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**City of Chicago
Department of Housing
MEEA comments on Identifying Equitable Decarbonization
Strategies for 1-4 Unit Buildings
March 9, 2023**

Please provide your organization's name and a short statement describing the organization. The Midwest Energy Efficiency Alliance (MEEA) is a collaborative network, promoting energy efficiency to optimize energy generation, reduce consumption, create jobs and decrease carbon emissions in all Midwest communities. Based in Chicago, MEEA is a membership-based nonprofit working with all stakeholders working in energy efficiency, including utilities, manufacturers, evaluators, implementors, research & academic organizations and consumer & environmental advocates. MEEA currently is funded by the Building Technology Office in the Office of Energy Efficiency and Renewable Energy at the US Department of Energy to provide technical assistance to support and implement building energy policies in new and existing buildings. MEEA also provides direct support to utilities, government organizations and energy efficiency program implementors to develop and run energy efficiency programs.

Please describe any relevant experience or expertise that informs your responses. MEEA sees energy efficiency as the least cost foundation of the clean energy economy, creating immediate energy savings, providing career pathways, reducing emissions, improving new and existing buildings and boosting Midwest business and industries. MEEA develops connections and engagement opportunities for a diverse group of organizations to collaboratively create practical solutions. MEEA serves as a technical resource, promotes program and policy best practices and highlights emerging technologies, all to maximize energy savings, reduce costs, improve resiliency and lower energy burden.

MEEA has worked directly in Chicago on the development and implementation of the benchmarking ordinance and Retrofit Chicago and provided support as Chicago has updated its new building energy codes. In addition, MEEA has worked with the utilities (ComEd and Peoples Gas) on energy efficiency programs in Chicago and Cook County and state and local agencies that work on efficiency programs, including the Chicago Department of Buildings, CEDA, Elevate, Illinois Office of Weatherization, Illinois Department of Public Housing, Chicago Bungalow Association and others.

Please describe your geographic area of operation and how many household you serve annually? If you serve Chicago residents, in what Community Areas do you have a presence? MEEA is one of the Regional Energy Efficiency Organizations (REEOs) recognized by the US Department of Energy. MEEA's footprint crosses thirteen states across the Midwest. Our offices are located in the Civic Opera Building on Wacker Drive.



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MEEA provides technical assistance and shares policy and program best practices. Working with all types of organizations to engage in energy efficiency projects. Recently, MEEA managed the IL Home Performance program, IL Lights for Learning and offered Building Operator Certification trainings, building energy codes trainings and the Building Science Training Series in Chicago. Although MEEA doesn't always work directly in the field, our best results are in helping to design programs cost-effectively to maximize energy savings while working collaboratively with utility and/or state programs to increase available funding.

Please describe the energy retrofit work you have completed including technology, impact, total number of buildings & units (specifying building type), and geographic location of retrofits. MEEA's work does not primarily focus on building retrofits. Our expertise comes from field studies, policy analysis, and consultation with our members, many of whom do retrofit work.

However, we have a few examples of building retrofit projects and programs we have managed:

- MEEA managed the Illinois Home Performance with ENERGY STAR® program for 10 years, providing over 11,000 single family (1-4 units) homes across the state with the certification and documentation needed to meet the national Home Performance requirements through an energy efficiency retrofit. MEEA managed a network of over 60 qualified home performance contractors; provided building science training for workforce development and continuing education; managed a building science hotline for homeowners and contractors; conducted continuing education with the real estate community; and led statewide marketing and outreach campaigns to build awareness with homeowners. Homes could receive an Illinois Home Performance Silver or Gold certification either through a prescriptive or modeled pathway, allowing for flexibility in the technologies installed to achieve energy reductions in addition to comprehensive air sealing and insulation.
- MEEA managed a research study funded by the US Department of Energy to measure the impact on indoor air quality in residential energy efficiency retrofits and explore the difference of supply ventilation and exhaust ventilation approaches on various contaminants of concern.
- MEEA was awarded funding in October 2022 from the Federal Home Loan Bank (FHLB) of Chicago to retrofit 48 low-income single-family homes in Cook County in partnership with ComEd, Nicor Gas and Peoples Gas. The project is still in the design and launch phase, but we anticipate retrofit work to begin in May of this year. The project will leverage the FHLB's Affordable Housing Program grant to provide gap financing to supplement the utilities' existing energy efficiency programs. Support from the FHLB will allow each home to receive additional rehabilitation than allowed through the utilities' traditional energy efficiency measures to ensure the homes do not receive a deferral due to a health and

safety concern or structural deficiency, such as mold or moisture issues, code violations, roof deficiencies, etc.

