

CCNet
Energy Efficiency Discussion Group
August 4, 2010
8 attendees
Location: Champaign Public Library

Finance models for energy efficiency

Energy Service Companies (ESCOs)

http://en.wikipedia.org/wiki/Energy_service_company

from Wiki: The ESCO performs an in-depth analysis of the property, designs an energy efficient solution, installs the required elements, and maintains the system to ensure energy savings during the [payback period](#)^[1]. The savings in energy costs is often used to pay back the capital investment of the project over a five- to twenty-year period, or reinvested into the building to allow for capital upgrades that may otherwise be unfeasible. If the project does not provide returns on the investment, the ESCO is often responsible to pay the difference

- some implemented as a “shared savings” plan where owner and ESCO split the savings
- most commonly used with public buildings
- used with Garden Hills geothermal HVAC renovation
- some people have negative ideas of ESCOs, based on projects that did not meet goals

Ameren's On-Bill financing program

- IIC approved, but the way it's written is not very practicable
- calls for investment payback on the full investment, not just the incremental investment (ie – buying a more efficient furnace: the energy savings would have to cover the cost of the full furnace, not just the incremental cost between buying a standard one vs. a more efficient one)
- covers single-family duplexes, condos, and multi-family buildings with 4 or fewer units. Also covers “small commercial retail customers” (term as referred to in the legislation is unclear)
- does not cover investments in renewables

Midwest Energy Association is coming up with a program to train auditors

Energy Efficiency and Code enforcement:

How will the new Illinois Energy Code be enforced? Only applies to new construction; building plans reviewed by code officials.

Learn more about the IECC: http://www.buildingmedia.com/iecc/iecc_videos.html

Passage of a new code doesn't put people to work

Ameren customers in Missouri can purchase renewables for residential power consumption (<http://www.ameren.com/sites/ae/Environment/PurePower/Pages/PurePower.aspx>)

This option is not available through Ameren's generation in IL. How can a residential customer specify that they want renewable power to feed their home? By using PowerSwitch, you can specify which company you want to purchase power from. Residential customers have two choices: <http://www.illinoispowerswitch.com/find-suppliers/residential-suppliers/>

Group topic assessment and thoughts on moving forward

What do we mean by energy efficiency?

- the ratio between output and input
- reducing waste (not just energy waste, but all waste)
- better building practices
- different from renewable energy/energy generation/energy sources, but this group talks a lot about that topic too

What subtopics or themes has this group covered, and what would we like to continue to discuss?

- buildings
- energy efficiency as an economic driver (how can we put people to work?)
- human behavior (not just how do we get people to change, but also what change is desirable?)
- regulation and legislation (locally, nationally, globally)
- finance (what drives energy cost; how do we finance energy improvements, how do we save money on energy?)
- identification of efforts underway in Champaign County (who is making strides in this area?)
- characteristics of the grid (how is energy delivered, and how can delivery efficiency be improved?)
- characteristics of buildings (what kind of systems are there, and which ones are more efficient? What are the differences in systems between different building types?)
- energy use profiles (how do we use energy; how does energy use differ by user and by building?)

Would it make sense for this group to merge with Renewable Energy?

- need to compare topic definitions and major themes, then let the two groups decide