



IMUA

Illinois Municipal Utilities Association

We wish to thank these Associate Members for their sponsorship of tonight's banquet:

- Drake-Scruggs
- Henkels & McCoy, Inc.
- T&R Electric
- Trench-It



Illinois Clean Energy

community foundation

Illinois Municipal Utilities Association

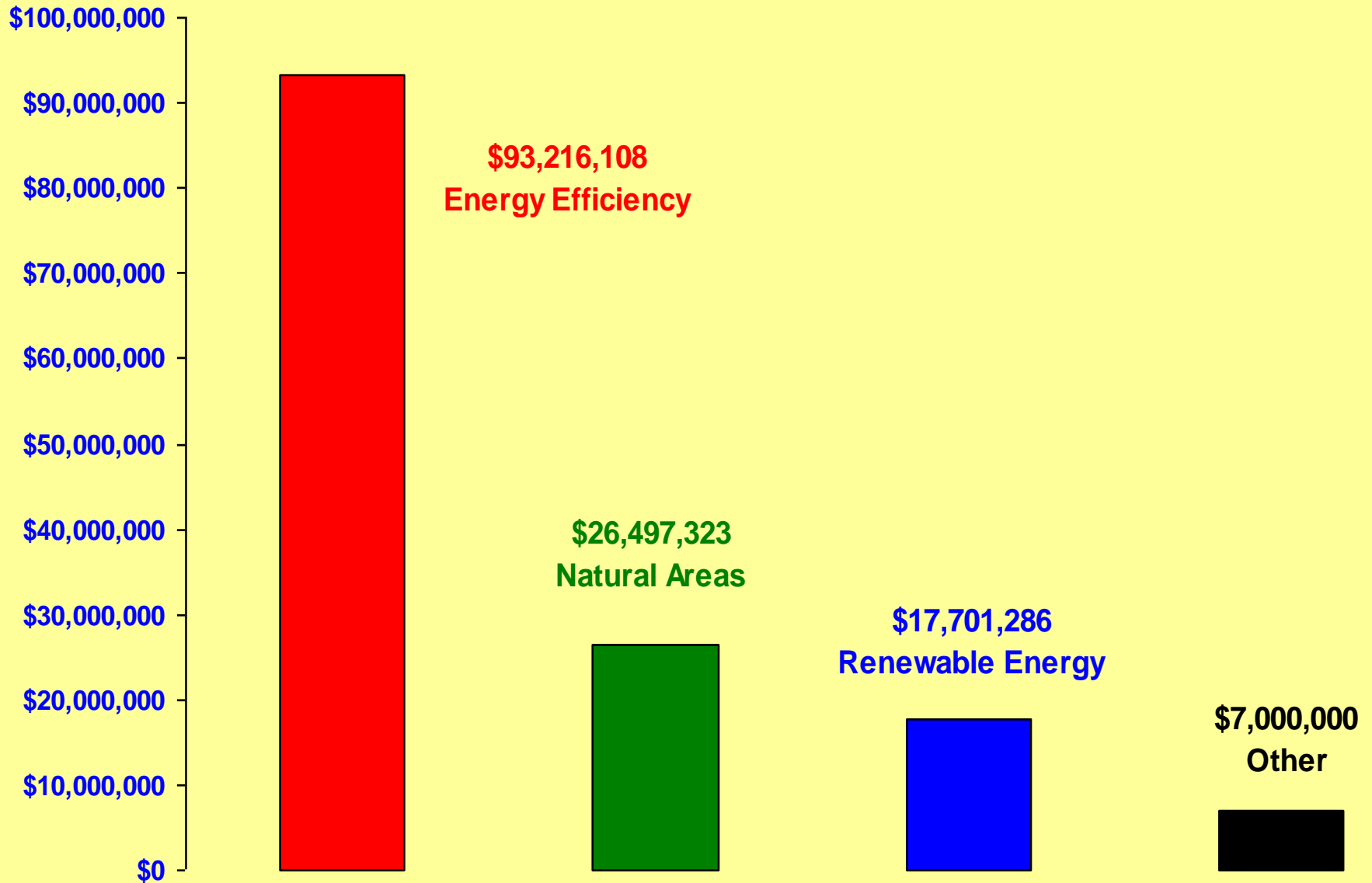
**Annual Conference
East Peoria, Illinois**