What types of interventions would you recommend for 1-4 unit residential energy efficiency/ decarbonization retrofits in Chicago? Please describe the intervention[s] recommended as well as associated costs, benefits, and energy savings. Building energy efficiency is critical when considering decarbonization. About 40% of energy use and approximately 70% of electricity use is related to buildings nationally. Because the Midwest has a large reliance on fossil fuels for its building end-uses and its electricity production, building efficiency is especially important for Midwestern communities considering electrification. Communities with high energy burdens also benefit greatly from improved energy efficiency in buildings since it leads to lower utility bills, increased comfort, and better indoor air quality.

Energy efficiency remains the most cost-effective solution to decarbonization. Efficiency can be a hard sell when comparing improved insulation values to a sleek new solar panel, but efficient buildings actually have twice the impact - they not only decrease the grid load, but they also decrease the amount of renewable sources needed to achieve net-zero energy (see Figure 1). A viable path forward to decarbonize buildings in the Midwest must include improved energy efficiency as a foundation.



Figure 1. Annual chart reporting hourly building energy use (blue) versus photovoltaic power production (yellow). Baseline building (Left), Passive Building (right). The super-efficient Passive Building on the right needs less solar PV to offset the building energy use than the Baseline Building on the left. (Source: White, 2020)

All that being said, life-cycle cost-effective envelope measures (e.g., ceiling insulation, basement insulation, air sealing, replacing drafty windows/doors, etc.) should be the first order of business in any retrofit, followed by higher efficiency HVAC and water heating equipment. According to the National Renewable Energy Laboratory (NREL),¹

¹ National Renewable Energy Laboratory, Residential Energy Efficiency Potential: Illinois, 2017 (<https://resstock.nrel.gov/factsheets/IL>)



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the top ten efficiency upgrades for energy savings in Illinois homes include drill-and-fill wall cavity insulation, R-10 basement wall insulation, R-5 insulated wall sheathing (at siding replacement), R-49 attic insulation, air sealing, and duct sealing and insulating.

The projected savings outlined below are based on averages from across Illinois, and the savings can vary greatly based on the age of the home. Due to the older ages of the homes in Chicago, we expect that energy savings would be significantly higher than the below averages. One thing that is hard to quantify, however, is the increased quality of life and other non-energy impacts that residents experience after retrofit completion (e.g., improved indoor air quality, better health, increased comfort, improved resilience in inclement weather, etc.).

Drill-and-Fill Wall Cavity Insulation – Can save homes an average of \$314/year. Involves adding densely packed cellulose or fiberglass insulation to existing wood-framed wall cavities that are empty. Holes for adding insulation are drilled in each wall cavity (every 16 inches). This can be done from the outside, when it is convenient to remove a row of siding, or from the inside, which requires patching the holes made in the drywall or plaster. Average cost of improvement is about \$3,300.²

R-5 Insulated Wall Sheathing (at siding replacement) - Can save homes an average of \$250/year. Involves adding at least R-5 of rigid foam sheathing (e.g., 1-in. rigid extruded polystyrene foam) or an R-5 insulated siding product at the time of re-siding. Average cost of improvement (additional material and labor costs associated with insulation) is about \$2,000.³

R-10 Basement Wall Insulation – Can save homes an average of \$153/year. Involves adding at least R-10 (2 in.) of rigid extruded polystyrene foam to the interior side of foundation walls and rim joists in finished and unfinished (not directly heated or cooled) basements. Rigid foam board is considered best practice due to its superior durability when exposed to water. Average cost of improvement is about \$3,800.⁴

R-49 Attic Insulation – Can save homes an average of \$106/year. Brings the R-value of attic floor insulation up to R-49. Blown-in fiberglass and blown-in cellulose insulation have similar costs and performance. Blown-in attic insulation only applies to vented attics, not finished attics or cathedral ceilings. R-38 and R-60 options have also been considered, but the R-49 option has the largest economic potential for Illinois. Residents doing roof replacements or repairs that expose insulation should ensure R-49 insulation or the maximum level of insulation that is achievable in the cavity space. Average cost of improvement is about \$1,800.⁵

