

2024

MIDWEST

ENERGY

S O L U T I O N S

C O N F E R E N C E

2024  
MIDWEST  
ENERGY  
SOLUTIONS  
CONFERENCE

Presented by  **MEEA**  
MIDWEST ENERGY EFFICIENCY ALLIANCE

# Welcome to MES 2024: Day 2!

*Opening remarks given by Paige Knutsen*

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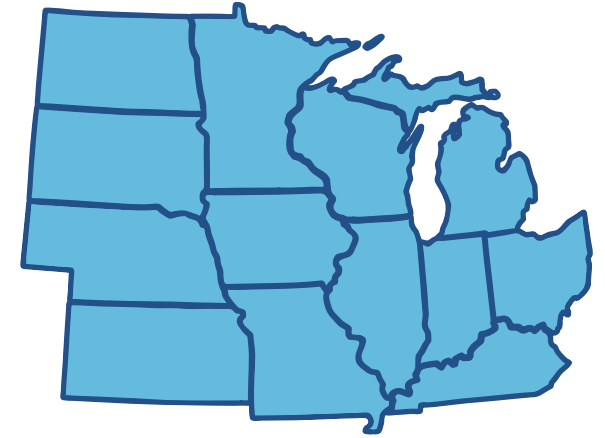
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Efficiency**

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MIDWEST ENERGY EFFICIENCY ALLIANCE

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.

MEEA is a non-profit membership organization with 150+ members, including:



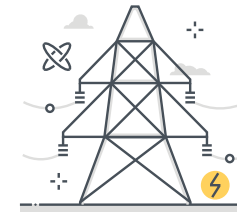
Energy Service  
Companies &  
Contractors



State & Local  
Governments



Academic &  
Research Institutions



Electric &  
Gas Utilities



Community-based  
Organizations



# Strategic Reserve Projects

*MEEA Investing in Our Future*



Building SRP



Multifamily  
BOC



Equity Audit,  
DEI Committee

# Midwest EE Highlights

## Turning a Corner



**Kansas**

KEEIA, Evergy



**Ohio**

HB 79



**Iowa**

Ratemaking  
Study

## Full Speed Ahead



**Illinois**

- CEJA Implementation
- Stretch Codes



**Wisconsin**

Well-Prepared  
for IRA  
Funding



**Michigan**

Energy Waste  
Reduction  
Legislation

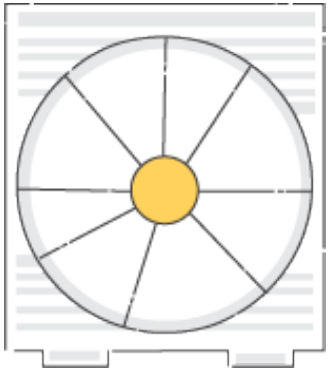


**Minnesota**

- Gas IRP
- Clean Energy Legislation

# Midwest EE's Next Big Opportunities

*Primed and Ready for Advancements*



Regional  
Heat Pump  
Adoption



Untapped  
Industrial  
Savings



Building  
Codes &  
Policies



Workforce  
Pipeline  
Development



# LEADERSHIP

INSPIRING EFFICIENCY AWARDS

# WINNER





**LEADERSHIP**  
INSPIRING EFFICIENCY AWARDS  
**WINNER**

**Angela Tovar**  
**City of Chicago**



# CHAMPION

INSPIRING EFFICIENCY AWARDS

# WINNER



**CHAMPION**  
INSPIRING EFFICIENCY AWARDS  
**WINNER**

**City of Cincinnati**  
**Office of Environment and Sustainability**

# Plenary Introduction

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# Plenary

## Hidden Billions: Policies and Funding the Midwest Will Be Talking About

Mandy Mahoney | DOE

Ben Evans | USGBC

Alison Lindburg | MEEA

Bobby Boyd | DOE

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**SCEP**

STATE & COMMUNITY ENERGY PROGRAMS

## 2023 KEY ACCOMPLISHMENTS

The Office of State and Community Energy Programs had a charged-up year. This year marked our first full year as a federal program office, charged with enhancing clean energy growth and resilience in states, local and tribal governments, schools, nonprofits and more. We are committed to supporting underserved and energy-burdened communities, and to advancing an equitable and just clean energy transition. Thank you to our stakeholders for all your hard work. We look forward to more groundbreaking achievements in 2024!

