider integrated into small biz DI - along w/OBF
 - Upstream incentives for LED fixtures w/integrated controls (if pursued, NLC rebate level could drop)
- **Target market:**
 - ComEd and Ameren: All C&I customers
- **Rationale:**
 - Huge savings potential - 47% relative to LED baseline - that is completely untapped
 - Other C&I lighting savings opportunities will decline over time as market adopts LED
 - Need to start building market now - harder, longer-ramp time than LED rebates

Variable Refrigerant Flow (VRF) Technology

- **Program concept:**
 - Pilot initiative to test technology, then integrate into existing programs
 - Consider working with individual manufacturer (or two) to co-fund effort
- **Target market:**
 - ComEd and Ameren
 - New construction
 - Larger Multi-family - both IQ and non-IQ
 - Commercial
 - Electric resistance heat retrofits - particularly larger multi-family (IQ and non-IQ)
- **Rationale:**
 - Substantial savings potential per building
 - Maybe only feasible/economic option for retrofitting larger electrically-heated buildings
 - Could be lower cost in new construction than other heating options - but new technology w/very low contractor awareness

Midstream/Upstream Programs

- **Program concept:**
 - Move incentives for some technologies to distributors (vs. end use customers)
 - Numerous other state examples: CA, VT, MA, CT, Duke Carolinas, OH, etc.
 - See recent VEIC/Resource Solutions SAG presentation
 - Initially target technologies w/low market shares, challenges downstream
 - C&I: food service equip., refrigerated vending machines, reach-in frigs, LEDs w/integrated controls
 - Res.: heat pump water heaters, U.S. EPA Retail Products Platform
 - Both: circulator pumps, ductless mini-split heat pumps
- **Target market:**
 - Electric and Gas utilities
- **Rationale:**
 - Dramatic increase - often ~10-fold - in participation/savings
 - Reduces admin/non-rebate costs per unit once program in place

Leveraging Other Initiatives

- **Program concept:**
 - Leveraging other *funding* and/or *marketing* whenever possible
 - Particular emphasis on other utility efforts
 - Demand response initiatives
 - PV rebates
 - Low income assistance
 - Large C&I outreach
 - Capacity market revenues (and/or sale of other EE attributes)
 - But also manufacturer/retailer rebate matching and other market opportunities
- **Target market:**
 - Electric and Gas utilities - but probably mostly electric
- **Rationale:**
 - Co-funding stretches EE dollars (e.g. splitting cost of smart t-stats between EE and DR)
 - Co-marketing stretches EE dollars and/or enhances ability to reach/recruit customers

ENERGY FUTURES GROUP
P.O. BOX 587, HINESBURG, VT 05461

Christopher Neme | CNEME@ENERGYFUTURESGROUP.COM | **802-363-6551**

NATURAL RESOURCES DEFENSE COUNCIL
20 N. WACKER DRIVE, STE 1600, CHICAGO IL 60606
WWW.NRDC.ORG

Laura Goldberg | LGOLDBERG@NRDC.ORG | **312-651-7931**
