

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

**For The Ameren Illinois Residential and Business  
Electric and Gas Energy Efficiency Programs 2014**

**Issued by:**



Issued:  
January 23, 2013  
**REVISED:**  
**February 1, 2013<sup>1</sup>**

**Electronic Proposals Due:  
March 15, 2013 at 4:00pm (Central Time)**

**Print Proposals Due  
March 19, 2013 at 4:00pm (Central Time)**

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

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<sup>1</sup> The only revision is indicated on page 18: Bidder must complete a program template of the proposed program in a format that duplicates the program templates provided in Attachment F.

## Ameren Illinois Third-Party Efficiency Programs Request for Proposals

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## Ameren Illinois Third-Party Efficiency Programs Request for Proposals

### 1.0 Key Summary and RFP Considerations

This Request for Proposal (RFP) is being issued by the Ameren Illinois Company (AIC) to satisfy a section of the Illinois Public Utility Act; 220 ILCS 5/16-111.5B<sup>2</sup>. This legislation requires that Illinois electric utilities administer an annual solicitation process for the expansion of electric energy efficiency programs to capture all cost-effective achievable efficiency. AIC currently provides its customers with a dual fuel (electric and gas savings) energy efficiency portfolio (Attachment E1). This RFP is soliciting proposals for new portfolio programs that would assist AIC in capturing all cost-effective achievable electric savings.

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

Following is a key summary that comprises this RFP. Details related to these items are following this section. Bidders should review these guidelines carefully.

1. Propose electric energy efficiency measures and programs that acquire cost-effective achievable efficiency in net MWH savings that are incremental to the savings being acquired by the current portfolio.
2. The program's term to acquire savings is for one year, June 1, 2014 through May 31, 2015 with the opportunity to have the contract renewed.
3. AIC will base its evaluation of proposals, in part, on its analysis of cost-effectiveness. Bidders are not expected to perform cost-effectiveness analysis, but must provide the inputs necessary for the analysis to be done.
4. Cost-effectiveness criteria are established by statute. The program must pass the total resource cost (TRC) test with a benefit cost ratio greater than 1.0.
5. The proposed programs are only for those customers currently served by the AIC portfolio (and not for those customers currently served by the Department of Commerce and Economic Opportunity, otherwise known as "DCEO").
6. The proposed programs are only for those customers that are not declared competitive; those whose demand is less than 150KW and are classified as Residential and Small Commercial.
7. While the purpose of this RFP is to satisfy a solicitation process for acquiring electric savings, any programs that acquire gas savings in addition to electric savings are also welcomed. The proposal of gas only savings programs is not acceptable. Any electric savings programs that also acquire gas savings must also supplement or complement

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<sup>2</sup> The entire enrolled legislation can be viewed at <http://www.ilga.gov/legislation/fulltext.asp?DocName=&SessionId=84&GA=97&DocTypeId=SB&DocNum=3811&GAID=11&LegID=65914&SpecSess=0&Session=0>. Pertinent sections for this RFP are included as Attachment C.

current programs, or be completely new programs. The TRC calculation for dual savings programs can include the gas benefits.

8. AIC is responsible for administration of the proposed program, in collaboration with AIC's prime contractors.
9. The proposed programs are subject to review and approval by AIC, the Illinois Power Agency (IPA) and the Illinois Commerce Commission (ICC).

## 1.1 Program Proposal

Bidder's proposed programs cannot compete with programs currently offered in the AIC energy efficiency portfolio. The proposed programs can only supplement or complement current programs, or be completely new programs.

AIC is in its fifth year (Y5) of administering an integrated energy efficiency portfolio.<sup>3</sup> The proposed programs that result from this bidding process will be implemented during year 7 (Y7) of the portfolio. At the time of this RFP issuance, the portfolio that includes Y7 has not yet been approved by the ICC. In addition, in ICC Docket No. 12-0544, the ICC approved eight incremental energy efficiency programs to be implemented by AIC in Y6 (to achieve incremental IPA savings goals).

Therefore bidders will use the current portfolio (for years 4, 5, and 6) and the Y6 IPA incremental programs as the basis for determining the uniqueness of their programs. These programs are provided as Attachments E1 and E2. The portfolio and its programs can be further researched at the portfolio's website; [www.actonenergy.com](http://www.actonenergy.com). Further detail regarding the estimate of net savings is provided in section 2.0.

AIC uses a prime implementer model to deliver its energy efficiency portfolio. The prime implementers are Conservation Services Group (CSG) for residential programs and Science Applications International Corporation (SAIC) for business programs. In order to avoid market conflict and confusion, response to this RFP must be for the purposes of complimenting or supplementing current programs or must be new programs that are not currently in the portfolio. Current prime implementers and current subcontractors for the AIC prime implementers are allowed to provide bids for new programs in response to this RFP. Any programs accepted by this RFP must operate under the direction of AIC. Templates providing a description of current programs are provided in Attachment F.

## 1.2 Program Term

The program's term to acquire savings is for one year, June 1, 2014 through May 31, 2015.

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

The AIC energy efficiency portfolio operates on three year cycles. The term of the services of this RFP is applicable to June 2014 – May 2015 also known as Y7 of the AIC portfolio (the first year of the third 3-year cycle of the portfolio). AIC may choose to negotiate the extension of a program beyond the one year.

### 1.3 TRC Test

The program must pass the total resource cost (TRC) test with a benefit cost ratio greater than 1.0.

Bids must reflect both a total program cost and a cost/kwh. Costs provided in the bid must be all inclusive of total program costs (such as rebates/incentives, marketing, customer care, labor including subcontractors, material costs, program management, reporting, etc.). AIC will perform its own analysis to determine if the bidder's program costs abide by the cost requirements.

Following is the definition of the applicable TRC test (20 ILCS 3855/1-10 Sec. 1-10. Definitions):

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

As per the definition, the TRC calculation will include gas benefits.

There is no prescribed budget cap for the proposed programs. Bidders must perform market research and apply their expertise to determine the maximum amount of cost-effective savings they can achieve.

Refer to the AIC 2010 Potential Study for additional guidance on market opportunity which can be found at [http://www.ilsag.org/evaluation\\_documents](http://www.ilsag.org/evaluation_documents).

AIC reserves the right to modify the proposed size for selected programs. Bidder should state budget ranges for the program enabling AIC to scale the budget/program higher or lower. If AIC decides to award a different amount than the selected bidder's proposed budget, AIC and Bidder will negotiate the net kWh savings and budget for a modified contract amount.

#### **1.4 Customer Segment**

The proposed programs are only for those customer segments currently served by the AIC portfolio (and not for those AIC customer segments currently served by efficiency programs offered by the Department of Commerce and Economic Opportunity, otherwise known as "DCEO").

In order to prevent market conflict and confusion for those market segments already served by DCEO, bids cannot include new or expanded programs for market segments already served by DCEO. DCEO provides energy efficiency programs for units of local, state, and federal government, municipal corporations, public school districts, community colleges, and state universities and programs targeted at low income households. Attachment D provides direction on how to access a copy of DCEO's portfolio.

#### **1.5 Administration of Programs**

AIC is responsible for administration of the proposed program, in collaboration with Ameren Illinois' prime contractors.

As specified in 220 ILCS 5/16-111.5B the IPA must consider the inclusion of energy efficiency programs in its procurement plan for the next ten years. As part of their annual submission of electricity needs of the IPA, the utilities must also provide identification of new or expanded energy efficiency programs or measures that are incremental to those in their current portfolio. Utilities must issue an annual RFP process to identify these opportunities and provide documentation of the bids received. Accordingly, AIC issues this RFP to comply with 220 ILCS 5/16-111.5B.

Section 1.1 of this RFP speaks to the collaboration of the selected bidder with the AIC implementers.

#### **1.6 Programs are Subject to Regulatory Review and Approval**

The proposed programs are subject to review and approval by AIC, the Illinois Power Agency and the Illinois Commerce Commission.

The IPA procures electric supply on behalf of AIC customers that are on bundled service. This supply is then delivered by the AIC distribution system. AIC provides a submission of their customer's estimated supply needs to the IPA by July 15 of each year. The IPA then develops their procurement plan which is docketed and approved, or approved as modified,

by the Illinois Commerce Commission (ICC) no later than December 31 of that same year. The approved procurement plan is then implemented starting June 1 of the subsequent year.

The approved procurement plan will indicate the incremental savings that are included in the procurement and thus dictate the programs that will be implemented as a result of this RFP. Incremental energy efficiency programs that pass the TRC test and are included in the IPA procurement plan will be scrutinized by interested parties in the annual docketed proceeding and will ultimately be approved or rejected by the Commission prior to each year's implementation. AIC cannot predict the outcome of this process and therefore makes no warranties to potential bidders of approved incremental energy efficiency programs that will be implemented.

While AIC seeks to align programs proposed by this RFP with the energy efficiency portfolio's 3-year cycle, the IPA procurement process is an annual process. Programs or the amount of incremental energy efficiency may change based on the annual procurement process. Therefore AIC reserves the right to discontinue contracts.

## 1.7 Target Market

The proposed programs are only for those customers that are not declared competitive; those whose demand is less than 150KW and are classified as Residential and Small Commercial.

Following is an estimate of the volume and usage of customers that pertain to the programs for this RFP:

From June 1, 2011 – May 31, 2012

	<u>12 month Avg #Cust</u>	<u>12 month Total MWH</u>
Total Residential Retail Service	1,057,096	11,482,603
Total Small Business Retail Service	150,370	5,325,507

## 2.0 Program and Bidding Guidelines

A bidder may propose more than one program but each distinct program must be provided as a separate bid. A bidder may propose a suite of programs in one bid; however this increases the likelihood that if a program is rejected, the entire bid may be rejected.

### 2.1 Program Parameters

Proposals can be promotional, technology or delivery based solutions that will produce measureable electricity savings. AIC is only supporting programs for innovative technologies

that are commercially available in the marketplace (pre-commercial technologies are not eligible for this RFP) or proven resource programs providing reliable and measurable kWh savings. The following programs/technologies are not eligible under this RFP:

- Renewable energy
- Demonstration projects and limited production technologies
- Load shifting
- Power factor correction

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

Performance evaluation will be conducted by an independent evaluator at the close of each program year, although evaluation activities may be ongoing throughout a program year. Therefore, program design considerations must be made to account for net savings determinations including net-to-gross estimations and measure values. After the bidders are selected and prior to program implementation, AIC's independent evaluation firm will confirm recommendations for values to determine estimated net savings values for planning purposes.

Some of the other elements evaluated will include overall program performance, energy savings achievement, marketing approach, implementation channels, outreach activities and customer satisfaction.

**By responding to this RFP bidders acknowledge that:**

- 1) Bidders are obligated to achieve the savings within the budget as provided in their bid for the program year timeframe of June 1, 2014 – May 31, 2015. Bids are provided as part of a docketed proceeding. If a bid is selected as a result of the docketed proceeding, the bidder is obligated to contract with AIC to provide the savings within the budget as provided in their bid.**
- 2) Program assumptions are subject to changes per the Illinois Technical Reference Manual<sup>4</sup> (which is revised annually and in effect on March 1, 2014) and annual evaluation results which are received November 2013 through March 2014. Bidders acknowledge that even with these revised assumptions; they are obligated to achieve the savings within the budget as provided in their bid for the program year timeframe of June 1, 2014 – May 31, 2015.**
- 3) Programs that are implemented as a result of this RFP will be contracted as a form of performance contracting where vendors will get paid according to the savings achieved in addition to holdback and penalty provisions.**

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<sup>4</sup> The current Illinois TRM can be found at <http://www.icc.illinois.gov/docket/files.aspx?no=12-0528&docId=187554>



## 2.3 Marketing and Program Design

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

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

All aspects of program design and implementation, marketing plans, materials, and outreach activities, including all customer-facing aspects of the program, must be reviewed and approved by AIC.

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

## 2.4 Program Integration

Selected bidders will develop and operate systems that integrate into the portfolio's existing operations.

- Staff
  - Staff will be employed by the selected bidder but will perform under the rules and guidance of AIC or possibly AIC's prime implementer. Selected bidders must provide trained personnel as needed who are able to respond to customer inquiries regarding program services, scheduling issues, warranty issues, and other program-related issues.
- Call center and customer service
  - It is desirable that the program's call center needs are integrated with AIC's current prime implementer call center operations unless a compelling reason exists to operate independently.
- Internet capability
  - Program-specific internet and website program information and participation will be integrated with the current actonenergy.com platform. Any additional costs anticipated to merge a program to this platform must be part of the bid.

## 2.5 Program Operations

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

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

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

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

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

**Program Management Systems and Processes:** Selected bidder will develop and implement program management systems and processes that support effective program management and delivery. Program management systems may include computer systems, employee procedures, or other systems. AIC will retain all rights to data, results, and any other information collected/developed during the performance of these programs. At a minimum, these systems must be capable of supporting the following functions:

- Processing customer intake requests and screening customers for program eligibility.
- Procuring and managing the qualified subcontractors required to implement program and providing sufficient capacity of qualified subcontractors to meet program demand in the geographic regions targeted by the program. All contractors shall have or obtain all required licenses, certifications, permits and insurance for the work proposed.
- Scheduling customers, subcontractors, and quality assurance personnel for efficient delivery of program services.
- Providing appropriate training to selected bidder staff and subcontractors needed to provide the program services.
- Providing timely resolution to customer complaints and issues, with documented call center scripting and complaint escalation processes.
- Collecting and storing data on customer energy savings and customer work flow through program implementation.
- Interfacing with AIC portfolio tracking systems, allowing for secure, (possibly weekly) automated data transfers of key program metrics meeting AIC data transfer protocols.
- Maintaining privacy of customer data. Selected bidder data security processes and systems must meet or exceed AIC security requirements.

- Tracking information needed to assess key performance indicators used to measure and structure payments for selected bidder performance, including tracking safety, customer satisfaction, participation, energy savings, and other program features.
- Participating in routine status calls, to be coordinated between AIC, AIC's prime implementer and selected bidder, as needed for effective program management.
- Providing appropriate management reports
- Developing and maintaining policies and procedures for program implementation

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

## **2.6 Policies and Procedures**

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

At least 60 days prior to program launch, selected bidder will provide draft copies of appropriate materials for approval by AIC and its prime implementer. Bidder shall include in their proposals schedules for developing, submitting, and approving these materials to ensure that program operations can begin on June 1, 2014 and to ensure that program operations adapt to future market changes.

## **2.7 Customer Satisfaction Research**

Selected bidder shall design a customer satisfaction survey method for program participants which cost will be included in the program bid. Selected bidder will track customer survey results as they become available and report results to AIC and its prime implementer. Selected bidder shall be responsible for implementation and all costs related to the customer satisfaction survey process. Customer Satisfaction survey costs should be itemized separately on the bid.

## **2.8 Key Contractor Selection Criteria**

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

- The amount of cost-effective savings anticipated to be achieved by the proposed program.

- The ease with which the initiative can be integrated into the portfolio without undermining or competing with core portfolio programs.
- The proven ability of contractor to manage, design and implement proposed initiative efficiently and effectively.
- Bidder's description must briefly define marketing plan and program delivery approach.
- Provider's statement of the proposed net kWh savings per program year for each program and/or market/subsector.
- Provider's assumptions and calculations underlying forecasted savings and costs, including estimated useful life data, net-to-gross and measure values.

## **2.9 Exceptions and Disclosures**

A copy of the AIC Services Agreement is included with the RFP as Attachment G. Bidders need to provide a description of any proposed exceptions to this Agreement.

Bidders also need to provide a list of any potential conflict and a disclosure of any professional relationship they have with AIC, any of its entities, implementers and contractors currently engaged by AIC for its energy efficiency portfolio.

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

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

## **2.10 Modification of Request for Proposal**

After the analysis of proposals submitted in response to this RFP is completed, Ameren reserves the right to modify the requirements and terms of this RFP. Ameren may also request resubmission of some or all items from some or all of the initial bidders.

## 2.11 RFP and Program Development Timeline

<b>RFP – Call for Proposals</b>	<b>Start Date</b>	<b>End Date (close of business)</b>
RFP Release Date	January 23, 2013	March 15, 2013
Pre-bid Bidder's Conference Call	February 15, 2013	February 15, 2013
Bidder Questions Deadline	January 23, 2013	February 18, 2013
Intent to Bid due – Not required but beneficial		February 19, 2013
Responses to Questions Issued		February 22, 2013
Bidder Electronic Proposal(s) Submission Due		March 15, 2013
Bidder Paper Proposal(s) Submission Due*		March 19, 2013
Proposal Review and Bid Discussions	March 15, 2013	December 31, 2013

<b>Program Development and Roll Out</b>	<b>Start Date</b>	<b>End Date</b>
Notification of Bid Selection(s) **	January 15, 2014	
Negotiations, Purchase Order/Contract Issued	January 16, 2014	February 28, 2014
Program design and operational development	March 1, 2014	
Program market availability	June 1, 2014	

\*1 paper copy of each bid is due to Karen Kansfield, Energy Efficiency, 300 Liberty Street, Peoria, IL 61602

\*\*Subject to ICC final order for the Illinois Power Agency's 2014 procurement plan

## 2.12 Intent to Bid

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

Submit notification of your intent to bid by February 19, 2013 to Ralph Nigro at [rnigro@appliedenergygroup.com](mailto:rnigro@appliedenergygroup.com). Complete and attach *Attachment B: General Company Information Form* with your intent to bid notice.

## 2.13 Bidders' Conference Call

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

**Date:** Wednesday, February 15, 2013  
**Time:** 3:30 pm (Eastern Time), 2:30 pm (Central Time)  
**Call-In Number:** (800) 747-5150  
**Passcode:** 8817126

## 2.14 RFP Questions, Inquiries, and Clarifications

Submit inquiries regarding the RFP by February 18, 2013 to Ralph Nigro at rnigro@appliedenergygroup.com. Outside of the bidder's conference call, all inquiries will be handled by email only. All inquiries and responses will be distributed to those who submitted intent by February 19, 2013.

### **2.15 RFP Due Date**

All proposals must be received by Ralph Nigro at rnigro@appliedenergygroup.com no later than 5:00 PM Eastern Time, 4:00 PM Central Time on March 15, 2013.

Ameren Illinois reserves the right to reject as non-responsive any proposals that do not contain the information requested in this RFP. Late proposals will be rejected. Ameren Illinois is not liable for any costs incurred by any person or firm responding to this RFP or participating in final interviews.

### **2.16 Bid Submission Items and Checklist**

Proposals must follow the format described below. Bidders must address each item listed; if an item does not apply, the Bidder must provide an explanation. Bidders should provide sufficient detail to address each item clearly and briefly, but should avoid excessive or elaborate submittals. The following items must be included and addressed in each proposal:

**Proposal cover**

**Signed cover/transmittal letter**

**Table of Contents (include proposal date and page numbers on each page of proposal)**

**Completed Proposal Checklist (Attachment A)**

**General Company Information (Attachment B)**

**Executive Summary**

**Program Description and Schedule**

- The description should summarize the market or market segment being served, an overall program description including the efficiency measures that will be implemented, and how the program will be marketed and delivered.
- The description should explain how the proposed program is incremental to and does not compete with AIC's existing programs

- The proposed schedule should address program planning, launch and operations, focusing on the time required from contract award to full operation. The schedule should be in bar chart or tabular form with key milestone dates shown.
- The schedule should also address the steps required for program shutdown.

### **Brief Marketing Strategy**

- The marketing strategy should define the target market, and how the bidder intends to reach the market. The Bidder should address key messaging and the value proposition that will be used to attract participants.

### **Staffing Chart (including subcontractors)**

- Bidders should provide a table or organization chart with the key positions and individuals within the Bidder's and subcontractors' organizations responsible for designing, implementing and marketing the proposed program.

### **Summary of Qualifications and Experience**

- Bidders must provide a description of qualifications and experience relevant to the proposed program.

### **Budget**

- Bidders must provide a budget in the format provided in the following table. Budget items are defined below, and Bidder should clearly explain what is included in each line item:
  - Program Start Up includes one-time, non-recurring expenses specifically related to establishing a new program.
  - Program Administration includes the Bidder's on-going administrative costs to support program operations. These may include tracking, reporting, subcontractor administration, call center and customer support operations, etc.
  - Program Marketing includes advertising, customer outreach and education, development and production of marketing materials, website and content development, media purchases (if any), and related expenses.
  - Program Delivery includes the costs of application intake, pre-qualification, incentive processing, technical support, and other costs related to applicant project support.
  - Incentives are payments made to reduce the participants' costs of energy efficiency measures. Incentives are **not** intended to eliminate participants' costs for purchasing and installing measures. If measures are provided at

no cost to the participant, those costs should be provided separately as the Costs of Direct Delivery (see below).

- Costs of Direct Delivery apply to certain programs where the full cost of measures, including installation, is provided at no charge to the customer. Many residential and business direct install programs provide some measures at no charge to the customer. .

Budget Item	Year 7
Program Start Up	
Program Administration	
Program Marketing	
Program Delivery	
Incentives	
Costs of Direct Delivery	
Total	

### Detailed Efficiency Measure Information

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



Measure Information  
 template.xlsx

- For measures that are covered in the State of Illinois Technical Reference Manual (TRM)<sup>5</sup>, Bidders are responsible for ensuring that proposed measure values comply with the TRM's calculation methodologies and/or deemed savings values.
- Bidders must provide estimated annual participation or number of efficiency units deployed, and estimated NTG ratios. The TRM does not provide participation or NTG ratios. Bidder must indicate exceptions to TRM values and provide an explanation.
- AIC reserves the right to evaluate and adjust Bidder's proposed measure information if necessary.

<sup>5</sup> The Illinois TRM can be found at <http://www.icc.illinois.gov/docket/files.aspx?no=12-0528&docId=187554>



**Preferred Payment Methodology (optional)**

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

**Exceptions to Contract Terms (as needed)**

- Bidder must clearly indicate any exceptions to the Contract Terms provided in Attachment G.

