

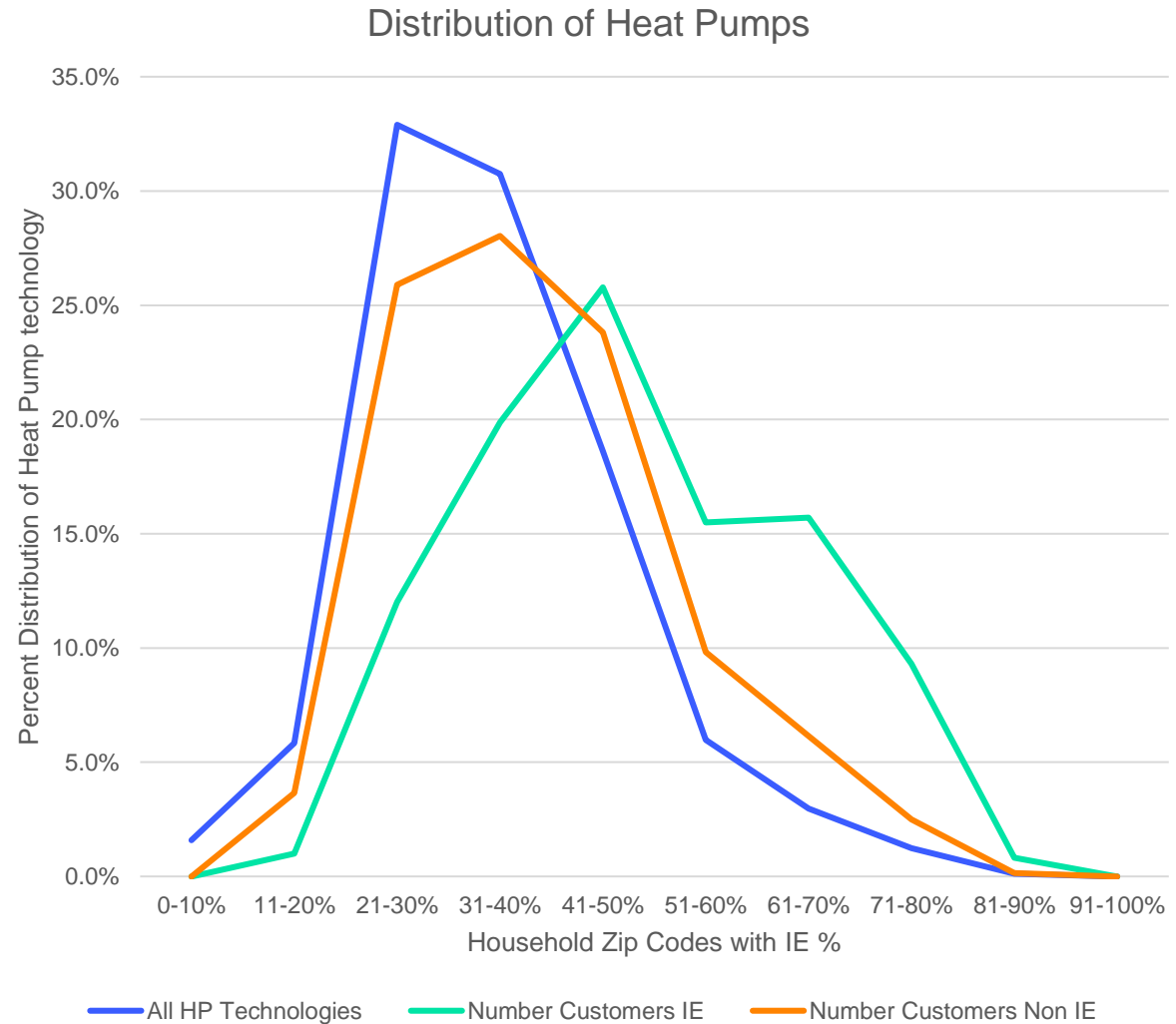
# ComEd Policy Proposals: IE EEE Allocation & EEE Baseline Adjustment

# Policy Proposal 1: IE EEE Allocation

- On June 12<sup>th</sup> , ComEd presented a policy that provides an IE allocation to midstream EEE savings proportional to the percent population of IE customers by zipcode
- This methodology was used by evaluators to allocate IE EEE savings for the 2023 program year evaluation, recognizing that this approach most accurately captures electrification savings from IE households
- ComEd is recommending this approach be used for 2024 and beyond to allocate IE EEE savings for mixed market programs until a better approach is identified, consented and is available to do so
- Actual IE EEE project costs for 2022-23 are not representative of average IE customer incremental costs. These costs are certainly not in any way indicative of IE customers willingness to participate in efficiency upgrades incentivized through a Midstream Program
- We know that some of the electrification savings from mixed-market programs is coming from IE households, a 0% allocation would be completely incorrect, equivalent to using a 100% allocation
- Such a methodology would provide room for mixed-market programs to explore incentive structures that would further facilitate IE electrification through such programs

