

**Request for Proposals  
(RFP)  
Third-Party Energy Efficiency Programs**

**For The Ameren Illinois Residential and Small Business  
Electric Energy Efficiency Programs  
Illinois Power Agency Procurement Plan  
June 1, 2016 – May 31, 2017**

**Issued by:**



Issued:  
February 10, 2015

**REVISED February 13, 2014**

**Electronic Proposals Due:  
March 13, 2015 at 4:00pm (Central Time)**

**Print Proposals Due  
March 16, 2015 at 4:00pm (Central Time)**

Coordinated by Applied Energy Group, Inc.  
5301 Limestone Road, Suite 222  
Wilmington, DE 19808

This document and its supporting materials contain Ameren confidential information. The information contained herein remains Ameren property and shall not be distributed without the express written consent of Ameren. It is for proposal use only and is not to be disclosed, reproduced or shared for any other purpose.

## Contents

1.0 Key Summary and RFP Considerations .....	3
1.1 Program Proposal .....	4
1.2 Program Term .....	5
1.3 TRC Test .....	5
1.4 Customer Segment .....	6
1.5 Administration of Programs .....	7
1.6 Programs Are Subject to Review, Approval and Regulation .....	7
1.7 Target Market .....	8
2.0 Program and Bidding Guidelines .....	8
2.1 Program Parameters .....	9
2.2 Program Evaluation, Accountability and Obligation .....	10
2.3 Marketing .....	12
2.4 Program Payment and Budget Design .....	13
2.5 Duplicative or Competing Programs .....	15
2.6 Program Integration .....	16
2.7 Program Operations .....	17
2.8 Policies and Procedures .....	19
2.9 Information Required for Program Consideration .....	19
2.10 Exceptions and Disclosures .....	19
2.11 Modification of Request for Proposal .....	20
2.12 RFP and Program Development Estimated Timeline .....	20
2.13 Intent to Bid .....	21
2.14 Bidders' Conference Call .....	21
2.15 RFP Questions, Inquiries, Clarifications .....	21
2.16 RFP Due Date .....	21
2.17 Bid Submission Items and Checklist .....	22
Contract Award .....	25
Attachment A: Bid Submission Items and Proposal Checklist .....	25
Attachment B: General Company Information Form .....	27
Attachment C: 220 ILCS 5/16-111.5B: Select Provisions Relating to Energy Efficiency Procurement .....	28
Attachment D: Reference Documents .....	30
Attachment E: AIC Energy Efficiency Portfolio .....	31
Attachment F: Program Design for Plan 3, PY9 IPA and DCEO Plan 3 .....	32
Attachment G: Services Agreement .....	89
Attachment H: Diverse Supplier Supplier/Subcontractor Utilization .....	89
Attachment I: Information Access and Cyber – Security .....	89
Attachment J: Ameren Corporate Branding .....	89

**Ameren Illinois  
Third-Party Energy Efficiency Programs  
Request for Proposals  
IPA Procurement Plan June 1, 2016 – May 31, 2017**

**1.0 Key Summary and RFP Considerations**

Ameren Illinois Company (“AIC”) issues this Request for Proposal (“RFP”) pursuant to Section 16-111.5B of the Illinois Public Utilities Act (the “Act”) (220 ILCS 5/16-111.5B).<sup>1</sup> This legislation requires that Illinois electric utilities shall conduct an annual solicitation process for purposes of requesting proposals from third-party vendors for third-party energy efficiency programs, the results of which are delivered as part of an assessment to the Illinois Power Agency (IPA) for new or expanded cost-effective energy efficiency. Pursuant to the Act and the Final Orders of the Illinois Commerce Commission (“Commission”), AIC provides its customers with a dual fuel (electric and gas savings) energy efficiency portfolio (Attachment E1). This RFP solicits proposals for new or expanded portfolio programs that would assist with capturing additional cost-effective achievable electric savings, in accordance with the terms and provision of the Act and the related findings and orders of the Commission.

Applied Energy Group, Inc. (“AEG”) is coordinating the RFP process on behalf of AIC. AEG is the main contact for bidders and will be performing analysis on bids submitted for consideration.

The following is a summary of this RFP. Details related to these items follow this section. Bidders should review these guidelines carefully and seek guidance or clarification, as appropriate.

1. Propose electric energy efficiency measures and programs that acquire cost-effective achievable efficiency in net MWH savings for AIC customers that are incremental to the savings being acquired by the current dual fuel portfolio.
2. The program term to acquire savings should be one year, June 1, 2016 through May 31, 2017.
3. AIC will conduct an assessment of the proposals, in part, based on an analysis of cost-effectiveness. Bidders are not expected to perform cost-effectiveness analysis, but must provide the inputs necessary for the analysis to be performed. The program must pass the total resource cost (“TRC”) test with a benefit cost ratio greater than 1.0, as calculated in a manner consistent with the criteria established by the Act.

---

<sup>1</sup> Parties should reference the most current version of the statute, which may be found at: <http://ilga.gov/legislation/ilcs/fulltext.asp?DocName=022000050K16-111.5B> . Pertinent sections for this RFP are included as Attachment C.

4. Public sector customers who meet the criteria established in Section 16-111.5B<sup>2</sup> are eligible for participation in the proposed programs submitted under this RFP. As this customer segment may already be served by energy efficiency programs administered by the Department of Commerce and Economic Opportunity (“DCEO”), the evaluation of any such bids will be coordinated with DCEO in order to properly screen for duplicative and competing proposals. The definition of duplicative/competing programs and a list of factors considered in the analysis used to identify duplicative and competing programs are discussed in section 2.5.
5. The proposed programs are only for those customers in customer classes that have not been declared competitive, those whose demand is less than 150 kW, and who are classified as Residential or Small Commercial customers and/or may already be served by energy efficiency programs administered by DCEO (in addition to meeting the criteria above regarding public sector customers).
6. While the purpose of this RFP is to satisfy the provisions of the Act with respect to acquiring electric savings, any programs that also acquire gas savings under energy efficiency programs administered by AIC or DCEO in addition to electric savings are welcomed. However, the proposal of gas only savings programs is not acceptable. Any electric savings programs that also acquire gas savings must meet the same criteria for approval as set forth in this RFP and the TRC calculation for dual savings programs will include the gas benefits, in accordance with the Act. No funding through the AIC is anticipated to support gas savings.
7. All proposed programs will be subject to review and approval by AIC, the Illinois Power Agency (IPA) and the Commission through a docketed proceeding, which AIC anticipates will begin in September 2015 and conclude in December 2015. All proposed programs will also be subject to the findings and orders of the Commission, as issued in that docketed proceeding.
8. New this year, as part of this Third-Party Energy Efficiency Program RFP proposal, AIC is seeing bids for Peak Hour Oriented Energy Efficiency (PHOEE). For more details on PHOEE, please refer to Section 2.1.

## 1.1 Program Proposal

In an effort to avoid market conflict and confusion, as well as efficiently and cost-effectively capture incremental savings contemplated by the Act, bidder’s proposed programs should not be duplicative of programs currently offered in the AIC or DCEO energy efficiency portfolios.

---

<sup>2</sup> The Act defines such customers as “all retail customers whose electric service has not been declared competitive under Section 16-113 of this Act and who are eligible to purchase power and energy from the utility under fixed price bundled service tariffs, regardless of whether such customers actually do purchase such power and energy from the utility.” (220 ILCS 5/16-111.5B(a)(3)(c)).

AIC is currently in its seventh program year (PY7) of administering an integrated energy efficiency portfolio.<sup>3</sup> The proposed programs that result from this bidding process will be implemented during program year 9 (PY9) of the portfolio (June 1, 2016-May 31, 2017). In addition, in ICC Docket No. 14-0588, the Commission approved seven incremental energy efficiency programs to be implemented by AIC through the Illinois Power Agency procurement plan in PY9

Bidders should use the current AIC three year planned portfolio approved by the Commission in Docket No. 13-0498 ("Plan 3"), the seven incremental energy efficiency programs approved in ICC Docket No. 14-0588 and the DCEO three year planned portfolio approved by the Commission in Docket No. 13-0499 as the basis for determining whether programs will be new or expansions of current AIC or DCEO program offerings. Descriptions of these programs can be found in Attachment E. The AIC 8-103 portfolio and its programs can be further researched at the portfolio's website; [www.actonenergy.com](http://www.actonenergy.com). Templates providing a description of current programs are provided in Attachment F. Further detail regarding the estimate of net savings is provided in section 2.0.

Programs accepted pursuant to this RFP must operate under the direction of AIC and its prime implementer (currently Leidos Engineering LLC). Please note that subcontractors for the AIC prime implementer are allowed to provide bids for new programs in response to this RFP.

## **1.2 Program Term**

The program's term to acquire savings should be for one year, June 1, 2016 through May 31, 2017.

## **1.3 TRC Test**

To be approved, a program must pass the total resource cost (TRC) test with a benefit cost ratio greater than 1.0, as calculated in accordance with the criteria set forth in the Act.

Bids must reflect both a total program cost and a \$/net kWh. Costs provided in the bid must be all inclusive of total program costs (such as incentives, marketing, customer care, labor including subcontractors, material costs, program management, reporting, etc.). If the program proposed receives revenue from any source, the source and expected amount of revenue should be included in the bid proposal. AIC will perform its own TRC analysis to determine if the bidder's program meets cost effectiveness requirements, but such determinations are subject to Illinois Power Agency and ICC review and approval.

---

<sup>3</sup> Background information about the current energy efficiency Plan, other programs in Illinois, and related legislation can be found in Attachment B: Reference Documents.

Bidders are responsible to comply with the applicable provisions of the Act. However, for reference purposes, the current definition of the applicable TRC test (found at 20 ILCS 3855/1-10) is set forth as follows:

"Total resource cost test" or "TRC test" means a standard that is met if, for an investment in energy efficiency or demand-response measures, the benefit-cost ratio is greater than one. The benefit-cost ratio is the ratio of the net present value of the total benefits of the program to the net present value of the total costs as calculated over the lifetime of the measures. A total resource cost test compares the sum of avoided electric utility costs, representing the benefits that accrue to the system and the participant in the delivery of those efficiency measures, as well as other quantifiable societal benefits, including avoided natural gas utility costs, to the sum of all incremental costs of end-use measures that are implemented due to the program (including both utility and participant contributions), plus costs to administer, deliver, and evaluate each demand-side program, to quantify the net savings obtained by substituting the demand-side program for supply resources. In calculating avoided costs of power and energy that an electric utility would otherwise have had to acquire, reasonable estimates shall be included of financial costs likely to be imposed by future regulations and legislation on emissions of greenhouse gases.

As referenced above, the TRC calculation provides for the inclusion of gas benefits.

Bidders must perform market research and apply their expertise to determine the maximum amount of cost-effective savings they can achieve. Bidders can also refer to the AIC 2013 Potential Study for additional guidance on market opportunity, which can be found at: <http://www2.illinois.gov/ipa/Pages/FiledPlanAppendices2014.aspx>.

Bidders should be aware that AIC will include additional costs to administer the program(s) associated with the following categories: marketing, education, evaluation, measurement and verification (EM&V), and general administration.

Bidders should also be aware that the proposed size for selected programs may be subject to change and, accordingly, bidders should state budget ranges for the program enabling scaling of the budget/program higher or lower. If an award of an amount other than the selected bidder's proposed budget, net kWh savings and budget for a modified bid shall be subject to mutual agreement by AIC and bidder.

#### **1.4 Customer Segment**

The proposed programs should be for those customer segments currently served by AIC through its Section 8-103 portfolio as well as those AIC customer segments

currently served by efficiency programs offered by the DCEO through their Section 8-103 portfolio. DCEO provides energy efficiency programs for units of local, state, and federal government, municipal corporations, public school districts, community colleges, state universities, and programs targeted at low income households. Bids that include programs that will be marketed to customer segments currently served by DCEO should be clearly identified as such in the program marketing strategy and on the proposal checklist (Attachment A). A vendor currently implementing an energy efficiency program for DCEO could grow that program by bidding into this RFP. The growth in the program would be contracted through Ameren Illinois and the savings and costs would be tracked separately from the current program with DCEO.

## **1.5 Administration of Programs**

Pursuant to the provisions of Section 16-111.5B of the Act (Appendix C), the IPA shall include in its procurement plan “energy efficiency programs and measures it determines are cost-effective.” For that determination to be made, as part of the utility submission to the IPA of load forecasts for serving eligible retail customers, utilities must also provide an assessment of new or expanded energy efficiency programs or measures that are incremental to those in a Section 8-103 portfolio. Utilities must, among other things, solicit proposals from third-party vendors to identify these opportunities and provide documentation of all bids received.

While programs must be included by the IPA in its Procurement Plan and approved by the Commission, neither the IPA nor the ICC administers approved programs. AIC will administer any accepted programs in collaboration with AIC’s prime implementer. Section 1.1 of this RFP addresses the collaboration of any selected bidder with the AIC prime implementer.

## **1.6 Programs Are Subject to Review, Approval and Regulation**

The proposed programs will be subject to review and approval by AIC, the Illinois Power Agency (IPA) and the Commission through a docketed proceeding, which AIC anticipates will begin in September 2015 and conclude in December 2015. All proposed programs will also be subject to the findings and orders of the Commission, as issued in that docketed proceeding.

The IPA procures electric supply on behalf of AIC customers that are on bundled service. This supply is then delivered by the AIC distribution system. AIC provides a submission of its customers’ estimated supply needs to the IPA by July 15 of each year. The IPA then develops their procurement plan which is filed with the Commission, docketed and rejected, approved, or approved as modified, by the Commission by December 31 of that same year, subject to potential rehearing and appeal. The

approved procurement plan is then implemented starting June 1 of the subsequent year.

The approved procurement plan indicates the estimated, planned incremental savings that are included in the procurement and dictates the programs that will be implemented as a result of this RFP. Incremental energy efficiency programs that pass the TRC test will be submitted by AIC to the IPA for consideration in the procurement plan and will be reviewed by interested parties in the regulatory proceeding. 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.

## 1.7 Target Market

The proposed programs are to be designed for those customers that are not declared competitive; whose demand is less than 150 kW; and who are classified as Residential or Small Commercial customers, and/or customers who may already be served by energy efficiency programs administered by DCEO that are not declared competitive, whose demand is less than 150 kW, and who are classified as Residential or Small Commercial customers.

Proposed individual programs must be designed to serve a distinct target market (i.e. Residential or Small Commercial customers).

For reference purposes, the following sets forth an estimate of the volume and usage of Residential and Small Commercial customers that pertain to the programs for this RFP:

### Estimates for June 1, 2015 – May 31, 2016

	<u>Customers</u>	<u>Total MWH</u>
Total Residential Retail Service	1,055,000	11,650,000
Total Small Business Retail Service	150,000	5,600,000

## 2.0 Program and Bidding Guidelines

A bidder may propose more than one program but each distinct program must be provided as a separate bid. A bidder may propose a suite of programs in one bid;



however this increases the likelihood that if a program is rejected, the entire bid may be rejected.

## 2.1 Program Parameters

Proposals can be promotional-, technology- or delivery- based solutions that will produce measureable electricity savings. AIC is only supporting programs for innovative technologies that are commercially available in the marketplace (pre-commercial technologies are not eligible for this RFP) or proven resource programs providing reliable and measurable kWh savings. As an example, but without limitation, the following programs/technologies are not eligible under this RFP:

- Renewable energy
- Demonstration projects and limited production technologies
- Programs that focus solely on load shifting
- Power factor correction

### **Peak Hour Oriented Energy Efficiency (“PHOEE”)**

Recognizing that energy efficiency may constitute an even more valuable resource at times when prices are highest or load is greatest, the Illinois Commerce Commission approved adjustments to this year’s third-party energy efficiency program solicitation and review process calling for Ameren Illinois to specifically target energy efficiency programs oriented toward delivery of peak hour savings.

Consistent with that directive, and new to this year’s Request for Proposals (PY9), **Ameren Illinois is seeking proposals for energy efficiency programs featuring savings during times of high/peak prices.** As a general principle, “peak” periods may be understood as 3 p.m. to 7 p.m. during summer (June 1 to August 30) weekdays, but Ameren Illinois is open to a demonstration within a bid response that submitted programs deliver savings during other peak periods. Proposed PHOEE programs will be reviewed through a TRC calculation applying hourly prices (including energy and capacity) to hourly load reductions, helping ensure that benefits are captured when a greater share of the load reductions occur in summer peak hours.

### **Program Consideration**

Bids submitted should clearly indicate they are responding to Peak Hour Oriented Energy Efficiency by checking the PHOEE box in Attachment A: Bid Submission and Items Proposal Checklist.

The bidder must provide load shapes along with its bid response. Program-specific load shape submissions should indicate the amount and hourly timing of saved energy, along with supporting documentation. Ameren Illinois reserves the right to request

additional documentation or evaluations and to make reasonable adjustments to values provided by the bidder. In such a case Ameren Illinois will provide the proposed adjustment to the bidder for review.

Other than using hourly pricing and hourly load shapes in the analyses of PHOEE programs for the TRC test, all other RFP provisions will remain the same. These programs will be implemented and evaluated using the same principles as used with all other Illinois Power Agency Energy Efficiency programs under Sec. 16-111.5B.

### **Program Types**

Proposed programs should be oriented around energy savings, and programs which primarily focus on load shifting may not be given full consideration.

To the extent any bids propose controlling a device within the home or business, the bidder must fully explain the extent of the control and have consent from the utility customer prior to implementation.

Energy efficiency programs that have a component of demand response may be considered. While costs associated with demand response will not be funded through this request for proposal, benefits associated with demand response will be considered in the TRC calculation. Any bids that have a demand response component should clearly identify the costs associated with demand response.

Programs that focus solely on load shifting will not be considered.

### **Program Length**

Ameren Illinois is soliciting programs of one (1) year in duration (from June 1, 2016 until May 31, 2017); in order to continue to align the program cycles with Ameren Illinois' most recent 3-year Energy Efficiency Portfolio Standard (EEPS) plan, which was approved by the ICC for the period between June 1, 2014 and May 31, 2017. Successful programs that are intended to operate longer than 1 year are encouraged to be resubmitted during the 2016 RFP cycle, which will accept proposals for programs of up to 3 years in duration to align the program cycles with the next EEPS plan cycle.

## **2.2 Program Evaluation, Accountability and Obligation**

Bidders should note the following when developing responses:

- Estimated savings must be provided as net savings including net-to-gross (NTG) estimations and measure values.

- Each program that is implemented will be subject to evaluation requirements consistent with policies authorized by the ICC.
- Bids must include proposed NTG ratios, which may be updated by AIC during the bid evaluation consistent with NTG values determined prior to March 1.
- AIC will only consider proposals with verifiable and measurable energy savings. The TRM provides standardized savings values and algorithms for a wide range of measures. Where proposed measures exist in the TRM, bidders are strongly encouraged to propose bids that apply the TRM, and to incorporate TRM algorithms into their bid savings, where appropriate. Doing so may mitigate evaluation risks that may be associated with unverified algorithms or input values.
- For proposed measures that do not exist in the TRM, bidders should provide workpapers that define the algorithms, parameters, and input values that were used to estimate energy savings.
- While the Commission approved deemed NTG and TRM values in a previous IPA docket for programs, the ability to assume deemed values is subject to continued commission approval for programs in this RFP. AIC will again request the Commission to approve the [consensus language from the 2014 Sec. 16-111.5B energy efficiency workshops](#) for the deeming and evaluation for bid responses associated with this RFP. Any such request will be subject to the approval of the Illinois Commerce Commission.
- In the event AIC is not granted the application of deemed values, the achievement of net savings may be subject to a retrospective application of a revised NTG and TRM value as determined by program evaluators and/or the Illinois process for determining these values. If deemed values are not granted, the bidder will still be obligated to achieve the bid/contracted savings within the bid/contracted budget per the application of the retrospective values
- Net savings evaluation will be conducted by an independent evaluator at the close of each program year, although evaluation activities may be ongoing throughout a program year. Process evaluation may also be performed for items such as overall program performance, marketing approach, implementation channels, outreach activities and customer satisfaction.

By responding to this RFP, bidders acknowledge that:

- a. Bidders are obligated to achieve the savings within the budget as provided in their bid, or revised for submission, for the program year timeframe of June 1, 2016 – May 31, 2017. Bids are provided to the IPA for consideration in its Procurement Plan, the approval of which occurs through a docketed proceeding. If an order is entered approving that bid in the docketed proceeding, the bidder is obligated to contract with AIC and/or its prime implementers to provide the savings within the budget as provided in their bid or as revised for submission.

As noted the bidder may be subject to a retrospective application of revised NTG and measure values.

- b.** Program administration, implementation and assumptions are subject to regulatory changes, including the Illinois Technical Reference Manual<sup>4</sup> (which is revised annually and typically in effect by June 1) and annual evaluation results. Bidders acknowledge that their bid assumptions may be revised and will confirm their interest to achieve the revised savings within the budget as provided in their revised bid for the program year timeframe(s) submitted prior to IPA docket submission with AEG.
- c.** Payment for programs implemented as a result of this RFP shall be structured as either of the following forms of contract:
  - a.** A form of pay for performance contracting where vendors will receive a fixed payment amount that will be directly tied to kWh savings achieved, subject to hold back and penalty provisions and subject to any changes to values, implementation or administration in response to AIC's regulation by the Commission. Startup activity (SUA) payments equal to 10% of the total budget may be invoiced upon submittal of the implementation plan.
  - b.** A form of performance contracting where vendors will get paid according to the savings achieved in addition to hold back and penalty provisions.

Please refer to section 2.4 for a detailed description of the payment mechanics.

## **2.3 Marketing**

The selected bidder will be responsible for program design/redesign, managing, executing, securing, documenting, and reporting energy savings and marketing of the program under the guidance of and in partnership with AIC and its prime implementer. While it may be determined that it is more feasible for all marketing activities to be coordinated by AIC, bidders should assume this responsibility for the purposes of this bid.

Programs should be designed to avoid the potential of "double-dipping" (applying for multiple incentives or rebates for the same energy efficiency measure) into AIC's existing portfolio. Energy efficiency measures already in the AIC or DCEO portfolios will be considered as long as they are targeted at niche market subsectors or customers not already being served by the portfolios. The program can either have an appearance and feel independent of the current portfolio programs, or be an enhancement of a current program in a manner not currently being executed.

---

<sup>4</sup> The current Illinois TRM can be found at: <http://www.icc.illinois.gov/electricity/TRM.aspx>  
Illinois NTG values can be found at: <http://www.ilsag.info/net-to-gross-framework.html>

All aspects of program design and implementation, marketing plans, materials, and outreach activities, including all customer-facing aspects of the program, must be reviewed and approved by AIC to ensure compliance with AIC corporate branding guidelines as well as any other applicable guideline, rule or regulation. (Attachment J).

Marketing and Program Design costs should be itemized separately on the bid.

## **2.4 Program Payment and Budget Design**

Program budget caps should be identified within the bid, but shall ultimately be based on the final ICC order for the IPA docket. Once approved by the ICC, budgets for individual programs cannot be changed and bidders assume the risk of any cost overruns.

AIC prefers a pay for performance structure but may select an alternate method for certain programs as appropriate.