**Disclosures (as needed)**

**Appendix - Resumes of key program leads (1 page per resume) (optional)**

**Signed Services Agreement (unless exceptions to contract terms are offered)**

**Completion of Supplier Diversity Business Plan (Attachment H)**

**Completed Program Template**

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

## Attachment A: Bid Submission Items and Proposal Checklist

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

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

Indicate the following items are included in the bid submission:

- Proposal cover
- Signed cover letter/transmittal letter
- Table of Contents (include proposal date and page numbers on each page of proposal)
- Completed Proposal Checklist
- General Company Information (see Attachment B for format)
- Executive Summary
- Program Description and Schedule
- Brief Marketing Strategy
- Staffing Chart (including subcontractors)
- Summary of Qualifications and Experience
- Budget
- Detailed Efficiency Measures Information
- Preferred Payment Methodology (optional)
- Exceptions to Contract Terms (as needed)
- Disclosures (as needed)
- Appendix - Resumes of key program leads (1 page max per resume) (optional)
- Signed Services Agreement (unless exceptions to contract terms are offered)
- Diverse Supplier Business Plan (Attachment H)
- Completed Program Template

## Attachment B: General Company Information Form

<b>Company Information</b>	
Company Name:	
Street Address:	
City:	
State:	
Telephone:	
Website:	
Prime bidder office location for this project:	
<b>Contact Information</b>	
Contact Name:	
Title/Position	
Telephone:	
Email:	
Address:	
<b>Business Information</b>	
Nature of Business:	
Ownership (LLC, corporation, etc) :	
Years in Business:	
2009 and 2010 Annual Revenues:	
Parent Company (if any):	
Affiliates (if any):	
Subsidiaries (if any):	
For Profit / Non-Profit Status:	
<b>Management Information</b>	
List of Company's Controlling Personnel	
	<i>Add rows as needed</i>
<b>Prime Bidder Staffing Information</b>	
Total No. Permanent Employees:	
<b>Teaming Information</b>	
Subcontractor Name / Principal Role (list all proposed)	Subcontractor Location (City/State)
	<i>Add rows as needed</i>

## Attachment C: 220 ILCS 5/16-111.5B: Select Provisions Relating to Energy Efficiency Procurement<sup>6</sup>

(220 ILCS 5/16-111.5B)

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

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

(1) The analysis included pursuant to paragraph (2)

of subsection (b) of Section 16-111.5 shall also include the impact of energy efficiency building codes or appliance standards, both current and projected.

(2) The procurement plan components described in

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

(3) In addition to the information provided pursuant

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

(A) A comprehensive energy efficiency potential

study for the utility's service territory that was completed within the past 3 years.

(B) Beginning in 2014, the most recent analysis

submitted pursuant to Section 8-103A of this Act and approved by the Commission under subsection (f) of Section 8-103 of this Act.

(C) Identification of new or expanded

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

(D) Analysis showing that the new or expanded

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<sup>6</sup> These provisions are provided for convenience. Bidders are responsible for referencing and complying with all applicable laws.

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.)

## Attachment D: Reference Documents

### Illinois Technical Reference Manual

<http://www.icc.illinois.gov/docket/files.aspx?no=12-0528&docId=187554>

Ameren Illinois 2010 Potential Study [http://www.ilsag.org/evaluation\\_documents](http://www.ilsag.org/evaluation_documents)

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

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

**Ameren Illinois Electric and Gas Energy Efficiency and Demand-Response Plan (Compliance Filing)** dated January 20, 2011. This detailed plan includes descriptions of the Energy Efficiency programs and implementation approaches for the two portfolios. Ameren Illinois has flexibility to change portfolio programs.

<http://www.icc.illinois.gov/docket/files.aspx?no=10-0568&docId=160813>

### Ameren Illinois Evaluation Reports from PY1, PY2 and PY3.

See appendix of the following for the PY1 EM&V reports;

<http://www.actonenergy.com/home/annual-report/>

See the following for the PY2 EM&V reports;

<http://www.icc.illinois.gov/docket/files.aspx?no=10-0519&docId=162788>

<http://www.icc.illinois.gov/docket/files.aspx?no=10-0519&docId=162789>

See the following for the PY3 EM&V reports;

<http://www.icc.illinois.gov/docket/Documents.aspx?no=11-0592>

### DCEO Plan in Ameren Illinois Docket #10-0568

Exhibit 1.1:

<http://www.icc.illinois.gov/docket/files.aspx?no=10-0568&docId=157716>

## Attachment E1: AIC Energy Efficiency Portfolio<sup>7</sup>

Energy Efficiency	Annual MWH Savings			Annual MW Savings			Annual Therm Savings			Annual Program Costs (\$ millions)		
	PY4	PY5	PY6	PY4	PY5	PY6	PY4	PY5	PY6	PY4	PY5	PY6
RES-Lighting	82,485	61,974	42,418	2.5	1.9	1.3	0	0	0	\$ 7.00	\$ 5.21	\$ 3.74
RES-Efficient Products	11,079	11,999	13,110	2.3	2.4	2.7	324,590	463,622	552,133	\$ 3.31	\$ 3.59	\$ 3.99
RES-HVAC	13,448	14,187	15,109	6.4	6.8	7.2	896,800	1,147,316	1,480,704	\$ 6.84	\$ 8.07	\$ 9.69
RES-Appliance Recycling	19,889	20,070	16,036	2.9	2.9	2.3	0	0	0	\$ 2.66	\$ 2.77	\$ 2.28
RES- Home Energy Performance	2,593	2,665	2,728	0.7	0.7	0.7	100,890	103,916	107,034	\$ 1.35	\$ 1.41	\$ 1.48
RES-New Construction	273	304	329	0.1	0.1	0.1	12,831	14,268	15,449	\$ 0.18	\$ 0.21	\$ 0.23
RES-Multi-family	4,874	5,217	5,285	0.9	1.0	1.0	247,116	290,831	313,078	\$ 1.56	\$ 1.79	\$ 1.97
RES-Behavioral Modification	21,705	21,705	21,705	4.9	4.9	4.9	664,517	664,517	664,517	\$ 0.96	\$ 0.99	\$ 1.02
RES-Moderate Income	1,732	1,774	1,800	0.5	0.5	0.5	64,850	66,795	68,799	\$ 0.83	\$ 0.87	\$ 0.91
RES-Voltage Optimization *	0	0	0	4.5	4.5	4.5	0	0	0	\$ 1.06	\$ 1.19	\$ 1.18
<b>RESIDENTIAL PORTFOLIO TOTAL</b>	<b>158,078</b>	<b>139,895</b>	<b>118,521</b>	<b>25.5</b>	<b>25.6</b>	<b>25.1</b>	<b>2,311,593</b>	<b>2,751,267</b>	<b>3,201,714</b>	<b>\$ 25.76</b>	<b>\$ 26.10</b>	<b>\$ 26.50</b>
BUS-Standard	47,815	40,648	37,334	20.2	17.2	15.8	1,145,345	1,306,813	1,429,883	\$ 12.06	\$ 12.45	\$ 13.15
BUS-Custom	55,620	54,490	50,648	16.3	15.9	14.8	189,043	210,919	223,281	\$ 11.17	\$ 11.35	\$ 10.91
BUS-RCx	3,309	3,196	3,019	0.8	0.8	0.7	5,654	5,002	4,651	\$ 0.28	\$ 0.28	\$ 0.28
BUS-New Construction	8,194	7,123	6,454	2.9	2.5	2.2	51,483	50,035	47,131	\$ 2.20	\$ 2.11	\$ 2.06
<b>BUSINESS PORTFOLIO TOTAL</b>	<b>114,938</b>	<b>105,458</b>	<b>97,456</b>	<b>40.1</b>	<b>36.3</b>	<b>33.5</b>	<b>1,391,525</b>	<b>1,572,768</b>	<b>1,704,945</b>	<b>\$ 25.71</b>	<b>\$ 26.19</b>	<b>\$ 26.39</b>
Ameren Illinois - Portfolio Admin costs										\$ 2.57	\$ 2.60	\$ 2.64
Ameren Illinois - EM&V costs										\$ 1.54	\$ 1.56	\$ 1.59
Ameren Illinois - Education										\$ 1.29	\$ 1.30	\$ 1.32
Ameren Illinois - Marketing										\$ 1.29	\$ 1.30	\$ 1.32
Discretionary Funding Margin **	518	518	518	-	-	-	31,899	31,624	35,789	\$ 0.19	\$ 0.19	\$ 0.20
<b>PORTFOLIO TOTAL</b>	<b>273,534</b>	<b>245,871</b>	<b>216,495</b>	<b>65.6</b>	<b>61.9</b>	<b>58.7</b>	<b>3,735,017</b>	<b>4,355,658</b>	<b>4,942,447</b>	<b>\$ 58.35</b>	<b>\$ 59.25</b>	<b>\$ 59.96</b>

<sup>7</sup> This is the portfolio as filed in ICC docket 10-0568 and is subject to change. Savings are net savings values.  
<http://www.icc.illinois.gov/docket/files.aspx?no=10-0568&docId=160813>



## Attachment E2: Y6 AIC IPA Incremental Programs

Program	Program Cost	Net MWh Savings
Residential Multi-Family	\$1,128,135	2,731
Res ENERGY STAR New Homes	\$403,017	372
Residential Lighting	\$7,122,150	19,418
Small Business Prescriptive	\$1,866,028	6,916
Residential Efficiency Kits	\$266,213	2,149
All-Electric Homes	\$7,908,859	11,871
CFL Distribution	\$558,372	4,710
Small Business Direct Install	\$7,890,462	17,921
<b>Incremental Savings Goal/Budget</b>	<b>\$27,143,236</b>	<b>66,088</b>

## Attachment F: Program Design for the Current AIC Portfolio<sup>8</sup>

### Residential Portfolio Programs

<b>PROGRAM</b>	<b>Residential Lighting</b>
<b>Objective</b>	Increase sales and awareness of ENERGY STAR qualified lighting products
<b>Target Market</b>	The target market will be national retailers, including, but not limited to: Home Depot, Lowe's, Menard's, and Sam's Club. This target market will continue to leverage existing program partners (retailers and hardware stores) but also attempt to expand to include more local retailers and hardware stores as the program matures. Ameren Illinois will also offer an online store to service customers who do not have a retailer near their location.
<b>Program Description</b>	The program will be run through a prime contractor and their subcontractors with significant experience in working with national retail outlets. The contractor will offer incentives to the manufacturing and retail partners to increase sales of qualified lighting. Through these upstream and midstream incentives, the end-user receives a discount on the price of highly efficient, ENERGY STAR or better, qualified lighting products. There will be an emphasis on training the retail outlet sales staff to discuss the benefits of efficient lighting as well as increased point of purchase marketing materials to increase consumer awareness.
<b>Eligible Measures &amp; Incentive Strategy</b>	The program's incentives will be targeted at the mid-stream and up-stream program partners. Mark-downs on qualified products will allow end-use customers to purchase efficient lighting products at a reduced cost while reducing the administrative burden associated with buy-down and point of purchase ("POP") rebates to the customer.

<sup>8</sup> As filed in ICC docket 10-0568 and is subject to change. <http://www.icc.illinois.gov/docket/files.aspx?no=10-0568&docId=160813>

<p><b>Implementation Strategy</b></p>	<p>Ameren Illinois will hire a prime contractor and subcontractors to implement this program. The prime contractor will provide the necessary services to effectively implement the program and obtain the energy savings goals outlined in the Plan while adhering to the budgetary constraints identified by Ameren Illinois. Key implementation aspects include:</p> <ul style="list-style-type: none"> <li>• Create marketing material including coupons, POP marketing materials, and other materials to be used to support the sales staff.</li> <li>• The contractor or their subs will have a call center to monitor program activity and assist with any customer discrepancies or questions that may arise. The call center should have knowledgeable staff that can assist and direct customers to the appropriate channels to alleviate customer concerns.</li> <li>• A tracking system database will collect and monitor sales data from the field. The tracking system will monitor rebates processed, segmented by retail partner, geographical locations, and sales volume. The tracking system will have components to track field work as well, identifying stores visited, marketing materials left at store, and retailer feedback among other items. All data should be transparent, and Ameren Illinois will have access to this tracking system at its discretion.</li> <li>• A subcontractor will report the program's progress in relation to meeting budgets and savings goals on a regular basis. There will be other reporting which will identify operational details on progress with field representatives. Quarterly and annual reporting summarizing program milestones and achievements will be provided to Ameren Illinois for review.</li> <li>• The contractor will hire, train, and develop field representatives to educate and monitor retail outlet partners. These field representatives will be responsible for delivering marketing materials, training the retailers' sales staff, and reporting their findings.</li> </ul> <p>Additionally, an online store will be available to those customers who either cannot find a local retailer in their area or are more prone to purchase products online.</p>
<p><b>Marketing Strategy</b></p>	<p>The primary marketing efforts will be separated into customer awareness and sales staff education. Recruitment of retail partners and further upstream manufacturing partners will be critical to the success of this program. Identifying the benefits of providing more efficient lighting products to customers as well as outlining the corresponding incentives will help to build the retail trade ally network. Various marketing materials will be delivered to the participating retail stores to inform end-use customers about efficient lighting. These materials include but are not limited to:</p> <ul style="list-style-type: none"> <li>• POP Materials (hang tags, stickers, etc.)</li> <li>• Lighting clinics and events at retailers</li> <li>• Co-op advertising</li> <li>• Coupons</li> <li>• Print, radio, television commercials</li> <li>• Web placement</li> <li>• Billboards</li> </ul> <p>The second component of the marketing will consist of training and educating the sales staff on effectively promoting and endorsing ENERGY STAR or other high efficiency lighting products. Field representatives will deliver marketing materials to staff, train and educate the sales staff surrounding the ENERGY STAR brand and its benefits, and provide a point of contact for retail partners to ask questions and receive any further clarification as needed. One item each retailer will receive is a retailer training manual. This manual will outline various sales techniques, identify benefits of ENERGY STAR and other high efficiency lighting products, and inform the staff on the program procedures and inner workings. This manual will serve as the cornerstone in retailer training.</p>

<b>PROGRAM</b>	<b>Residential Energy Efficient Products</b>
<b>Objective</b>	<p>The objective of the Energy Efficient Products Program is to raise customer awareness of the benefits of “high-efficiency” products (ENERGY STAR or better). The Program is meant to encourage customers to purchase qualified appliances, power management, water heaters, window air conditioning units, and programmable thermostats. Also, the program will seek to educate and train retailers, distributors, and contractors to endorse and promote high-efficiency products.</p>
<b>Target Market</b>	<p>All residential customers within the Ameren Illinois service territory.</p>
<b>Program Description</b>	<p>This Program will promote high-efficiency products through the mid-stream and upstream levels. Ameren Illinois will continue to leverage the existing trade ally network of contractors and retail partners with hopes to enroll more program partners to increase market reach and provide a wider coverage of the Ameren Illinois service territory. The Energy Efficient Products Program is meant to be an umbrella program, incorporating various program partners, products, and program delivery strategies.</p> <p>The program will actively participate in national ENERGY STAR awareness campaigns developed by ENERGY STAR and in efforts to keep ENERGY STAR specifications up to date and relevant. Similarly, Ameren Illinois will also work with the Consortium for Energy Efficiency (“CEE”) to develop efficiency tiers above ENERGY STAR for many products. As appropriate, Ameren Illinois will support these tiers with higher incentives. Depending on specific product parameters, this may provide greater per unit and customer savings, and developing and supporting these tiers also helps accelerate future ENERGY STAR specification revisions.</p>
<b>Eligible Measures &amp; Incentive Strategy</b>	<p>Ameren Illinois will continue to work with its implementation contractor teams to continue to develop incentives for the mid-stream level. Incentives are only paid if and when sales of qualifying products are documented. Program partners do not pay for products sitting in distribution centers, back rooms, or on high racks; they do not pay for products transferred from stores in their service territory to stores outside their territory, or for products returned from a retailer to a manufacturer because sales velocity has been lower than expected.</p> <p>Other midstream incentives will be paid to the distributor level as well as to contractors responsible for installing measures and assisting customers. The incentives paid to distributors will defray the incremental cost of stocking efficient equipment versus standard, code mandated products. Contractors will receive an incentive based on quantity of units receiving quality installation certification. For smart strips, the customer will receive the smart strip at no additional cost with the purchase of a qualified entertainment system, which would incorporate multiple components such as a television, audio components, receiver, etc. The cost of this smart strip to the retailer will be reimbursed by Ameren Illinois once the appropriate paperwork is received.</p> <p>Incentive levels will be developed through a formulaic approach determining the necessary payback to move the market. The appropriate incentive level for each measure will bring the payback down to two years. Incentive levels are by no means fixed and will likely change to reflect market conditions and drive the market participation. The incentive values below represent estimated dollar amounts and will be verified by the implementer at the time of program launch.</p>
<b>Implementation Strategy</b>	<p>Ameren Illinois’ primary implementation strategy involves more direct interaction with customers in the form of incentives. Ameren Illinois will offer incentives to retail partners to buy-down the cost of efficient products, and where appropriate, offer instant rebates for certain equipment. If a customer prefers purchasing efficient products online or lives in an area void of retail partners, an online store may be utilized.</p> <p>For certain products, including water heaters, a hybrid approach may be utilized. Ameren Illinois will target two categories of program partners: distributors and contractors. An incentive will be offered to distributors to encourage efficient stocking practices, promotion, and sales of high efficiency water heaters. Furthermore, contractors will receive an incentive (based on number of units sold) to encourage</p>

	<p>consumers to purchase high efficiency water heaters. The existing network of HVAC contractors will be trained and provided with the necessary marketing materials to sell and properly install high-efficiency heating and cooling equipment as well as water heating systems. Plumbing contractors will begin to be recruited to assist with the water heater component of this program as well. By offering incentives at the distributor level as well as to the contractors, Ameren Illinois will increase market reach, leverage contractors' impact on the consumer decision-making process, and provide quick turn-around on the installation of essential household products. Ameren Illinois will be offering direct install smart strip power management devices to address the growing consumer electronics market. It is difficult to penetrate the electronics market segment due to fast-paced changes within the industry and high levels of product cannibalization. To address this important category, Ameren Illinois will work with retailers as well as local home entertainment installers to provide a smart strip power management device and educate the customer on the functionality and proper usage of the device – a critical piece to this electronics component. Once the customer purchases an entertainment system (television, audio components, DVD player, etc.), the retailer's installation team will travel to the home and install the system as well as the smart strip, which will help facilitate proper installation and avoid low realization rate issues. Marketing materials will be left with the customer as well as a brief tutorial on proper usage of the device.</p>
<b>Marketing Strategy</b>	<p>Ameren Illinois and its implementation contractors will continue to follow a multi-faceted approach to marketing highly efficient appliances, electronics, and products with an emphasis on ENERGY STAR. In addition to direct advertising targeted at residential customers, Ameren Illinois expects to leverage national ENERGY STAR marketing campaigns and to work collaboratively with industry partners and trade allies at all levels of the retail supply chain.</p> <p>Among the specific marketing activities targeting residential customers are the following:</p> <ul style="list-style-type: none"> <li>• Retail marketing and POP displays.</li> <li>• TV, radio, print, billboard advertising.</li> <li>• Ameren Illinois' Act On Energy Website.</li> <li>• Leveraging marketing budgets through cooperative promotions with retailers, distributors, contractors, and manufacturers including special events at retail stores and in communities.</li> <li>• Training and supporting retail sales staffs so they are able to tell customers about the benefits of ENERGY STAR appliances and products and to help customers choose the best products to meet their needs.</li> <li>• Utilize the knowledge and experience of the contractor trade ally network to promote the installation of high-efficiency products and educate the customer on energy efficiency.</li> <li>• Train and educate retail entertainment installation staff on proper usage, benefits, and cautions of smart power strips.</li> </ul> <p>Ameren Illinois will cross market the Energy Efficient Products program with other RES umbrella programs, i.e., Home Energy Performance, New Homes, Low Income, and Multifamily.</p>

PROGRAM	<b>Residential HVAC</b>
Objective	Obtain energy and demand savings through improvement in the operating performance of existing residential cooling units or replacement of existing furnaces and/or central AC units and heat pumps.
Target Market	Residential customers with central AC units, heat pumps, and/or natural gas furnaces.
Program Description	This program covers most aspects of air conditioners and heat pumps including commissioning and retro-commissioning, rated unit efficiency, actual unit efficiency, duct system efficiency, retrofit and replacement upgrades. Second, it provides new marketing concepts that, when successful, can be used for other programs in Ameren Illinois' service area. Ameren Illinois will

