



Electric Energy Efficiency Compliance

With 220 ILCS 5/16-111.5B

(Provisions Relating to Energy Efficiency Procurement)

An Accompaniment to AIC's Procurement Submission

Prepared Pursuant to Section 16-111.5 of the Illinois Public Utilities Act

Program Year:

June 1, 2015 – May 31, 2016

Ameren Illinois Company

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1.0 Submission Summary

1.1 Introduction

This submission is being provided by Ameren Illinois Company (“AIC”) to the Illinois Power Agency (“IPA”) for the purpose of complying with the requirements of Section 16-111.5B (“Section”) of the Illinois Public Utilities Act (“Act”), 220 ILCS 5/16-111.5B.¹ As instructed by the Section, this submission is an accompaniment to AIC’s procurement plan prepared pursuant to Section 16-111.5 of the Act. This is the third submission provided by AIC to abide by this Section.

1.2 Background

AIC’s first electric energy efficiency and demand response plan was approved by the Illinois Commerce Commission (“Commission” or “ICC”) in 2007 pursuant to the Orders issued in Docket No. 07-0539. Being both a gas and electric utility and recognizing the benefits of an integrated dual fuel savings portfolio of services for its customers, AIC also received approval by the Commission for a voluntary gas energy efficiency plan in 2008 pursuant to the Orders issued in Docket No. 08-0104 (collectively referred to as “Plan 1”) for Program Years (“PY”) 1, 2 and 3, which comprised June 1 through May 31, respectively, for the years 2008, 2009, and 2010. AIC also filed and the ICC approved an integrated dual fuel portfolio Plan (“Plan 2”)² for PY 4, 5, and 6, which comprised June 1 through May 31, respectively, for the years 2011, 2012, and 2013. Most recently, in Docket No. 13-0498 (the “Plan 3 Docket”), AIC filed and the ICC approved the next three-year integrated dual fuel portfolio Plan (“Plan 3”)³ for PY 7, 8, and 9, which comprise June 1 through May 31, respectively, for the years 2014, 2015, and 2016.

¹ The Section is included in this submission as Appendix 1.

² The Act specifies that a gas utility affiliated with an electric utility shall integrate gas and electric efficiency measures into a single program.

³ The Act specifies that a gas utility affiliated with an electric utility shall integrate gas and electric efficiency measures into a single program.

In accordance with the Section and past ICC Orders, this submission to the IPA pertains to two program years of savings and costs whose timing is aligned with PY8 (June 1, 2015 – May 31, 2016) and PY9 (June 1, 2016 – May 31, 2017) of the AIC energy efficiency portfolio, which are the final two years of Plan 3. AIC anticipates an ICC Order on the IPA plan, which will incorporate this submission, in December 2014.

Section 16-111.5B states this submission includes identification of new or expanded programs that are incremental to Section 8-103. The Final Order in the Plan 3 Docket directed AIC to include the Residential Standard CFL (also referred to as Residential Lighting) and the electric portion of the joint electric and gas Residential Home Energy Reports (also referred to as Behavioral Modification) programs in the package of programs presented to the IPA in PY8 and 9.⁴ AIC has complied with the directive and is submitting one bid for the Residential Lighting program and two bids for the Behavior Modification program with the clear understanding that the Behavior Modification programs are duplicative and therefore only one of these programs would be selected by IPA. Importantly, the selected bidder for the Behavior Modification program will have to coordinate with the gas savings and budget approved in the Plan 3 Docket.

1.3 Analysis and Assumptions

Consistent with prior ICC directives, AIC has actively participated in the development and update of an annual statewide Technical Resource Manual (“IL-TRM”)⁵ which is the guiding document and tool for determining energy efficiency measure savings in Illinois. Therefore, this submission’s programs were analyzed using measure values reflected in the 2014 updated IL-TRM (referred to as Version 3.0). Besides creating consistency with statewide accepted values, using ICC-approved TRM values provides reasonable confidence in the methodology used to determine the savings estimates provided in this submission.

⁴ See Docket No. 13-0498 Final Order at 62

⁵ The first IL-TRM was approved in Dockets 12-0528 and 13-0077. The second TRM was approved in Docket 13-0437 and the updated TRM was approved in Docket 14-0189.

To add rigor, expertise and independence to the analysis for this submission, AIC once again engaged the national consulting firm of Applied Energy Group (“AEG”) who utilizes the robust “BENCOST” modeling software to determine measure savings and cost-effectiveness. BENCOST is an open-source spreadsheet tool that allows for full transparency. AEG performed last year’s analysis for AIC’s IPA submittal made on July 12, 2013. AEG has significant knowledge of energy efficiency programs in Illinois by virtue of developing the 3-year Plans for the AIC, Peoples Gas and North Shore Gas energy efficiency portfolios, performing the analysis for AIC’s most recent energy efficiency IPA Plan submission, and being engaged for consulting services with AIC for five years prior to this engagement. AEG performed the analysis included in this submission.

While AIC maintains its concern with using what is commonly referred to as “net” savings, it nonetheless provides all estimated savings referenced in this submission in “net” savings, as opposed to “gross” savings.⁶ As reflected in the accompanying Excel workbook analyses, which are submitted confidentially to the IPA pursuant to applicable laws and afforded protections, AIC applied the relevant and most recent net-to-gross (“NTG”) ratios provided by the independent evaluators who evaluate AIC’s programs to determine net savings estimates. This approach is consistent with the June 18, 2014 consensus language from the Section 16-111.5B Oversight and Evaluation Responsibility Workshop (2014 Workshop).⁷

⁶ The “gross” energy impact is the change in the energy consumption and demand that results directly from program related actions taken by energy consumers that participate in the programs regardless of the extent or nature of program influence on these actions. “Net” energy impact is that percentage of gross energy impact attributable to the program. $NTG = (1 - \text{freeridership} + \text{spillover})$, where “freeridership” refers to savings participants would have experienced in the absence of the program, and spillover refers to savings incurred by non-participants who did not claim assistance for additional implementation of measures supported by the program. Source: EPA’s *Model Energy Efficiency Program Impact Evaluation Guide*, http://www.epa.gov/cleanenergy/documents/suca/evaluation_guide.pdf.

⁷ The 2014 Workshop summary is included in this submission as Appendix 2 and available on the ICC website at <http://www.icc.illinois.gov/electricity/EnergyEfficiencyWorkshops161115B.aspx>. See Item 1 in the “June 18, 2014 Consensus Language for Section 16-111.5B Oversight and Evaluation Responsibility Energy Efficiency Issues”.

