

September 14, 2016

Mr. Mario Bohorquez
Illinois Power Agency
Michael A. Bilandic Building, Suite C-504
160 North LaSalle Street
Chicago, IL 60601
Via Email

**Ameren Illinois Comments to the Illinois Power Agency's
Draft Electricity Procurement Plan**

Dear Mr. Bohorquez:

Pursuant to Section 16-111.5(d)(2) of the Public Utilities Act, Ameren Illinois Company (d/b/a Ameren Illinois) respectfully submits these comments to the Draft Procurement Plan (Plan) which the Illinois Power Agency (IPA) released for public review and comment on August 15, 2016. More formal legal comments will be provided in the docketed proceeding once the revised Plan is filed with the Illinois Commerce Commission (ICC).

As in years past, Ameren Illinois appreciates the considerable effort the IPA has put forth in developing the Plan. Ameren Illinois understands that the Plan ultimately represents the IPA's positions on the issues and the IPA's recommendations to the Commission. Rather than use this comment process as a forum for contesting points of disagreement, Ameren Illinois has generally sought to limit its comments to areas in which the IPA has either solicited feedback or departed from the recommendations of the utilities in such a way that additional information is required before a complete analysis and a thorough recommendation can be provided to the Commission.

Please note that Ameren Illinois reserves the right to make further edits, comments or proposals in subsequent filings, as well as to present additional or different positions and arguments in the docketed proceeding, based on the contents of the filed Plan and on other parties' positions.

Ameren Illinois' recommendations are also reflected in a redline version of the Plan, which is attached to this letter. In addition to the recommendations, Ameren Illinois has provided certain notes to the IPA, designated by the term ["NOTE"] that are provided for consideration of the IPA but not intended to become part of the filed Plan. Further, while the most substantive proposed revisions are outlined or referenced in this letter, some suggested modifications, edits or clarifications may be unique to the redline version of the Plan. Ameren Illinois therefore recommends that the IPA review the attached redline, in addition to this letter, when considering the changes to its proposed plan.

Energy Procurements

The IPA recommends two procurements, one in Spring 2017 and the second in Fall 2017. The procurements would result in the following hedging plan:

Prompt Year (2017/2018)

- Spring 2017 procurement which hedges the summer period at 100% (except July/August peak at 106%) and the non-summer period at 75%.
- Fall 2017 procurement which hedges the remainder of the non-summer period so as to achieve 100%.

Prompt Year + 1 (2018/2019)

- Spring 2017 procurement which hedges half of the remaining quantity necessary to achieve 50% hedging by the end of the Fall 2017 procurement.
- Fall 2017 procurement which hedges the remaining quantity so as to achieve 50% hedging.

Prompt Year + 2 (2019/2020)

- Spring 2017 procurement which hedges half of the remaining quantity necessary to achieve 25% hedging by the end of the Fall 2017 procurement.
- Fall 2017 procurement which hedges the remaining quantity so as to achieve 25% hedging.

Final quantities for the Spring 2017 procurement would be based on an updated forecast in March 2017 subject to consensus by the IPA, ICC Staff and Procurement Monitor, while final quantities for the Fall 2017 procurement would be based on an updated forecast in July 2017 also subject to consensus by the IPA, ICC Staff and Procurement Monitor.

Ameren Illinois supports the IPA hedge plan for energy as proposed.

Capacity Procurements

The IPA states that in September 2016 it will solicit 75% of forecasted 2017/2018 requirements and 25% of 2018/2019 requirements; this procurement stems from the 2015 approved Plan. Going forward, the IPA proposes to procure 50% of 2018/2019 requirements in the fall of 2017 (for a total of 75%). Ameren Illinois supports this portion of the Plan as proposed.

But after 2018/2019, the IPA proposes to procure no capacity through its procurement process; instead the IPA proposes that Ameren Illinois meet its requirements entirely through the MISO capacity auction. Ameren Illinois opposes this portion of the Plan and instead we recommend that

this decision be deferred until next year's Plan. The rationale used by the IPA includes several points, two of which are discussed below.