	<p>review the possibility of utilizing a more targeted marketing approach potentially containing multiple data sets including billing, census, and county/municipality data.</p> <p>The Residential HVAC program improves the efficiency of new and existing central air conditioning systems, including heat pumps and new gas furnaces, as well as replacing legacy heating and cooling systems within the home. The baseline efficiency conditions for new and replacement cooling and heating systems are applicable federal equipment standards and applicable building codes. Air conditioning systems are typically oversized relative to the cooling load and are usually not operating at manufacturer's specifications at install. The baseline conditions for existing air conditioning systems usually include refrigerant charge and airflow across the coils not within manufacturer's specifications and leaky ducts. In many cases, ducts are undersized.</p>
<p><b>Implementation Strategy</b></p>	<p>Ameren Illinois will hire a contractor to implement this program. The contractor will provide the necessary services to effectively implement the program and obtain the energy savings goals outlined in the Plan while adhering to the budgetary constraints identified by Ameren Illinois. Key implementation aspects include:</p> <ul style="list-style-type: none"> <li>• Targeted marketing approach for contractor recruitment and training. Developing a consistent and robust educational component will help deliver an effective program. Training will commence once contractors enter into the participation agreement.</li> <li>• Specific areas of training include measure testing protocols for the required test equipment, calibration requirements, procedures for various conditions, and acceptable tolerances. For equipment, the protocols will specify sizing requirements, efficiency standards, and other elements such as a matching indoor and outdoor coil requirement for new air conditioning equipment. Once contractors are trained, they can utilize the techniques and incentives provided by Ameren Illinois to improve sales of highly efficient HVAC equipment and effectively diagnose and improve existing system inefficiencies. Ameren Illinois will provide incentives at the mid-stream (contractor) level to encourage sales of energy efficient products and for properly installed HVAC energy saving upgrades. The program will employ the implementation contractor's preferred protocols to verify in real time for each job technicians' performance in refrigerant charge and airflow optimization, quality installs, and duct sealing. This tune-up process has a few key components:       <ul style="list-style-type: none"> <li>• If the unit is not properly adjusted, predetermined diagnostic testing protocols instruct the technician to perform the appropriate repairs and re-test the system. <i>This step ensures that systems are not qualified for replacement based on correctable problems. It also delivers tune-ups to improve the energy performance of systems that are not replaced.</i></li> <li>• Replacement systems are commissioned using the same diagnostic testing. <i>This step verifies the rated efficiency of the new system and verifies that it is properly installed and operating. This closes the loop in documenting the energy savings delivered by the replacement.</i></li> </ul> </li> </ul>
<p><b>Marketing Strategy</b></p>	<p>Marketing to customers must help to overcome barriers to their participation, especially: (a) lack of awareness, understanding, or trust of the new measures, (b) lack of awareness and trust as to whom in the market can provide the new measures, and (c) higher first costs. Program messaging will be designed to address the lack of awareness regarding the optimal performance of HVAC equipment and the benefits of high efficiency new equipment. The following methods will be employed to maximize customer attention, receptivity, and action:</p> <ul style="list-style-type: none"> <li>• If deemed feasible and within the budget, the contractor will analyze utility customer usage data, weather data, and demographic data to target the 10-</li> </ul>

	<p>15% of Ameren Illinois residential customers who are most likely to have inefficient heating and cooling systems. Utilizing this data, the contractor will send targeted direct mail to these customers identifying potential HVAC improvements tailored to their specific situation as defined by the data analysis.</p> <ul style="list-style-type: none"> <li>• Contractor co-op advertising. The contractor will work with HVAC contractors to target their existing customers and to prospect for new customers. The contractor will work with the HVAC contractor community to identify existing customers that may qualify for the program as well as assistance on developing a new client base.</li> <li>• Program collateral. The program will develop marketing collateral to support all aspects of the program, especially materials for customers and contractors. Contractor training will not only provide avenues to improve the qualified installation/retrofit community of HVAC professionals, but also provide information and education on Ameren Illinois' portfolio of residential energy efficiency programs. The implementation contractor will provide small amounts of marketing materials and hold brief question and answer type sessions describing other programs such as the Ameren Illinois Energy Efficient Products program.</li> </ul>
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PROGRAM	Residential Appliance Recycling
Objective	Promote the retirement and recycling of secondary, inefficient refrigerators, freezers and, if applicable, other qualifying appliances from households and/or businesses by offering a turn-in incentive and free pickup of working equipment, as well as information and education on the cost of keeping an inefficient unit in operation.
Target Market	Residential customers with working secondary refrigerators, freezers, and other qualifying appliances manufactured on or before 2001. In special cases, small business customers having secondary refrigerators, freezers, or other qualifying equipment may be eligible for the program depending on project specifics. Ameren Illinois will also evaluate primary refrigerators, freezers, and other appliances to determine if they merit consideration.
Program Description	<p>The contractor, acting on behalf of Ameren Illinois, will contract with an appliance recycling company to provide turnkey implementation services that include verification of customer eligibility, scheduling of pick-up appointments, appliance pickup, recycling and disposal activities, and incentive processing. In contractor selection, preference will be given to appliance recycling companies that have recycling/disposal facilities located in Illinois or that are willing to construct such facilities given the anticipated volume resulting from the program. Recycling/disposal practices will be designed to prevent the release of chlorofluorocarbons ("CFCs").</p> <p>Turnkey program implementation through an appliance recycling contractor will simplify program delivery, reduce Ameren Illinois' administrative costs, and ensure a streamlined participation process. The program will be designed to minimize barriers to participation by offering incentives, convenient scheduling of appointments, and cost-free pickup of qualifying equipment.</p>
Implementation Strategy	<p>Key elements of the Appliance Recycling Program implementation strategy include:</p> <ul style="list-style-type: none"> <li>• <b>Outsourcing implementation:</b> A regional/national appliance recycling company will provide comprehensive, turnkey implementation services from eligibility verification to proper disposal/recycling of turned-in refrigerators.</li> <li>• <b>Customer education/recruitment:</b> The contractor will develop and implement the marketing strategy. There will be a consumer marketing and education component emphasizing how much it costs to operate that old, secondary refrigerator, as well as the availability of program incentives and pick-up services. This marketing message will vary depending on seasonality and</li> </ul>

<p><b>Marketing Strategy</b></p>	<p>program performance towards meeting energy savings targets.</p> <p>The program will employ strong consumer education and marketing components emphasizing the savings associated with retiring old, inefficient refrigerators, freezers, and other qualifying appliances and the importance of ensuring proper disposal/recycling. Marketing materials will also include messaging about the benefits of ENERGY STAR qualified new equipment, as some secondary refrigerators will eventually be replaced with new equipment. The program will leverage ENERGY STAR promotional resources such as the national Refrigerator Retirement Promotion (July – September) and the Refrigerator Retirement Savings Calculator. Call Center staff will be trained and provided with program collateral.</p> <p>Anticipated marketing materials will include:</p> <ul style="list-style-type: none"> <li>• Web content</li> <li>• Bill stuffers and other direct mail</li> <li>• Limited mass market advertising around special promotions</li> <li>• TV, radio</li> <li>• Garage Sale ads, promotional handouts to LIHEAP agencies, realtors, and appliance retailers</li> <li>• Door-hangers, truck wraps</li> <li>• Billboards</li> </ul> <p>Ameren Illinois will explore additional marketing strategies that may increase opportunities for appliance re-cycling by possibly providing incentives to customers to replace existing inefficient primary refrigerators. In addition, Ameren Illinois will work with retailers to determine if there are opportunities to re-cycle used appliances that are targeted to be sold in the secondary markets.</p>
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<p><b>PROGRAM</b></p>	<p><b>Residential Home Energy Performance</b></p>
<p><b>Objective</b></p>	<p>To educate residential customers about energy use in their homes and to offer information, products, and services to residential customers to save energy cost effectively. This allows the customer to identify and initiate the process of installing cost-effective energy efficiency upgrades and practices. The Home Energy Performance (“HEP”) program itself has multiple components. In addition, it provides yet another entryway for customers to take advantage of Ameren Illinois’ entire portfolio of residential energy solutions.</p>
<p><b>Target Market</b></p>	<p>All existing single family residential homes.</p>
<p><b>Program Description</b></p>	<p>HEP is an energy efficiency program focused on a whole house approach. An implementation contractor will market and administer the program, leveraging Ameren Illinois’ existing trade ally network of subcontractors. The prime contractor will market various services including energy audits, air sealing, insulation, and highlight free direct-install measures (CFLs, Faucet Aerators, and High Efficiency Shower Heads, Hot Water Pipe Insulation). The sub contractor will begin with an energy audit and recommend various energy efficiency measures found in Ameren Illinois’ portfolio based off the audit findings. In addition, as warranted, the contractor will coordinate with the HVAC New Equipment Program to deliver various program services as determined by the audit. The contractor will direct the homeowner to Ameren Illinois’ Lighting and Energy Efficient Products programs for additional discounted home energy efficiency measures.</p>
<p><b>Eligible Measures &amp; Incentive Strategy</b></p>	<p>There will be multiple incentive strategies for the Home Energy Performance program, as energy savings can be delivered through multiple avenues, including:</p> <ul style="list-style-type: none"> <li>• Direct Install (100% incentive to customer) of measures including CFLs, high efficiency shower heads and faucet aerators, as well as hot water pipe wrapping.</li> <li>• Mid-stream incentives paid to subcontractors for follow-up measure installation.</li> </ul>



	<ul style="list-style-type: none"> <li>• Donations or other program funding for the community organizations assisting in the promotion of the Program. Ameren Illinois will work closely with state and federal groups in determining how state and federal funding, including potential HomeStar federal funding, can be used to improve the effectiveness of the program.</li> <li>• On the invoice presented to the customer, the incentives will be displayed as a line item to identify the marked-down price of the audit via program incentives to contractors.        Incentive levels will be guided by a formulaic approach determining the necessary payback to move the market. The appropriate incentive level for each measure will bring the payback down to two years. Incentive levels are by no means fixed and will likely change to reflect market conditions and drive the market participation. The incentive values below represent estimated dollar amounts and will be verified by the implementer at the time of program launch. Some measures may qualify to receive additional incentives. As part of the Residential Moderate Income program, supported by the Energy Assistance Foundation, customers falling into the 200% - 300% of poverty class can receive additional incentive funding for selected energy efficiency improvements. This extended incentive level is meant to drive participation and increase program awareness in multiple market segments of Ameren Illinois' service territory.</li> </ul>
<p><b>Implementation Strategy</b></p>	<p>Customer billing analysis will be conducted to identify customers with the greatest savings potential. Potential segments to target include high use customers, all electric customers, and hard to reach segments which are sometimes underserved by other programs (rural agricultural customers, low income, or elderly). Various forms of marketing including direct mail, community outreach events, and direct calling will be utilized to maximize participation.</p> <p>The contractor will develop and train qualified Energy Advisors to assess residential homes.</p> <p>The contractor will develop a call center to handle follow-up work questions and scheduling.</p> <p>The audit will involve 4 main steps. First, the auditor will sit down and conduct a short interview with the customer, outlining the program and the services he/she can provide. Next, the auditor will make direct installations including CFLs, high efficiency faucet aerators and shower heads, and hot water pipe wrap. The auditor then conducts a walk-through audit, identifying areas of improvement in infiltration and heat loss through the walls and attic space. In addition, if a central air conditioner is present, the assessment will include identification of the age and size of the unit and the last service date. The last step involves the auditor leaving a list of BPI certified contractors qualified to complete the recommended efficiency installations. Contractor list generation will be based on types of improvements recommended, geographic proximity to the audited home, and quality of past work with the program.</p> <p>The contractor will be responsible for developing software capable of incorporating audit results to generate real-time reports for the customer. The report will be informed by utility billing data (to the extent it is available) and will summarize existing household energy characteristics, suggested improvements from the audit, and chart available incentives for the project follow-up work. The software should also have functionality to generate contractor proximity based off zip codes.</p> <p>Post audit, a list of qualified subcontractors will be left with the homeowner. The homeowner can contact the call center to arrange for HVAC and insulation contractor appointments. If the customer does not call after 1-2 weeks, the call center will initiate contact with the customer to ask if the customer is considering the follow-up work. If a subcontractor off the list is preferred by the customer, the call center will schedule accordingly.</p>
<p><b>Marketing</b></p>	<p>The marketing strategy will focus on targeted market segments of customers</p>

<b>Strategy</b>	<p>encompassing large energy users, hard-to-reach customers, and underserved market segments. The HEP program is closely intertwined with the Moderate Income and HVAC programs.</p> <p>The contractor will conduct a billing analysis to identify high-use customers and leverage Ameren Illinois databases highlighting underserved market segments. These target markets will receive either a direct mail or some community informational session to spark interest in the program. Next, for the HEP component of the program, customers will be contacted directly by the contractor. Furthermore, to increase interest and motivate customers to implement the audit recommended measures, a “neighborhood awareness” strategy will be employed where the contractor identifies common improvements being implemented by homes in close proximity to the home being audited. This social pressure will help inform the customer and drive participation rates higher.</p> <p>To initiate contact and broaden the network of trade allies associated with the HEP component, Ameren Illinois will consult various community organizations to communicate the benefits of the program within their respective social circles. Instructing these community leaders on how the program works and the benefits of energy efficiency will provide a trusted network of Ameren Illinois spokespersons that the communities can identify with. These “social sales-reps” will have marketing brochures identifying potential efficiency improvements, benefits of participating in the program, a marketing survey to fill out, and rebates for CFLs from the online store, contingent upon the completion of the short survey. These “social sales-reps” will promote the program in their community meetings, seminars, weekly sports leagues, etc. to reach a broad audience in a concentrated environment.</p>
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<b>PROGRAM</b>	<b>Residential ENERGY STAR New Homes</b>
<b>Objective</b>	To increase consumer awareness of and demand for ENERGY STAR version 3.0 single family homes while increasing the building industry’s willingness and ability to construct ENERGY STAR homes. This program’s primary goal is to achieve energy savings through sales of ENERGY STAR homes.
<b>Target Market</b>	Residential new homes market, with initial focus on mid-market homes.
<b>Program Description</b>	<p>New construction covers the building of new energy-efficient homes, including the new home’s envelope (outer walls, windows, doors, skylights, roof and insulation), HVAC system, ductwork, lighting, and appliances. The program targets builders with a package of training, technical, and marketing assistance and incentives for construction of ENERGY STAR homes. The program would also provide supplemental incentives for savings measures not otherwise included in the builders’ design or construction process (e.g. the ENERGY STAR Advanced Lighting Package, duct sealing, air sealing, insulation, and ENERGY STAR certified appliances). This program is designed to be closely coordinated with the Ameren Illinois’ Residential Lighting, Appliance Recycling, and Energy Efficient Products program.</p> <p>Recent activity within the Illinois building code sector has raised the bar for building requirements. IECC 2009 is the new building code, which is 15% more stringent than IECC 2006. ENERGY STAR version 3.0 attempts to increase incremental energy savings above and beyond this new code to provide consumers with the most energy efficient options.</p>
<b>Implementation Strategy</b>	Ameren Illinois’ program provides incentives to builders to defray the incremental costs of reaching ENERGY STAR levels. More successful programs have focused on providing marketing support and incentives that cover the cost of the Home Energy Ratings (“HERS”) rating required to establish that the home meets ENERGY STAR standards.

Ameren Illinois will engage contractor(s) to implement the program. Key aspects of contractor's proposed implementation plans should include the following components:

- **Build the HERS provider infrastructure.** The key to all successful ENERGY STAR Homes programs is an active HERS rating provider community. RESNET (the organization that certifies HERS raters) lists about 7 certified raters in Illinois, suggesting that there is at least the start of the required infrastructure already in place.
- **Recruit builders.** This step requires one-on-one meetings with builders to establish the program's value-proposition. The proposition in many markets has been that by building to ENERGY STAR levels, builders can create market differentiation. Using large incentives as the value proposition can be inconsistent with a goal of transforming builder practices. Over a dozen builders in the Company's services areas are listed as ENERGY STAR builders, although they report relatively few homes having actually been built. Outreach to, and engagement of, these builders will be an essential part of the recruiting strategy.
- **Provide builder training.** Provide training on ENERGY STAR requirements, compliance paths, incentive structures, and the marketing strategy. Monies will be allocated to allow sufficient outreach and builder visits to promote the program and monitor progress.
- **Recruit trade allies.** Electrical and HVAC contractors are key to the success of the program, as their ability to perform greatly influences the success of the program. Electrical contractors may need training in the lighting design using CFL fixtures. HVAC contractors will likely need training in proper sizing, charging, and duct sealing.
- **Establish incentive structure.** Ameren Illinois currently pays builders a nominal incentive to cover the cost of the HERS rating. Ameren Illinois will continue to explore incentive mechanisms that encourage large numbers of ENERGY STAR homes. Several successful program models have been based on using a competitive bid process to award program incentives. The bid involves both a commitment to a number of homes as well as a bid of cooperative advertising dollars.
- **Training.** Depending on the strength of the local housing market and the extent to which realtors are involved in new home sales, the program may offer lender, realtor, and appraiser training courses.

The new ENERGY STAR v 3.0 contains two paths to qualify projects: Performance Path and a Prescriptive Path. It will be the contractors responsibility to review and approve ENERGY STAR new homes.

**Prescriptive Path**

Build homes to the ENERGY STAR Reference Design Specifications.  
Complete all inspection checklists.

**Performance Path**

Model home with ENERGY STAR Reference Design specifications using approved software and generate HERS Index.  
Specifications may be adjusted but must ensure HERS score is less than or equal to ENERGY STAR v 3.0 target.  
Build home with selected specifications  
Complete inspection checklists.

**Marketing Strategy**

The program will continue to educate homebuilders, consumers, and trade allies regarding the energy-saving benefits and value of ENERGY STAR qualified homes. Marketing efforts will focus on: homebuilder recruitment, continued training and support, coordination with state and federal incentive programs, public relations, and the implementation of multi-media advertising campaigns geared toward homebuilders, consumers, and trade allies. The program will also begin to explore the development of leads through building permit lists in cities and towns throughout the Ameren Illinois service territories. Hosting, sponsoring, and attending various trade show exhibitions and

homebuilder conferences remain crucial to marketing the program.

<b>PROGRAM</b>	<b>Residential Multifamily</b>
<b>Objective</b>	Deliver cost-effective conservation services to the multifamily housing market, with a focus on common area improvements. Secondary focus will be on affordable housing properties.
<b>Target Market</b>	Owners, managers, and developers of market rate multifamily housing (three or more units). Focus on management companies holding multiple properties.
<b>Program Description</b>	The program would provide installation of measures in tenant spaces and also provide significant incentives for replacement of standard efficiency common area lighting and incandescent and fluorescent exit signs with LED exit signs. More expensive or complex measures (windows, replacement of roof-top AC units) would be subject to an energy analysis to validate cost-effectiveness and set incentive levels. The incentives for these measures would be calculated in a fashion similar to the Business Custom Incentive program, although the threshold payment period would be set at 1 year, recognizing that this is a market that is harder to reach than the C&I market. The program would include limited technical services such as walk-through audits to determine approximate measure of cost effectiveness
<b>Implementation Strategy</b>	<p>This program will be implemented by a third party contractor. However, even within this third party structure there are two different implementation structures. The first uses the implementation contractor to recruit customers, perform technical services such as audits, arrange pricing, and assist with arranging for installation contractors. An alternative approach that may be evaluated will utilize the contractor to recruit trade allies, negotiate pricing and qualify the contractors, and then allow them to market the program. Incentives would be paid directly to contractors based on proof of performance. Some experience shows that this second approach is more effective in driving actual savings. It does, however, require more vigilant QA/QC. The implementation steps outlined below assume a hybrid model that includes some level of direct outreach to customers:</p> <ul style="list-style-type: none"> <li>• Set final equipment eligibility and rebate levels, and develop contractor participation agreements. Most multifamily programs achieve most of their savings through common area lighting and in-unit CFL installations. Although the program provides for broader measure eligibility, the incentive structure focuses on generating activity with lighting replacement. Standard lighting technologies would be eligible for standard incentives.</li> <li>• Contractors sell the projects without direct involvement from the program, aside from the verification and incentive payment. Customers would be required to agree to provide access to their facilities for verification.</li> <li>• The program would conduct direct outreach to owners and managers of multifamily properties through direct mailing. These customers could request brief energy surveys of their properties that would be combined with some direct installation of measures. In addition, these customers could directly undertake efficiency improvements with facility staff or a contractor of their choosing. Rebate levels for common measures would be the same, but the program would also provide customized rebates for more complex cost-effective measures.</li> <li>• Monitor installations. The first set of projects performed by each contractor would be site-verified, with random site verifications thereafter to ensure that installations are being performed properly and that equipment is being installed as reported. At Ameren Illinois' discretion, projects undertaken directly by the customer would be site-verified prior to payment.</li> <li>• Pay incentives. This program would not use a reservation system. Upon completion of a project, the contractor would submit an incentive application, including property manager acceptance of the completed project and documentation of the types and location of installed equipment. Subject to the verification process outlined above, the incentives would be paid by the implementation contractor or Ameren Illinois.</li> </ul>
<b>Marketing</b>	The marketing strategy has two-tracks: one aimed at lighting contractors and the

<b>Strategy</b>	other at property owners and managers. Marketing tactics would include direct mail and phone contact and participation in local meetings of multifamily property managers. The program would be advertised via Ameren Illinois' web site. Marketing collateral would be limited to a basic program brochure.
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<b>PROGRAM</b>	<b>Residential Behavior Modification</b>
<b>Objective</b>	The program provides residential customers with a Home Energy Report designed to both motivate and educate recipients to improve the energy efficiency of their homes.
<b>Target Market</b>	Ameren Illinois' contractor will perform historical energy usage, demographic, and geographic research, in conjunction with Ameren Illinois, to identify the regions of Ameren Illinois' territory best suited to deploy the pilot program. Zip codes, city, and county boundaries will be considered so as to optimize data coverage and ensure speedy deployment.
<b>Program Description</b>	The Home Energy Report relies on providing customers with a comparison of their energy usage to their "neighbors." A neighbor is not necessarily a next door neighbor but rather someone who has similar characteristics in terms of size of home, distance from the home, and heating fuel. Home Energy Reports will be mailed to targeted residential customers on an average bi-monthly frequency (6 reports every 12 months), with exact frequencies for each customer mutually-agreed-to, for the duration of the program. The energy and program participation data for this implementation will be provided on an ongoing basis by Ameren Illinois 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 the Home Energy Reports delivered to customers. Last, the Energy Insider customer-facing website will provide customers online access to their Home Energy Report, online benchmarking, audit-like functionality ("best tips for me" and "neighbor challenge"), and access to additional energy efficiency information beyond that presented on the mailed report.
<b>Implementation Strategy</b>	Ameren Illinois will utilize a third party contractor to implement the program. Key implementation steps and process include but are not limited to: <ul style="list-style-type: none"> <li>• Home Energy Reports will be mailed to targeted residential customers on an average bi-monthly frequency (6 reports every 12 months), with exact frequencies for each customer mutually-agreed-to, for the duration of the program.</li> <li>• The energy and program participation data for this implementation will be provided on an ongoing basis by Ameren Illinois and will be combined with third party data to build comprehensive profiles of each participating customer.</li> <li>• In addition to the Home Energy Reports, a customer service interface will give customer service representatives online access to the full history of the Home Energy Reports delivered to customers.</li> <li>• Ameren Illinois website will provide customers online access to their Home Energy Report, online benchmarking and audit-like functionality ("best tips for me" and "neighbor challenge"), and access to additional energy efficiency information beyond that presented on the mailed report.</li> </ul>
<b>Marketing Strategy</b>	Use energy, housing, and demographic data and available past program participation data to design a multi-dimensional segmentation plan of potential customers based on: <ul style="list-style-type: none"> <li>• Energy consumption patterns (e.g. normalized high seasonal peak, high base load, etc.)</li> <li>• Housing data (e.g. age of house, size of house, value of home, type of construction, presence of a pool, presence of a garage)</li> <li>• Past program participation &amp; rebate redemption (e.g. ENERGY STAR and</li> </ul>