1.4 Collaboration

AIC performed numerous activities to seek collaboration for input to this submission and the process during 2013-2014, including:

- Worked with stakeholders on improving the RFP process;
- Participated in the IPA/ICC Section 16-111.5B Workshops⁸ (“2013 Workshop and 2014 Workshop”):
 - o Providing comments,
 - o Providing reply comments, and
 - o Workshop attendance and discussion participation;
- Discussions with the director of the IPA;
- Participated in the June 18, 2014 IPA Workshop: Energy Efficiency as a Supply Resource, and
- Met with interested key stakeholders, which included full disclosure of bids

1.5 Reservation of Rights and Requests

AIC makes this submission in accordance with the Act, but notes that it is premised on the information and materials known at the time of the submission and is therefore necessarily subject to change as time goes on. As reflected in the consensus language in the 2014 Workshop, to the extent circumstances beyond AIC’s control change (e.g., updates to the IL-TRM and NTG, changes in the market, a program or measure is no longer offered by an implementer or the desire to add new energy efficiency measures by the implementer, etc.)⁹, AIC reserves the right to update, revise or amend this submission, including AIC’s positions reflected herein, as appropriate and also reserves the right to adjust any terms or conditions with any selected implementers to account for any ICC findings or other relevant matters..

⁸ The 2013 and 2014 Workshop summaries are included in this submission as Appendix 2.

⁹ The 2014 Workshop summary is included in this submission as Appendix 2. Consensus item 4 in the “June 18, 2014 Consensus Language for Section 16-111.5B Oversight and Evaluation Responsibility Energy Efficiency Issues” provides the utilities the exercise of reasonable and prudent judgment in negotiating the exact terms of the contract after Commission approval and to rely upon the best available information and ensure any modifications continue to result in cost-effective energy efficiency program(s) which may result in reasonable adjustments to savings goals.

AIC notes some aspects of how to conform to the Act have been resolved as a result of the IPA/ICC Workshops conducted by ICC Staff during the months of May and June, 2014¹⁰. In the order for last year's IPA Plan (Docket No. 13-0546), the Commission provided guidance to the parties to discuss issues at workshops (Final Order at 149). ICC Staff has been instrumental in leading the workshops to address several Oversight and Evaluation issues, particularly in light of the timing of events and potential changes in values used to determine savings. The following table illustrates the lack of alignment resulting from the timing of the IPA process:

<u>Activity</u>	<u>Timing</u>
Bids submitted	March 7, 2014
Bids reviewed, analysis performed using current TRM and NTG values	April-June, 2013
Utility's IPA Submission	July 15, 2014
IPA order	December, 2014
Illinois TRM and NTG values revised	March, 2015
IPA programs implemented	June, 2015

As illustrated, Illinois energy efficiency values are subject to change from the date of bid submission and prior to program implementation which occurs more than a year following bid submission. A result of which may be that a vendor may choose not to execute a contract for implementing a program even after the ICC issues an order for the 2015 IPA Plan. In conjunction with the consensus language agreed to in the 2014 Workshop, and consistent with prior ICC orders, AIC is formally requesting in this submission that the measure values and NTG ratios used in the IPA program analyses, as represented in Appendix 7, are hereby deemed to determine estimated savings achieved by the programs. Further, AIC formally requests in this submission that annual updates to the measure values in the TRM and NTG ratio values result in changes to the implementer's savings goals and/or the cost structures between AIC and the implementer and will be re-negotiated for the savings calculations based upon the

¹⁰ The 2013 and 2014 Workshop summaries are included in this submission as Appendix 2.

annual IL-TRM and NTG updates for one program year; and further that programs resulting in multi-years (PY8 and PY9) will be re-negotiated annually to reflect the annual 'deemed' IL-TRM measure values and NTG ratio values. AIC also notes that having these values deemed was the consensus opinion at the 2013 Workshop and further agreed to in consensus language in the 2014 Workshop.¹¹ However, in the event the ICC does not annually deem these values:

- 1) AIC reserves the right to adjust the savings goals in accordance with changes to the values per the revised IL-TRM and evaluation results for the NTG values ex-post the order received for the IPA Plan.
- 2) AIC or vendors may choose not to implement the programs subject to the changes in values.
- 3) AIC or vendors may choose not to implement the programs if they are subject to a retrospective evaluation to determine savings based on revised IL-TRM and NTG values.
- 4) A recalculated total resource cost test (TRC)¹² based on revised values may determine the program is no longer cost-effective.

Further, AIC recognizes that the ICC approves the energy efficiency program savings goals and costs. As in the 2014 IPA Plan submittal, AIC again notes, however, that the assessed savings and costs are estimates. AIC also notes that per the legislation the utility has to perform an open bidding process and the bids are from external vendors

¹¹ The 2013 and 2014 Workshop summaries are included in this submission as Appendix 2. See consensus language in the 2014 Workshop document, "June 18, 2014 Consensus Language for Section 16-111.5B Oversight and Evaluation Responsibility Energy Efficiency Item 1: Deeming and Evaluation for Future Section 16-111.5B EE Programs.

¹² The TRC is defined by IL statute in Sec 1-10 of the Act as, "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."

and include participation levels that the utility did not estimate.¹³ Thus it is realistic to assume that actual market results will differ from anticipated results. Therefore, AIC again formally requests approval for an indeterminate fluctuation in savings that may occur by program year end. This was a consensus issue identified in Section 7.1.4.4 of the AIC 2014 IPA Plan which was accepted by the IPA, made a part of the Plan and expressly adopted by the Commission in the Final Order of Docket 13-0546 (Order at 149) and also a consensus issue in the 2014 Workshop.¹⁴

In addition, as noted in the 2014 Plan submittal, AIC once again seeks confirmation that AIC is permitted to recover costs that incidentally (3 - 5%) exceed the estimated program costs as consistent with prior ICC findings. This was a consensus issue identified in Section 7.1.4.4 of the AIC 2014 IPA Plan which was accepted by the IPA, made a part of the Plan and expressly adopted by the Commission in the Final Order of Docket 13-0546 (Order at 149). In lieu of this express approval AIC will be forced to prematurely discontinue approved programs prior to the budget cap being expended.

Consistent with consensus language in the 2014 Workshop¹⁵, AIC is requesting the Commission pre-authorize a 20% budget shift across program years for the multi-year (PY8 and PY9) programs while remaining within the total approved multi-year program budget to allow for successful energy efficiency programs to continue operation in the early (or later) program years of the multi-year contract. The kWh savings goals and budgets would be cumulative for the two years of the contract. Such approval provision will help ensure the continuation of the energy efficiency program from PY8 to PY9 without disruption should the budget dollars be expended in PY8 and prior to the program period for PY9.

