

## **Diverse Contracting Reporting Principles Metrics Final – 6/20/2024**

Illinois Energy Efficiency Policy Manual Version 3.0 was developed by the SAG Policy Manual Subcommittee from June 2022 to August 2023. Policy Manual Version 3.0 was approved by the Illinois Commerce Commission in December 2023. A follow-up item agreed to in the Policy Manual was for the SAG Reporting Working Group to develop metrics for Income Qualified Health and Safety Reporting. This document includes the excerpted “Diverse Contracting Reporting Principles Policy” from the Policy Manual, and metrics finalized in June 2024.

### **Effective Date Interpretation:**

- For information the utilities have been collecting, utilities will use best efforts to start tracking new reporting metrics on June 1, 2024, and report this information in the Q3 2024 report.
- For information the utilities were not previously collecting, finalized by July 1, 2024, utilities will use best efforts to start tracking by October 1, 2024, and include in the Q4 2024 report.
- The new annual reporting metrics will be included in Q2 2025 utility reports.

### **Final “Diverse Contracting Reporting Principles Policy” from Policy Manual Version 3.0, Section 6.11:**

*Each Program Administrator will report on its efforts to enable and provide increases in diverse contracting within the Program Administrators’ Energy Efficiency Portfolios. In addition to any standard diverse contractor reporting already undertaken by Program Administrators pursuant to Section 5-117 of the Public Utilities Act, and for electric utilities, as ordered by the Commission in the electric utility performance-based ratemaking dockets (ICC Docket Nos. 22-0063 and 22-0067), Program Administrators will report on a statewide set of metrics designed to provide insight into the policy objective of increasing opportunities for diverse contractors and Trade Allies to engage in Energy Efficiency and other policy objectives. The following metrics will be reported by diverse category, including but not limited to woman-owned, minority-owned, and veteran-owned businesses:*

- i. The number of diverse contractors and/or proportion of spending on diverse contracts for the Energy Efficiency Portfolio, by tiered contract level (primary contract (direct with a Program Administrator) or secondary contract (subcontract to a primary), as applicable). If a Program Administrator has two (2) or less diverse contractors in a tier level and/or diverse category, this reporting requirement will be waived to protect the confidentiality of contract values. This waiver will not supersede a Program Administrator’s obligation to provide expense detail in any ICC proceeding in which the reasonableness and prudence of a Program Administrator’s spending is being assessed.*
- ii. Percent of or amount of Portfolio dollars, excluding pass-through incentives, for diverse contractor spend.*
- iii. Spending with diverse Trade Allies, relative to total Trade Ally spending.*

### **Bi-Annual Reporting Metrics for Diverse Energy Efficiency Prime Contractors and Subcontractors (i – ii):**

Utilities will report the following diverse contracting metrics bi-annually:

1. Number of diverse contractors, broken out by tiered contract level (primary contract (direct with a Program Administrator) or secondary contract (subcontract to a primary), as applicable). With the caveat that if there is only one or two primary contractors, the number can be a single bundled number of both primary and secondary contractors.
2. For each tier:
  - a. Number of women-owned businesses
  - b. Number of minority-owned businesses
  - c. Number of veteran-owned businesses
  - d. Number of both woman and minority-owned businesses (to the extent possible)
  - e. Number of both woman and veteran-owned businesses (to the extent possible)
3. Spending, excluding pass-through incentives; and separately for incentives or other fees being paid directly by the program (cumulative YTD in each quarterly report), separately for contractors broken out by tier:
  - a. All contractors
  - b. Women-owned businesses
  - c. Minority-owned businesses
  - d. Veteran-owned businesses
  - e. Woman and minority-owned businesses (to the extent possible)
  - f. Woman and veteran-owned businesses (to the extent possible)

**Reporting Location:** Bi-annually, in Q2 and Q4 quarterly reports. The Quarterly reports (either in narrative, spreadsheet format, or both) will provide the appropriate data. Within a given program year the data will reflect cumulative year-to-date data in each quarterly report.

*The set of metrics designed to provide insight into the policy objective of increasing opportunities for diverse contractors and Trade Allies to engage in Energy Efficiency and other policy objectives may include:*

- i. Number of diverse Trade Allies and their specialties.*
- ii. How diverse Trade Allies are distributed geographically by Program.*
- iii. Location of diverse Trade Allies relative to historically disadvantaged communities and Environmental Justice communities, whichever is more inclusive of low and moderate income communities.*

**Ameren Illinois, ComEd, and Nicor Gas Annual Reporting Metrics for Trade Allies<sup>1</sup>:**

1. Report total number of participating Energy Efficiency Program Trade Allies and diverse Trade Allies broken out by category of primary specialty (e.g., HVAC, plumbing, weatherization, electrical, etc.)
2. The percentage of diverse Trade Allies, broken out by category of primary specialty (e.g., HVAC, plumbing, weatherization, electrical, etc.), whose primary business location is in an economically disadvantaged community

**Peoples Gas and North Shore Gas Annual Reporting Metrics for Trade Allies:**

- Provide a static map of participating diverse Trade Allies with an overlay to demonstrate quantity of diverse Trade Allies located in an economically disadvantaged community.

**Reporting Location:** Annually, in Q2 utility reports for the previous program year. Within a given program year, the data will reflect cumulative year-to-date data.

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<sup>1</sup> Nicor Gas plans to report on both certified and self-identified diverse Trade Allies.

*Program Administrators shall work with interested stakeholders to reach consensus in developing the specific metrics to address these reporting needs. The metrics may evolve over time.*

*The list of metrics will be posted on the SAG and LIEEAC website(s). The metrics will be referenced in, and lessons learned from reported metric data will be referenced in, the Program Administrators' quarterly and/or annual reports and discussed in SAG and LIEEAC with the goal of improving Program delivery and outcomes.*