

## Illinois Commerce Commission Thermal Energy Workshop

### Ameren Illinois Company's Round 2 Comments

Ameren Illinois Company d/b/a Ameren Illinois ("Ameren Illinois or "AIC") appreciates the opportunity to provide its second round of comments related to the Illinois Commerce Commission's Thermal Energy Network Workshop Series. Specifically, at the request of Illinois Commerce Commission Staff ("Staff"), Ameren Illinois is providing comment on, "project designs that could maximize the value of existing State energy efficiency and weatherization programs and maximize federal funding opportunities to the extent practicable; whether thermal energy network projects further climate justice and emissions reductions and benefits to utility customers and society at large, including but not limited to public health benefits in areas with disproportionate environmental burdens, job retention and creation, reliability, and increased affordability of renewable thermal energy options; and approaches to thermal energy network projects that advance financial and technical approaches to equitable and affordable building electrification, including access to thermal energy network benefits by low and moderate income households."

#### **Utilities Are Experienced in Project and Program Design**

When designing a thermal energy network, Ameren Illinois believes it is important to leverage existing infrastructure and programs to maximize the value of the project to customers in terms of cost, safety, and reliability. As these workshops progress, we hope to gain a better understanding of the total and incremental costs of thermal energy networks, as the cost differences in scope and scale, and resulting customer and societal value of a large-scale thermal network remain to be seen. At this juncture, Ameren Illinois' existing natural gas system infrastructure should be leveraged, as well as its experience building and operating underground electric distribution networks. In addition to the development of natural gas distribution system and the experience that comes with building that system, the natural gas distribution system itself provides value to its customers because it can serve as a reliable and affordable backup energy source to other energy systems.

Ameren Illinois has designed and implemented comprehensive energy efficiency plans for its electric and natural gas distribution systems. Through six (6) Commission-approved energy efficiency plans since 2008, AIC has delivered successful programs and provided meaningful value to its customers. Illinois should draw on Ameren Illinois' proven track record of designing and building infrastructure, and its track record of designing and implementing customer-facing programs in coordination with a host of third parties in the development of any thermal energy network.

#### **Thermal Energy Network Data and Assessment of Impact and Benefits**

The success of a thermal energy network pilot project, and its impact on climate justice, emissions, society, jobs, reliability and affordability will largely depend on the comprehensiveness of data – that is, the ability of stakeholders to share and exchange related data in a way that fosters collaboration and lends itself to creative solutions.

Stakeholders will need to work to develop common understandings during the early stages of a pilot program development – and to the extent possible – define criteria under which the pilot program should be evaluated. Put another way: what defines a successful thermal energy network pilot program and what type of data is needed to support that assessment?

Analysis on the impact of a thermal energy network on jobs will necessarily include input from local unions and stakeholders with job training experience. Analysis on the impact of thermal energy networks on reliability will necessarily include input and lessons learned from jurisdictions that have existing thermal energy networks. Analysis on the impact of a thermal energy work on affordability will necessarily include input from existing utilities, among other parties, since the buildout of an energy system can have a sizable cost impact on customers. To this end, Ameren Illinois believes that a thermal energy network pilot should aim to include program impacts on low and moderate income customers to assist with a goal of equitable and affordable building electrification.

Ameren Illinois looks forward to continuing this discussion with stakeholders, in an effort to develop an appropriate thermal energy network framework and pilot program that provides safe, reliable, cost-effective energy to customers in Ameren Illinois' service territory.