### Weatherization Assistance Program (Enhancement & Innovation/ Sustainable Energy Resources for Consumers grants)

- Approved 160+ Grantee State Plans through the distribution of \$912 million in Retrofit and Readiness funds
- 21 Enhancement and Innovation grants totaling \$38 million
- Awarded 15 SERC projects totaling \$22 million

### Renew America's Schools

- Grants to 24 local education agencies totaling \$178 million across 22 states
- Benefits ~74,000 students, 5,000 teachers in +90 buildings

### Renew America's Nonprofits

- 9 Prime Selectees to receive \$45 million for energy improvements in ~300 facilities in 28 states
- 22,000 organizations recruited for teaming list

### Energy Efficiency and Conservation Block Grants

- Received 1,700 pre-award information sheets, 300 applications, including 50 voucher applications
- Awarded more than \$60 million to 47 governments
- Selected 12 tribes and local governments for \$8.8 million competitive program

### Home Energy Rebate Programs

- Opened applications for states to apply for up to \$8.575 billion in Home Efficiency Rebates and Home Electrification and Appliance Rebates, and for tribes to apply for up to \$225 million in Home Electrification and Appliance Rebates.

### State Energy Program

- Received 48 state applications for Revolving Loan Fund program
- Launched RLF direct technical assistance program and [RLF Resource Library](#)
- Completed all program year and BIL awards to states

### Communities Local Energy Action Program

- 24 disadvantaged communities received technical assistance through Communities LEAP pilot
- Gathered \$18.75 million for Cohort 2

### Workforce Development Programs

- Selected 10 higher education institutions, seven of which are Minority Serving Institutions, for the \$10 million Building Training and Assessment Centers program.
- Announced \$150 million in grants for Training for Residential Energy Contractors; \$10 million for Career Skills Training program, and \$40 million for Energy Auditor Training program that will train a qualified, and diverse, clean energy workforce.

### Partnerships, Training and Technical Assistance

- Countless stakeholder engagement sessions and webinars across Partnership Pillars
- 36,000 subscribers to State and Local Spotlight Newsletter
- Funds awarded for 75% of Partnership Funds



# Plenary

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# The Energy Affordability Challenge

Our imperative is to deliver equitable solutions to households with the highest energy burdens.



