

**Illinois Department of Commerce and Economic Opportunity
Bureau of Energy and Recycling Programs
November 2008**

ILLINOIS ENERGY EFFICIENCY PORTFOLIO

Under Public Act 95-0481, DCEO, ComEd, and Ameren Illinois are required to develop a portfolio of energy efficiency programs to achieve certain annual energy savings goals. Over \$50 million will be utilized for the Illinois Energy Efficiency Portfolio programs during the first year starting June 1, 2008. The portfolio program funding will double during the second year and triple in the third year. DCEO is responsible for 25% of the portfolio and the utilities 75%. DCEO will utilize approximately 65% of funds on public sector programs, 25% on low income programs, and 10% on market transformation programs. Ameren Illinois and ComEd portfolio programs will be focused on residential, commercial and industrial sectors.

Public Sector Electric Efficiency Programs

The programs described below are offered to the public sector - federal, state and local government (county, township, municipal), public schools, community colleges, public universities and colleges, public safety, water and park districts in ComEd and Ameren Illinois electric service territories.

Standard Incentive Program

Provides grants and rebates to public sector entities for a specific list of energy efficiency measures. Measures include electric system efficiency improvements for lighting, motors, variable frequency drives, cooling equipment, traffic signals and exit signs, among others. The incentives are available to units of local, state, and federal government, schools, community colleges and universities. This program is part of the Illinois Energy Efficiency Portfolio and is limited to ComEd and Ameren Illinois electric service territories.

DCEO contact: Andrea Reiff, 217/785-0164, <andrea.reiff@illinois.gov>

Custom Incentive Program

Provides grants to public sector entities for improving the energy efficiency of equipment or process. The incentives are available for facility improvements that reduce the electricity use for measures not specifically listed in the Standard Incentive Program. This program is part of the Illinois Energy Efficiency Portfolio and is limited to ComEd and Ameren Illinois electric service territories.

DCEO contact: Tom Coe, 217/785-2433, <tom.coe@illinois.gov>

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 savings must be documented by energy modeling and/or supporting calculations. This program is part of the Illinois Energy Efficiency Portfolio and is limited to ComEd and Ameren Illinois electric service territories.

DCEO contact: Tom Coe, 217/785-2433, <tom.coe@illinois.gov>

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. This program is part of the Illinois Energy Efficiency Portfolio and is limited to ComEd and Ameren Illinois electric service territories.

DCEO contact: Tom Coe, 217/785-2433, <tom.coe@illinois.gov>

Illinois 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. The program is administered for Illinois by the Midwest Energy Efficiency Alliance.

DCEO contact: Carol Kulek, 217/785-3412, <carol.kulek@illinois.gov>

Low Income Energy Efficiency Programs

Illinois Energy Efficient Affordable Housing Construction Program (EEAHCP)

Under this Program, grants are provided to Illinois based non-profit affordable housing developers to include energy efficient building practices in the rehab or new construction of affordable housing units. The new program will be available to both for- and non-profit developers and will include additional electricity savings measures.

The Program takes an all encompassing view of housing and does not fund standard energy efficient practices. Some of the energy efficient building practices required by DCEO under the Program are:

- R21 blown insulation in sidewalls
- R44 attic insulation
- R10 foundation insulation
- High efficiency, sealed combustion furnace (with electrically commutated motor) or boiler
- Sealed combustion water heater
- ENERGY STAR rated bathroom exhaust fans with controls
- ENERGY STAR rated appliances
- Fluorescent light fixtures

Goals of the Program include:

- demonstrate the impact that energy efficiency has on creating and maintaining affordable housing
- show that lower housing costs can be achieved with energy efficiency
- treat the house as a system, focusing on energy efficiency, indoor air quality and occupant comfort
- identify and maximize cost effective energy efficiency opportunities present in rehab and new construction
- educate developers, architects and builders of the various energy efficient building measures such that they can begin using these measures and products on other non-funded DCEO projects

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Residential Retrofit 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 Illinois Energy Efficiency Portfolio and is limited to ComEd and Ameren Illinois electric service territories.

