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Jim, thank you and the Illinois Commerce Commission for the opportunity to present comments in response to your Thermal Energy Workshop #4, and it's discussion of the appropriate ownership, market, and rate structures for thermal energy networks and whether the provision of thermal energy services by thermal network energy providers is in the public interest.

As lead partner in a Department of Energy funded thermal energy project design, Sustainable Geothermal Chicago, along with technical and scientific experts and other stakeholders, Blacks in Green, welcomes this opportunity for open discussion and public comment.

We are the authors of the Sustainable Square Mile, a walkable village in Chicago's Woodlawn community and Energy is one our eight core principles of Green Village building. And within that energy context we have been advocates and project leaders in energy efficiency, renewable energy and equitable energy policy, including sponsorship of House Bill 2172, The People's Utility Rate Relief Act (PURR) to ensure affordable access to life essential of utilities, and a founding member the Green Energy Justice Cooperative recently approved by the Illinois Power Agency for a 9-Megawatt community solar project.

In this regard for our deep involvement in sustainability and affordable and safe utility and equitable rates, we applaud <u>House Bill 3445</u> requiring the development of a regulatory structure for utility thermal energy networks that scale with affordable and accessible building electrification, protect utility customers, and promote the successful planning and delivery of thermal energy networks.

We support its objectives and provide the following comments on this Workshops focus on:

1. Determine appropriate ownership, market, and rate structures for thermal energy networks and whether the provision of thermal energy services by thermal network energy providers is in the public interest.

Our primary comment on this subject is that ultimate goal and the ultimate design of any ownership model should be the community's **energy sovereignty**-- Each person and each community having the right to the amount and type of energy necessary to sustain itself and its group, and the necessary resources to sustain it, provided it does not externalize negative environmental, social or economic impacts.

This is particularly important for underserved communities in which a confluence of inequitable governmental and private policies have caused an inordinate burden of utility cost on them and disqualified them in many cases from most remediation and renewable efforts.

The present model makes rate relief an almost insurmountable task for these communities.

One of the requirements of our Sustainable Chicago Geothermal project is an Economic Assessment, which will include a System cost analysis, a Customer Cost analysis, an Ownership Model and Rate Analysis and a Bill impact analysis.

This information will inform the recommendation for the ownership model design and Community engagement and partnership has been demonstrated to be a crucial factor in successful projects.

Thus, we would propose that the best model will be one the maximize local community ownership and control of the assets and production, in which the local community actually controls the significantly reduced rate. This then will result in a technology and structure that will be in the public's interest.

2. Consider project designs that could maximize the value of existing State energy efficiency and weatherization programs and maximize federal funding opportunities to the extent practicable.

As with our project, the utilization of Federal DOE funding has made this first important step-design, foundational study, and community engagement-possible. Our work will also optimize the states existing State energy efficiency and weatherization programs, and its energy efficiency grant and loan programs because that foundational study which determines building topologies, existing heating and colling systems and equipment, existing fuel sources-necessary for implementation of state programs, will have already been done for our pilot area.

3. 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.

According to the US Environmental Protection Agency, "geothermal heat pumps are the most energy-efficient, environmentally clean, and cost-effective systems for heating and cooling." They are predictably low maintenance, do not burn expensive fossil fuels, and can reduce energy bills by 65% or even more.

Along with rate reform, these projects promise to provide the relief to these lowand moderate-income households the existing, legislation, regulations and business models have failed to provide.