### *Pay for Performance Method:*

The budget shall contain two components with respect to proposed payments to the Implementer: pay-for-performance fixed pricing (PFP) payments and a single start-up activity (SUA) payment. These payments will have at least the following characteristics:

- PFP payments will be made on the basis of a fixed price, per unit of energy savings, *i.e.*, dollars per net kWh savings basis (\$/kWh).
- The PFP payment budget will equal 90% of the total budget (or more if the SUA payment is less than 10%; see below).
- PFP payments will be made upon acceptable Implementer documentation of measure implementation and savings, subject to a holdback structure that AIC will recommend upon review of a successful bidder's program structure.<sup>5</sup>
- PFP payments shall be inclusive of any customer incentives including payments or costs of services provided.
- The SUA lump sum payment will equal up to 10% of the total budget, limited to a ceiling of \$ 300,000. The SUA Costs can be invoiced upon submittal of the Implementation Plan, if such plan is submitted by April 1, 2016. Payment

---

<sup>5</sup> Implementation of measures may include, but is not limited to, installation of equipment, providing of services, distribution of equipment, etc. Savings documentation shall indicate that (a) measure(s) have been implemented according to the Implementer provided, AIC-approved, Implementation Plan and (b) savings are determined and documented per the Implementer provided, AIC-approved, deemed savings values or measure- or project-specific Measurement and Verification (M&V) Plan (which is part of the implementation plan).

structures that include upfront payment of start-up costs may be allowed, contingent upon financial risk assessment performed by AIC during the final contracting stage.

- For the PFP payments, the Implementer must include all material, labor, sub-contractor, administrative labor (for reporting, etc.), marketing, all other program costs including costs to support regulatory and evaluation in the proposed \$/kWh cost and the SUA payment, respectively. Any PFP payment amounts must be documented in monthly invoices to AIC, as well as in any other form reasonably requested by AIC, and will only be paid upon approval of the AIC Contract Manager. The criteria for Contract Manager approval includes:
  - The measure mix implemented (on an energy saved basis) being within 20% of the measure mix proposed by bidder and approved by AIC<sup>6</sup>, and
  - An independent evaluation indicating achievement of the energy savings goal as ordered by the IPA docket and per the contract.
  - If the evaluation of the savings indicates that the achieved savings (in MWh) are equal to or greater than 100% of the proposed energy savings, the Implementer is eligible for 100% of the holdback repayment, assuming the measure mix criteria is met. If the evaluation of the savings indicates that the achieved savings (in MWh) are equal to or greater than 95% (but less than 100%) of the proposed energy savings, the Implementer is eligible for 50% of the hold back repayment, assuming the measure mix criteria is met. If the evaluation of the savings indicates that the achieved savings (in MWh) are less than 95% of the proposed energy savings, the Implementer is not eligible for hold back repayment.

*Performance Contracting Method:*

- Bidder should propose a preferred payment methodology if different from AIC's Service Agreement in Attachment G, and shall include a method for linking payment to performance. Specifically, AIC will require that payments be tied to achieving defined energy savings targets. Payments will be subject to a holdback pending the achievement of targets. Failure to achieve targets will result in penalty provisions including but not limited to forfeiture of the holdback amount.

---

<sup>6</sup> The measure mix requirement is intended to encourage Implementers to install the complete range of measures proposed with minimal substitution, on an energy saved basis. For the purposes of the holdback each unique measure proposed (e.g., insulation, split-units, motor replacements) is considered a single measure with the exception of lighting (including lighting controls) measures, which can be grouped as a single measure. If the measure mix is not met for an insignificant portion of the measures, the AIC Contract Manager may authorize repayment of the holdback, at his or her sole discretion.

### Payment of Customer Incentive/Rebates

If customer incentives (rebates) and/or services (e.g., direct install, energy audits) are part of the program design, the Implementer will make payment of incentives to the customer or their designee and/or provide such services and report such payments or services on a monthly basis to AIC.

As applicable, bidder will propose a budget and a process for payment of customer incentives/rebates and/or providing of services. If the incentive/rebate amount is not a fixed price per unit (measure or project), describe how the amount is determined for each customer or measure.

### Supplier Payments

All complete invoices shall be due and payable within 30 days of receipt by AIC. AIC may withhold payment of any charges if, at AIC's sole discretion, additional support or documentation is needed; AIC disputes in good faith the invoice, in whole or in part, and AIC may set off amounts supplier owes AIC as credits against charges payable to supplier under the contract.

### Final Payment Terms and Savings Values

Once a Final Order in the IPA docket has been issued indicating the bid programs have been approved and ordered, contract negotiations will be conducted. These negotiations will relate to the scope of work, specific program design features, program budgets, schedules, and payment terms and be subject to rulings in the ICC Final Order (or any subsequent rehearing and appeal process).

## **2.5 Duplicative or Competing Programs**

When submitting bids to the IPA, AIC must apply a 7 factor test to determine if bid programs are duplicative or competing. Per the IPA Plan, following are the definitions of these terms that will be applied:

- Duplicative: a program that overlaps an existing program in a manner in which greater market participation by vendors does not yield sufficient additional value to consumers.
- Competing: offering the same program through a different channel similar to different supplier options.

The 7 factors listed below will be used to determine whether a program is duplicative or competing:

1. Similarity in product/service offered;

2. Market segment targeted, including geographic, economic, and customer classes targeted;
3. Program delivery approach;
4. Compatibility with other programs (for instance, a program that created an incentive to accelerate the retirement of older inefficient appliances could clash with a different program that tunes-up older appliances ); and
5. Likelihood of program success (a proven provider versus an undercapitalized or understaffed provider, if such evidence is placed in the record).
6. The effect(s) on utility joint program coordination, and
7. Impact on Section 8-103 EEPS or DCEO portfolio performance.

The IPA docketed proceeding may result in competing programs being approved and/or the definition being amended. Due to this possibility, bidders are required to provide the following information as part of their bid response to this RFP:

In the event both your program, *and* a program proposed by another vendor that is determined to be competing with your proposed program are both approved;

- 1) Confirm if you would want to proceed to contract for your program.
- 2) Regardless of your response to item (1), provide an assessment of how your proposed program's costs and savings would need to be adjusted if both programs were implemented.
- 3) Any additional information required to conduct a TRC analysis in light of the approval of the competing program.

## 2.6 Program Integration

As noted above, selected bidders will develop and operate systems that integrate into the portfolio's existing operations.

- Staff
  - Staff will be employed by the selected bidder but will perform under the rules and guidance of AIC and/or AIC's prime implementer. Selected bidders must provide trained personnel as needed who are able to respond to customer inquiries regarding program services, scheduling issues, warranty issues, and other program-related issues.
- Call center and customer service
  - On a program by program basis it will be determined if the program's call center needs are to be integrated with AIC's current prime implementer call center operations.
- Internet capability



- Program-specific internet and website program information and participation will be integrated with the current ActOnEnergy.com platform. Any additional costs anticipated to merge a program to this platform must be part of the bid.
- Information Security
  - Bidders will be required to have in place security protocols and policies that comply with Illinois law as it relates to the security of customer information, including Commission rules, regulations and orders relating to the appropriate treatment of customer information.
  - Bidders are required to review the AIC Cyber Security Policy and return a completed copy of the Cyber Security Vendor Questionnaire with the bid submission (Attachment I).

## 2.7 Program Operations

Program Operations' costs as a category should be itemized separately on the bid and be inclusive of the items in this section in addition to other program operations cost requirements.

Ultimately, it may be determined that the following items will be coordinated by AIC or its prime implementer but bidders should assume this responsibility for the purposes of this bid:

**Intake:** Selected bidders will develop and implement intake systems and processes to answer questions from prospective customers, screen for program eligibility and target markets.

**Quality Assurance and Evaluation Support:** Selected bidders will develop and implement a quality assurance protocol to ensure that the program achieves net energy savings. Selected bidders will also provide documentation sufficient for AIC, its prime implementer and the independent evaluator to evaluate the program in terms of safety, customer service, and other performance metrics as determined by these entities.

**Access:** Selected bidders will assist AIC's independent evaluator, including access to program records, access to program employees and subcontractors, and other support. Selected bidders shall accommodate AIC's need to audit selected bidder program processes and field activities, including subcontractor activities and will provide any information and assistance upon request.

**Program Management Systems and Processes:** Selected bidders will develop and implement program management systems and processes that support effective program management and delivery. Program management systems may include computer systems, employee procedures, or other systems. AIC will retain all rights to data, results, and any other information collected/developed during the performance of

these programs. At a minimum, these systems must be capable of supporting the following functions:

- Processing customer intake requests and screening customers for program eligibility.
- Procuring and managing the qualified subcontractors required to implement program and providing sufficient capacity of qualified subcontractors to meet program demand in the geographic regions targeted by the program. All contractors shall have or obtain all required licenses, certifications, permits and insurance for the work proposed.
- Scheduling customers, subcontractors, and quality assurance personnel for efficient delivery of program services.
- Providing appropriate training to selected bidder staff and subcontractors needed to provide the program services.
- Providing timely resolution to customer complaints and issues, with documented call center scripting and complaint escalation processes.
- Collecting and storing data on customer energy savings and customer work flow through program implementation.
- Interfacing with AIC portfolio tracking systems, allowing for secure, (possibly weekly) automated data transfers of key program metrics meeting all of AIC's data transfer protocols.
- Maintaining privacy of customer data. Selected bidder data security processes and systems must meet or exceed AIC security requirements. Selected bidders will at all times be responsible for ensuring their data security processes and systems meet or exceed the requirements set forth by Illinois law.
- Tracking information needed to assess key performance indicators used to measure and structure payments for selected bidder performance, including tracking safety, customer satisfaction, participation, energy savings, and other program features.
- Participating in routine status conference calls, to be coordinated between AIC, AIC's prime implementer and selected bidder, as needed for effective program management.
- Providing appropriate management reports
- Developing and maintaining policies and procedures for program implementation
- Bidders are required to complete a vendor Cyber Security Risk Assessment Questionnaire and comply with the Ameren Cyber Security Terms and Conditions (Attachment I).

**Reporting:** Selected bidders will provide regular (possibly weekly, monthly, and quarterly) management reports to AIC and its prime implementer through paper and email. These reports may also be given to the independent evaluator, who may contact participating customers (including on-site visits) to evaluate bidder performance and verify installations. Management reports must include, at a minimum a summary of key activities, accomplishments, program status, budget status and estimated savings.

## **2.8 Policies and Procedures**

As described in previous sections, selected bidders will develop and maintain plans, specifications, policies and/or procedures governing the program operations.

A Program Implementation Plan must be prepared and provided to AIC by May 1 prior to June 1 implementation, which allows for the bidder to receive their Start Up Activity (SUA) funds. At least 60 days prior to program launch, selected bidders will provide draft copies of appropriate materials for review and approval by AIC. Bidder shall include in their proposals schedules for developing, submitting, and approving these materials to ensure that program operations can begin on June 1, 2016 and to ensure that program operations account for and adapt to future market changes.

## **2.9 Information Required for Program Consideration**

Due to the wide range and variability of proposals AIC may receive, it will not be possible to establish specific criteria until the submittals are reviewed. AIC expects that the potential uniqueness of some of the proposals will necessitate the development of individualized criteria. However, all proposals should at least contain and will therefore be evaluated on the following:

- The amount of planned cost-effective savings to be achieved by the proposed program.
- The ease with which the initiative can be integrated into the portfolio without undermining or duplicating core portfolio programs.
- The proven ability of contractor to accurately plan, as well as manage, design and implement proposed initiatives efficiently and effectively.
- Bidder's description must briefly define marketing plan and program delivery approach.
- Provider's statement of the proposed net kWh savings per program year for each program and/or market/subsector.
- Provider's assumptions and calculations underlying planned savings and costs, including estimated useful life data, net-to-gross and measure values. If the bid uses measures that are in the Illinois Technical Resource Manual (TRM) then the Illinois TRM should be used for savings, costs and useful life. If the proposed net kWh savings are determine using anything other than the Illinois TRM, support for savings needs to be included in the bidder's submission.

## **2.10 Exceptions and Disclosures**

A copy of the AIC Services Agreement which each Selected Bidder will be required to abide by is included with the RFP as Attachment G. Bidders must provide a description of any proposed exceptions to this Agreement for those exceptions to be considered.

Bidders also need to provide a list of any potential conflicts and a disclosure of any professional relationships they have with AIC, any of its entities, implementers and contractors currently engaged by AIC. The presence of such relationships is not necessarily disqualifying, however.

All bidders need to provide a completed Attachment B: General Company Information Form.

The cost of RFP preparation and any on-going expenses incurred during the process leading up to implementation will be the sole responsibility of the bidder.

## 2.11 Modification of Request for Proposal

After the assessment and analyses of proposals submitted in response to this RFP is completed, AIC reserves the right to modify the requirements and terms of this RFP. AIC may, at its sole discretion, request additional information or resubmission of some or all items from some or all of the initial bidders.

## 2.12 RFP and Program Development Estimated Timeline

<b>RFP – Call for Proposals</b>	<b>Start Date</b>	<b>End Date (close of business)</b>
RFP Release Date	February 10, 2015	
Pre-bid Bidder's Conference Call	February 19, 2015	February 19, 2015
Bidder Questions Deadline	February 23, 2015	February 23, 2015
Intent to Bid due – Not required but beneficial	February 23, 2015	February 23, 2015
Responses to Questions Issued	February 27, 2015	February 27, 2015
Bidder Electronic Proposal(s) Submission Due	March 13, 2015	March 13, 2015
Bidder Paper Proposal(s) Submission Due*	March 16, 2015	March 16, 2015
Proposal Review and Bid Discussions	March 16, 2015	December 31, 2015

<b>Program Development and Roll Out</b>	<b>Start Date</b>	<b>End Date</b>
Notification of Bid Selection(s)**	January 15, 2016	January 15, 2016
Negotiations, Purchase Order/Contract Issued	January 31, 2016	February 28, 2016
Implementation Plan due	April 1, 2016	
Program market availability	June 1, 2016	

\*1 paper copy of each bid is due to Lynne Safford, Energy Efficiency, 300 Liberty Street 5<sup>th</sup> Floor, Peoria, IL 61602

\*\*Subject to ICC final order for the Illinois Power Agency's (IPA) 2016 procurement plan

### 2.13 Intent to Bid

Potential bidders are not required to submit a notification of intent to submit a proposal in response to this RFP. However, those who submit intent will then be provided distribution notices that include a list of intended bidders and answers to submitted questions.

Submit notification of your intent to bid by February 23, 2015 to Ralph Nigro at [rnigro@appliedenergygroup.com](mailto:rnigro@appliedenergygroup.com). Complete and attach *Attachment B: General Company Information Form* with your intent to bid notice.

### 2.14 Bidders' Conference Call

Contractors are encouraged, although not required, to participate in a bidder's conference call. There is no registration required, nor is intent to bid required, to participate in the conference call. The conference call will provide interested firms with an opportunity to seek clarification on the requirements of this RFP. Following are the schedule and instructions for the conference call:

<b>Date:</b>	<b>Thursday, February 19, 2015</b>
<b>Time:</b>	<b>3:30 pm (Eastern Time), 2:30 pm (Central Time)</b>
<b>Call-In Number:</b>	<b>(303) 248-1290</b>
<b>Passcode:</b>	<b>8817126</b>

### 2.15 RFP Questions, Inquiries, Clarifications

Submit inquiries regarding the RFP by February 23, 2015 to Ralph Nigro at [rnigro@appliedenergygroup.com](mailto:rnigro@appliedenergygroup.com). Outside of the bidder's conference call, all inquiries will be handled by email only. All inquiries and responses will be distributed to those who submitted intent by February 23, 2015.

### 2.16 RFP Due Date

All proposals (electronic submissions) must be received by Ralph Nigro at [rnigro@appliedenergygroup.com](mailto:rnigro@appliedenergygroup.com) no later than 5:00 PM Eastern Time, 4:00 PM Central Time on March 13, 2015.

AIC has not committed to any course of action as a result of the issuance of this RFP and/or its receipt of proposal from any bidder response to it. Further, Ameren Illinois reserves the right to amend or alter this RFP, as appropriate, as well as reject as non-responsive any proposals that do not contain the information requested in this RFP, reject late proposals, and negotiate with one or more suppliers. Ameren Illinois is not

liable for any bidder costs, including but not limited to any incurred by any person or firm responding to this RFP or participating in any phase of this RFP.

## **2.17 Bid Submission Items and Checklist**

Proposals must follow the format described below. Bidders must address each item listed; if an item does not apply, the bidder must provide an explanation. Bidders should provide sufficient detail to address each item clearly and briefly, but should avoid excessive or elaborate submittals. The following items must be included and addressed in each proposal. These items are provided as a checklist in Attachment A which is to be included in the bid submission:

- Proposal cover
- Signed cover/transmittal letter
- Table of Contents (include proposal date and page numbers on each page of proposal)
- Completed Proposal Checklist (Attachment A)
- General Company Information (Attachment B)
- Executive Summary
- Program Description and Schedule addressing at least the following:
  - The description should summarize the market or market segment being served, an overall program description including the efficiency measures that will be implemented, and how the program will be marketed and delivered.
  - The description should also explain how the proposed program is incremental to and does not compete with AIC's existing programs.
  - The proposed schedule should address program planning, launch and operations, focusing on the time required from contract award to full operation. The schedule should be in bar chart or tabular form with key milestone dates shown.
  - The schedule should also address the steps required for program shutdown.
- Marketing Strategy
  - The marketing strategy should define the target market, and how the bidder intends to reach the market. The bidder should address key messaging and the value proposition that will be used to attract participants.
- Staffing Chart (including subcontractors)

- Bidders should provide a table or organization chart with the key positions and individuals within the bidder's and subcontractors' organizations responsible for designing, implementing and marketing the proposed program.
- Summary of Qualifications and Experience
- Budget
  - Bidders must provide a budget in the format provided in the following table. AIC requires two budget scenarios: 1) Bidder is the sole implementer of a distinct, unique program. 2) Bidder's program competing against a program of another vendor that is similar in design/execution. Budget items are defined below, and bidder should clearly explain what is included in each line item:
    - Program Start Up Activities (SUA) includes one-time, non-recurring expenses specifically related to establishing a new program.
    - Program Administration includes the bidder's on-going administrative costs to support program operations. These may include tracking, reporting, subcontractor administration, call center and customer support operations, etc.
    - Program Marketing includes advertising, customer outreach and education, development and production of marketing materials, website and content development, media purchases (if any), and related expenses.
    - Program Delivery includes the costs of application intake, pre-qualification, incentive processing, technical support, and other costs related to applicant project support.
    - Incentives are payments made to reduce the participants' costs of energy efficiency measures. Incentives are not intended to eliminate participants' costs for purchasing and installing measures. If measures are provided at no cost to the participant, those costs should be provided separately as the Costs of Direct Delivery (see below).
    - Costs of Direct Delivery apply to certain programs where the full cost of measures, including installation, is provided at no charge to the customer. Many residential and business direct install programs provide some measures at no charge to the customer.

Budget Item	Year 9
Program Start Up	
Program Administration	
Program Marketing	
Program Delivery	

Incentives	
Costs of Direct Delivery	
Total	

- Detailed Efficiency Measure Information
  - Each proposed program measure must be provided with the information required in the embedded Excel spreadsheet. There is no limit on the number of measures that may be submitted as part of a program. Bidders must provide this information as an Excel file.



Measure Information  
Template 1\_14\_2014.

- For measures that are covered in the State of Illinois Technical Reference Manual (TRM)<sup>7</sup>, Bidders are responsible for ensuring that proposed measure values comply with current TRM calculation methodologies and/or deemed savings values.
  - Bidders must provide estimated annual participation or number of efficiency units deployed, and estimated NTG ratios. The TRM does not provide participation or NTG ratios. Bidder must indicate exceptions to TRM values and provide an explanation.
  - AIC reserves the right to evaluate and adjust bidder's proposed measure information as it deems necessary.
- Explanation of How to Address Competing and Duplicative Programs (See section 2.5).
  - Exceptions to Contract Terms (as needed) to be incorporated into the Statement of Work.
  - Disclosures (as needed)
  - Appendix - Resumes of key program leads (1 page per resume) (optional)
  - Signed Services Agreement (unless exceptions to contract terms are offered)
  - Completion of Supplier Diversity Business Plan (Attachment H)
  - Completion of Cyber Security Questionnaire (Attachment I)
  - Willingness to comply with Ameren Corporate Branding Policies (Attachment J)
  - Completed Program Template

<sup>7</sup> The Illinois TRM can be found at: <http://www.icc.illinois.gov/electricity/TRM.aspx>



- Bidder must complete a program template of the proposed program in a format that duplicates the program templates provided in Attachment F.

### Contract Award

Following the review of all qualified proposals and as directed by the ICC, AIC will notify each bidder regarding the desire to conduct (or not conduct) further negotiations and/or discussions regarding proposed programs. Acceptance of any proposal is contingent upon ICC approval and the execution of a subsequently negotiated, written contract. For avoidance of doubt, this RFP creates no contractual relationship between AIC and bidder.

## Attachment A: Bid Submission Items and Proposal Checklist

Company Name: \_\_\_\_\_

Proposed Program Name: \_\_\_\_\_

Indicate if the following items are included in the bid submission:

- ☐ Proposal for program(s) that will market to eligible customer segments currently served by DCEO
- ☐ Program qualifies under the definition of Peak Hour Oriented Energy Efficiency
- ☐ Proposal cover
- ☐ Signed cover letter/transmittal letter
- ☐ Table of Contents (include proposal date and page numbers on each page of proposal)
- ☐ Completed Proposal Checklist
- ☐ General Company Information (see Attachment B for format)
- ☐ Executive Summary
- ☐ Program Description and Schedule
- ☐ Brief Marketing Strategy
- ☐ Staffing Chart (including subcontractors)
- ☐ Summary of Qualifications and Experience
- ☐ Budget
- ☐ Detailed Efficiency Measures Information
- ☐ Address Competing/Duplicative Programs
- ☐ Exceptions to Contract Terms (as needed)
- ☐ Disclosures (as needed)
- ☐ Appendix - Resumes of key program leads (1 page max per resume) (optional)
- ☐ Signed Services Agreement (unless exceptions to contract terms are offered)
- ☐ Diverse Supplier Business Plan (Attachment H)
- ☐ Completed Program Template
- ☐ Completed Cyber Security Questionnaire (Attachment I)

## Attachment B: General Company Information Form

<b>Company Information</b>	
Company Name:	
Street Address:	
City:	
State:	
Telephone:	
Website:	
Prime bidder office location for this project:	
<b>Contact Information</b>	
Primary Contact Name:	
Primary Contact Title/Position	
Primary Telephone:	
Primary Email:	
Primary Address:	
<b>Alternate Contact Name:</b>	
<b>Alternate Contact Title/Position</b>	
<b>Alternate Contact Telephone:</b>	
<b>Alternate Contact Email:</b>	
<b>Alternate Contact Address:</b>	
<b>Business Information</b>	
Nature of Business:	
Ownership (LLC, corporation, etc) :	
Years in Business:	
2011 and 2012 Annual Revenues:	
Parent Company (if any):	
Affiliates (if any):	
Subsidiaries (if any):	
For Profit / Non-Profit Status:	
<b>Management Information</b>	
List of Company's Controlling Personnel	
	<i>Add rows as needed</i>
<b>Prime Bidder Staffing Information</b>	
Total No. Permanent Employees:	
<b>Teaming Information</b>	
<b>Subcontractor Name / Principal Role (list all proposed)</b>	<b>Subcontractor Location (City/State)</b>
	<i>Add rows as needed</i>

## **Attachment C: 220 ILCS 5/16-111.5B: Select Provisions Relating to Energy Efficiency Procurement<sup>8</sup>**

(220 ILCS 5/16-111.5B)

Sec. 16-111.5B Provisions relating to energy efficiency procurement

(a) Beginning in 2012, procurement plans prepared pursuant to Section 16-111.5 of this Act shall be subject to the following additional requirements:

(1) The analysis included pursuant to paragraph (2) of subsection (b) of Section 16-111.5 shall also include the impact of energy efficiency building codes or appliance standards, both current and projected.