First, the IPA suggests that its bilateral procurements may provide limited hedging value. However, the IPA provides little in the way of data or analysis to support this statement. We would therefore encourage the IPA to review the publicly available supply offers and demand curve for the last two auction years and include the results in its filing with the Illinois Commerce Commission. Our review indicates that for both 2015 and 2016, the auction price cleared at a very steep part of the supply offer curve; this curve is determined by the price sensitive offers of capacity suppliers within MISO. For the past two years, a small change in demand would have resulted in a significant change in the MISO auction clear price. To the extent this trend continues, the IPA may decide in next year's plan to procure a portion of capacity requirements for 2019/2020 (and perhaps beyond) so as to reduce the risk of significant price volatility exposure to eligible retail customers. Of course, in some cases the IPA procurements (or lack of procurements) benefit customers with lower prices relative to the MISO auction, whereas in other cases suppliers benefit in higher prices relative to the auction. Regardless of the "winners" and "losers" associated with IPA procurements, prior procurements have provided a mechanism for both load and supply to hedge a portion of risk associated with an uncertain MISO auction clearing price.

Second, the IPA states that the modified MISO capacity market will provide more price stability and satisfy the reliability associated with resource adequacy. Again, the IPA provides limited data or analysis to support its statement. We would encourage the IPA to clarify that proposed modifications to the MISO capacity auction are still being refined and are a long way from implementation. While MISO has indicated its desire to file its proposal with FERC in November, numerous parties have voiced concerns, including MISO's Independent Market Monitor (IMM). We would therefore encourage the IPA to either provide data and analysis, or in the alternative, the IPA could temper its statements to reflect the considerable uncertainty that remains. Getting back to our specific recommendation, Ameren Illinois disagrees with the IPA that 100% of our MISO capacity requirements should be procured in the auction starting in 2019/2020. Instead, given the state of flux in the design of a future MISO capacity construct, the decision as to whether the IPA should procure for 2019/2020 should be delayed until the next IPA procurement plan. To be clear, we are not advocating for 2019/2020 IPA capacity procurements in this plan; we simply desire the IPA to acknowledge the considerable uncertainty that remains and, given that the IPA has the capability to defer this decision, we recommend the issue be addressed in the draft plan to be published in August 2017.

Distributed Generation REC Procurement

The IPA recommends a procurement of distributed generation RECs (DG RECs) in Fall 2017 using Alternative Compliance Payment (ACP) funds previously collected from Ameren Illinois real time pricing customers and where these funds are currently held by Ameren Illinois in a liability account.

Resulting contracts would be for terms of five years. Ameren Illinois supports the proposed procurement.

The IPA notes that prior DG REC procurements have had less than desirable quantities awarded. And the desire is to increase the quantity of awards in the future which in turn will spend the ACP funds already collected from Ameren Illinois real time pricing customers. Ameren Illinois agrees.

The IPA states its opinion that the credit terms associated with the Ameren Illinois contract may act to reduce participation in the procurement process. The IPA therefore recommends the elimination of all credit provisions for Ameren Illinois and its customers under the contract. Ameren Illinois recommends the IPA describe in its plan the potential consequences of such an action. For example, any time suppliers are awarded contracts and then subsequently default, it would logically trigger the need for replacement DG RECs in future IPA procurements. It's possible that the replacement DG RECs could be at a higher price relative to the price associated with the original defaulted contract. Further, the IPA should note that all historical Ameren Illinois contracts have included credit provisions so as to protect customers from the potential higher costs associated with replacement of energy, capacity and RECs. Finally, in consideration of these factors, the IPA should more clearly describe its rationale for recommending this change. By providing this more detailed information, the ICC and various stakeholders (including Ameren Illinois) can engage in a fully informed debate as to whether the IPA proposal is appropriate.

