

Illinois Energy Office Programs

April 2012

The Illinois Energy Office demonstrates economic development benefits, including job creation, of energy efficiency, renewable energy, and recycling through a variety of programs and services. Further, Energy Office programs demonstrate that economic development, sustainable energy, recycling practices, and environmental protection go hand in hand.

In addition, the Office continues to promote the leadership of the State of Illinois, through its own energy and recycling policies and practices at state facilities. Individually tailored programs are available to assist Illinois citizens, communities, non-profit organizations, businesses, industry, and other government agencies in an effort to achieve the Offices' mission.

Energy Efficiency Portfolio Standard

Illinois Energy Now

Under Public Act 95-0481, DCEO, ComEd, and Ameren Illinois have developed and sustained a portfolio of electric energy efficiency programs to achieve certain annual energy savings goals. Over \$55 million is available for the DCEO electric Illinois Energy Now programs. DCEO is responsible for 25% of the total portfolio and the utilities 75%. DCEO will utilize approximately 58% of funds on public sector programs, 24% on low income programs, and 10% on market transformation programs. ComEd and Ameren Illinois electric portfolio programs will be focused on residential, commercial and industrial sectors.

The Natural Gas Energy Efficiency Program authorized by Public Act 96-0033 started June 1, 2011. For this first program year, over \$15 million is available for incentives to the public sector and low income sector. DCEO is offering an integrated natural gas and electric portfolio. Ameren Illinois, Nicor, Peoples and North Shore natural gas companies offer natural gas energy efficiency incentives to the commercial, industrial, and residential sectors.

The programs offered by DCEO's State Energy Office are as follows:

Public Sector Electric and Natural Gas Efficiency

These programs include the Standard and Custom Incentive Programs, Retrocommissioning and New Construction Program and are offered to the **Public Sector**:

- Local Government (county, township, municipal, public safety, water and park districts)
- Public Schools
- Community Colleges
- State and Federal Government
- Public Universities

Standard and Custom Incentive Programs

Provides grants and rebates to public sector entities for electric and natural gas system efficiency improvements. The Standard Incentive Program provides set incentive levels for common retrofits for lighting, HVAC, variable frequency drive controls, motors and refrigeration. The Custom Incentive Program provides incentives for electric and natural gas efficiency improvements not listed in the Standard Incentive Program.

New Construction Program

Provides grants to public sector entities to encourage applicants to design new or rehabbed buildings to achieve the greatest level of energy efficiency. The program offers \$/square foot incentives for facility design improvements beyond code, with incentive levels increasing for additional percentages beyond code. Estimated electricity and natural gas savings must be documented by energy modeling and/or supporting calculations.

Retro-commissioning Program

Provides funding to identify and implement low cost tune-ups and adjustments that improve the efficiency of existing public buildings' operating systems by returning them to intended operation or design specifications, with a focus on building controls and HVAC systems. Retro-commissioning services will be delivered through a network of commissioning providers that have been trained in program protocols and participation processes.

Public Sector Aggregation Program

During program year 2011- 2012, the Aggregation program will serve as a pilot project testing a new delivery channel to hard to reach customers. Applicants must display how they plan to coordinate energy efficiency projects. The focus is for an applicant to target a sector, such as community colleges, public K-12 schools, small communities, and the City of Chicago.

Lights for Learning Fundraiser

The Illinois Lights for Learning Fundraiser is a unique educational opportunity for Illinois students to earn money for their school or organization by selling energy saving, energy efficient Compact Fluorescent Light bulbs (CFLs). Participating schools keep 50% of the proceeds, and presentations are provided to educate students and their community about the environmental and financial benefits of using CFLs.

Designation as Self-Directing Customer or Exempt Customer

Customers seeking to be designated by the Department as a self-directing customer (SDC) or as an Exempt Customer under the Natural Gas Energy Efficiency Programs shall submit an application on or before February 1, 2010. A new customer that commences taking service from a natural gas utility after February 1, 2010 may apply up to 30 days after beginning service. Thereafter, applications may be made not less than 6 months before the triennial filing date of the gas utility energy efficiency plans.

Low Income Energy Efficiency

Energy Efficient Affordable Housing Construction Program

The Illinois Department of Commerce and Economic Opportunity (DCEO) believes that affordable housing must be energy efficient to be truly affordable. DCEO has led this effort through the Illinois Energy Efficient Affordable Housing Program initiated in 1988. Under this Program, grants are provided to Illinois based non-profit and for-profit housing developers to include energy efficient building practices in the rehab or new construction of affordable housing units. Average energy savings range from 50% to 75%.

Residential Retrofit

This program provides funding to leverage existing low income weatherization and home improvement programs to maximize electricity savings. DCEO will partner with Program Implementers such as state agencies, local government, lending institutions, housing authorities, and affordable housing developers for direct installation or funding of electric efficiency measures in low income households. This program is part of the Illinois Energy Efficiency Portfolio.

