

State of Illinois Energy Office ARRA & BEYOND

EECBG & SEP Midwest Regional
Peer Exchange Meeting
February 7-8, 2011



Illinois Energy Office

- Energy Efficiency Portfolio Incentives
- Sustainable Practices Technical Assistance
- Renewable Energy Opportunities
- Recycling Opportunities



Illinois Energy History

A white outline map of the state of Illinois is positioned on the right side of the slide, extending from the top right towards the bottom right. The map is set against a dark blue background.

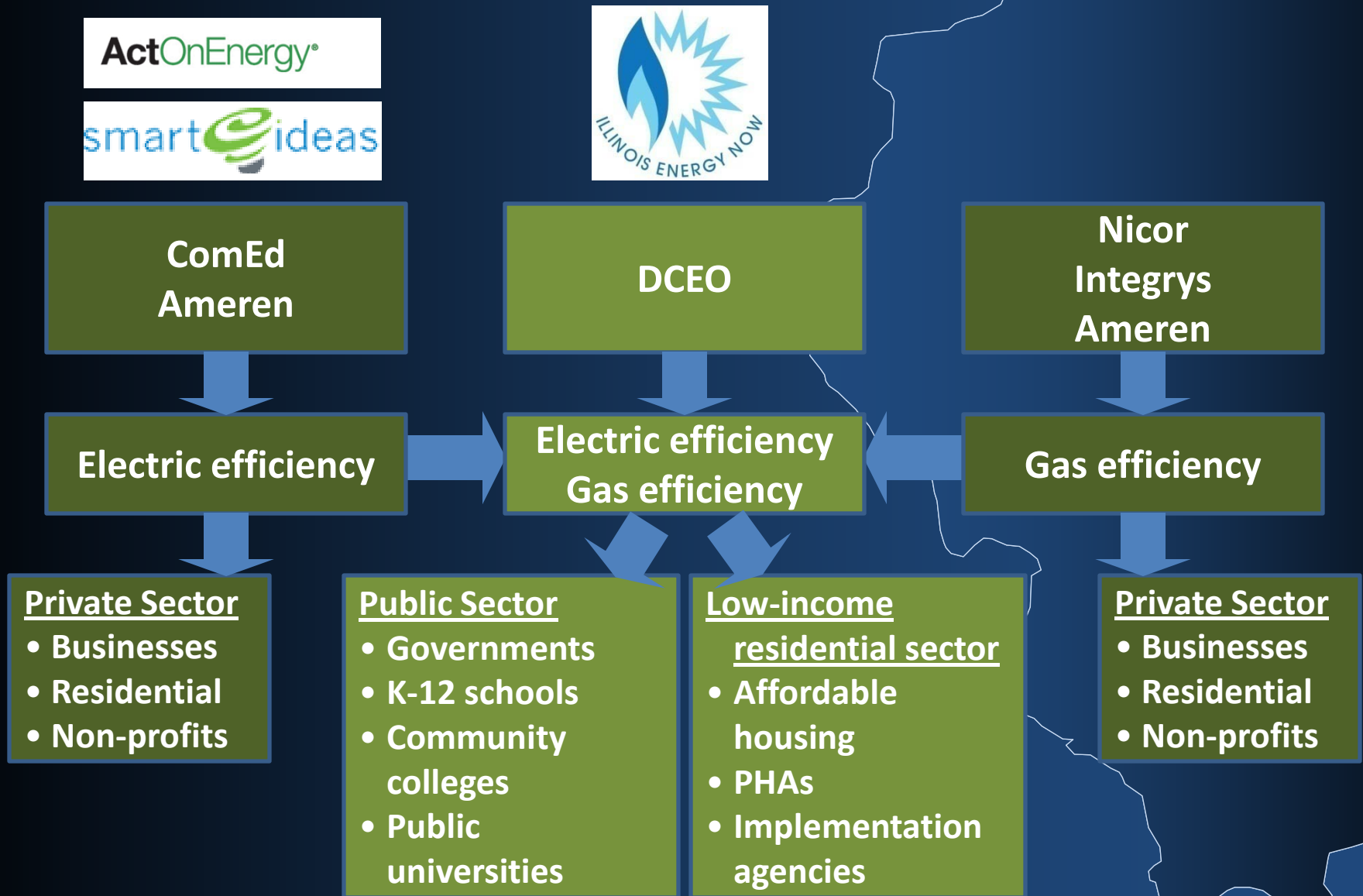
- 1997
 - Electric Restructuring
- 2007
 - Illinois Power Agency
 - Renewable Portfolio Standard
 - Electric Efficiency Portfolio Standard
- 2009
 - American Recovery and Reinvestment Act
 - Renewable Portfolio Standard – ARES
 - Thermal Efficiency Portfolio Standard (2012)

Illinois Energy Now

- Provides cash rebates and incentives for installing energy efficient products/equipment in rehabs and new construction.
- Goal starts at 0.2% reduction in annual electricity load, rising to 2.0% by 2015 and beyond.
- Utilities administer 75% of funding
- DCEO administers 25% of funding
- Electricity programs began June 1, 2008
- Natural Gas programs begin June 1, 2011



Program Structure



Program Funding

Year	Statewide Funding Level	DCEO Share
2008	\$53 million	\$13 million
2009	\$110 million	\$27 million
2010	\$170 million	\$42 million
2011 +	\$235 million	\$57 million



DCEO *Illinois Energy Now* Programs

- **Low-income residential sector incentives**
 - Low Income Energy Efficient Residential Retrofits
 - Public Housing Authority Incentive Program
 - Energy Efficient Affordable Housing Construction Program
- **Public sector incentives**
 - Standard (“Prescriptive”) Incentive Program
 - Custom Incentive Program
 - Public Sector New Construction Incentive Program
 - Retro-Commissioning Program
 - Lights for Learning Fundraiser Program
- **Technical assistance**
 - Building Industry Training & Education Program (BITE)
 - Large-customer Energy Analysis Program (LEAP)
 - Energy Performance Contracting Program (EPC)



Standard & Custom Incentives

Standard Incentives	Custom Incentives
<p>Set \$\$ incentive levels for common retrofits:</p> <ul style="list-style-type: none">•Lighting•HVAC•Variable frequency drive controls•Motors•Refrigeration	<p>Incentives for electric efficiency upgrades not listed in the Standard Incentive Program</p> <p>\$0.12/kWh for Local Gov't, Public Schools, Community Colleges</p> <p>\$0.09/kWh for Public Universities, State and Federal Government</p>

Renewable Energy Resources Program

- **Renewable Energy, Energy Efficiency, and Coal Resources Development Law of 1997 (20 ILCS 687)**
 - Provides approximately \$5-6 million per year for the Renewable Energy Resources Program
 - Directs DCEO to administer grants and rebates to foster investment in and the development and use of renewable energy resources
 - Must be customer of investor-owned electric or gas utility or other utility/coop that imposes the Renewable Energy Resources Assistance Charge
- **Current Developments**
 - RERP was extend to 2015
 - Public Act 95-0481 (Illinois Power Agency Act)
 - More Co-Ops have voluntarily joined the program
 - from 5 to over 10 Co-Ops

