Illinois Commerce Commission (ICC) Proceedings

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Beneficial Electrification

September 2021: Governor Pritzker signed the Climate and Equitable Jobs Act (CEJA) in Illinois, including updated and new provisions to the Electric Vehicle Act (EV Act)

- EV Act required the ICC to initiate a Beneficial Electrification Workshop Process
 - To discuss input on the design of beneficial electrification programs to be offered by Ameren Illinois and ComEd
 - ICC held workshops from November 2021 to February 2022
 - Meeting materials and workshop recordings: <u>Beneficial Electrification Workshops 2021-2022 (illinois.gov)</u>
- EV Act required Ameren Illinois and ComEd to file Beneficial Electrification Plans with the ICC by July 1, 2022
 - Beneficial Electrification Plans are currently under review by the ICC in two open dockets one for the Ameren Illinois Plan, one for the ComEd Plan
 - Programs anticipated to start in early 2023

What is "beneficial electrification"?

Beneficial electrification programs definition from EV Act:

programs that lower carbon dioxide emissions, replace fossil fuel use, create cost savings, improve electric grid operations, reduce increases to peak demand, improve electric usage load shape, and align electric usage with times of renewable generation. All beneficial electrification programs shall provide for incentives such that customers are induced to use electricity at times of low overall system usage or at times when generation from renewable energy sources is high. "Beneficial electrification programs" include a portfolio of the following:

(1) time-of-use electric rates;

(2) hourly pricing electric rates;

(3) optimized charging programs or programs that encourage charging at times beneficial to the electric grid;

(4) optional demand-response programs specifically related to electrification efforts;

(5) incentives for electrification and associated infrastructure tied to using electricity at off-peak times;

(6) incentives for electrification and associated infrastructure targeted to medium-duty and heavy-duty vehicles used by transit agencies;

(7) incentives for electrification and associated infrastructure targeted to school buses;

(8) incentives for electrification and associated infrastructure for medium-duty and heavy-duty government and private fleet vehicles;
(9) <u>low-income programs that provide access to electric vehicles for communities where car ownership or new car ownership is not common;</u>

(10) incentives for electrification in eligible communities;

(11) incentives or programs to enable quicker adoption of electric

vehicles by developing public charging stations in dense areas, workplaces, and low-income communities;

(12) incentives or programs to develop electric vehicle infrastructure that minimizes range anxiety, filling the gaps in deployment, particularly in rural areas and along highway corridors;

(13) incentives to encourage the development of electrification and renewable energy generation in close proximity in order to reduce grid congestion

(14) offer support to low-income communities who are experiencing financial and accessibility barriers such that electric vehicle ownership is not an option; and

(15) other such programs as defined by the Commission.

Beneficial Electrification

Among other requirements from the EV Act, the utilities' Beneficial Electrification Plans must address equity and environmental justice

How will the Plans address equity and EJ? References from EV Act:

- Ensuring there are **opportunities for eligible communities to participate and benefit** from beneficial electrification programs
- Supporting investment in charging equipment in or serving environmental justice, low-income, and eligible communities
- Supporting investment in electrifying medium-duty and heavy-duty school bus and public transportation vehicles located in, or serving environmental justice, low income and eligible communities
- Contributing to improving air quality in eligible communities who disproportionally suffer from emissions from the medium-duty and heavy-duty transportation sector

Beneficial Electrification

Next Steps

- Both Beneficial Electrification Plan dockets are being litigated at the ICC
 - The Ameren Illinois Company Beneficial Electrification Plan is filed in ICC Docket No. 22-0431: https://www.icc.illinois.gov/docket/P2022-0431/documents/325722
 - The Commonwealth Edison Company Beneficial Electrification Plan is filed in ICC Docket No. 22-0432: <u>https://www.icc.illinois.gov/docket/P2022-0432/documents/325766</u>
- Beneficial Electrification Plans must be approved by March 2023; programs anticipated to begin early 2023
- After Plans are approved, additional information will be available about opportunities to participate in the programs

Equitable Energy Upgrade Program

September 2021: Governor Pritzker signed the Climate and Equitable Jobs Act (CEJA) in Illinois, including updated and new provisions to the Illinois Public Utilities Act

- One new provision is the development and implementation of the Equitable Energy Update Program (EEUP)
- EEUP will be offered by electric utilities Ameren Illinois and ComEd
- The ICC must establish program guidelines that utilities must following when implementing the program
- ICC is holding EEUP Workshops to develop the guidelines to implement the EEUP statutory requirements

What is the "Equitable Energy Upgrade Program"?

- Tariffed on-bill financing for energy upgrades
- Eligible projects = energy efficiency, customer-sited renewables, energy storage, demand response equipment
- EEUP shall be designed to provide customers with immediate financial savings if they participate
- Utility recovers costs over time through fixed monthly charge on customer's bill participating customer pays for project on their utility bill
- A customer's repayment obligation tied to the utility meter, not who occupies the residence

Summarized from the following June 2022 EEUP Workshop presentation, posted on <u>ICC EEUP Workshop</u> <u>webpage</u>: <u>Slipstream Presentation</u>: <u>Statutory Overview of EEUP</u>

Equitable Energy Upgrade Program

Next Steps

- ICC is holding monthly EEUP Workshop meetings
 - Goal is to develop EEUP rules, to inform future informational filings by Ameren Illinois and ComEd
 - The next meeting is scheduled on October 25
 - Reach out to Jennifer Morris to join the Workshop distribution list: <u>Jennifer.Morris@illinois.gov</u>
 - Additional information: <u>Equitable Energy Upgrade Program (illinois.gov)</u>
- ICC anticipates initiates a rulemaking process after conclusion of EEUP Workshops
- Timing for EEUP program launch is TBD, pending rulemaking process