	<p>other rebates; rate programs, etc.) if available</p> <ul style="list-style-type: none"> <li>Demographic data (e.g. renter vs. homeowner, presence of children in the household, indicators of interest in environmental issues, age of customer, duration of residence, socioeconomic/income levels, as available)</li> </ul> <p>Identify high-potential prospects for program marketing by profiling historical participants and available historical marketing campaign results.</p>
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PROGRAM	<b>Residential Moderate Income</b>
<b>Objective</b>	Focus Moderate Income funding on energy efficiency improvements in moderate income households rather than on more traditional bill paying assistance activities. By investing in energy efficiency improvements, these target customers will experience lower energy bills for years to come. Similar to the historical bill paying assistance, these funds would be targeted to customers that are financially constrained but not eligible for traditional low income weatherization programs targeted to customers at or below 200% of the poverty level.
<b>Target Market</b>	The Moderate Income Program targets homeowners greater than 200% but less than 300% of the poverty level for the household size.
<b>Program Description</b>	The Moderate Income program seeks to further subsidize the implementation of energy efficiency improvements in moderate income households that are struggling financially and unable to either pay for or borrow the funds to pay for the efficiency upgrades. These homeowners are above the low income weatherization income guidelines and are not eligible for free services but are still in need of assistance. The Moderate Income program seeks to leverage the benefits and incentives of Ameren Illinois' efficiency programs with Moderate Income funding targeted to lower moderate income homeowners and incorporate a financing component for the customer portion of the financial transaction. As a result, eligible moderate income homeowners would be able to afford long term energy efficiency improvements but still be participating in the investment through some sort of financing mechanism.
<b>Eligible Measures &amp; Incentive Strategy</b>	<p>The working assumptions are as follows:          Moderate Income funding – up to \$5,000 per eligible household.          The determination of each contributing source would follow these proposed guiding principles:</p> <ul style="list-style-type: none"> <li>Act On Energy efficiency incentives would be subtracted first from the total cost of the project;</li> <li>A customer contribution through a specified financing mechanism - \$500 or 10% of the total project cost would be subtracted next; and,</li> <li>Moderate Income funding would contribute the balance of the remaining project cost up to a maximum of \$5,000.</li> </ul> <p>For example, assume an eligible household needed attic insulation and air sealing as well as a new gas furnace, and the total cost of the project was \$6,000. If Act On Energy incentives came to a total of \$700, the customer could contribute \$600 (the greater of 10% of the total project cost or \$500), and the Moderate Income funding could cover the difference of \$4,700 (\$6,000 minus \$1,300).</p> <p>If, on the other hand, the project for the same eligible household was a new gas furnace with a total installed cost of \$3,000, then Act On Energy would pay \$200, the customer could fund \$500, and the Moderate Income fund could cover the difference, or \$2,300.</p>
<b>Implementation Strategy</b>	<p><u>Energy Assistance Foundation (“EAF”) Role:</u></p> <ul style="list-style-type: none"> <li>Conduct outreach to prospective eligible customers in the agreed upon targeted geographic areas in the first program year based upon agreed upon participation goals for each geographic area;</li> <li>Establish an income documentation protocol and screen prospective participant homeowners using the protocol to establish income eligibility for the</li> </ul>

Moderate Income program;

- Prescreen potential energy efficiency projects in eligible homes and provide a description of the project to the Act On Energy residential administrator;
- Refer eligible screened projects to the Act On Energy residential administrator; and,
- Reimburse the Act On Energy residential administrator on a monthly basis for project costs incurred according to an agreed upon procedure.

Act On Energy Residential Administrator Role:

- Schedule HEP audit for each prescreened Moderate Income customer in a timely fashion;
- Conduct the HEP audit, waiving the \$25 fee, and install efficient lighting and high efficiency water measures at the time of the audit;
- Produce a report for the customer indicating eligible energy efficiency measures;
- Arrange for participating contractors to provide pricing for the measures;
- Present a final proposal to the customer incorporating contractor pricing and a breakdown of the various funding components of the project;
- Coordinate contractor work;
- Conduct a final quality assurance inspection;
- Pay the participating contractors;
- Invoice EAF and Ameren Illinois for the incentives paid, and,
- Develop a monthly program status report that is created with input from both Ameren Illinois and EAF and then distributed on a monthly basis to both Ameren Illinois and EAF.

General management and oversight of the Program Coordinator will be assumed by the Act On Energy residential programs administrator.

**Marketing Strategy**

Marketing strategy is integrated with the Home Energy Performance program. The marketing strategy will focus on targeted market segments of customers who meet the moderate income guidelines. For those customers that have applied to receive EAF funding, an informational session will be held to discuss qualifying efficiency measures, projects, and improvements. Further down the road, a more targeted marketing approach may be used sending out mailers or holding general community sessions to reach a broader customer base. Next, for the Home Energy Performance component of the program, customers will be contacted directly by the contractor.

A unique marketing opportunity that may be considered to initiate contact and broaden the network of trade allies associated with the Home Energy Performance component is that Ameren Illinois will consult various community organizations to communicate the benefits of the program within their respective social circles. Instructing these community leaders on how the program works and the benefits of energy efficiency will provide a trusted network of Ameren Illinois spokespersons that the communities can identify with. These "social sales-reps" will have marketing brochures identifying potential efficiency improvements, benefits of participating in the program, a marketing survey to fill out, and rebates for CFLs from the online store, contingent upon the completion of the short survey. These "social sales-reps" will promote the program in their community meetings, seminars, weekly sports leagues, etc. to reach a broad audience in a concentrated environment.

## Business Portfolio Programs

<b>PROGRAM</b>	<b>Business Standard Incentive Program</b>
<b>Objective</b>	The Business Standard Incentive Program is designed to promote the installation of energy efficient technologies including lighting, motors, HVAC, and refrigeration in nonresidential properties. Measures included within this program are common in multiple marketplaces and have default savings values associated with their energy performance.
<b>Target Market</b>	Nonresidential customers including commercial, industrial, and targeted institutional.
<b>Program Description</b>	<p>The Business Standard Program will incentivize customers to purchase energy efficient products. Measures included within this program will have predetermined savings values and fixed incentive levels associated with them (although these incentive values may change as program budgets and performances alter throughout the year). Applications are filled out and delivered to Ameren Illinois via contractors, customers, or through the Act On Energy website. Various measures may require a simple calculation to identify measure savings, but the measure level incentives will remain fixed regardless of individual project characteristics (air compressors, VFDs, etc.). Trade allies including contractors, retailers, and distributors will be the main sales force promoting the program and educating customers.</p> <p>There will be a separate marketing effort applied to the motors market to attempt to transform a historically inefficient marketplace. According to Ameren Illinois' 2010 DSM potential study, the long-term energy savings associated with the installation of National Electrical Manufacturers Association ("NEMA") Premium motors for Ameren Illinois' service territory is approximately 500 GWH. Fundamental barriers to achieving this potential include: first cost vs. life cycle costing; energy efficiency taking secondary status to operating conditions, lack of corporate direction, and the general massive scale of the potential market. At its core, this program is a market transformation program designed to create pull through marketing for NEMA Premium motors. It is behavior-based to create long-term persistence. It is technology-based to create short-term opportunities for the retrofitting of existing inefficient motors through innovative marketing programs including a "bounty" program. It is also designed to create long-term opportunities to replace inefficient motors with NEMA Premium motors through attrition.</p>
<b>Implementation Strategy</b>	<p>A third party contractor will be responsible for program implementation and management. Primary responsibilities include final program design, measure lists, implementation plan development, and expanding the existing trade ally network of program partners. The main distribution channel will be the trade allies, which include contractors, distributors, vendors, and local economic development associations where applicable. In order for these allies to effectively promote and communicate the benefits of the program, proper training and marketing materials must be provided by the contractor.</p> <p>As customers submit applications for incentives, program staff will review the applications and pre-approve projects if they meet the necessary criteria developed by the contractor and Ameren Illinois. An individual project implementation timeline will be utilized to encourage prompt installation and maintain accurate tracking of program savings goals and relative budgets. For the motors marketing plan, Ameren Illinois and its contractor will work with the motor dealer / distributor in program design. Not only are they potential marketing and educational allies, but they are key influences in customer decisions.</p> <p>Educating the end user is the most effective way to increase sales and stocking habits of dealers and help ensure persistence. Components of the implementation plan include:</p> <ul style="list-style-type: none"> <li>• End User Rebates</li> <li>• Dealer Stocking Programs</li> </ul>



	<ul style="list-style-type: none"> <li>• Upstream Dealer Incentives</li> <li>• Educational/Evaluative Programs</li> <li>• Motor Bounty/Retrofit/Crusher Credit Incentives</li> </ul>
<p><b>Marketing Strategy</b></p>	<p>Marketing efforts will focus on trade allies and program partners. Key pillars of the marketing strategy for the Business Standard Incentive Program include:</p> <ul style="list-style-type: none"> <li>• <b>Education.</b> Contractor will play an important role in training and educating the trade ally sales staff. The contractor will assist trade allies in identification of measures qualifying for prescriptive incentives; identify the different application options, and identify how to effectively sell the program to customers.</li> <li>• <b>Marketing Materials.</b> Materials will be provided to the customers to further enhance program awareness and increase market penetration.</li> <li>• <b>Direct Mail.</b> This marketing vehicle will require a targeted approach, identifying potential efficient installs based on business operating characteristics and building types.</li> <li>• <b>Associations.</b> A unique opportunity exists in various trade organizations. Businesses rely on these organizations to represent that industry's best interests in lobbying, growth, and identification of business opportunities. Ameren Illinois will coordinate with specific associations to highlight program offerings suitable for their respective industry.</li> <li>• <b>Highlight successfully completed projects.</b> Ameren Illinois will selectively choose projects to display the process and benefits of the custom program. This type of marketing will spur the customer's competitors to improve building performance and increase business process efficiency. This marketing strategy also allows the selected customer promotional and marketing opportunities.</li> <li>• <b>Market Segmentation.</b> To more effectively penetrate the Ameren Illinois' markets, a targeted marketing approach can be used. Separating the program's marketing campaign to focus on specific customer types (hospitality/lodging, grocery/convenience store, etc.) will increase customer interest and drive installations.        Motors will require a special segmentation approach which will leverage Ameren Illinois' service representatives to work closely with customers to identify motor and motor system needs and inefficiencies. Field Representatives are also crucial to this kind of effort to regularly visit motor dealers for relationship building, training, and education purposes (MotorMaster, selling with a Rebate, etc.), POP replenishment, assistance with application processing and (when desired) ride-alongs to end users. These ride-alongs allow the Representative to educate and seek other motor / VFD opportunities. Additionally, it helps train the dealer how to promote energy efficiency measures and life cycle costing concepts.        The marketing strategy for program years 2-3 has the following elements:       <ul style="list-style-type: none"> <li>• Use the program to uncover all the various energy saving opportunities available at C&amp;I locations. This includes not only motors and drives, but lighting, HVAC, steam, pumping, and compressed air.</li> <li>• As Ameren Illinois develops its portfolio of measures, it might find solar, wind, CHP, DG and load shedding opportunities are worth pursuing based upon what the motor program uncovers during generalized energy profile audits.</li> <li>• Work with U.S. DOE on heavy industry sectors.</li> <li>• Develop sustainability and persistence within the C&amp;I sector through Best Practices and behavior changes in purchasing and specification.</li> </ul> </li> </ul>

<p><b>PROGRAM</b></p>	<p><b>Business Custom Incentive Program</b></p>
<p><b>Objective</b></p>	<p>The Business Custom Incentive program provides energy efficiency expertise, services, and financial incentives to encourage C&amp;I customers to install energy efficient equipment and complete process system</p>

	<p>improvements that reside outside prescriptive lighting, HVAC, motors, refrigeration, and some process applications. Some Custom Incentive projects are complex and require detailed savings calculations to arrive at the appropriate custom incentive level.</p>
<b>Target Market</b>	<p>Nonresidential customers including commercial, industrial, and targeted institutional.</p>
<b>Program Description</b>	<p>The Custom Incentive Program applies to products in lighting, HVAC, refrigeration, motors, and some process upgrades that do not fall into the Standard Incentive program. These projects normally are complex and unique, requiring separate incentive applications and calculations of estimated energy savings.</p>
<b>Eligible Measures &amp; Incentive Strategy</b>	<p>Financial incentives will be provided to offset the higher costs associated with installation of new, higher efficient equipment, building system, or process upgrades. Cost-effective measures falling outside of the scope of standard lighting, refrigeration, HVAC, and motors programs will be included in the Custom Incentive Program. Incentive levels will be calculated based off of energy savings estimates for each project. Incentives will be subject to modification to balance the program's financial requirements and savings targets.</p> <p>Project funding will be capped at a predetermined amount per project, per program year, per facility. Incentive levels will vary between different technologies and fuel types as needed to adhere to budgetary limits and achieve energy savings goals.</p> <p>Alternatively, for large projects yielding large kWh savings, a competitive project incentive will be offered. This program area will have no payback criteria and will have a predetermined incentive cap (not to exceed 50% of project cost). The application process will mimic the process flow listed above, with the major difference being the incentive amount and payback criteria.</p> <p>The measures below represent typical Custom Incentive program measures and are accompanied by estimated energy savings. The incentive levels below reflect a \$0.05/kWh incentive for lighting and a \$0.07/kWh for all other electric measures. For applicable natural gas measures, \$0.60/therm was used based off of market research and discussions with implementation teams. Incentives have also been capped at 50% of project cost, although this value is dynamic and will change to meet market demand. These incentive levels are based off of Ameren Illinois' best projections but will likely change based on market conditions and implementation experience.</p>
<b>Implementation Strategy</b>	<p>The Custom Incentive program will be implemented by the implementation contractor. The implementation contractor will be responsible for engineering review and QA/QC. The implementation and installation of efficiency measures is the responsibility of the customer. The customer will submit an application outlining their potential efficiency upgrades. The implementation contractor will perform a thorough desk review of project cost and estimated energy savings to pre-approve the installation. Qualifying potential projects follow a common screening criteria process flow:</p> <ul style="list-style-type: none"> <li>• <b>Facility eligibility</b> – does the facility have the necessary requirements to be included in the program (appropriate rate class, located in Ameren Illinois' service territory, equipment must be new and installed at a non-residential location)?</li> <li>• <b>Project eligibility</b> – project must be installing new, premium efficient equipment or incorporating energy efficient designs, and Ameren Illinois must approve any product purchase or installation before the customer can receive an incentive.</li> <li>• <b>Application submittal</b> – the customer will submit the project application to</li> </ul>

	<p>Ameren Illinois for analytic review and pre-installation approval.</p> <ul style="list-style-type: none"> <li>• <b>Customer implements project</b> – the customer has the primary responsibility to install the pre-approved measures and improvements.</li> <li>• <b>Post installation documents</b> – the customer will provide data including invoices, receipts, and any engineering analysis (if the project was altered from original application).</li> </ul> <p>For projects exceeding a specified cost or energy savings threshold, on-site visits will be required to verify energy savings estimates, baseline data, and proper measure installation. Ameren Illinois approval will be required for any incentive application exceeding a preset limit defined by Ameren Illinois and the implementation contractor.</p>
<p><b>Marketing Strategy</b></p>	<p>Communication and education will continue to be essential components in this program's marketing strategy. Primary marketing strategies will include:</p> <ul style="list-style-type: none"> <li>• <b>Highlight successfully completed projects.</b> Ameren Illinois will selectively choose projects to display the process and benefits of the Custom Incentive program. This type of marketing will spur the customer's competitors to improve building performance and increase business process efficiency. This marketing strategy also allows the selected customer promotional and marketing opportunities.</li> <li>• <b>Trade Allies.</b> Ameren Illinois will continue to utilize the growing trade ally network as salespersons for the program. Proper training must be given to these program partners to ensure that any business development activities are conducted to achieve program goals.</li> <li>• <b>Market Segmentation.</b> To more effectively penetrate Ameren Illinois' markets, a targeted marketing approach can be used. Separating the program's marketing campaign to focus on specific customer types (hospitality/lodging, grocery/convenience store, etc.) will increase customer interest and drive installations.</li> </ul>

PROGRAM	<b>Business Retro-commissioning</b>
<p><b>Objective</b></p>	<p>This program will deliver energy and demand savings by helping building owners benchmark existing building and/or industrial process facility performance levels, identify building operating system upgrades, and where applicable, provide financial incentives to assist with the implementation of the recommended efficiency improvements.</p>
<p><b>Target Market</b></p>	<p>Nonresidential customers including commercial, industrial, and targeted institutional.</p>
<p><b>Program Description</b></p>	<p>Ameren Illinois will continue to leverage the existing infrastructure of qualified contractors and marketing partners that has delivered measurable energy savings in the 2008-2010 implementation period. The program will seek to identify efficiency opportunities associated with existing mechanical, electrical, and thermal systems in nonresidential buildings by providing options for retrofitting equipment that is inefficient and outdated. This program also assists occupants in improving their operation and maintenance practices via compressed air and process system upgrades.</p>
<p><b>Implementation Strategy</b></p>	<p>The Program will be implemented by a contractor. The contractor will manage the implementation of the program, rebate fulfillment, oversee survey and implementation of efficiency measures, and provide engineering review for each project. The project qualification process will be guided by the following methodology.</p> <p>Interested customers will submit proposals to the contractor for review. After engineering analysis and verification of estimated savings has been completed, the contractor will work with building owners and trade allies to conduct a building survey using a nationally accepted tool (Portfolio Manager or other) to benchmark the building's energy profile. Following the building</p>

	<p>survey, efficient upgrades will be recommended by the contractor(s) and implemented by the customer. Potential efficiency improvements include but are not limited to: compressed air leak identification, system controls calibration, energy management systems, and hot water improvements. After the implementation stage, an ex post verification will take place to ensure proper installation and adherence to stipulated implementation guidelines. Once the project is completed and approved by the contractor, an incentive check will be delivered to the customer.</p>
<p><b>Marketing Strategy</b></p>	<p>Ameren Illinois and its implementation contractors will continue to follow a multi-faceted approach for marketing the Business Retro-commissioning Program. Main marketing strategies include:</p> <ul style="list-style-type: none"> <li>• <b>Trade Ally Marketing</b> – provide the contractors conducting surveys and implementing measures with necessary marketing materials, education, and awareness training allowing them to effectively and accurately promote the program to customers.</li> <li>• <b>Customer Marketing</b> – with assistance from the Key Account Executive department, the Retro-commissioning program will target nonresidential customers that will benefit from building systems upgrades.</li> <li>• <b>Web Marketing</b> – leverage the existing Act On Energy website to educate consumers on how the program works as well as listing qualified trade allies to complete the work.</li> <li>• <b>Print Ads</b> – strategically place advertisements for the program in industry publications, local newspapers, press releases, and other periodicals that will reach a large audience of potential customers.</li> <li>• <b>Highlight successfully completed projects</b> – Ameren Illinois will selectively choose projects to display the process and benefits of the custom program. This type of marketing will spur the customer’s competitors to improve building performance and increase business process efficiency. This marketing strategy also allows the selected customer promotional and marketing opportunities.</li> </ul>

PROGRAM	Business New Construction
<p><b>Objective</b></p>	<p>The primary goal of this program is to capture energy savings available in new building construction, major renovations, or tenant build-outs in nonresidential facilities. Due to the latest economic fluctuations and the limited access to capital, many companies have delayed new construction or major build-outs. To help encourage customer activity, Ameren Illinois will offer multiple paths for the customer to utilize in their new construction projects.</p>
<p><b>Target Market</b></p>	<p>Nonresidential customers constructing a new building, major tenant build-out, or renovation in the planning and design phase. Customers can be in commercial, industrial, or targeted institutional market segments.</p>
<p><b>Program Description</b></p>	<p>The New Construction program is meant to encourage energy efficient building practices within Ameren Illinois’ service territory. There are several market barriers that must be overcome including high first cost, lack of building construction activity, and market adoption of these relatively complex and innovative building design practices. Through increased education and training as well as financial incentives, Ameren Illinois will attempt to influence the market and promote efficient building design and construction. It is vital that Ameren Illinois work closely with the design/construction community to identify adoption barriers, clarify needs of the industry, and propose solutions to overcome these barriers. Targeted marketing and training will be utilized to further move the market and transform building practices. It is important to offer the building community multiple options for their specific projects. This program will be separated into two main components: whole</p>

	<p>building new construction and major build-outs/renovations to existing facilities.</p> <p><b>Whole Building New Construction</b> – companies looking to construct new buildings in Ameren Illinois’ territory will be able to qualify for this track of incentives. The customer can receive varying levels of design assistance based on LEED or Advanced Buildings “Core Performance” standards (depending on scale and scope of project). It is important for the contractor to work with the customer during the design phase where a majority of critical decisions affecting the building’s energy consumption are made.</p> <p><b>Major Renovations/Build-outs</b> – if customers are looking to significantly alter the building they currently occupy, the Renovation/Build-out track offers incentives to encourage energy efficient building practices. Rather than complicated and expensive design as with whole building approach, system renovations/build-outs will supply prescriptive incentive levels for measures exceeding American Society of Heating, Refrigeration, and Air Conditioning Engineers (“ASHRAE”) 90.1-2007 standards. This will streamline the process for the implementation contractor and provide multiple options for customers looking to expand their operations. An added benefit of this prescriptive approach is the applicability to multiple market segments (incentives can apply to healthcare, offices, industrial, etc.).</p> <p>Close considerations must be made to recent building code activity within Illinois. As Illinois continues to promote energy efficiency and improve building codes, all new construction projects must comply with ASHRAE 90.1-2007 standards for publicly funded buildings and IECC 2009 for privately funded commercial buildings. All incentives and rebates provided by Ameren Illinois must be towards equipment and practices that exceed these new baseline levels.</p>
<p><b>Implementation Strategy</b></p>	<p>A third party contractor will be responsible for program implementation, project management, design and technical assistance, and program recruiting. Key implementation steps include:</p> <ul style="list-style-type: none"> <li>• Recruiting new construction projects within the developer/design markets through targeted marketing strategies and focused training sessions.</li> <li>• Application assistance and review. Applications will be reviewed by the contractor as they are received. The contractor will assist customers in the application process to ensure the application is properly filled out and to foster a positive image of the program within the design industry.</li> <li>• Once the application is approved, the customer can begin construction. After completion, the contractor will verify proper measure installation and ensure the project meets the necessary project design specifications and building code stipulations.</li> <li>• Incentive fulfillment. Once the project is reviewed and proper QA/QC has been completed, the customer receives incentive payment.</li> </ul>
<p><b>Marketing Strategy</b></p>	<p>The marketing strategy for this program is highly targeted and will leverage industry organizations heavily. Promoting the program and its benefits to organizations such as the United States Green Building Council (“USGBC”), ASHRAE, and other local building organizations will provide valuable marketing access to potential customers in a highly cost-effective manner. Ameren Illinois will also promote this program through other marketing channels including website, direct mailing, and occasional radio or television advertisements.</p> <p>Aside from typical marketing techniques, Ameren Illinois will need to foster the development of the design and building community to encourage market transformation of buildings within the service territory. Holding training events and information seminars will allow interactive learning opportunities for the building and design communities.</p>

**Additional Programs Approved in 2012 Third Party Efficiency Program Process**

In 2012, AIC received proposals for Third Party Efficiency Programs. Both expansions to existing programs and new programs were approved by the ICC and are summarized below. Proposals submitted under this RFP cannot replicate or compete with the programs described below.