Renewable Energy

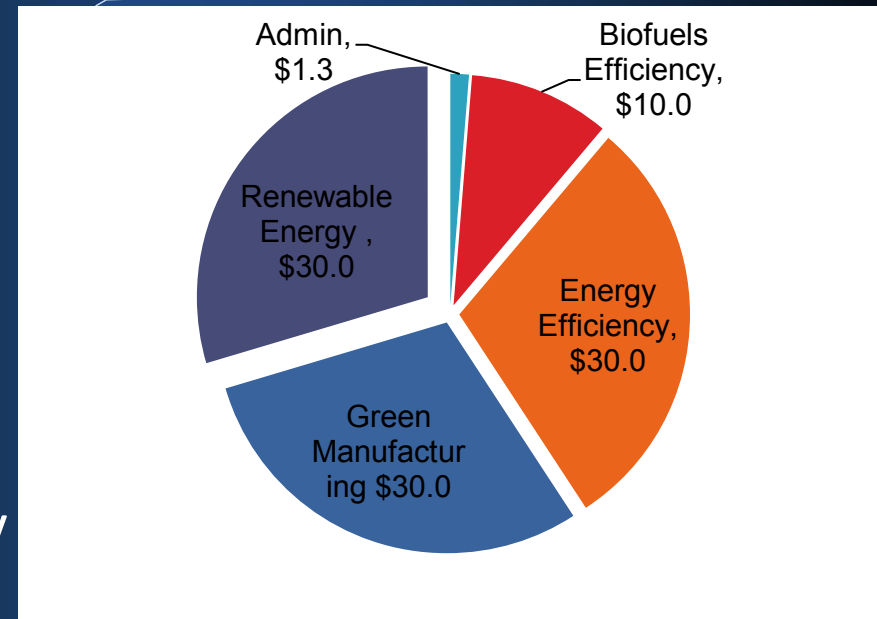
- Solar and Small Wind Rebate Program
- Rebate amount \$50,000 or less
- 30% of Project Costs for Residential/Businesses
- 50% of Project Costs for Not-Profit/public Sector
- Program funded in October/November of 2010



ARRA State Energy Program For Illinois

Illinois Allotment - \$101,321,000

- Eight Program Areas:
 - Renewable Energy Production
 - Community Renewable Energy
 - Green Industry Business Development
 - Green Roofs
 - Electric Efficiency
 - Large Customer Energy Efficiency
 - Thermal Efficiency for Public Facilities
 - Next Generation Biofuels Production



ARRA EECBG Program

- **Illinois Allotment (non-Entitlement Communities):
\$21,737,452**
- **Three Program Areas:**
 - **IL Association of Regional Councils: \$13,100,760**
 - **State of IL Facility Project: \$8,200,000**
 - **CMS Hybrid Vehicles: \$436,692**

EECBG ILARC PROJECTS

Category	Number of Projects	Funds by Local Planning Councils
Energy Efficiency & Conservation Strategy	2	\$40,000.00
Residential & Commercial Audits	1	\$7,500.00
Energy Efficiency Retrofits	226	\$9,597,374.00
Transportation Energy Efficiency	2	\$25,000.00
Building Code Development	3	\$99,495.00
Source Reduction, Recycling	1	\$16,500.00
Traffic Signals/Street Lights	17	\$604,833.00
Renewable Energy	4	\$285,000.00
Total	252	\$10,743,202.00

EECBG and Illinois Energy Now

- Of the 252 projects funded under EECBG, 112 projects qualified for EEPS funding.
- This results in approximately \$2.38 million of EEPS leveraged funds applied to these projects.

ARRA Appliance Rebates

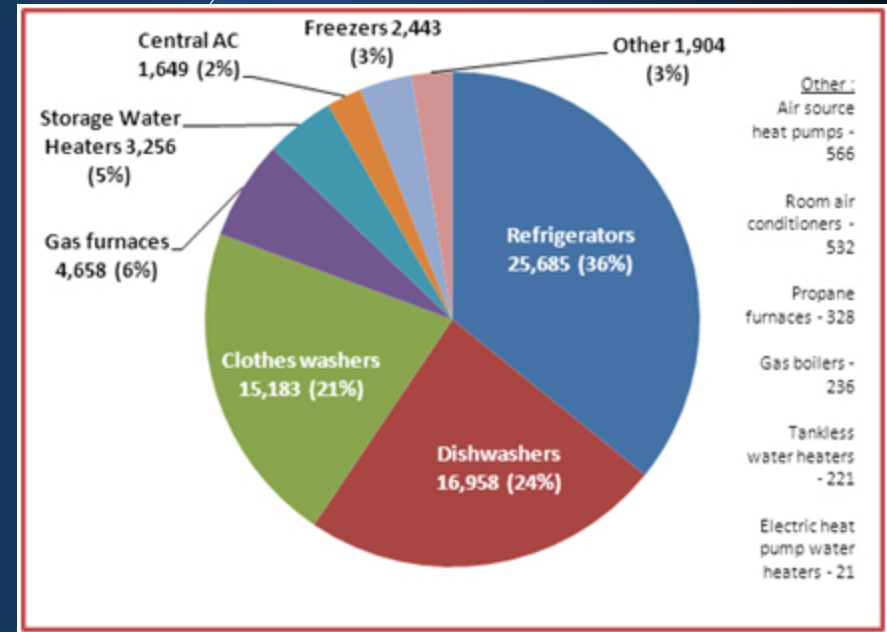
- \$12,530,756 in rebate dollars administered to Illinois citizens
 - \$11,674,264 in rebates from ARRA/DOE
 - \$856,492 from State of IL efficiency trust fund
- 81,201 total rebates administered
 - 71,736 for product purchase
 - 9,463 for removal/recycling
- \$99,053,250.42 total sales generated for IL businesses



Appliance Program cont.

- **Three Program Areas**
 - Water Heater Rebates
 - HVAC System Rebates
 - Home Appliance Rebates

- 1,463.85 Billion estimated lifetime Btus saved



- Equivalent to: Removing 20,977 cars from the road for 1 year - OR- taking 9,337 homes off the grid for 1 year!

- For more information visit www.illinoisenergy.org/appliances

Our Future Direction.....

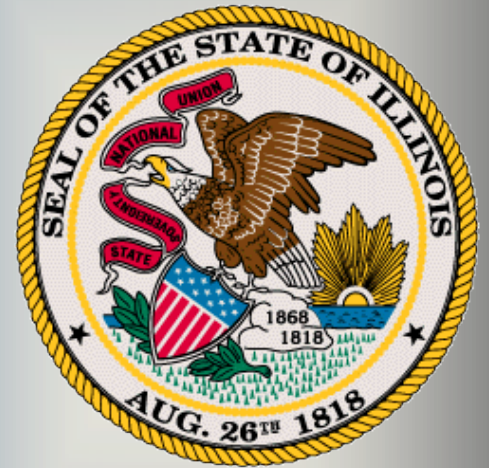
- Continuation of EEPS programs with the inclusion of natural gas.
- Green Industry Business Development Program – Smaller program funded through Renewable Energy Resources Program
- Appliance Rebate program – small program funded through State Energy Efficiency Trust Fund dollars

www.IllinoisEnergy.org

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*EECBG & SEP MIDWEST REGIONAL PEER EXCHANGE
ARGONNE NATIONAL LAB, ARGONNE, IL
FEBRUARY 7-8, 2011*

Leveraging Funds for a Sustainable Future

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Leveraged Funds Available
to the City of Green Bay

Focus on Energy

- **Business Energy Assessments**

- FREE!
- Personal Energy Advisor will make recommendations

- **Renewable Energy Assessments**

- Site Assessment Discounts

- **Trade Ally Referrals**

- \$75 for each energy audit referral

- **Cash-back Rewards**

- HVAC
- Lighting
- Variable Frequency Drives (VFDs)
- IT
- Compressed Air Systems
- Commercial Refrigeration
- Vending Machines
- Truck Loading Docks
- Water Heaters
- Food Service

Custom rebates also available on a case by case basis.