(2) The procurement plan components described in subsection (b) of Section 16-111.5 shall also include an assessment of opportunities to expand the programs promoting energy efficiency measures that have been offered under plans approved pursuant to Section 8-103 of this Act or to implement additional cost-effective energy efficiency programs or measures.

(3) In addition to the information provided pursuant to paragraph (1) of subsection (d) of Section 16-111.5 of this Act, each Illinois utility procuring power pursuant to that Section shall annually provide to the Illinois Power Agency by July 15 of each year, or such other date as may be required by the Commission or Agency, an assessment of cost-effective energy efficiency programs or measures that could be included in the procurement plan. The assessment shall include the following:

(A) A comprehensive energy efficiency potential study for the utility's service territory that was completed within the past 3 years.

(B) Beginning in 2014, the most recent analysis submitted pursuant to Section 8-103A of this Act and approved by the Commission under subsection (f) of Section 8-103 of this Act.

(C) Identification of new or expanded cost-effective energy efficiency programs or measures that are incremental to those included in energy efficiency and demand-response plans approved by the Commission pursuant to Section 8-103 of this Act and that would be offered to all retail customers whose electric service has not been declared competitive under Section 16-113 of this Act and who are eligible to purchase power and energy from the utility under fixed-price bundled service tariffs, regardless of whether such customers actually do purchase such power and energy from the utility.

(D) Analysis showing that the new or expanded cost-effective energy efficiency programs or measures would lead to a reduction in the overall cost of electric service.

(E) Analysis of how the cost of procuring additional cost-effective energy efficiency measures compares over the life of the measures to the prevailing cost of comparable supply.

(F) An energy savings goal, expressed in megawatt-hours, for the year in which the measures will be implemented.

(G) For each expanded or new program, the estimated amount that the program may reduce the agency's need to procure supply.

---

<sup>8</sup> These provisions are provided for convenience. Bidders are responsible for referencing and complying with all applicable laws.

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.

(4) The Illinois Power Agency shall include in the procurement plan prepared pursuant to paragraph (2) of subsection (d) of Section 16-111.5 of this Act energy efficiency programs and measures it determines are cost-effective and the associated annual energy savings goal included in the annual solicitation process and assessment submitted pursuant to paragraph (3) of this subsection (a).

(5) Pursuant to paragraph (4) of subsection (d) of Section 16-111.5 of this Act, the Commission shall also approve the energy efficiency programs and measures included in the procurement plan, including the annual energy savings goal, if the Commission determines they fully capture the potential for all achievable cost-effective savings, to the extent practicable, and otherwise satisfy the requirements of Section 8-103 of this Act.

In the event the Commission approves the procurement of additional energy efficiency, it shall reduce the amount of power to be procured under the procurement plan to reflect the additional energy efficiency and shall direct the utility to undertake the procurement of such energy efficiency, which shall not be subject to the requirements of subsection (e) of Section 16-111.5 of this Act. The utility shall consider input from the Agency and interested stakeholders on the procurement and administration process.

(6) An electric utility shall recover its costs incurred under this Section related to the implementation of energy efficiency programs and measures approved by the Commission in its order approving the procurement plan under Section 16-111.5 of this Act, including, but not limited to, all costs associated with complying with this Section and all start-up and administrative costs and the costs for any evaluation, measurement, and verification of the measures, from all retail customers whose electric service has not been declared competitive under Section 16-113 of this Act and who are eligible to purchase power and energy from the utility under fixed-price bundled service tariffs, regardless of whether such customers actually do purchase such power and energy from the utility through the automatic adjustment clause tariff established pursuant to Section 8-103 of this Act, provided, however, that the limitations described in subsection (d) of that Section shall not apply to the costs incurred pursuant to this Section or Section 16-111.7 of this Act.

(b) For purposes of this Section, the term "energy efficiency" shall have the meaning set forth in Section 1-10 of the Illinois Power Agency Act, and the term "cost-effective" shall have the meaning set forth in subsection (a) of Section 8-103 of this Act.

(Source: P.A. 97-616, eff. 10-26-11; 97-824, eff. 7-18-12.)

## Attachment D: Reference Documents

Illinois Technical Reference Manual:

<http://www.icc.illinois.gov/electricity/TRM.aspx>. The most up-to-date version of the IL-TRM should be used.

Ameren Illinois 2013 Potential Study:

<http://www2.illinois.gov/ipa/Pages/FiledPlanAppendices2014.aspx>

Public Utilities Act: 220 ILCS 5/8-103 (Energy efficiency and demand-response measures) and 220 ILCS 5/8-104 (Natural gas energy efficiency programs)

<http://www.ilga.gov/legislation/ilcs/ilcs5.asp?ActID=1277&ChapAct=220%26nbsp%3BILCS%26nbsp%3B5%2F&ChapterID=23&ChapterName=UTILITIES&ActName=Public+Utilities+Act%2E>

Ameren Illinois Electric and Gas Energy Efficiency and Demand-Response Plan 3 for Y7-9 or 2014-2017 (Exhibit 6.1):

<http://www.icc.illinois.gov/docket/files.aspx?no=13-0498&docId=205737>

[DCEO Plan 3](#)

<http://www.icc.illinois.gov/docket/files.aspx?no=13-0499&docId=210173>

Illinois NTG Values:

<http://www.ilsag.info/net-to-gross-framework.html>. The most up-to-date values should be used.

Ameren Illinois Evaluation Reports (labeled as “Reports”):

<http://www.icc.illinois.gov/docket/Documents.aspx?no=12-0528>

Summary of 2014 Section 16-111.5B Energy Efficiency Workshops Required by ICC Order Docket No. 13-0546 and approved in ICC Order Docket 14-0588 (labeled as ICC July 2014 Staff Report Summary of Section 16-111.5B EE Workshop)

<http://www.icc.illinois.gov/downloads/public/June%2018%202014%20Consensus%20Language%20for%20Section%2016-111.5B%20Oversight%20and%20Evaluation%20Responsibility%20Energy%20Efficiency%20Issues.pdf>

## Attachment E: AIC Energy Efficiency Portfolio<sup>9</sup>

		Annual MWH Savings			Annual MW						Annual Program Costs		
					PY7	PY8	PY9				PY7	PY8	PY9
RES-Appliance Recycling RES-	1.00	4,010	3,702	3,329	0.5	0.5	0.4	0	0	0	\$1.58	\$1.46	\$1.31
Behavior Modification RES-	1.04	29,350	0	0	6.7	0.0	0.0	1,887,500	1,887,500	1,887,500	\$1.97	\$0.98	\$0.98
ENERGY STAR New Homes	1.18	791	791	791	0.2	0.2	0.2	25,663	25,663	25,663	\$1.02	\$1.02	\$1.02
RES-HPwES	1.31	5,346	5,346	5,346	3.3	3.3	3.3	768,779	768,779	768,779	\$6.18	\$6.18	\$6.22
RES-HVAC	1.17	4,492	4,492	4,492	3.2	3.2	3.2	0	0	0	\$2.84	\$2.84	\$2.84
RES-Lighting RES-	3.16	26,359	5,841	4,968	3.0	0.7	0.6	0	0	0	\$6.35	\$0.00	\$0.00
Moderate Income RES-	1.05	1,194	6,604	6,604	0.7	2.6	2.6	219,987	462,778	462,778	\$2.30	\$9.68	\$9.68
<b>RESIDENTIAL PORTFOLIO TOTAL</b>	<b>1.35</b>	<b>77,446</b>	<b>32,680</b>	<b>31,435</b>	<b>18.0</b>	<b>10.9</b>	<b>10.7</b>	<b>3,069,436</b>	<b>3,312,228</b>	<b>3,312,228</b>	<b>\$23.85</b>	<b>\$23.78</b>	<b>\$23.67</b>
BUS-Standard	4.05	78,548	85,378	93,178	30	32	35	851,087	851,087	851,087	\$13.15	\$13.92	\$14.30
BUS-Custom	4.19	32,716	32,544	32,372	8	8	8	1,139,309	1,135,436	1,131,575	\$7.43	\$7.40	\$7.37
BUS-RCx	2.08	17,254	17,196	17,137	4	4	4	135,089	134,629	134,172	\$2.01	\$2.00	\$2.00
<b>BUSINESS PORTFOLIO TOTAL</b>	<b>4.37</b>	<b>145,999</b>	<b>152,598</b>	<b>160,168</b>	<b>46.5</b>	<b>49.1</b>	<b>52.0</b>	<b>2,125,485</b>	<b>2,121,152</b>	<b>2,116,834</b>	<b>\$24.30</b>	<b>\$25.03</b>	<b>\$25.37</b>
Portfolio Administration											\$2.42	\$2.46	\$2.47
EM&V											\$1.69	\$1.71	\$1.72
Education											\$1.21	\$1.23	\$1.23
Marketing											\$1.21	\$1.23	\$1.23
Emerging Technologies											\$1.69	\$1.71	\$1.72
<b>PORTFOLIO TOTAL</b>	<b>2.53</b>	<b>223,446</b>	<b>185,278</b>	<b>191,603</b>	<b>64.5</b>	<b>60.0</b>	<b>62.7</b>	<b>5,194,921</b>	<b>5,433,380</b>	<b>5,429,061</b>	<b>\$56.39</b>	<b>\$57.15</b>	<b>\$57.42</b>

<sup>9</sup> This is the portfolio as filed in ICC docket 13-0498 and is subject to change. Savings are net savings values. Detailed descriptions of these programs are included in Attachment F.

## Attachment F: Program Design for Plan 3, PY9 IPA and DCEO Plan 3

### Sec 8-103/8-104 Plan 3 Program Descriptions for AIC Portfolio

PROGRAM	Residential Appliance Recycling
<b>Program Description</b>	<p>The program will be implemented through a prime contractor and an appliance recycling subcontractor to provide turnkey implementation services that include verification of customer eligibility, scheduling of pick-up appointments, appliance pickup, recycling and disposal activities, and incentive processing. In contractor selection, preference will be given to appliance recycling companies that have recycling/disposal facilities located in Illinois or that are willing to construct such facilities given the anticipated volume resulting from the program. Recycling/disposal practices will be designed to prevent the release of chlorofluorocarbons ("CFCs").</p> <p>Turnkey program implementation through an appliance recycling contractor will simplify program delivery, reduce Ameren Illinois' administrative costs, and ensure a streamlined participation process. The program will be designed to minimize barriers to participation by offering incentives, convenient scheduling of appointments, and cost-free pickup of qualifying equipment.</p>
<b>Delivery Strategy</b>	<p>Program Duration: June 2014 – May 2017</p> <p>Key elements of the Appliance Recycling Program delivery strategy include:</p> <ul style="list-style-type: none"> <li>• <b>Outsourcing implementation:</b> A regional/national appliance recycling company will provide comprehensive, turnkey implementation services from eligibility verification to proper disposal/recycling of turned-in refrigerators.</li> <li>• <b>Customer education/recruitment:</b> The contractor will develop and implement the marketing strategy. There will be a consumer marketing and education component emphasizing how much it costs to operate that old, inefficient refrigerator or freezer, as well as the availability of program incentives and pick-up services. This marketing message will vary depending on seasonality and program performance towards meeting energy savings targets.</li> </ul>
<b>Target Market</b>	<p>Residential customers with working refrigerators, freezers, and other qualifying appliances. In special cases, small business customers having refrigerators, freezers, or other qualifying equipment may be eligible for the program depending on project specifics.</p>
<b>Marketing Strategy</b>	<p>The program will employ strong consumer education and marketing components emphasizing the savings associated with retiring old, inefficient refrigerators, freezers, and other qualifying appliances and the importance of ensuring proper disposal/recycling. Marketing materials will also include messaging about the</p>



benefits of ENERGY STAR® certified new equipment, as some refrigerators may be replaced with new equipment. Call Center staff will be trained and provided with program collateral.

Anticipated marketing materials may include but are not limited to:

- Web content
- Bill stuffers and other direct mail
- Limited mass market advertising around special promotions
- TV, radio
- Garage Sale ads, promotional handouts to LIHEAP agencies, realtors, and appliance retailers
- Door-hangers, truck wraps
- Billboards

AIC will explore additional marketing strategies that may increase opportunities for appliance recycling through retail partnerships when a new unit is delivered to the home. In addition, AIC will work with retailers to determine if there are opportunities to recycle used appliances that are targeted to be sold in the secondary markets.

## Eligible Measures

In addition to free pick-up of eligible equipment, the program will provide turn-in incentives. AIC may revise incentive amounts as the market dictates. However, the following expectations and assumptions have been utilized for planning purposes, including the base rebate levels listed below:

### RES - Appliance Recycling

Measure	Incentive per Unit	Gross Annual kWh Savings	Gross kW Savings	Annual BTU Electric Savings	Effective Useful Life	Incremental Cost
Recycled Refrigerator	\$50	808	0.10	8,083,100	8	\$0
Recycled Freezer	\$50	904	0.11	9,040,300	8	\$0

## Program Targets

### Installations

Measure	2014 Installations	2015 Installations	2016 Installations	Total Installations
Recycled Refrigerator	6,340	5,850	5,255	17,445
Recycled Freezer	2,035	1,880	1,695	5,610

### Estimated Electric Budget

Category	2014	2015	2016	Total
Incentives	\$418,750	\$386,500	\$347,500	\$1,152,750
Admin	\$1,164,411	\$1,074,734	\$966,288	\$3,205,433
<b>Total</b>	<b>\$1,583,161</b>	<b>\$1,461,234</b>	<b>\$1,313,788</b>	<b>\$4,358,183</b>

### MWh Savings

Category	2014	2015	2016	Total
Gross MWh	6,964	6,428	5,780	19,173
Net-to-Gross	0.64	0.64	0.64	0.64
Net MWh	4,476	4,131	3,715	12,321

### Program Cost-Effectiveness

Program	TRC
RES-Appliance Recycling	1.12

PROGRAM	Residential ENERGY STAR® New Homes
<p><b>Program Description</b></p>	<p>The program encourages the building of new homes that are more energy efficient than current code requires, which includes improvement to the new home's envelope (outer walls, windows, doors, skylights, roof and insulation), HVAC system, ductwork, lighting, and appliances. The program targets builders with a package of training, technical and marketing assistance, and incentives for construction of above-code and ENERGY STAR certified homes.</p> <p>Recent activity within the Illinois building code sector has raised the bar for building requirements. The 2012 Illinois Energy Conservation Code, the energy code currently in effect statewide, is approximately 30% more stringent than IECC 2006, the code on which the Home Energy Rating System (HERS) is based. The requirements of ENERGY STAR Version 3.0 is closely aligned with the state code, so a maximum HERS Index will be required in addition to ENERGY STAR certification to increase incremental energy savings above and beyond the code to provide consumers with the most energy efficient options. Builders may also qualify a home for the program with just a HERS rating as an entry-level option without ENERGY STAR certification.</p>
<p><b>Delivery Strategy</b></p>	<p>Program Duration: June 2014 – May 2017</p> <p>Ameren Illinois' program provides incentives to builders to defray the incremental costs of conducting the HERS rating to achieve both ENERGY STAR certification and above-code energy efficiency. The delivery strategy will focus on the central aspects of building a successful new homes program:</p> <ul style="list-style-type: none"> <li>• <b>Build the HERS rater network.</b> The key to all successful ENERGY STAR new homes programs is an active HERS rater community. RESNET, the organization that certifies HERS raters, may assist the program in finding Raters to recruit in the AIC service territory. In addition, Raters must be associated with a HERS rating provider. Engagement of these providers will assist with production, quality assurance, and rater participation.</li> <li>• <b>Recruit builders.</b> This step requires one-on-one meetings with builders to communicate the program's value proposition: that builders can create market differentiation by building greater energy efficiency into their new homes. The ENERGY STAR website lists builders in various local regions who have already certified homes in the past. The program has focused on getting these builders into the program and is seeking out additional builders to further develop the market.</li> <li>• <b>Provide builder training.</b> Provide training on ENERGY STAR requirements, above-code building specifications, incentive structures, and marketing strategies. Funds will be allocated to allow sufficient outreach and builder visits to promote the program and monitor progress.</li> </ul>

	<ul style="list-style-type: none"> <li>• <b>Recruit trade allies.</b> HVAC contractors are instrumental to the success of the program, as their ability to perform greatly influences the success of the program. These contractors must acquire accreditation from a quality assurance provider and will likely need training in proper sizing, charging, system testing, and duct sealing.</li> <li>• <b>Encourage builders to achieve progressively better efficiency.</b> The tiered incentive structure rewards builders for achieving greater levels of energy efficiency. Program requirements will be increased incrementally to encourage builders to continue improving the efficiency of their new homes.</li> <li>• <b>Provide training to other market actors.</b> Depending on the strength of the local housing market and the extent to which realtors are involved in new home sales, the program may offer lender, realtor, and appraiser training courses.</li> </ul>
<b>Target Market</b>	Residential new homes market, both single-family and multifamily.
<b>Marketing Strategy</b>	<p>The ENERGY STAR New Homes program must incorporate two types of marketing strategies. One is aimed at reaching and recruiting builders. The other is a supplemental marketing strategy, ideally designed and implemented jointly with builders, to raise consumer awareness of the advantages of ENERGY STAR homes.</p> <p>Builder recruitment typically is one-on-one and through local builders' group meetings. Builder bonuses may be offered to new builders when they enroll their first home in the program. HERS raters may also qualify for production bonuses based on reaching quotas of completed homes in the program. The availability of bonuses depends on the level of production needed and the availability of funds to pay for the bonuses.</p> <p>The consumer marketing strategy focuses on finding consumers who are in the market to build a new home and driving them to the builder allies in the program. Since these consumers are usually doing research to find the right house plan and builder, the most efficient and cost-effective strategy for targeting these consumers is keyword search engine online marketing that drives them to the program website. There, they learn about the program and are able to search for a builder already registered with the program. Home shows and print ads also help raise awareness of the new homes program.</p>
<b>Eligible Measures</b>	Incentive levels and measures savings are dependent on HERS rating and the type of heating system the home utilizes.

#### RES - ENERGY STAR New Homes

Measure	Incentive per Unit	Gross Annual kWh Savings	Gross kW Savings	Gross Annual Therm Savings	Annual BTU Electric Savings	Annual BTU Gas Savings	Effective Useful Life	Incremental Cost
Rated Home - gas heat only, HERS <=60	\$500	2,070.00	0.86	138.00	20,700,000	13,800,000	30	\$2,700
Rated Home - gas heat, HERS <=60	\$800	2,070.00	0.86	138.00	20,700,000	13,800,000	30	\$2,700
Rated Home - electric heat, HERS <=60	\$800	3,450.00	0.86	-	34,500,000	0	30	\$3,000
E-Star Home - gas heat only, HERS 41-60	\$600	2,670.00	1.11	178.00	26,700,000	17,800,000	30	\$3,000
E-Star Home - gas heat, HERS 41-60	\$1,200	2,670.00	1.11	178.00	26,700,000	17,800,000	30	\$3,000
E-Star Home - electric heat, HERS 41-60	\$1,200	4,450.00	1.11	-	44,500,000	0	30	\$3,500
E-Star Home - gas heat only, HERS <=40	\$600	4,470.00	1.86	298.00	44,700,000	29,800,000	30	\$3,500
E-Star Home - gas heat, HERS <=40	\$2,400	4,470.00	1.86	298.00	44,700,000	29,800,000	30	\$3,500
E-Star Home - electric heat, HERS <=40	\$2,400	7,450.00	1.86	-	74,500,000	0	30	\$4,000
Rated Multifamily Unit - gas heat only, HERS <=60	\$300	1,101.00	0.46	78.00	11,010,000	7,800,000	30	\$1,500
Rated Multifamily Unit - gas heat, HERS <=60	\$500	1,101.00	0.46	78.00	11,010,000	7,800,000	30	\$1,500
Rated Multifamily Unit - electric heat, HERS <=60	\$500	1,835.00	0.46	-	18,350,000	0	30	\$1,800
E-Star Multifamily Unit - gas heat only, HERS 41-60	\$400	1,420.44	0.59	99.96	14,204,400	9,996,480	30	\$1,800
E-Star Multifamily Unit - gas heat, HERS 41-60	\$800	1,420.44	0.59	99.96	14,204,400	9,996,480	30	\$1,800
E-Star Multifamily Unit - electric heat, HERS 41-60	\$800	2,367.40	0.59	-	23,674,000	0	30	\$2,100
E-Star Multifamily Unit - gas heat only, HERS <=40	\$800	2,378.04	0.99	167.36	23,780,400	16,735,680	30	\$2,100
E-Star Multifamily Unit - gas heat, HERS <=40	\$1,600	2,378.04	0.99	167.36	23,780,400	16,735,680	30	\$2,100
E-Star Multifamily Unit - electric heat, HERS <=40	\$1,600	3,963.40	0.99	-	39,634,000	0	30	\$2,400

#### Program Targets

#### Installations

Measure	2014 Installations	2015 Installations	2016 Installations	Total Installations
Rated Home - gas heat only, HERS <=60	24	24	24	72
Rated Home - gas heat, HERS <=60	48	48	48	144
Rated Home - electric heat, HERS <=60	24	24	24	72
E-Star Home - gas heat only, HERS 41-60	12	12	12	36
E-Star Home - gas heat, HERS 41-60	24	24	24	72
E-Star Home - electric heat, HERS 41-60	24	24	24	72
E-Star Home - gas heat only, HERS <=40	0	0	0	0
E-Star Home - gas heat, HERS <=40	12	12	12	36
E-Star Home - electric heat, HERS <=40	24	24	24	72
Rated Multifamily Unit - gas heat only, HERS <=60	24	24	24	72
Rated Multifamily Unit - gas heat, HERS <=60	60	60	60	180
Rated Multifamily Unit - electric heat, HERS <=60	36	36	36	108
E-Star Multifamily Unit - gas heat only, HERS 41-60	12	12	12	36
E-Star Multifamily Unit - gas heat, HERS 41-60	24	24	24	72
E-Star Multifamily Unit - electric heat, HERS 41-60	48	48	48	144
E-Star Multifamily Unit - gas heat only, HERS <=40	0	0	0	0
E-Star Multifamily Unit - gas heat, HERS <=40	12	12	12	36
E-Star Multifamily Unit - electric heat, HERS <=40	24	24	24	72

#### Estimated Electric Budget

Category	2014	2015	2016	Total
Incentives	\$282,600	\$282,600	\$282,600	\$847,800
Admin	\$372,781	\$372,781	\$372,781	\$1,118,344
<b>Total</b>	<b>\$655,381</b>	<b>\$655,381</b>	<b>\$655,381</b>	<b>\$1,966,144</b>

#### Estimated Gas Budget

Category	2014	2015	2016	Total
Incentives	\$113,400	\$113,400	\$113,400	\$340,200
Admin	\$248,521	\$248,521	\$248,521	\$745,563
<b>Total</b>	<b>\$361,921</b>	<b>\$361,921</b>	<b>\$361,921</b>	<b>\$1,085,763</b>

### Therm Savings

Category	2014	2015	2016	Total
Gross Therms	32,079	32,079	32,079	96,237
Net-to-Gross	0.80	0.80	0.80	0.80
Net Therms	25,663	25,663	25,663	76,990

