



Public Service Commission Report to the Legislature

**Energy Efficiency and Renewable Resource Program
Activities in Wisconsin**

Calendar Year 2024

TABLE OF CONTENTS
2024 Report (January-December 2024)

Wisconsin Utilities Energy Efficiency and Renewable Resources Program Summary (Focus on Energy)	<u>1</u>
History	<u>1</u>
2024 Focus on Energy Savings – Overall Program Results	<u>2</u>
▪ Lifecycle kilowatt hour and therm savings	
▪ Annual kilowatt savings	
▪ Number of program participants	
▪ MMBtu savings	
▪ Benefit-cost ratios	
2024 Focus on Energy Program Expenditures	<u>3</u>
Economic and Environmental Benefits of the Focus Program	<u>4</u>
Non-residential (Business) Energy Efficiency Programs	<u>4</u>
▪ Lifecycle kilowatt hour and therm savings	
▪ Annual kilowatt savings	
▪ Non-residential program expenditures	
Residential Energy Efficiency Programs	<u>6</u>
▪ Lifecycle kilowatt hour and therm savings	
▪ Annual kilowatt savings	
▪ Residential program expenditures	
Midstream or Instant Discount Program	<u>8</u>
Renewable Energy Programs	<u>8</u>
▪ Lifecycle kilowatt hour and therm savings.	
▪ Annual kilowatt savings	
▪ Renewable program expenditures	
Research Portfolio	<u>9</u>
▪ Future Focus	
▪ Pilots and Demonstrations	
▪ Emerging Technology	
Focus 2024 Financial Summary	<u>10</u>
▪ Administrative costs	
▪ Financial Administrative Expenditures	
▪ 2024 Focus Financial Sheet	
Municipal Electric and Retail Cooperative Reporting For Commitment to Community (CTC) Programs	<u>11</u>
Utility Voluntary Programs	<u>12</u>

Northern States Power Company – Wisconsin (Xcel Energy)	<u>12</u>
<ul style="list-style-type: none"> ▪ Residential Community Conservation Program (CCP) ▪ Residential CCP Participation and Incentive Expenditures ▪ Commercial Community Conservation Program ▪ Mid-Market Program ▪ Xcel Voluntary Program Budgets and Expenditures 	
Wisconsin Electric Power Company (We Energies)	<u>14</u>
<ul style="list-style-type: none"> ▪ Residential Assistance Program (RAP) ▪ RAP Budget and Spending, 2021-2023 ▪ Voluntary Design Assistance Program (VDAP) ▪ Voluntary Design Assistance Projects Completed, 2021-2023 ▪ Voluntary Design Assistance Budget and Expenditures 2021-2023 	
Wisconsin Public Service Corporation (WPSC)	<u>16</u>
<ul style="list-style-type: none"> ▪ Residential Assistance Program (RAP) ▪ RAP Budget and Spending, 2021-2023 	
Wisconsin Public & Light Company (Alliant Energy)	<u>17</u>
<ul style="list-style-type: none"> ▪ Enhanced Low-Income Weatherization Program (ELIWP) ▪ Home Energy Monitoring Pilot 	
Wisconsin Home Energy Assistance Program (WHEAP) – Weatherization Services	<u>18</u>
Inflation Reduction Act Home Energy Rebate (IRA HER)	<u>18</u>

WISCONSIN UTILITIES' ENERGY EFFICIENCY AND RENEWABLE RESOURCES PROGRAM SUMMARY (FOCUS ON ENERGY)

Focus on Energy (Focus) works with eligible Wisconsin residents and businesses to install cost-effective energy efficiency and renewable energy projects. Focus technical assistance and financial incentives help to implement projects that otherwise would not be completed, or to complete projects sooner than scheduled. Focus efforts help Wisconsin residents and businesses control the state's growing demand for electricity and natural gas, manage rising energy costs, promote in-state economic development, and protect our environment.

Additional information regarding Focus can be found at www.focusonenergy.com.

HISTORY

Originally formed by the Wisconsin Legislature in 1999 and funded by the Utility Public Benefits fund, Focus delivers energy efficiency and renewable energy services for [residential](#) and [business](#) customers throughout the state. In 2001, the Department of Administration rolled out the *Focus on Energy Program* statewide. In partnership with consumers, utilities, businesses, non-profit organizations, and all government levels, the programs help residents and businesses make smart energy choices and reduce energy waste.

Under [Wisconsin Legislature: 2005 Wisconsin Act 141](#) (Act 141), oversight of Focus was transferred to the Public Service Commission (Commission). Act 141 requires investor-owned electric and natural gas utilities to spend 1.2 percent of their annual gross operating revenues on Focus' energy efficiency and renewable resource programs. The utilities formed a non-profit board called the Statewide Energy Efficiency and Renewables Administration (SEERA) to fulfill its obligations under Act 141. Act 141 also requires municipal utilities and retail electric cooperatives to collect an average of \$8 per meter to fund energy efficiency programs. Municipal utilities and retail electric cooperatives can collect the dollars and participate in the Focus program or can elect to operate their own Commitment to Community programs.

Per Act 141, Focus aims to:

- Reduce the amount of energy used per unit of production in Wisconsin, while improving energy reliability
- Enhance economic development and make Wisconsin firms more competitive
- Reduce the environmental impacts of energy use
- Expand the ability of markets to deliver energy efficient and renewable energy goods and services to consumers and businesses; and,
- Deliver quantified financial returns on public investments in energy improvements

2024 FOCUS ON ENERGY SAVINGS – OVERALL PROGRAM RESULTS

Focus programs have three separate delivery channels which include:

- The residential channel which serves single-family, individual multifamily units, and multifamily buildings consisting of one to three units.
- The non-residential channel which serves commercial, industrial, schools, government, tribes, and agribusiness customers.
- The midstream and instant discounts channel serves non-residential and residential customers. The midstream channel partners with distributors of energy efficient equipment to allow contractors to offer their customers a discount directly on their invoice.

These three channels for 2024 are further broken out into Programs and Offerings in Table 1 below.