- Energy Audit Tool Rental
 - FREE! Just pay S&H
 - 28 day rental
 - Dataloggers
 - Multimeters
 - Power meters
 - Ultrasonic leak detectors
 - Ultrasonic flow meters
 - Combustion analyzers
 - Infrared thermometers
 - MANY MORE!
- E-newsletters for businesses
- Cooperative Marketing Reimbursements (\$1,000/yr)



Utility Support



- **Online Calculators**
- **Advice:** WPS can help answer questions relating to buying and/or maintaining equipment as well as reducing energy usage.
- **MULTI-PROJECT BONUS:** Businesses that complete multiple UNRELATED projects (i.e. HVAC, Lighting, Water Heating, IT) in a 6 month period earn extra bonuses!
 - 25% more when you complete 2 unrelated projects.
 - 50% = 3
 - 75% = 4
 - 100% = 5: Complete 5 unrelated projects and get DOUBLE the Focus on Energy incentives!



Leveraged Funds
Available
to the Community





Home Energy Audit Rebate Program

WHAT IS AN AUDIT?

- A home energy audit is an evaluation by a qualified professional to analyze energy flow and usage in a residential dwelling.
- The purpose of an energy audit is to determine inefficiencies in energy consumption (i.e. leaks, drafts, old equipment) and to inform homeowners of available upgrades and anticipated savings.
- The goal of an energy audit is to provide recommendations that will improve the energy efficiency, human comfort, safety and health of a home.

So what's this rebate program all about?

Green Bay residents may qualify for up to \$200 in rebates to help cover the costs (average \$400) of conducting a home energy audit. To be eligible, homeowners must:

- Reside in Green Bay city limits
- Be current on all taxes and monies owed to the City

Focus on Energy

- Home Performance with Energy Star
 - Insulation
 - Water Heaters
 - Ventilation
 - Mechanical Systems

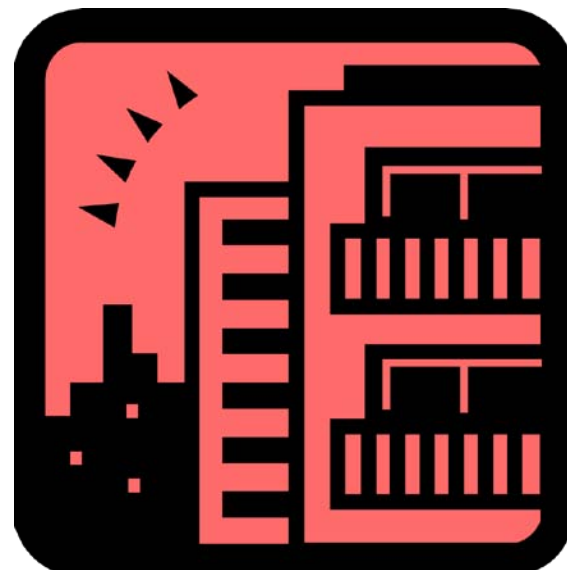
All amounts are currently being doubled by WPS! The maximum amount per homeowner is \$3,000.

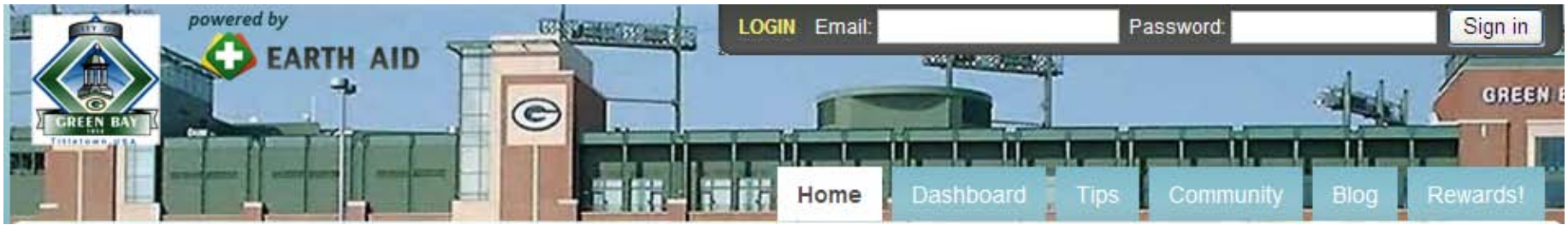
- Cash-back Rewards
 - Furnace
 - Boiler
 - Air Conditioner
 - Water Heater
 - LED fixtures
 - Heat Pump
- Renewable Energy Rewards

RENTAL UNIT ASSISTANCE

from Focus on Energy

- **2 and 3 units (Duplex/Triplex- condos or apartments)**
 - FREE Energy Assessment
 - FREE Energy Advisor
 - Financial Incentives
 - In-Unit Exchange
- **Multiple Units (4+)**
- **E-newsletters available from Focus on Energy**





www.earthaid.net/greenbay

Residents can create an account with Earth Aid to accumulate points on energy savings that are redeemable for gift cards!

This allows the City to track the progress of our program.



PROGRAM PARTICIPANT #1

Home Energy Audit Cost: \$300
 Improvement Costs: \$2,295
 -Air Sealing
 -Attic Insulation
 -Side Wall Insulation
 -Sill Box Insulation
TOTAL COSTS \$2,595

City program rebates: +\$200
 Focus on Energy rebates: +\$725
 WPS rebates: +\$850
 Federal Tax Credit: n/a
TOTAL REBATES \$1,775

**NET COST
 TO HOMEOWNER: \$820**

"I wouldn't have been aware of the rebates without this program!"

**68%
 SAVINGS!**

PROGRAM PARTICIPANT #2

Home Energy Audit Cost: \$300
 Improvement Costs: \$2,277.37
 -Air Sealing
 -Attic Insulation
 -Side Wall Insulation
 -Sill Box Insulation
TOTAL COSTS \$2,577.37

City program rebates: +\$200
 Focus on Energy rebates: +\$825
 WPS rebates: +\$1050
 Federal Tax Credit: + \$470.16
TOTAL REBATES \$2,545.16

**NET COST
 TO HOMEOWNER: \$32.21**

"...because of the rebates and some great advice from the professional in the community I was able to make some energy saving improvements on my home without it costing me much money."