- Incremental expansion to AIC’s Residential Multi-Family Program including direct install and expanded HVAC measures
- Incremental expansion to AIC’s Residential ENERGY STAR New Homes Program
- Incremental expansion to AIC’s Residential Lighting Program
- Incremental expansion to AIC’s Small Business Prescriptive Program, including increased incentives for selected measures
- New program to distribute energy efficiency kits to residential customers through schools
- New program to target all-electric homes with selected direct install and HVAC measures
- New free CFL Distribution Program
- New Small Business Direct Install Program including selected lighting measures

**New Residential and Business Portfolio Programs**

PROGRAM	<b>All-Electric Homes</b>
<b>Objective</b>	Increase energy savings in all-electric residences (single family and multifamily).
<b>Target Market</b>	The target market will be AIC electric residential customers living in single family homes and multifamily buildings with electric resistance space heat, air conditioning, electric water heating, and greater-than-average electricity usage history.
<b>Program Description</b>	The program will target owners of “all-electric” homes and buildings described above in an effort to inspect and retrofit them with both low-impact and high-impact measures to achieve significant electric energy savings. Upon request, program staff will perform an energy assessment of eligible homes and buildings, directly install low-impact measures, and develop a proposed scope of work to install high efficiency heat pumps in the home or building, offered at little or no cost to the customer. When the scope of work is accepted, program staff will subcontract an experienced HVAC program ally to install and/or perform the scope of work. Program staff will perform quality assurance inspections on all projects to confirm completion and quality of the work and ensure customer satisfaction.

**Eligible Measures & Incentive Strategy**

Single family homes will be eligible to receive low-impact measures, such as compact fluorescent lighting (CFLs), high-performance showerheads and aerators, and water heater temperature setbacks, at no extra cost during the energy assessment. Multifamily buildings will be referred to the Multifamily Direct Install program for installation of these low-impact measures.

Homes and multifamily units with multi-zone electric resistance heat systems, such as electric baseboard heaters, will be eligible to receive ductless mini-split heat pump systems to replace as many zones as is feasible. Those with a forced-air heating system (ducted systems) will be eligible to receive air source heat pumps to be used with the existing duct work. All new heat pumps will have a minimum efficiency of 8.4 HSPF and 16 SEER.

The new HVAC equipment will be provided and installed by the program at no cost to the customer. However, the customer may be required to perform and pay for miscellaneous repairs to the home if they are necessary to proceed with the retrofit. Homes that could benefit greatly from shell measure improvements will be encouraged to perform these retrofits through the Home Energy Performance (HEP, for single family homes) program or the Multifamily Major Measures program prior to installation of the new HVAC systems.

Offering equipment with a 100% incentive is expected to drive a high level of project conversion. In addition, the expensive upfront costs of new heat pump equipment will likely result in very low free ridership.

**Implementation Strategy**

AIC will hire a prime contractor to implement this program. The prime contractor will provide the necessary services to effectively implement the program and obtain the energy savings goals outlined in the plan while adhering to the budgetary constraints identified by AIC. Key implementation aspects include:

- Create marketing material including direct mail, flyers, and other materials to be used to support the field staff and program allies.
- The contractor will employ account managers and project coordinators to monitor program activity and assist with any customer discrepancies or questions that may arise. The existing call center will have knowledgeable staff that can field inbound calls, schedule site visits for energy assessments, and assist and direct customers to the appropriate channels to alleviate customer concerns.
- A tracking database will collect and monitor data regarding customers served, measures installed, incentives processed, and savings achieved. All data will be fully transparent, and AIC will have access to this tracking system at its discretion.
- The prime contractor will report the program's progress in relation to meeting budgets and savings goals on a regular basis. Other reporting will identify operational details on progress with field staff. Quarterly and annual reporting summarizing program milestones and achievements will be provided to AIC for review.
- The prime contractor will hire, train, and develop project coordinators to educate and monitor production. These field project coordinators will be responsible for performing energy assessments, developing scopes of work, initiating retrofit work with program allies, delivering marketing materials, training program allies, and reporting their findings. Existing account managers, energy advisors, and quality assurance inspectors may also be utilized to implement the program.

<b>Marketing Strategy</b>	<p>The primary marketing efforts will be divided into converting previous participants of related programs and new customer outreach. Marketing materials will include but are not limited to:</p> <ul style="list-style-type: none"> <li>• Direct mail letters (both new and existing customers)</li> <li>• Flyers / outreach materials for distribution to trade allies (HVAC and HEP)</li> </ul> <p>The tracking databases of the HEP and Multifamily programs will be analyzed to identify customers in the target market who that have previously performed shell retrofit projects as these have the best technical potential for installation of heat pumps through this program. These programs will also be tracked on a monthly basis to identify recent participants that may be eligible for this program. These potential participants will be contacted directly by program staff to assess interest in the program.</p> <p>Small, highly targeted, mailings will be used to reach potential new customers and educate them about the opportunities offered by participating in this program. In addition, program staff working in other programs will refer eligible homes they encounter during their course of work in those programs. These customers will be encouraged to contact the program through the call center to further inquire about program details and schedule a site visit.</p>
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PROGRAM	CFL Distribution
Objective	Increase awareness of ENERGY STAR® qualified CFLs along with other AIC energy efficiency program offerings.
Target Market	The target market will be AIC electric customers who are least likely to respond to typical lighting programs and communities that are least likely to have high numbers of prior CFL adopters. The target market will be identified through review of utility data (program participation, usage, etc) with 500,000 homes being analyzed for CFL propensity to predict high value homes.
Program Description	The program will run through a prime contractor and their sub contractor with significant experience in implementing these types of programs. The contractor will identify 25,000 homes out of the 500,000 analyzed for CFL propensity. Each of the 25,000 homes will be visited directly and will be offered six AIC branded, ENERGY STAR qualified, CFLs for a total of 150,000 CFLs to be distributed. The program is also designed to help lift participation in other AIC efficiency programs by using a specific sequence of offers to help cross-promote other Ameren efficiency offerings.
Eligible Measures & Incentive Strategy	The program's incentives and eligible measures will be six ENERGY STAR qualified CFLs that are delivered in person to each home.



## Implementation Strategy

AIC will hire a prime contractor and a subcontractor to implement this program. The prime contractor will provide the necessary services to effectively implement the program and obtain the energy savings goals outlined in the Plan while adhering to the budgetary constraints identified by AIC. The subcontractor will provide a turn-key approach to all marketing efforts, outreach, and delivery (including procurement, insurance, background checks, etc.). Key implementation aspects include:

- Analysis of 500,000 household records using customized targeting models to determine the most appropriate communities for CFL targeting, pinpointing communities best suited for engagement efforts.
- Develop three “best bets” for follow-up offers to be carried to the door in the targeted communities.
- The subcontractor will create a fully-staffed, turnkey campaign to 25,000 homes with each targeted household to receive an AIC branded six-pack of ENERGY STAR qualified CFLs.
- Program planning is based on prior analysis. The subcontractor will recruit and train local field representatives to systematically reach residents at their doorsteps with free CFL bulbs provided as a gift to enact the principle of reciprocity and open dialogue to address barriers to adoption of other energy efficiency program offerings.
- While talking to the customer at time of delivery of the CFLs the subcontractor will share and explain up to three of the most relevant follow-on offers using collateral provided by AIC and their program implementer.

## Marketing Strategy

The primary marketing efforts will be provided by the sub-contractor. While the largest marketing segment of the approach to this program is founded upon community-based social marketing efforts, the contractor will also incorporate numerous traditional marketing activities designed to engage the public, inform customers, and promote program messaging. In cooperation with AIC and the implementer, the contractor will aim to:

- Engage the public in a positive manner;
- Educate consumers on the benefits and uses of energy efficient lighting;
- Raise awareness of energy efficiency AIC programs increasing the likelihood that targeted customers will adopt additional energy efficiency measures.

Key components of the traditional marketing strategies will include:

- Neighbor to neighbor engagement. Field representative of the contractor are trained to act as agents of change in conversations with consumers at the doorstep. These field representatives focus on obtaining customer commitment to take the first simple actions and inform residents of the benefits of installing the measures.
- Advertising, public relations. In cooperation with AIC and the implementer, the contractor will actively seek positive media coverage of the program as a means of promoting its objectives and establishing credibility within the community.
- Web, social and electronic media. When approved by AIC and the implementer the contractor the contractor will utilize websites, Twitter, Facebook, YouTube and other social media outlets in an effort to increase program adoption.

The contractor will work in cooperation with AIC and the program implementer on all marketing components of the program to ensure consistent and appropriate messaging and engagement with customers.

<b>PROGRAM</b>	<b>Energy Efficiency Kits</b>
<b>Objective</b>	Increase sales and awareness of ENERGY STAR qualified lighting products along with other AIC energy efficiency offerings
<b>Target Market</b>	The target market will be 5 <sup>th</sup> grade school children and their families as well as AIC electric customers that live in rural areas where accessibility to big box retailers that participate in the Ameren Illinois upstream Lighting program is difficult because of distance.
<b>Program Description</b>	The program will run through a prime contractor and a sub contractor with significant experience in implementing these types of programs. The subcontractor will provide turnkey delivery of the program with direction, oversight and management by the prime implementer. The prime implementer will provide mailing lists of eligible customers, for the rural kits, to the subcontractor. With coordination between AIC, the prime implementer and the subcontractor lists of eligible schools will be identified. The kits will be delivered in two ways, some via 5 <sup>th</sup> grade classrooms and some through direct mail. Verification cards and/or web sites will be set up to verify installation of the measures.
<b>Eligible Measures &amp; Incentive Strategy</b>	The kits will contain a variety of CFLs (from 2 to 4 CFLs ranging in wattage from 13W to 23W), high efficiency bath faucet aerators (1 or 2 per kit), high efficiency kitchen aerators (1 per kit), and high efficiency showerheads (1 or 2 per kit), and instructions on how the customer can properly set the temperature of their water heater.
<b>Implementation Strategy</b>	AIC will hire a prime contractor and subcontractors to implement this program. The prime contractor will provide the necessary services to effectively implement the program and obtain the energy savings goals outlined in the Plan while adhering to the budgetary constraints identified by AIC. The subcontractor will provide turnkey services for delivery of the kits. Key implementation aspects include: <ul style="list-style-type: none"> <li>• Create marketing material including mailers, program overviews and explanations, and verification cards.</li> <li>• Subcontractor supplies materials and builds kits.</li> <li>• Prime implementer generates and provides subcontractor lists of eligible rural customers and 5<sup>th</sup> grade classrooms.</li> <li>• Verification cards and web site monitoring will be the ongoing responsibility of the prime implementer.</li> <li>• Subcontractor will report the program's progress in relation to meeting budgets and savings goals to prime implementer on a regular basis. There will be other reporting, by the prime implementer, which will identify operational details on program progress. Quarterly and annual reporting summarizing program milestones and achievements will be provided to AIC for review.</li> </ul>
<b>Marketing Strategy</b>	Marketing for the program will be a collaborative effort including AIC, the prime implementer and the subcontractor. The primary marketing efforts will be separated into customer awareness and the importance of installation and verification of the provided materials as well as increasing awareness of other AIC program offerings. Given the specific nature of the rural kits, the primary marketing channel will be direct mailers to specific homes identified via usage and geographic data analysis. The 5 <sup>th</sup> grade kits will be marketed directly to schools containing 5 <sup>th</sup> grade classrooms. The cartons containing the kits will be branded with AIC and ActOnEnergy® logos. Branded instructions and verification cards will accompany each kit.

<b>PROGRAM</b>	<b>Small Business Direct Install Program (SCORE)</b>
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<b>Objective</b>	Meet the requirements of SB1652 legislation, thereby increasing small business DS-2 customer participation in the Ameren Illinois ActOnEnergy® Business Program.
<b>Target Market</b>	The target market includes “untapped” DS-2 customers who have limited or no previous participation in ActOnEnergy®. In order of projected savings potential, these customers include: restaurants, grocery, auto dealers/convenience stores/gas stations, health services, private schools, membership organizations, banks, hotels/motels.
<b>Program Description</b>	Eligible DS-2 customers will receive energy efficient products installed for no or greatly reduced cost at their facility, as well as an energy report, to show building energy usage and potential savings. Customers who participate in SCORE will also have the option to schedule the installation of further energy efficient products through the Small Business Prescriptive offering.
<b>Eligible Measures &amp; Incentive Strategy</b>	Eligible direct install measure include but are not limited to: CFLs; LED exit signs; exit sign LED retrofit kits; occupancy sensors; low-flow aerators (electric water heaters only); water heater pipe insulation (electric water heaters only); plug load schedulers; Guest Room Energy Management (GREM) systems; refrigerator/freezer strip curtains; door anti-sweat heaters; refrigerator/freezer door gaskets; refrigerator/freezer automatic door closers; electrically commutated motors (ECM); programmable thermostats.
<b>Implementation Strategy</b>	<p>Ameren Illinois has hired a prime contractor and subcontractors to implement this program. The prime contractor will provide the necessary services to effectively implement the program and obtain the energy savings goals outlined in the Plan while adhering to the budgetary constraints identified by Ameren Illinois. Key implementation aspects include:</p> <ul style="list-style-type: none"> <li>• An initial call (made by the Small Business Call Center [SBCC]) would be made to eligible small business participants to gauge their willingness to participate in an on-site visit for the installation of free energy efficiency products, including the development of a free tailored energy report that would include recommended additional energy efficiency upgrades for the facility. Inbound calls (resulting from marketing efforts) will also be encountered.</li> <li>• The SBCC will assign appointments for interested customers with region-specific Small Business Energy Advisors (SBEA) and participating program allies.</li> <li>• The initial on-site visit is expected to take an average of 1-2 hours. SBEAs will collect the necessary facility information to develop the energy report. An exit briefing will be held with the appropriate customer contact to indicate what free EE products were installed during the visit, the approximate annual energy savings attributable to those products, and a review of the energy report indicating the recommended additional energy efficiency upgrades for the facility. The SBEA will also discuss what additional direct install energy efficiency equipment upgrades they may be eligible for from the SCORE program, as well as opportunities through the existing ActOnEnergy program.</li> <li>• If applicable, the SBEA will work with the SBCC to schedule the installation of additional energy efficient direct install equipment while still on site. If the customer cannot schedule at that time, the SBCC will provide a follow-up call to schedule this installation.</li> <li>• Additionally, the business card of the SBEA in their territory will be left with the customer, along with information about the ActOnEnergy Business</li> </ul>

	<p>Program, and a 10% bonus coupon to be used when completing their first ActOnEnergy project. If the customer has already completed an ActOnEnergy project the 10% bonus coupon would not be offered.</p> <ul style="list-style-type: none"> <li>• A separate “Small Customer Prospects” area will be developed in the program database to house information generated from completed site visits (customer information, contact name, copy of energy report, etc.). Necessary follow-up with these customers would be tracked by the SBCC on the Small Customer Prospects Dashboard.</li> <li>• If a date was scheduled, a direct install registered service provider will perform installation of additional energy efficient equipment.</li> <li>• Finally, an automated survey will be sent to the customer after six months and again after 12 months from the delivery of the energy report to determine what energy saving activities (not covered by the larger ActOnEnergy program) had been implemented.</li> <li>• To ensure a clear delineation, energy savings generated by the direct install of EE products and equipment as well as ActOnEnergy “non-claimable energy savings” generated from other recommended actions contained in the energy report would be claimed by the new SCORE program. Any subsequent energy savings incented by the larger ActOnEnergy program would be claimed by that program.</li> </ul>
<b>Marketing Strategy</b>	A campaign of targeted printed outreach (email, bill inserts, association publications, etc.) coupled with direct calling by the Small Business Call Center.

<b>PROGRAM</b>	<b>SAIC Program Enhancement (Incremental Benefits/Incremental Costs)</b>
<b>Objective</b>	The Program is designed to promote the installation of energy efficient technologies including lighting, motors, HVAC, and refrigeration in small non-residential (DS-2) customer facilities. Measures included within this program are common in multiple marketplaces and have default savings values associated with their energy performance. The primary barriers being addressed include first cost and lack of time to implement energy efficient technologies.
<b>Target Market</b>	Nonresidential DS-2 rate customers including commercial, industrial and targeted institutional.
<b>Program Description</b>	<p>The Program will incentivize customers to purchase and install energy efficient products. Measures included within this program will have savings values determined by the Illinois Statewide TRM, and increased incentives from those offered to non-DS-2 customers (although these incentive values may change as program budgets and performances alter throughout the year). Applications are filled out and delivered to Ameren Illinois via contractors, customers, or through the ActOnEnergy website. Program allies including contractors, retailers, and distributors will be the main sales force promoting the program and educating customers.</p> <p>Fundamental barriers to achieving potential savings include: first cost vs. life cycle costing; energy efficiency taking secondary status to operating conditions; and lack of time. At its core this program is a resource acquisition program designed to achieve savings in a historically hard to reach market segment. It is technology-based to create short-term opportunities for the retrofitting/replacement of existing inefficient technologies.</p>

**Implementation Strategy**

A third party contractor will be responsible for program implementation and management. Primary responsibilities include final program design, measure lists, implementation plan development, and expanding the existing program ally network of program partners. The main distribution channel will be the program allies, which include contractors, distributors, vendors, and local economic development associations where applicable. In order for these allies to effectively promote and communicate the benefits of the program, proper training and marketing materials will be provided by the contractor. As customers submit applications for incentives, program staff will review the applications and pre-approve projects if they meet the necessary criteria developed by the contractor and Ameren Illinois. An individual project implementation timeline will be utilized to encourage prompt installation and maintain accurate tracking of program savings goals and relative budgets. Educating the end user is the most effective way to increase sales and stocking habits of dealers and help ensure persistence. Components of the implementation plan include:

- End user rebates
- Educational/evaluative programs

**Marketing Strategy**

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

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

## Attachment G: Services Agreement

### Services Condition of Contract

#### Definitions

- 1.1 "Acceptance Criteria" shall mean with respect to a Deliverable, a statement defining the criteria for acceptance of that Deliverable.
- 1.2 "Contract" means, collectively, the Contract or Purchase Order to which this Attachment is attached or incorporated and all of the Contract Documents.
- 1.3 "Contract Documents" means the Contract, including all Attachments, forms, schedules and/or addenda attached thereto, issued pursuant to, or incorporated therein, all plans, drawings and Specifications issued by Ameren or by Supplier and approved by Ameren, these Services Conditions of Contract, the Supplemental General Conditions of Contract (if applicable) and all other documents identified in the Contract or Ameren's Purchase Order as included in the Contract Documents. The terms, conditions and provisions of the Contract Documents constitute the Contract
- 1.4 "Deliverable" or "Service(s)" shall mean a tangible work product to be developed for and delivered to Ameren, as set forth in a Scope of Work. By way of example, a "Deliverable" may consist of a plan, a report, software or a design.
- 1.5 "Effective Date" means the date of issuance of the Purchase Order unless an alternate Effective Date is specified in the Contract Documents.
- 1.6 "Enforceable Intellectual Property Right" shall mean a copyright, patent or trademark enforceable under the laws of the United States of America or any state within the United States of America.
- 1.7 "Non-Public Market Information" means information related to the electric energy and power business including, but not limited to, information regarding sales, cost of production, generator outages, generator heat rates, unconsummated transactions, or historical generator volumes.
- 1.8 "Project" shall mean the Services to be rendered to Ameren, and the related Deliverables, as set forth in an individual Scope of Work.
- 1.9 "Scope of Work" shall mean an attachment to this Contract, substantially in the form of Exhibit A hereof, that states, with respect to a specific Project, one or more of the following elements: the scope of the Project: Deliverables, responsibilities of Ameren, responsibilities of Supplier, the acceptance criteria applicable to Deliverables, and the fees and payment schedule pertinent to the Project. This Contract shall incorporate each Scope of Work that is executed by both Supplier and Ameren. In the event of a conflict between a signed Scope of Work and the provisions of this Contract, the Scope of Work shall take precedence as to the Project described therein.