**Market Transformation:
Technical Assistance, Education and Training**

Building Industry Training and Education Program

This program provides funds to organizations to train professionals from all aspects of the building industry in energy efficient practices and about energy efficient products and equipment, in order to develop the robust energy efficiency services market necessary to achieve the energy savings goals in future years. Grantees will organize and coordinate workshops and training for all sectors throughout the state in order to educate the industry on state of the art energy efficiency practices for building construction, rehab, operation, and maintenance. This program supports efforts such as the Illinois Energy Conservation Code for Commercial and Residential Building training, Illinois Home Performance with Energy Star (IHwES) training, Building Performance Institute (BPI) training and the Building Operator Certification (BOC) program.

Smart Energy Design Assistance

DCEO partners with the University of Illinois School of Architecture in order to provide technical assistance services to businesses, federal, state and local government, public schools, community colleges, public universities and colleges to assist clients who are considering energy efficiency improvements at existing facilities or to enhance baseline design of new facilities.

Energy Performance Contracting Program

Energy Performance Contracting is an innovative arrangement for designing, installing and financing energy improvement projects where the savings achieved by the project are guaranteed to amortize the cost of the project over the term of the agreement.

Renewable Energy Programs

Illinois boasts significant potential for renewable power and heating: wind, solar and biogas offer both economic and environmental benefits. DCEO administers the Renewable Energy Resources Program (RERP) to foster investment in and the development and use of renewable energy resources within the state of Illinois. DCEO strongly believes that the facilitation of such investment in renewable energy projects in Illinois brings strong economic development benefits to the state: new income streams for farmers, new jobs, new investment, and new property tax revenues for local governments.

Solar and Wind Energy Rebate Program

The focus of the Solar and Wind Energy Rebate Program, through the State's

Renewable Energy Resources Program, is to encourage utilization of small-scale solar energy systems in Illinois.

Eligible applicants include homeowners, businesses, public sector and non-profit entities that are customers of an electric or gas utility that impose the Renewable Energy Resources and Coal Technology Development Assistance Charge. The program offers incentives up to 30% of total project cost for residential and business applicants, and 50% for public sector and non-profit entities. The maximum rebate is \$50,000.

Renewable Fuels Development Program

The Renewable Fuels Development Program (RFDP) was established in June of 2003 by Public Act 93-15 to provide grants for the construction of new biofuels production facilities in Illinois. The program is specifically designed to increase biofuels (ethanol and biodiesel) production in Illinois. This program helps to increase the production of biofuels (ethanol and biodiesel) within the State of Illinois. DCEO provides up to \$5.5 million in funding (to the extent of funds available) for the construction of new biofuels facilities of at least 30 million gallons of production per year, or the expansion of existing facilities by at least 30 million gallons of production per year.

Illinois E-85 Infrastructure Development Program

Through a grant from the Illinois Clean Energy Community Foundation (ICECF), Illinois is helping to build an infrastructure of E-85 refueling stations throughout the state. E-85 is currently the main alternative to petroleum gasoline and is composed of 85 percent ethanol fuel and 15 percent petroleum gasoline.

Renewable Fuels Research, Development and Demonstration Program

Through its Renewable Fuels Research, Development and Demonstration Program, DCEO works with Illinois' industrial and agricultural organizations to actively promote and expand the use of biofuels, such as ethanol and biodiesel, as clean, renewable transportation fuels.

RECYCLING/WASTE REDUCTION PROGRAMS

DCEO's Recycling programs support the very relevant public policy concern of sustainable economic development by effectively addressing environmental challenges and business competitiveness issues, while offering public economic benefits such as job creation.

DCEO's Division of Recycling and Waste Reduction provides technical assistance and access to capital for projects involving source reduction, waste reduction, recycling and reuse. DCEO's efforts help the Illinois recycling industry continue to expand, enhancing statewide economic growth while helping Illinois businesses; schools, local

governments and not-for-profit organizations advance their waste reduction and recycling initiatives.

DCEO administers three main recycling programs, the Illinois Recycling Grants Program, the Recycling Expansion and Modernization Program, and the Food Scrap Composting Revitalization & Advancement Program (F-SCRAP).

Illinois Recycling Grants Program (IRGP)

Through a competitive process, the IRGP concentrates on projects that develop or expand recycling collection and processing efforts in Illinois. A priority goal of the program is to reduce the amount of recyclable commodities entering the municipal solid waste stream while maximizing the economic benefits of recycling, including job creation. While most funding from this program has historically supported “traditional (fiber, plastic, metal, and glass) recycling” efforts such as curbside and drop-off recycling, the program has the flexibility to also seek applications designed to target specific non-traditional recyclables. For example, over the past several years the program solicited and funded projects that capitalized on the economic benefits associated with the development of an infrastructure in Illinois to collect and process computer and other electronic discards.

Grants are available to assist local governments, for-profit, and not-for-profit businesses and organizations with their recycling efforts. Grant funds may be used to purchase project-related capital equipment such as collection, processing or handling equipment and project-related expansion and modernization costs.