**99%
 SAVINGS!**

PROGRAM PARTICIPANT #3

Home Energy Audit Cost: \$200
 Improvement Costs: \$1,627
 -Air Sealing
 -Attic Insulation
 -Sill Box Insulation
TOTAL COSTS \$1,827

City program rebates: +\$200
 Focus on Energy Rebates: +\$225
 WPS rebates: +\$450
 Federal Tax Credit: +\$518.40
TOTAL REBATES \$1,393.40

**NET COST
 TO HOMEOWNER: \$433.60**

"Although we lived in our house for 44 years, I feel the audit enlightened me as to how to improve the heating and cooling in the future."

**76%
 SAVINGS!**

EECBG funds are producing funds for future improvements

- \$75 referrals go to Sustainable Green Bay committee initiatives.

- Current Earnings: \$3,000
- Anticipated Earnings: \$15,000



- Focus on Energy rebates will be used towards future energy efficiency improvements and training.

- Current Earnings: \$4,000
- Anticipated Earnings: \$40,250

Any Questions?

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Midwest Energy Efficiency Alliance

The Source on Energy Efficiency

Efficiency in the Midwest & Life After ARRA

February 7, 2010

The Source On Energy Efficiency



MEEA's Role in the Midwest

- Nonprofit serving 13 Midwest states
- 10 years serving utilities, states and communities
- Staff of 21 in Chicago
- Actions
 - Advancing Energy Efficiency Policy
 - Designing & Administering EE Programs
 - Delivering Training & Workshops
 - Coordinating Utility Program Efforts
 - Regional Voice for DOE/EPA & ENERGY STAR
 - Evaluating & Promoting Emerging Technologies



The Source On Energy Efficiency



The Case for Efficiency!

The Source On Energy Efficiency

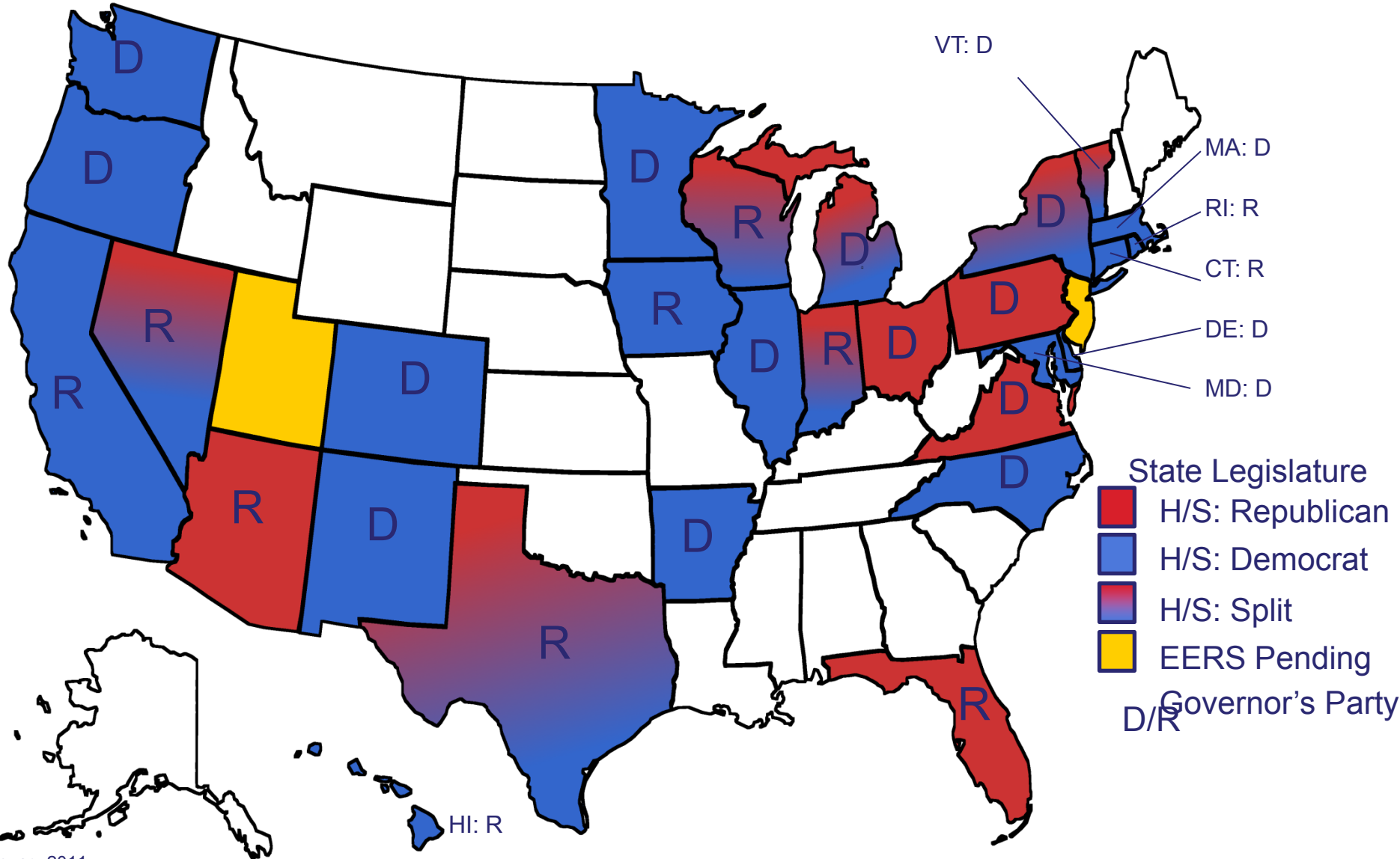


Energy Efficiency Meets Many Needs

- Cheaper than renewables or supply side options
- Create local jobs and keeps money in local economy
- Reduces energy consumption
- Alleviates peak demand periods
- No NIMBY issues (often opposite effect)
- People like being green

Energy Efficiency is a Bipartisan Issue

State House/Senate and Governor party affiliation at the time of the first enactment of statewide energy efficiency policy



Energy Efficiency = Jobs

- Americanprogress.com
 - Clean-energy investments create **16.7 jobs for every \$1 million in spending**. Spending on fossil fuels, by contrast, generates 5.3 jobs per \$1 million in spending
- ACEEE:
<http://www.aceee.org/energy/national/recovery.htm>
 - Home Star: 126,000 jobs in 2010 and then 36,000 in 2011
 - Building Star: 130,000 jobs in 2010 and then 57,000 in 2011
 - ARRA support to manufacturers of EE and Clean Energy: 77,000 jobs in 2010 and then 91,000 in 2011

Efficiency Combats Dollar Drain

- Midwest region - \$40 billion per year leaves the economy to pay for imported fossil fuels
- Savings potential comes from a combination of EE programs:
 - Natural gas EE
 - Electricity EE
 - Price drop through demand reduction
 - Reduction of cost of NG used in electric generation
- Potential Annual Savings for MW Region
 - 2010: \$4.4 billion
 - 2015: \$7.9 billion
 - 2020: \$10.4 billion

The Source On Energy Efficiency



Infrastructure: Buildings

- Homes, businesses, schools, gov't, and industry (the built infrastructure) represents 40% of the natural gas and 70% of electricity used in this country