DCEO contact: Maureen Davlin, 217/785-2373, <maureen.davlin@illinois.gov>

Market Transformation Programs

Smart Energy Design Assistance

Provides technical assistance services through the Smart Energy Design Assistance Center (SEDAC), which is staffed with engineers and energy professionals from the University of Illinois at Urbana-Champaign, School of Architecture. SEDAC provides free technical assistance services to businesses, state and local government facilities, public schools, community colleges, universities and colleges to assist clients who are considering energy efficiency improvements at existing facilities or to enhance baseline design of new facilities.

SEDAC services include:

- free technical design assistance services (energy audits, utility bill analysis, energy cost reduction recommendations, energy use modeling, investment analysis, implementation assistance)
- education and training
- information on Illinois building energy codes, tax incentives through the 2005 Energy Policy Act, energy rates, and sources of loans and grants
- a network of Energy Service Providers
- an informative website at <www.sedac.org>.

SEDAC contact: 800/214-7954 and visit <www.sedac.org>.

DCEO contact: Andrea Reiff, 217/785-0164, <andrea.reiff@illinois.gov>

Large-customer Energy Analysis Program (LEAP)

LEAP works with large Illinois clients including manufacturers, hospitals and universities to help manage their energy costs by making cost-effective efficiency improvements. The program involves key decision-makers and focuses on measures that can bring high returns with modest investments. LEAP identifies best practices in energy management and examines how energy is integrated with management systems. LEAP is available to:

- Identify best practices in energy management using the One-2-Five[®] software-based program
- Examine how energy is integrated with management systems.

LEAP Process

- 1) One-2-Five diagnostic sessions guide management through a series of questions relating to 10 key areas of energy management systems
- 2) Results allow clients to assess their performance in each of the key elements of an effective energy management system on a scale from one to five stars.
- 3) A series of recommended actions are produced for use in implementing an energy efficiency action plan to create effective change in energy management practices.
- 4) Opportunities to conduct more detailed technical assessments are identified. These technical assessments may include, but are not limited to; an energy audit, evaluation of purchasing options available due to electric deregulation, evaluation of cogeneration of steam and electricity, and other technical energy services.

The program targets clients with energy costs greater than \$500,000 per year and provides rebates to clients of 50%, up to \$10,000, towards the cost for developing an energy efficiency action plan and 50%, up to \$10,000, for the cost of a technical assessment.

DCEO contact: Wayne Hartel, 217/785-3420, <wayne.hartel@illinois.gov>

Energy Performance Contracting (EPC)

Energy Performance Contracting (EPC) 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 (typically ten to twenty years). Because of its complexities, the Department provides technical assistance to public entities, such as state facilities, municipalities, public housing authorities, K-12 schools, colleges, universities and not-for-profit facilities to fully understand and navigate the EPC process. Services provided by the Department include: competitive procurement process, comparative evaluation methodology, technical review of project energy audits and scope, review and comment on basic contract documents, and advice on contract negotiations. To date,

the state EPC program has helped implement a total of \$73.5 million in projects with annual utility savings of over \$9.6 million at facilities throughout Illinois.

DCEO contact: Wayne Hartel, 217/785-3420, <wayne.hartel@illinois.gov>

Education and Training Programs

Building Industry Training and Education Program

The Building Industry Training and Education Program will provide 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 the 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 Building training, Home Energy Rater (HERS) training, Building Performance Institute (BPI) training and the Building Operator Certification (BOC) program.

DCEO contact: Bruce Selway, 217/785-2023, <bruce.selway@illinois.gov>

Illinois Sustainable Education Project (ISTEP)

The Illinois Sustainable Education Projects (ISTEP) provides educational resources about energy efficiency, renewable energy, waste reduction, and recycling. ISTEP was created to increase the awareness of the link between economic development and environmental protection, the environmental consequences of our actions and values, and how informed decisions can move Illinois toward a more sustainable future.

ISTEP resources include hands on Sustainable Education Demonstration Cases (recycling and vermicomposting), a variety of educational bookmarks, and educational DVDs highlighting best practices of urban renewal in IL. These items are free of charge to Illinois educators.

DCEO contact: Brett Ivers, 217/524-5859, <brett.ivers@illinois.gov>

For detailed program information visit: <www.istep.org>.

Illinois Sustainable Workforce Development

This new pilot program will provide grants to Illinois community colleges to include coursework focused on energy efficiency and alternative energy technologies in the new and rehab building construction and operation industries. The program has been designed to satisfy the building construction industry's need for an energy-technologies trained workforce and promote an expanded use of these technologies throughout the State.