**High energy burdens**  
1 in 4 households face high energy burdens (>6% of income spent on energy).

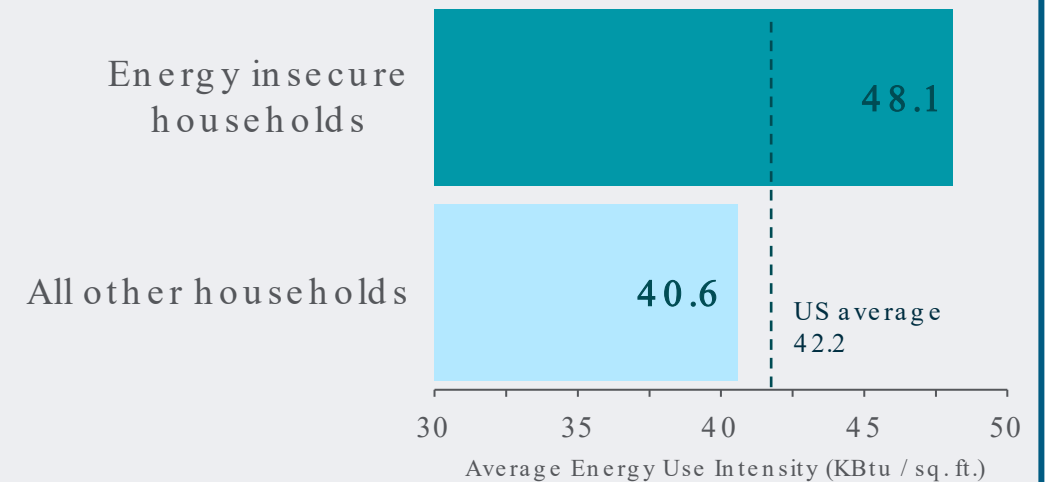


**Energy affordability challenges**  
1 in 5 households were unable to pay an energy bill in full in 2022.



**Adverse pollution & health impacts**  
Black children are nearly **twice as likely** to have asthma compared to the national average.

Households that experience energy insecurity live in less efficient homes.



Source: US Energy Information Administration, 2020 Residential Energy Consumption survey

# Affordable Home Energy Shot Lead Target

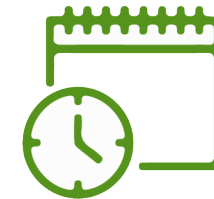
Reduce by 50%+ the cost of retrofit packages needed to decarbonize affordable housing while lowering energy bills by 20% within a decade.



50% lower  
upfront cost



20% lower  
energy bills



Within a  
decade

# Resilient and Efficient Codes Implementation (RECI)

## Bipartisan Infrastructure Law (BIL) Section 40511: Cost-effective Codes Implementation for Efficiency & Resilience

- \$225 million for implementation activities supporting updated energy codes (\$45M/yr FY22–26)
- Establish, within Building Technologies, a new program under which we shall award grants on a *competitive* basis to eligible entities to enable sustained cost-effective implementation of updated building energy codes
- Encourages “partnerships” comprising states and key stakeholders (e.g., local governments, code developers, builders, architects, engineers, etc.)—a state agency must be part of every partnership
- Intended to support code updates—but not limited to only the latest codes
- Continuing initiative established under BIL—but amplifies and scales Department of Energy (DOE) activities supporting code implementation (e.g., workforce training, compliance support, etc.)
- Initial funding installment issued in FY23 and resulted in 27 new awards totaling \$90 million (FY22 + 23)
- Coordinated with Inflation Reduction Act (IRA) Section 50131 Codes funding with potential to leverage many other federal funding sources (e.g., DOE and Federal Emergency Management Agency programs, BIL, IRA))

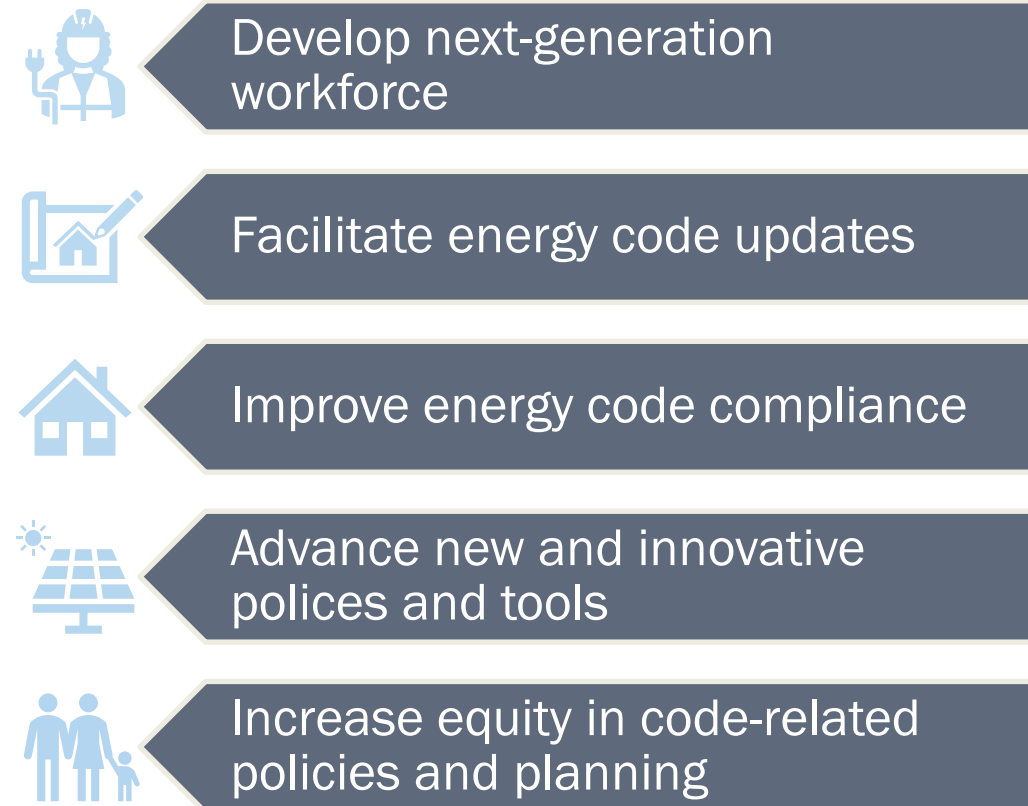
> DOE intends to publish the second FOA installment in FY24