Avg Cost of the Conserved kWh

\$0.03 per kWh

The Source On Energy Efficiency

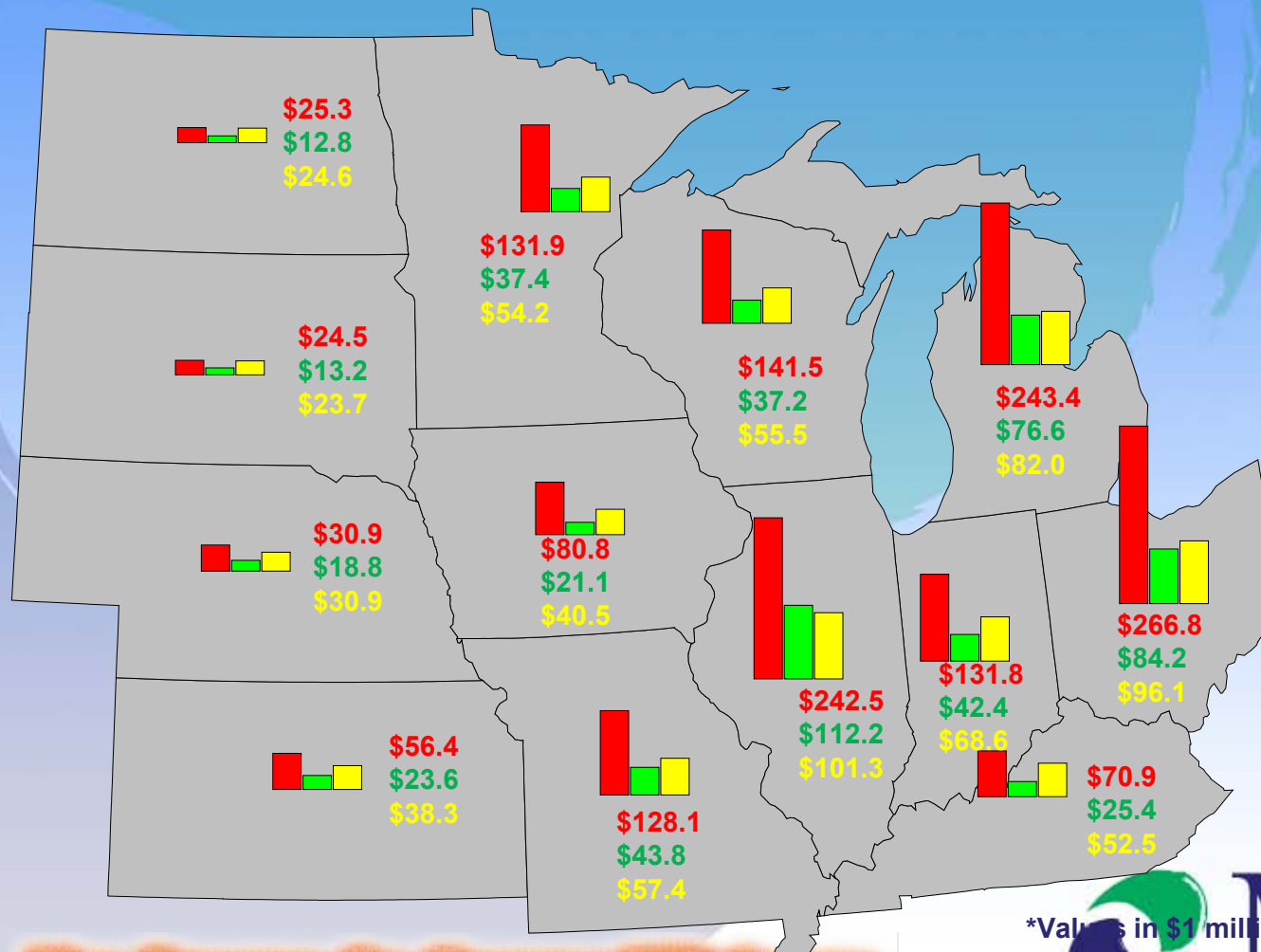


Life After ARRA!