### MWh Savings

Category	2014	2015	2016	Total
Gross MWh	989	989	989	2,967
Net-to-Gross	0.80	0.80	0.80	0.80
Net MWh	791	791	791	2,374

### Program Cost-Effectiveness

Program	TRC
RES-ENERGY STAR New Homes	1.33

<b>PROGRAM</b>	<b>Residential Home Performance with ENERGY STAR®</b>
<b>Program Description</b>	<p>Home Performance with ENERGY STAR (HPwES) is an energy efficiency program focused on a whole house approach. An implementation contractor will market and administer the program, leveraging Ameren Illinois' existing trade ally network of subcontractors. The contractor will market various services including energy audits, air sealing, insulation, and highlight free direct-install measures (CFLs, Faucet Aerators, and High Efficiency Shower Heads, Water Heater Temperature Adjustment). The contractor will begin with an energy audit and recommend various energy efficiency measures found in Ameren Illinois' portfolio based off the audit findings. In addition, as warranted, the contractor will coordinate with the Residential HVAC Program to deliver various program services as determined by the audit. The contractor will direct the homeowner to Ameren Illinois' Lighting Program for additional discounted home energy efficiency measures.</p>
<b>Delivery Strategy</b>	<p>Program Duration: June 2014 – May 2017</p> <p>Customer billing analysis will be conducted to identify customers with the greatest savings potential. Potential segments to target include high-use customers and hard to reach segments which are sometimes underserved by other programs (rural agricultural customers, low income, or elderly). Various forms of marketing including direct mail, community outreach events, and direct calling will be utilized to maximize participation.</p> <p>The contractor will utilize qualified Energy Advisors to assess residential homes. The audit will involve 4 main steps. First, the auditor will conduct a short interview with the customer, outlining the program and the services he/she can provide. Next, the auditor will install no-cost savings measures, including CFLs, high efficiency faucet aerators and shower heads, and if needed, turn down the temperature of the domestic hot water. The auditor then conducts a walk-through audit, identifying areas of improvement in infiltration and heat loss/gain through the walls and attic space. In addition, the assessment will include identification of the age and size of the HVAC system(s) and the last service date. During the last step of the audit, the auditor will present, and review with the homeowner, a list of BPI (Building Performance Institute) certified contractors qualified to complete the recommended efficiency installations. Contractor list generation will be based on types of improvements recommended, geographic proximity to the audited home, and quality of past work with the program.</p> <p>The contractor will utilize proprietary software capable of incorporating audit results to generate real-time reports for the customer. The report will be informed by utility billing data (to the extent it is available) and will summarize existing household energy characteristics, suggested improvements from the audit, and chart available incentives for the project follow-up work.</p> <p>There will be multiple incentive strategies for the HPwES program, as energy savings can be delivered through multiple avenues, including:</p>

	<ul style="list-style-type: none"> <li>• Direct Install (100% incentive to customer) of measures including CFLs, high efficiency shower heads and faucet aerators, as well as domestic water heater temperature adjustment.</li> <li>• Mid-stream incentives paid to independent contractors (program allies) for follow-up measure installation. Incentives include; but, are not limited to: air and duct sealing and wall, attic, crawl space, and rim joist insulation.</li> <li>• On the invoice presented to the customer, the incentives will be displayed as a line item discount to identify the marked-down price of the retrofit via program incentives to contractors.</li> </ul> <p>Incentive levels are guided by a formulaic approach determining the necessary payback to move the market. Incentive levels are by no means fixed and will likely change to reflect market conditions and drive program participation. The incentive values below represent estimated dollar amounts and will be verified by the implementer at the time of program launch.</p>
<b>Target Market</b>	All existing single family residential homes. Major measure retrofit incentives are limited to homes heated with an Ameren-supplied energy source (electric or natural gas).
<b>Marketing Strategy</b>	<p>The marketing strategy will focus on targeted market segments of customers encompassing large energy users, hard-to-reach customers, and underserved market segments. The HPwES program is closely aligned with the Moderate Income and HVAC programs.</p> <p>The implementation contractor will conduct a billing analysis to identify high-use customers and leverage AIC databases highlighting underserved market segments. These target markets will receive either a direct mail or some community informational session to spark interest in the program. In addition, for the HPwES component of the program, customers will be contacted directly by the contractor.</p> <p>To initiate contact and broaden the network of trade allies associated with the HPwES component, AIC will utilize two HPwES specific account managers to recruit, educate and mentor program allies. These account managers will also perform community outreach through speaking engagements with local organizations.</p> <p>Marketing activities include, but are not limited to: direct mail, bill inserts, public speaking events, home shows, print ads, referral programs and direct call.</p>
<b>Eligible Measures</b>	<p>There will be multiple incentive strategies for the HPwE program, as energy savings can be delivered through multiple avenues, including:</p> <ul style="list-style-type: none"> <li>• Direct Install (100% incentive to customer) of measures including CFLs, high</li> </ul>



efficiency shower heads and faucet aerators, as well as hot water pipe wrapping.

- Mid-stream incentives paid to subcontractors for follow-up measure installation.
- On the invoice presented to the customer, the incentives will be displayed as a line item to identify the marked-down price of the audit via program incentives to contractors.

Incentive levels will be guided by a formulaic approach determining the necessary payback to move the market. The appropriate incentive level for each measure will bring the payback down to two years. Incentive levels are by no means fixed and will likely change to reflect market conditions and drive the market participation. The incentive values below represent estimated dollar amounts and will be verified by the implementer at the time of program launch.

RES - HPwES

Measure	Incentive per Unit	Gross Annual kWh Savings	Gross kW Savings	Gross Annual Therm Savings	Annual BTU Electric Savings	Annual BTU Gas Savings	Net Annual Therm Savings	Effective Useful Life	Incremental Cost
CFL 43w to 14w - Post-EISA	\$0	26	0.00	(0.56)	261,656	(55,640)	(0.49)	5	\$0
CFL 53w to 19w - Post-EISA	\$0	31	0.00	(0.65)	306,769	(65,233)	(0.57)	5	\$0
CFL 72w to 23w - Post-EISA	\$0	44	0.01	(0.94)	442,109	(94,012)	(0.83)	5	\$0
CFL 60w to 14w globe - Pre-EISA	\$0	55	0.01	(0.88)	548,668	(88,256)	(0.78)	7	\$0
CFL 60w to 14w candelabra - Pre-EISA	\$0	59	0.01	(0.88)	587,606	(88,256)	(0.78)	7	\$0
CFL 60w to 14w reflector - Pre-EISA	\$0	42	0.00	(0.88)	415,041	(88,256)	(0.78)	7	\$0
Showerhead 1.75 gpm - Electric DHW	\$0	368	0.02	-	3,678,500	-	-	10	\$0
Faucet Aerator - Electric DHW	\$0	42	0.02	-	422,200	-	-	9	\$0
Water Heater Temp Adjustment - Electric DHW	\$0	86	0.01	-	864,000	-	-	2	\$5
Showerhead 1.75 gpm - Gas DHW	\$0	-	-	15.64	-	1,564,000	12.36	10	\$0
Faucet Aerator - Gas DHW	\$0	-	-	1.89	-	189,000	1.36	9	\$0
Water Heater Temp Adjustment - Gas DHW	\$0	-	-	6.40	-	640,000	6.40	2	\$5
Air Sealing - Electric Heat	\$473	3,779	1.40	-	37,792,125	-	-	15	\$1,181
Ceiling Insulation (R-11 to R-49) - Electric Heat	\$500	1,521	0.12	-	15,205,750	-	-	25	\$1,500
Ceiling Insulation (R-19 to R-49) - Electric Heat	\$441	846	0.14	-	8,456,910	-	-	25	\$1,375
R-11 Wall Insulation - Electric Heat	\$600	2,095	0.24	-	20,950,240	-	-	25	\$1,280
Rim Joist Insulation - Electric Heat	\$145	382	0.03	-	3,816,052	-	-	25	\$363
Crawl Space Insulation - Electric Heat	\$290	1,001	0.06	-	10,008,016	-	-	25	\$1,088
Air Sealing - Gas Heat Only	\$473	173	-	189.00	1,732,500	18,900,000	151.20	15	\$1,181
Ceiling Insulation (R-11 to R-49) - Gas Heat Only	\$500	88	-	87.50	875,000	8,750,000	67.38	25	\$1,500
Ceiling Insulation (R-19 to R-49) - Gas Heat Only	\$441	59	-	58.80	588,000	5,880,000	45.28	25	\$1,375
R-11 Wall Insulation - Gas Heat Only	\$600	128	-	144.00	1,280,000	14,400,000	110.88	25	\$1,280
Rim Joist Insulation - Gas Heat Only	\$145	25	-	27.55	246,500	2,755,000	21.21	25	\$363
Crawl Space Insulation - Gas Heat Only	\$290	65	-	71.05	652,500	7,105,000	54.71	25	\$1,088
Air Sealing - Gas Heat w/ AC	\$473	1,355	1.42	189.00	13,545,000	18,900,000	151.20	15	\$1,181
Ceiling Insulation (R-11 to R-49) - Gas Heat w/ AC	\$500	225	0.13	87.50	2,250,000	8,750,000	67.38	25	\$1,500
Ceiling Insulation (R-19 to R-49) - Gas Heat w/ AC	\$441	132	0.15	58.80	1,323,000	5,880,000	45.28	25	\$1,375
R-11 Wall Insulation - Gas Heat w/ AC	\$600	312	0.24	144.00	3,120,000	14,400,000	110.88	25	\$1,280
Rim Joist Insulation - Gas Heat w/ AC	\$145	48	0.03	27.55	478,500	2,755,000	21.21	25	\$363
Crawl Space Insulation - Gas Heat w/ AC	\$290	106	0.06	71.05	1,058,500	7,105,000	54.71	25	\$1,088

## Program Targets

### Installations

Measure	2014 Installations	2015 Installations	2016 Installations	Total Installations
CFL 43w to 14w - Post-EISA	10,101	10,101	10,101	30,303
CFL 53w to 19w - Post-EISA	2,730	2,730	2,730	8,190
CFL 72w to 23w - Post-EISA	2,184	2,184	2,184	6,552
CFL 60w to 14w globe - Pre-EISA	6,825	6,825	6,825	20,475
CFL 60w to 14w candelabra - Pre-EISA	6,825	6,825	6,825	20,475
CFL 60w to 14w reflector - Pre-EISA	9,555	9,555	9,555	28,665
Showerhead 1.75 gpm - Electric DHW	191	191	191	573
Faucet Aerator - Electric DHW	328	328	328	983
Water Heater Temp Adjustment - Electric DHW	164	164	164	491
Showerhead 1.75 gpm - Gas DHW	1,525	1,525	1,525	4,575
Faucet Aerator - Gas DHW	2,467	2,467	2,467	7,401
Water Heater Temp Adjustment - Gas DHW	1,201	1,201	1,201	3,604
Air Sealing - Electric Heat	88	88	88	263
Ceiling Insulation (R-11 to R-49) - Electric Heat	61	61	61	182
Ceiling Insulation (R-19 to R-49) - Electric Heat	18	18	18	55
R-11 Wall Insulation - Electric Heat	46	46	46	138
Rim Joist Insulation - Electric Heat	55	55	55	166
Crawl Space Insulation - Electric Heat	9	9	9	28
Air Sealing - Gas Heat Only	600	600	600	1,800
Ceiling Insulation (R-11 to R-49) - Gas Heat Only	320	320	320	960
Ceiling Insulation (R-19 to R-49) - Gas Heat Only	94	94	94	282
R-11 Wall Insulation - Gas Heat Only	310	310	310	930
Rim Joist Insulation - Gas Heat Only	320	320	320	960
Crawl Space Insulation - Gas Heat Only	62	62	62	186
Air Sealing - Gas Heat w/ AC	2,178	2,178	2,178	6,535
Ceiling Insulation (R-11 to R-49) - Gas Heat w/ AC	1,513	1,513	1,513	4,540
Ceiling Insulation (R-19 to R-49) - Gas Heat w/ AC	459	459	459	1,376
R-11 Wall Insulation - Gas Heat w/ AC	1,147	1,147	1,147	3,440
Rim Joist Insulation - Gas Heat w/ AC	1,376	1,376	1,376	4,127
Crawl Space Insulation - Gas Heat w/ AC	229	229	229	688

### Estimated Electric Budget

Category	2014	2015	2016	Total
Incentives	\$2,379,876	\$2,379,876	\$2,379,876	\$7,139,627
Admin	\$1,684,636	\$1,684,636	\$1,684,636	\$5,053,909
<b>Total</b>	<b>\$4,064,512</b>	<b>\$4,064,512</b>	<b>\$4,064,512</b>	<b>\$12,193,536</b>

### Estimated Gas Budget

Category	2014	2015	2016	Total
Incentives	\$1,640,622	\$1,640,622	\$1,640,622	\$4,921,867
Admin	\$794,186	\$794,186	\$794,186	\$2,382,557
<b>Total</b>	<b>\$2,434,808</b>	<b>\$2,434,808</b>	<b>\$2,434,808</b>	<b>\$7,304,424</b>

### MWh Savings

Category	2014	2015	2016	Total
Gross MWh	6,269	6,269	6,269	18,808
Net-to-Gross	0.82	0.82	0.82	0.82
Net MWh	5,114	5,114	5,114	15,341

### Therm Savings

Category	2014	2015	2016	Total
Gross Therms	1,031,386	1,031,386	1,031,386	3,094,159
Net-to-Gross	0.79	0.79	0.79	0.79
Net Therms	811,933	811,933	811,933	2,435,799

### Program Cost-Effectiveness

Program	TRC
RES-HPwES	1.23

<b>PROGRAM</b>	<b>Residential HVAC</b>
<b>Program Description</b>	<p>The Residential HVAC program encourages the installation of above-code electric and natural gas fueled HVAC equipment throughout the AIC territory. The program includes central air conditioning, air source heat pumps, ground source (geothermal) heat pumps, brushless DC motors, natural gas furnaces, natural gas boilers, and programmable thermostats.</p> <p>Incentives are offered to persuade AIC electric customers to install more efficient cooling equipment than they might normally install when their existing equipment has failed or in new construction settings. In addition, elevated Early Retirement (ER) incentives are offered to encourage homeowners to replace old, extremely inefficient HVAC equipment with new high efficiency units before the existing equipment has reached the end of its useful life.</p>
<b>Delivery Strategy</b>	<p>Program Duration: June 2014 – May 2017</p> <p>AIC will hire a contractor to implement this program. The contractor will provide the necessary services to effectively implement the program and obtain the energy savings goals outlined in the Plan while adhering to the budgetary constraints identified by Ameren Illinois. Key implementation aspects include:</p> <ul style="list-style-type: none"> <li>• Targeted marketing approach for contractor recruitment and training. Developing a consistent and robust educational component will help deliver an effective program. Training will commence once contractors enter into the participation agreement.</li> <li>• Specific areas of training include measure testing protocols for the required test equipment, calibration requirements, procedures for various conditions, and acceptable tolerances. For equipment, the protocols will specify sizing requirements, efficiency standards, and other elements such as a matching indoor and outdoor coil requirement for new air conditioning and heat pump equipment.</li> </ul> <p>Once contractors are trained, they can utilize the techniques and incentives provided by AIC to improve sales of highly efficient HVAC equipment. AIC will provide incentives at the mid-stream (contractor) level to encourage sales of energy efficient products and for properly installed HVAC energy saving upgrades.</p> <p>A tiered incentive structure will be used to reward homeowners for opting to install higher efficiency equipment. This approach will make advanced technology in the HVAC industry more accessible to homeowners and produce greater savings per incentive dollar for the program.</p>
<b>Target Market</b>	<p>The end-user target market is composed of residential customers with central air conditioning, heat pumps (air and ground source), natural gas furnaces or natural gas boilers. For the new equipment portion of the program these residential</p>

	customers may have equipment that has failed or that has surpassed its useful, or efficient, life. Equally important as a target market, given the program design, are HVAC contractors, suppliers and manufacturers.
<b>Marketing Strategy</b>	<p>Marketing to customers by either the program or the contractor must help to overcome barriers to their participation, especially: a) lack of awareness, understanding, or trust of the new measures being offered, b) no knowledge of how to find contractors in the market who can provide the new measures, and c) greater first costs associated with the higher efficiency measures. Program messaging will be designed to address the lack of awareness regarding the optimal performance of HVAC equipment, such as matching coils. Messaging will also explain the benefits of high efficiency new equipment. The following methods will be employed to maximize customer attention, receptivity, and action.</p> <ul style="list-style-type: none"> <li>• <b>Customer Communications.</b> Marketing directly to the end user must make complex HVAC concepts easy to understand. The messaging should help the customer understand the incentive structure as well as the benefits of having new highly efficient equipment installed.</li> <li>• <b>Ally Communications.</b> Program Ally webinars, email newsletters and breakfast meetings are the best channels to reach potential program allies and keep those who have already signed with the program informed and up-to-date. These functions will also serve as a means to notice and reward those Allies who are the most active in the program.</li> <li>• <b>Supplier Communications.</b> Program information and updates will also be supplied to distributors of high efficiency HVAC equipment serving the AIC territory so this information can be passed along to their contractor base through supplier newsletters. Program staff will also speak at supplier meetings that are held for local contractors.</li> <li>• <b>Contractor Co-branding.</b> We will work with contractors, at their discretion, to target their existing customers and to prospect for new customers. As part of our account management approach, we will counsel contractors on best practices and, in some cases, assist with design. The program will supply templates for advertising media that allies most use, e.g., postcards; flyers; trifold brochures; and small ads. Program Implementer Marketing will continue to monitor ally co-branding practices and communicate brand standards to contractors to maintain brand integrity.</li> <li>• <b>Program Collateral.</b> The program will develop marketing materials specifically targeted to the customer, based on market research and suggested messaging to the most receptive customer segments. Direct mail will be used by the program with other collateral developed to be used by the contractors to assist in selling customers on the benefits of program approved equipment.</li> </ul>
<b>Eligible Measures</b>	

### RES - HVAC

Measure	Incentive per Unit	Gross Annual kWh Savings	Gross kW Savings	Gross Annual Therm Savings	Annual BTU Electric Savings	Annual BTU Gas Savings	Effective Useful Life	Incremental Cost
CAC 14.5-14.9 SEER	\$150	195.18	0.24	-	1,951,800	-	18	\$501
CAC 15.0-15.9 SEER	\$200	251.57	0.32	-	2,515,700	-	18	\$666
CAC 16.0+ SEER	\$300	353.77	0.44	-	3,537,700	-	18	\$1,000
CAC ER 14.5-14.9 SEER	\$450	1,160.51	1.45	-	11,605,100	-	18	\$1,238
CAC ER 15.0-15.9 SEER	\$500	1,216.51	1.53	-	12,165,100	-	18	\$1,404
CAC ER 16.0+ SEER	\$600	1,319.09	1.65	-	13,190,900	-	18	\$1,738
ASHP 14.5-14.9 SEER	\$150	709.16	0.21	-	7,091,600	-	18	\$618
ASHP 15.0-15.9 SEER	\$200	1,041.35	0.27	-	10,413,500	-	18	\$822
ASHP 16.0+ SEER	\$300	1,150.85	0.37	-	11,508,500	-	18	\$1,233
ASHP ER 14.5-14.9 SEER	\$450	6,358.65	1.19	-	63,586,450	-	18	\$1,545
ASHP ER 15.0-15.9 SEER	\$500	6,690.84	1.25	-	66,908,350	-	18	\$1,750
ASHP ER 16.0+ SEER	\$600	6,800.34	1.36	-	68,003,350	-	18	\$2,161
BPM Blower Motor	\$200	720.00	0.31	-	7,200,000	-	20	\$97
Furnace 97% AFUE	\$300	-	-	151.16	-	15,116,000	20	\$1,983
Furnace ER 97% AFUE	\$600	-	-	360.09	-	36,009,000	20	\$1,889
Boiler 90% AFUE	\$300	-	-	113.06	-	11,306,000	25	\$1,272
Boiler ER 90% AFUE	\$600	-	-	534.29	-	53,429,000	25	\$2,395
Programmable Thermostat - Electric Heat	\$25	615.72	-	-	6,157,245	-	5	\$30
Programmable Thermostat - Gas Heat	\$25	25.78	-	28.02	257,781	2,801,904	5	\$30

### Program Targets

### Installations

Measure	2014 Installations	2015 Installations	2016 Installations	Total Installations
CAC 14.5-14.9 SEER	400	400	400	1,200
CAC 15.0-15.9 SEER	215	215	215	645
CAC 16.0+ SEER	500	500	500	1,500
CAC ER 14.5-14.9 SEER	1,000	1,000	1,000	3,000
CAC ER 15.0-15.9 SEER	350	350	350	1,050
CAC ER 16.0+ SEER	1,000	1,000	1,000	3,000
ASHP 14.5-14.9 SEER	75	75	75	225
ASHP 15.0-15.9 SEER	60	60	60	180
ASHP 16.0+ SEER	110	110	110	330
ASHP ER 14.5-14.9 SEER	110	110	110	330
ASHP ER 15.0-15.9 SEER	85	85	85	255
ASHP ER 16.0+ SEER	120	120	120	360
BPM Blower Motor	3,000	3,000	3,000	9,000
Furnace 97% AFUE	615	615	615	1,845
Furnace ER 97% AFUE	250	250	250	750
Boiler 90% AFUE	40	40	40	120
Boiler ER 90% AFUE	25	25	25	75
Programmable Thermostat - Electric Heat	750	750	750	2,250
Programmable Thermostat - Gas Heat	2,250	2,250	2,250	6,750

### Estimated Electric Budget

Category	2014	2015	2016	Total
Incentives	\$2,317,000	\$2,317,000	\$2,317,000	\$6,951,000
Admin	\$869,470	\$869,470	\$869,470	\$2,608,411
<b>Total</b>	<b>\$3,186,470</b>	<b>\$3,186,470</b>	<b>\$3,186,470</b>	<b>\$9,559,411</b>

### Estimated Gas Budget

Category	2014	2015	2016	Total
Incentives	\$417,750	\$417,750	\$417,750	\$1,253,250
Admin	\$359,939	\$359,939	\$359,939	\$1,079,816
<b>Total</b>	<b>\$777,689</b>	<b>\$777,689</b>	<b>\$777,689</b>	<b>\$2,333,066</b>

### MWh Savings

Category	2014	2015	2016	Total
Gross MWh	8,221	8,221	8,221	24,662
Net-to-Gross	0.69	0.69	0.69	0.69
Net MWh	5,672	5,672	5,672	17,017

### Therm Savings

Category	2014	2015	2016	Total
Gross Therms	263,908	263,908	263,908	791,725
Net-to-Gross	0.72	0.72	0.72	0.72
Net Therms	190,014	190,014	190,014	570,042

### Program Cost-Effectiveness

Program	TRC
RES-HVAC	1.01

<b>PROGRAM</b>	<b>Residential Moderate Income</b>
<b>Program Description</b>	<p>The Moderate Income program seeks to further subsidize the implementation of energy efficiency improvements in moderate income households that are struggling financially and unable to either pay for or borrow the funds to pay for needed efficiency upgrades. These homeowners are above the low income weatherization income guidelines and are not eligible for free services but are still in need of assistance. The Moderate Income program seeks to leverage the benefits and incentives of Ameren Illinois' efficiency programs with funding targeted to lower moderate income homeowners and incorporate a financing component for the customer portion of the financial transaction. As a result, eligible moderate income homeowners would be able to afford long term energy efficiency improvements but still be participating in the investment through the financing mechanism.</p>
<b>Delivery Strategy</b>	<p>Program Duration: June 2014 – May 2017</p> <p>Program staff provides free comprehensive home energy audits to income qualified home owners who heat with an Ameren-supplied energy source (electric or natural gas).</p> <p>Recommendations are made and a work scope is developed with the homeowner to address utility bills, comfort, durability and indoor air quality needs. The incentive rates applied to the project for both building shell and HVAC system retrofits are slightly elevated over the incentive rates of the other (Home Performance with ENERGY STAR® and HVAC) programs that incent these measures for typical customers.</p> <p>Program staff manages agreed upon retrofit work from beginning to end utilizing Home Performance with ENERGY STAR (HPwES) and HVAC program allies and provide 100% quality assurance oversight to the project..</p> <p>The program is offered in key geographic areas that are reassessed periodically. Typical key barriers are “too good to be true” homeowner perceptions as well as disqualifying issues within homes, such as: presence of vermiculite or asbestos, knob-and-tube wiring, water leaks, etc.</p>
<b>Target Market</b>	<p>The Moderate Income Program targets homeowners with household incomes greater than 200% but less than 300% of the poverty level for the household size.</p>



## Marketing Strategy

Marketing strategy is integrated with the HPwES program. The marketing strategy will focus on targeted market segments of customers who meet the program's income guidelines. Participation will be largely solicited by direct mail, program ally promotion, HPwES auditor cross promotion and word of mouth.