Table 1: 2024 Focus Programs and Offerings

Sector	Program	Offering
Residential	Direct to Customer	*Online Market Place *Packs
	Multifamily	*Multifamily *Energy Design Assistance/Energy Design Review
	Renewable Rewards	*Residential Renewable Rewards *Affordable Housing Solar Photovoltaics (PV) Pilot *Department of Administration Solar/Heat Pump Pilot
	Trade Ally Solutions	*Heating and Cooling (Tier I & Tier II) *Air Sealing & Insulation *Tribal
	New Construction	*Residential New Construction *New Manufactured Homes Pilot
Midstream	Midstream/Instant Discount	*Commercial *Residential
Non-Residential	Agribusiness	*Agribusiness
	Business & Industry	*Commercial and Industrial *Energy Design Assistance/Energy Design Review
	Large Industrial	*Large Industrial *Energy Design Assistance/Energy Design Review
	Schools & Government	*Schools include K-12 Public & Private; Colleges & Universities Public & Private *Government includes Local, State, Federal and Tribes *Energy Design Assistance/Energy Design Review
	Pilots	*Life Sciences Mid-Stream Pilot *Community Impact
	Renewable Rewards	*Business Renewable Rewards

Some of the highlights for 2024 include:

- For every dollar invested in energy efficiency, Focus provided \$2.45 in benefits in avoided energy costs and reduced emissions; when economic benefits are added, the ratio increases to \$4.17 to \$1.00.
- Customer satisfaction levels remained high. Across all Focus programs, customer satisfaction was measured at 9.4 on a 10-point scale.

**Table 2: Verified Gross Lifecycle Energy Savings with Renewables & Midstream:
January 1-December 31, 2024**

Portfolio	Participants	Verified Gross kWh*	Verified Gross kW*	Verified Gross Therms*	MMBtu	Benefit Cost Ratio
Non-Residential	3,646	6,412,061,847	53,271	163,858,518	38,263,806	3.60
Residential	171,612	1,283,412,455	11,671	133,354,009	17,714,404	1.75
FOCUS TOTAL	175,258	7,695,474,302	64,942	297,212,527	55,978,210	2.45

* Verified gross savings numbers are savings that have gone through an engineering review by evaluators to determine whether the reported gross savings were reasonable.

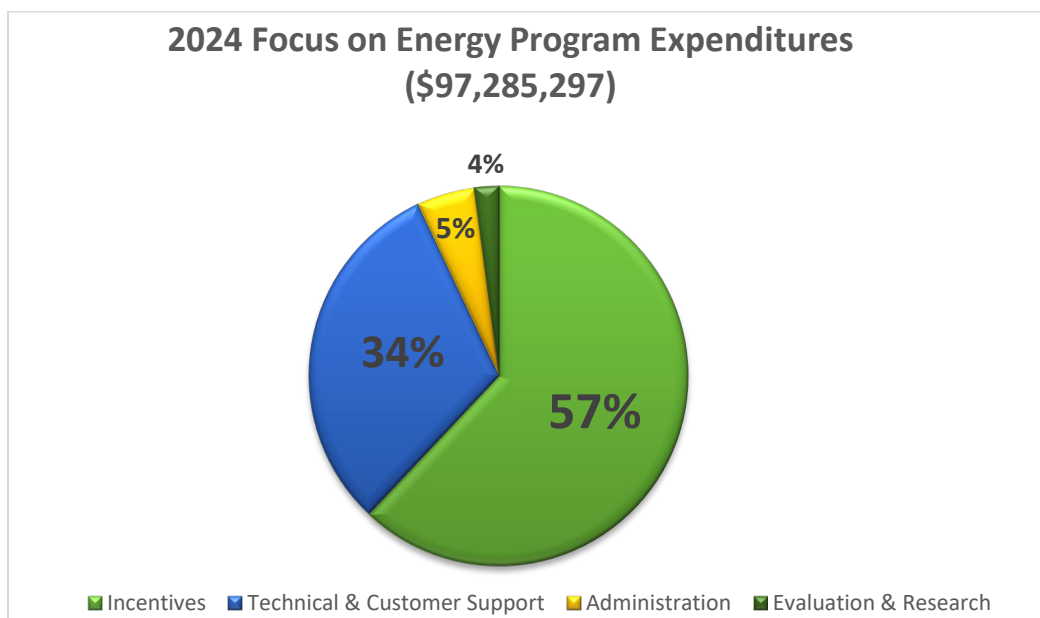
2024 FOCUS ON ENERGY PROGRAM EXPENDITURES

The five categories of Focus expenditures are defined as follows:

- **Incentives** costs are cash incentives payable to customers & contractors who serve as program trade allies, as well as instant discounts received at point of purchase at participating retail locations.
- **Technical & Customer Support** costs are those associated with project identification, engineering calculation & modeling, inspection of installed projects, trade ally contractor outreach, technical training, marketing, and customer service.
- **Administrative** costs are the costs not directly associated with a specific program activity, but which are necessary to the development and administration of programs, including record keeping, payroll, accounting, auditing, billing, business management, budgeting and related activities, overhead allocation and other costs necessary to direct the organization of the program, but do not include program evaluation.
- **Evaluation** costs are those associated with independently verifying program energy savings and supporting continuous program improvement through analysis of markets, technologies, and program operations.
- **Research** costs are those associated with energy efficiency and renewables research and screening of new solutions through the Environmental & Economic Research & Development Program, Future Focus, and Pilot offerings.

Figure 1 below illustrates expenditures for the overall Focus program in 2024.

Figure 1: 2024 Focus on Energy Program Expenditures



ECONOMIC AND ENVIRONMENTAL BENEFITS FROM THE FOCUS PROGRAM

Program cost-effectiveness remains high, even as Focus has ramped up higher-cost efforts to reach underserved rural customers with new programs. The benefits from avoided energy costs and avoided emissions substantially exceeded the costs of program spending and participant project costs. The Focus program achieved \$2.45 in benefits for every \$1 in costs in 2024 from reduced energy costs and avoided emissions; when economic benefits are added, the ratio increases to \$4.17 to every \$1 in costs. Avoided emissions include:

- 6,539,245 tons of carbon dioxide
- 2,612 tons of nitrogen oxide; and,
- 3,200 tons of sulfur dioxide.