The Source On Energy Efficiency



Midwest Efficiency Funding From the American Reinvestment and Recovery Act



Weatherization Assistance Programs:
\$1.586 billion

Energy Efficiency and Conservation Block Grants:
\$548.56 million

State Energy Programs:
\$725.68 million

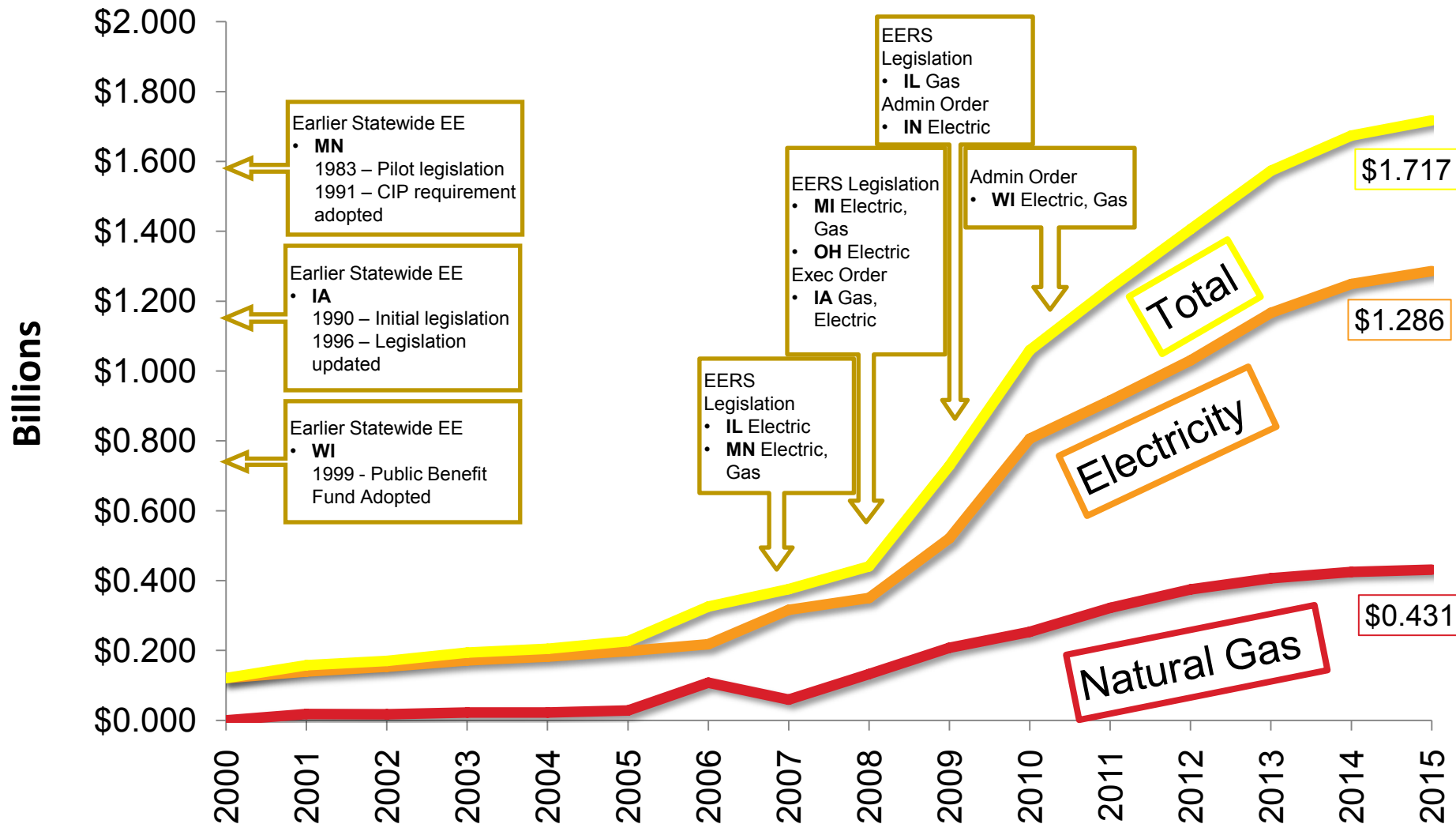
Midwest Total:
\$2.86 billion

The Source On Energy Efficiency

*Values in \$1 million

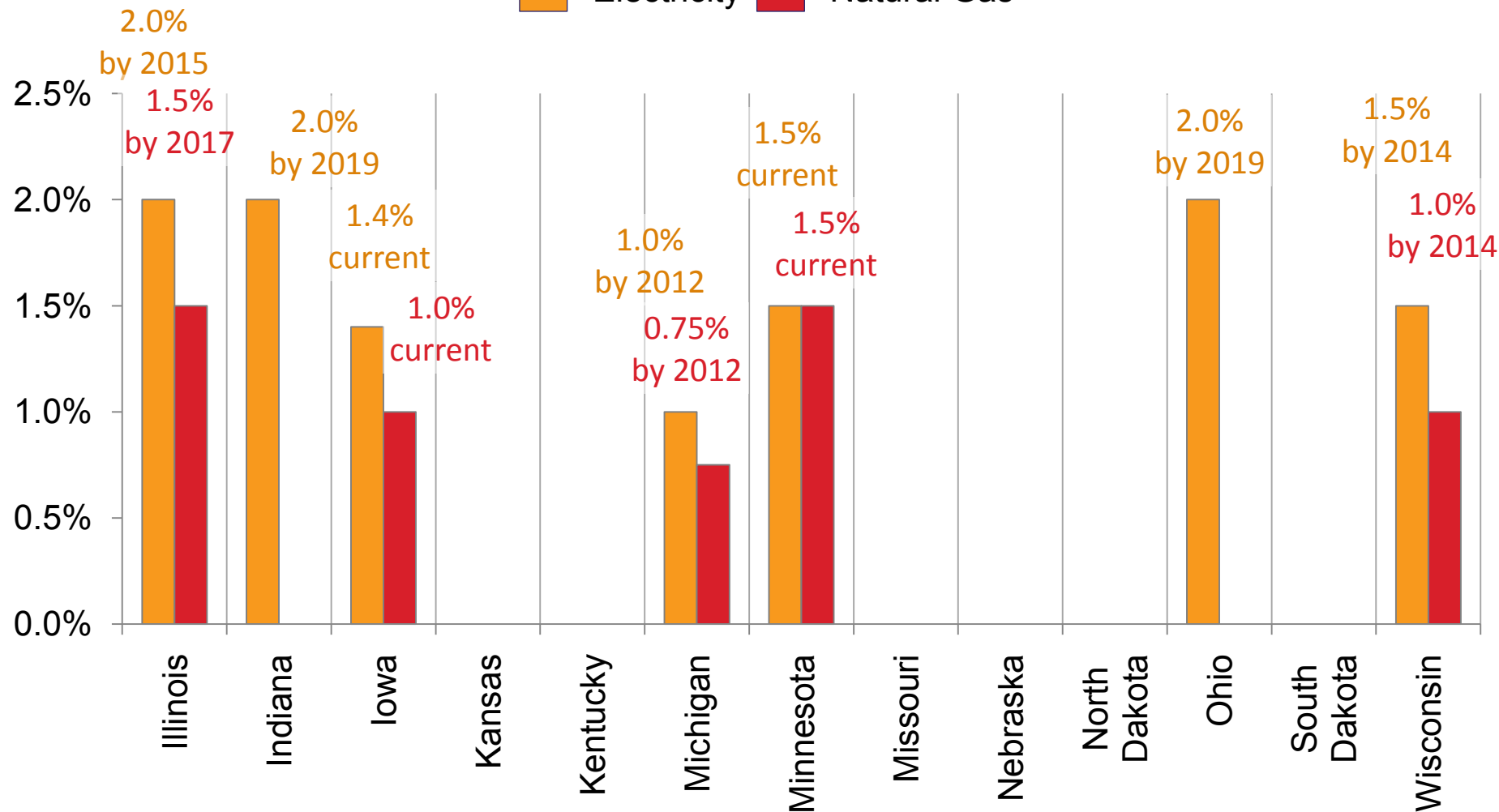
MEEA
Midwest Energy Efficiency Alliance

Estimated Annual Investment in Energy Efficiency in the Midwest



Energy Efficiency Policies in the Midwest

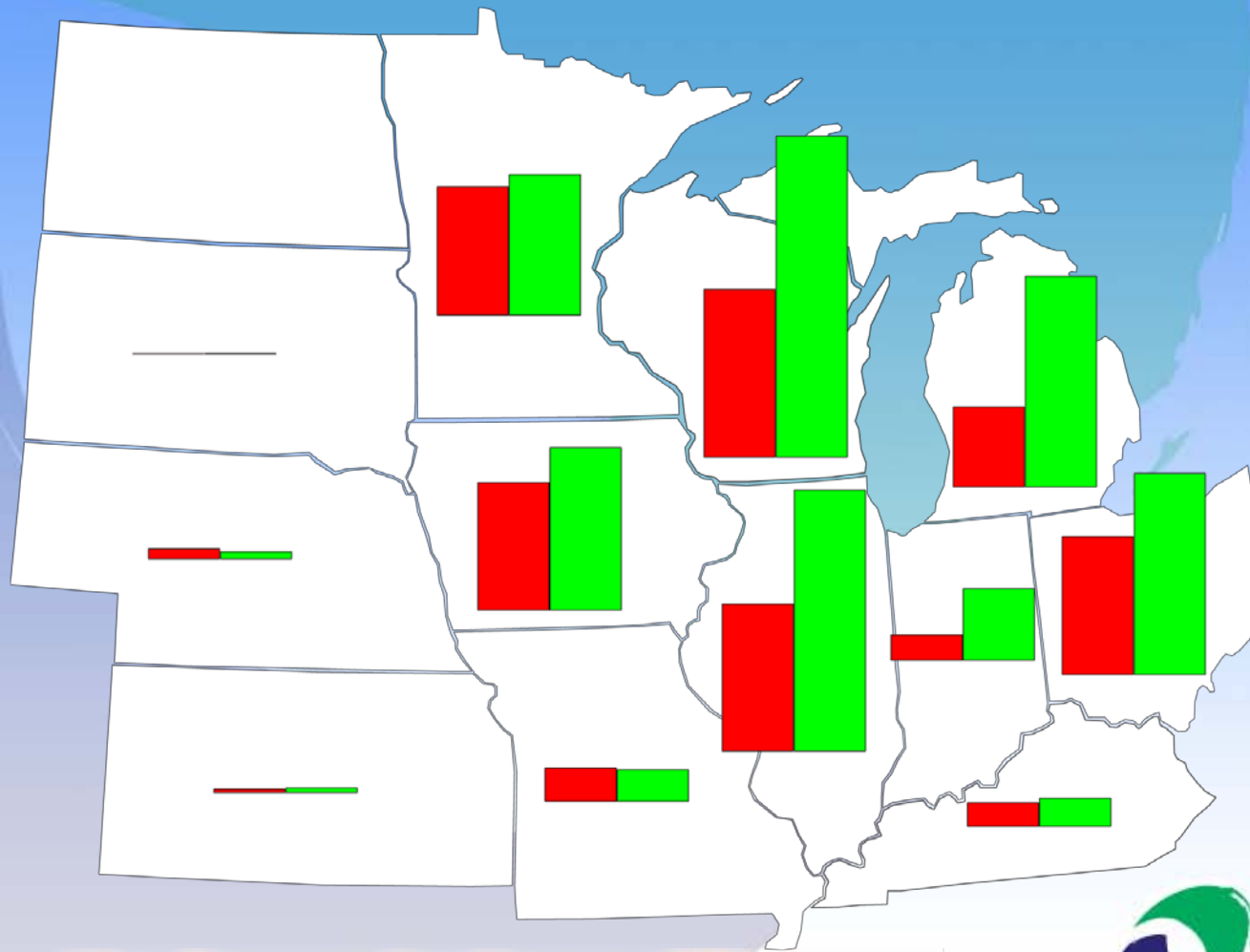
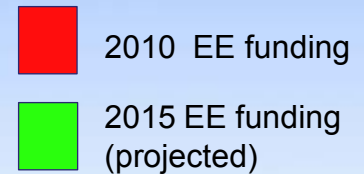
Electricity Natural Gas