Recycling Expansion and Modernization Program (REM)

The REM Program provides funding for projects that involve a) improving an organization’s solid waste management practices through source reduction and waste reduction, including recycling and reuse activities; b) improving product packaging practices to reduce waste; and c) modernizing and expanding a business that manufactures recycled content products. While the REM Program regularly funds numerous successful projects, the demand for REM services continues to increase as Illinois organizations tout the benefits (both environmental and business performance) of improved waste management practices and increased recycling.

- Waste Management Modernization project: provides funding for a business or organization that plans to improve its approach to solid waste management through modernization activities. Projects involve best practices in solid waste management including (a) source reduction activities that **prevent** the generation of solid waste, and (b) waste reduction activities that recycle or reuse industrial byproducts or other solid waste materials.

- Market Expansion Modernization project: provides funding to modernize key functions in a business or organization that manufactures recycled-content products or uses recyclable commodities in providing a service. The purpose is to increase the use of recyclable commodities, thereby expanding markets for these materials. Projects may also involve technical issues that are unique for companies planning to convert their operations to use recyclable commodities in manufacturing or service delivery.

REM grant funds (from \$10K to \$250K) can be used for capital equipment and/or consultant services.

Food Scrap Composting Revitalization & Advancement Program (F-SCRAP)

The DCEO commissioned report, *Illinois Commodity/Waste Generation and Characterization Study (May 2009)* revealed that food scraps are the single largest material category of municipal solid waste (MSW) landfilled in Illinois. In fact, food scraps, generated from such diverse sources as households, grocery stores, farmer's markets, restaurants, college dining facilities, and food packaging operations account for 12% of all MSW landfilled in Illinois. This fact, coupled with Governor Quinn's recent signage of Public Act 96-418 that relaxes how food scrap composting facilities are regulated are the genesis for this new program.

Composting has been shown to create up to 4 times as many jobs as landfilling the same amount of material and could help businesses and institutions reduce their waste disposal costs. This new initiative solicits projects that will advance Illinois' food scrap composting infrastructure. DCEO may award grants up to \$125,000 to any one project and grant funds may be provided to support cost related to project necessary equipment and/or site improvements.

Electric Vehicles and Charging Stations

The Illinois Electric Vehicle Advisory Council was created through an Act of the Illinois General Assembly to promote the use of electric vehicles. As stated in the Act, the adoption and use of EV's benefits the State of Illinois by improving the health and environmental quality of the residents of Illinois through reduced pollution, reducing the operating costs of vehicle transportation, and shifting the demand for imported petroleum to locally produced electricity.

To achieve these objectives, DCEO has created two rebate and one grant program.

Residential Electric Vehicle Charging Station Infrastructure Rebate Program

The purpose of this rebate program is to encourage the installation and utilization of Level II electric vehicle charging units at residential locations, such as parking lots and parking garages for multi-unit rental, condo, and co-op buildings, and single family home garages of Electric Vehicle drivers.

Public/Commercial Electric Vehicle Charging Infrastructure Rebate Program

This program encourages the installation and utilization of Level II electric vehicle charging stations at non-residential, multi-vehicle locations, such as parking lots and parking garages for retail centers, businesses, units of local governments, educational institutions, and non-profits.

Electric Vehicle/Charging Station Business Development Grant Program

This program will fund projects that support electric vehicle, charging station and support equipment production through the development or expansion of EV or electric vehicle supply equipment business, including component manufacturers. Proposed projects are eligible for grant up to 50% of eligible project costs up to \$1 million. Eligible expenditures include the purchase and installation of machinery, equipment and new industrial systems and/or the conversion and improvement of existing processes.

This program is funded through the Capitol Bill.

Illinois Energy Office

Jonathan Feipel, Deputy Director

217/785-2009

Jonathan.Feipel@illinois.gov

Agnes Mrozowski, Assistant Deputy Director

217/524-0933

Agnes.Mrozowski@illinois.gov

David Baker, Energy Division Manager (Illinois Energy Now, Codes)

217/785-5222

David.S.Baker@illinois.gov

Alyson Grady, Assistant Energy Division Manager (Renewable Energy/ARRA Programs Manager)

217/785-3986

Alyson.Grady@illinois.gov

Byron Lloyd, Illinois Energy Now (Illinois Energy Now Program Manager, schools & colleges)

217/785-3412

Byron.Lloyd@illinois.gov

Andrea Reiff (Illinois Energy Now Program Manager, municipalities)

217/785-0164

Andrea.Reiff@illinois.gov

Norm Marek (Renewable Fuels Programs)

217/785-5082

Norm.Marek@illinois.gov

Sara Wilcockson (SEP Program Administrator/Federal Liaison)

217/785-3986

Sara.Wilcockson@illinois.gov

Barb Eldridge (e-Grants Administrator)

217/785-3411

Barb.Eldgridge@illinois.gov

Lonnie Dosenbach (Administrative Assistant)

217/785-3416

Lonnie.Dosenbach@illinois.gov