The IPA also recommends that it hold credit protections for its own benefit in connection with the DG REC procurement; however the rationale put forth is not entirely clear. Further, it seems contradictory to assert that credit provisions for Ameren Illinois are an impediment to a successful DG REC procurement and therefore the provisions should be eliminated, while simultaneously the IPA recommends that credit protections be added for its own purposes. Ameren Illinois recommends the IPA make clear that its proposal is a deviation from prior practice. The IPA should also make clear its intended purpose for adding credit protections for its own benefit and explain how credit provisions for Ameren Illinois act as an impediment to the procurement of DG RECs, but the proposed IPA credit protections would not cause an impediment. The IPA should also clarify what it specifically intends to do with any funds received from the proposed credit provisions (for example, are they intended to be used as insurance against unpaid procurement fees?). By providing more detailed information, the ICC and various stakeholders (including Ameren Illinois) can make a fully informed decision as to whether the IPA proposal is appropriate.

Incremental Energy Efficiency

As noted above, the comments and recommendations included in this section serve both to explain and to supplement the contents of the IPA Plan redline attached to this cover letter.

Section 9.1 – Incremental Energy Efficiency in Previous Plans

Ameren Illinois has proposed several minor modifications to this section for the purpose of ensuring that the savings accomplished through the IPA energy efficiency procurement process are not unintentionally misrepresented to the Commission. While the IPA's Plan does note that Table 9-1 in this section reports only *projected* savings, it is important to note for the Commission, given the expanded discussion of performance risk issues that has taken place during this year's planning process, that projected savings have not always, in fact, materialized. It also remains important to ensure the Commission, stakeholders and the public remain aware of the historic costs associated with procuring energy efficiency in the State.

Section 9.4.1 – Scale of Section 16-111.5B Programs

In this Section, the IPA notes that the size of IPA-procured energy efficiency appears to have peaked during the 2016-2017 delivery year and proposes various solutions to the perception. First, the plan states that a decline in projected savings was unexpected. The Plan then goes on to opine that there may be something wrong, because the amount of projected savings has plateaued. Ameren respectfully submits that there are several reasons this has occurred and that such plateauing may indicate that the process is working as designed. For example:

- There are practical limits to the amount of achievable energy savings that can be obtained from the market. Given that this is the fifth plan to include energy efficiency, growth in the first few years should not be expected to continue indefinitely.
- It is a more challenging environment for bidders, given lower downstate market prices and more stringent codes and standards.
- Changes in the Illinois Technical Resource Manual reflect higher baselines for several measures reducing overall savings.
- After 8 years of energy efficiency investment for residential and small business customers, it stands to reason that more easily achieved energy savings opportunities are declining.
- Performance failure by bidders has resulted in necessary contract terms that appropriately protect ratepayers. Such terms may appropriately discourage overly aggressive bids or bidders that do not possess knowledge and/or experience at delivering high quality programs.
- 2017 is the first year of a Section 5/8-103 and Section 5/8-104 three-year plan cycle, while 2016 was the last year of a three-year plan cycle. Last year's projected savings total for the IPA was therefore inflated by the inclusion of substantial savings from longer-run programs

approved in earlier years of the third three-year plan cycle, as well as by programs moved over to the IPA from Ameren Illinois' Section 5/8-103 portfolio. When these particularities are taken into account, it is not clear that there will be a decrease in savings achieved as a result of this year's procurement process (even if there is a decrease in the number of programs).

- Last year, the IPA procurement process represented the only way for Illinois energy efficiency vendors to bid programs. This year, the utilities were developing their Section 5/8-103 and Section 5/8-104 plans in tandem with the IPA procurement process, providing an additional marketplace for vendors and implementers.
- This is the first IPA energy efficiency procurement cycle for which behavioral modification programs no longer count as 100% first year savings. This change in the TRM gives the appearance of declining savings compared to previous years of the IPA procurement.