¹³ 2013 Workshop consensus item #84 at 6 states as follows, "Section 16-111.5B does not require the utility to be responsible for determining what vendors should be contracted for what amount of savings."

¹⁴ 2014 Workshop consensus Item 4 "Policy or Clarity on Status of Bid Accepted into IPA Procurement Plan and Approved by the Commission and Flexibility".

¹⁵ 2014 Workshop consensus Item 5 "Continuity for Multi-Year EE Programs" in the June 18, 2014 Consensus Language for Section 16-111.5B Oversight and Evaluation Responsibility Energy Efficiency Issues document.

2.0 Demonstration of Compliance

As set forth in Section 16-111.5B(a), “Beginning in 2012, procurement plans prepared pursuant to Section 16-111.5 of this Act shall be subject to” certain additional requirements relating to energy efficiency. As set forth below, this submission contains the information and materials called for by the Act.

2.1 Building Codes and Appliance Standards

“(a)(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.”

The impact of building codes and appliance standards were used during the development of this submission and are explicitly incorporated in the AIC forecast, separately accompanying this submission.

2.2 Assessment of Opportunities to Expand Programs

“(a)(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.”

This assessment is being provided to satisfy this requirement and is an accompaniment to the AIC forecast. AIC notes that as stated the assessment was performed using current IL-TRM and NTG values and unless fixed, are subject to change.

2.3 Potential Study

“(a)(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.

Please refer to Appendix 4 for the AIC energy efficiency potential study, which was completed in 2013 and was submitted pursuant to Section 8-103A of this Act and approved as part of Plan 3 in Docket No. 13-0498.

2.4 Identification of Programs

“(a)(3)(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.

Table 1 provides a summary of (1) those programs that resulted from the bidding process and therefore were assessed, (2) identification of those programs that passed the TRC test and no duplicative or competing programs were received as a part of the IPA bid process and (3) those programs that were included in the estimated MWh savings goal submitted by AIC by way of this submission.¹⁶ It should also be noted that AIC provided the Department of Commerce and Economic Opportunity (DCEO) with all bids that had a positive TRC and also noted in the bid proposal that they would also

¹⁶ Appendix 3 contains a description of programs whose savings were included the estimated MWh savings goal. Please refer to Appendix 6, 7 for a copy of all bids as submitted, as well as additional analyses of those bids.

include the small businesses that DCEO provides energy efficiency programs under Sec. 8-103/8-104 (i.e., public entities) requesting their assessment of the bid to determine if it was duplicative or competitive with any of their Plan 3 Sec. 8-103 programs. As noted in Table 1 below, DCEO provided notice to AIC that the Small Business Direct Install – Demand Control Ventilation (DCV) program bid “...would be a direct competitor to the DCEO initiative.” Also note in Table 1 the Residential Lighting program bid. AIC was directed in Plan 3 Docket No. 13-0498 Final Order to “include the Standard CFL and the electric portion of the combined electric and gas Home Energy Reports in their [AIC] package of programs presented to the IPA in years 8 and 9.” The Residential Lighting program bid was received in response to the AIC Third-Party Energy Efficiency Program RFP request for bids on this program.

Table 1: Program Assessment Results:
Positive Cost-Effectiveness Test (TRC > 1) and Not Competitive within 2015 IPA Bids

Program	Included in Estimated MWh Goal	Estimated Net MWh Savings PY8	Estimated Net MWh Savings PY9	Competitive with DCEO 8-103 Program
RESIDENTIAL				
Residential Lighting	X	45,164	50,193	
Multi-Family Major Measures	X	36,498	36,498	
Moderate Income Efficiency Kit	X	1,468	1,468	
Rural Efficiency Kit	X	7,381	7,381	
BUSINESS:				
Small Business Direct Install	X	8,985	9,173	
Small Business Direct Install - DCV	X	4,984	-	X
Small Business Direct Install - Refrigeration	X	16,820	16,820	

Table 2 provides a summary of (1) those programs that resulted from the bidding process and were assessed, and (2) identification of those programs that passed the TRC test and are duplicative/competing programs received in the IPA bid process.

With respect to Behavior Modification, AIC was ordered in the Plan 3 Docket No. 13-0498 Final Order to move the Behavior Modification Program out of Plan 3, Section 8-103 and into the 2015 IPA for Program Years 8 and 9. Accordingly, AIC requested Behavior Modification bids in the 2015 IPA RFP process. Two bids were received, as noted in Table 2 below. While there appears to be merit in both of these programs, this type of energy efficiency program does not have associated TRM savings values. Additionally, only one Behavior Modification program can be implemented for PY8 and PY9 through the IPA because (1) the total number of residential customers eligible for the program could not support two behavior modification programs and (2) running multiple programs would lead to significant confusion of residential customers, which would hamper the adoption of the Behavior Modification program, rather than increase it. As a result of these factors, AIC is requesting that the IPA determine which Behavior Modification program to award the bid for PY8 and PY9. AIC notes that Company A is the vendor that has been implementing the residential behavior modification program since its inception in the AIC territory. In addition, Company A has had its program evaluated as a normal process of AIC's Sec. 8-103 programs and therefore AIC believes the energy savings for Company A are proven. While both programs were analyzed using the same number of participants, the greater savings for Company B appears to be obtained by taking the savings rate determined in another service territory and applying it to Ameren Illinois customers.

Table 2: Program Assessment Results:

Positive Cost-Effectiveness Test (TRC > 1) and Duplicative/Competitive within 2015 IPA Bids

Program	Included in Estimated MWh Goal	Estimated Net MWh Savings PY8	Estimated Net MWh Savings PY9
RESIDENTIAL			
Company A: Behavior Modification	*	37,500	37,500
Company B: Behavior Modification	*	44,152	44,152

AIC notes that the savings estimates were determined using the current IL-TRM and NTG values and unless these values are deemed, they will be subject to change. With this submission, AIC is formally requesting that these values be deemed for implementation and evaluation for the determination of achieved savings on an annual basis as explained in Section 1.4.

Table 3 provides a summary of (1) those programs that resulted from the bidding process and therefore were assessed, (2) identification of those programs that did not pass the cost-effectiveness (TRC) test and (3) those programs that are not included in the estimated MWh savings goal submitted by AIC by way of this submission.