#### 2 Services

Supplier shall render the Services and deliver the Deliverables set forth in a Scope of Work to Ameren, and Ameren shall perform its responsibilities set forth in the same Scope of Work. Supplier shall use commercially reasonable efforts to complete work in accordance with the agreed milestones and dates set forth in the Scope of Work. Ameren will issue a purchase order with a Project number assigned. Supplier shall provide the point of contact information, name, address, and e-mail address of the individual who should receive the purchase order to ensure receipt. In the event the purchase order and/or the Scope of Work conflict with the provisions

contained in this Contract, except to the extent agreed between the parties in writing, the provisions of the Scope of Work shall prevail over this Contract, which shall prevail over the purchase order.

Supplier shall access Ameren's internal networks and information in accordance with the instructions contained in Exhibit C, Network Access.

### **3 Fees and Expenses**

3.1 The fees due Supplier in connection with a Project, inclusive of taxes, shall be set forth in the Scope of Work.

Payment for all work performed by Supplier in connection with a Project shall be made by Ameren to Supplier in accordance with the payment schedule and procedures in the Scope of Work. Supplier shall issue invoices to Ameren in accordance with the instructions contained in Exhibit B, Ameren Supplier Billing Instructions.

Ameren shall make final payment to Supplier after final acceptance of Services and Deliverables by Ameren, provided that there shall have been presented to Ameren and in form satisfactory to Ameren, waivers of lien for any Services performed or materials furnished, or receipts for said Services or materials, signed by the party who has or shall have a lien or claim for lien therefor. Ameren shall have the right to withhold from any payment (including the final payment) an amount sufficient to cover the costs of Services performed or materials furnished for which Ameren shall not have received waiver of lien or receipts; and Ameren shall have the right to withhold such amounts until said waivers of lien or receipts are presented to Ameren.

Supplier's correspondence, records, vouchers and books of account, insofar as they pertain to costs made for Ameren's account under this Contract, will be open at all reasonable times to Ameren's inspection and audit.

All invoices shall be due and payable within thirty (30) days of receipt by Ameren. Ameren may withhold payment of any charges that it disputes in good faith, and may set-off amounts Supplier owes Ameren as credits against charges payable to Supplier under this Contract.

Ameren may also withhold payment from the Supplier for the following reasons: (i) breach by Supplier of any of its obligations under this Contract, including the costs to Ameren of remedying the breach (whether by repairing or re-ordering any materials or re-performing any Services or otherwise) and all other costs directly attributable to other Services that are required to be performed in connection with remedying such breach (ii) a claim made, asserted or filed against Ameren or reasonable evidence indicating such a claim may be asserted which is subject to indemnification pursuant to this Contract; (iii) lien claims made, asserted or filed regarding the Project; (iv) the failure of Supplier to properly make payments to Supplier's subcontractors; (v) improper, erroneous, or incomplete payment documentation, including improper or insufficient lien waiver forms; and (vi) damage to any other work on the Project caused by Supplier or Supplier's subcontractors.

Payments withheld shall be in an amount sufficient, in Ameren's reasonable opinion, (i) to satisfy, discharge and/or defend against any claims or lien claims threatened or brought against the Project or judgment that may be recovered thereon, and/or (ii) to make good any non-payment, damage, failure or default. If the amount withheld is insufficient, Supplier shall be liable for the difference and pay the same to Ameren.

If the Services or Deliverables are of a type for which, in Ameren's reasonable opinion, a mechanics lien may be placed upon Ameren's property, Supplier will provide to Ameren, with each invoice submitted, affidavits of payment and partial and final waivers of lien for Supplier and its subcontractors in form and substance prescribed by Ameren. Ameren may withhold from any payment (including the final payment) an amount sufficient to cover the costs of Services performed or materials furnished for which Ameren has not received waivers of lien or receipts; and Ameren has the right to withhold such amounts until said waivers of lien or

receipts are presented to Ameren. In addition, Supplier shall defend and indemnify Ameren against all liens, claims and lawsuits of subcontractors or suppliers of Supplier of every tier for nonpayment of Services or Deliverables to the extent payment for such Services or Deliverables has been made to Supplier by Ameren.

Ameren shall make final payment to Supplier after Ameren's final acceptance of Deliverables by Ameren, provided that, if applicable, Supplier has presented to Ameren and in form satisfactory to Ameren, waivers of lien for any Services performed or materials furnished, or receipts for said Services or materials, signed by the party who has or shall have a lien or claim for lien therefor. Acceptance by Supplier of final payment under a Scope of Work shall constitute a waiver of all claims for payment of the Supplier's compensation against Ameren under such Scope of Work.

### 3.2. Audit

A. Right to audit. Supplier shall maintain during performance of the Services, and retain not less than four years after their completion, complete and accurate records of all of Supplier's costs which are chargeable to Ameren under this contract; and Ameren has the right, during normal working hours, to inspect, reproduce, and audit those records by authorized representatives of its own or a third party selected by Ameren. Compensation paid on a lump-sum basis shall not be auditable by Ameren. The records to be maintained and retained by Supplier must provide sufficient detail for such charges and shall include (without limitation):

- Payroll records (hours, employee name, employee classification, multiplier breakdown etc.) that account for total time worked under such contract

- Canceled payroll checks or signed receipts for cash payroll

- Invoices (including all back-up details) for purchases, receiving and issuing documents, and all inventory records for Supplier's stock or capital items

- Paid invoices and canceled checks for purchased materials, subcontractor and third-party charges

- Records relating to air freight and ground transportation, including but not limited to handling, hauling, and disposing of materials/equipment

- Accurate, auditable records of gifts, entertainment, and gratuities to individual Ameren personnel

In addition, Supplier shall assist Ameren with respect to ensuring that all subcontractors adhere to and comply with the same requirements herein.

### B. Methodology

Both parties understand that to preserve the integrity of the relationship and to provide a reasonable level of quality assurance with respect to contract compliance, it is necessary to periodically conduct a detailed audit in accordance with the defined parameters stated herein.

1. Electronic Data File. In conducting the audit, Ameren requires that Supplier provide electronic data files containing all required information for all Ameren invoice activity for the entire audit period. The data files shall be in a file format compatible with industry accepted financial software applications (MS Access, Excel, Access), and contain data elements of all items invoiced by the Supplier. A listing of the minimum data field requirements is included below.

2. Statistical Sampling. As it is not administratively feasible for either party to conduct an audit of the entire population of invoices, both parties agree that statistical sampling and extrapolation techniques premised upon proven scientific principles and analyses shall be used. Accordingly, both parties shall comply with the language as stated below.

### C. Reimbursement

As part of the review process, both parties understand and agree that should errors occur, payment shall be made in accordance with the following terms. For all errors found in Ameren's favor, such errors shall be offset by the errors in favor of Supplier. More specifically, if the total aggregate errors found demonstrate underpayments to the Supplier, Ameren shall reimburse Supplier for the corresponding underpayments.



Conversely, should the total aggregate errors found demonstrate overpayments to Supplier, then Ameren shall be reimbursed for the corresponding overpayments made. Both parties agree that any undercharges or overpayments, once identified and agreed upon, shall be paid within thirty (30) days of notice to the other party.

D. Electronic Data File Audits:

Electronic data file audits will entail review of all invoice data for the audit period in electronic file format. The data files will contain the following field requirements:

Invoice Data:

Invoice number (all)  
Invoice date (all)  
Supplier Employee name (services)  
Supplier Employee number (services)  
Job classification (services)  
Wage code (ST, OT, DT, etc.) (services)  
Union code (services)  
Date worked (services)  
Job number (all)  
Contract/Purchase Order number (all)  
Supplier Sales Order number (materials)  
Transaction Type (stock vs. buyout) (materials)  
Ship-to address (materials)  
Ship date (materials)  
Client Product code/part number (materials)  
Supplier Product code/part number (materials)  
Supplier Product description (materials)  
Product (service) description (all)  
Equipment number (rentals)  
Equipment description (rentals)  
Rental begin date (rentals)  
Rental end date (rentals)  
Quantity (all)  
Unit-of-measure (all)  
Unit price billed (all)  
Total dollars invoiced (all)  
Tax (all)  
Freight (materials)

Payroll Data (Services):

Supplier Employee name  
Supplier Employee number  
Work week ending  
Job classification  
Wage code (ST, OT, DT, etc.)

Union code  
Date worked  
Job number  
Hours  
Hourly Rate  
Gross Wages  
SUTA Wages  
SUTA Taxes  
FUTA Wages  
FUTA Taxes  
FICA Wages  
FICA Taxes

E. Statistical Sampling Audits

Statistical sampling audits will be conducting using the following sample and extrapolation procedure:

A computer generated random sample of approximately one hundred invoices shall be selected from the population of invoices covering the audit period, (generally four years). Two statistical tests shall be performed on the sample: the z-test to validate the sample mean and the chi-square test to validate sample variance. These tests will allow the assumption, with a probability of error being less than one percent ( $p < .01$ ), that the characteristics of the sample are representative of the characteristics of the population. Therefore it shall be a valid statistical procedure to extrapolate the error rate found in the sample to the total population. The resulting simple equation shall be:

$$\frac{\text{error value of the sample}}{\text{dollar value of the sample}} = \frac{\text{error value of the population}}{\text{dollar value of the population}}$$

The above statistical audit procedure is intended to represent the general conceptual approach of the audit team. It is not intended to be an inflexible policy indiscriminately applied to all audit situations. It is recognized that each audit is a unique situation that requires fair and responsible judgment in the application of statistical procedures to the quantification of errors. There are some types of errors that are isolated or singular events, which do not have the probability of recurring throughout the population. These types of errors will not be extrapolated. Only errors that have the probability of being recurrent events throughout the population will be extrapolated. At the close of the audit, the Supplier will have the opportunity to review all findings presented by the audit team. Errors will be excluded from the extrapolation only after mutual consent of both the Supplier and Ameren.

3.3 Ameren will reimburse Supplier for the reasonable travel and living expenses for Supplier personnel that are directly connected with the performance of their duties on this project if so provided in the relevant Scope of Work or with the prior written consent of Ameren. Ameren will reimburse Supplier for business-related transportation expenses including the actual cost of transportation on railroads, airlines, etc. including reasonable gratuities and incidental expenses. Ameren will reimburse Supplier for travel at tourist or coach class rates only, unless specifically authorized by Ameren. Supplier shall make reasonable efforts to utilize discount air fares when available (i.e. obtaining tickets in advance, etc.) When extraordinary measures are required (such as staying over a period of time, lengthy travel periods or multiple flight changes) to take advantage of discount airfares it is appropriate to seek reimbursement for the additional living and other expense incurred. Such additional reimbursements are not to exceed the difference between the discount air fare actually incurred and the air fare which would have been incurred by exercising "reasonable effort" to utilize discount air fares. Supplier personnel may earn personal frequent flier credits for flights taken on Ameren business. However, they

may not incur abnormal billable travel time or incur any additional expenses for the purpose of accruing frequent flier miles.

Travel to or from areas outside the continental United States must have prior written approval from Ameren to be reimbursed.

The cost of taxis, limousines and buses to and from airports will be reimbursed. Generally, the most economical means of transport should be used. Automobile mileage shall be reimbursed at the then current IRS approved per-mile rate.

Fees for flight insurance purchased by Supplier personnel will not be reimbursed.

Membership dues in travel clubs are not reimbursable.

The use of Rental Cars must be authorized in advance by Ameren. When Supplier personnel rent a car for Ameren business:

- (a) Check to be sure that they are receiving any discounts to which they are entitled.
- (b) Request a midsize car model, unless there is some specific reason to request a larger model.
- (c) Ameren will not reimburse for transportation costs related to expenses for traffic and parking tickets.

Ameren will reimburse Supplier for reasonable expenses for meals and lodging incurred by Supplier Personnel while working on this project. Supplier shall pay hotel bills directly. Personal items (i.e. room service charges, in-room movies, etc.) shall be deducted from the total on the bill and only the net amount applicable to Ameren business shall be submitted to Ameren for reimbursement.

Personal telephone calls by Supplier employees to their homes are reimbursable provided the number, cost, and duration are reasonable.

Any expenses to be incurred that are not covered herein are subject to the advance approval of Ameren. If advance discussion is not possible, Ameren will reimburse Supplier for the expense if expense reimbursements are generally authorized and if the expenditure is business related, proper, and reasonable. Aggregate reimbursements shall not exceed five percent (5%) of the total value of any associated Scope of Work issued hereunder without the prior written consent of Ameren.

3.4 For services that are performed on a Time and Material direct cost basis or for which compensation is based on a cost plus or labor cost buildup basis, the following shall apply:

It is Ameren's intent to only reimburse Supplier for actual payroll taxes and workers' compensation (WC) costs. Supplier is required to provide a reconciliation of billed payroll taxes (FICA/FUTA/SUTA) and WC to actual payroll taxes and WC costs on an annual basis by January 31 of each year. If the estimate billed is lower than the actual taxes/costs, then Ameren will remit, via check, by February 15 of each year, the difference to Supplier. If the estimate billed is higher than the actual taxes/cost, then Supplier shall remit, via check, by February 15 of each year, the difference to Ameren. To further clarify, it is the intent that any amounts over-collected from Ameren by Supplier, on all Ameren Services provided other than on a lump sum basis, above its actual costs due to statutory caps/cutoffs, rate differences, rebates, premium discounts, etc. be refunded to Ameren.

Supplier's statutory rates (insurance and payroll taxes) shall be adjusted (increased or decreased) at the time the Supplier is notified of such adjustment. Any Supplier cost associated with Labor Union participation shall be a reimbursable cost.

Workman's Compensation and General Liability rates for activities not covered by an Owner-Controlled Insurance Plan shall be adjusted at the time Supplier is notified of rate change. (i.e. lead abatement, asbestos abatement, offsite activities).

General liability and property damage insurance, overhead and profit are fixed rates that are not subject to reconciliation and/or audit.

As part of this reconciliation process, Supplier may be required to provide Ameren with the following information:

1. State returns (with supporting schedules) showing payroll tax and WC rates and amounts paid.
2. Insurance bills showing WC rates paid, if privately insured.
3. Detail listing of any out-of-pocket WC claims paid, showing the amount and date paid, if self insured with deductible.
4. Excel spreadsheet (electronic) showing the reconciliation.
5. Electronic database (Excel/Access format) showing weekly payroll records by Supplier employee for Services provided on a basis other than lump-sum. The data fields required are listed below.

Payroll Electronic Database (required data fields):

- Supplier Employee Name
- Supplier Employee Number
- Job Classification Code
- Job Classification Description
- Union Code
- Shift Code
- Ameren Location
- Supplier Location
- Job number
- Period End Date
- FICA - SS amount
- FICA - Medicare amount
- FUI amount
- SUI amount
- Regular Hours Worked
- Overtime Hours Worked
- Double Time Hours Worked
- Wage Rate
- Total Wages

These reconciliation calculations provided by the Supplier are subject to validation and audit by Ameren or its designated representative.

#### **4 Change Control Procedure**

The parties acknowledge and agree that the occurrence of the following events may require a change to the Scope of Work, Project schedule and/or fixed price: (A) a material change to or deficiency in the information which Ameren has supplied to Supplier which changes the Scope of Work; (B) an unanticipated event that materially changes the service needs or requirements of Ameren; or (C) a change in law (each, an "Adjustment Event").

4.2 The parties also agree that from time to time during the term of this Contract, Ameren may request, or Supplier may propose, that Supplier implement a change to the Services which may require a change to the Project schedule and/or compensation (each, a "Change"), including: (A) a Change to the scope of the Services, including the Deliverables and or their functionality; or (B) a Change in the prioritization or manner in which Supplier is performing the Services.

4.3 If an Adjustment Event occurs or the parties agree on a Change, Supplier shall prepare and provide to Ameren a proposed change order (a "Change Order").

4.4 Within ten (10) days after Supplier submits a proposed Change Order, Ameren shall review the proposed Change Order and either (A) reject the proposed Change Order, (B) approve the proposed Change Order or (C) notify Supplier of any item(s) set forth in the proposed Change Order of which Ameren disapproves, in which case Ameren and Supplier shall use diligent efforts to seek to resolve such item(s) within thirty (30) days. Supplier shall not commence the work described in a proposed Change Order until Ameren has provided Supplier with (A) written authorization signed by the Project Manager or other authorized representative of Ameren to commence providing such work under such proposed Change Order; (B) a revised purchase order if the Change Order increases Supplier's compensation; and (C) Ameren and Supplier have mutually agreed upon the content of, and executed, the proposed Change Order, including an adjustment to the schedule and/or the fixed price, as applicable, at which time the proposed Change Order shall constitute a "Change Order" and an amendment to the applicable Scope of Work and the work set forth therein shall constitute Services. The compensation set forth in the Change Order shall be the total compensation due to Supplier in connection with the Services set forth therein, including, without limitation, changes in the schedule of such Services and the cumulative impact of Changes and Supplier hereby waives any claim to additional compensation in connection with any such Change Order.

4.5 Supplier shall neither request, nor be entitled to receive, payment for any extra or additional Services or incidentals not included in the Scope of Work unless they are authorized in writing by Ameren by execution of a Change Order before such extra or additional Services are performed.

## **5 Acceptance of Deliverables**

Acceptance of Deliverables shall be made in accordance with the Acceptance Criteria set forth in the applicable Scope of Work.

## **6 Term of Agreement**

This Contract is effective upon execution by Supplier and Ameren for a term of one year from the Effective Date ("Term") unless sooner terminated as hereinafter provided, and shall continue in effect for successive one year terms, unless not later than thirty (30) days prior to the end of the then-current term either party shall notify the other that this Contract will expire, in which event this Contract shall expire on the last day of the then-current term (except with respect to any Scope of Work that remains open on such date, as to which this Contract will terminate on completion).

## **7 Delivery and Acceptance**

7.1 Supplier shall furnish to Ameren the Deliverables, meeting notes and other working papers, if any, described in the relevant Scope of Work in accordance with the terms of that Scope of Work in all material respects.

7.2 Supplier shall exercise due professional care and competence and will perform Services in a first class, workmanlike manner. Ameren shall have the right to evaluate and test each Deliverable in accordance with the applicable Acceptance Criteria. Within thirty (30) days of delivery, Ameren shall give Supplier written notice of Ameren's acceptance or rejection of the Deliverables in accordance with those Acceptance Criteria. Ameren's acceptance of the Deliverables shall in no manner waive Ameren's rights under any representation or warranty set forth in this Contract.

7.3 Supplier shall correct any deficiencies or errors and/or omissions in the Services and/or Deliverables at Supplier's cost in order that the Deliverables will meet the Acceptance Criteria.

## **8 Supplier's Use of Ameren Materials**

No license or right is granted under the Contract to Supplier to use, execute, reproduce, display, perform, distribute externally, sell copies of, or prepare derivative works based upon, any Ameren materials, except that Supplier may exercise the foregoing rights of use, execution, reproduction and adaptation within its own organization solely for the purpose of rendering performance as required by a Scope of Work. Upon completion of such performance, all Ameren materials (excluding any adaptations thereof) shall be returned in their entirety to Ameren. The terms of this Article do not, however, affect the obligations of the Parties under Article 11 (*Confidentiality*) below.

## **9 Ownership and Rights**

Unless otherwise provided in the relevant Scope of Work, Ameren shall, upon payment of invoices relating thereto, own all Deliverables and all U.S. copyrights in those Deliverables, and all Deliverables shall be considered work made for hire owned by Ameren. If any such Deliverables may not, by operation of law, be considered works made for hire (or if ownership of all right, title and interest of the U.S. copyrights therein shall not otherwise vest exclusively in Ameren), Supplier shall be deemed to have automatically assigned, without further consideration, the ownership of all U.S. copyrights therein to Ameren, its successors and assigns, upon such payment. Ameren, its successors and assigns, shall then have the right to obtain and hold in its or their own name copyrights, registrations, and any other protection available in the foregoing.

To the extent any technology, information or materials developed or acquired by Supplier independently of work under this Contract in existence as of the commencement of the Services are incorporated or embedded in Deliverables, and including all third party works and products which Supplier is free to license, Supplier hereby grants Ameren a royalty-free, irrevocable, worldwide, nonexclusive, perpetual license, to use, disclose, reproduce, sublicense, modify, prepare derivative works from, perform and display Deliverables internally. Notwithstanding any other provision of this Contract, Supplier retains ownership of all such pre-existing technology, information and materials, and subject to any applicable nondisclosure obligation, retains the right to use, disclose, reproduce, sublicense, modify, prepare derivative works from, perform and display its knowledge, experience and know-how, including processes, ideas and techniques developed or improved by Supplier in the course of performing this Contract.

## **10 Project Termination**

10.1 Ameren shall have the right to terminate a Project at any time without cause upon seven (7) days prior written notice to Supplier. In the event of such termination, Supplier shall immediately suspend the provision of

Services and Ameren shall pay Supplier all amounts due Supplier to the date of the suspension plus all actual expenses directly resulting from such suspension. Ameren shall not have any obligation to pay or reimburse Supplier for lost profits and/or unabsorbed overhead. Supplier shall promptly deliver to Ameren all materials and information supplied by Ameren in connection with the terminated Project, together with all Deliverables in process at the effective date of termination, whether complete or partially complete.