## Eligible Measures

RES - Moderate Income								
Measure	Incentive per Unit	Gross Annual kWh Savings	Gross kW Savings	Gross Annual Therm Savings	Annual BTU Electric Savings	Annual BTU Gas Savings	Effective Useful Life	Incremental Cost
CFL 43w to 14w - Post-EISA	\$0	26.17	0.00	(0.56)	261,656	(55,640)	5	\$0
CFL 53w to 19w - Post-EISA	\$0	30.68	0.00	(0.65)	306,769	(65,233)	5	\$0
CFL 72w to 23w - Post-EISA	\$0	44.21	0.01	(0.94)	442,109	(94,012)	5	\$0
CFL 60w to 14w globe - Pre-EISA	\$0	54.87	0.01	(0.88)	548,668	(88,256)	7	\$0
CFL 60w to 14w candelabra - Pre-EISA	\$0	58.76	0.01	(0.88)	587,606	(88,256)	7	\$0
CFL 60w to 14w reflector - Pre-EISA	\$0	41.50	0.00	(0.88)	415,041	(88,256)	7	\$0
Showerhead 1.75 gpm - Electric DHW	\$0	367.85	0.02	-	3,678,500	-	10	\$0
Faucet Aerator - Electric DHW	\$0	42.22	0.02	-	422,200	-	9	\$0
Water Heater Temp Adjustment - Electric DHW	\$0	86.40	0.01	-	864,000	-	2	\$5
Showerhead 1.75 gpm - Gas DHW	\$0	-	-	15.64	-	1,564,000	10	\$0
Faucet Aerator - Gas DHW	\$0	-	-	1.89	-	189,000	9	\$0
Water Heater Temp Adjustment - Gas DHW	\$0	-	-	6.40	-	640,000	2	\$5
Air Sealing - Electric Heat	\$700	3,683.75	1.10	-	36,837,500	-	15	\$1,050
Ceiling Insulation (R-11 to R-49) - Electric Heat	\$700	1,411.25	0.09	-	14,112,500	-	25	\$1,200
Ceiling Insulation (R-19 to R-49) - Electric Heat	\$500	668.75	0.09	-	6,687,500	-	25	\$1,100
R-11 Wall Insulation - Electric Heat	\$960	2,437.00	0.21	-	24,370,000	-	25	\$1,280
Rim Joist Insulation - Electric Heat	\$140	431.90	0.02	-	4,319,000	-	25	\$350
Crawl Space Insulation - Electric Heat	\$280	1,137.50	0.05	-	11,375,000	-	25	\$1,050
Basement Wall Insulation - Electric Heat	\$420	1,224.95	0.05	-	12,249,549	-	25	\$1,400
Air Sealing - Gas Heat Only	\$700	154.00	-	170.64	1,540,000	17,063,741	15	\$1,050
Ceiling Insulation (R-11 to R-49) - Gas Heat Only	\$700	70.00	-	80.82	700,000	8,082,383	25	\$1,200
Ceiling Insulation (R-19 to R-49) - Gas Heat Only	\$500	40.00	-	38.28	400,000	3,828,497	25	\$1,100
R-11 Wall Insulation - Gas Heat Only	\$960	128.00	-	140.38	1,280,000	14,037,823	25	\$1,280
Rim Joist Insulation - Gas Heat Only	\$140	23.80	-	25.43	238,000	2,543,200	25	\$350
Crawl Space Insulation - Gas Heat Only	\$280	63.00	-	68.06	630,000	6,805,719	25	\$1,050
Basement Wall Insulation - Gas Heat Only	\$420	67.55	-	73.42	675,489	7,342,114	25	\$1,400
Air Sealing - Gas Heat w/ AC	\$700	1,204.00	1.26	170.64	12,040,000	17,063,741	15	\$1,050
Ceiling Insulation (R-11 to R-49) - Gas Heat w/ AC	\$700	180.00	0.10	80.82	1,800,000	8,082,383	25	\$1,200
Ceiling Insulation (R-19 to R-49) - Gas Heat w/ AC	\$500	90.00	0.10	38.28	900,000	3,828,497	25	\$1,100
R-11 Wall Insulation - Gas Heat w/ AC	\$960	312.00	0.24	140.38	3,120,000	14,037,823	25	\$1,280
Rim Joist Insulation - Gas Heat w/ AC	\$140	46.20	0.03	25.43	462,000	2,543,200	25	\$350
Crawl Space Insulation - Gas Heat w/ AC	\$280	102.20	0.06	68.06	1,022,000	6,805,719	25	\$1,050
Basement Wall Insulation - Gas Heat w/ AC	\$420	106.91	0.06	73.42	1,069,079	7,342,114	25	\$1,400
CAC 14.5+ SEER	\$1,000	195.18	0.20	-	1,951,830	-	18	\$501
ER CAC 14.5+	\$1,000	516.96	0.54	-	5,169,576	-	18	\$1,238
ASHP 14.5+ SEER	\$1,500	980.94	0.21	-	9,809,383	-	18	\$618
ER ASHP 14.5+ SEER (Replace ASHP)	\$1,500	2,403.23	0.51	-	24,032,296	-	18	\$1,546
ER ASHP 14.5+ SEER (Replace Resistance)	\$1,500	4,702.93	0.51	-	47,029,279	-	18	\$1,546
Programmable Thermostat - Electric Heat Pump	\$50	407.81	-	-	4,078,100	-	5	\$30
Furnace 95% AFUE - Gas Heat	\$750	-	-	136.18	-	13,618,000	20	\$1,511
Furnace ER 95% AFUE - Gas Heat	\$750	-	-	198.86	-	19,885,983	20	\$1,889
Boiler 90% AFUE	\$1,500	-	-	144.38	-	14,438,365	25	\$1,272
Boiler ER 90% AFUE	\$1,500	-	-	279.18	-	27,917,744	25	\$2,395
Programmable Thermostat - Gas Heat	\$50	30.56	-	33.21	305,561	3,321,242	5	\$30

## Program Targets

### Installations

Measure	2014 Installations	2015 Installations	2016 Installations	Total Installations
CFL 43w to 14w - Post-EISA	1,170	1,170	1,170	3,510
CFL 53w to 19w - Post-EISA	585	585	585	1,755
CFL 72w to 23w - Post-EISA	488	488	488	1,463
CFL 60w to 14w globe - Pre-EISA	975	975	975	2,925
CFL 60w to 14w candelabra - Pre-EISA	975	975	975	2,925
CFL 60w to 14w reflector - Pre-EISA	1,365	1,365	1,365	4,095
Showerhead 1.75 gpm - Electric DHW	6	6	6	18
Faucet Aerator - Electric DHW	6	6	6	18
Water Heater Temp Adjustment - Electric DHW	6	6	6	18
Showerhead 1.75 gpm - Gas DHW	234	234	234	702
Faucet Aerator - Gas DHW	195	195	195	585
Water Heater Temp Adjustment - Gas DHW	98	98	98	293
Air Sealing - Electric Heat	8	8	8	25
Ceiling Insulation (R-11 to R-49) - Electric Heat	6	6	6	18
Ceiling Insulation (R-19 to R-49) - Electric Heat	1	1	1	2
R-11 Wall Insulation - Electric Heat	4	4	4	11
Rim Joist Insulation - Electric Heat	5	5	5	15
Crawl Space Insulation - Electric Heat	1	1	1	2
Basement Wall Insulation - Electric Heat	1	1	1	2
Air Sealing - Gas Heat Only	16	16	16	48
Ceiling Insulation (R-11 to R-49) - Gas Heat Only	12	12	12	36
Ceiling Insulation (R-19 to R-49) - Gas Heat Only	2	2	2	5
R-11 Wall Insulation - Gas Heat Only	7	7	7	21
Rim Joist Insulation - Gas Heat Only	10	10	10	29
Crawl Space Insulation - Gas Heat Only	2	2	2	5
Basement Wall Insulation - Gas Heat Only	2	2	2	5
Air Sealing - Gas Heat w/ AC	249	249	249	747
Ceiling Insulation (R-11 to R-49) - Gas Heat w/ AC	187	187	187	560
Ceiling Insulation (R-19 to R-49) - Gas Heat w/ AC	25	25	25	75
R-11 Wall Insulation - Gas Heat w/ AC	112	112	112	336
Rim Joist Insulation - Gas Heat w/ AC	149	149	149	448
Crawl Space Insulation - Gas Heat w/ AC	25	25	25	75
Basement Wall Insulation - Gas Heat w/ AC	25	25	25	75
CAC 14.5+ SEER	15	15	15	46
ER CAC 14.5+	51	51	51	154
ASHP 14.5+ SEER	0	0	0	0
ER ASHP 14.5+ SEER (Replace ASHP)	8	8	8	23
ER ASHP 14.5+ SEER (Replace Resistance)	8	8	8	23
Programmable Thermostat - Electric Heat Pump	5	5	5	15
Furnace 95% AFUE - Gas Heat	0	0	0	0
Furnace ER 95% AFUE - Gas Heat	179	179	179	537
Boiler 90% AFUE	0	0	0	0
Boiler ER 90% AFUE	13	13	13	40
Programmable Thermostat - Gas Heat	132	132	132	397

### Estimated Electric Budget

Category	2014	2015	2016	Total
Incentives	\$448,909	\$448,909	\$448,909	\$1,346,727
Admin	\$518,024	\$518,024	\$518,024	\$1,554,073
<b>Total</b>	<b>\$966,933</b>	<b>\$966,933</b>	<b>\$966,933</b>	<b>\$2,900,799</b>

### Estimated Gas Budget

Category	2014	2015	2016	Total
Incentives	\$331,117	\$331,117	\$331,117	\$993,350
Admin	\$222,010	\$222,010	\$222,010	\$666,031
<b>Total</b>	<b>\$553,127</b>	<b>\$553,127</b>	<b>\$553,127</b>	<b>\$1,659,382</b>

### MWh Savings

Category	2014	2015	2016	Total
Gross MWh	770	770	770	2,311
Net-to-Gross	1.00	1.00	1.00	1.00
Net MWh	770	770	770	2,311

### Therm Savings

Category	2014	2015	2016	Total
Gross Therms	135,091	135,091	135,091	405,273
Net-to-Gross	1.00	1.00	1.00	1.00
Net Therms	135,091	135,091	135,091	405,273

### Program Cost-Effectiveness

Program	TRC
RES-Moderate Income	1.14

<b>PROGRAM</b>	<b>Residential Multifamily</b>																																																																																																			
<b>Program Description</b>	<p>The program focuses on the direct installation of measures in tenant units such as compact fluorescent lamps (CFLs), water conservation devices, and programmable thermostats. Building owners or operators are offered the efficiency products at no cost and must provide for installation by their maintenance staff or a contractor.</p>																																																																																																			
<b>Delivery Strategy</b>	<p>Program Duration: June 2014 – May 2017</p> <p>Program staff will initiate contact and actively market the program to property managers and owners. They will then conduct walk-through audits to identify opportunities for installation of efficiency measures in tenant units and assist property management companies in completing program application materials.</p> <p>The program oversees the distribution and installation of materials upon the receipt of a signed agreement with the project site. The property owner or manager agrees to a timetable for installation, proper documentation of the location of all installations, and a verification visit upon completion of the project.</p>																																																																																																			
<b>Target Market</b>	<p>The target market is owners, managers, and developers of market rate multifamily housing (three or more units per building) with the focus on management companies holding multiple properties.</p>																																																																																																			
<b>Marketing Strategy</b>	<p>The program is primarily marketed by in-person visits with building owners and management companies. Program staff contacts decision-makers about measure retrofits, present the program benefits and procedures, and assist potential projects with the proposal application process. This in-person marketing is supported by printed program materials and by direct mail to building management lists, as well as through word-of-mouth referrals as the program matures.</p>																																																																																																			
<b>Eligible Measures</b>	<table><tr><th colspan="9">RES - Multifamily</th></tr><tr><th>Measure</th><th>Incentive per Unit</th><th>Gross Annual kWh Savings</th><th>Gross kW Savings</th><th>Gross Annual Therm Savings</th><th>Annual BTU Electric Savings</th><th>Annual BTU Gas Savings</th><th>Effective Useful Life</th><th>Incremental Cost</th></tr><tr><td>In-Unit Integral CFL 43w to 14w - Post-EISA</td><td>\$0</td><td>27.41</td><td>0.003</td><td>(0.56)</td><td>274,100</td><td>(55,640)</td><td>5</td><td>\$0</td></tr><tr><td>In-Unit Integral CFL 53w to 19w - Post-EISA</td><td>\$0</td><td>32.14</td><td>0.003</td><td>(0.65)</td><td>321,400</td><td>(65,233)</td><td>5</td><td>\$0</td></tr><tr><td>In-Unit Integral CFL 72w to 23w - Post-EISA</td><td>\$0</td><td>46.32</td><td>0.005</td><td>(0.94)</td><td>463,200</td><td>(94,012)</td><td>5</td><td>\$0</td></tr><tr><td>In-Unit Showerhead - Electric DHW</td><td>\$0</td><td>415.49</td><td>0.03</td><td>-</td><td>4,154,900</td><td>-</td><td>10</td><td>\$0</td></tr><tr><td>In-Unit Faucet Aerator - Electric DHW</td><td>\$0</td><td>53.05</td><td>0.01</td><td>-</td><td>530,500</td><td>-</td><td>9</td><td>\$0</td></tr><tr><td>In-Unit Showerhead 1.75 gpm - Gas DHW</td><td>\$0</td><td>-</td><td>-</td><td>20.61</td><td>-</td><td>2,061,000</td><td>10</td><td>\$0</td></tr><tr><td>In-Unit Faucet Aerator - Gas DHW</td><td>\$0</td><td>-</td><td>-</td><td>2.61</td><td>-</td><td>261,000</td><td>9</td><td>\$0</td></tr><tr><td>In-Unit Programmable Thermostat - Electric Heat</td><td>\$0</td><td>837.09</td><td>-</td><td>-</td><td>8,370,865</td><td>-</td><td>5</td><td>\$0</td></tr><tr><td>In-Unit Programmable Thermostat - Gas Heat</td><td>\$0</td><td>26.95</td><td>-</td><td>29.30</td><td>269,500</td><td>2,930,000</td><td>5</td><td>\$0</td></tr></table>	RES - Multifamily									Measure	Incentive per Unit	Gross Annual kWh Savings	Gross kW Savings	Gross Annual Therm Savings	Annual BTU Electric Savings	Annual BTU Gas Savings	Effective Useful Life	Incremental Cost	In-Unit Integral CFL 43w to 14w - Post-EISA	\$0	27.41	0.003	(0.56)	274,100	(55,640)	5	\$0	In-Unit Integral CFL 53w to 19w - Post-EISA	\$0	32.14	0.003	(0.65)	321,400	(65,233)	5	\$0	In-Unit Integral CFL 72w to 23w - Post-EISA	\$0	46.32	0.005	(0.94)	463,200	(94,012)	5	\$0	In-Unit Showerhead - Electric DHW	\$0	415.49	0.03	-	4,154,900	-	10	\$0	In-Unit Faucet Aerator - Electric DHW	\$0	53.05	0.01	-	530,500	-	9	\$0	In-Unit Showerhead 1.75 gpm - Gas DHW	\$0	-	-	20.61	-	2,061,000	10	\$0	In-Unit Faucet Aerator - Gas DHW	\$0	-	-	2.61	-	261,000	9	\$0	In-Unit Programmable Thermostat - Electric Heat	\$0	837.09	-	-	8,370,865	-	5	\$0	In-Unit Programmable Thermostat - Gas Heat	\$0	26.95	-	29.30	269,500	2,930,000	5	\$0
RES - Multifamily																																																																																																				
Measure	Incentive per Unit	Gross Annual kWh Savings	Gross kW Savings	Gross Annual Therm Savings	Annual BTU Electric Savings	Annual BTU Gas Savings	Effective Useful Life	Incremental Cost																																																																																												
In-Unit Integral CFL 43w to 14w - Post-EISA	\$0	27.41	0.003	(0.56)	274,100	(55,640)	5	\$0																																																																																												
In-Unit Integral CFL 53w to 19w - Post-EISA	\$0	32.14	0.003	(0.65)	321,400	(65,233)	5	\$0																																																																																												
In-Unit Integral CFL 72w to 23w - Post-EISA	\$0	46.32	0.005	(0.94)	463,200	(94,012)	5	\$0																																																																																												
In-Unit Showerhead - Electric DHW	\$0	415.49	0.03	-	4,154,900	-	10	\$0																																																																																												
In-Unit Faucet Aerator - Electric DHW	\$0	53.05	0.01	-	530,500	-	9	\$0																																																																																												
In-Unit Showerhead 1.75 gpm - Gas DHW	\$0	-	-	20.61	-	2,061,000	10	\$0																																																																																												
In-Unit Faucet Aerator - Gas DHW	\$0	-	-	2.61	-	261,000	9	\$0																																																																																												
In-Unit Programmable Thermostat - Electric Heat	\$0	837.09	-	-	8,370,865	-	5	\$0																																																																																												
In-Unit Programmable Thermostat - Gas Heat	\$0	26.95	-	29.30	269,500	2,930,000	5	\$0																																																																																												

## Program Targets

### Installations

Measure	2014 Installations	2015 Installations	2016 Installations	Total Installations
In-Unit Integral CFL 43w to 14w - Post-EISA	57,120	57,120	57,120	171,360
In-Unit Integral CFL 53w to 19w - Post-EISA	49,980	49,980	49,980	149,940
In-Unit Integral CFL 72w to 23w - Post-EISA	214	214	214	643
In-Unit Showerhead - Electric DHW	3,150	3,150	3,150	9,450
In-Unit Faucet Aerator - Electric DHW	5,880	5,880	5,880	17,640
In-Unit Showerhead 1.75 gpm - Gas DHW	3,780	3,780	3,780	11,340
In-Unit Faucet Aerator - Gas DHW	6,300	6,300	6,300	18,900
In-Unit Programmable Thermostat - Electric Heat	1,680	1,680	1,680	5,040
In-Unit Programmable Thermostat - Gas Heat	840	840	840	2,520

### Estimated Electric Budget

Category	2014	2015	2016	Total
Incentives	\$562,397	\$562,397	\$562,397	\$1,687,190
Admin	\$499,454	\$499,454	\$499,454	\$1,498,362
<b>Total</b>	<b>\$1,061,851</b>	<b>\$1,061,851</b>	<b>\$1,061,851</b>	<b>\$3,185,552</b>

### Estimated Gas Budget

Category	2014	2015	2016	Total
Incentives	\$98,700	\$98,700	\$98,700	\$296,100
Admin	\$214,052	\$214,052	\$214,052	\$642,155
<b>Total</b>	<b>\$312,752</b>	<b>\$312,752</b>	<b>\$312,752</b>	<b>\$938,255</b>

### MWh Savings

Category	2014	2015	2016	Total
Gross MWh	6,232	6,232	6,232	18,695
Net-to-Gross	1.00	1.00	1.00	1.00
Net MWh	6,232	6,232	6,232	18,695

### Therm Savings

Category	2014	2015	2016	Total
Gross Therms	118,961	118,961	118,961	356,882
Net-to-Gross	1.00	1.00	1.00	1.00
Net Therms	118,961	118,961	118,961	356,882

### Program Cost-Effectiveness

Program	TRC
RES-Multifamily	1.97

<b>PROGRAM</b>	<b>Residential School Kits</b>
<b>Program Description</b>	This program's objective is to distribute energy efficiency kits to customers with children in grades 5-8. The kits will be distributed to students after an educational presentation at selected schools in areas with a high proportion of electric and gas (combo) customers in the AIC service territory. The students' families will have to "opt in" to receive a kit.
<b>Delivery Strategy</b>	<p>Program Duration: June 2014 – May 2017</p> <p>The school kits will be delivered by a contractor. The contractor has already developed a curriculum for students in this age range and their existing Illinois staff will deliver the presentations and distribute the kits at the schools. Approximately 40-50 schools will be selected in the AIC service territory with a goal of 5,000 school kits distributed to students. A subcontractor will provide the kits directly to the contractor to ensure that products and packaging are consistent with those used in other programs. The school kits will be distributed in two phases, with approximately half during September and October and the other half during February and March.</p>
<b>Target Market</b>	The target market for the school kits is 5 <sup>th</sup> through 8 <sup>th</sup> grade students in relatively large schools where the AIC electric and gas service territories overlap. Targeting combo customers will ensure a very high percentage of measures installed in homes where AIC delivers both fuel sources. The targeting of multiple grades in large schools will allow the program to distribute a greater number of kits per school and keep administrative costs to a minimum.
<b>Marketing Strategy</b>	<p>The marketing collateral included in the kits, and the container itself, will serve as the primary marketing channel for this program. These materials will include several calls to action, such as: encouraging the participants to install the energy efficiency products provided, directing them to contact the program to learn more about AIC energy efficiency programs and provide household information, product installation verification, and request more information through a reply postcard.</p> <p>Program staff will respond to customer requests with a follow up phone call. In addition, if sufficient reply postcards are not received, the Customer Contact Center will perform limited outbound calling to program participants to retrieve the information requested. These outbound calls will also serve as a customer satisfaction survey.</p> <p>The key messaging will focus on the value proposition of saving energy through low-cost energy efficiency measures, using the products in the kit as an example. This message will lead into information about the opportunities available from other portfolio programs. The homeowner will be encouraged to learn more about the ActOnEnergy programs by visiting the program web site or by calling the program's toll-free number. The successful end result of the marketing plan will be having the homeowner</p>

	participate in one or more of the other portfolio programs.								
Eligible Measures	RES - School Kits								
	Measure	Incentive per Unit	Gross Annual kWh Savings	Gross kW Savings	Gross Annual Therm Savings	Annual BTU Electric Savings	Annual BTU Gas Savings	Effective Useful Life	Incremental Cost
	School Kits	\$0	85.48	0.011	11.37	854,780	1,136,520	7	\$0
Program Targets	Installations								
	Measure	2014 Installations	2015 Installations	2016 Installations	Total Installations				
	School Kits	5,000	5,000	5,000	15,000				
	Estimated Electric Budget								
	Category	2014	2015	2016	Total				
	Incentives	\$33,000	\$33,000	\$33,000	\$99,000				
	Admin	\$82,375	\$82,375	\$82,375	\$247,125				
	Total	\$115,375	\$115,375	\$115,375	\$346,125				
	Estimated Gas Budget								
	Category	2014	2015	2016	Total				
	Incentives	\$37,800	\$37,800	\$37,800	\$113,400				
	Admin	\$82,375	\$82,375	\$82,375	\$247,125				
	Total	\$120,175	\$120,175	\$120,175	\$360,525				
	Therm Savings								
	Category	2014	2015	2016	Total				
	Gross Therms	56,826	56,826	56,826	170,478				
	Net-to-Gross	0.85	0.85	0.85	0.85				
	Net Therms	48,298	48,298	48,298	144,895				
	MWh Savings								
	Category	2014	2015	2016	Total				
	Gross MWh	427	427	427	1,282				
	Net-to-Gross	0.86	0.86	0.86	0.86				
	Net MWh	366	366	366	1,097				
	Program Cost-Effectiveness								
	Program		TRC						
	RES-School Kits		1.41						

PROGRAM	Business Standard Incentive Program
<b>Program Description</b>	<p>The Business Standard Program will incentivize customers to purchase energy efficient products. Measures included within this program will have predetermined savings values consistent with the Illinois Statewide Technical Reference Manual and fixed incentive levels associated with them (although these incentive values may change as program budgets and performances alter throughout the year). Applications are filled out and delivered to AIC via contractors, customers, or through the ActOnEnergy website. Various measures may require a simple calculation to identify measure savings, but the measure level incentives will remain fixed regardless of individual project characteristics (air compressors, variable frequency drives (VFDs), etc.). Trade allies - including contractors, retailers, and distributors - will be the main sales force promoting the program and educating customers.</p> <p>Lighting represents significant energy savings potential in the commercial sector (nearly 40 percent for interior and exterior use according to the 2013 AIC DSM Potential Study). Considering both recent and future significant product improvements, lighting will continue to provide substantial energy savings for the program. Similarly, motor systems present nearly 75 percent of the realistic achievable electric savings in the industrial sector. Motor system improvements, including the proper application of variable frequency drives, represent a significant opportunity to achieve energy savings. Standard measures for HVAC, steam systems, and specialty applications (e.g. refrigeration, ventilation, food service and agriculture) will also provide a portfolio of energy savings measures across all non-residential building types.</p> <p>The program will run from June 2014 through May 2017.</p>



## Market Barriers

The key barrier in this market is return on investment (ROI). For example, lighting is not a high risk technology, so overcoming the ROI hurdles with the incentive is important to further implementation of most lighting measures. Many customers have internal ROI hurdles that are quite aggressive and sometimes believe a payback threshold of even one year to be inappropriate. Another program barrier is ensuring that enough vendors are properly educated to allow them to actively engage customers by explaining the myriad benefits of efficiency improvements beyond the message of “free money.”