Table 3: Program Assessment Results: Failed Cost-Effectiveness Test (TRC < 1)

	Program	Estimated Net MWh Savings PY8	Estimated Net MWh Savings PY9
RESIDENTIAL:			
	All Electric Homes	21,847	21,847
	Appliance Rebates	2,603	2,603
	Multi-Family Appliance Recycling	1,245	1,245
	LED Lamp Distribution	1,304	1,304
	Advanced Power Strip Door to Door Instal	321	450
BUSINESS:			
	Behavior Modification	2,789	6,247
	Small Business Direct Install	11,414	11,414
	School Direct Install	1,786	1,874
	Small Business Direct Install	24,722	33,867
	Desktop Power Management for Schools	1,109	1,220
	Sustainable Schools	1,557	2,055

The following bids were not assessed and are not included in the MWh goal as they did not meet the RFP bid process criteria

Program	Explanation
Learning Thermostat	1) Proposed as both a gas and electric savings program, yet the 16-111.5B energy efficiency incremental savings is for the purposes of decreasing electric procurement, not gas 2) More than 50% of energy savings are gas but there are no gas dollars to run the program through IPA
Parent Efficiency Kits	Duplicative to AIC Sec. 8-103 Plan 3 School Kits Program

School Efficiency Kits	Duplicative to AIC Sec. 8-103 Plan 3 School Kits Program
Student Efficiency Kits	Duplicative to AIC Sec. 8-103 Plan 3 School Kits Program
Commercial Lighting	Duplicative to AIC Sec. 8-103 Standard Lighting Program

In analyzing the bids, AIC applied the 7 factor criteria adopted by the ICC in Docket 13-0546 (the 2014 IPA Procurement Plan approval docket) for duplicative and competing programs. (Order at 148).

2.5 Analysis Showing a Reduction in Overall Cost of Service

“(a)(3)(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.”

As indicated as the preference in the 2013 Workshop¹⁷, AIC performed a “Utility Cost Test” (“UCT”) to determine if the cost-effective energy efficiency programs or measures would lead to a reduction in the overall cost of electric service. The UCT allows utilities to evaluate costs and benefits of energy efficiency programs (and/or demand response and distributed generation) on a comparable basis with supply-side investments. A UCT greater than one (1) indicates that energy efficiency programs are lower-cost approaches to meeting load growth than wholesale energy purchases and new generation resources (including delivery and system costs). A UCT greater than one (1) indicates that the total costs to save energy are less than the costs of the utility delivering the same power. A positive UCT also shows that customer average bills will eventually go down if efficiency is implemented.¹⁸ All programs included in the estimated MWh goal passed the UCT. Table 4 indicates those cost-effective programs that passed the UCT.¹⁹

¹⁷ 2013 Workshop consensus item #105 at 14 states, “Section 16-111.5B(a)(3)(D) can be interpreted as the Utility Cost Test (“UCT”).”

¹⁸ EPA’s “Understanding Cost-Effectiveness of Energy Efficiency Programs”, *A Resource of the National Action Plan For Energy Efficiency*, November 2008.
<http://www.epa.gov/cleanenergy/documents/suca/cost-effectiveness.pdf>

¹⁹ Refer to Appendix 7 for detailed analyses.

Table 4: Program Assessment Results: UCT

	Passed Utility Cost Test (UCT)	Included in Estimated MWh	Estimated Net MWh Savings PY8	Estimated Net MWh Savings PY9
RESIDENTIAL				
Residential Lighting	X	X	45,164	50,193
Multi-Family Major Measures	X	X	36,498	36,498
Moderate Income Efficiency Kit	X	X	1,468	1,468
Rural Efficiency Kit	X	X	7,381	7,381
Company A: Behavior Modification	X	*	37,500	37,500
Company B: Behavior Modification	X	*	44,152	44,152
All Electric Homes	X		21,847	21,847
Appliance Rebates			2,603	2,603
Multi-Family Appliance Recycling			1,245	1,245
LED Lamp Distribution			1,304	1,304
Advanced Power Strip Door to Door Install			321	450
MALL BUSINESS:				
Small Business Direct Install	X	X	8,986	9,173
Small Business Direct Install - DCV	X	X	4,984	-
Small Business Direct Install - Refrigeration	X	X	16,820	16,820
Behavior Modification			2,789	6,247
Small Business Direct Install			11,414	11,414
School Direct Install	X		1,786	1,874
Small Business Direct Install	X		24,722	33,867
Desktop Power Management for Schools			1,109	1,220
Sustainable Schools			1,557	2,055
Total Savings for program bids included in MWh Goal: Scenario A**			158,801	159,034
Total Savings for program bids included in MWh Goal: Scenario B***			165,453	165,686

* With both bids passing TRC, but with same (competing/duplicative) program, AIC requesting IPA determine which bid to select

** Scenario A assumes Company A Behavior Mod included

*** Scenario B assumes Company B Behavior Mod included

In addition, ICC Staff asked for the impact that the MWh goal cost would have on customer utility bills. The overall results of that analysis are presented below:

Table 5: EE Cost Impact on Customer Bills

Rate Code: Customer Class	IPA	8-103 and IPA
DS-1: Residential	3.45%	6.05%
DS-2: Small Business	1.85%	4.16%

In PY8 residential customers will be paying an estimated \$54.08 (\$30.88 for IPA programs and \$23.20 for 8-103 programs). per year for energy efficiency. Compared to PY7, IPA costs for residential customers are increasing by over 130%.

2.6 Analysis Showing How the Cost of Energy Compares to Prevailing Cost of Supply

“(a)(3)(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.”

AIC performed the TRC test to determine if the cost of procuring the cost-effective energy efficiency measures over the life of the measures compares positively to the prevailing cost of comparable supply. AIC understands that this approach was determined acceptable by most participants during the 2013 Workshop,²⁰ The results of the TRC test are shown above in Table 1.

2.7 An Estimated Energy Savings Goal

“(a)(3)(F) An energy savings goal, expressed in megawatt-hours, for the year in which the measures will be implemented.”

AIC is providing an estimate of savings based on a current analysis that uses now-applicable net-to-gross ratios and the current version of the IL-TRM. As explained in Section 1.4, AIC requests that all of these values continue to be deemed and used in the determination of estimated savings, both in this submittal and any adjustments of the PY8 and PY9 goal achievements upon program implementation, subject to annual adjustments to be consistent with any updated NTG ratios and IL-TRM values..