10.2 Ameren or Supplier may terminate this Contract for material breach thereof upon ten (10) days prior written notice, if the breach is not cured within the ten-day notice period. Neither party shall be obligated to provide more than one opportunity to cure a material breach during the term of this Contract.

10.3 Either party may terminate this Contract and all Scopes of Work hereunder effective immediately upon giving notification thereof if the other party is adjudged insolvent or bankrupt, or upon the institution of any proceeding against the other party seeking relief, reorganization or arrangement under any laws relating to insolvency, or for the making of any assignment for the benefit of creditors, or upon the appointment of a receiver, liquidator or trustee of any of the other party's property or assets, or upon liquidation, dissolution or winding up of the other party's business.

10.4 Profits and Overhead. In no event shall Ameren be liable to pay or reimburse Supplier for lost profits or, except as specifically provided in this Article 10, any termination expenses or any other consequential and incidental damages of any type.

## **11 Confidentiality**

In the course of performing the Services, either party (the "Disclosing Party") may use and disclose to the other party (the "Receiving Party") software, other products, personnel data, business and technical information, and consulting methodologies of the Disclosing Party ("Proprietary Materials") that may or may not be licensed under separate agreements. The Receiving Party shall safeguard and keep confidential the Proprietary Material, and to use such Proprietary Materials only internally in the course of the Receiving Party's business. The Receiving Party will limit the use of, and access to, the Proprietary Materials to the Receiving Party's employees whose use of, or access to, the Proprietary Materials is necessary for the Receiving Party's internal business use. The Receiving Party will have in effect, and will enforce, rules and policies designed to protect against unauthorized use or reproduction of the Proprietary Materials and other confidential information, including instruction of and written agreements with the Receiving Party's employees and contractors to insure that they use and protect the Proprietary Materials in a manner which protects the Disclosing Party's proprietary rights. The Receiving Party shall not provide access to the Disclosing Party's Proprietary Materials to any third party unless such third party has signed a confidentiality agreement with the Disclosing Party. The Receiving Party shall have no obligation of confidentiality with respect to Proprietary Materials that: (i) were rightfully in possession of or known to the Receiving Party without any obligation of confidentiality prior to receiving them from the Disclosing Party; (ii) are, or subsequently become, legally and publicly available without breach of this Contract; (iii) are rightfully obtained by the Receiving Party from a source other than the Disclosing Party without any obligation of confidentiality; (iv) are developed by or for the Receiving Party without use of the Proprietary Materials and such independent development can be shown by documentary evidence; (v) are transmitted by a party after receiving written notification from the other party that it does not desire to receive any further Proprietary Materials; or (vi) are disclosed by the Receiving Party pursuant to a valid order issued by a court or government agency, provided that the Receiving Party provides the Disclosing Party (a) prior written notice of such obligation and (b) the opportunity to oppose such disclosure or obtain a protective order.

## **12 Intellectual Property Indemnity**

12.1 Ameren will notify Supplier, in writing, of any claim against Ameren that any Deliverable, or the use thereof, infringes an Enforceable Intellectual Property Right. Upon being notified of any action brought against Ameren based on such a claim, Supplier, at its sole cost, shall indemnify and defend Ameren in the action, perform any negotiations for settlement or compromise of the action, and pay any and all settlements reached and/or costs and damages awarded in the action, together with reasonable attorneys' fees; provided, however, that to the extent that any action is based upon a claim that material furnished to Supplier or inserted into any Deliverable by Ameren, or the use of such material, infringes an Enforceable Intellectual Property Right, Ameren, at its sole cost, shall indemnify and defend Supplier in the action, perform any negotiations for settlement or compromise of the action, and pay any and all settlements reached and/or costs and damages awarded in the action, together with reasonable attorneys' fees.

12.2 If an action for infringement of an Enforceable Intellectual Property Right is brought against Ameren, Supplier shall, with the consent of Ameren, either: (a) obtain for Ameren or Supplier the right to use the infringing material, (b) modify the Deliverables so as to render them non-infringing and functionally equivalent, or (c) provide Ameren with functionally equivalent substitute Deliverables. Any remedy under this paragraph shall be undertaken at Supplier's expense.

### **13 Warranties**

Supplier warrants that, at the time of delivery to Ameren, the Deliverables will not infringe any Enforceable Intellectual Property Right of any third party. Supplier makes no warranty with respect to third party rights in any materials furnished to Supplier by Ameren. In addition, Supplier warrants that all Deliverables shall be new and unused, and shall be free from defects in material and workmanship for a period of three (3) years following acceptance by Ameren. Supplier hereby assigns to Ameren any and all warranties provided to Supplier by any manufacturer or seller of the Deliverables or any components thereof.

### **14 Insurance**

Without limiting the scope or extent of the protection afforded Ameren or the liabilities assumed by Supplier herein, Supplier and any subcontractors shall obtain and maintain in force for the entire life of this Contract the following insurance and name Ameren Corporation, its subsidiaries and affiliates as additional insured on primary and non-contributory basis and include a severability of interest provision:

- (A) Commercial General Liability insurance on the premises and Services covered by this Contract and specifically including, without limitation, contractual liability insurance to cover liability assumed by Supplier with combined single limits, per accident, of not less than \$1,000,000 for bodily injury, including death and property damage.
- (B) Worker's Compensation insurance with statutory limits and employer's liability insurance with limits of not less than \$1,000,000.
- (C) Comprehensive Auto Liability insurance which has minimum combined single limits for bodily injury and property damage of \$1,000,000 per accident. The Comprehensive Auto Liability policy shall include owned and blanket non-owned and hired coverage.
- (D) Commercial Umbrella Liability insurance with limits of not less than \$2,000,000 per occurrence. Such umbrella shall be excess over all other coverage required in this section, except Worker's Compensation.
- (E) Professional Liability insurance with limits of not less than \$1,000,000.



Supplier shall require their insurance carriers, with respect to all insurance policies, to waive all rights of subrogation against Ameren, its directors, officers, agents and employees, and Supplier shall indemnify Ameren against any loss or expense, including reasonable attorneys' fees, resulting from the failure to obtain such waiver.

Supplier shall, before the commencement of any Services, furnish Ameren with a certificate from an insurance carrier acceptable to Ameren stating that policies of insurance carrier acceptable to Ameren have been issued by it to Supplier and any subcontractors providing for the insurance listed above and that such policies are in force.

Supplier shall notify Ameren of any Notice received or knowledge acquired by Supplier of any cancellation or threat of cancellation of any policy issued to meet the requirements of this Article 14. Such Notice shall be in writing (by first class mail) given in no less than thirty (30) days from receipt of such Notice or knowledge. Failure to so notify Ameren shall constitute a material breach of this Contract. Upon receipt of Notice or acquiring knowledge of cancellation of any policy issued to meet the requirements of this Article 14, Ameren may terminate this Contract or may prohibit Supplier from proceeding with or completing the Services until such time as Supplier has provided Ameren with a certificate of insurance as required under this provision. Such Notice shall be addressed to: Ameren, Process and Performance (MC 1105), PO Box 66149, St. Louis, Missouri 63166-6149.

## **15 Indemnity**

15.1 Supplier shall defend, indemnify and save harmless Ameren, its parent, affiliates and subsidiaries, and their respective directors, officers and employees, from and against any and all claims, demands, losses, damages, attorney fees and expenses caused by or resulting from any negligent or wilfull act or omission of Supplier, its agents, employees, or subcontractors, including consultants, arising out of or in connection with the Services to the fullest extent permitted by law.:

15.2 Supplier shall not be obligated to indemnify Ameren against any liability, losses, claims, damages, costs and expenses arising from Ameren's sole negligence.

15.3 In addition to and without limiting the indemnification provided under paragraph 15.1, Supplier shall indemnify and save harmless against any liability for any and all federal, state and local withholding taxes, penalties and interest (including, but not limited to, any amount paid in professional fees related to such taxes, penalties and interest) with respect to:

- (a) Supplier's employees provided in connection with the Services rendered under this Contract; and
- (b) Independent contractors hired by Supplier and provided in connection with the Services rendered under this Contract, even if such independent contractors are determined by the Internal Revenue Service or state or local taxing authority to be employees of the Ameren for withholding tax purposes.

15.4 The above indemnification obligations shall not be limited by virtue of worker's compensation acts, disability benefit acts, or other employee benefit acts in claims made by an employee of the Supplier.

15.5 Supplier further agrees to defend Ameren at Supplier's own cost and expense or, at the sole option of Ameren, to reimburse Ameren for any reasonable cost and expense, including attorneys' fees, which Ameren may incur or be put to the defense, from any such demand, claim or suit.

## 16 Supplier Personnel

16.1 At Ameren's request, Supplier shall submit a list of personnel engaged in connection with a specific project, which shall be subject to Ameren's approval and included in the appropriate Scope of Work. Supplier warrants that all personnel so named shall actually perform or supervise the work contemplated therein, in the manner described therein, until the completion, and Ameren's acceptance, of the Services performed thereunder.

16.2 In the event that Supplier wishes to remove from Ameren's service any of the personnel named in a Scope of Work, or substitute other personnel for any of the personnel so named, Supplier shall submit such request to Ameren at least ten (10) days in advance of the proposed removal or substitution. In the event of a contemplated substitution of specific personnel named in the Scope of Work, Supplier shall submit pertinent resume and biographical data on the proposed substitute personnel. No such removal or substitution may be made without the prior written approval of Ameren, which will not be unreasonably withheld.

16.3 Ameren may request that any Supplier personnel be replaced if, in Ameren's sole discretion, it determines that such personnel are not of the requisite skill and experience to satisfactorily perform the Services, for violation of any law, safety procedure, security procedure or detrimental conduct, discrimination, harassment, workplace violence or for other grounds (*e.g.*, poor past performance, background check concerns, *etc.*) without any penalty to Ameren provided that this shall in no way affect the right of Supplier in its sole discretion as employer, to hire, assign, reassign and/or terminate its own employees.

16.4 Supplier shall only assign individuals who are legally eligible to work in the United States in accordance with all local, state, and federal laws to perform Services for Ameren. Supplier is responsible for completing and retaining Form I-9 for each Supplier employee. Ameren, in its sole discretion, reserves the right to audit compliance with this provision.

16.5 Supplier agrees that while performing the Services on Ameren premises the Supplier agrees to comply with all Ameren's rules and policies in effect at the location where the Services are to be performed, including but not limited to the Ameren Corporation Equal Employment Opportunity and Anti-Harassment Policy, the Ameren Corporation Workplace Violence Policy, each of which is available on [www.Ameren.com/BusinessPartners](http://www.Ameren.com/BusinessPartners), any workplace conduct guidelines and work rules. Supplier will review Ameren's rules and policies with its employees and subcontractor employees prior to providing Services on Ameren premises

## 17 Independent Contractors

17.1 It is the intention of the Parties that Supplier is and shall perform its Services under this Contract as an independent contractor. Supplier and Ameren shall at all times be independent parties. Neither party is an employee, joint venturer, agent, or partner of the other; neither party is authorized to assume or create any obligations or liabilities, express or implied, on behalf of or in the name of the other. The employees, methods, facilities and equipment of each party shall at all times be under the exclusive direction and control of that party.

17.2 Nothing in this Contract shall be interpreted or construed as creating or establishing the relationship of employer and employee between Ameren and either Supplier or any employee or agent of Supplier. Supplier will be solely responsible at all times for its acts or the acts of its agents, employees, and subcontractors.

17.3 Supplier will remain free to perform services for parties other than Ameren; provided, such services will not conflict or interfere with the performance of Services hereunder, and will not compete with the current or

future business of Ameren.

17.4 Suppliers shall bear sole responsibility for payment of compensation and typical employee benefits (including but not limited to, health and disability insurance, vacation and/or paid time off, etc.) to its employees. Supplier shall maintain all necessary personnel and payroll records for its employees assigned to Ameren. Supplier shall compute wages, pay and report, for all personnel assigned to perform Services for Ameren, federal, state and local income tax withholding, social security taxes, workers' compensation insurance, unemployment insurance, and any other withholdings or insurance required by federal, state or local law, which are applicable to such personnel as employees of Supplier. Supplier shall bear sole responsibility for any health or disability insurance, retirement benefits, or other welfare or pension benefits, if any, to which such personnel may be entitled. Supplier agrees to defend, indemnify, and hold harmless Ameren, Ameren's officers, directors, employees and agents and the administrators of Ameren's benefit plans, from and against any claims, liabilities, or expenses (including reasonable attorney fees) arising from or related to the any such payments for Services performed under this Contract, including Supplier's obligations or liabilities for compensation, tax, unemployment compensation, workers' compensation, insurance, or benefit matters, or arising from, or related to any claim brought by any employee of Supplier related to hiring, retention, promotion, discipline, discharge, compensation, or other terms or conditions of employment. If any federal, state or local government, agency, any court or other authority determines that Supplier or an employee of Supplier is an employee of Ameren for any purpose, Supplier will indemnify, defend (at Ameren's sole discretion), reimburse and hold Ameren, its officers, directors and employees, harmless from and against any and all claims, actions, demands, liabilities, losses, costs and expenses (including, without limitation, reasonable attorneys fees) arising from or otherwise associated with any such determination.

## **18 Publicity**

18.1 Supplier shall not permit visitors on Ameren premises without the prior written consent of Ameren.

18.2 Supplier may not use Ameren's name or photographs taken by the Supplier on or in the vicinity of Ameren's premises in Supplier's advertising without the prior written consent of Ameren.

18.3 Supplier shall not make any verbal or written statement to any press or news media relative to the Work of this Contract, Ameren, or Supplier without obtaining prior written consent from Ameren.

18.4 Supplier will, at all times, conduct its operations in such a manner that its actions and the actions of its personnel will not jeopardize, adversely affect or otherwise injure Ameren or its public relations with the general public and the community in which the Services is to be performed or in any other area. Supplier shall give the job such personal supervision as is deemed necessary by Supplier to insure that all Services are properly prepared and carried out in accordance with Ameren's schedules, without delay and in a good and workmanlike job.

## **19 Assignment**

Supplier may not assign any rights or delegate any obligations created by this Contract without the prior written consent of Ameren. Ameren may not assign any rights or delegate any obligations created by this Contract without the prior written consent of Supplier, which consent shall not be unreasonably withheld.

Notwithstanding the foregoing, Ameren shall have the right to assign this Contract to an Affiliate. "Affiliate(s)" means any entity that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, Ameren. Ameren shall have the right to disclose Deliverables to Affiliate(s) and

allow the use of the Deliverables by Affiliate(s) under conditions of confidentiality. Ameren shall have the right to assign its rights under the Contract, in whole or in part, to Affiliate(s); provided that the Affiliate(s) to whom such rights are assigned assume the duties of Ameren. Any assignment in violation of this Contract is void. This Contract shall be binding upon the successors, legal representatives and permitted assigns of the parties.

## **20 Force Majeure**

20.1 If the Supplier is delayed, disrupted, hindered or interfered with in the prosecution of the Services by a cause beyond Supplier's reasonable control, including acts of God, fires, epidemics, floods, riots, wars, sabotage, labor disputes, or governmental actions (each, a "Force Majeure Event"), Supplier, upon written request, may be entitled an equitable extension of time to complete the performance of the Services if approved in writing by Ameren, but will not be entitled to any additional compensation by Ameren.

20.2 As soon as reasonably practical, but in any event within seven days after the commencement of the delay, disruption, hindrance or interference, Supplier shall give Ameren written Notice thereof and its anticipated duration and results. Within seven days of the termination of any such delay, Supplier shall give Ameren written Notice of the actual duration of the delay. Failure to give either Notice shall be sufficient grounds for denial of an extension of time.

20.3 Nothing in this Article shall be construed to release Supplier from the obligation to perform at its own expense all overtime necessary to maintain contract completion dates set forth in the Project schedule where delays, disruptions, hindrances and interferences have occurred which are not caused by Ameren, provided that Supplier shall be entitled to claim equitable extensions of time under Section 20.1 above.

## **21 Severability**

If any provision of this Contract is found invalid or unenforceable by a court of law or an arbitration panel, the remainder of this Contract shall continue in full force and effect.

## **22 Reservation of Rights**

A delay or failure in enforcing any right or remedy afforded hereunder or by law shall not prejudice or operate to waive that right or remedy or any other right or remedy, whether of a similar or different character.

## **23 Entire Agreement**

This Contract, together with every Scope of Work executed by the parties, constitutes the entire agreement of the parties, superseding all prior agreements and understandings as to the subject matter herein. No modification or waiver of the provisions of this Contract shall be valid or binding unless contained in a written document that is signed by both parties. Notwithstanding any course of dealings of the parties at any time, no purchase order, invoice or similar document shall be construed to modify any of the terms of this Contract, unless the document (a) is signed by Supplier and Ameren and (b) expressly refers to this Article 23 and to all provisions of this Contract that the parties intend to modify by such document.

## **24 Negotiated Terms**

The provisions of this Contract are the result of negotiations between Ameren and Supplier. Accordingly, this

Contract shall not be construed in favor of or against either party by reason of the extent to which the party or any of its professional advisors participated in its preparation.

## **25 Headings**

The headings used in this Contract are intended for convenience only. They are not a part of the written understanding between the parties, and they shall not affect the construction and interpretation of this Contract.

## **26 Counterparts**

This Contract may be executed in two or more counterparts, each of which shall be considered an original hereof but all of which together shall constitute one agreement.

## **27 Governing Law; Jurisdiction; Waiver of Jury Trial**

This Contract shall be governed by Missouri law, and shall be deemed to have been executed and performed in the State of Missouri. EACH OF THE PARTIES HERETO: (I) HEREBY IRREVOCABLY SUBMITS ITSELF TO THE EXCLUSIVE JURISDICTION OF (A) THE CIRCUIT COURT OF THE COUNTY OF ST. LOUIS COUNTY, MISSOURI, AND (B) THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF MISSOURI, AS WELL AS TO THE JURISDICTION OF ALL COURTS FROM WHICH AN APPEAL MAY BE TAKEN FROM SUCH COURTS, FOR THE PURPOSES OF ANY SUIT, ACTION OR OTHER PROCEEDING BROUGHT BY THE OTHER, OR ITS RESPECTIVE SUCCESSORS OR PERMITTED ASSIGNS, WITH RESPECT TO THIS AGREEMENT, AND (II) TO THE EXTENT PERMITTED BY APPLICABLE LAW, HEREBY WAIVES, AND AGREES NOT TO ASSERT, BY WAY OF MOTION, AS A DEFENSE OR OTHERWISE IN ANY SUCH SUIT, ACTION OR PROCEEDING, ANY CLAIM THAT IT IS NOT PERSONALLY SUBJECT TO THE JURISDICTION OF THE ABOVE-NAMED COURTS, THAT THE SUIT, ACTION OR PROCEEDING IS BROUGHT IN AN INCONVENIENT FORUM, OR THAT THE VENUE OF THE SUIT, ACTION OR PROCEEDING IS IMPROPER IN SUCH COURTS. EACH PARTY HEREBY EXPRESSLY WAIVES ALL RIGHTS OF ANY OTHER JURISDICTION WHICH THEY MAY NOW OR HEREAFTER HAVE BY REASON OF ITS PRESENT OR SUBSEQUENT RESIDENCE OR DOMICILE.

EACH PARTY HEREBY EXPRESSLY AND IRREVOCABLY WAIVES ANY RIGHT TO TRIAL BY JURY, TO THE EXTENT PERMITTED BY LAW, OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER THIS AGREEMENT, WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY THE COURT WITHOUT A JURY AND THAT ANY PARTY MAY FILE AN ORIGINAL COUNTERPART OR COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES TO THIS AGREEMENT TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

## **28 Notices**

Notices hereunder may be given by any means reasonably calculated to timely apprise the other party of the subject matter thereof and no notice shall be deemed deficient if in writing, or promptly confirmed in writing,

and personally delivered, by express courier, or mailed first-class, postage prepaid, or sent by electronic mail or facsimile. Notice shall be deemed given on (i) the date of delivery or refusal in the case of personal delivery, (ii) the delivery or refusal date, as specified on the return receipt, in the case of over-night courier, express courier, or registered or certified mail or (iii) when received in the case of an e-mail or facsimile.

TO SUPPLIER:

TO AMEREN:

Ameren Services Company  
Attn: Manager, Strategic SourcingOne Ameren  
Plaza1901 Chouteau Avenue  
Mail Code 1100P. O. Box 66149St. Louis, MO 63166-  
6149

With a copy (which shall not constitute Notice) to:

Ameren Corporation  
Attn: General Counsel  
Mail Code 1310  
1901 Chouteau AvenueSt. Louis, MO 63103  
Fax: (314) 554-4014

Either party may from time to time change the individual(s) to receive notices under this section and its address for notification purposes by giving the other party prior written notice of the new individual(s) and address and the date upon which the change will become effective. Any requirement herein that an acknowledgement, acceptance, amendment or other modification to this Agreement be in writing shall be deemed to also include use of Ameren's iSupplier portal system.

## **29 Permits and Compliance with Laws; Safety**

A. Supplier shall obtain at its expense all permits and licenses from governmental authorities and from private parties which are required in connection with the Scope of Work and the performance of the obligations of the Supplier under this Contract.