² *Id.*

³ National Renewable Energy Laboratory, Residential Energy Efficiency Potential: Illinois, 2017 (<https://resstock.nrel.gov/factsheets/IL>)

⁴ National Renewable Energy Laboratory, Residential Energy Efficiency Potential: Illinois, 2017 (<https://resstock.nrel.gov/factsheets/IL>)

⁵ *Id.*



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Duct Sealing and Insulating – Can save homes about \$100/year. Involves sealing and insulating any HVAC supply and return ductwork that is outside of conditioned space. Also includes adding at least R-8 insulation to any uninsulated ducts located in unconditioned space. Ducts with existing insulation (typically R-4, R-6, or R-8) do not have any insulation added. Average cost of improvement is about \$950.⁶

Air Sealing - Can save homes at least \$60/year. This improvement can achieve a 25% reduction in building enclosure infiltration, as measured by a blower door test in units of air changes per hour at 50 pascals (ACH50). For improvements resulting in infiltration of less than 7.0 ACH50, mechanical ventilation in the form of a bathroom exhaust fan operating continuously with flow rate specified by ASHRAE Standard 62.2-2010 should be added to maintain indoor air quality. The air-sealing improvement applies to essentially all homes. Tightening the building envelope also contributes to increased indoor air quality (with proper ventilation) and occupant comfort.

Typically, the largest sources of air leakage are those between the attic and living space. In the attic, the largest sources of air leakage are usually the chimney, plumbing stack, electrical wiring, and recessed lighting.⁷ Other improvements, such as window and insulation retrofits, can also reduce air infiltration. Average cost of improvement is about \$1,000.⁸

Are there any interventions you would *not* recommend? If so, why? MEEA would recommend a focus on deep retrofits as opposed to full electrification based on limited funding. As mentioned above, approximately 70% of the nation's electricity use is caused by buildings, and the Midwest in particular has a large reliance on fossil fuels for its building end uses and its electricity production. Deep retrofits, especially if the City is able to secure funds to address common health and safety issues that disallow homes from existing utility programs, can improve three to four more homes than full electrification.

Fully electrifying homes without first ensuring that they are built efficiently (i.e., tightly and safely) would be a very ineffective use of funding. Full electrification without comprehensive energy efficiency retrofits can increase net utility bills, which would be detrimental to the program and could potentially increase energy burdens for low-to-moderate income homes. While heat pumps are an energy efficient technology, they may not be the least-cost solution for some building types. The city should evaluate the feasibility for dual fuel heat pumps that displace partial heating loads while leaving existing heat equipment in place, which can decrease upfront costs for installation and optimize utility bill costs for the resident.

⁶ *Id.*

⁷ Center for Energy and Environment, Air Sealing for Leaks (<https://homeenergyhub.org/Home/Improve/Air-sealing-for-leaks>)

⁸ National Renewable Energy Laboratory, Residential Energy Efficiency Potential: Illinois, 2017 (<https://resstock.nrel.gov/factsheets/IL>)

Second, as suggested above, if homes are not first built efficiently, owners and occupants will continue to over-consume energy, no matter the source. Even in an all-electric home, if built inefficiently, residents will still encounter drafts, air leaks, increased heat flow, *etc.*, all of which cause heating and cooling systems to run more and owners and occupants to pay more.

Third, utilizing the State and Local Planning for Energy (SLOPE) Platform⁹ developed by NREL, energy efficiency upgrades to residential buildings are shown to reduce more energy consumption and greenhouse gases than widespread electrification and grid decarbonization. For Cook County, improving research-grade energy conservation measures in buildings (e.g., equipment, envelope, and other energy conservation measures) will save 1.55 million metric tons (MMT) *more* carbon than grid decarbonization by 2050. Additionally, these same energy efficiency improvements in buildings will yield 26,800,000 MMBtu *more* energy savings than conducting widespread electrification of residential buildings in Cook County.

Carbon Emissions Scenario for Residential Buildings in Cook County by 2050

	Reference Case	Ref w/ 95% Grid Decarb by 2035	Ref w/ All Efficiency Measures Only
Electricity (CO2 Million Metric Tons)	3.649	0.07661	2.87
Non- Electricity (CO2 Million Metric Tons)	11.14	11.14	6.81
Total (CO2 Million Metric Tons)	14.79	11.22	9.67

SLOPE Platform comparing carbon emissions impacts of efficiency measures versus widespread decarbonization for Cook County, IL.