As indicated in Table 4 above, the estimated net savings goal for cost-effective programs that pass the TRC test would be 158,801 MWh in PY8 and 159,034 in PY9 under Scenario A or 165,453 MWh in PY8 and 165,686 MWh in PY9 under Scenario B. The following table sets forth the estimated savings goal, as well as the estimated costs that could be incurred in achieving those additional savings.

²⁰ 2013 Workshop item #110 without objection at 14 states, Section 16-111.5B(a)(3)(E) can be interpreted as the Total Resource Cost (“TRC”) test.”

**Table 6: Total PY8 and PY9 Estimated Section 16-1115.B Savings and Costs for
Programs Included in the MWh Savings Goal**

				Estimated Net MWh Savings at Meter		Estimated Net MWh Savings at BusBar	
Program		Cost					
RESIDENTIAL		PY8	PY9	PY8	PY9	PY8	PY9
	Residential Lighting	\$ 10,570,234	\$ 11,067,006	45,164	50,193	48,190	53,556
	Multi-Family Major Measures	\$ 16,410,403	\$ 16,410,403	36,498	36,498	38,943	38,943
	Moderate Income Efficiency Kit	\$ 877,230	\$ 789,507	1,468	1,468	1,567	1,567
	Rural Efficiency Kit	\$ 1,107,122	\$ 1,107,122	7,381	7,381	7,876	7,876
	Company A: Behavior Mod*	\$ 2,277,720	\$ 2,277,720	37,500	37,500	40,013	40,013
	Company B: Behavior Mod*	\$ 2,244,375	\$ 2,244,375	44,152	44,152	47,111	47,111
SMALL BUSINESS:							
	Direct Install	\$ 3,454,044	\$ 3,720,680	8,986	9,173	9,588	9,788
	Direct Install - DCV	\$ 1,146,840	\$ -	4,984	-	5,318	-
	Direct Install - Refrigeration	\$ 3,828,312	\$ 3,742,812	16,820	16,820	17,947	17,947
	Total: Scenario A**	\$ 39,671,905	\$ 39,115,250	158,801	159,034	169,441	169,689
	Total: Scenario B***	\$ 39,638,560	\$ 39,081,905	165,453	165,686	176,539	176,787

* With both bids passing TRC, but with same (competing/duplicative) program, AIC requesting IPA determine which bid to select

** Scenario A assumes Company A Behavior Mod included

*** Scenario B assumes Company B Behavior Mod included

2.8 Impact on Procurement

“(a)(3)(G) For each expanded or new program, the estimated amount that the program may reduce the agency's need to procure supply.”

As set forth in Table 7 below, the estimated eligible retail customer savings is 72,137 MWh.²¹ This is based on the switching data related to the forecast supplied in the other portion of this submission.

²¹ In order to determine an estimate of the IPA's reduction in procuring supply, the savings estimates must exclude those who are not eligible retail customers.

Table 7: Savings Attributable To Eligible Retail Customers

	Before Switching MWh			Forecasted Switching		After Switching MWh		
	DS1 EE at Meter	DS2 EE at Meter	Total	DS1 Eligible Retail	DS2 Eligible Retail	DS1 EE at Meter	DS2 EE at Meter	Total
Jun-15	11,222	2,566	13,788	45.84%	33.80%	5,144	867	6,011
Jul-15	11,222	2,566	13,788	45.84%	33.80%	5,144	867	6,011
Aug-15	11,222	2,566	13,788	45.84%	33.80%	5,144	867	6,011
Sep-15	11,222	2,566	13,788	45.84%	33.80%	5,144	867	6,011
Oct-15	11,222	2,566	13,788	45.84%	33.80%	5,144	867	6,011
Nov-15	11,222	2,566	13,788	45.84%	33.80%	5,144	867	6,011
Dec-15	11,222	2,566	13,788	45.84%	33.80%	5,144	867	6,011
Jan-16	11,222	2,566	13,788	45.84%	33.80%	5,144	867	6,011
Feb-16	11,222	2,566	13,788	45.84%	33.80%	5,144	867	6,011
Mar-16	11,222	2,566	13,788	45.84%	33.80%	5,144	867	6,011
Apr-16	11,222	2,566	13,788	45.84%	33.80%	5,144	867	6,011
May-16	11,222	2,566	13,788	45.84%	33.80%	5,144	867	6,011
Total	134,664	30,789	165,453			61,730	10,407	72,137

2.9 Third-Party Solicitation

“(a)(3)(G) (continued) 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.”

AIC performed an RFP and bidding process from January 2014 through March 2014. Prior to submission of the RFP and in keeping with the recommendation by CUB and the IPA in the Final Order at 147 of the 2014 IPA Docket 13-0546, Ameren Illinois contacted each of the bidders who responded to the prior year’s IPA RFP (commonly referred to as PY7 and for the implementation period beginning June 1, 2014). AIC requested the bidders share their impression of the PY7/2014 RFP process, emphasizing that feedback that may improve the RFP process in the future was

encouraged. In March 2014, the responses received from the bidders were summarized by AIC and the summarized results were shared with ICC Staff and the IPA for review. No comments were received by AIC from any stakeholders concerning the results. Further, suggestions from the vendors were addressed through the workshop process. In addition, AIC circulated the RFPs to interested stakeholders, Staff and the IPA. The bids and analyses of those bids were shared with key stakeholders. The RFP and all bids received are contained in the materials attached as Appendix 5 and 6. Appendices 6 and 7 are provided to the IPA as confidential material and should be treated in accordance with applicable laws.

2.10 Collaboration

“(a)(5) The utility shall consider input from the Agency and interested stakeholders on the procurement and administration process.”

In addition to the actions explained in other sections of this Submission, AIC sought and considered the input of the IPA, ICC Staff, and other interested stakeholders. AIC also participated in an extensive ICC/IPA Workshop (2014 Workshop) process during 2014 which included deliberation about Oversight and Evaluation, Potential Studies and the RFP process. AIC remains committed to continuing this collaborative process, as well as the collaborative relationships and process that has been established throughout its prior implementation of energy efficiency programs.

2.11 Cost Recovery and Budget

“(a)(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.”

In accordance with the above, if the IPA and ICC choose to include energy efficiency programs in the procurement plan to be implemented by AIC, then AIC shall recover its costs. AIC filed a revised Rider EDR complying with this requirement last year. Estimated program costs are provided in Table 6, though as noted elsewhere these estimates are subject to future adjustments.