Similarly, a key barrier to motor system improvements is the initial cost of VFDs. VFDs are not a high risk technology, so overcoming the initial cost hurdle with the incentive is important to further implementation. Another key barrier is the long lead-time associated with ordering VFDs. The amount of time can prove so long that customers sometimes decide not to pursue VFD projects.

Decision timing and the customer’s internal funding and approval processes are often barriers to project implementation. VFD projects can represent a significant capital investment for customers in a time of economic uncertainty. Smaller VFD projects may be funded out of maintenance or other budgets, but larger VFD projects often require capital approval. Navigating a formal internal project approval process, competing for capital, and the timing funding cycles represent barriers for many customers. Many customers also have very aggressive return on investment (ROI) hurdles that must be overcome as part of the approval process and/or funding cycle.

Beyond the economic and timing barriers, additional market barriers include the lack of awareness and time to investigate efficiency options.

## Changes

There are number of both known and unknown situations that are likely to cause the Business Standard Incentive Program to change and adapt to new situations over the course of the 2014 through 2017 timeframe. These include:

**Statewide TRM Impacts** – It is expected the TRM will be updated annually. As such, potential changes to individual measure savings, cost, use, lifetime and other key assumptions could affect the measure's ability to pass cost effectiveness tests. Therefore, the mix of measures that can be offered could change from year to year to reflect changes made to the TRM.

An example of a known change that will occur beginning January 1, 2016 is the TRM change from a T12 baseline to a T8 baseline for linear fluorescent measures. This switch will precipitate a change in savings and cost assumptions for multiple measures currently being offered through the Standard program. While the full extent of the changes is yet to be determined, it is expected that the cost effectiveness and savings of several measures will be altered such that certain measures may be eliminated altogether or have their incentive levels changed.

With the advent of NEMA Premium Motors as the new motor standard in December 2010, much of the attention has turned from motors toward drives, but more energy can be saved when considering the entire motor system. This would include items such as gears/belts/sheaves when direct drive systems are not used, as well as pumps (impeller trim/replacement) and piping concerns. Much of this could be incentivized through the Custom application, but only the most sophisticated customers have taken advantage of these types of measures to achieve energy savings. Over time some of these items could be offered to customers as a Standard offering or by pointing customers in the right direction for information that could be used to support a Custom application. Areas that could provide future energy savings potential include energy-efficient industrial pump and ventilation systems.

New interior and exterior lighting options continue to become more prevalent and more cost effective; LED, CFL, and linear fluorescent solutions continue to expand in the marketplace. Emerging technologies will continue to become more cost effective. Measures that have not become more widely available are currently incentivized under the Custom program. They represent opportunities to expand the list of lighting measures as these technologies mature and as representative energy savings, measure life, and cost data are obtained through custom implementation. ActOnEnergy will continue to evaluate these measures for movement to the Standard program, if appropriate. This is accomplished by gathering the necessary information for the TRM such as average cost and energy savings and then developing the appropriate measure for inclusion into the Standard program.

The Sec. 16-111.5B Small Business Direct Install Program (limited to DS-2 electric rate customers) was launched June 1, 2013. With the program in its early implementation phase, effects this delivery method will have on the overall program are unknown. However, individual program year implementation plans for PY7, 8 and 9, will need to consider its impacts based on available information when the plans are drafted.

	<p>Patterned after the ComEd Non-Residential Midstream Incentives Lighting Program, the AIC ActOnEnergy version will provide incentives to increase the market share of ENERGY STAR-qualified standard, specialty and high-wattage compact fluorescent lamps (CFL), as well as select low-wattage linear fluorescent lamps and other lighting products sold to business customers. A pilot kicked off in PY7 with plans to continue the offering in PY8 and PY9. The effort will be designed to provide an expedited, simple solution to business customers interested in purchasing efficient lighting by providing an instant discount at the point of sale. The effort will target distributors whose customer base is predominantly end users, as opposed to those mostly selling to contractors.</p>
<b>Delivery Strategy</b>	<p>A third party contractor will be responsible for program implementation and management. Primary responsibilities include final program design, measure lists, implementation plan development, and expanding the existing trade ally network of program partners. The main distribution channel will be the trade allies, which include contractors, distributors, vendors, and local economic development associations where applicable. In order for these allies to effectively promote and communicate the benefits of the program, proper training and marketing materials must be provided by the contractor.</p> <p>As customers submit applications for incentives, program staff will review the applications and pre-approve projects if they meet the necessary criteria developed by the contractor and Ameren Illinois. An individual project implementation timeline will be utilized to encourage prompt installation and maintain accurate tracking of program savings goals and relative budgets.</p> <p>For the motors marketing plan, AIC and its contractor will work with the motor dealer/distributor in program design. Not only are they potential marketing and educational allies, but they are key in influencing customer decisions.</p> <p>Educating the end user is the most effective way to increase sales and stocking habits of dealers and help ensure persistence. Components of the implementation plan include:</p> <ul style="list-style-type: none"> <li>• End User Rebates</li> <li>• Dealer Stocking Programs</li> <li>• Upstream Dealer Incentives</li> <li>• Educational/Evaluative Programs</li> <li>• Motor Bounty/Retrofit/Crusher Credit Incentives</li> </ul>
<b>Target Market</b>	<p>Nonresidential customers including commercial, industrial, and targeted institutional.</p>

## Marketing Strategy

Marketing efforts will focus on trade allies and program partners. Key pillars of the marketing strategy for the Business Standard Incentive Program include:

- **Education.** Contractor will play an important role in training and educating the trade ally sales staff. The contractor will assist trade allies in identification of measures qualifying for prescriptive incentives; the different application options, and how to effectively sell the program to customers.
- **Marketing Materials.** Materials will be provided to the customers to further enhance program awareness and increase market penetration.
- **Direct Mail.** This marketing vehicle will require a targeted approach, identifying potential efficient installs based on business operating characteristics and building types.
- **Associations.** A unique opportunity exists in various trade associations. Businesses rely on these organizations to represent that industry's best interests in lobbying, growth, and identification of business opportunities. AIC will coordinate with specific associations to highlight program offerings suitable for their respective industry.
- **Highlight successfully completed projects.** AIC will selectively choose projects to display the process and benefits of the Standard program. This type of marketing will spur the customer's competitors to improve building performance and increase business process efficiency. This marketing strategy also allows the selected customer promotional and marketing opportunities.
- **Market Segmentation.** To more effectively penetrate Ameren Illinois' markets, a targeted marketing approach can be used. Separating the program's marketing campaign to focus on specific customer types (hospitality/lodging, grocery/convenience store, etc.) will increase customer interest and drive installations.

Motor systems will require a special segmentation approach which will leverage Ameren Illinois' service representatives to work closely with customers to identify motor and motor system needs and inefficiencies. Field Representatives are also crucial to this kind of effort to regularly visit motor dealers for relationship building, training, and education purposes (MotorMaster, selling with a rebate, etc.), point-of-purchase (POP) replenishment, assistance with application processing and (when desired) ride-alongs to end users. These ride-alongs allow the representative to educate and seek other motor / VFD opportunities. Additionally, it helps train the dealer how to promote energy efficiency measures and life cycle costing concepts.

The marketing strategy for program years 2-3 has the following elements:

- Use the program to uncover all the various energy saving opportunities available at C&I locations. This includes not only motors and drives, but lighting, HVAC, steam, pumping, and compressed air.
- As AIC develops its portfolio of measures, it might find solar, wind, CHP, DG and load shedding opportunities are worth pursuing based upon what the motor program uncovers during generalized energy profile audits.
- Work with U.S. DOE on heavy industry sectors.
- Develop sustainability and persistence within the C&I sector through best practices and behavior changes in purchasing and specification.

## Eligible Measures

### BUS - Standard

Measure	Standard Incentive per Unit	DS-2 Incentive per Unit	Gross Annual kWh Savings	Gross kW Savings	Gross Annual Therm Savings	Annual BTU Electric Savings	Annual BTU Gas Savings	Effective Useful Life
AC/Heat Pumps	\$243	\$317	6,609	6.32	0	66,092,707	0	
Category	\$22	\$29	359	0.27	0	3,586,200	0	
Commercial Refrig	\$142	\$185	1,798	0.28	0	17,977,280	0	
Cooking Equipmen	\$384	\$499	5,961	1.29	223	59,609,440	22,330,881	
Heating	\$509	\$661	0	0.00	265	0	26,467,711	
Indoor Lighting	\$11	\$14	354	0.11	-6	3,539,478	-613,283	
Misc	\$64	\$84	1,207	0.34	0	12,074,220	0	
Misc Lighting	\$19	\$25	443	0.07	-9	4,426,973	-862,050	
Motors	\$1,105	\$1,437	11,491	1.12	0	114,910,000	0	
Outdoor Lighting	\$41	\$53	501	0.00	0	5,010,000	0	
Water Heaters	\$240	\$312	2,586	0.29	334	25,861,640	33,386,740	

### Standard Installations

Measure	2014 Installations	2015 Installations	2016 Installations	Total Installations
AC/Heat Pumps	570	570	570	1,710
Category	0	0	0	0
Commercial Refrigeration	1,143	1,134	1,126	3,403
Cooking Equipment	0	0	0	0
Heating	1,070	1,070	1,070	3,210
Indoor Lighting	56,888	69,153	79,577	205,618
Misc	117	116	115	348
Misc Lighting	4,463	4,894	6,451	15,808
Motors	1,360	1,355	1,350	4,065
Outdoor Lighting	993	1,220	1,525	3,738
Water Heaters	12	12	12	36

### DS-2 Installations

Measure	2014 Installations	2015 Installations	2016 Installations	Total Installations
AC/Heat Pumps	754	754	754	2,262
Category	1	1	1	3
Commercial Refrigeration	1,506	1,506	1,506	4,518
Cooking Equipment	0	0	0	0
Heating	1,406	1,406	1,406	4,218
Indoor Lighting	81,621	97,740	111,423	290,784
Misc	169	169	169	507
Misc Lighting	5,871	6,437	8,485	20,793
Motors	160	160	160	480
Outdoor Lighting	1,305	1,605	2,006	4,916
Water Heaters	19	19	19	57

## Program Targets

### Estimated Electric Budget

Category	2014	2015	2016	Total
Incentives	\$5,643,777	\$6,177,967	\$6,741,081	\$18,562,825
Admin	\$4,861,144	\$5,096,433	\$4,920,829	\$14,878,406
<b>Total</b>	<b>\$10,504,921</b>	<b>\$11,274,400</b>	<b>\$11,661,911</b>	<b>\$33,441,231</b>

### Estimated Gas Budget

Category	2014	2015	2016	Total
Incentives	\$783,420	\$783,420	\$783,420	\$2,350,259
Admin	\$1,865,075	\$1,858,866	\$1,852,677	\$5,576,618
<b>Total</b>	<b>\$2,648,495</b>	<b>\$2,642,285</b>	<b>\$2,636,097</b>	<b>\$7,926,877</b>

### MWh Savings

Category	2014	2015	2016	Total
Gross MWh	90,493	99,067	108,987	298,547
Net-to-Gross	0.66	0.66	0.66	0.66
Net MWh	60,073	65,400	71,567	197,040

### Therm Savings

Category	2014	2015	2016	Total
Gross Therms	959,197	959,197	959,197	2,877,590
Net-to-Gross	0.99	0.99	0.99	0.99
Net Therms	950,625	950,625	950,625	2,851,876

### Program Cost-Effectiveness

Program	TRC
BUS-Standard	3.26

PROGRAM	Business Custom Incentive Program
<b>Program Description</b>	<p>The Custom Incentive Program applies to products in compressed air, lighting, HVAC, refrigeration, motors/drives, and process upgrades that do not fall into the Standard Incentive program. New construction and building renovation projects also qualify under the Custom Incentive program. These projects normally are complex and unique, requiring separate incentive applications and calculations of estimated energy savings. Incubator offerings like the Staffing Grant, Commercial Large Incentive Program (CLIP), Metering &amp; Monitoring and the Feasibility Study are also being offered which can be used by customers to overcome barriers to Custom Incentive participation.</p> <p>The program will run from June 2014 through May 2017.</p>
<b>Barriers</b>	<p>Barriers to implementation of this program include capital improvement project approval, program awareness, technical/economic expertise and the incentive application process. The customers' internal funding and approval process is often a barrier to project implementation. Large custom projects represent a significant capital investment for customers in a time of economic uncertainty while smaller Custom projects may be funded out of maintenance or other budgets. A formal internal project approval process and annual funding cycles represent barriers for many customers. Many customers also have very aggressive return on investment (ROI) hurdles that must be met as part of the approval process and/or funding cycle. Historically low electric and natural gas prices have also provided an obstacle to meeting ROI requirements. Technical expertise may also have been lacking, adding another barrier in providing Custom Incentive savings estimates. Program awareness represents another barrier to implementation. Some customers may not be aware of the ActOnEnergy program, may not know whether their facility is eligible to participate, and may not realize that their project is eligible.</p>

## Changes

While no major changes are envisioned for the Custom Incentive program, current new offerings such as the Metering & Monitoring, Competitive Large Incentive Program (CLIP), Staffing Grant, and the Feasibility Study will provide additional technical support to customers considering Custom projects.

The Custom Incentive program also undergoes changes as measures become available under the Standard Incentive program. A review of past Custom projects shows lighting dropping from 80% of project applications in PY1 to just 19% in PY5. Other Custom measure areas that have also changed to Standard include VFDs and many refrigeration measures. Due to this migration, the types of measures have narrowed, with compressed air and industrial process projects now accounting for a quarter of all electric projects and half of all electric savings. This natural progression will also cause the marketing strategy to shift from its historic focus on customer types (hospitality/lodging, grocery/convenience store, etc.) to market segment-specific technologies (compressed air, process improvements and controls). Historically, custom gas projects have been primarily related to HVAC and process improvements, providing over 85% of the projects and 95% of the savings.



<b>Delivery Strategy</b>	<p>The Custom Incentive program will be implemented by the implementation contractor. The implementation contractor will be responsible for engineering review and QA/QC. The implementation and installation of efficiency measures is the responsibility of the customer. The customer will submit an application outlining their potential efficiency upgrades. The implementation contractor will perform a thorough desk review of project cost and estimated energy savings to pre-approve the installation. Qualifying potential projects follow a common screening criteria process flow:</p> <ul style="list-style-type: none"> <li>• <b>Facility eligibility</b> – Does the facility have the necessary requirements to be included in the program (appropriate rate class, located in Ameren Illinois' service territory, equipment must be new and installed at a non-residential location)?</li> <li>• <b>Project eligibility</b> – The customer must be installing new, premium efficient equipment or incorporating energy efficient designs, and AIC must approve any product purchase or installation before the customer can receive an incentive.</li> <li>• <b>Application submittal</b> – The customer will submit the project application to AIC for analytic review and pre-installation approval.</li> <li>• <b>Customer implements project</b> – The customer has the primary responsibility to install the pre-approved measures and improvements.</li> <li>• <b>Post-installation documents</b> – The customer will provide data including invoices, receipts, and any engineering analysis (if the project was altered from original application). Metering for projects over 2 million kWh may be required for evaluation purposes.</li> </ul> <p>For projects exceeding a specified cost or energy savings threshold, on-site visits will be required to verify energy savings estimates, baseline data, and proper measure installation. AIC approval will be required for any incentive application exceeding a preset limit defined by AIC and the implementation contractor.</p>
<b>Target Market</b>	<p>Nonresidential customers including commercial, industrial, and targeted institutional.</p>

<b>Marketing Strategy</b>	<p>Communication and education will continue to be essential components in this program's marketing strategy. Primary marketing strategies will include:</p> <ul style="list-style-type: none"> <li>• <b>Highlight successfully completed projects.</b> AIC will selectively choose projects to display the process and benefits of the Custom Incentive program through case studies and other relevant channels. This type of marketing will spur the customer's competitors to improve building performance and increase business process efficiency.</li> <li>• <b>Trade Allies.</b> AIC will continue to utilize the growing trade ally network as salespersons for the program. Proper training must be given to these program partners to ensure that any business development activities are conducted to achieve program goals.</li> <li>• <b>Market Segmentation.</b> To more effectively penetrate Ameren Illinois' markets, a targeted marketing approach can be used. Separating the program's marketing campaign to focus on market segment-specific technologies (compressed air, process improvements) through the use of case studies and webinars will increase customer interest and drive future installations.</li> </ul>
<b>Eligible Measures</b>	<p>Financial incentives will be provided to offset the higher costs associated with installation of new, higher efficient equipment, building system, or process upgrades. Cost-effective measures falling outside of the scope of standard lighting, refrigeration, HVAC, and motors programs will be included in the Custom Incentive Program. Incentive levels will be calculated based off of energy savings estimates for each project. Incentives will be subject to modification to balance the program's financial requirements and savings targets.</p> <p>Project funding will be capped at a predetermined amount per project, per program year, per facility. Incentive levels will vary between different technologies and fuel types as needed to adhere to budgetary limits and achieve energy savings goals. Alternatively, for large projects yielding large kWh savings, a competitive project incentive will be offered. This program area will have no payback criteria and will have a predetermined incentive cap (not to exceed 50% of project cost). The application process will mimic the process flow listed above, with the major difference being the incentive amount and payback criteria.</p>

## Program Targets

### Estimated Electric Budget

Category	2014	2015	2016	Total
Incentives	\$4,996,335	\$4,979,681	\$4,963,083	\$14,939,099
Admin	\$2,141,069	\$2,133,956	\$2,126,865	\$6,401,890
<b>Total</b>	<b>\$7,137,404</b>	<b>\$7,113,637</b>	<b>\$7,089,948</b>	<b>\$21,340,989</b>

### Estimated Gas Budget

Category	2014	2015	2016	Total
Incentives	\$1,402,070	\$1,397,396	\$1,392,739	\$4,192,205
Admin	\$600,922	\$598,926	\$596,936	\$1,796,783
<b>Total</b>	<b>\$2,002,992</b>	<b>\$1,996,322</b>	<b>\$1,989,674</b>	<b>\$5,988,989</b>

### MWh Savings

Category	2014	2015	2016	Total
Gross MWh	67,509	67,280	67,051	201,840
Net-to-Gross	0.76	0.76	0.76	0.76
Net MWh	51,307	51,133	50,959	153,399

### Therm Savings

Category	2014	2015	2016	Total
Gross Therms	1,073,807	1,070,156	1,066,518	3,210,481
Net-to-Gross	0.83	0.83	0.83	0.83
Net Therms	891,260	888,230	885,210	2,664,699

### Program Cost-Effectiveness

Program	TRC
BUS-Custom	4.45

<b>PROGRAM</b>	<b>Business Retro-Commissioning Program</b>
<b>Program Description</b>	AIC will continue to leverage the existing infrastructure of qualified contractors and marketing partners that has delivered measurable energy savings in the 2011-2014 implementation period. The primary goal of the program is the identification and implementation of no cost/low cost (zero- to one-year payback) energy efficiency measures which will optimize the operation of existing systems for compressed air systems, healthcare facilities, commercial building facilities, and industrial ventilation systems. The Retro-commissioning Implementation Plan developed for each project will provide a roadmap of capital projects (one- to ten-year payback) which may be implemented under the Custom Program in the future.
<b>Barriers</b>	Barriers to the implementation of this program include the realization that the compressed air retro-commissioning offering in particular has currently penetrated approximately half of the potential market for these types of projects. Based on these results, the concern going forward is that penetration may decline due to market saturation. A proposed increase and simplification of the implementation incentive is designed to combat this barrier, as well as aggressive marketing, customer and Trade Ally outreach efforts. The resources available from the existing Department of Energy Better Plants Program will also be used to create additional motivation for program participation.
<b>Changes</b>	The PY6 Implementation Plan includes a commitment to expand the retro-commissioning offerings through an industrial ventilation pilot program. If the pilot is successful, this may provide an opportunity to fully launch this program offering in June 2014.

