**Illinois Energy Efficiency Stakeholder Advisory Group**

**Policy Resolution:**

**IE EEE Attribution for Midstream Programs**

**Draft ComEd Proposal l (10/X/2024)**

**Policy Issue:**

Current Illinois policy is silent on an attribution methodology to apply to midstream energy efficiency programs in determining income eligible (“IE”) participation within midstream energy efficiency electrification (“EEE”) measures. IE is defined for this purpose as an income at or below 80% of the area median income (AMI). It is now necessary to determine an attribution methodology for these programs, as at least 25% of total EEE savings must come from electrification of end uses in IE housing. By definition, the midstream measures have too little information about the end-use customer to directly inform whether the end-use customer is IE. Therefore, using data that can be collected through a midstream program, it is necessary to determine an appropriate methodology to attribute midstream savings to IE and non-IE customers.

**Background:**

**Policy Resolution:**

The Illinois Commerce Commission has already approved an allocation methodology to determine IE for other purposes on at least two occasions.

First, the Commission determined that the Illinois Power Agency should implement a policy that used “census tracts where at least 50% of the residents have incomes below 80% of the area median income to qualify with . . . a signed affidavit” for purposes of IE income verification for Illinois Solar For All (“ILSFA”). Illinois Commerce Commission Docket No. 22-0231, Final Order at 125.

The next year, the Commission again approved a policy for determining income eligibility in the context of the Illinois Power Agency’s Bright Neighborhoods Pilot Program. The Commission said “[c]ustomers participating in the Bright Neighborhoods Pilot Program who live within HUD Qualified Census Tracks (QCT) will have an option to sign an affidavit confirming that they make less than 80% Area Median Income” to determine income eligibility for that program. Illinois Commerce Commission Docket No. 23-0714, Final Order at 104.

The Commission’s policy is clear that census tract information combined with an attestation of income eligibility is sufficient for these purposes. Importantly, under both these programs, the end-use customers were known and available to sign attestations and/or affidavits. By contrast, the EEE midstream programs do not have the end-use customer available to attest to their income level.

Nonetheless, the utilities do have statistically significant data that demonstrates the allocation of IE end-use customers in census tracts where at least 50% of the residents have incomes at or below 80% of AMI. For 2024, this data can be used as a proxy to establish the correct allocation of IE to non-IE EEE spend for midstream program.

Starting in calendar year 2025 and beyond, the utility shall use Zip +4 data to determine census tract and allocate an appropriate percentage of EEE savings to IE in that year. Zip +4 is as granular as census tract and therefore a reasonable proxy for collecting direct customer census tract while staying within the bounds of data collection for a midstream program.

This allocation methodology is consistent with other Illinois EE Policy Manual income qualified eligibility verification guidelines. More specifically, the Policy Manual states that for tenant-occupied single-family and two-unit homes, income qualified eligibility may be verified by location in a census tract identified by the Program Administrator as low-income. **Section 4.4 - IV**