All of these factors likely contributed to the IPA energy efficiency procurement bidding process looking different this year than it did last year, and for that reason, Ameren Illinois is not convinced that there is an issue with the procurement process that needs to be addressed. In fact, it may indicate that the Illinois framework, in its entirety, is doing exactly what it is supposed to do: achieve savings while appropriately protecting ratepayers. Ameren Illinois therefore respectfully recommends removing this section from the Plan to be submitted to the Commission for approval, as litigating the IPA's proposed solutions at this time and in this forum would be distracting, unproductive and, most likely, unnecessary.

Section 9.4.2 – Improving/Refining Bids

Ameren Illinois recognizes that the IPA disagrees with Ameren Illinois that bids that produce primarily gas savings are non-responsive to the RFP, which specifically solicited bids that achieve primarily electric savings pursuant to Section 5/16-111.5B. As noted elsewhere, Ameren Illinois reserves the right to contest this issue in the docketed proceeding, but at this stage respectfully asks that the IPA include a request that, in the event the Commission agrees with the IPA that the Section 5/16-111.5B energy efficiency procurement process should be used to procure measures that produce primarily gas savings, the Commission also finds that it is reasonable and prudent for the utilities to recover costs from electric customers, via the electric cost recovery mechanism, that are associated with programs that are primarily designed to produce gas savings.

Section 9.5.1 – Ameren Illinois Bids Received

Ameren Illinois is open to considering and potentially implementing stakeholder feedback received in response to the IPA's call for comments on how to improve Ameren Illinois' bid solicitation process, though Ameren Illinois reserves the right to contest the issue in the docketed proceeding. Ameren Illinois has proposed several minor edits throughout this section, however, where the IPA

(perhaps inadvertently) appeared to suggest that Ameren Illinois' process might not only be sub-optimal, but *insufficient*, a term which suggests that Ameren Illinois's approach to bid solicitation somehow falls short of what is required by the law.

It does not. Ameren Illinois' approach was consistent with its prior practice, and consistent with the law in every respect. Section 5/16-111.5B simply provides, in relevant part:

In preparing such assessments, a utility shall conduct an annual solicitation process for purposes of requesting proposals from third-party vendors, the results of which shall be provided to the Agency as part of the assessment, including documentation of all bids received. The utility shall develop requests for proposals consistent with the manner in which it develops requests for proposals under plans approved pursuant to Section 8-103 of this Act, which considers input from the Agency and interested stakeholders.

220 ILCS 5/16-111.5B(a)(3). The directive is flexible as to the manner of execution, and Ameren Illinois has satisfied it. The IPA should not suggest to the Commission that Ameren Illinois' process is deficient simply because the market failed to respond as the IPA expected or the IPA would prefer that Ameren Illinois do it another way.

Section 9.5.3 – Review of Ameren Illinois TRC Analysis

Ameren Illinois has proposed to delete footnote 249 in this section, which provides unnecessary commentary regarding the hypothetical use of non-Illinois Technical Reference Manual (IL-TRM) values when calculating the cost-effectiveness of bids. The commentary purports to suggest that the use of non-IL-TRM data may increase the cost-effectiveness of a bid and goes even further to suggest that the bid could have been cost-effective if non-Illinois values were used. While the purpose of the commentary is unclear, other than to perhaps suggest that using IL-TRM values was less preferable than using *other* states' values so that the IPA could advocate for including another program, it is misleading, incomplete and should be deleted. The use of non-IL-TRM values may or may not have resulted in the program being cost-effective (indeed, the use of certain non-IL-TRM values could have rendered the bid even more cost-inefficient), but in any event, that is beside the point. The state of Illinois, its residents and interested stakeholders invested significant time and resources into creating a statewide reference manual that has been approved for use when evaluating energy efficiency bids and programs. Unnecessary commentary such as that reflected in footnote 249 only serves to encourage bidders to not use Illinois' own, Commission-approved, values for bids. Ameren Illinois respectfully requests that the footnote be deleted.