B. In the performance of the Services and its obligations under the Contract, Supplier shall comply with all applicable laws, ordinances, rules, regulations, restrictions and requirements of all governmental authorities, (collectively, "Laws") in the rendering Services hereunder, including, but not limited to, those relating to environmental protection and health and safety. Without limiting the foregoing, Supplier will not discriminate against any of its employees, other suppliers' employees, subcontractors' employees, or Ameren's employees, and will not discriminate against any applicant for employment because of race, age, color, religion, sex, national origin, or disability, or because of any other factor protected by applicable law. Supplier will not harass, or permit the harassment of, any person on the basis of his race, age, color, religion, sex, national origin, disability, or any other factor protected by applicable law, and will not participate in creating or tolerating a hostile work environment on Ameren's Premises or an environment which could be perceived as hostile. Supplier agrees to comply with all applicable local, state, and federal laws and statutes, Executive Orders and

Regulations relating to non-discrimination in employment. Supplier agrees to abide by the following, to the extent applicable to Supplier, its business and this Contract: all federal, state and local prohibitions against discriminating and harassing against any employee for employment because of race, age, color, religion, sex, national origin, disability status, or any other factor protected by applicable law or retaliating against any employee for opposing an unlawful employment practice or because the employee has made a charge, testified, assisted or participated in any manner in an investigation, proceeding or hearing regarding any alleged unlawful employment practice. Supplier further agrees to comply with all applicable Federal Acquisition Regulations (FARs), including FAR Sec. 52.212-3, FAR Sec. 52.212-5, FAR Sec. 52.222.22, FAR Sec. 52.222-25, and FAR Sec. 52.223-13, which are reproduced, in full text, at Internet Address: <http://www.acquisition.gov/comp/far/index.html> and which are incorporated herein by reference.

Supplier and its Subcontractors shall also comply with the requirements of the Federal Energy Regulatory Commission (FERC) Code of Conduct and Standards of Conduct requirements (18 C.F.R. Part 358) with respect to the exchange of Non-Public Market Information between Ameren Corporation's regulated (Missouri) subsidiaries and Ameren's non-regulated (Illinois) subsidiaries.

C. For all contracts involving (i) services associated with Callaway Plant and (ii) equipment purchased for Callaway Plant using an Ameren specification, Supplier agrees to fully comply with all export control regulations with regard to any documents, drawings and other information transmitted to it by Ameren (Information) and certifies that every worker assigned to Ameren for nuclear services under this contract is legally qualified and eligible to perform such services under such regulations, including, but not limited to, compliant with the U.S. Department of Energy's 'deemed export' restrictions, 10 CFR Part 810. Further, Supplier will not disclose any Information received from Ameren, or any product of such Information, directly or indirectly, without the prior written permission of Ameren, to any of the prohibited countries designated in the United States Government regulations as issued from time to time relating to the exportation of technical data, including any computer programs.

D. Supplier certifies that all work provided and performed will be in compliance with the Williams-Stagger Occupational Safety and Health Act of 1970, as amended (OSHA) and all regulations and standards promulgated by the Secretary of Labor hereunder and where Supplier has OSHA Material Safety Data Sheets, Supplier shall forward copies promptly to Ameren's environmental, safety and health departments.

E. Supplier will comply with all safety and health rules and procedures of Ameren, including Ameren's "Rules to Live by".

### **30 Retention/Disclosure**

Notwithstanding any provision to the contrary, if Ameren is required by order of an agency or court of competent jurisdiction to retain any information, program, documentation, manual, or the like for a given time after termination of its use, Ameren shall have the right to do so. Moreover, nothing contained herein shall be construed to prohibit Ameren from disclosures required or requested pursuant to law, regulations, rules, or procedures of any governmental authority, including without limitation any regulatory agency or court of competent jurisdiction.

### **31 Engagement of Subcontractors and Consultants**

31.1 Supplier shall not delegate or subcontract any of its obligations under this Contract, or engage consultants, without Ameren's prior written approval. Ameren shall have the right to approve or disapprove the use of proposed subcontractors or consultants not identified in the applicable Scope of Work in its sole discretion. Subcontractors and consultants will be engaged subject to all applicable terms and conditions of this

Contract. Approved subcontractors and consultants shall bill Supplier directly for their Services, it being understood that such charges are considered as part of the fee due Supplier pursuant to the applicable Scope of Work. Ameren shall have the sole right to approve the terms of any agreements between Supplier and its consultants or subcontractors providing Services hereunder and shall be provided a fully executed copy of any such agreement.

31.2 Supplier shall remain responsible for obligations, services and functions performed by subcontractors and consultants to the same extent as if such obligations, services and functions were performed by Supplier's employees and for purposes of this Contract such work shall be deemed work performed by Supplier. Supplier shall be Ameren's sole point of contact regarding the Services, including with respect to payment.

31.3 Ameren shall have the right to direct Supplier to replace any subcontractor or consultant if the subcontractor's or consultant's performance is materially deficient, good faith doubts exist concerning the subcontractor's or consultant's ability to render future performance because of changes in the subcontractor's or consultant's ownership, management, financial condition, or otherwise, or there have been material misrepresentations by or concerning the subcontractor or consultant.

31.4 Supplier shall not disclose Ameren Confidential Information to a subcontractor or consultant unless and until such subcontractor or consultant has agreed in writing to protect the confidentiality of such Confidential Information in a manner substantially equivalent to that required of Supplier under this Contract.

## **32 Supplier Certification and Verification**

32.1 In order to provide a safe and healthy working environment and to ensure that suppliers comply with the minimum mandatory requirements of its contract terms and conditions, Ameren has instituted a Supplier Certification Program.

In order to obtain certification, after work is awarded, Supplier must meet Ameren's minimum mandatory compliance requirements by completing and submitting proof of relevant compliance information, including: insurance certificates, licenses, business classifications, safety experience rates, training initiatives, quality information, environmental compliance and other business data required by Ameren, as appropriate. Ameren will use this consolidated and verified information to determine Supplier's compliance with the contract terms and conditions and Ameren's corporate Supplier Certification Program, thereby qualifying Supplier to work at any Ameren site. Notwithstanding the above, this requirement does not supersede the requirements set forth in Article 14. A Certificate of Insurance shall be sent to Ameren directly and be approved, or be on file with the verification company (as provided in Article 33.2), before work commences.

32.2 Ameren has contracted with a third-party verification company (Browz Group, LC) to collect, verify and manage relevant documentation.

Supplier shall register directly with Browz for the Supplier Certification Program and shall submit all compliance information, supporting documentation and fees for verification and processing no later than 10 days from the Effective Date of this Contract. The cost of enrolling in the Supplier Certification Program is \$695 annually. For further instructions contact Browz Buyer Services at (888) 276-9952.

## **33 Ameren Corporate Compliance Policy Disclosure Requirements**

Ameren has adopted certain rules and principals contained in its Corporate Compliance Policy which, among other things:

- (1) generally prohibits Ameren directors and employees from seeking or accepting, directly or indirectly,



personal gain from anyone soliciting or doing business with Ameren (other than for items of nominal or modest value);

- (2) prohibits directors and employees from knowingly accepting any gifts (even of a modest value) from third parties who are involved in negotiations to do business with Ameren or if the employee is part of a sourcing team;
- (3) requires the disclosure of a director's or employee's (or of a family member of a director or employee) investment in, or other business relationship with, third parties who do business with, or are involved in negotiations to do business with, Ameren, except those investments or other business relationships which are immaterial to both the employee and the third party; and
- (4) requires the disclosure of a familial relationship between an Ameren director, executive employee, or an employee who is part of a sourcing team and an employee or director of a third party who does business with, or is involved in negotiations to do business with, Ameren.

Supplier agrees that it will report any known attempted or actual violations of the prohibitions contained in paragraphs (1) or (2) above, at any time during the negotiation, execution or performance of any agreement or other business arrangement between the Parties, to Ameren's ethics reporting service which can be reached by calling 1-866-294-5492. Supplier further agrees that it will provide Notice to Ameren of any known business or familial relationships described in paragraphs (3) or (4) above, whether currently existing or which develop during the negotiation, execution or performance of any agreement or other business arrangement between the Parties, pursuant to the requirements of Article 29, Notices.

### **34 Survival**

The provisions of this Contract by which their nature are continuing obligations shall survive any expiration, cancellation or termination of this Contract.

**Exhibit A**

**SCOPE OF WORK NUMBER \_\_\_\_\_  
TO SERVICES CONDITIONS OF CONTRACT**

To be Determined

## **Exhibit B**

### **Ameren Supplier Billing Instructions**

#### **Purchase Order Requirement**

Effective January 1, 2009, Ameren policy requires that all invoices reference a valid Ameren Purchase Order (PO) number. The only permitted exemptions to the PO requirement policy are:

- Payments to civic organizations, government entities, and financial institutions.
- Payments for most utility services, transportation/freight, insurance, legal fees, fuel, and real estate transactions.
- Ameren Visa Card transactions do not require a PO.

Questions regarding PO requirements must be directed to the Ameren employee who requested the materials or services.

#### **Freight Charges (Non-Parcel)**

All prepaid shippers must ship freight collect. Ameren utilizes Logistics Planning Services (LPS) as its agent for transportation and freight payment services for all domestic and international shipments to or from all Ameren locations. Refer to your Ameren issued PO for specific instructions and/or contact your Ameren buyer. Freight invoices must 3rd party bill to:

**Ameren**

**c/o LPS**

**PO Box 38**

**Amherst, NY 14226**

**You must reference the Ameren Purchase Order # on the Bill of Lading.**

Direct all questions regarding shipment routing to <http://www.keyship.net/ameren> or call **1-877-KEY-SHIP (539-7447)**.

#### **Lien Waivers and Retention (Retainage) Requirement**

*If applicable*, the Ameren PO issued for services and/or materials will include the lien waiver requirements in the Terms and Conditions. Failure to include the required documentation with the invoices submitted will result in a delay in payment.

If your Ameren PO requires retention to be withheld from invoice payments, this will be handled automatically by our financial system. To avoid potential short-payment of your invoices, for example duplicate retention withheld, you must clearly identify:

1. The Gross Amount of the invoice for work completed during the current billing period.
2. The Retention Amount.
3. The Net Amount Due.

**Retainage Release Request:** Do not send invoices for the payment, or release, of the retention amount previously withheld to Ameren's Accounts Payable. Companies can either submit a request for the release using iSupplier Portal (see below) or submit an invoice to their Ameren contact to initiate the retention payment request.

**Ameren provides the following invoice submission methods; listed in order of preference.**

#### **Invoice Method 1: iSupplier Portal**

Ameren provides a web-based tool, iSupplier Portal, for PO delivery and invoice submission. iSupplier

Portal allows your company to electronically acknowledge and print POs; to create and submit electronic invoices to Ameren; and to view the status of invoices submitted and processed by Ameren Accounts Payable. To request registration for iSupplier Portal, please contact [processperformance@ameren.com](mailto:processperformance@ameren.com) with "iSupplier Portal Registration Inquiry" in the subject line.

### **iSupplier Portal Invoicing Requirements**

- You may use iSupplier Portal to submit invoices for Ameren POs which are electronically delivered via iSupplier Portal.
  - If a PO is sent to your company outside iSupplier Portal (via fax, e-mail, or US Postal Service), your firm must submit invoices via e-mail or US Postal Service (refer to other invoicing options below).
  - Invoices for items that do not require a PO may not be submitted via iSupplier Portal. Your company should not accept an Ameren order without a PO number.
  - Do not submit an invoice for charges that were paid using an Ameren VISA credit card. If your company receives a PO for materials or services paid by credit card, you must acknowledge the PO, but do not submit any documents to Ameren Accounts Payable (i.e., credit card acknowledgement, invoice, etc.).
- The supplier name on the invoice must match the supplier name on the PO.

For example, a subcontractor cannot submit an invoice directly to Ameren against a PO issued to you. If it is necessary for your company to have another company fill an Ameren PO, the electronic invoice must be submitted by your company, not the company who filled the order.

- Invoiced quantities may not exceed two decimal places.
- Unit of measurement (UOM) on the electronic invoice must match that which is shown on Ameren's PO.
- Line items, taxes, freight and miscellaneous charges may not exceed two decimal places (no fractional cents).
- Do not bill miscellaneous charges separately. Tax, freight and other miscellaneous charges must be billed on the same invoice as the applicable materials or services, unless agreed to with Ameren in writing in advance. Miscellaneous charges must include a detailed description and supporting receipts must be scanned and attached.
- **Do not mail, fax or e-mail Ameren any invoice that has been or will be sent electronically.**

**Invoice Method 2: Contractor Cost Tracking Module (CCTM)**The CCTM application provides select service suppliers with the capability to:

- **Maintain electronic rate cards** detailing their negotiated labor and equipment rates. Rate cards may be created manually or compiled into a worksheet by the supplier and uploaded into CCTM. Upon approval, the rate card becomes the basis for all labor and equipment charges submitted to Ameren.
- **Submit time cards electronically** detailing charges for labor, equipment, material and expenses. Time cards detail the actual hours and expenses incurred by the supplier for the work that was done. Time cards. Can be entered online or uploaded via worksheet into CCTM.

In order to enter a time card in CCTM, the supplier must have a valid CCTM PO and an approved rate card. After an Ameren employee approves the hours and expenses entered on the time card, the Accounts Payable system automatically creates an invoice and the supplier is paid on terms. CCTM suppliers can view their invoices using the iSupplier Portal application.

CCTM suppliers should not send invoices directly to Ameren Accounts Payable department, nor should they submit invoices via iSupplier Portal. The Ameren Accounts Payable department will reject any invoices for CCTM POs that are submitted using non-CCTM invoicing methods such as paper, email or iSupplier Portal.

CCTM usage is reserved for Contractors doing significant, on-going business with Ameren. For further information on CCTM, contact the Process Performance group at [process\\_performance@ameren.com](mailto:process_performance@ameren.com) with 'CCTM Registration Inquiry' in the subject line.

### **Invoice Method 3: Email the Invoice as a PDF File Attachment**

Ameren accepts e-mail invoice submissions to help minimize paper handling and to process your company's invoices faster. Refer to the content and format instructions for the Paper Invoice Method on page 3, as they also apply to PDF invoices sent by e-mail. Invoices submitted via e-mail will be systematically processed and must adhere to the following guidelines:

- One invoice or credit memo per each Adobe PDF file.

*PDF files containing more than one invoice will be deleted. Emails which include non-PDF file attachments will be rejected.*

- Multiple PDF files can be attached to a single email.
- Supporting invoice documentation, for example, timesheets or other details, should be included as part of the PDF invoice file.

*Separate attachments for the supporting documentation cannot be matched to the invoice in our system and will be deleted.*

- Comments or special instructions, for example the Ameren contact, should be included in the body of the invoice and not in the email.
- Emailed invoice submission must be the first submission of the invoice. For example, the invoice has not previously been mailed, faxed, or submitted in another electronic format. Repeated instances of multiple invoice submissions will result in your emails being blocked.
- Invoices must only be e-mailed once.
- Use the appropriate e-mail address, based on whether a Purchase Order (PO) is required.
  - Invoices Requiring a PO: Suppliers submitting invoices for goods or services that do not fall into one of the exempted categories listed on page one are required to submit invoices to Ameren with a valid PO number. PO invoices may be emailed to [AccountsPayablePOInvoices@Ameren.com](mailto:AccountsPayablePOInvoices@Ameren.com).
  - Invoices Not Requiring a PO: Suppliers submitting invoices for goods or services that fall into one of the exempted categories listed on page one may invoice Ameren without a valid Ameren PO number. Non-PO invoices may be emailed to [AccountsPayableNPOInvoices@Ameren.com](mailto:AccountsPayableNPOInvoices@Ameren.com).

*Note:* These are automated email boxes used by Ameren's electronic invoice management system. General email correspondence, such as past due inquiries, should not be sent to these addresses as it will not be read. General email correspondence and inquiries should be sent to [AccountsPayable@Ameren.com](mailto:AccountsPayable@Ameren.com).

### **Non-compliance**

Ameren Accounts Payable will return any invoices that do not comply with the Billing Instructions. **All**

**invoices that do not follow these instructions will be returned to your company via US Postal Service regardless of the original invoice submission method.**

#### **Invoice Method 4: Paper Invoice**

Follow the instructions below to ensure proper and timely payment of your invoices.

- Before any invoices are processed, Ameren requires that you submit a completed Supplier Set-Up Information form, including your valid taxpayer identification number (TIN). For businesses, this will be your company's employer identification number (EIN). For individuals, this will be your social security number (SSN). If Ameren does not have this information on file, payment will not be processed.
- To expedite invoice processing please submit all invoices on 8 1/2 x 11 white paper.

#### **Each invoice must include the following information:**

- Appropriate and complete Ameren legal entity or business name and remittance address
- Invoice number and invoice date
- Payment terms and due date (must agree to Ameren PO)
- Unless otherwise exempted (see page 1), a valid PO number, PO line item number(s), and PO release number
- Description, price, and quantity of materials and/or services provided. Quantities billed cannot exceed the amount ordered per the Ameren PO. Inclusion of the Ameren stock number, if applicable, will help Ameren process your invoice faster. Itemized charges may include:
  - i. labor
  - ii. materials
  - iii. taxes
  - iv. freight
- The UOM per your invoice should be consistent with Ameren's PO, or provide a mathematical conversion formula on the invoice (i.e., gallons per pound).
- Total amount due
- Ameren contact name
- Freight/Transportation carrier tracking information, as applicable

#### **Other Rules**

- Supplies or services must be delivered to the "Ship To" address and acknowledged by the receivers of the goods or services before the invoice will be paid.
- Each invoice must include charges for no more than one PO or PO Release.
- Credits or credit memos applied against a PO must be invoiced separately from PO charges.
- Do not mail paper copies of any invoice that was submitted electronically (i.e. iSupplier Portal, CCTM, or PDF).
- Invoices already paid via credit card should not be mailed to Accounts Payable.
- Accounts Payable Policy is to process invoices only. Documents such as supplier statements, price quotes, or pro forma invoices will not be accepted as a basis for processing payments.
- Do not use a marker to highlight items on an invoice. This causes the highlighted area to be illegible when viewed through Ameren's imaging system.
- Accounts Payable is not responsible for invoices not submitted in the manner prescribed herein.

### **Submitting Your Invoice to Ameren**

To expedite invoice processing, Ameren utilizes a centralized location for processing invoices. Sending invoices to locations other than Accounts Payable will delay payment. Unless you have prior approval from Ameren, invoices should be sent directly to Accounts Payable. The Accounts Payable mailing address is:

**Ameren Accounts Payable (Mail Code 230)**

**P. O. Box 66892**

**St. Louis, MO 63166-6892**

### **What Happens If You Do Not Comply With These Requirements?**

Ameren wants to pay your firm in accordance with agreed upon terms. We greatly appreciate your cooperation in adhering to these requirements as it will help us to process your invoice faster. Any exception to these rules may delay payment of your invoice and will require additional communication and coordination between our companies, causing unnecessary delays in the payment process.

If we are unable to process your invoice for any reason, we will return it to you via US Postal Service regardless of the method you used to submit the invoice, along with a note explaining the reason. You should make all necessary corrections to the invoice and return it to Ameren for processing.

### **Preferred Method Of Payment**

Ameren prefers to pay suppliers electronically via the ACH (Automated Clearing House) payment system. Please complete the Direct Deposit Registration Form and e-mail it to [AccountsPayable@Ameren.com](mailto:AccountsPayable@Ameren.com) or fax it to 314.554.3443. Otherwise, your company's invoice will be paid by check and mailed via US Postal Service. For security reasons, Ameren does not allow a check to be picked up by an individual.

### **We're Here To Help You**

For general Accounts Payable questions, contact the Ameren Accounts Payable Information Center at [accountspayable@ameren.com](mailto:accountspayable@ameren.com) or call the Supplier Hotline at 314.554.4468. For specific purchase order questions, contact your Ameren buyer or Ameren field representative directly.

## Exhibit C

### Network Access

- 1. Data Transmission:** In a format mutually acceptable to the Parties, Supplier may electronically transmit any electronic record (hereinafter, "Data") to or receive Data from Ameren.
- 2. Third Party Service Providers**
  - a. Data** will be transmitted between each Party electronically, either directly or through a third party service provider (hereinafter, "Provider") under contract with either party. Any Provider used by either Party must be interconnected with the Provider of the other Party. Either Party may elect to change Providers, modify services, or discontinue service with their Provider upon thirty (30) days prior written notice to the other Party.
  - b. Each** Party shall be responsible only for the costs incurred by its own Provider.
  - c.** Each Party shall be solely liable for the acts or omissions of its own Provider while transmitting, receiving, storing or handling Data.
- 3. External Connections:** Access to Ameren internal networks by Supplier from remote locations must in all instances be approved in advance by Ameren. Such remote access may be revoked at any time for cause including unsatisfactory performance and non-compliance with Ameren security policies.
- 4. Systems Operation:** Each Party, at its own expense, shall provide and maintain the equipment, software, services and testing necessary to effectively and reliably transmit and receive Data.
- 5. Security Procedures:** Each Party shall properly use security that is sufficient to ensure that all transmission of Data is authorized and to protect its business records and Data from improper access. Supplier's performance as to security matters will be under continuous evaluation by Ameren for the duration of this Contract. Supplier's access to the Ameren corporate network will be restricted to only that information required to complete contracted work, and Supplier must adhere to all Ameren security policies in force while connected to any Ameren network. Supplier shall immediately report to Ameren any security breaches, including unauthorized access to or compromise of, Ameren information or resources.



## Attachment H: Diverse Supplier Supplier/Subcontractor Utilization

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

<b>Supplier/Sub-Contractor Utilization Form</b>					
Please list all diverse and non-diverse sub-contractors.					
Name of Sub-Contractor	Email	Business Classification of Sub-Contractor (Select from the Options) <sup>9</sup>	Type of Work/Services to be Provided by Sub-Contractor	Anticipated Value of Work (\$) to be Performed	Comments
<b>(Add rows as necessary)</b>					

<sup>9</sup> Select from the following:

African American
Asian Pacific American
Asian Sub-Continent American
Hispanic American
Native American
Service Disabled Veteran Owned Business
Disabled Owned Business
Veteran Owned Business
LGBT
Small Business-Non Diverse