AIC notes that the Company retains independent evaluators for the evaluation of its Section 8-103 energy efficiency portfolio and, to maintain evaluation consistency and as in accordance with the consensus at the 2013 and 2014 Workshop, also plans on retaining the same evaluators for the evaluation of Section 16-111.5B programs. To assist with this consistency and to maximize evaluation efficiency, AIC intends to continue to treat Section 8-103 and 16-111.5B evaluation budgets as merged and operated as a single budget; to the extent ICC approval is necessary to continue this practice, AIC requests it.²²

2.12 Cost-Effectiveness

“(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.

The term cost-effective set forth in Section 8-103(a) refers to the use of the TRC test. As previously described in Section 2.4 the TRC test was used to determine program cost-effectiveness per the Act. As previously explained AIC provides a TRC analysis of

²² 2013 Workshop consensus item #11 at 2 states, “Evaluation of the Section 16-111.5B EE programs should be performed by the Section 8-103 EE program evaluators.” Consensus item #12 at 2 states, “Evaluation of Sections 8-103 and 16-111.5B EE programs should be coordinated.”

the programs that were bid in this submission the result of which is provided in Tables 1 and 2 and the detailed analyses is provided in Appendix 7.

Appendix 1: Section 16-111.5B

(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.

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.)

Appendix 2: IPA/ICC Section 16.111.5B Workshop Summaries

(Provided as separate attachments)

Appendix 3: Program Descriptions

Program	Residential Lighting Program
Program Description	Applied Proactive Technologies Inc. (APT) and Energy Federation Inc. (EFI) – the APT Team propose a residential lighting program that will be implemented at retail through the use of instant-markdown incentives on lighting products. APT will be responsible for negotiating the terms and conditions of all Memorandums of Understanding (MOUs) with our 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. APT will work closely with EFI who will be responsible for all rebate processing and incentive invoicing.
Delivery Strategy	Program Duration: June 2014 – May 2017 As the existing contactors for Ameren Illinois, the APT Team 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. APT 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. APT 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.
Target Market	APT will market this program to residential customers in AIC's service territory looking to improve the efficiency of their existing lighting.
Marketing Strategy	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: • Special Pricing Labels • Vertical Beam Signs (aisle violators) • Horizontal Beam Signs • Large Special Pricing Signs • Hang Tags • Rebate Forms • Tip Cards • Tear Pads Whenever possible, APT 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.
Eligible Measures	Below is a list of measures that APT is proposing for the program.

Program Targets	Measure	Incentive Per Unit	Gross Annual kWh Savings	Gross kW Savings	Effective Useful Life	Incremental Cost
	ENERGY STAR Standard CFLs	\$1.25	32.92	0.0022	5.2	\$1.60
	ENERGY STAR Standard LEDs	\$5.00	32.16	0.002	10	\$9.96
	ENERGY STAR Specialty LEDs	\$7.00	50.85	0.0032	10	\$40.00
	Occupancy Sensors	\$7.00	35.70	0.0003	10	\$0.50/watt controlled
	Below are APT’s estimated unit sales for PY8 and PY9 for each proposed measure.					
	Measure			PY8 Sales	PY9 Sales	
	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	

PROGRAM	Multifamily Major Measures Program
Program Description	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 AIC 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.
Delivery Strategy	Program Duration: June 1, 2015 through May 31, 2017 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. The Multifamily Major Measures Program will also leverage the All Electric Homes program proposed program that will, among other measures, offer HVAC upgrades to multifamily property owners. These programs, when applied in unison constitute a “whole building” approach that makes for greater overall savings.
Target Market	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.

Marketing Strategy

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.

Additional marketing tactics may include:

- Targeted direct mail and email campaigns
- Presentations at industry conferences, property owner associations and management and company meetings
- Case studies and testimonials

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
Total	\$14,395,089	\$14,395,089	\$28,790,178

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																																																							
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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
				3843.2

PROGRAM	Energy Efficiency Kits
Program Description	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.
Delivery Strategy	Program Duration: June 1, 2015 through May 31, 2017 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.
Target Market	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.
Marketing Strategy	CSG will create program, educational and installation collateral to promote the program. Anticipated marketing tactics will include: • Targeted direct mail and email campaigns • Website or landing page content • Inbound and outbound calls Eligible participants will be mailed a free kit of simple, low-cost energy efficient products, educational materials and installation instructions by EFI, our 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.

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
Total	\$971,160	\$971,160	\$1,942,320

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
Program Description	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. 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.
Delivery Strategy	Program Duration: June 2015 to May 2017 AIC will use a third-party contractor to implement the program. Key implementation steps and processes include but are not limited to: • Home Energy Reports will be mailed to targeted residential customers on a recurring basis for the duration of the program. • 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. • 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.
Target Market	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.
Marketing	Use energy, housing, demographic, and available past program participation data to