Section 9.5.4.1 – Policy Implications

Ameren Illinois has proposed several minor modifications to this Section where the IPA characterizes Ameren Illinois' positions unfairly, and respectfully requests that the IPA take the proposed modifications into account.

Section 9.5.4.2 – Demand Based Ventilation Control Program

In this Section, the IPA disagrees with Ameren Illinois' decision to exclude the Matrix Demand Control Ventilation Program from its Assessment because the program was not responsive to the RFP. The IPA then proceeds to calculate a TRC value for the program and to recommend its inclusion in the Plan.

Putting aside for the moment the merits of the responsiveness issue, which may be addressed more fully in the docket, there are other reasons to exclude this program from the Plan, which Ameren Illinois did not address in its Assessment because the program was not responsive to the RFP. In particular, the program is duplicative to not only the 8-103 but also the 8-104 portion of a Small Business Direct Install Program that will be included in Ameren Illinois' Plan 4, which was filed with the Commission on August 30, 2016. *See* ICC Docket No. 16-0413, AIC Exhibit 1.1 at 93 (8/30/2016). Ameren Illinois has proposed modifications to this Section to reflect that the program should not be included in the Plan because it is duplicative for both electric and gas energy savings, even if it is determined to be cost-effective, and respectfully requests that the IPA take those modifications into account.

Section 9.5.4.3 – Behavioral Program

In this section, the IPA disagrees with Ameren Illinois' decision to exclude the OPower behavioral program from its Assessment because the program was not responsive to the RFP as well. Much like the Demand Control Ventilation Program, the IPA provides a variety of TRC analyses and a recommendation that the program be included in the Plan. Once again, Ameren Illinois respectfully disagrees with the IPA's analysis and provides edits setting forth the basis for the program's exclusion from the Plan.

Section 9.5.5 – Duplicative Programs

The analysis contained in this Section also requires an update in light of Ameren Illinois' Plan 4 filing. The Franklin Energy – Small Business Direct Install Program which was bid for inclusion in this year's IPA energy efficiency procurement is duplicative of the 8-103 portion of the Small Business Direct Install Program to be included in Ameren Illinois' Plan 4, and should no longer be recommended to the Commission for inclusion in the Plan. *See* ICC Docket No. 16-0413, AIC Exhibit 2.0 at 13-16 (8/30/2016). Ameren Illinois has therefore proposed modifications to this Section to reflect the Franklin Energy Program's duplication of Plan 4 savings, consistent with AIC's reservation of rights in its Submittal. *See* AIC Submittal at Page 8 (“AIC's positions reflected herein are subject to change and AIC reserves the right to adjust any terms or conditions with any selected implementers to account for its upcoming Section 5/8-103 and Section 5/8-104 integrated energy efficiency and demand response Plan 4 filing, any pertinent ICC Orders, including those addressing customer data and privacy, or other relevant matters.”).

Section 9.5.6 – Additional Conditions Requested by Ameren Illinois

In this Section, the IPA disagrees with Ameren Illinois’ proposal to limit the Community LED Distribution Program to one year, rather than three. The IPA proposes to treat the CLEAResult Community LED Distribution Program in the same way as the CLEAResult Residential Retail Lighting Program, granting AIC the ability to reopen the contract on an annual basis to review product type, product quantity and price to ensure the customer is achieving a good value through the program. But the dynamics of the two Programs are not identical.

AIC’s concern regarding the Residential Retail Lighting Program relates to the fact that LED prices are dropping continuously, which means the marketplace will need to be reviewed to ensure the program is performing as intended. AIC is not concerned there will be a need for a new program design.

On the other hand, AIC has two concerns regarding the Community Based LED Distribution Program. The first relates to whether a pre-existing lighting program—the CFL Program approved in the 2016 IPA Electricity Procurement Plan and being implemented during PY9—will achieve market saturation at the targeted segment such that the Community Based LED Distribution Program essentially becomes duplicative and, accordingly, not needed beyond the first year of its bid. The second concern is related to the specifics of the program design. The program design needs to be evaluated by the independent evaluator to gather meaningful and reliable information on sockets, leakage, and other issues related to the achievement of actual savings.