Combined Electric & Gas Ratepayer-Funded Efficiency is on the Rise

Midwest Total Efficiency Funding Projections

2010	\$1.06 billion
2011	\$1.24 billion
2012	\$1.41 billion
2013	\$1.57 billion
2014	\$1.67 billion
2015	\$1.72 billion



The Source On Energy Efficiency



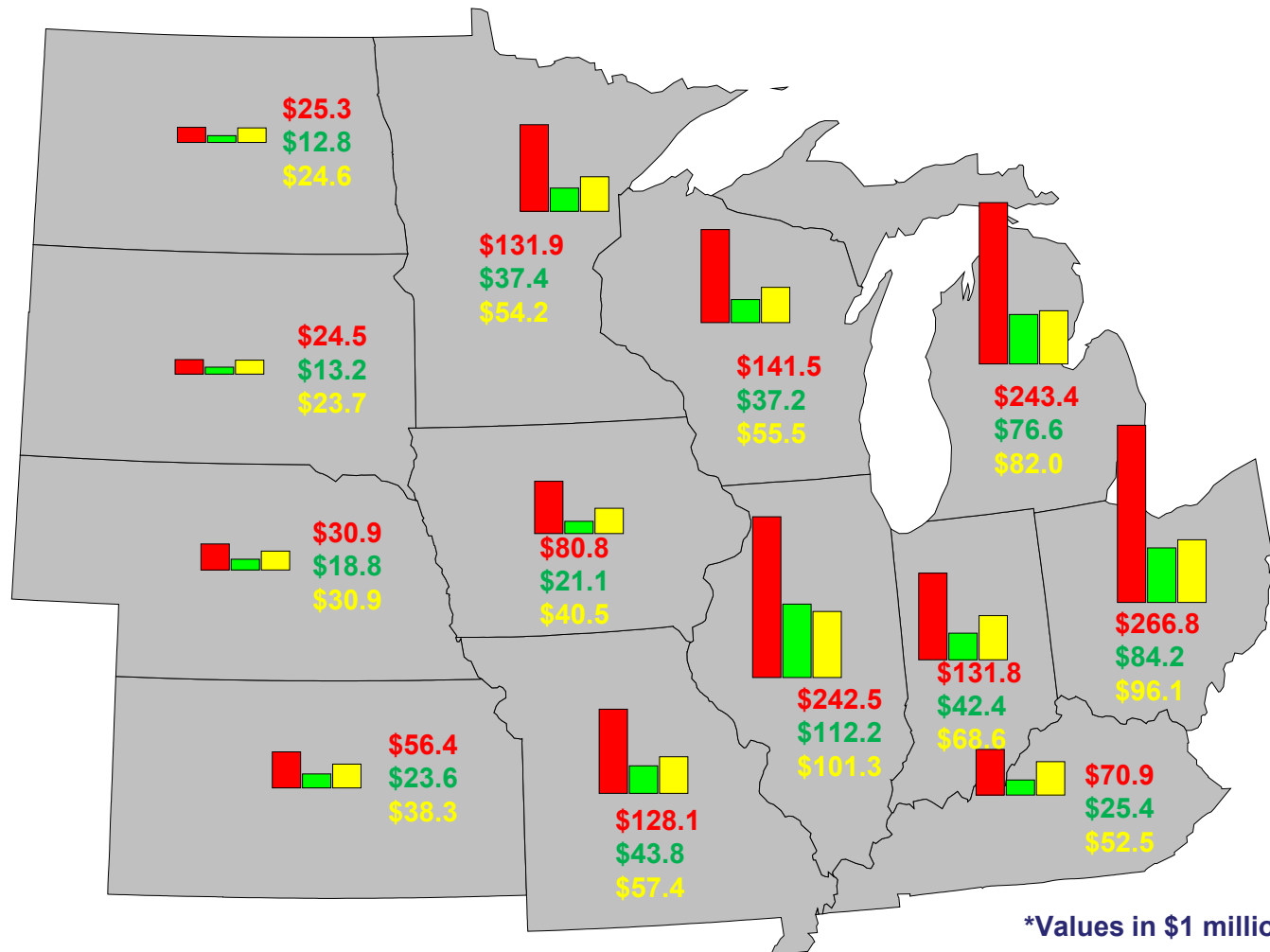
Projected Total Electric & Natural Gas EE Budgets

State	2010	2015
IA	\$ 151,864,307	\$ 193,097,488
IL	\$ 175,105,135	\$ 309,888,951
IN	\$ 31,000,000	\$ 85,733,283
KS	\$ 5,400,000	\$ 6,997,727
KY	\$ 29,000,000	\$ 34,482,657
MI	\$ 95,750,832	\$ 250,275,342
MN	\$ 152,912,628	\$ 167,138,000
MO	\$ 40,500,000	\$ 38,245,504
ND	\$ 200,000	\$ 200,000
NE	\$ 12,987,000	\$ 9,345,853
OH	\$ 163,800,000	\$ 239,028,467
SD	\$ 1,460,046	\$ 1,673,570
WI	\$ 199,368,218	\$ 381,100,000
TOTAL\	\$ 1,059,348,166	\$ 1,717,206,842