Strategy	design a multi-dimensional segmentation plan of potential customers base on: • Energy consumption patterns (e.g., normalized high seasonal peak, high base load, etc.) • Housing data (e.g., age of house, size of house, value of home, type of construction, presence of a pool, presence of a garage) • Past program participation and rebate redemption (e.g., ENERGY STAR and other rebates, rate programs, etc.) if available • 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) Identify high-potential prospects for program marketing by profiling historical participants and available historical marketing campaign results.																								
Eligible Measures	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.																								
Program Targets	Maximizing Cost-effective Savings while Staying within Budget <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
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PROGRAM	Residential Behavior Modification																										
Objective	Through defined, targeted and proven engagement methods and motivating factors, provide residential Ameren Illinois customers with the strategic and timely information to improve energy efficiency and energy efficiency education.																										
Target Market	The Target Market will consist of 2 primary treatment groups: Ameren Illinois customers who have not yet been treated or considered for a larger scale EE program, and those that have already been treated, and are ready for a more targeted and specific EE approach.																										
Program Duration	June 2015 - May 2017																										
Program Description	Knowing that the customer engagement lifecycle can vary greatly, depending on numerous factors, Tendril will concurrently and uniquely, treat 2 Ameren Illinois customer segments, over the duration of the program and strategically beyond the program term. Treatment group 'A' is defined as Ameren Illinois customers, who have been recently treated with a similar behavioral modification program, within the last 2 years; this population is considered mature from both a relative law of diminishing returns, and an energy savings awareness perspective. Tendril will work with Ameren Illinois to further define each segment; however, this segment looks to be ~90K members. Home Energy Reports will be mailed in months 1-3, with specific customization and an additional insert, that motivates these seasoned users to continue their journey to an online portal experience, that will include a number of additional engagement points and motivators, including weekly challenges, energy calculators, customized SMS updates, cross selling opportunities, as well as others. After the 3rd home energy report, a regular cadence of 3 additional reports will be mailed in Y8 and another 4 reports will be mailed in Y9, to all treatment group A members, including those that have moved to the online experience, and those who have not. We anticipate a 15% conversion rate, or ~13.5K users to take this journey. Treatment group 'B' is defined as Ameren Illinois residential customers, who meet the required guidelines of demand less than 150KW, and are an amalgamation of users who have not yet been treated in a EE behavioral modification program AND those who have been treated, but not in the last 2 years. This particular group is can be considered new or relatively new to the energy awareness journey, and can still be motivated with proven entry-level engagement tactics. As with treatment group 'A', Tendril will work with Ameren Illinois to further define this segment; however, early estimates look to be ~300K who have never been treated, and another 180K who have not been treated in the last 2 years.																										
Eligible Measures & Incentive Strategy	This energy efficiency and behavioral motivation and modification program focuses on targeted consumer engagement, and is measured in EE savings in both Y8 and Y9, which result in reduced energy consumption. <table><tr><th>Measure</th><th>Annual KWh Savings</th><th>kW Savings</th><th>Annual Therm Savings</th><th>Annual Electric Savings</th><th>Annual BTU Gas Savings</th><th>Incremental Cost</th></tr><tr><td>Home Energy Reports Only</td><td>193</td><td>0.02203196347</td><td>13.53</td><td>658,035</td><td>1,353,000</td><td>\$ -</td></tr><tr><td>Home Energy Reports + Web Portal</td><td>534</td><td>0.06095890411</td><td>36.08</td><td>1,820,678</td><td>3,608,000</td><td>\$ -</td></tr></table>						Measure	Annual KWh Savings	kW Savings	Annual Therm Savings	Annual Electric Savings	Annual BTU Gas Savings	Incremental Cost	Home Energy Reports Only	193	0.02203196347	13.53	658,035	1,353,000	\$ -	Home Energy Reports + Web Portal	534	0.06095890411	36.08	1,820,678	3,608,000	\$ -
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Implementation Strategy	Although there are 2 distinct treatment groups, the overall strategic engagement methodology itself is the same; as customers become more energy efficient and behaviorally conscientious, in order to maintain or improve energy efficiency savings, new and additional measures must be employed. The difference between groups A and B, is where along they path they enter into the engagement journey. Treatment group A constitutes a more seasoned EE customer, whose next step is to journey into the online experience, where they will then be challenged in new and different ways to improve the EE efficiency of their homes, and become a better informed energy consumer. Within this rich online experience, the user will be motivated to learn more about their home and EE specific behaviors, but more importantly, create additional cross sell opportunities for AIC. Treatment group B, is still receptive to beginner-type basic motivators to become more energy aware.																										
Marketing Strategy	Using available AIC customer qualifying data, as well as previous behavioral modification program data, Tendril will further qualify the treatment numbers, and then will effectively treat each of the defined Treatment groups accordingly, based on the strategic outlined above, in both the Program Description and Implementation Strategy.																										
Estimated Participation	<table><tr><th colspan="4">Treated Ameren Illinois Customers</th></tr><tr><th>Treatment Group</th><th>Treatment Group Size</th><th>Treatment Measure</th><th>Treatment Schedule</th></tr><tr><td>A</td><td>90,000</td><td>HER + Insert</td><td>Y8, Month's 1-3</td></tr></table>						Treated Ameren Illinois Customers				Treatment Group	Treatment Group Size	Treatment Measure	Treatment Schedule	A	90,000	HER + Insert	Y8, Month's 1-3									
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PROGRAM	Small Business Direct Install
Program Description	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.
Market Barriers	First costs are too high, lack of capital, and projects are only completed on failure 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. Owners are too busy running the company 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: 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. 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. 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. Franklin's streamlined approach minimizes the time demands on small business owners and makes it easy for them to participate. We incorporate a standard pricing model 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. Lack of decision-making data to support upgrades and need for third party validation 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

	sheets detailing the validity of the energy efficient options being presented. Lack of awareness Awareness for energy efficiency offerings is always a challenge. However, in small business programs, it can be an especially challenging barrier. Franklin’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 us reach their members and serve as a trusted partner in presenting the program. Varying facilities 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. 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.
Delivery Strategy	Program staff will target eligible customers through marketing and communications efforts and offer free direct installation of measures and an energy assessment. We will focus our outreach efforts on two fronts: building program awareness through direct outreach to customers and supporting Program Allies in their efforts to engage customers. 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.
Target Market	The target market is small commercial buildings identified using < 150kW. This target market is often underserved and is consider “hard to reach” for several reasons, including: • Buildings are often owned by one party but utilized by another who is responsible for the energy bill • Small business owners are time constrained and typically lack staff availability for energy matters • Installation contractors serving these markets can be “small” themselves and not always able to keep up with the area’s program offerings
Marketing	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-