The difference is that, in the former scenario, AIC may need to intervene and renegotiate some pricing provisions to ensure that the program operates in a manner that is in the interest of customers, while, in the latter scenario, AIC is concerned that, due to market behavior and evaluator feedback, the vendor should revise their program design and re-submit the program in subsequent IPA procurement processes.

New Section – Conditional Approvals

Commonwealth Edison Company requested conditional approval of certain bids that could ultimately become duplicative of Section 8-103 programs, and the IPA has indicated, in the existing section 9.5.7, that it does not object to that approach. Ameren Illinois should be given the same treatment, as set forth in a new section 9.5.7 contained in the redline attachment.

Section 9.5.8 – Ameren Illinois Reservations and Requested Determinations

In this Section, the IPA takes issue with Ameren Illinois’ reservation of rights related to the coincidental development of its Plan 4 and the IPA’s 2017 IPA Electricity Procurement Plan. Again, in its Assessment, Ameren Illinois “reserve[d] the right to adjust any terms or conditions with any selected implementers to account for its upcoming Section 5/8-103 and Section 5/8-104 integrated energy efficiency and demand response Plan 4 filing[.]” AIC Submittal at Page 8.

The IPA claims, “the Agency is concerned that bidders had a reasonable expectation that the provisions of the RFP would be applicable to the consideration of their bids, and after the fact changes could have a negative (or positive) impact on their desire to move forward and implement their proposed programs.” *See* Plan at 125. Ameren Illinois understands the IPA’s sentiment, but respectfully disagrees with it.

First, AIC issued a transparent RFP that informed bidders of the misalignment of timing between Section 5/16-111.5B and Sections 8-103 and 8-104, as well as its potential impact on the bids. *See IPA Draft Plan* Appendix B-Appendix 3_Final.pdf (AIC RFP) at 8. And the bidders themselves acknowledged and accepted this reality when they responded to the RFP. *Id.*¹ Accordingly, the reasonable expectation of the bidders at the time they bid wholly aligns with AIC’s requested reservation in its Submittal and there should be no impact whatsoever on the bidders should their programs be approved or rejected.

Second, even if the bidders had not been informed of and accepted the potential for changes, the simple fact remains the Public Utilities Act (the “Act”) allocates such change risk onto bidders in the IPA electric energy efficiency procurement process. As the IPA recognizes, the Act is currently constructed in such a way as to allow for the simultaneous development of the utilities Section 5/8-103 and 5/8-104 portfolios and the IPA’s incremental electric energy efficiency procurement every three years. It is inevitable under those circumstances that some bids for inclusion in the utilities’ Section 8-103 portfolios will overlap with some bids for inclusion in the IPA electric energy efficiency procurement process, especially because the bids in each category are generally developed with reference to the same potential study. Because duplicative programs are disfavored, and for good reason, there must be some flexibility in the regulatory process to ensure that ratepayers are protected.

And the best way to protect ratepayers in a way that is consistent with the Act is through the regulatory approval process for those programs procured through the IPA electricity procurement process. The Act only provides for the procurement through the IPA process of “new or expanded cost-effective energy efficiency programs or measures that are *incremental to those included in energy*

¹ Specifically, the RFP stated that “Bidder acknowledges that at the time of the AIC’s submittal to the IPA by July 15, 2016, AIC will not have an approved AIC EE Plan for the plan period commencing June 1, 2017. Accordingly, AIC reserves the right to develop and propose programs that could be duplicative or competing to bidder’s programs as part of its AIC EE Plan filing by September 1, 2016 pursuant to Section 8-103 of the Act. Accordingly, acceptance and implementation of those programs will be subject to the Commission’s approval, which is expected within five months of the AIC EE Plan filing. Bidder further acknowledges and agrees that the ultimate approval or rejection of programs is a determination made by the Commission. Per the statute, all bids received are also shared with the IPA. AIC cannot guarantee the outcome of this process or any other future regulatory changes to proposed programs. Bidders submit proposals that may be subject to changes in regulations and laws, including any formal regulatory process. AIC makes no warranties to potential bidders in any way with respect to the proposed programs.” *AIC RFP* at 8.