# RECI: Areas of Interest and Targeted Outcomes

## Key Areas of Interest



## Targeted Outcomes



> DOE seeks crosscutting projects that cover multiple areas of interest

# Building Energy Codes Program Impact

Building energy codes yield significant savings for U.S. homes and businesses—residential and commercial buildings are projected to save (2010 through 2040):

**\$182 billion** energy cost savings

**840 MMT** of avoided CO<sub>2</sub> emissions

**16.1 quads** of primary energy

- > These impacts equate to the annual emissions of 187 million passenger vehicles
- > These savings will grow even further through increased adoption and compliance and advanced standards pursuing zero-energy and decarbonization goals!



# Plenary

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# Buildings and the IRA: The New Incentives for Going Green



VB Parks + Recreation | LEED Certified | Photo: Yuzhu Zheng Photography



River Point | LEED Gold | Photo: Ray Cavacchio



Southwest Library | LEED Platinum | Photo: ©James Steinkamp Photography

# Primary IRA Buildings-Related Tax Incentives

- **Sec. 179D Tax Deduction for Energy Efficient Commercial Buildings (IRA Sec. 13303):** Expanded tax deduction of up to \$5.00 per square foot for commercial building efficiency improvements.
- **Sec. 45L New Energy Efficient Homes Credit (IRA Sec. 13304):** Expanded homebuilder tax credit for home construction, including multifamily, extended through 2032. Increased to \$2,500 for meeting ENERGY STAR and \$5,000 for DOE Zero Energy Ready Homes program.
- **Sec. 48 Clean Electricity Investment Tax Credit (IRA Secs. 13102 & 13702):** Expanded ITC of 30% or more for clean energy investments such as rooftop solar, ground source heat pumps, and storage extended through at least 2032.
- **Sec. 30C Alternative Fuel Vehicle Refueling Property Credit (IRA Sec. 13404):** Expanded tax credit for EV charging systems and other alternative fuel vehicle infrastructure extended through 2032.

Form **8911** (Rev. January 2024)  
 Department of the Treasury  
 Internal Revenue Service

**Alternative Fuel Vehicle Refueling Property Credit**  
 Attach to your tax return.  
 Go to [www.irs.gov/Form8911](http://www.irs.gov/Form8911) for instructions and the latest information.

