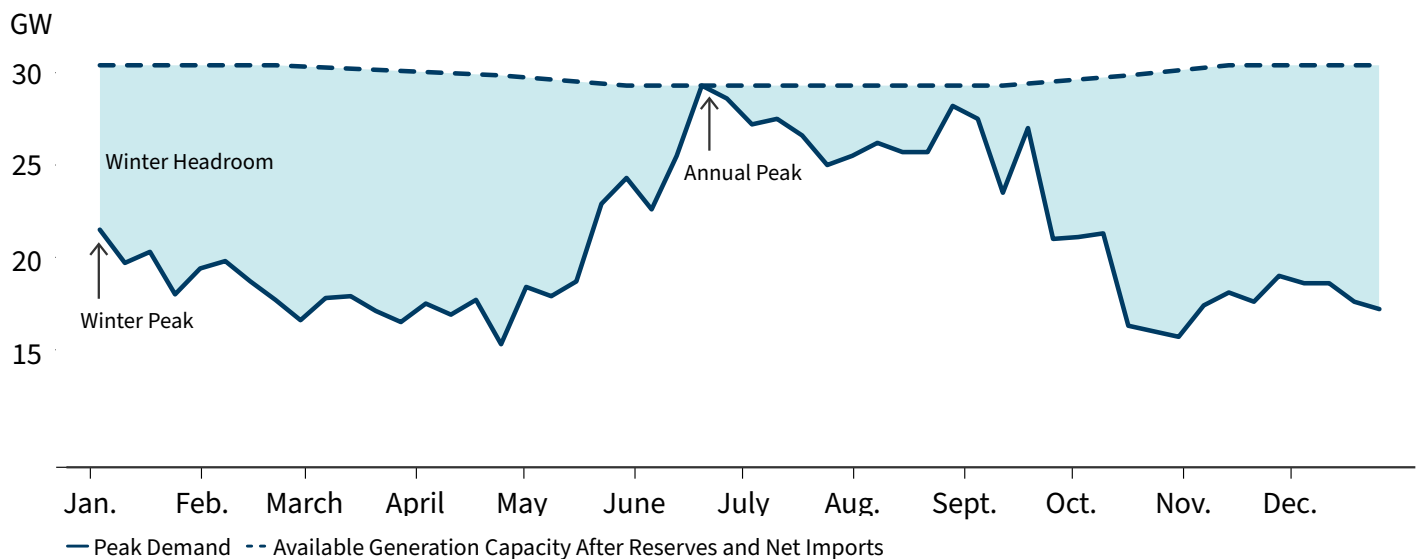


Illinois can put downward pressure on electricity rates by deploying heat pumps to better utilize the grid

Increase grid utilization



Illinois has roughly 8.9 gigawatts of winter headroom, resulting in underutilized winter grid capacity. This is enough room to add a mix of all-electric and hybrid heat pumps in 4.5 million homes — **23 times the number today** — within the current grid. This makes better use of Illinois's existing electric grid.

Reduce electricity rates

23%



Heat pumps can increase electricity sales without expanding generation capacity, putting downward pressure on electricity rates. Upgrading all 4.5 million homes with heat pumps could reduce electricity rates for all residential customers by roughly 23% relative to what they would otherwise be, **saving Illinoisans \$322 annually, or \$1.7 billion per year across all residents.**

Reduce emissions

21%



Upgrading all 4.5 million homes to heat pumps **could cut Illinois' residential emissions by 21%, or 11.5 million tons of CO₂.**

See policy recommendation on the next page.
Read the full report at <https://rmi.org/>

Policy recommendations

- 1.** The governor should **establish an ambitious 2030 heat pump target** and explicitly include it in Illinois's electricity affordability plan. Growing from roughly 200,000 homes with heat pumps today to 750,000 by 2030 illustrates an impactful, actionable goal given annual HVAC replacements and adopting the below policies.
- 2.** The Illinois Commerce Commission (ICC) and utilities should **prioritize all-electric and hybrid heat pumps over conventional AC and fossil fuel equipment in utility incentive programs**, while strengthening gas efficiency programs to expand weatherization improvements, particularly for low- and moderate-income households.
- 3.** The ICC should **expand the impact of heat-pump-friendly electric rates**, including allowing hybrid heat pumps to qualify for ComEd's electric heating rate and automatically enrolling heat pump customers in the lowest-cost applicable residential tariffs.
- 4.** The Capital Development Board should **update the Illinois Building Energy Code to encourage heat pumps when central air conditioners are replaced**.
- 5.** Localities should adopt and **implement the Illinois Stretch Energy Code to encourage heat pumps in new construction**.

