Illinois Energy Efficiency Stakeholder Advisory Group

2020 SAG Portfolio Planning Process
Proposed Energy Efficiency Ideas Template

Submitter Contact Information

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Energy Efficiency Idea Questions

Please check the boxes below to identify 1) the type of idea; 2) which Illinois utility or utilities will be impacted by the idea; and 3) which EE sector the idea impacts.

Check	Type of Energy Efficiency Idea
	New Measure or New Program Idea
	Proposed Program Approach
\boxtimes	Innovative Idea

Check	Illinois Utility Impacted by Energy Efficiency Idea
\boxtimes	Ameren Illinois
\boxtimes	ComEd
	Nicor Gas
	Peoples Gas & North Shore Gas
	All Illinois Utilities

Check	Energy Efficiency Sector Targeted by Energy Efficiency Idea
	Residential Customers – Single Family (non-income qualified/income eligible)
	Residential Customers – Multifamily (non-income qualified/income eligible)
	Residential Customers – Single Family Income Qualified/Income Eligible
	Residential Customers – Multifamily Income Qualified/Income Eligible
\boxtimes	Small Business Customers (commercial & industrial sector)
	Medium/Large Business Customers (commercial & industrial sector)
\boxtimes	Other (research & development, emerging technologies, market transformation)

Additional Questions

1. **Description of Idea:** Describe the proposed idea, including the purpose of the suggested idea and rationale. Describe whether this is an idea that could be implemented in an existing EE program, or whether the idea involves establishing a new measure or program. Please indicate whether additional research may be required before implementation.

<u>Questions to consider</u>: What issue will this proposed change resolve? Will the proposed change increase participation and result in increased energy savings? Will this reduce costs? Will this increase customer satisfaction? Will this help achieve statutory goals? Will this help increase program penetration?

EE Idea: Illinois Efficiency Initiative to achieve ENERGY STAR Tenant Space Recognition

The U.S. Environmental Protection Agency's (EPA) ENERGY STAR program recognizes the need for energy saving opportunities in commercial tenant spaces. With the completion of its Tenant Space Recognition pilot, ENERGY STAR is aiming to work to bring the Tenant Space Recognition program to full market-scale in late 2020. EPA is interested in hearing from the IL SAG about how ENERGY STAR tenant space recognition could be leveraged in utility programs to advance utility program measures and help overcome landlord-tenant split incentives, and any additional support the EPA could provide to assist utility programs.

The following is an outline of EPA's approach to tenant recognition. ENERGY STAR Tenant Space Recognition will be given to eligible tenants who meet the following criteria:

- 1. Estimate Energy Use
 - Tenant inputs basic space characteristics into the ENERGY STAR Portfolio Manager tenant module (in development) to create an energy estimate.
 - There is no performance threshold.
- 2. Meter
 - Tenant space has meters that capture all energy the tenant is responsible for in the building.
 - This includes lighting, plug-load, supplemental HVAC (if applicable), and data centers (if applicable).
 - Meters must be +/- 2% accurate.

- 3. Light Efficiently
 - Tenant conducts a lighting inventory of their space and inputs information on a floor/suite by floor/suite basis into the tenant module.
 - Tenant's estimated Lighting Energy Use Intensity (LEUI*) is at or below Target LEUI, which is based on previously entered space characteristics.
 - * Energy estimate and LEUI developed by NREL and PNNL, respectively, with support from DOE.
 - The Requirement is based on a weighted average of the entire tenant space.
- 4. Use Efficient Equipment
 - Tenant provides proof of a procurement policy, indicating the purchase of energy efficient equipment. (Examples: Green lease, corporate policy).
 - Tenant attests that sleep settings have been (or will be) enabled for computer equipment.
- 5. Share Data (upon request from landlord)
 - Tenant agrees to share energy data with landlord upon request.

Eligible tenants would be those leasing administrative, financial, or non-diagnostic office spaces. The application must include all office space tenant leases within the building. Meters and lighting must be in place. There is no size requirement for eligibility.