OMB No. 1545-0123  
 Attachment Sequence No. **151**

Name(s) shown on return \_\_\_\_\_ Identifying number \_\_\_\_\_

**Part I Total Cost of Refueling Property**

**1** Total cost of qualified alternative fuel vehicle refueling property placed in service during the tax year \_\_\_\_\_ **1**

**Part II Credit for Business/Investment Use Part of Refueling Property**

**2** Business/investment use part (see instructions) \_\_\_\_\_ **2**

**3** Section 179 expense deduction (see instructions) \_\_\_\_\_ **3**

**4a** Subtract line 3 from line 2 \_\_\_\_\_ **4a**

**b** Enter any amount included on line 4a attributable to property placed in service as part of a project subject to project requirements that were not met (see instructions) \_\_\_\_\_ **4b**

**4c** Subtract line 4b from line 4a \_\_\_\_\_ **4c**

**5a** Multiple line 4b by 50% (0.50) \_\_\_\_\_ **5a**

Form **7205** (December 2022)  
 Department of the Treasury  
 Internal Revenue Service

**Energy Efficient Commercial Buildings Deduction**  
 Attach to your tax return.  
 Go to [www.irs.gov/Form7205](http://www.irs.gov/Form7205) for instructions and the latest information.

OMB No. 1545-2004

Name(s) shown on return \_\_\_\_\_ Identifying number \_\_\_\_\_

Claiming deduction as (check one):  Building owner  Designer of energy efficient commercial building property (EECBP)

**Part I Building and EECBP Information (see instructions)**

1	(a) Address of building	(b) Date EECBP placed in service	(c) EECBP system and computed energy savings percentage*				(d) Check if interim lighting rule was used	(e) Potential amount per square foot based on energy savings and system (see instructions)	(f) Building square footage	(g) Potential section 179D deduction amount (multiply column 1(e) by column 1(f))
			A	E	H	L				
A			%	%	%	%	<input type="checkbox"/>			
B			%	%	%	%	<input type="checkbox"/>			
C			%	%	%	%	<input type="checkbox"/>			
D			%	%	%	%	<input type="checkbox"/>			

\* A = All systems; E = Building envelope; H = Heating, cooling, ventilation, and hot water system; L = Interior lighting system

**Part II Computation of Energy Efficient Commercial Buildings Deduction Amount (see instructions)**

2	(a) Total per square foot amount claimed in prior years	(b) Subtract column 2(a) from the maximum amount allowed (see instructions)	(c) Check if the amount in column 2(b) is greater than or equal to column 1(e)	(d) If column 2(c) is checked, enter amount from column 1(g), skip column 2(e) and column 2(f) and go to column 2(j); otherwise, enter -0-	(e) Check if the amount from column 2(b) is less than the amount in column 1(e)	(f) If column 2(e) is checked, multiply column 2(b) by column 1(f)
A			<input type="checkbox"/>		<input type="checkbox"/>	
B			<input type="checkbox"/>		<input type="checkbox"/>	
C			<input type="checkbox"/>		<input type="checkbox"/>	
D			<input type="checkbox"/>		<input type="checkbox"/>	

	(g) Cost of energy efficient commercial building property placed in service during the tax year (see instructions if building ownership percentage is less than 100%)	(h) Enter the greater of column 2(d) or column 2(f) (see instructions if building ownership percentage is less than 100%)	(i) Enter the lesser of column 2(g) or column 2(h)	(j) Designers enter the amount of the section 179D deduction allocated to you as the designer (see instructions)	(k) Section 179D deduction for the building. Designers, enter the lesser of column 2(i) or column 2(j). Building owners, enter the amount from column 2(i)
A					
B					
C					
D					

**3 Total section 179D deduction.** Add amounts from column 2(k). Enter here and on the appropriate line of your return. See instructions \_\_\_\_\_ **3**

**Part III Certification Information for Each Property Listed in Part I**



# Greenhouse Gas Reduction Fund (IRA Sec. 60103)

Creates a new **\$27B “green bank”** through EPA to stand up national climate financing initiative, with three funding buckets:

- **\$7B Solar for All** program providing up to 60 grants to states, tribes, municipalities, and nonprofits for residential and community solar in low-income and disadvantaged communities.
- **\$14B National Clean Investment Fund** competition funding 2-3 national nonprofits to partner with private capital providers to provide financing to businesses, communities, community lenders, and others, catalyzing tens of thousands of climate-related projects.\*\*
- **\$6B Clean Communities Investment Accelerator** funding 2-7 hub nonprofits to rapidly scale the capacity of CDFIs, credit unions, local green banks, housing finance agencies, etc. to provide financing to households, schools, small businesses, community institutions, etc. in low-income and disadvantaged communities.\*\*

\*\*Zero-emissions new buildings and emissions-reducing retrofits of existing buildings designated as priority for financing in these buckets. More information [here](#).