May 13-14, 2008

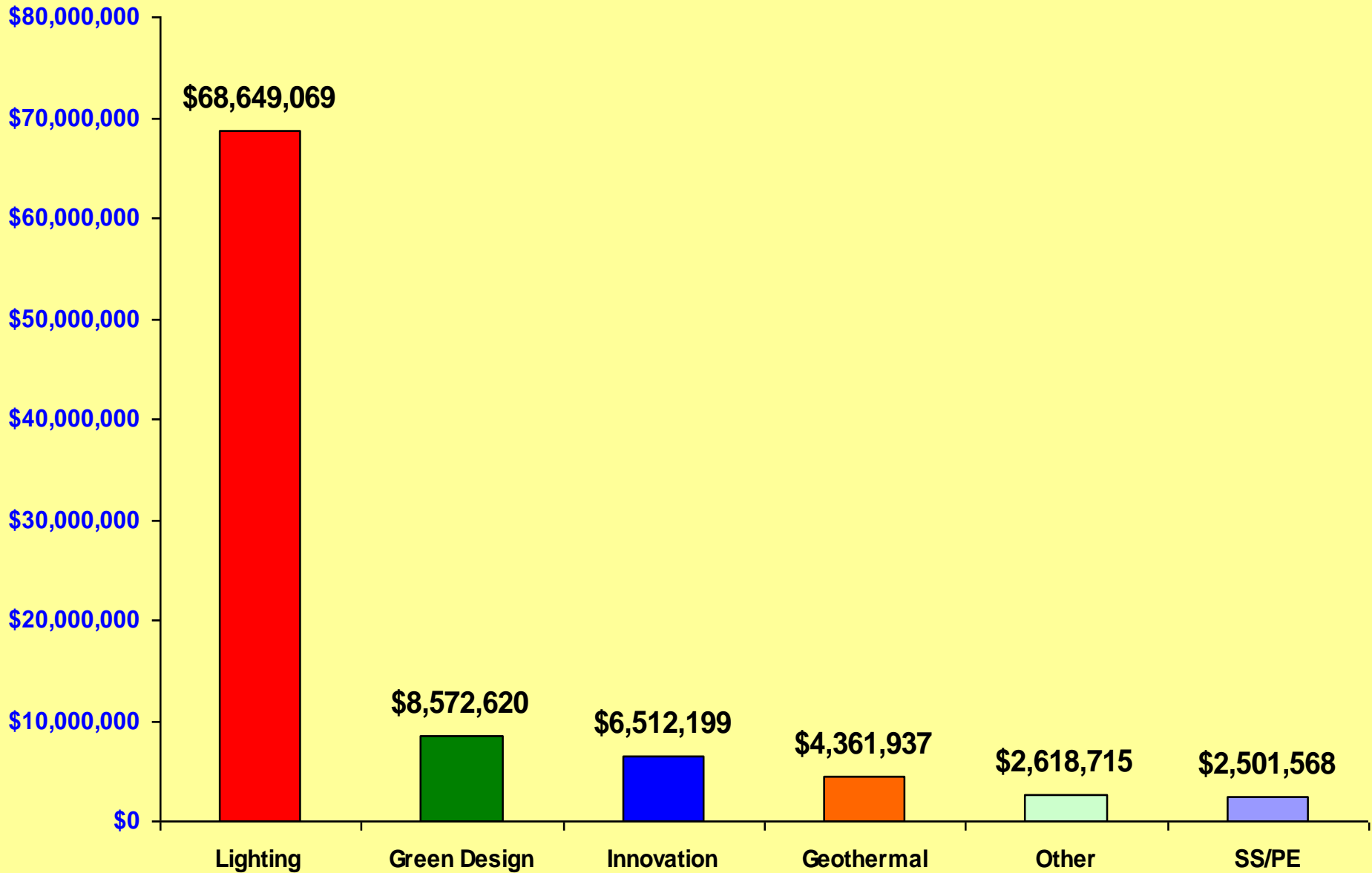
Foundation Overview

- The Illinois Clean Energy Community Foundation is an independent, private charitable organization created in 1999 with an endowment of \$225 Million from the Commonwealth Edison Company
- Mission: invest in clean energy development and land preservation efforts
- Mission is supported by programs/projects to:
 - improve energy efficiency;
 - develop renewable energy resources; and
 - preserve natural areas & wildlife habitats