NON-RESIDENTIAL (BUSINESS) ENERGY EFFICIENCY PROGRAMS

All types of businesses, large and small, can benefit from the energy efficiency expertise provided by Focus staff. Other non-residential entities such as agribusiness, schools, government buildings can also benefit from Focus offerings. Focus works with eligible Wisconsin businesses to install cost-effective energy efficiency and renewable energy projects. Its efforts help businesses reduce energy waste; protect our environment; control the state's growing demand for electricity and natural gas; and promote in-state economic development. Table 3 below shows the non-residential sector Programs and Offerings for 2024:

Table 3: 2024 Focus Non-Residential Programs and Offerings

Sector	Program	Offering
Non-Residential	Agribusiness	*Agribusiness
	Business & Industry	*Commercial and Industrial *Energy Design Assistance/Energy Design Review
	Large Industrial	* Large Industrial * Energy Design Assistance/Energy Design Review
	Schools & Government	*Schools include K-12 Public & Private: Colleges & Universities Public & Private * Government includes Local, State, Federal and Tribes * Energy Design Assistance/Energy Design Review
	Renewable Rewards	*Business Renewable Rewards
	Pilots	*Community Impact *Life Sciences Midstream
	Midstream/Instant Discount	*HVAC *Commercial Kitchen

These Focus programs help Wisconsin businesses by:

- Working with companies to identify and implement energy saving strategies
- Providing businesses with financial incentives for implementing these strategies
- Providing no-cost or low-cost energy saving tips
- Offering training opportunities on energy efficiency; and
- Offering support for the preparation of applications for federal grants from the U.S. Department of Energy and ensuring that Focus incentives can be used as a funding match, if appropriate.

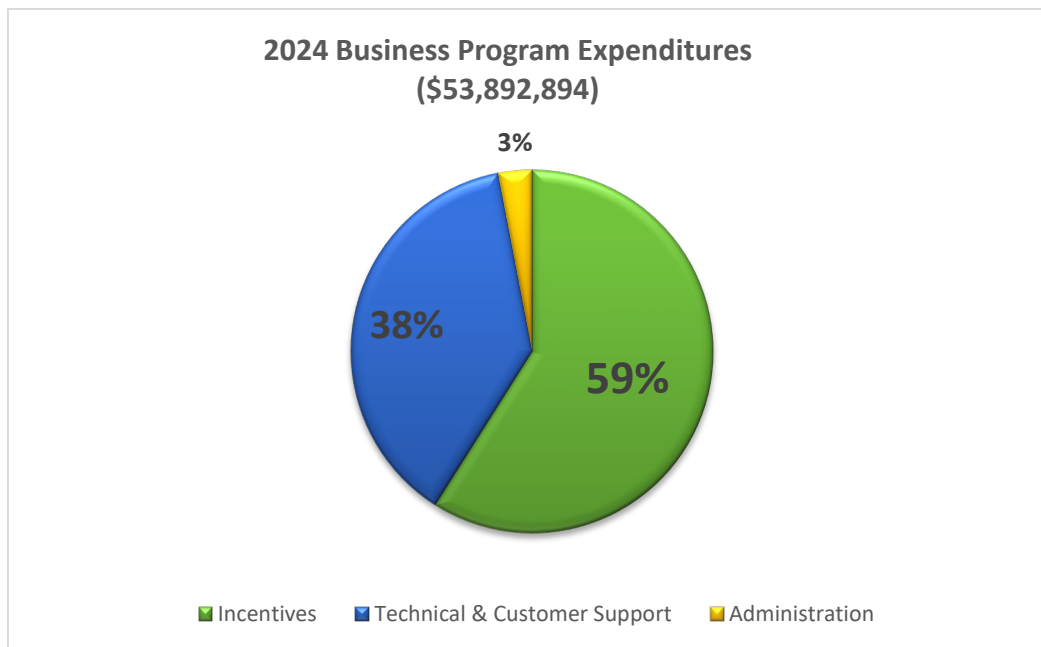
Table 4: 2024 Verified Gross Lifecycle Nonresidential Savings (with Renewables & Midstream)

Portfolio	Participants	Verified Gross kWh	Verified Gross kW	Verified Gross Therms	MMBtus	Benefit Cost Ratio
Non-Residential	3,646	6,412,061,847	53,271	163,858,518	38,263,806	3.60

Expenditures – Non-Residential Programs

Figure 2 below illustrates expenditures for the 2024 Non-Residential programs.

Figure 2: 2024 Focus Non-Residential Program Expenditures



RESIDENTIAL ENERGY EFFICIENCY PROGRAMS

Focus offers a variety of Residential programs designed to help residents reduce energy waste and save money by providing information and incentives necessary to support smart energy choices. Wisconsin residents can order free energy-saving packs online, or purchase energy-saving products at the Focus Online Marketplace. Some efficiency upgrades to existing homes – like a new furnace or air sealing and insulation - require professional assistance. Through the Trade Ally Solutions Program, Focus experts can offer insight, technical assistance, and financial incentives to get homeowners started. Table 5 below shows the 2024 Residential Programs and Offerings.