efficiency and demand-response plans approved by the Commission pursuant to Section 8-103” of the Act. *See* 220 ILCS 5/16-111.5B(a)(3)(C) (emphasis added). Thus, as a matter of categorical law, IPA programs which are duplicative of savings to be achieved by Section 8-103 (or Section 8-104) plan programs—and therefore not incremental—*do not qualify* for inclusion in the IPA Plan approved by the Commission. Ameren Illinois understands that the IPA may not agree that an IPA procurement bidder could be disqualified after-the-fact whenever a similar program is included in a utility’s energy efficiency plan, but the IPA’s disagreement on that point is with the General Assembly, not with Ameren Illinois. To adopt the approach the IPA appears to be suggesting would be to say that the contents of the utilities’ Section 8-103 plans are essentially dictated every three years by the terms of bids by unknown vendors that the utilities receive in that year’s IPA electric energy efficiency procurement process, and that would be to get the “incremental” analysis exactly backwards.²

Finally, in any event, the IPA’s concerns are overblown, as a practical matter. Ameren Illinois essentially conducted its RFP process for the IPA energy efficiency procurement in tandem with the development of its Section 5/8-103 and Section 5/8-104 Plan 4 as part of a holistic approach which was made clear to all stakeholders involved in the SAG Plan 4 Planning process in which IPA participated. The IPA bidders saw the RFP and had concurrent discussions with Ameren Illinois during the same time period. As noted above, bidders have no expectation that their bids will be accepted at the time of submission of AIC’s submittal pursuant to Section 5/16-111.5B, particularly because it is well known that the cost-effectiveness analysis must still be completed and verified by the IPA, as well as other practical considerations that go into the bid analysis. There is no element of surprise here, let alone unfair surprise. The process was transparent and equitable—as it always has been—and, to the extent Ameren Illinois’ inclusion of certain programs in its Section 8-103 and Section 8-104 Plan means that those programs would be duplicative if they were also included in the IPA electricity energy efficiency procurement, that outcome is wholly consistent with the law and what was conveyed to bidders.

Consistent with the foregoing, Ameren Illinois has proposed edits to the IPA’s draft of this Section to remove language that expresses skepticism regarding the Ameren Illinois approach.

Conclusion

In conclusion, Ameren Illinois recognizes the considerable effort associated with Plan development and appreciates the IPA’s identification of numerous relevant issues and its efforts to propose solutions to resolve those issues. These comments are simply meant to ensure that the IPA considers all of the relevant information and that it is therefore able to submit a thorough Proposed

² Indeed, the IPA’s approach appears contrary to the consensus reached by the stakeholder group that included the IPA. *See* [https://www.illinois.gov/sites/ipa/Documents/2017ProcurementPlan/Appendix%20H%20-%20SAG 2016 IPA Workshop Subcommittee Report Final 7-28-16.pdf](https://www.illinois.gov/sites/ipa/Documents/2017ProcurementPlan/Appendix%20H%20-%20SAG%202016%20IPA%20Workshop%20Subcommittee%20Report%20Final%207-28-16.pdf), at pp. 6-7.

Plan to the Commission for review. Ameren Illinois looks forward to working with the IPA and the other parties to finalize the development and implementation of the Plan.

If you have any questions or would like to discuss any of the comments pertaining to power supply, please feel free to contact Richard McCartney at 314-613-9181 or rmccartney@ameren.com. Questions or comments pertaining to incremental energy efficiency should be addressed to Keith Goerss at 309-677-5708 or kgoerss@ameren.com. Questions pertaining to legal should be addressed to Kristol Simms at 314-554-2623 or ksimms@ameren.com.

Sincerely,

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