<b>Delivery Strategy</b>	<p>The Program will be implemented by a third party contractor. The contractor will manage the implementation of the program, rebate fulfillment, oversee the survey and implementation of efficiency measures, and provide engineering review for each project. The project qualification process will be guided by the following methodology.</p> <p>Interested customers and their retro-commissioning service provider (RSP) will submit incentive application proposals to the implementation contractor for review. After engineering analysis and verification of estimated savings has been completed, the retro-commissioning service provider will conduct a comprehensive survey, including data collection supporting the existing energy use profile of the appropriate building systems, and will produce an Implementation Plan Report. This report will identify the no cost/low cost (zero- to one-year payback) measures which must be implemented to qualify for the retro commissioning incentives, as well as identify capital improvements (one- to ten-year payback) which may qualify for incentives under the Custom Program in the future. Following the building survey, efficient upgrades will be recommended by the retro-commissioning service provider and implemented by the customer. The customer may utilize their own resources, hire a local contractor, or enlist the services of the retro-commissioning service provider to complete the implementation phase. After the implementation stage, an ex-post verification will be done by the retro-commissioning service provider to ensure proper installation and adherence to stipulated implementation guidelines. A portion of all retro-commissioning projects will also receive a post implementation inspection by the implementation contractor. Once the project is completed and approved by the contractor, an incentive check will be delivered to the customer.</p> <p>The program will run from June 2014 through May 2017.</p>
<b>Target Market</b>	<p>Nonresidential customers including commercial, industrial, and targeted institutional. The compressed air offering is targeted to industrial customers with systems larger than 200 hp. The industrial refrigeration offering is targeted to industrial customers with systems larger than 500 hp. In both cases, food processing facilities are expected to make up the majority of the participants. The commercial building offering is targeted to commercial office space, private college/universities, and big box retail for facilities larger than 100,000 square feet. The healthcare offering is targeted to private hospitals, medical office buildings, and diagnostic facilities larger than 100,000 square feet.</p>

<b>Marketing Strategy</b>	<p>AIC and its implementation contractors will continue to follow a multi-faceted approach for marketing the Business Retro-commissioning Program. Main marketing strategies include:</p> <ul style="list-style-type: none"> <li>• <b>Trade Ally Marketing</b> – Provide the contractors (retro-commissioning service providers) conducting surveys and implementing measures with necessary marketing materials, education, and awareness training, allowing them to effectively and accurately promote the program to customers. This strategy has historically proven to be the most successful marketing strategy.</li> <li>• <b>Customer Marketing</b> – With assistance from the Key Account Executive department, the Business Retro-commissioning program will target nonresidential customers who will benefit from building systems upgrades.</li> <li>• <b>Web Marketing</b> – Leverage the existing ActOnEnergy website to educate consumers on how the program works, as well as listing qualified trade allies to complete the work.</li> <li>• <b>Print Ads</b> – Strategically place advertisements for the program in industry publications, local newspapers, press releases, and other periodicals that will reach a large audience of potential customers.</li> <li>• <b>Highlight successfully completed projects</b> – AIC will selectively choose projects to highlight the process and benefits of the Business Retro-commissioning Program. This type of marketing will spur the customer's competitors to improve building performance and increase business process efficiency. This marketing strategy also allows the selected customer and retro-commissioning service provider promotional and marketing opportunities.</li> </ul>
<b>Eligible Measures</b>	<p>An incentive will be given to the customer to buy-down the cost of the survey/benchmarking exercise. Incentives will cover a predetermined portion of the survey cost, depending on cost-effectiveness and savings potential per project.</p> <p>The following deemed savings estimates, effective useful lives, and incremental costs reflect common measures found in retro-commissioning projects. The incentive levels are estimated and will be verified by the contractor prior to program launch and are subject to change based on implementer experience and expertise.</p>

## Program Targets

### Estimated Electric Budget

Category	2014	2015	2016	Total
Incentives	\$1,317,427	\$1,313,036	\$1,308,660	\$3,939,123
Admin	\$564,649	\$562,773	\$560,903	\$1,688,326
<b>Total</b>	<b>\$1,882,077</b>	<b>\$1,875,810</b>	<b>\$1,869,563</b>	<b>\$5,627,450</b>

### Estimated Gas Budget

Category	2014	2015	2016	Total
Incentives	\$89,496	\$89,198	\$88,901	\$267,595
Admin	\$38,358	\$38,231	\$38,104	\$114,692
<b>Total</b>	<b>\$127,854</b>	<b>\$127,428</b>	<b>\$127,004</b>	<b>\$382,287</b>

### MWh Savings

Category	2014	2015	2016	Total
Gross MWh	17,973	17,912	17,851	53,737
Net-to-Gross	0.95	0.95	0.95	0.95
Net MWh	17,075	17,017	16,959	51,050

### Therm Savings

Category	2014	2015	2016	Total
Gross Therms	140,717	140,239	139,762	420,718
Net-to-Gross	0.95	0.95	0.95	0.95
Net Therms	133,681	133,227	132,774	399,682

### Program Cost-Effectiveness

Program	TRC
BUS-RCx	2.06

## Sec. 16-111.5B (IPA) Program Descriptions

<b>Program</b>	<b>Residential Lighting Program</b>
<b>Program Description</b>	The Residential Lighting Program will be implemented at retail through the use of instant-markdown incentives on lighting product. The program implementer will be responsible for negotiating the terms and conditions of all Memorandums of Understanding (MOUs) with retailer and manufacturer partners, managing the day-to-day operations of the program including field support, customer inquiries, invoicing, and all other administrative tasks related to the successful management of the program. The program implementer will work closely with a subcontractor who will be responsible for all rebate processing and incentive invoicing.
<b>Delivery Strategy</b>	<p>Program Duration: June 2015 – May 2017</p> <p>As the existing contactors for Ameren Illinois, the program implementer has the ability to streamline the launch of the PY8 program as soon as the existing PY7 program ends. All existing retailer and manufacturer agreements can be extended into the next program year, allowing any changes or additions to the program to be implemented more quickly through the use of Addendums and Notifications to our existing MOUs. Program implementer will work to foster new retailer and manufacturer partnerships for lighting to broaden the scope of the program and help meet the ever changing needs of AIC's customer base. Program implementer field representatives will continue to service their assigned retail locations and, any new locations that enrolled in the program, to ensure retailers and manufacturers are adhering to the terms and conditions of the program (product pricing), place sponsor affirmation point-of-purchase (POP) material on incentivized products, and train and educate store associates, store managers, and AIC customers as to the features and benefits of using energy efficient lighting products through formal training sessions and in-store promotional events.</p>
<b>Target Market</b>	The Residential Lighting Program will be marketed to residential customers in AIC's service territory looking to improve the efficiency of their existing lighting.
<b>Marketing Strategy</b>	<p>Program marketing will be done primarily at retail through the use of POP materials and in-store promotional events. Examples of POP materials include but are not limited to:</p> <ul style="list-style-type: none"> <li>• Special Pricing Labels</li> <li>• Vertical Beam Signs (aisle violators)</li> <li>• Horizontal Beam Signs</li> <li>• Large Special Pricing Signs</li> <li>• Hang Tags</li> <li>• Rebate Forms</li> <li>• Tip Cards</li> <li>• Tear Pads</li> </ul> <p>Whenever possible, the program implementer will work with AIC to develop additional marketing materials to be distributed to AIC customers through targeted mailings, bill stuffers, and community outreach events. Marketing materials will include messaging about the benefits of using energy efficient products, cross-promote other AIC energy efficiency initiatives as applicable, and emphasize that AIC is sponsoring the incentives.</p>



<b>Eligible Measures</b>	Below is a list of measures that is proposed for the program.				
	<b>Measure</b>	<b>Incentive Per Unit</b>	<b>Gross Annual kWh Savings</b>	<b>Gross kW Savings</b>	<b>Effective Useful Life</b>
	ENERGY STAR Standard CFLs	\$1.25	32.92	0.0022	5.2
	ENERGY STAR Standard LEDs	\$5.00	32.16	0.002	10
	ENERGY STAR Specialty LEDs	\$7.00	50.85	0.0032	10
	Occupancy Sensors	\$7.00	35.70	0.0003	10
<b>Program Targets</b>	Below are the program implementer's estimated unit sales for PY8 and PY9 for each proposed measure.				
	<b>Measure</b>	<b>PY8 Sales</b>		<b>PY9 Sales</b>	
	ENERGY STAR Standard CFLs	3,698,681		3,698,681	
	ENERGY STAR Standard LEDs	500,000		750,000	
	ENERGY STAR Specialty LEDs	150,000		225,000	

<b>PROGRAM</b>	<b>Multifamily Major Measures Program</b>
<b>Program Description</b>	The Multifamily Major Measures Program consists of two distinct segments: Shell Measures (SM) and Common Area Lighting (CAL). The SM segment will target rental properties and complexes that use A/C electric as the primary heating source, and will focus on shell measure retrofits of existing multifamily buildings, using local insulation contractors to carry out the project. These shell improvements include air sealing and insulation upgrade for buildings with an R-19 or less to current state code of R-49. The CAL segment consists of upgrades and/or swap-outs of inefficient lighting systems with new, more efficient lighting in shared or common areas of multifamily buildings.
<b>Delivery Strategy</b>	<p>Program Duration: June 1, 2015 through May 31, 2017</p> <p>The program will be marketed and implemented leveraging the existing ActOnEnergy® portfolio of property owner and management company contacts as well as the existing program ally network of insulation and air-sealing contractors. The Multifamily Major Measures Program will provide cost effective energy efficiency offerings to multifamily buildings of three units or more whose primary heat source is electricity. These offerings will target two distinct areas of improvement within the multifamily environment: retrofit projects that include air sealing and insulation; and common area lighting upgrade opportunities.</p>
<b>Target Market</b>	The target market is multi-unit rental properties, low- and mid-rise buildings that are composed of three or more units. In particular, eligible properties that have electric space heat and greater than average electric consumption for these properties have the greatest potential for energy-savings and propensity to participate in the program.
<b>Marketing Strategy</b>	<p>Regional managers, assigned to a geographic area, will identify the property's decision-maker by telephoning and/or visiting the targeted property. The regional manager will schedule a meeting with the individual(s) to review the program's benefits and features, estimate the property's potential energy-savings and choose the upgrades and improvements that will help save the property the most money and energy. Program overview and sales collateral and web content will be developed to promote the program.</p> <p>Additional marketing tactics may include:</p> <ul style="list-style-type: none"> <li>• Targeted direct mail and email campaigns</li> <li>• Presentations at industry conferences, property owner associations and management and company meetings</li> <li>• Case studies and testimonials</li> </ul>

## Eligible Measures

Multifamily								
Proposed Measure	Incremental Cost per Unit	Incentive per Unit	Direct Delivery of Free Measures	Gross Annual kWh Savings per Measure	Gross kW Demand Savings per Measure	Total Annual Gross kWh Savings	Total kW Demand Savings	Estimated Useful Life (years)
CFL Fixture, pin-based, interior	\$32.00	\$0.00	\$30.00	150,727	0.03810	17,334	4.38	5
CFL Fixture, pin-based, exterior	\$32.00	\$0.00	\$30.00	78,011	0.00019	7,489	0.02	5
25W HP T8 Lamp	\$20.00	\$0.00	\$20.00	55,811	0.00824	9,655	1.43	15
25W HP T8 Fixture (per lamp)	\$50.00	\$0.00	\$70.00	155,474	0.04592	26,897	7.94	15
Occupancy Sensor	\$42.00	\$0.00	\$50.00	171,663	0.05652	4,978	1.64	8
LED Exit Sign	\$30.00	\$0.00	\$30.00	154,337	0.03531	11,884	2.72	16
Air Sealing - Electric Heat	\$2,775.00	\$2,775.00	\$0.00	16,599,703	2.25594	29,879,466	4,060.69	15
Ceiling Insulation (R-11 to R-49) - Electric Heat	\$2,800.00	\$2,800.00	\$0.00	5,497,340	0.25190	7,916,170	362.74	25
Ceiling Insulation (R-19 to R-49) - Electric Heat	\$2,800.00	\$2,800.00	\$0.00	2,602,900	0.11450	937,044	41.22	25

## Program Targets

Measure	PY8 Installations	PY9 Installations	Total Installations
CFL Fixture, pin-based, interior	115	115	230
CFL Fixture, pin-based, exterior	96	96	192
25W HP T8 Lamp	173	173	346
25W HP T8 Fixture (per lamp)	173	173	346
Occupancy Sensor	29	29	58
LED Exit Sign	77	77	154
Air Sealing - Electric Heat	1800	1800	3,600
Ceiling Insulation (R-11 to R-49) - Electric Heat	1440	1440	2,880
Ceiling Insulation (R-19 to R-49) - Electric Heat	360	360	720

Estimated Electric Budget			
Category	PY8	PY9	Total
Incentives	\$10,035,000	\$10,035,000	\$20,070,000
Admin	\$4,360,089	\$4,360,089	\$8,720,178
<b>Total</b>	<b>\$14,395,089</b>	<b>\$14,395,089</b>	<b>\$28,790,178</b>

MWh Savings			
Category	PY8	PY9	Total
Gross MWh	38,811	38,811	77,622
Net-to-Gross	0.94	0.94	0.94
Net MWh	36,453	36,453	72,906

Program Cost-Effectiveness	
Program	TRC
Multifamily Major Measures	1.52

PROGRAM	Residential Moderate Income Kit																																																														
Program Description	The AIC Moderate Income Customer Kit Program (MICK) brings an innovative program delivery model to AIC and Illinois to serve moderate income customers with a cost effective 'entry level' program of education and low cost efficiency measures in a self-directed program format. With an estimated population of 200,000 customers in this 'at-risk' category, the MICK program will deliver cost effective savings while also channeling customers in this vulnerable and HTR segment toward additional deeper energy saving opportunities, including the Warm Neighbors Cool Friends Program. This program does not compete with other Moderate Income program options, and in fact will serve as an outreach channel and recruiting tool for the WNCF program as well as other AIC programs.																																																														
Delivery Strategy	Program Duration: June 2015 to May 2017 The AIC Moderate Income Customer Kit Program will serve moderate income customers with a cost effective 'entry level' program of education and low cost efficiency measures in a self-directed program format. This opt-in program will invite customers to enroll to receive a free kit of measures which will be installed by them in their home. Included educational materials will promote both measure retrofits and new energy-savings behaviors, while also encouraging additional energy and bill savings actions. These additional opportunities will include any programs which AIC would like to emphasize, such as the Warm Neighbors Cool Friends program, Direct Install or standard rebate programs. Special offers can also be made available to program participants.																																																														
Target Market	The AIC Moderate Income Customer Kit Program targets homeowners with a household income between 200% and 300% of the poverty level for the household size.																																																														
Marketing Strategy	Program Marketing will introduce the program to customers who have been prescreened for income eligibility using Census and utility data (if available). There are several outreach channels which can be utilized, including targeted utility bill inserts and direct mail (opt-in), to neighborhood-specific distribution, program outreach by CBOs and CAAs, and utility events. All participation will be tracked in order to allow mid program assessment and adjustments, even if multiple channels are used simultaneously.																																																														
Eligible Measures	<table><tr><th>Measure</th><th>Incentive per Unit</th><th>Gross Annual kWh Savings</th><th>Gross KW Savings</th><th>Gross Annual Therm Savings</th><th>Annual BTU Electric Savings</th><th>Annual BTU Gas Savings</th><th>Effective Useful Life</th><th>Incremental Cost</th></tr><tr><td>Spoiler Fixed Showerhead, 3 Function, 1.5 GPM (5.7 LPM), Chrome</td><td>3.78</td><td>187.3</td><td>0.02</td><td>8.3</td><td>639094.1</td><td>829801.9</td><td>10</td><td>3.78</td></tr><tr><td>Kitchen or Bathroom Faucet Aerator, Bubble Spray, 1.5 GPM (3.8 LPM) Chrome Plated Brass Body, Dual Thread</td><td>1.98</td><td>53.8</td><td>0.02</td><td>2.4</td><td>183573.2</td><td>239942.7</td><td>9</td><td>1.98</td></tr><tr><td>Kitchen Faucet Aerator, Dual Spray, Swivel, 1.5 GPM</td><td>1.98</td><td>53.8</td><td>0.02</td><td>2.4</td><td>183573.2</td><td>239942.7</td><td>9</td><td>1.98</td></tr><tr><td>13 watt CFL, 12,000 hour, 900 lumens, Energy Star (2 per kit)</td><td>3.24</td><td>50.78</td><td>0.003</td><td>-1</td><td>173268.8</td><td>-99976.1</td><td>5</td><td>3.24</td></tr><tr><td>23 watt CFL, 12,000 hour, 900 lumens, Energy Star (2 per kit)</td><td>4.44</td><td>82.4</td><td>0.006</td><td>-1.06</td><td>281160.9</td><td>-105975</td><td>5</td><td>4.44</td></tr></table>									Measure	Incentive per Unit	Gross Annual kWh Savings	Gross KW Savings	Gross Annual Therm Savings	Annual BTU Electric Savings	Annual BTU Gas Savings	Effective Useful Life	Incremental Cost	Spoiler Fixed Showerhead, 3 Function, 1.5 GPM (5.7 LPM), Chrome	3.78	187.3	0.02	8.3	639094.1	829801.9	10	3.78	Kitchen or Bathroom Faucet Aerator, Bubble Spray, 1.5 GPM (3.8 LPM) Chrome Plated Brass Body, Dual Thread	1.98	53.8	0.02	2.4	183573.2	239942.7	9	1.98	Kitchen Faucet Aerator, Dual Spray, Swivel, 1.5 GPM	1.98	53.8	0.02	2.4	183573.2	239942.7	9	1.98	13 watt CFL, 12,000 hour, 900 lumens, Energy Star (2 per kit)	3.24	50.78	0.003	-1	173268.8	-99976.1	5	3.24	23 watt CFL, 12,000 hour, 900 lumens, Energy Star (2 per kit)	4.44	82.4	0.006	-1.06	281160.9	-105975	5	4.44
Measure	Incentive per Unit	Gross Annual kWh Savings	Gross KW Savings	Gross Annual Therm Savings	Annual BTU Electric Savings	Annual BTU Gas Savings	Effective Useful Life	Incremental Cost																																																							
Spoiler Fixed Showerhead, 3 Function, 1.5 GPM (5.7 LPM), Chrome	3.78	187.3	0.02	8.3	639094.1	829801.9	10	3.78																																																							
Kitchen or Bathroom Faucet Aerator, Bubble Spray, 1.5 GPM (3.8 LPM) Chrome Plated Brass Body, Dual Thread	1.98	53.8	0.02	2.4	183573.2	239942.7	9	1.98																																																							
Kitchen Faucet Aerator, Dual Spray, Swivel, 1.5 GPM	1.98	53.8	0.02	2.4	183573.2	239942.7	9	1.98																																																							
13 watt CFL, 12,000 hour, 900 lumens, Energy Star (2 per kit)	3.24	50.78	0.003	-1	173268.8	-99976.1	5	3.24																																																							
23 watt CFL, 12,000 hour, 900 lumens, Energy Star (2 per kit)	4.44	82.4	0.006	-1.06	281160.9	-105975	5	4.44																																																							

## Program Targets

### Estimated Electric Budget

Category	2014	2015	2016	Total
Spoiler Fixed Showerhead, 3 Function, 1.5 GPM (5.7 LPM), Chrome		\$ 7,560.00	\$ 7,560.00	\$ 15,120.00
Kitchen or Bathroom Faucet Aerator, Bubble Spray, 1.5 GPM (3.8 LPM) Chrome Plated Brass Body, Dual Thread		\$ 3,960.00	\$ 3,960.00	\$ 7,920.00
Kitchen Faucet Aerator, Dual Spray, Swivel, 1.5 GPM		\$ 3,960.00	\$ 3,960.00	\$ 7,920.00
13 watt CFL, 12,000 hour, 900 lumens, Energy Star (2 per kit)		\$ 32,400.00	\$ 32,400.00	\$ 64,800.00
23 watt CFL, 12,000 hour, 900 lumens, Energy Star (2 per kit)		\$ 44,400.00	\$ 44,400.00	\$ 88,800.00
Administration		\$ 404,734.29	\$ 404,734.29	\$ 809,468.57

### Estimated Gas Budget

Category	2014	2015	2016	Total
Spoiler Fixed Showerhead, 3 Function, 1.5 GPM (5.7 LPM), Chrome		\$ 30,240.00	\$ 30,240.00	\$ 60,480.00
Kitchen or Bathroom Faucet Aerator, Bubble Spray, 1.5 GPM (3.8 LPM) Chrome Plated Brass Body, Dual Thread		\$ 15,840.00	\$ 15,840.00	\$ 31,680.00
Kitchen Faucet Aerator, Dual Spray, Swivel, 1.5 GPM		\$ 15,840.00	\$ 15,840.00	\$ 31,680.00
Administration		\$ 211,165.71	\$ 211,165.71	\$ 422,331.43

### MWh Savings

Category	2014	2015	2016	Total
Spoiler Fixed Showerhead, 3 Function, 1.5 GPM (5.7 LPM), Chrome		374.6	374.6	749.2
Kitchen or Bathroom Faucet Aerator, Bubble Spray, 1.5 GPM (3.8 LPM) Chrome Plated Brass Body, Dual Thread		107.6	107.6	215.2
Kitchen Faucet Aerator, Dual Spray, Swivel, 1.5 GPM		107.6	107.6	215.2
13 watt CFL, 12,000 hour, 900 lumens, Energy Star (2 per kit)		507.8	507.8	1015.6
23 watt CFL, 12,000 hour, 900 lumens, Energy Star (2 per kit)		824	824	1648
				<b>3843.2</b>

PROGRAM	Energy Efficiency Kits
Program Description	<p>The program will identify owner-occupied homes in rural areas that are unlikely to have adopted energy efficient measures and have not yet participated in other ActOnEnergy® programs. Homeowners will receive a free kit of low-cost energy efficiency products, educational materials and Do-It-Yourself installation instructions.</p>
Delivery Strategy	<p>Program Duration: June 1, 2015 through May 31, 2017</p> <p>The success of the Energy Efficiency Kits program will be dependent on accurate data mining and customer identification. Kits will be mailed to selected eligible customers in hard to reach areas. Customers will be targeted via a billing analysis and selected customers will receive kits of low-cost energy efficiency measures to affect electric savings.</p>
Target Market	<p>The target market is owner-occupied homes in rural areas that have electric space heat and greater than average electric consumption history. In most cases, these homes also use electricity for water heating (DHW) and will see energy savings from the DHW products included in the kit.</p>
Marketing Strategy	<p>The program implementer will create program, educational and installation collateral to promote the program.</p> <p>Anticipated marketing tactics will include:</p> <ul style="list-style-type: none"> <li>• Targeted direct mail and email campaigns</li> <li>• Website or landing page content</li> <li>• Inbound and outbound calls</li> </ul> <p>Eligible participants will be mailed a free kit of simple, low-cost energy efficient products, educational materials and installation instructions by the program subcontractor. Participants will be asked to complete an online survey after the kit is mailed to ensure they are satisfied with the kit they received, confirm installation of products and also learn more about the customer to identify opportunities to participate in other programs. They will also receive information about ActOnEnergy so they can further participate in other Ameren Illinois energy-savings programs.</p>



## Eligible Measures

- Four (4) compact fluorescent lamps (CFLs)
- One (1) low- flow showerhead
- One (1) low-flow kitchen faucet aerator
- One (1) low-flow bathroom faucet aerator
- One (1) disposable thermometer to facilitate water heater temperature turn-down

Energy Efficiency Kits								
Proposed Measure	Incremental Cost per Unit	Incentive per Unit	Direct Delivery of Free Measures	Gross Annual kWh Savings per Measure	Gross kW Demand Savings per Measure	Total Annual Gross kWh Savings	Total kW Demand Savings	Estimated Useful Life (years)
14W Standard CFL	\$2.50	\$0.00	\$2.50	13.45	0.00228	538,000	91	5
20W Standard CFL	\$2.50	\$0.00	\$2.50	14.795	0.00251	295,900	50	5
23W Standard CFL	\$2.50	\$0.00	\$2.50	21.969	0.00373	439,380	75	5
Showerhead 1.75 gpm - Electric DHW	\$12.00	\$0.00	\$4.00	137.294	0.01264	2,745,880	253	10
Faucet Aerator, kitchen or bath - Electric DHW	\$8.00	\$0.00	\$3.00	43.343	0.01834	2,600,580	1,100	9
Water Heater Temperature Setback	\$0.00	\$0.00	\$1.00	43.2	0.00493	864,000	99	2