Table 5: 2024 Focus Residential Programs and Offerings

Sector	Program	Offering
Residential	Direct to Customer	*Online Market Place *Packs
	Multifamily	*Multifamily *Energy Design Assistance/Energy Design Review
	Trade Ally Solutions	*Heating and Cooling *Insulation & Air Sealing *Tribal
	Renewable Rewards	*Residential Renewable Rewards *Affordable Housing Solar Photovoltaics (PV) Pilot *Department of Administration Solar/Heat Pump Pilot
	New Construction	*Residential New Construction *New Manufactured Homes Pilot
	Midstream/Instant Discount	*HVAC

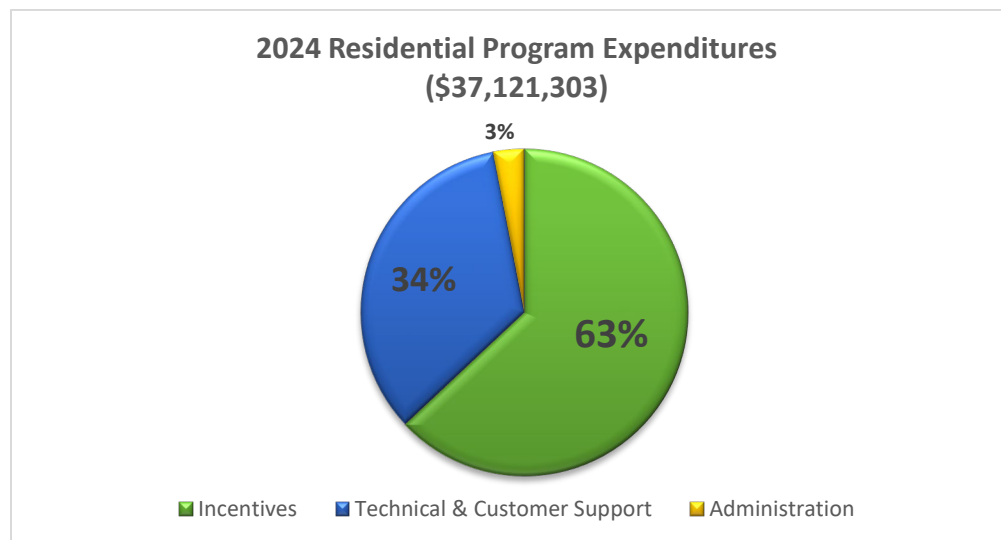
Table 6: 2024 Verified Gross Lifecycle Residential Savings (with Renewables & Midstream)

Portfolio	Participants	Verified Gross kWh	Verified Gross kW*	Verified Gross Therms	MMBtu	Benefit/Cost Ratio
Residential Programs	171,612	1,283,412,455	11,671	133,354,009	17,714,404	1.75

Expenditures – Residential Programs

Figure 3 below illustrates expenditures for the 2024 Focus Residential Program.

Figure 3: 2024 Focus Residential Program Expenditures



MIDSTREAM AND INSTANT DISCOUNT PROGRAMS

The Midstream and Instant Discounts Programs partner with distributors of energy-efficient equipment to allow contractors to offer their customers a discount directly on their invoice. Customers must purchase qualifying HVAC, water heating, or commercial food service equipment from a participating distributor or dealer or through a contractor who works with a participating distributor or dealer. Expenses and savings for the Midstream and Instant Discount offerings are included under the Non-Residential and Residential program summaries in Table 2, but total savings for the Midstream and Instant Discount Portfolio itself are summarized below.

Table 7: 2024 Verified Gross Lifecycle Midstream and Instant Discount Savings

Portfolio	Participants	Verified Gross kWh*	Verified Gross kW	Verified Gross Therms	MMBtu	Benefit/Cost Ratio
Midstream	9,537	-10,228,812	632	17,736,797	1,738,779	0.95

* The program had a negative kWh impact and high therms impact, and reduced cost-effectiveness in 2024 because of the addition to midstream program offerings of air-source heat pumps that replace gas heating systems. These systems add electric heating load to a home and achieve significant therm savings because they reduce the gas heating load.

**Cost effectiveness was lower than in previous years due to the addition to midstream program offerings of air-source heat pumps, a new and emerging technology. Future increases in cost-effectiveness are expected as program design is refined and the market for heat pumps matures.

RENEWABLE ENERGY PROGRAMS

Act 141 requires that the statewide program (Focus) includes renewable resource programs for Business and Residential customers. For the Quadrennial IV four-year period, the Commission set a total budget for renewables at \$22 million. For the Residential program in 2024, Focus offered financial rebates to offset solar installation costs for single family homes and multifamily buildings. The 2024 rebates included:

- Residential customers could receive up to \$300 per system.¹
- Customers in specific rural ZIP Codes were eligible to receive up to a \$300 bonus per system in order to boost participation.
- Solar on multifamily buildings could receive up to \$25,000 per system after May 1, 2024.²

Focus offered solar PV rebates in 2024 of up to \$25,000 per system for businesses and up to \$35,000 per system for agricultural producers. In addition, Focus offered 2024 rebates up to \$300,000 for renewable energy projects including: Biogas, Biomass, Solar Thermal, and Wind. Finally, Focus provided up to \$15,000 in financial rebates, not to exceed 50 percent of the cost of the study, for biogas and biomass feasibility studies. A feasibility study allows Wisconsin businesses, municipalities, farms, and other generators of waste or wastewater to assess the

¹ Prior to May 1, the amount was \$500 per system.

² Prior to May 1, the amount was \$50,000 per system.

practicality of a proposed plan or project and make an informed decision on whether to proceed with implementation.