DCEO contact: Carol Kulek, 217/785-3412, <carol.kulek@illinois.gov>

Home Performance with Energy Star Program (HPwES)

Home Performance with ENERGY STAR is an innovative whole-house approach to improving the energy efficiency, comfort, and safety of existing homes. HPwES trains contractors to consider all energy options when retrofitting houses. Under HPwES, a qualified energy analyst first performs a thorough energy inspection of the home to gauge its energy efficiency and determine the cause of any problems the homeowner may be experiencing. Homeowners then receive a list of home improvements prioritized according to their impact on energy efficiency and cost-effectiveness, plus a list of qualified contractors trained in whole-house energy-efficiency improvements. Once the work is completed, the homeowner is eligible for a post-inspection to verify the quality and benefits of the work. The Department is working with Tri-County Construction Labor-Management Council (TRICON) in Central Illinois and EarthWays Center in the Greater St. Louis area of Illinois to train assessors and contractors for participation in the program. TRICON is a group incorporated in 1987 to strengthen the union construction industry in Central Illinois. EarthWays Center, a division of Missouri Botanical Garden, promotes sustainability through environmental education and improving the built environment. Based on the success of these pilots, DCEO plans to expand this program to other areas of the state.

DCEO contact: Bruce Selway, 217/785-2023, <bruce.selway@illinois.gov>

Peoria TRICON contact: Ginger Johnson, 309/637-0934 <gingerj@triconpeoria.org>

EarthWays Center contact: Glenda Abney, 314/577-0288 <glenda.abney@mobot.org>

Renewable Energy Programs

Renewable Energy Resources Programs (RERP)

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 the 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 Energy Rebate Program

The focus of the Solar Energy Rebate Program, through the State's Renewable Energy Resources Program, is to encourage utilization of small-scale solar energy systems in Illinois. Through this program the Department offers rebate awards for up to 30 percent of eligible system costs with a maximum incentive of \$10,000 for the purchase and installation of a solar photovoltaic or solar thermal energy system.

DCEO contact: Wayne Hartel, 217/785-3420, <wayne.hartel@illinois.gov>

Solar Energy Incentive Program

The focus of the Solar Energy Incentive Program, through the State's Renewable Energy Resources Program, is to support the development and implementation of solar thermal and solar photovoltaic technologies in Illinois. The Department may provide up to, but not more than, the incentive awards outlined in the subsections below for systems over \$50,000 in total cost:

- **Solar Thermal:** The Department may provide up to, but not more than, an incentive award equal to 30 percent of eligible project costs per project, with a maximum incentive amount of \$250,000 for a solar thermal project that includes monitoring equipment.
- **LEED Solar Photovoltaic:** The Department may provide up to, but not more than, an incentive of \$3.00 per watt (DC) of installed photovoltaic capacity up to \$250,000 on a facility that targets, registers for, and achieves LEED-Silver, Gold, or Platinum certification.

- Innovative Solar Photovoltaic: The Department may provide up to, but not more than an incentive of \$3.25 per watt (DC) of installed photovoltaic capacity up to \$250,000 for an innovative solar photovoltaic installation

DCEO contact: David Baker, 217/785-5222, <david.s.baker@illinois.gov>

Renewable Energy Business Development Grant Program

The focus of the Renewable Energy Business Development Grant Program, through the State's Renewable Energy Resources Program, is to support domestic renewable energy production through the development of renewable energy businesses and component manufacturers. Projects that develop and expand the renewable energy sector and corresponding supply chain while improving the economy of the State through new business development are being targeted.

DCEO contact: Jonathan Feipel, 217/785-2009, <jonathan.feipel@illinois.gov>

Renewable Fuels Development Program (RFDP)

DCEO administers the Renewable Fuels Development Program (RFDP) 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.