Strategy	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.
Eligible Measures	Direct Installation Measures: CFL (14W) replacing incandescent CFL (23W) replacing incandescent CFL (19W) replacing incandescent replacing incandescent Cooler Miser Pre-Rinse Spray Valves Low-flow Bathroom Aerators Low-flow Kitchen Aerators Standard Measures: Delamping w/ reflector (4 lamp, 4 foot T12 to 2 lamp, 4 foot HPT8) Delamping w/ reflector (2 lamp, 8 foot T12 to 2 lamp, 4 foot HPT8) Delamping w/ reflector (3 lamp, 4 foot T12 to 2 lamp, 4 foot HPT8) Delamping w/ reflector (4L 8ft T12 to 4 lamp, 4 foot HPT8) Delamping w/ reflector (2 lamp U tube T12 to 2 lamp, 4 foot HPT8) Delamping w/ reflector (4 lamp, 4 foot T12 to 3 lamp, 4 foot HPT8) Delamping 4 lamp, 4 foot T12 to 2 lamp, 4 foot HPT8 Delamping 4 lamp, 8 foot T12 to 4 lamp, 4 foot HPT8 Delamping 4 lamp, 4 foot T12 to 3 lamp, 4 foot HPT8 Delamping 3 lamp, 4 foot T12 to 2 lamp, 4 foot HPT8 HID to high bay fluorescent to 400W to 6 lamp, 4 foot HPT8 HID to high Bay fluorescent to 250W to 4 lamp, 4 foot HPT8 4 lamp, 4 foot HPT8/LWT8 lamp & ballast retrofit 2 lamp, 4 foot HPT8/LWT8 lamp & ballast retrofit 2 lamp, 8 foot T12 HO/VHO to 4 lamp, 4 foot HPT8 w/ low, medium, or high ballast factor ballast 2 lamp, 8 foot T12 Slimline to 4 lamp, 4 foot HPT8 w/ low ballast factor ballast 3 lamp, 4 foot HPT8/LWT8 lamp & ballast retrofit 1 lamp, 4 foot HPT8/LWT8 lamp & ballast retrofit 2 lamp, 8 foot T12 Slimline HPT8/LWT8 lamp & ballast retrofit 1 lamp, 8foot T12 Slimline to 2L 4ft HPT8 w/ low ballast factor ballast 2 lamp, U Tube HPT8/LWT8 lamp & ballast retrofit 2 lamp, 8 foot T12 Slimline/HO/VHO to 4 lamp, 4 foot HPT8 1 lamp, 8ft T12 HO/VHO to 2 lamp, 4 foot HPT8 w/ low, medium, or high ballast factor ballast Incandescent to LED PAR 38 ≥65W incandescent to screw-in LED <65W incandescent to screw-in LED LED Exit Sign, retrofit LED Exit Sign Fixture w/ Battery Backup Incandescent 75W - Parabolic 15W CFL Incandescent 100W - Parabolic 23W CFL Incandescent 60W - Cold Cathode 15W Outdoor HID 251-400W to LED Outdoor HID 176-250W to LED Outdoor HID ≤175W to LED 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	Scenario 1: Franklin Energy is sole implementer of a distinct, unique program																				
	<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>	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
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<table><tr><th>Category</th><th>TRC</th></tr><tr><td>Small Business</td><td>1.62</td></tr></table>	Category	TRC	Small Business	1.62																	
Category	TRC																				
Small Business	1.62																				

PROGRAM	Business Demand Controlled Ventilation
Program Description	This program includes the development and implementation of a demand controlled ventilation program for small business customers with a connected load less than 150kW. Demand controlled ventilation (DCV) involves the installation of a carbon dioxide sensor on the return air side of a ventilation system to maintain allowable levels of carbon dioxide in the atmosphere inside a building. Building code requires minimum ventilation rates for the most common types of occupancy on a cubic feet per minute basis.
Market Barriers	Barriers to the implementation of this program include the limited audience (customers with a connected load under 150 kW), challenges associated with the target market segments, and initial cost for implementation. The marketing strategy will be designed to overcome some of these barriers, by messaging as a stand-alone program, and developing targeted marketing collateral to the target audience of offices, educational facilities. Working with customers and understanding financial constraints, and providing education about the benefits of implementation will help assist with overcoming financial barriers.
Changes	No changes are anticipated to the Demand Controlled Ventilation Program during the 2015 – 2016 cycle.
Delivery Strategy	The implementation approach will include direct customer outreach and facility

	assessments, energy management support and training, trade ally outreach and continual engagement, market segmentation and targeting, engagement of all sector influencers and stakeholders such as trade associations and regional and local economic development commissions, and the use of submarket training, marketing materials, and electronic channels.
Target Market	For certain market segments, such as offices, educational facilities (including auditoriums), and theatrical spaces such as movie theaters, the design ventilation rates are based on maximum occupancy, which is not necessarily the occupancy experienced continuously throughout the day. Based on the market potential study, offices and educational facilities are listed in the top three facility types, just behind industrial, on a percentage basis for total square footage of facilities in Ameren Illinois Company's (AIC's) service territory.
Marketing Strategy	Market Research, Analysis, and Segmentation: Identify target audiences within this <150 kW small commercial customer class and understand drivers so that we can define the key program markets and craft major win themes to encourage program participation. Strategic Marketing and Customer Engagement: With research and analysis, develop a dynamic marketing and customer engagement plan to ensure efficient use of natural and financial resources and goal achievement. This approach will overcome small commercial sector program barriers. Network with Established, Key Program Allies: The marketing approach will extensively market to the trade ally network. Trade Allies have significant influence with small to medium commercial sector customers. This strategy can quickly communicate, train, educate and engage these program allies to understand the program offerings and identify and engage the desired market segments for implementation of the DCV program measure.
Eligible Measures	Financial incentives will be provided to offset the costs associated with installation of a demand controlled ventilation system to optimize HVAC operation and ventilation needs. Incentive levels will be calculated based on energy savings estimates for each project. Incentives will be subject to modification to balance the program's financial requirements and savings targets.
Program Targets	Incentives: \$500,000 to \$750,000 Administration: \$ 256,000 Total: \$756,000 to \$1,006,000 Gross MWh: 5,600 MWh

Program Description	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.	
	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.	
Program Duration	June 2, 2015 to May 31, 2017	
Delivery Strategy	Energy Advisors: 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. Program Allies: 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.	
Target Market	The program targets small, independent grocers, bars and restaurants, and independent convenience stores.	
Marketing Strategy	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. Targeted bill stuffers and direct mail will also be used in order to reach the target market directly.	
Eligible Measures	The program targets refrigeration measures that are common upgrades for the target market. Measures include: - o Auto Door Closers - Walk-In Cooler - o Auto Door Closers - Walk-In Freezer - o Controls - Refrigerated beverage - o Controls - Non-Refrigerated Snack - o Controls - Glass Front Refrigerated cooler - o Controls - Door heater - Low temp - o Controls - Door heater - Medium temp - o Controls - Door heater - high temp - o ECM Motor - Walk In - Restaurant - o ECM Motor - Walk In - Grocery - o ECM Motor - Reach In - Grocery - o Controls - Evaporator Fan - o LED cold case lighting with occupancy sensors - o Walk in Cooler Strip Curtains - Refrigeration - o Walk in Cooler Strip Curtains - Freezer - o Economizers – refrigeration - o Night covers for display cases	
Program Targets	Customer served	
	June 2015 to May 2016	June 2016 to May 2017

650	650
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Proposed Measure	Estimated Annual Participation/Units	Incentive per Unit	Total Annual Gross kWh Savings	Total kW Demand Savings	Total Annual Gross Therm Savings	Esti Usef (ye
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

Incentives	\$2,618,168.64
Admin	\$740,000
Total	\$3,358,168.64

The following are provided as separate attachments:

Appendix 4: Potential Study

Appendix 5: Third Party RFP

Appendix 6: Third Party Bids (CONFIDENTIAL)

Appendix 7: Detailed Analyses (CONFIDENTIAL)