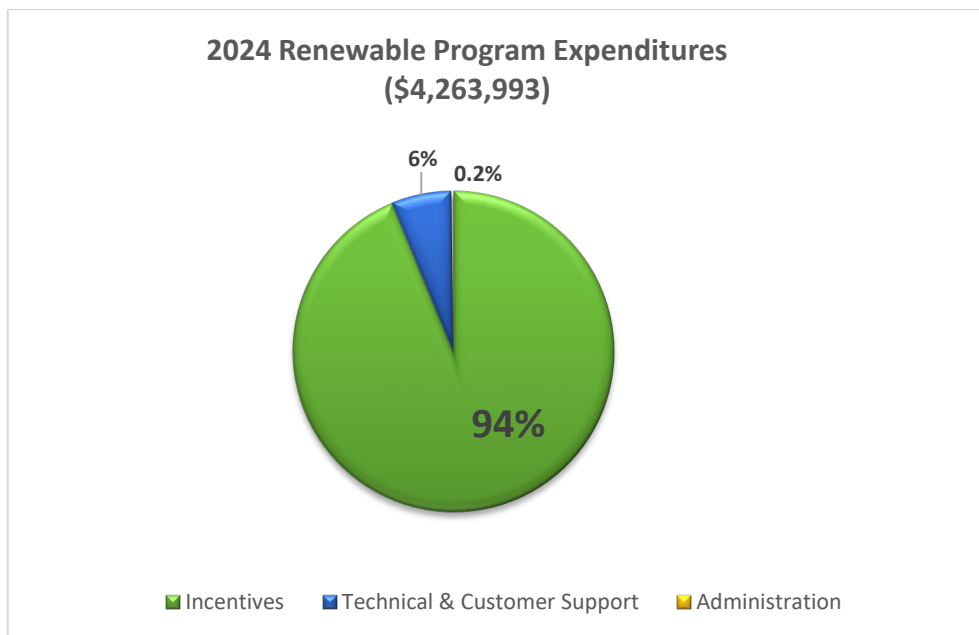
Table 8: 2024 Verified Gross Lifecycle Renewable Impacts

	Participants	Verified Gross kWh	Verified Gross kW	Verified Gross Therms	Benefit/ Cost Ratio
Non-residential Renewables	215	743,247,972	6,120	0	1.23
Residential Renewables	2,452	840,549,506	6,318	0	
TOTAL	2,667	1,583,797,478	12,438	0	

Expenditures – Renewable Energy Programs

Figure 4 below illustrates expenditures for the 2024 Focus Renewable Programs.

Figure 4: 2024 Expenditures for Focus Renewable Programs



RESEARCH PORTFOLIO

State statutes require that the statewide program include initiatives for research and development regarding the environmental and economic impacts of energy use in this state (Wis. Stat. 196.374(2)(a)2.d.) Focus on Energy supports energy efficiency and renewable energy research through the Environmental & Economic Research and Development Program (EERD). EERD research projects allow Wisconsin to further its efforts towards reducing energy waste, costs, and environmental impacts. EERD projects are selected through a targeted competitive request for

proposals (RFP) process. In 2024, APTIM identified four research categories: Targeted Emissions Reductions, Extending the Value of Energy Efficiency, Assessing the Landscape of Decarbonization Goals, and Proactive Market Transition. These research categories were based on directives put forth by the Commission during the Quadrennial IV Planning Process.

Future Focus

Focus on Energy also accepts research concepts or ideas on a rolling basis through the Future Focus process. The Future Focus process reviews new concepts and technologies that have the potential to expand the range and value of services available to Wisconsinites, as well as help the program achieve desired outcomes of energy savings, customer satisfaction, and/or market transformation.

Pilots and Demonstrations

In order to support the viability of Focus on Energy into the future, it is necessary to experiment and research new ideas, pilot programs, technologies, and delivery methods. Once tested these opportunities may be added to the program portfolio. Annually, Focus on Energy hosts Pitch Day, an opportunity for industry partners and stakeholders to showcase energy efficiency or renewable energy pilot program ideas to a panel of judges in an interactive way.

Emerging Technology

This initiative includes the Emerging Technology Accelerator, which looks at new technologies for residential and commercial businesses, and the Industrial Technology Accelerator, which focuses on understanding technologies most beneficial to industrial operations. Technologies identified undergo an initial screening, and if they meet the opportunity threshold, they advance to comprehensive review.

Ongoing and completed projects in the above categories can be found at [Future Focus Initiative | Focus on Energy](#).

FOCUS 2024 FINANCIAL SUMMARY

Administrative Costs

Table 9 below summarizes the administrative expenditures for the Focus program in 2024, which accounted for five percent of total spending.

Table 9: 2024 Focus Administrative Expenses

2024 Administrative Costs	2024 Expenditures
Compliance Agent	\$299,727
SPECTRUM & General Software	\$1,037,234
Fiscal Agent (includes banking fees)	\$583,621
PSC Staff Oversight	\$375,029
SEERA Miscellaneous Expenses	\$400
APTIM Administrative Costs	\$1,888,264
Implementer Administrative Costs	\$757,194
TOTAL	\$4,941,469

Table 10 below summarizes revenue, expenditures, and Focus obligations for 2024. Please note that the expenses for both the Residential and Business Programs include renewable resource program expenditures in addition to the energy efficiency program expenditures. In any given program year, not all dollars contributed are budgeted to programs in order to cover contractual obligations to be paid the following year.

Table 10: 2024 Focus Financial Sheet¹

REVENUE	
Investor-Owned Utilities	\$97,419,608
Municipal Electric Providers/Electric Cooperatives	\$3,751,135
Training Revenue	\$13,144
Miscellaneous Revenue	\$2,265
TOTAL REVENUE	\$101,186,152
EXPENSES	
Residential Programs (with renewables and midstream)	\$37,121,303
Non-Residential Programs (with renewables and midstream)	\$53,892,894
Environmental and Economic Research and Development	\$155,000
Evaluation	\$3,820,089
Other Program Support ²	\$2,296,011
TOTAL EXPENSES	\$97,285,297
Unallocated Funds ³	\$3,878,312
Focus Obligations ⁴	\$16,809,868

¹ Taken from the SEERA *Expense Report, Expenses through December 31, 2024*.

² Includes Fiscal Agent; Compliance Agent; Commission; SEERA; consulting services; software; SPECTRUM development and maintenance; and bank fees.

³ Unallocated funds are dollars not currently assigned to a specific task or initiative and available for program use (incentive or non-incentive) as needed in 2025. The carry-over process changed per a Commission Order. ([PSC REF#: 433746](#).) Beginning in 2023, rather than an annual budget, the budget is viewed as a four-year budget to allow for flexibility with program design. The Program Administrator continues to report on carryover and any unallocated funds remaining at the end of each calendar year.

⁴ Obligations refer to contracts with customers for the receipt of incentives when a project is installed/completed. Large projects can take up to 16 months from start to finish and therefore span from one calendar year to the next. Obligations totaling \$15,865,843 are expected to expire by 12/31/2026. This amount is taken from SPECTRUM.