1222 22nd Street NW | LEED Gold | Photo credit: ©Eric Laignel Photography



# Affordable Housing – HUD Green & Resilient Retrofit Program (IRA Sec. 30002)

Funding opportunities are open for nearly \$1B in grants and up to \$4B in loan authority through HUD's new [Green & Resilient Retrofit Program](#) for sustainability and resilience improvements to HUD-supported multifamily affordable housing. Eligible projects include energy or water efficiency; indoor air quality or sustainability; climate resilience; and low-emission technologies, materials, or processes such as zero-emission electricity generation, energy storage, or building electrification.

Three funding buckets:

- [Elements](#): Up to \$750,000 per property or \$40,000 per unit for specific resilience or efficiency strategies, such as installing heat pumps, with \$140 million in total funding.
- [Leading Edge](#): Up to \$10 million per property or \$60,000 per unit for completing a multifaceted renovation that earns an ambitious green building certification such as LEED Zero, with \$400 million in total funding.
- [Comprehensive](#): Up to \$20 million per property or \$80,000 per unit for deep utility retrofits and climate resilience upgrades.

Includes \$42.5M for energy and water benchmarking activities.

HUD has already announced two rounds of grant awards, with at least two more coming. Next application deadline March 28, 2024. More information [here](#).

Riverside North District | LEED Gold | Photo: © Cesar Rubio





San Francisco International Airport | LEED Platinum  
Photo credit: © San Francisco International Airport

# GHG Planning and Implementation Grants (IRA Sec. 60114)

\$5B in [Climate Pollution Reduction Grants](#) to states, municipalities and other public entities to develop plans for addressing GHG pollution.

- \$250M for planning grants, with one \$3M grant for each participating state to develop plans to reduce GHG, along with smaller grants to the largest 67 metropolitan areas and to tribal governments. See [list of state and local entities](#) who have opted in to participate.
- Balance of **\$4.6B for implementation grants** awarded on a competitive basis. State and local governments must be part of a planning grant to be eligible for implementation grants.

Information about eligible entities, activities and other information [here](#).



# Hypothetical Multifamily Building – New Construction – 150,000sf/100 units

<i>Sec. 45L Tax Credit for high-efficiency homes</i>	\$2,500 per unit for meeting ENERGY STAR X 100 units	<b>\$250,000</b> tax credit
<i>Sec. 179D Tax Deduction for commercial building energy efficiency improvements</i>	\$3.50 per square foot for 35% reduction in energy use intensity across 150,000 square feet	\$525,000 tax deduction worth <b>\$131,250</b> at 25% tax rate.
<i>Sec. 48 Investment Tax Credit for clean energy investment</i>	30% base tax credit on \$400,000 investment in rooftop solar plus 10% low-income bonus credit	<b>\$160,000</b> tax credit
<i>Sec. 30C EV Tax Credit for EV charging infrastructure</i>	30% tax credit on \$100,000 investment in EV charging installations	<b>\$30,000</b> tax credit
<i>Greenhouse Gas Reduction Fund (i.e. Green Bank)</i>	Low-interest project financing	<b>\$600,000</b> in interest savings
<b>Total Savings</b>	Not including energy/operations cost savings or local/state incentives	<b>\$1,171,250</b>



# Ben Evans

Federal Legislative Director  
U.S. Green Building Council

[bevans@usgbc.org](mailto:bevans@usgbc.org)

# Plenary

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**Join us on the 5<sup>th</sup> Floor for a short break!**

5<sup>th</sup> Floor Chicago Ballroom

10:45 a.m. – 11:15 a.m.

# Lunch sponsored by

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# Affinity Group Discussions