Energy Consumption Scenario for Residential Buildings in Cook County by 2050

	Reference Case	Ref plus High Electrification	Ref w/All Efficiency Measures Only
Electricity (MMBtu)	9.51E+07	1.10E+08	8.04E+07
Non- Electricity (MMBtu)	2.00E+08	1.20E+08	2.03E+08

⁹ <https://maps.nrel.gov/slope/>



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Total (MMBtu)	2.95E+08	2.29E+08	2.03E+08
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SLOPE Platform comparing energy consumption impacts of efficiency measures versus widespread electrification for Cook County, IL.

In closing, MEEA recommends implementing life-cycle cost-effective energy efficiency measures before installing all-electric appliances and other building components. An inefficient building is a greater burden regardless of energy source.

Are there any components of relevant permitting or licensing processes or building codes that make performing this work difficult or that you recommend the City evaluate or modify? Before making any changes to the permitting process, it is important for the City to first create a list of energy improvements that do and do not require a building permit. Then, the City needs to consider the backlog and wait times for getting those permits, possibly creating a fast-track for permitting needed for this project. It is also important that the City considers requiring certified technicians to complete blower door and duct tightness tests to ensure that the intended results are achieved.

MEEA also recommends that the City create a checklist of all available energy improvements to ensure that both residents and building owners understand all the options available to them. The City should also list existing ComEd and Peoples energy efficiency rebates and any other existing programs that residents can utilize. Once all the work is complete, it would be beneficial to create a certificate (or leverage an existing home certification) that would attach to the furnace or electrical box to alert future workers to the efficiency work that has already occurred on the property.

Please describe your recommendations on implementation of an energy assessment or audit-process associated with each energy retrofit. What would you seek to evaluate to confirm the retrofit's efficacy and value? What are the data needs, technologies & tools utilized, staffing needs, and expected costs associated with your proposed analysis? Describe the outputs in an energy assessment. In what ways could this be streamlined across a large group of homes? Utilizing building data provided by NREL, existing residential buildings in Chicago should be evaluated to determine where there are deficiencies, such as lack of insulation, whether the home is drafty and whether the energy output and emissions are high (to name a few data points). Typically, there are similarities between single-family residential buildings based upon characteristics; buildings will, therefore, be categorized by age of home, construction type and income level of the homeowner for analysis. Based upon the results of this analysis, retrofit packages will be developed for each building's condition. Data from smart thermostats, blower door tests and infrared cameras could all verify the efficacy of these retrofits.

There are almost 5,000 (anonymous) homes within the City of Chicago data set that can provide the range of upgrades needed for homes of different ages. MEEA



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hypothesizes that it would take around 500-600 hours to develop retrofit packages and provide follow-up for testing and reviewing energy data. Once the initial analysis is completed, MEEA proposes that the City utilize the occupant energy burden to prioritize participation in the program.

Data points that are important for analysis include air leakage results (ACH50), thermal envelope R-values, and energy usage in kilowatt hours & therms. After the work is completed, additional testing and data collection should be conducted, including blower door & duct testing, to assess overall energy usage in kilowatt hours and therms and comfort level of occupants after completion.

To ensure using the City's time and resources as efficiently as possible, MEEA recommends coordinating with the local utilities (ComEd and Peoples Gas) and CEDA to see what existing data is already on hand and what analysis has already been done. MEEA assumes there will be a lot of data related to building stock, energy usage, and demographics (e.g., area median income, average household income, etc.). By partnering with CEDA, the utilities and potentially others, the City will save valuable time and resources by avoiding redundant work and identify areas to potentially braid funding and share trained workforce.

There are many different types of residential housing structures. Please describe any building typology analysis and how various interventions perform in different building types. A survey should first be conducted to identify the number, types, ages and locations of one-to-four-unit buildings in Chicago. Cost-effective interventions can then be identified based on the findings, including building typology and age. Retrofit packages can be designed for each specific building type to maximize cost-effective energy savings and greenhouse gas emissions reductions for the city.

What capital cost per home (or per unit for 2-4 unit buildings) do you estimate would be required for your suggested program? Please describe the source[s] of information and experience used to craft these cost estimates and be specific about cost differences between types of buildings by age, type, etc. A survey should first be conducted to identify types and groups of buildings that would benefit from improved efficiency, and cost-effective improvements then identified for those particular building types. Each building type will have a different set of costs based on the retrofit package best suited to deliver energy savings. Without first collecting and analyzing additional data on the existing building stock, any predicted costs will include a wide range per home with low confidence.