MUNICIPAL ELECTRIC AND RETAIL ELECTRIC COOPERATIVE REPORTING FOR COMMITMENT TO COMMUNITY PROGRAMS (CTC)

Act 141 requires municipal utilities and retail electric cooperatives to collect an annual average of \$8 per meter for energy efficiency programs. The monthly fee may not exceed 1.5 percent of the total of every other charge for which the customer or member is billed for that month or \$375 per month, whichever is less. Each municipal utility or retail electric cooperative can choose to send the dollars collected to the Focus fund or keep them and operate its own Commitment to Community (CTC) programs. Although Act 141 excludes load management from the definition of energy efficiency, it allows municipal utilities and retail electric cooperatives to include load management in their CTC program offerings.

Act 141 requires an electric cooperative or municipal utility operating its own CTC program to file a report that includes the following: 1) an accounting of fees charged to customers or members in the year, 2) expenditures on CTC programs, 3) a description of CTC programs established for the year, and 4) the effectiveness of the CTC programs in reducing demand for electricity by customers or members.

In 2024, 11 cooperatives and all 81 municipal electric utilities sent their energy efficiency funds to Focus. CTC programs were operated by 13 retail electric cooperatives.³ Reports for these cooperatives can be found on the PSC website <https://psc.wi.gov> and typing in docket number 5-GF-177 on the E-Services Portal. The energy savings estimates are calculated by the cooperatives and are not subject to the same evaluation procedures as the Focus savings are. As a result, Commission staff cannot verify these CTC energy savings claims and does not recommend adding these savings to Focus savings for the purposes of calculating statewide energy savings.

UTILITY VOLUNTARY PROGRAMS

Pursuant to Wis. Stat. § 196.374(2)(b)2., investor-owned utilities (IOUs) may, with Commission approval, fund and administer voluntary energy efficiency or renewable resource programs that are in addition to the statewide Focus programs. In 2024, four IOUs implemented voluntary programs: Northern States Power Company-Wisconsin (NSPW, also known as Xcel Energy), Wisconsin Electric Power Company (WEPCO, also known as We Energies), Wisconsin Public Service Corporation (WPSC), and Wisconsin Power and Light Company (WP&L), also known as Alliant Energy.

NORTHERN STATES POWER COMPANY-WISCONSIN (NSPW) (XCEL ENERGY)

NSPW offered the following voluntary programs in 2024:

Residential Community Conservation Program. Prior to 2024, NSPW operated a residential voluntary program delivering bonus incentives to residential customers who participated in Focus' heating and cooling and insulation and air-sealing offerings. The bonus incentive was equal to 75 percent of Focus on Energy's incentive and the combined total incentive (from Focus and NSPW) could not exceed 90 percent of total project costs. The Commission did not approve NSPW's request to fund and operate its Residential Community Conservation Program (CCP) in 2024. Residential CCP expenditures recorded in 2024 represent payments for projects completed during the 2023 program period but not processed by Focus until 2024. These projects were eligible for the bonus incentive under the 2023 Residential CCP and were paid from the 2023 program budget approved by the Commission.

³ Barron Electric Cooperative, Bayfield Electric Cooperative, Central Wisconsin Electric Cooperative, Chippewa Valley Electric Cooperative, Dunn Electric Cooperative, East Central Energy Cooperative, Jackson Electric Cooperative, Jump River Electric Cooperative, Price Electric Cooperative, Polk Burnett Electric Cooperative, Riverland Electric Cooperative, St. Croix Electric Cooperative, and Washington Island Cooperative.

NSPW developed a pilot program offering free energy assessments to income qualified customers in Eau Claire and Chippewa Counties in 2024. Customers who received energy assistance in the 2023-2024 heating season were eligible. NSPW worked with local trade allies to deliver the program and paid the trade ally for the service, eliminating paperwork for the customers. At year end, five customers received free assessments. The total cost for the five assessments performed in 2024 was \$1,800. NSPW received approval from the Commission to expand this offering in 2025 to its entire service territory and include tribal communities.

Commercial Community Conservation Program (CCCP). The CCCP provides bonus incentives to business customers and non-managed industrial customers in the NSPW service territory participating in the Focus on Energy Business and Industry (B&I) program. Bonus incentives are equal to 50 percent of the Focus B&I program incentive, up to \$4,000 per customer.

In 2024 the CCCP had 602 customers and incentives totaling \$580,927, a slight increase over 2023.

Mid-Market Program. NSPW's Mid-Market Program (MMP) employed field representatives that provided one-on-one outreach and support to small- and medium-sized commercial customers. Field representatives support included on-site assessments and reviews of rebate program offerings, designed to identify potential energy efficiency improvements. Program staff worked in coordination with Focus on Energy, boosting NSPW's customers' participation in Focus' commercial programs.

The number of customer contacts and project completions in the MMP decreased from 2023 to 2024. The decrease was largely attributed to staff turnover at the end of 2023 and into 2024. However, given the circumstances, NSPW leadership feels the MMP had a successful year in terms of outreach to customers, events and marketing campaigns. MMP ran several marketing campaigns in 2024. Numerous emails, inserts, and events were utilized to promote MMP, including presentations to various organizations, Northern Wisconsin State Fair, blog stories and social media, to name a few.

In 2024, the MMP field representatives completed 109 free energy assessments, down from 138 the year before. As a way to promote the assessment, MMP offered an additional 25 percent bonus to those customers having an assessment and then completing a project within the calendar year. Out of the 109 completed assessments, 45 of those customers completed projects and received the additional 25 percent bonus incentive.

Table 11 below shows NSPW Voluntary Program Budgets and Expenditures from 2022 to 2024.