The online tool/module that will be housed in ENERGY STAR's Portfolio Manager is in development and will enable users to utilize a simple process, start and stop an application, and receive automatic feedback on eligibility.

A licensed professional verifies and stamps the application, similar to the process for ENERGY STAR's whole building certification. The applicants submit the application within the Portfolio Manager platform, and EPA reviews and awards the recognition.

2. **Implementation:** How will this idea be delivered to the target market? Describe marketing strategies used to reach the target market and minimize market confusion.

EPA is interested in having a dialogue with the IL SAG on how ENERGY STAR Tenant Space Recognition could be leveraged in utility programs and what additional information, tools and assistance could be valuable.

Eligible measures might include the following:

- Lighting,
- Printers,
- Computers,
- Monitors,
- Televisions,
- Vending Machines,
- Water Coolers, and
- Refrigerators.
- 3. **Background:** Describe where the idea originated from, including whether this idea has been successfully implemented in other jurisdictions. Provide specific background information that will help utilities and SAG participants understand the proposed idea.

<u>Questions to consider</u>: In what jurisdiction has this idea been successfully implemented? Do you have information on eligible customers, participation achieved, and/or savings achieved? Do you have access to reports describing the successful idea / program approach?

The Energy Efficiency Improvement Act of 2015 directed EPA to develop recognition for energy efficient commercial tenant spaces. EPA proposed recognition criteria in 2016 and launched a pilot for office spaces in the summer of 2017. In 2018, EPA awarded Recognition to 51 Charter Tenant spaces. These Charter Tenant spaces were in 15 states, comprised of properties that were 2,000 square feet to over 1.3 million square feet, and were occupied tenant space (as well as in build/fit-out).

EPA anticipates that a program leveraging ENERGY STAR Tenant Space Recognition would create an uptake of existing measures, such as lighting, plus an increase of uptake of other measures (e.g., breakroom water coolers, refrigerators, etc.) in this hard-to-reach market.

4. **Idea Impact:** Provide additional information on the customer segment that will be targeted with the program idea, including how and why this idea will have a positive impact on customers participating in Illinois EE programs.

<u>Questions to consider</u>: What level of impact will this idea have on current EE programs? How much additional market share do you estimate this change will impact?

ENERGY STAR Tenant Space Recognition is designed to motivate behavior changes in energy efficiency in leased commercial spaces. Utility efficiency programs are often challenged by landlord-tenant barriers. The Tenant Space Recognition will serve to complement utilities' current program offerings by focusing on actions that tenants are most likely to take on their own or could be broadened to engage landlord's in challenging their tenants to make energy savings improvements. Landlords may be interested in this opportunity, particularly if they are already engaged in improving whole building performance or offer it as a service to engage their tenants in a shared environmental goal.

5. **Duration:** Is this idea intended to be offered for the duration of the 4-year EE Plan or as a pilot measure or program?

This initiative is intended to be offered for the duration of the 4-year EE plan.

6. **Estimated Budget:** Provide the total estimated budget for each program year (2022 – 2025).

The use of the online tool and the application to earn Tenant Space Recognition are free of cost. Operational costs to engage landlords, tenants, and licensed professionals in the application process are dependent on the utility.

7. **Estimated Participation:** Provide participation totals for each program year (i.e. number of measures installed, number of customer participants, etc.)

At a national level, 57 percent of private commercial office buildings are fully or partially leased to tenants (<u>CBECS</u>, <u>2013</u>, <u>Table B17</u>), making this an appealing opportunity to overcome the challenge of landlord-tenant engagement and collaboration in this space. (We are happy to do a back-of-the envelope calculation with advanced notice of acceptance to present).

Sources

If any sources will be useful to Illinois utilities in reviewing ideas, please either provide links within this template or send attachment(s) to the SAG Facilitator with the Energy Efficiency Idea submittal.