How should the City leverage existing incentive programs in the design and implementation of a retrofit program? Incentive programs may include utility rebates, state & local subsidy programs, and federal programs, including the new subsidies and tax credits enacted by the 2022 Inflation Reduction Act. Please be specific about the eligible incentive programs and how a Department of Housing program could be designed to enable access to them and how this would be administered. The Inflation



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Reduction Act (IRA) provides for numerous tax deductions incentivizing individuals and businesses to adopt efficiency and clean energy technology. For example, for residential homeowners, the Energy Efficient Home Improvement Credit (25C) allows households to deduct up to 30% of the cost of weatherization and energy efficiency upgrades. The Residential Clean Energy Credit (25D) allows homeowners to deduct part of the cost (30% until 2032, 26% in 2033, and 22% in 2034) of installing solar panels, ground source heat pumps, solar water heaters and battery storage systems. There are also higher tax credits for the purchase of heat pumps (\$8,000), heat pump water heaters (\$1,750) and for electric stoves (\$840) and rebates for electrical improvements and home insulation/sealant. It also provides funding to state energy offices to implement a HOMES rebate program, providing rebates to homeowners for whole-house energy savings retrofits. The City should promote these programs to residents that can afford to pay these costs upfront and work with the utilities to promote existing energy efficiency programs.

The City should promote the HEEHRA program to low-income households as it will provide point-of-sale consumer rebates to low- and moderate-to-low households. HEEHRA covers 100% of electrification costs (up to \$14,000) to low-income households and 50% (up to \$14,000) for moderate-income households. Qualified electrification projects include heat pump HVAC systems, heat pump water heaters, heat pump clothes dryers and enabling measures including insulation, air sealing and ventilation. Projects costs will cover both purchase and installation. HEEHRA investments can be combined with utility efficiency programs and other state and local government funding. Chicago should focus on connecting low-income residents with the support to use all the federal funds, combine with existing utility efficiency programs and connect residents with trained contractors to ensure proper installation.

There is funding in the IRA that the City could apply for and use to fund this program, specifically from the Environmental & Climate Justice Block Grants. These three-year grants are to fund projects including increasing resiliency & adaptation, indoor pollution reduction and community engagement. There is also funding available to reduce the greenhouse gas emissions from electricity generation, particularly in low-income and disadvantaged communities.

In the Bipartisan Infrastructure Law (BIL), there is a large influx of funding to support weatherization of homes and to help reduce the number of deferrals from expensive fixes that are required to weatherize it in the first place. If the City chose to partner with CEDA, who implements the federal weatherization program in the city, Chicago could braid funding to ensure that the homes that have been deferred get the costly fixes needed to qualify for weatherization. CEDA already has a list of homes that were previously deferred and why, making it easy for the City to figure out what needs to be fixed to qualify for weatherization and then go after funding to support those pre-weatherization repairs.



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ComEd and Peoples Gas already have robust energy efficiency programs and MEEA recommends the City partner with the utilities to braid funding and co-deliver services, when able and possible. A partnership would increase the funding available for each home, allowing deeper energy efficiency retrofits and overall home repairs, and would allow the City to build off the utilities' existing program infrastructure. The utility programs already have a pool of qualified contractors, public facing resources and messaging, data collection and verification methodology and energy efficiency packages proven to deliver energy savings. ComEd has spent the last year studying and designing electrification programs to deliver fuel switching incentives that benefit consumers and the environment. The City should coordinate with ComEd on their learnings from research and pilot projects to understand building types where electrification will yield net energy savings for the resident.

Without partnership and coordination with the utility energy efficiency programs, residents could become confused about the programs they are eligible for, the resources or measures provided by each program and who to contact when they have questions or need more information.

Funding for some efficiency repairs might be able to get grouped in with the city's efforts to remove lead paint and asbestos from homes. Since the contractor is already in the home doing work, it would be a good opportunity to do other efficiency upgrades that might require work on the same areas, like updating insulation or resealing windows. Best practice for combining lead abatement and energy efficiency would be to design a healthy homes program, that holistically evaluates the home for opportunities to deliver retrofits to improve occupant health outcomes.