The Source On Energy Efficiency



Midwest Efficiency Funding From the American Reinvestment and Recovery Act



*Values in \$1 million

Weatherization Assistance Programs:
\$1.586 billion

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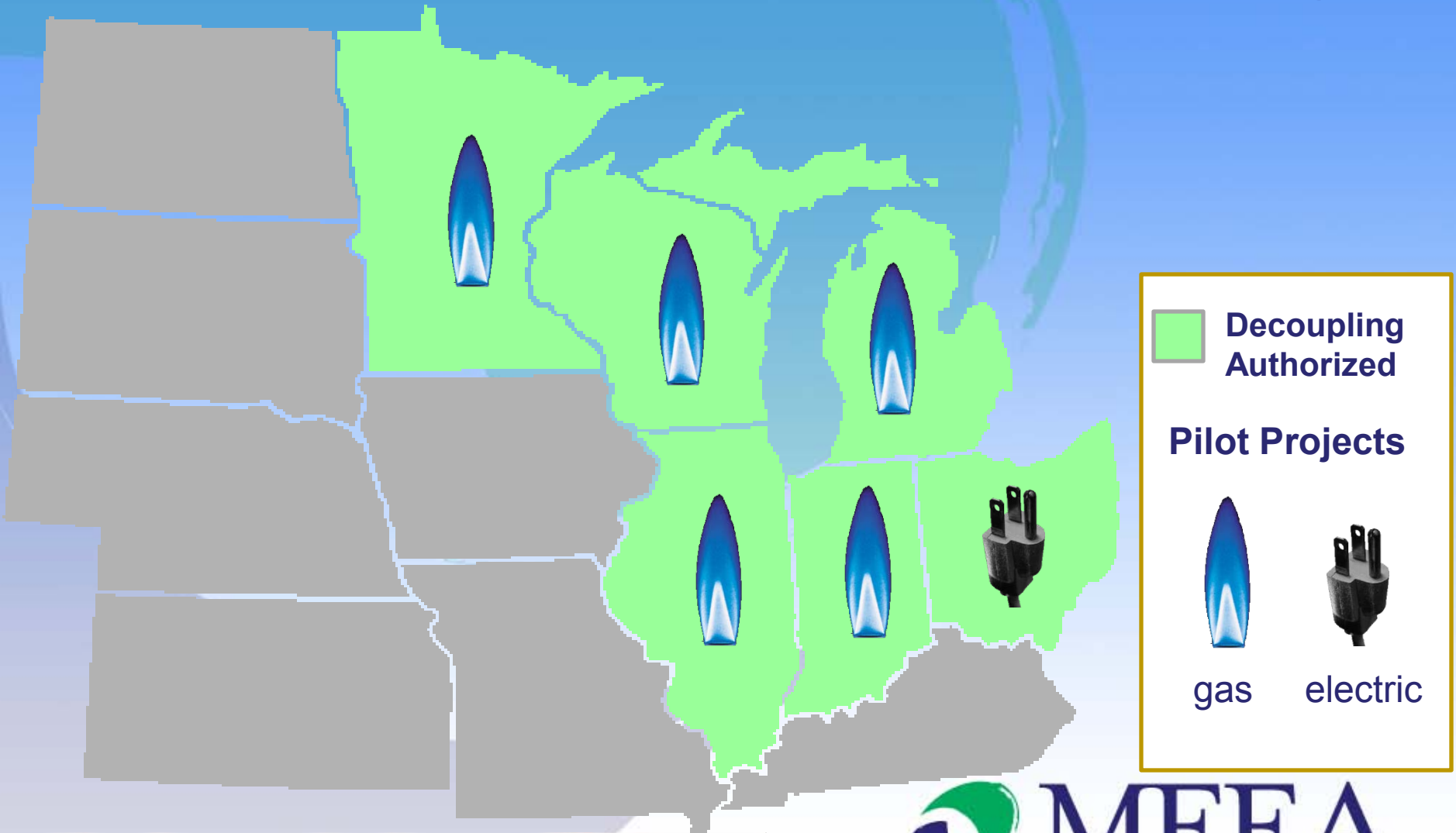
State Energy Programs:
\$725.68 million

Midwest Total:
\$2.86 billion

Utility Programs Areas

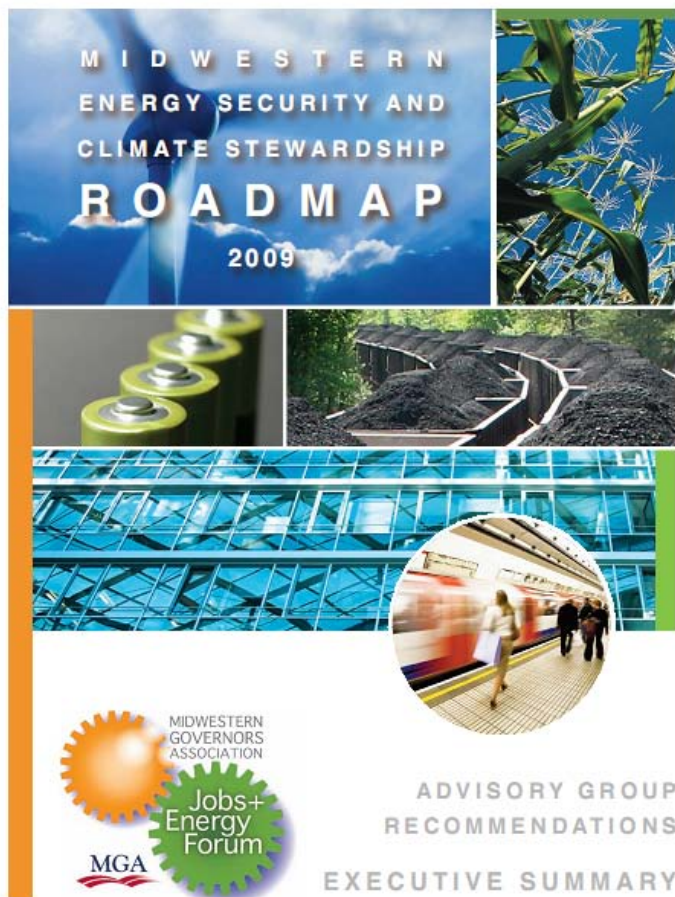
- Traditional incentive programs
 - CFLs, lighting, instant buy-downs
- Newer program areas
 - Whole home (HPwES, air sealing, etc.)
 - Systems work (HVAC systems, smart homes, etc.)
 - Behavior programs (changing the customer habit)
 - Education
 - Sector-specific targeted programs
 - On-bill financing of EE measures

Current and Planned Decoupling



The Source On Energy Efficiency

Midwestern Governors Association Goals



MGA *Roadmap* has 2015 goals for the Midwest of:

- 2.0% annual savings for electric utilities
- 1.5% annual savings for natural gas utilities
- Applied consistently to IOUs, munis, and co-ops.



Public Sector Lead-by-Example

- Energy efficiency in government facilities
 - Application of above-code standards to government buildings
 - Building commissioning and operator training
 - Energy use targets (2009 IL Exec. Order 11)
- Weatherization
- Revolving loan funds and other financing efforts
- On-bill financing

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Join MEEA to Make EE Happen...

Diverse stakeholders in energy efficiency

- Academic/Research Organizations
- Manufacturers/Retailers
- State and Local Governments
- Utilities (IOUs/Munis/Coops)
- Energy Service Firms/Consultants
- Leading Nonprofits
- General Interest/Professionals



MEEA has over 130 members

The Source On Energy Efficiency



MEEA
Midwest Energy Efficiency Alliance

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