DCEO contact: Norm Marek, 217/785-5082, <norm.marek@illinois.gov>

Recycling Programs

Recycling Expansion and Modernization (REM) Program

DCEO provides grants to divert materials from the municipal solid waste stream, thereby conserving our natural resources, and improving the performance and “bottom line” of Illinois businesses and organizations (reducing operating costs, increasing sales, etc.) while demonstrating public economic benefits. Modernization projects involve improved waste reduction practices or the increased use of recyclable commodities. Matching grants are available, from \$30,000 to \$250,000. REM projects include:

- Assessment Services, assisting with the cost of technical experts or consultants,
- Demonstration Services that involve the testing and demonstration of innovative new practices or products, and
- Implementation Services that assist with the cost of capital equipment.

Applications are received throughout the state fiscal year. In addition to the above services, matching grants of up to \$10,000 are available to for-profit companies for waste audit services designed to decrease solid waste in the firm’s operations. The grant can offset the business expense of initiating a company waste reduction program that involves the hiring of a qualified consultant to conduct a waste audit. Along with the waste audit, eligible services include "first stage" implementation assistance including ongoing consultant activities and equipment needed for waste reduction. Applicants must select a qualified consultant to conduct the project.

The newest REM initiative is the Procurement/Demonstration project grant. These grants support the use of recycled content products in the construction of new “green” buildings or in “green” building remodeling initiatives. Matching grants of up to \$75,000 are available for the purchase and demonstration of recycled content products in eligible projects.

DCEO contact: Mike Motor, 217/524-0933, <michael.motor@illinois.gov>

Illinois Recycling Grants Program (IRGP)

The IRGP annually accepts applications from qualified entities for traditional recycling (fiber, plastic, metal, and glass) projects and/or computers and electronics recycling projects. The purpose of these solicitations is to divert recyclable commodities from Illinois landfills by increasing the quantity of materials recycled in Illinois and increasing the self-sufficiency of the recycling industry, as well as to establish permanent collection facilities, expand operations for processing computers and electronic equipment, and for the removal and proper management of

electronic components. Projects that demonstrate public economic benefits, such as job creation, are given priority.

Grants are available to assist local governments, for-profit, and not-for-profit businesses and organizations with their recycling efforts. Traditional Recyclables grant funds may be used to purchase project-related capital equipment such as collection, processing or handling equipment; project-related expansion and modernization costs; and the development and distribution of materials designed to promote and educate participants about the project. Computers and Electronics Recycling grant funds may be used to set up permanent drop-off and collection facilities; purchase recycling containers; site improvements; and purchasing processing and handling project-related equipment to collect, refurbish, demanufacture, and recycle computers and electronic equipment.

The program solicits applications through a request-for-application process. To be placed on the program's notification mailing list or to learn more about the timing and/or availability of these grants please contact DCEO.

DCEO contact: David Ross, 217/782-7887, <david.ross@illinois.gov>

Those interested are encouraged to schedule an individual consultation with their regional DCEO representative by calling 217/785-3416. For more information, visit: <www.illinoisrecycles.com>.

Illinois Zero Waste Schools Grant Program

DCEO administers the IL Zero Waste Schools Grant Program for Illinois public and nonpublic schools to implement/expand recycling and waste reduction programs encouraging Illinois schools to achieve zero waste status. DCEO has expanded and improved the former Recycling and Waste Reduction Grant Program to encourage schools across Illinois to strive to become “waste-free,” where virtually all waste generated at the school is reduced, reused, or recycled. Those interested in more information on a new grant cycle may contact Brett Ivers at the number below. New RFAs are posted on <www.istep.org> and <illinoisrecycles.com> as they become available.

DCEO contact: Brett Ivers, 217/524-5859, <brett.ivers@illinois.gov>

Links

www.illinoisenergy.org - DCEO Energy Division energy efficiency programs, guidelines and Requests for Applications (RFAs).

www.illinoisrecycles.com - DCEO Recycling Division recycling programs, guidelines and Requests for Applications (RFAs).

www.sedac.org – Smart Energy Design Assistance Center technical support and trainings for public facilities and businesses.

www.ileeps.org – IL Energy Efficiency Portfolio summary.

www.istep.org - Illinois Sustainable Education Project resources.

www.energystar.gov – US EPA, US DOE ENERGY STAR products and guidance.

www.boccentral.org – Building Operator Certification program.

www.illinoiscleanenergy.org – IL Clean Energy Community Foundation energy programs for non-profit organizations.

IL Dept. of Commerce and Economic Opportunity

www.illinoisbiz.biz

TDD: 800/785-6055