Midwest Policies and Programs to Consider

Bloomington, Minnesota has implemented a time-of-sale (TOS) inspection program, which requires that owners disclose information related to their home's energy efficiency to potential buyers. The building features inspected include the heating and cooling system, the water heater, wall and attic insulation, and windows. Based on the findings, sellers have the option to make any energy efficiency improvements they want; however, they are not required to do so. Nevertheless, this type of program could have several benefits for the city of Chicago. First, it informs building owners of what energy efficiency improvements they can make, and it incentivizes them to make those improvements by giving them a market advantage over other buildings (e.g., those with higher maintenance and utility costs). The program would also provide the city with very useful information regarding: 1) the performance of its buildings (every home sold receives an overall energy score) and 2) its real estate market (what homebuyers and tenants are looking for when deciding where to live). Lastly, this type of inspection and disclosure program would perfectly complement Chicago's already-existing



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“Green MLS”¹⁰ and help the city better understand the value of energy efficient homes in the area.

Another program for Chicago to consider is Minneapolis' [4d Affordable Housing Program](#), which was adopted to preserve unsubsidized affordable housing in Minneapolis. Through the program, the city offers a robust package of incentives for rental property owners to reduce property tax liability, improve energy efficiency and address the conditions of aging buildings. In exchange, property owners commit to keep at least 20% of units rented at or below 60% of area median income. The primary goal of the program is to preserve affordability, reduce energy use and enhance healthy homes to support tenants and strengthen the bottom line for property owners. A secondary goal is to support market rate new construction development projects, including those that exceed the city's minimum affordability requirements.

Finally, Chicago should consider implementing a “one-stop-shop” Building Energy Exchange (BE-Ex), like that of St. Louis. St. Louis' BE-Ex advances building energy performance by mobilizing the 1) professional expertise, 2) funding, and 3) technical resources the real estate and building industries need to address affordability and improve the health of the city's residents. Therefore, this type of hub would be an ideal place for Chicago homeowners and occupants to go to learn about existing funding and incentive opportunities from the city, utility companies, federal government, etc. Not only could the exchange inform residents of these opportunities, but it could also educate them on eligibility and how to apply.

In considering any of these types of policies or programs, coordination and partnerships are needed with stakeholders such as utilities, program implementers, and community agencies in order to effectively identify the city's needs and implementation pathways. For example, Bloomington's TOS inspection program is supported by CenterPoint Energy and Minnesota's Center for Energy and Environment (CEE). St. Louis' BE-Ex is administered by the USGBC-Missouri Gateway Chapter, and it has foundational support from Washington University, Ameren Missouri, Spire, the Leon Lowenstein Foundation, and NRDC. In Chicago, partnerships should be formed with CEDA, ComEd, Peoples Gas, universities and aldermen's offices, among others.

Homeowners in low-income and disadvantaged communities have a lot of good reasons to be wary of a city program. The system lets them down – a lot. This is especially true if they have already applied for and been deferred from weatherization. It is imperative that the city make the program as easy and simple as possible. Working with groups that are already doing this work, like CEDA and ComEd, and partnering with local community-based organizations will increase the comfort and participation of residents who need this support.

¹⁰ “Green MLS” refers to Chicago's multiple listing service, Midwest Real Estate Data LLC, which provides market differentiation of properties with “green” features that are designed to be less impactful to the environment (<https://ww2.mredllc.com/>)



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What administrative costs do you estimate the program might require? We encourage you to express these costs in a pro-rata/cost-per-delivered retrofit manner. It is hard to say specifically how much administrative costs would be associated with this project, especially without knowing the magnitude of the number of homes that would be eligible, what type of retrofits would be required, etc. It would be best for the city to assign an indirect cost rate for the project that would cover all administrative costs and not tie administrative costs to performance standards or benchmarks. The people doing the work will have these costs regardless of if the program is successful or not. By not including indirect costs in the bid, it might deter deserving organizations or partnering with smaller organizations who do not have the capacity to foot the administrative bill if the program does not work out as planned. The state of Illinois' de minimis rate is 10% and it is up to the city and the final contract recipient to negotiate that rate. MEEA's project with the Federal Home Loan Bank includes a max of 12% for administrative costs.

As noted above, MEEA would encourage partnering with organizations that are doing similar work – utilities (energy efficiency programs by ComEd and Peoples Gas) and weatherization by CEDA. MEEA would also encourage the City set aside funds to contract with local community-based organizations to go into their neighborhoods to work with residents and promote the programs.