Table 11: Xcel Voluntary Program Budgets and Expenditures

Year	Residential CCP	Commercial CCP+	TOTAL
2022 Budget	\$765,467	\$1,607,416	\$2,372,883
2022 Expenditures ¹	\$665,114	\$1,112,322	\$1,777,436
2023 Budget	\$765,467	\$1,607,416	\$2,372,883
2023 Expenditures ²	\$771,518	\$1,165,140	\$1,936,658
2024 Budget	\$30,000	\$1,519,000	\$1,549,000
2024 Expenditures ³	\$420,985	\$1,125,998	\$1,546,983

1. [PSC REF#: 461506](#)

2. [PSC REF#: 491878](#)

3. [PSC REF#: 537098](#)

+Commercial CCP Budget includes the Mid-Market budget and expenditures.

WISCONSIN ELECTRIC POWER COMPANY (WE ENERGIES)

We Energies had two voluntary programs and a pilot operating in 2024:

- **Residential Assistance Program (RAP)** provided weatherization services for low-income customers in the We Energies service territory to address energy efficiency of the entire home and help reduce energy costs. RAP was available to natural gas customers who were homeowners and earned below 80 percent of the State Median Income (SMI). Weatherization measures offered under RAP included those measures eligible for Focus' enhanced incentives for income-qualified customers (also referred to as Tier 2 incentives) and included attic and wall insulation, air sealing, smart thermostats, and replacement of furnaces, boilers, and water heaters. Additional measures that can improve efficiency, comfort, and safety and were not offered by Focus were also eligible under RAP.

RAP funding covered all remaining costs after Focus incentives were applied. Trade allies performing the work submitted all required documentation to Focus for incentives and submitted project invoices to We Energies for the remainder of the balance. We Energies set an annual target to weatherize 150 homes. Table 12 below shows RAP budget, spending, and units completed for the last three years.

Table 12: RAP Budget and Spending, 2022-2024

Year	Budget Approved	RAP Expenditures	Units Complete	Source
2022	\$925,000	\$873,382	129	PSC REF#: 463347
2023	\$925,000	\$922,804	159	PSC REF#: 495076
2024	\$1,158,000	\$1,137,497	169	PSC REF#: 538279

In addition, starting in 2022, We Energies collaborated with Focus and trade ally partners to develop program eligibility criteria for owner-occupied multifamily properties, non-owner-occupied housing units, and non-profit customers. Eligible customers were identified through referrals from the utility's Low Income Forgiveness Tool (LIFT)

program and were also referred from the State’s Home Energy Plus Program (Low Income Energy Assistance Program and Weatherization Assistance Program). In 2024, the RAP Pilot program fulfilled its objective of completing projects across various categories, including three single family units (non-owner-occupied), four duplexes, and a non-profit organization. This marked a significant milestone after diligent efforts to overcome barriers and ensure eligibility identification and project completion. The pilot had a budget of \$100,000 in 2024 and expenditures totaled \$69,660 ([PSC REF#: 538279](#)).

- **Voluntary Design Assistance Program (VDAP)** supported business customers by performing customized whole-building analysis of energy saving options during the design phases for new construction and major renovations. We Energies’ voluntary program provided additional funding to help more of its customers participate in Focus on Energy’s Design Assistance Program (DAP) in the event Focus on Energy’s statewide program budget was fully expended. We Energies was first approved to operate its VDAP for the 2019-2020 program period and was approved by the Commission to operate through the 2026 program year. Table 13 below shows projects completed between 2022 and 2024. Because the Focus on Energy’s Design Assistance Program budget was not exhausted in 2024, there were no projects funded by VDAP.

Table 13: Voluntary Design Assistance Projects Completed, 2022-2024

Program Year	Projects Complete	Project Sectors	Combined Sq. Footage
2022	14	Retail, Warehouse, Mixed Use School, Multifamily	~900,000 ft ²
2023	2	Hotel and Retail	86,480 ft ²
2024	0	NA	NA

Table 14 below shows approved budget and actual expenditures for program years 2022 - 2024.

Table 14: Voluntary Design Assistance Budget and Expenditures 2022-2024

Program Year	Approved Budget	Actual Expenditures
2022	\$650,000	\$249,342
2023	\$650,000	\$170,930
2024	\$650,000	\$33,840*

*Figure represent administrative Costs, not incentives

WISCONSIN PUBLIC SERVICE CORPORATION (WPSC)

In 2024, WPSC completed its fifth year of operating its voluntary program modeled after the We Energies Residential Assistance Program (RAP) and its pilot program:

- **Residential Assistance Program (RAP)** provided weatherization services for low-income customers in the WPSC service territory to address the energy efficiency of the entire home and help reduce energy costs. RAP was available to natural gas customers who were homeowners and earned below 80 percent of SMI.

In addition, beginning in 2022, WPSC collaborated with Focus to develop pilot program eligibility criteria for owner-occupied multifamily (6-12 units) properties, non-owner-occupied housing units, and non-profit customers. Eligible customers were primarily identified through referrals from the utility's Customer Assistance team and were commonly sourced from WPSC's Fresh Start program, the State's Home Energy Plus Program (Low Income Energy Assistance Program and Weatherization Assistance Program), community partners, and other emergency assistance programs. WPSC launched this program in 2023 and has worked to overcome barriers around eligibility identification. The budget was \$100,000 for 2024, and expenditures totaled \$52,374.

Weatherization measures offered under RAP included those measures eligible for Focus Tier 2 incentives and included attic and wall insulation, air sealing, smart thermostats, and replacement of furnaces, boilers, and water heaters. Additional measures that could improve efficiency, comfort, and safety and were not offered by Focus were also eligible under RAP.

RAP funding covered all remaining costs after Focus incentives were applied. Trade allies performing the work submitted all required documentation to Focus for incentives and submitted project invoices to WPSC for the remainder of the balance.

WPSC set an annual goal to weatherize 45 homes. The COVID-19 pandemic significantly hindered the new program's operations in 2020 and 2021 and program operations in 2022 and 2023 saw more completions. The WPS trade ally continued to hear uncertainty from customers who thought this offering was "too good to be true." The trade ally encouraged the customer to contact the utility to verify that the program existed. Results from 2022 to 2024 are shown in Table 15 below.