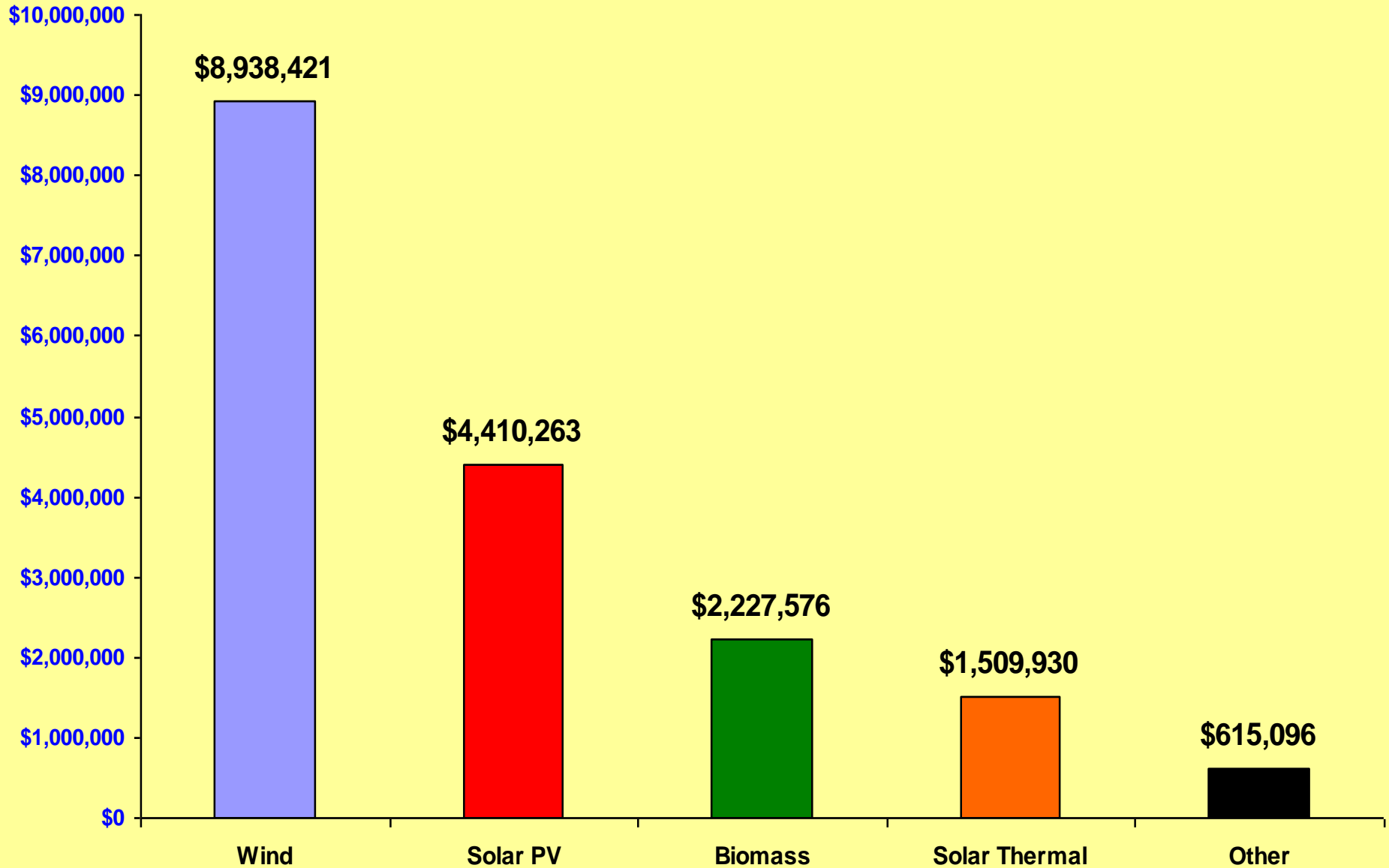
Summary of Foundation Grant Making \$144.4 Million through May 6, 2008