## Program Targets

Measure	PY8 Installations	PY9 Installations	Total Installations
CFL 43w to 13w - Post-EISA	40,000	40,000	80,000
CFL 53w to 20w - Post-EISA	20,000	20,000	40,000
CFL 72w to 23w - Post-EISA	20,000	20,000	40,000
1.75 GPM Shower Head - Electric DHW	20,000	20,000	40,000
Faucet Aerator - Electric DHW	60,000	60,000	120,000
Water Heater Temp Adjustment - Electric DHW	20,000	20,000	40,000

Estimated Electric Budget			
Category	PY8	PY9	Total
Incentives	\$0	\$0	\$0
Admin	\$971,160	\$971,160	\$1,942,320
<b>Total</b>	<b>\$971,160</b>	<b>\$971,160</b>	<b>\$1,942,320</b>

MWh Savings			
Category	PY8	PY9	Total
Gross MWh	7,484	7,484	14,968
Net-to-Gross	0.89	0.89	0.89
Net MWh	6,667	6,667	13,334

Program Cost-Effectiveness	
Program	TRC
Energy Efficiency Kits	4.00

PROGRAM	Residential Behavior Modification Program
<b>Program Description</b>	<p>The Behavior Modification Program relies on providing customers with a comparison of their energy usage to that of similar homes within proximity of the report recipient. A similar home does not necessarily refer to a next-door neighbor, but rather a household with similar characteristics in terms of square footage, geographical location, and heating fuel.</p> <p>Home Energy Reports will be mailed to targeted residential customers on a recurring basis for the duration of the program, with exact frequencies mutually agreed to prior to first mailing. The energy and program participation data for this implementation will be provided on an ongoing basis by Ameren and will be combined with third party data to build comprehensive profiles of each participating customer. In addition to the Home Energy Reports, a customer service interface will give customer service representatives online access to the full history of Home Energy Reports delivered to customers. A customer-facing website will provide customers online access to their Home Energy Report, online benchmarking, audit-like functionality, and access to additional energy efficiency information beyond that presented on the direct-mailed report. E-mail reports will be sent monthly to qualifying households to increase overall savings from the program.</p>
<b>Delivery Strategy</b>	<p>Program Duration: June 2015 to May 2017</p> <p>AIC will use a third-party contractor to implement the program. Key implementation steps and processes include but are not limited to:</p> <ul style="list-style-type: none"> <li>• Home Energy Reports will be mailed to targeted residential customers on a recurring basis for the duration of the program.</li> <li>• The energy and program participation data for this implementation will be provided on an ongoing basis by Ameren and will be combined with third-party data to build comprehensive profiles for each participating customer.</li> <li>• In addition to the Home Energy Reports, customers will receive access to a website and e-mail Home Energy Reports. Ameren customer service representatives will get access to a customer service interface which provides full online history of Home Energy Reports delivered to customers and analytics on customers' energy consumption.</li> </ul>
<b>Target Market</b>	<p>Ameren's contractor will perform historical energy usage, demographic, and geographic research, in conjunction with Ameren, to identify the regions of Ameren Illinois' territory best suited to deploy the program. Zip codes, city, and county boundaries will be considered so as to optimize data coverage and ensure speedy deployment.</p>



Marketing Strategy	<p>Use energy, housing, demographic, and available past program participation data to design a multi-dimensional segmentation plan of potential customers base on:</p> <ul style="list-style-type: none"><li>• Energy consumption patterns (e.g., normalized high seasonal peak, high base load, etc.)</li><li>• Housing data (e.g., age of house, size of house, value of home, type of construction, presence of a pool, presence of a garage)</li><li>• Past program participation and rebate redemption (e.g., ENERGY STAR and other rebates, rate programs, etc.) if available</li><li>• Demographic data (e.g., renter vs. homeowner, presence of children in the household, indicators of interest in environmental issues, age of customer, duration of residence, socioeconomic/income levels, as available)</li></ul> <p>Identify high-potential prospects for program marketing by profiling historical participants and available historical marketing campaign results.</p>																								
Eligible Measures	<p>The program focuses on energy consumption behavior changes that result in reduced electricity and natural gas consumption. As such, the overall metric is reduced monthly/annual energy consumption. There are no specific energy efficiency measures associated with the program or corresponding incentives.</p>																								
Program Targets	<p>Maximizing Cost-effective Savings while Staying within Budget</p> <table><tr><th></th><th>Number of Households</th><th>PY8 Savings (MWh)</th><th>PY8 Savings (Therms)</th><th>PY9 Savings (MWh)</th><th>PY9 Savings (Therms)</th></tr><tr><td>Legacy Households</td><td>200,000</td><td>36,000</td><td>1,430,700</td><td>36,000</td><td>1,430,700</td></tr><tr><td>New Dual-fuel Households</td><td>60,000</td><td>1,000</td><td>318,800</td><td>2,000</td><td>352,800</td></tr><tr><td>Total</td><td>360,000</td><td>37,000</td><td>1,749,500</td><td>38,000</td><td>1,783,500</td></tr></table>		Number of Households	PY8 Savings (MWh)	PY8 Savings (Therms)	PY9 Savings (MWh)	PY9 Savings (Therms)	Legacy Households	200,000	36,000	1,430,700	36,000	1,430,700	New Dual-fuel Households	60,000	1,000	318,800	2,000	352,800	Total	360,000	37,000	1,749,500	38,000	1,783,500
	Number of Households	PY8 Savings (MWh)	PY8 Savings (Therms)	PY9 Savings (MWh)	PY9 Savings (Therms)																				
Legacy Households	200,000	36,000	1,430,700	36,000	1,430,700																				
New Dual-fuel Households	60,000	1,000	318,800	2,000	352,800																				
Total	360,000	37,000	1,749,500	38,000	1,783,500																				

PROGRAM	Small Business Direct Install
Program Description	<p>The Small Business Direct Install Program aims to achieve energy savings in existing buildings and is modeled after other successful Midwest Small Business Programs. The program gains immediate energy savings and customer trust through the direct installation of measures. Then customers are encouraged to work with Program Allies for project implementations that will gain even deeper savings.</p>
Market Barriers	<p><b>First costs are too high, lack of capital, and projects are only completed on failure</b></p> <p>Barriers to participation by small business owners include the fact that small business owners often have limited access to capital and will allocate funds to the most pressing needs of the business and not energy efficiency upgrades. Small business customers usually only complete projects on failure. The combination of free product installation to provide value and justification for the initial site assessment and significant project buy-down of the first-cost greatly reduce the capital requirement for customers and allows for participation.</p> <p><b>Owners are too busy running the company</b></p> <p>An additional barrier to participation by small business is the difficulty in reaching the decision maker as these individuals are busy running the company and can be difficult to reach by traditional marketing tactics. This barrier is addressed on two fronts:</p> <ol style="list-style-type: none"> <li>1. By leveraging trade allies to conduct the assessments and perform the initial installation, the program is able to take advantage of additional outreach staff and existing connections/working relationships.</li> <li>2. The geo-marketing approach allows for trade allies and marketing channels to concentrate on a specific area prior to the target participation dates to build awareness and facilitate canvassing of target areas by trade allies for eligible customers in the participation date window.</li> </ol> <p>In addition to being hard to reach, small business owners are extremely busy and play a variety of roles within their businesses, which creates a barrier for traditional efficiency project models as the owner is unable to project manage quotes, vendor selection, installation, and incentive application in addition to their normal jobs. Program Implementer's streamlined approach minimizes the time demands on small business owners and makes it easy for them to participate. A standard pricing model is incorporated with select program allies, eliminating the time-consuming process for small business owners to obtain multiple bids, to decide which bid to choose, and to create the agreement with the contractor.</p> <p><b>Lack of decision-making data to support upgrades and need for third party validation</b></p> <p>The inability of small business owners to make an informed decision supporting investments in energy efficiency upgrades is a common barrier for small businesses because they do not have dedicated facility or energy managers to evaluate proposals. This barrier is addressed by leveraging trade allies with existing relationships and trusted status to identify opportunities and to make recommendations. We also provide unbiased third-party case studies and fact</p>

	<p>sheets detailing the validity of the energy efficient options being presented.</p> <p><b>Lack of awareness</b></p> <p>Awareness for energy efficiency offerings is always a challenge. However, in small business programs, it can be an especially challenging barrier. The program implementer's solution is to combine the geo-marketing approach and leveraging of trade allies described above with strategies to team with affinity groups, such as business associations and chambers of commerce, which help reach their members and serve as a trusted partner in presenting the program.</p> <p><b>Varying facilities</b></p> <p>Small business customers represent the most diverse customer segment in many efficiency portfolios, creating a barrier for many programs that do not build in flexibility to deal with the complexity of energy efficiency options needed. The program plan presented includes a robust mix of technologies available for installation as well as vetting, training, and equipping trade allies with the tools and knowledge needed to provide required solutions.</p> <p>For traditional efficiency offerings, the fact that maintenance is often deferred and equipment replacement typically occurs at failure is a large barrier for getting participation from small businesses. However, these facts create opportunity when the first-cost barrier and awareness barriers are addressed with the delivery model proposed. The typical low participation makes these customers prime targets for trade allies who are properly equipped with the correct tools, marketing support, and incentives needed to engage this target market.</p>
<b>Delivery Strategy</b>	<p>Program staff will target eligible customers through marketing and communications efforts and offer free direct installation of measures and an energy assessment. Outreach focus will be on two fronts: building program awareness through direct outreach to customers and supporting Program Allies in their efforts to engage customers.</p> <p>Once on-site the Program Ally will directly install measures and perform a walk-through assessment to identify additional savings opportunities. Utilizing a mobile device, such as an iPad®, the Program Ally will record measures installed and input findings. Customers are left with literature describing the installed measures and their benefits and emailed a summary of additional project opportunities. Staff continues to work with interested customers, coordinating with Program Allies and assisting through the installation process until completed and incentive applications are processed.</p>
<b>Target Market</b>	<p>The target market is small commercial buildings identified using &lt; 150kW. This target market is often underserved and is consider "hard to reach" for several reasons, including:</p> <ul style="list-style-type: none"> <li>• Buildings are often owned by one party but utilized by another who is responsible for the energy bill</li> <li>• Small business owners are time constrained and typically lack staff availability for energy matters</li> <li>• Installation contractors serving these markets can be "small" themselves and not always able to keep up with the area's program offerings</li> </ul>
<b>Marketing</b>	<p>Outreach to customers will occur via direct mail and/or canvassing. Targeting certain geographic areas allows for time effective delivery and builds on word-of-</p>

<b>Strategy</b>	mouth awareness. Mailings will encourage business owners to call and schedule an installation/assessment. Canvassing efforts will ensure that neighboring businesses have an opportunity to participate while staff is in the area.
<b>Eligible Measures</b>	<p><b>Direct Installation Measures:</b></p> <p>CFL (14W) replacing incandescent</p> <p>CFL (23W) replacing incandescent</p> <p>CFL (19W) replacing incandescent replacing incandescent</p> <p>Cooler Miser</p> <p>Pre-Rinse Spray Valves</p> <p>Low-flow Bathroom Aerators</p> <p>Low-flow Kitchen Aerators</p> <p><b>Standard Measures:</b></p> <p>Delamping w/ reflector (4 lamp, 4 foot T12 to 2 lamp, 4 foot HPT8)</p> <p>Delamping w/ reflector (2 lamp, 8 foot T12 to 2 lamp, 4 foot HPT8)</p> <p>Delamping w/ reflector (3 lamp, 4 foot T12 to 2 lamp, 4 foot HPT8)</p> <p>Delamping w/ reflector (4L 8ft T12 to 4 lamp, 4 foot HPT8)</p> <p>Delamping w/ reflector (2 lamp U tube T12 to 2 lamp, 4 foot HPT8)</p> <p>Delamping w/ reflector (4 lamp, 4 foot T12 to 3 lamp, 4 foot HPT8)</p> <p>Delamping 4 lamp, 4 foot T12 to 2 lamp, 4 foot HPT8</p> <p>Delamping 4 lamp, 8 foot T12 to 4 lamp, 4 foot HPT8</p> <p>Delamping 4 lamp, 4 foot T12 to 3 lamp, 4 foot HPT8</p> <p>Delamping 3 lamp, 4 foot T12 to 2 lamp, 4 foot HPT8</p> <p>HID to high bay fluorescent to 400W to 6 lamp, 4 foot HPT8</p> <p>HID to high Bay fluorescent to 250W to 4 lamp, 4 foot HPT8</p> <p>4 lamp, 4 foot HPT8/LWT8 lamp &amp; ballast retrofit</p> <p>2 lamp, 4 foot HPT8/LWT8 lamp &amp; ballast retrofit</p> <p>2 lamp, 8 foot T12 HO/VHO to 4 lamp, 4 foot HPT8 w/ low, medium, or high ballast factor ballast</p> <p>2 lamp, 8 foot T12 Slimline to 4 lamp, 4 foot HPT8 w/ low ballast factor ballast</p> <p>3 lamp, 4 foot HPT8/LWT8 lamp &amp; ballast retrofit</p> <p>1 lamp, 4 foot HPT8/LWT8 lamp &amp; ballast retrofit</p> <p>2 lamp, 8 foot T12 Slimline HPT8/LWT8 lamp &amp; ballast retrofit</p> <p>1 lamp, 8foot T12 Slimline to 2L 4ft HPT8 w/ low ballast factor ballast</p> <p>2 lamp, U Tube HPT8/LWT8 lamp &amp; ballast retrofit</p> <p>2 lamp, 8 foot T12 Slimline/HO/VHO to 4 lamp, 4 foot HPT8</p> <p>1 lamp, 8ft T12 HO/VHO to 2 lamp, 4 foot HPT8 w/ low, medium, or high ballast factor ballast</p> <p>Incandescent to LED PAR 38</p> <p>≥65W incandescent to screw-in LED</p> <p>&lt;65W incandescent to screw-in LED</p> <p>LED Exit Sign, retrofit</p> <p>LED Exit Sign Fixture w/ Battery Backup</p> <p>Incandescent 75W - Parabolic 15W CFL</p> <p>Incandescent 100W - Parabolic 23W CFL</p> <p>Incandescent 60W - Cold Cathode 15W</p> <p>Outdoor HID 251-400W to LED</p> <p>Outdoor HID 176-250W to LED</p> <p>Outdoor HID ≤175W to LED</p>

	Outdoor T12 HO/HID 176-250W to LED Induction Lighting (300W to <=400W HID) Occupancy Sensor (per watt controlled) Vending Miser EC Motor, Walk-in EC Motor, Reach-in																																								
Program Targets	<p><b>Scenario 1: Program Implementer is sole implementer of a distinct, unique program</b></p> <table><tr><th>Category</th><th>Start Up</th><th>PY8</th><th>PY9</th><th>Total</th></tr><tr><td>Incentives</td><td></td><td>\$ 1,895,823</td><td>\$ 2,274,306</td><td>\$ 4,170,129</td></tr><tr><td>Admin</td><td>\$ 172,413</td><td>\$ 961,926</td><td>\$ 989,448</td><td>\$ 2,123,787</td></tr><tr><td>Total</td><td>\$ 172,413</td><td>\$ 2,857,749</td><td>\$ 3,263,754</td><td>\$ 6,293,916</td></tr></table> <table><tr><th>Category</th><th>PY8</th><th>PY9</th><th>Total</th></tr><tr><td>Gross MWh</td><td>10,096</td><td>10,307</td><td>20,403</td></tr><tr><td>Net-to-Gross</td><td>0.95</td><td>0.95</td><td>0.95</td></tr><tr><td>Net MWh</td><td>9,591</td><td>9,792</td><td>19,383</td></tr></table> <table><tr><th>Category</th><th>TRC</th></tr><tr><td>Small Business</td><td>1.62</td></tr></table>	Category	Start Up	PY8	PY9	Total	Incentives		\$ 1,895,823	\$ 2,274,306	\$ 4,170,129	Admin	\$ 172,413	\$ 961,926	\$ 989,448	\$ 2,123,787	Total	\$ 172,413	\$ 2,857,749	\$ 3,263,754	\$ 6,293,916	Category	PY8	PY9	Total	Gross MWh	10,096	10,307	20,403	Net-to-Gross	0.95	0.95	0.95	Net MWh	9,591	9,792	19,383	Category	TRC	Small Business	1.62
Category	Start Up	PY8	PY9	Total																																					
Incentives		\$ 1,895,823	\$ 2,274,306	\$ 4,170,129																																					
Admin	\$ 172,413	\$ 961,926	\$ 989,448	\$ 2,123,787																																					
Total	\$ 172,413	\$ 2,857,749	\$ 3,263,754	\$ 6,293,916																																					
Category	PY8	PY9	Total																																						
Gross MWh	10,096	10,307	20,403																																						
Net-to-Gross	0.95	0.95	0.95																																						
Net MWh	9,591	9,792	19,383																																						
Category	TRC																																								
Small Business	1.62																																								

Program	Small Business Refrigeration Savings
<b>Program Description</b>	<p>The Ameren Small Business Refrigeration Savings program will take a direct install approach to delivering refrigeration/freezer specific savings to businesses using less than 150 kW. The program will center on a trained network of refrigeration contractors to deliver the program to targeted customers. The program will incentivize these contractors to conduct assessments and install the appropriate measures with close program supervision and guidance.</p> <p>The program will target small, independent grocers, bars and restaurants that have refrigerators and freezers for food and beverages as well as refrigerated cases for other food items.</p>
<b>Program Duration</b>	<p>June 2, 2015 to May 31, 2017</p>
<b>Delivery Strategy</b>	<p><b>Energy Advisors:</b> Program Energy Advisors handle various portions of the program including conducting energy assessments, Program Ally recruitment and training, quality assurance inspections and on the ground program marketing.</p> <p><b>Program Allies:</b> The delivery strategy centers on trained HVAC/Refrigeration contractors (Program Allies) to deliver the program with pre-established contractor incentives. Program Allies are incentivized to conduct assessments, install measures and market the program. They are reimbursed per measure installed in order to deliver savings.</p>
<b>Target Market</b>	<p>The program targets small, independent grocers, bars and restaurants, and independent convenience stores.</p>
<b>Marketing Strategy</b>	<p>With a well-defined target market as noted above the marketing strategy involves on-the-ground marketing directly to customers. Door to door canvassing, marketing through associations and membership organizations and Program Ally outreach and activities will increase awareness of the program among the target market while limiting wasted advertising and marketing coverage.</p> <p>Targeted bill stuffers and direct mail will also be used in order to reach the target market directly.</p>
<b>Eligible Measures</b>	<p>The program targets refrigeration measures that are common upgrades for the target market. Measures include:</p> <ul style="list-style-type: none"> <li>○ Auto Door Closers - Walk-In Cooler</li> <li>○ Auto Door Closers - Walk-In Freezer</li> <li>○ Controls - Refrigerated beverage</li> <li>○ Controls - Non-Refrigerated Snack</li> <li>○ Controls - Glass Front Refrigerated cooler</li> <li>○ Controls - Door heater - Low temp</li> <li>○ Controls - Door heater - Medium temp</li> <li>○ Controls - Door heater - high temp</li> <li>○ ECM Motor - Walk In - Restaurant</li> <li>○ ECM Motor - Walk In - Grocery</li> <li>○ ECM Motor - Reach In - Grocery</li> <li>○ Controls - Evaporator Fan</li> <li>○ LED cold case lighting with occupancy sensors</li> <li>○ Walk in Cooler Strip Curtains - Refrigeration</li> <li>○ Walk in Cooler Strip Curtains - Freezer</li> <li>○ Economizers – refrigeration</li> <li>○ Night covers for display cases</li> </ul>

**Program  
Targets**

Customer served

June 2015 to May 2016	June 2016 to May 2017
650	650

Proposed Measure	Estimated Annual Participation/Units	Incentive per Unit	Total Annual Gross kWh Savings	Total kW Demand Savings	Total Annual Gross Therm Savings	Estim Useful (yea
Auto Door Closers - Walk-In Cooler	650	\$132.02	612,950.00	89.05	0	8
Auto Door Closers - Walk-In Freezer	300	\$230.70	692,100.00	92.7	0	8
Controls - Refrigerated beverage	225	\$225.66	362,664.00	0	0	5
Controls - Non-Refrigerated Snack	225	\$47.95	77,066.10	0	0	5
Controls - Glass Front Refrigerated cooler	500	\$169.24	604,440.00	0	0	5
Controls - Door heater - Low temp	275	\$59.63	117,125.58	0	0	12
Controls - Door heater - Medium temp	325	\$53.49	124,171.91	0	0	12
Controls - Door heater - high temp	325	\$23.79	55,222.31	0	0	12
ECM Motor - Walk In - Restaurant	300	\$57.54	123,300.00	9.9	0	15
ECM Motor - Walk In - Grocery	300	\$54.88	117,600.00	15.3	0	15
ECM Motor - Reach In - Grocery	300	\$54.88	117,600.00	15.3	0	15
Controls - Evaporator Fan	250	\$66.92	119,500.00	15	0	16
LED cold case lighting with occupancy sensors	3000	\$42.00	900,000.00	36.17676	0	15
Walk in Cooler Strip Curtains - Refrigeration	4000	\$59.08	1,688,000.00	200	0	6
Walk in Cooler Strip Curtains - Freezer	4000	\$416.36	11,896,000.00	1400	0	6
Economizers - refrigeration Springfield	200	\$903.85	1,291,207.57	0	0	15

**Estimated Year 8 Budget – Electric Only**

<b>Incentives</b>	\$2,618,168.64
<b>Admin</b>	\$740,000
<b>Total</b>	\$3,358,168.64

### **Sec 8-103/8-104 Plan 3 Program Descriptions for DCEO Portfolio**

Program descriptions for the DCEO Plan 3 Energy Efficiency Portfolio can be found on the Commission website in the DCEO Plan 3 Docket 13-0499 located at <http://www.icc.illinois.gov/docket/files.aspx?no=13-0499&docId=210173>.



## Attachment G: Services Agreement



Ameren PY8 PY9  
Services Agreement 5

## Attachment H: Diverse Supplier Supplier/Subcontractor Utilization

Ameren believes in providing equal access and opportunity to all qualified suppliers, including diverse suppliers (i.e.; minority, women, veteran, service disabled veteran & LGBT owned businesses). Our commitment to Supplier Diversity reflects our belief that Diverse Supplier partnerships are vital to the economic success of our region. We believe providing diverse-owned businesses an opportunity to compete in the performance of goods and services for Ameren are a critical component of our company's business strategy. Please identify any diverse supplier subcontractors the bidder plans to use on the following Supplier/Subcontractor Utilization form.



2nd Tier Worksheet  
for Reporting Compar

## Attachment I: Information Access and Cyber – Security

Ameren strives to ensure that its company systems, networks, and confidential data are protected from illegal or inappropriate access or use. Bidders are required to review the attached Information Access Cyber Security policy and complete the Cyber Security Vendor Questionnaire.



Cyber Security Terms and Conditions



Supplier\_Risk\_Assessment\_Screening\_Que

## Attachment J: Ameren Corporate Branding

Any co-branding efforts by contracted program vendors must be reviewed and receive approval by Ameren Communications & Brand Management prior to publication or circulation. The attached Identity Guidelines file outlines expectations for the use of graphics in print communications.



Ameren Identity  
Guidelines - Graphics



AOE Reference  
Guide.pdf