Table 15: RAP Budget and Expenditures 2022-2024

Year	Budget Approved	RAP Expenditures	Units Complete	Source
2022	\$300,000	\$111,874	16	PSC REF#: 463348
2023	\$300,000	\$184,638	28	PSC REF#: 495075
2024	\$315,000	\$296,407	34	PSC REF#: 538397

WISCONSIN POWER & LIGHT COMPANY (WP&L) (ALLIANT ENERGY)

In 2024, WP&L operated one voluntary program:

- **Enhanced Low-Income Weatherization Program (ELIWP)** provided bonus incentives to customers with incomes less than 80 percent SMI participating in Focus' Home Performance with Energy Star Program, at the Tier 2 level. The program provided weatherization services such as insulation and air sealing as well as supported installation of efficient heating equipment such as furnaces. ELIWP provided funding to cover all remaining project costs, beyond the Focus incentives, that would otherwise be paid by the participant, up to a cap of \$8,000 per single family home and \$4,000 per multi-family unit. ELIWP also paid for the full costs of other efficiency and safety measures identified during inspection of participant homes, including leak repairs, carbon monoxide detectors, and LED light bulbs.

There were no formal savings goals, but the program targeted customers with especially high natural gas usage in order to prioritize customers who may have been able to achieve the largest energy savings benefits. The goal was to reduce gas usage by an average of 200 therms per year per household. The program was designed to serve 50 customers per year, which makes the annual savings goal about 10,000 therms annually. ELIWP first launched in early 2018.

In 2024, the ELIWP served 40 customers who received services from Focus's Tier 2 incentive program. The program completed projects in 64 homes in 2022 and 49 in 2023. The drop in participation is due to a change in ownership for the main program contractor which caused a delay in completing projects at single family homes. However, WPL expects to see single family participation increase as the company's new ownership becomes familiar with the program. Additionally, WPL is actively working to recruit additional Focus-affiliated service providers to create a larger pool of trade allies supporting the program.

In 2024, WP&L budgeted \$800,000 for ELIWP and expenditures were \$324,098. The breakout for expenses is shown in Table 16 below.

Table 16: WP&L Budgets and Expenditures for 2024

Category	Budget	Expenditures	% of Budget Spent
Administration	\$10,000	\$1,368	14%
Incentives	\$755,000	\$300,945	40%
EM&V	\$35,000	\$21,785	62%
TOTAL	\$800,000	\$324,098	41%

WISCONSIN HOME ENERGY ASSISTANCE PROGRAM (WHEAP) - WEATHERIZATION SERVICES

In order to present a more complete picture of energy efficiency and renewable activities in Wisconsin, this report also includes annual data on the WHEAP Weatherization Assistance Program. The Division of Energy Housing and Community Resources (DEHCR), in the Department of Administration, contracts with various agencies throughout the state to provide weatherization services to eligible households. Households with incomes at or below 60 percent of the Wisconsin state median income (SMI) are eligible for services. Agencies include community action agencies, housing authorities, local governments, and other non-profit organizations. The goal of the weatherization program is to save energy by targeting households with an excessive energy burden and that are made up of customers who are elderly, handicapped, and/or children under six years of age.

If homeowners are eligible for weatherization services based on their WHEAP application, their application information will be referred to the local weatherization agency. Households selected for potential weatherization services will be contacted by the weatherization agency. The agency will then make arrangements to have an energy auditor look at their homes to see what can be done to make it more energy efficient. Weatherization services differ with each home depending on how it was built and its condition. Some common weatherization services include:

- Insulate attics, walls and floors
- Insulate or replace water heater
- Install energy efficient lighting
- Reduce air leakage
- Repair or replace furnace
- Test and/or replace refrigerator
- Perform a general health and safety inspection
- Provide information about maintenance and energy conservation

During the 2024 DOA program year, the weatherization program provided services to 5,136 units and expenditures were \$64,839,447. In addition, DEHCR replaced 2,116 furnaces and repaired 2,106 for total expenditures of \$12,776,271.

INFLATION REDUCTION ACT HOME ENERGY REBATE PROGRAM

On August 16, 2022, President Joe Biden signed the Inflation Reduction Act (IRA) into law (Pub. L. 117- 169).⁴ In total, the law includes \$391 billion to support clean energy and address climate change. There are two provisions of the IRA that together authorize more than \$8.5 billion nationwide:

- Section 50121 authorized \$4.3 billion in formula grants to State Energy Offices to carry out the Home Energy Performance-Based, Whole-House Rebates (HOMES) program

⁴ [INFLATION REDUCTION ACT OF 2022, PL 117-169, August 16, 2022, 136 Stat 1818; Inflation Reduction Act \(congress.gov\)](https://www.congress.gov/bills/117/169/text/senate/1/2022/08/16/2022-08-16-inflation-reduction-act).

- Section 50122 authorized \$4.275 billion in formula grants to State Energy Offices to carry out the High-Efficiency Electric Home Rebate Program (HEAR)

Together, these provisions are referred to as the Home Energy Rebate (HER) programs. With both programs, the IRA establishes that the appropriated funds are to remain available through September 30, 2031.

The Wisconsin State Energy Office (SEO) was informed in January 2023 that it is eligible to receive the following estimated amounts in formula funding to implement the HER programs:⁵

- Section 50121 HOMES: **\$74,904,830**
- Section 50122 HEAR: **\$74,470,200**

In May 2023, the Commission ordered that the Focus program would be the implementer for the IRA HER programs and that the IRA programs and administration should be funded and managed separately and not included in the Focus portfolio.

In July 2024, Wisconsin was awarded the funds by the Department of Energy. The HOMES program launched in August 2024 and the HEAR program launched in December 2024. As of December 2024, the successful launch of the HOMES Program included:

- 193 registered contractors
- 1,298 customers approved for income-qualified rebates; and
- 97 HOMES program project applications received.

Additional details on ongoing program participation and accomplishments for both the HOMES and HEAR programs will be provided in next year's annual report.

⁵ [State And Tribe Allocations for Home Energy Rebate Program | Department of Energy.](#)