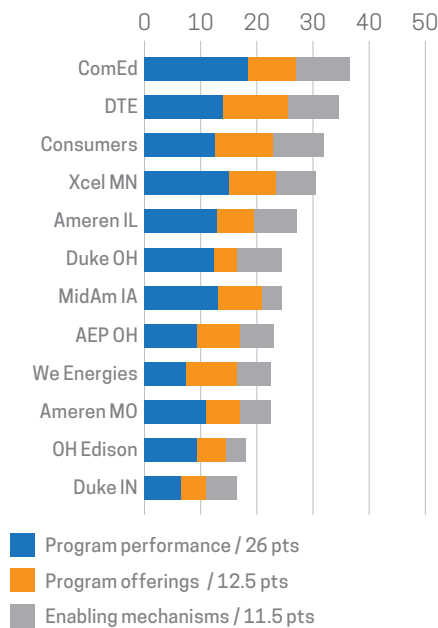


Points earned by midwestern utilities



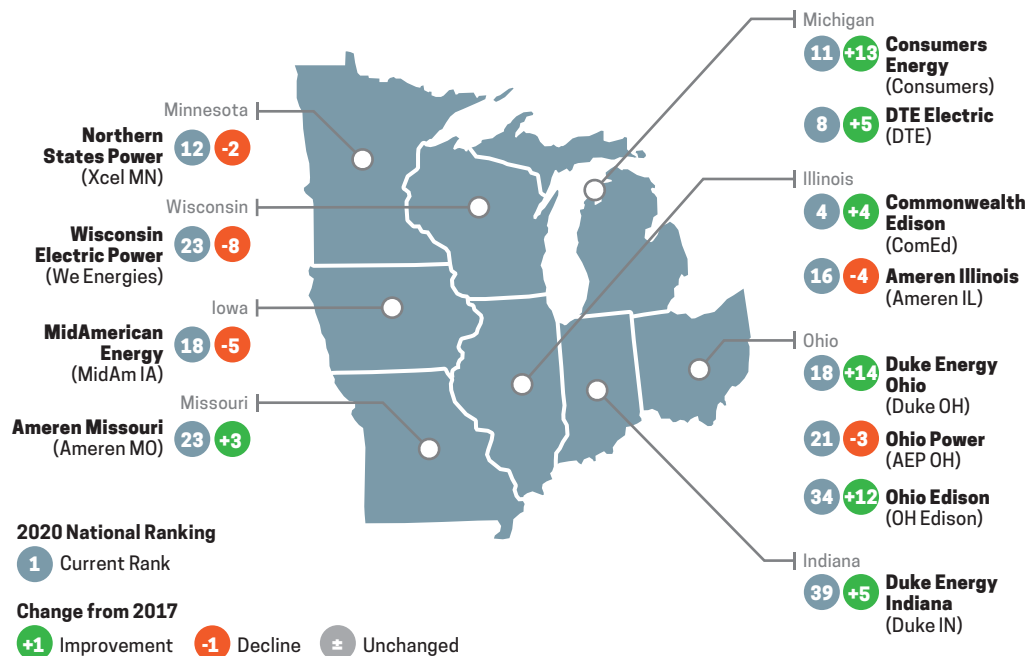
Highlights and Opportunities

Two midwestern utilities reached the top 10 in the 2020 Utility Energy Efficiency Scorecard; ComEd ranked fourth, and DTE eighth. Consumers and Xcel MN followed closely at 11th and 12th, respectively. Consumers was also the most improved utility since 2017 across all of the utilities in the Scorecard. However the performance of the region's utilities varies widely, placing them throughout the rankings. Energy efficiency progress has been mixed; despite the achievements of top utilities in the region, five midwestern utilities fell in the rankings since 2017.

The improvement in performance by the two Michigan utilities (Consumers and DTE) stands out given recent legislation requiring increased energy efficiency targets and consideration of efficiency in resource planning. Both utilities delivered energy savings of 1.5% or higher, and increased savings by about 0.3% (DTE) and 0.8% (Consumers) since 2017.

In other states, policies enacted since 2018 are likely to hinder future performance of other utilities. In 2019 the Ohio legislature passed HB 6, which effectively gets rid of the state's EERS and removes cost recovery for programs beyond those that meet the 2020 goals. Iowa's SF 2311 capped utility efficiency spending and allowed customers to opt out of programs.

Midwest



Category 1. Annual and lifetime energy savings, demand savings, efficiency spending, and program participation

The midwestern utilities in the Scorecard include leaders and laggards, with a range of efficiency program performance. The utilities scored between 18.5 out of 26 points (ComEd) and only 6.5 points (Duke IN) in this category. The Midwest falls about in the middle of the other regions in this category. On average, the region's utilities scored a total of about 12 points in program performance, which is slightly higher than the average for all US utilities (9.5 points). Four utilities from the region (ComEd, Xcel MN, Consumers, and DTE) delivered average incremental savings above 1.5%. However three utilities fell below the national average of 1.03% of total sales (Ameren IL, We Energies, and Duke IN). Midwestern utility spending on energy efficiency also varies widely, from 1% to 7% of revenue; on average they spent 3.2% of revenue on efficiency, slightly more than the national average of 2.6%.

Category 2. Portfolio comprehensiveness including new, existing, low-income, and electric vehicle offerings

Together these utilities performed just above the national average in the comprehensiveness and diversity of their program offerings. Their individual performance varied widely. MidAm IA's and AEP OH's portfolios included 23 out of 24 different core programs and three utilities (ComEd, Consumers, and DTE) each offered 10 out of 14 different emerging programs. In contrast, Duke IN and Duke OH each offered only one emerging program. All of the midwestern utilities offer multifamily efficiency programs, commercial lighting programs, and kitchen and restaurant programs. As of 2018, about half of the utilities in the region had pursued electric vehicle offerings. Five of the 12 utilities offered incentives for charging infrastructure (Consumers, DTE, Xcel MN, AEP OH, and Ameren MO). Five of them offered electric rates to customers with electric vehicles to encourage off-peak charging (Consumers, DTE, Xcel MN, MidAm IA, and We Energies).

Category 3. Mechanisms to enable efficiency, including advanced metering, savings targets, rate design, the utility business model, and resource planning

The Midwest had strong enabling mechanisms for its utilities in place in 2018, performing above the national average in the category and just below the leading utilities in the West. We found a diversity of approaches for each enabling mechanism. For example, some utility plans treat efficiency as a supply resource (Duke IN and Xcel MN); some as a demand resource (AEP OH, Ameren IL, Ameren MO, ComEd, Duke OH, MidAm IA, and We Energies); and some as both (Consumers and DTE). The three Ohio utilities, AEP OH, Duke OH, and OH Edison, scored well for rate design that encourages efficiency through low customer charges and time-of-use rates. The two Illinois utilities, in contrast, have higher customer charges at about \$12 (Ameren IL) and \$16.50 (ComEd).