Summary of Energy Efficiency Grants



Summary of Renewable Energy Grants



Grant Funding in 2008 and Beyond

- **Natural Areas**
 - Continued Priority on Acquisition of Natural Habitat (over 10,00 acres preserved)
- **Renewable Energy**
 - School Solar PV Program
 - Solar/Wind in “Green” Buildings
 - Community Wind
 - Solar Thermal Energy Demonstrations
 - Biomass

Energy Efficiency

- 2,466 grants totaling \$93.2 million in all 102 Illinois Counties.
- Energy Efficiency grants comprise **9 out of 10** of ALL Foundation grant awards and just under **Two-Thirds** of ALL Foundation Funding
- Lighting upgrade grant awards total \$68.6 million - **71%** of ALL Energy Efficiency grant funding and just under One-Half of ALL Foundation funding.
- Innovative Systems 2nd largest funding area (\$11.2 million – 13.5%) in efficiency.
- Green Building Design & Commissioning grants 3rd largest funding area (\$7.8 million - 9.5%) in efficiency

Energy Efficiency Portfolio Standards

- Requires additional, escalating electric consumption reductions every year (below currently projected baseline scenarios)
- Applies only to Commonwealth Edison & Ameren Companies
- Provides funding mechanism for new energy efficiency programs and initiatives for customers in the Commonwealth Edison & Ameren service territories
- 25% of funds managed by Illinois Department of Commerce & Economic Opportunity (public sector, low-income & education/training)

ComEd Energy Efficiency Portfolio: The Value Proposition

- **3 year portfolio:**
 - Reduces energy consumption by 1.2 million kWh
 - Reduces peak load by 330 MW
 - Reduces carbon = removing 100,000 cars from road
 - Saves customers a net \$155 million after program costs



New Energy Efficiency Funding

Year	Revenue Cap	Funding Level	DCEO Share
2008	0.5%	\$53.2 million	\$12.9 million
2009	1.0%	\$111 million	\$26.8 million
2010	1.5%	\$172 million	\$41.6 million
2011 +	2.0%	\$235 million	\$57 million

Sample Programs

- Prescriptive Incentives (common efficiency measures – lighting, motors & HVAC units)
- Customer Incentives (for more complex measures including industrial process improvements)
- Retro-commissioning
- Small Business CFL
- New Construction

EEPS Impact on Foundation Funding for Energy Efficiency

- Reduced 2008 funding target waiting for clarity in grant making landscape
- No new initiatives **presently** planned to maintain historic funding levels
- Lighting upgrade programs being phased out
 - 2008/9 likely last year for College/University & Childcare Center Lighting Upgrade Programs.
- Historic Courthouse & Public Safety Building Programs to continue in 2009 and beyond

Continuing Energy Efficiency Programs

- ***Green Building Design & Commissioning Programs*** to continue and possibly expand
 - Capital funding not provided but many “green” building grantees receive funding for innovative technologies to support LEED certification
- Emphasis on ***INNOVATION*** (cutting edge/emerging technologies not required by code or commonly used in Illinois) to continue and likely expand
- ***Geothermal***
 - Evidence of Market Transformation
 - Foundation remains interested in “Model Demonstrations”
 - Funding likely to remain as a percentage of incremental or total project cost.

Gaps in EEPS Program Funding

- **Approximately 10% of Illinois electric customers – those served by Cooperative & Municipal Utilities - not covered by EEPS**
- No plans for Gas programs
- Innovation may be difficult for utilities to fund because of “cost-effectiveness” tests
- “Gaps” likely not known until programs are implemented
- Is “co-funding” is feasible/practical

Filling the Gaps for Municipal & Cooperative Utility Customers

- IMUA and AIEC interest in “filling the gap” and offering comparable programs to its customers
- Sources of Funding to offset program costs
- Does IMUA interest lie in other areas, e.g., renewable energy development
- Interest in continuing a dialogue



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