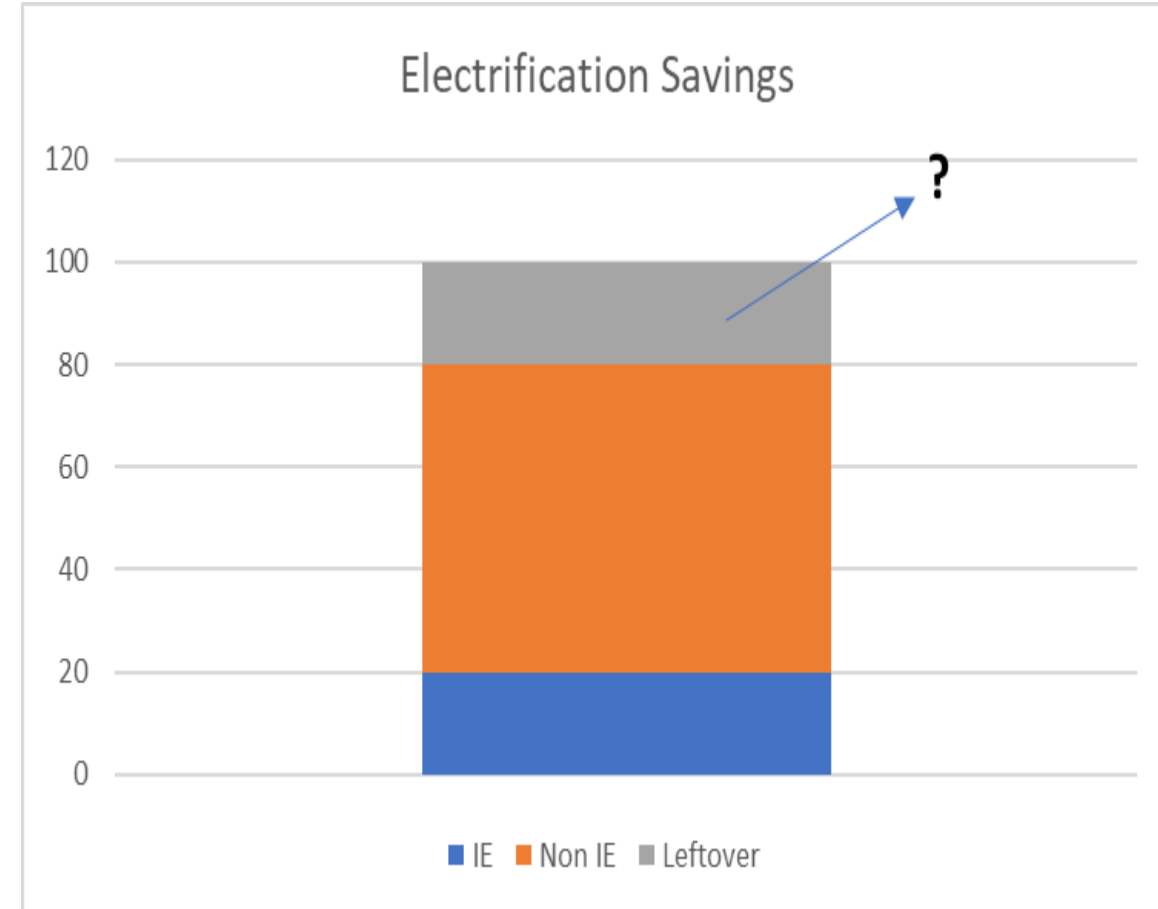
# Distribution of Heat-Pumps Vs Household Zips

- One argument made is that the distribution of heat pumps will vary drastically from distribution of IE customers across household zips
- The data set shows that while there is a variance in distribution between these data-sets, the variation is not completely out of line to the proposed methodology
- The proposed methodology produced a 33% IE Allocation for EEE savings through midstream for 2023. This is close to the median of the HP Distribution
- The data shows the IE EEE allocation for midstream programs is non-zero and that the proposed methodology is the most reasonable analogue available to the true allocation if IE EEE Projects



# Policy Proposal 2: Electrification Baseline Adjustment

- ComEd's second proposal presented, addressed claiming efficiency portion of electrification savings past statutory caps.
- This proposal would be executed by shifting baselines from fuel switching to electric, which would eliminate any fuel switching savings and focus on just the Energy Efficiency savings of the project
- This proposal is in line with statute as it would not allow the claiming of electrification savings past statutory cap, instead savings would now be Energy Efficiency savings
- The benefit of such a policy, for stakeholders who support electrification, is that ComEd won't have to execute a hard stop on electrification measures when nearing the cap.
- Such hard stops in offerings can be extremely harmful to customers, service providers, retailers and distributors in adopting such new technologies





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**Thank you**

