

REDACTED  
DIRECT TESTIMONY  
OF  
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ECONOMIC ANALYST  
POLICY DIVISION  
ILLINOIS COMMERCE COMMISSION

RECONCILIATION OF REVENUES COLLECTED UNDER RIDER EDR WITH THE ACTUAL COSTS  
ASSOCIATED WITH ENERGY EFFICIENCY AND DEMAND-RESPONSE PLANS.

RECONCILIATION OF REVENUES COLLECTED UNDER RIDER GER WITH THE ACTUAL COSTS  
ASSOCIATED WITH NATURAL GAS ENERGY EFFICIENCY PLANS.

AMEREN ILLINOIS COMPANY

DOCKET No. 11-0341

MARCH 1, 2012

CONFIDENTIAL INFORMATION IDENTIFIED AS

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1 **I. INTRODUCTION**

2 **A. WITNESS QUALIFICATIONS**

3 **Q. Please state your name, business address, and job title.**

4 A. Jennifer L. Hinman, Illinois Commerce Commission, 527 East Capitol Avenue,  
5 Springfield, Illinois 62701. I am employed as an Economic Analyst in the Policy  
6 Division under the Bureau of Public Utilities at the Illinois Commerce Commission  
7 (“ICC” or “Commission”).

8 **Q. Describe your educational background.**

9 A. In May of 2010, I graduated from Illinois State University with a Master of Science  
10 degree in Applied Economics with a specialization in the Electricity, Natural Gas,  
11 and Telecommunications Economics Regulatory sequence. In May of 2008, I  
12 earned a Bachelor of Arts degree in Economics with a Financial Certificate and  
13 graduated summa cum laude from the University Honors Program at Armstrong  
14 Atlantic State University in Savannah, Georgia.

15 **Q. Describe your professional experience.**

16 A. Prior to joining the Commission Staff (“Staff”) in April of 2010, I worked as a  
17 Graduate Assistant in the Applied Economics Department at Illinois State  
18 University. I was an intern in the Regulatory Department at AT&T Illinois in  
19 Chicago during the summer of 2009. During my time at AT&T, I analyzed,  
20 compiled, graphed, and provided detailed recommendations on AT&T Illinois’  
21 Alternative Regulation Plan on individual service margins. In addition, I reviewed  
22 the tariffing process and assisted in the filing of wholesale tariffs.

23           **B.     SUBJECT MATTER**

24   **Q.     What is the subject matter of this proceeding?**

25   A.     This case, initiated on April 12, 2011 by the Commission, concerns the  
26           reconciliation of the revenues collected under Rider EDR – Energy Efficiency and  
27           Demand-Response Cost Recovery (“Rider EDR”) – and Rider GER – Gas Energy  
28           Efficiency Cost Recovery (“Rider GER”) – with the actual incremental costs  
29           prudently and reasonably incurred in connection with approved electric Energy  
30           Efficiency and Demand-Response (“EDR”) Measures<sup>1</sup> and Gas Energy Efficiency  
31           (“GEE”) Measures<sup>2</sup> (collectively, “EE” measures) implemented by Ameren Illinois  
32           Company (“Ameren” or “Company”).

33                     This proceeding is the second annual review of Ameren’s Riders EDR and  
34           GER, and is for the reconciliation period that began with the June 2009 monthly  
35           billing period and that extended through the May 2010 monthly billing period, Plan  
36           Year 2 or Program Year 2 (“PY2”) reconciliation period.

37                     The Commission-approved EDR Measures are set forth in Ameren’s EDR  
38           Plan<sup>3</sup> that was filed in Docket No. 07-0539 (“EDR Plan Docket”) pursuant to the

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<sup>1</sup> “EDR Measures (Measures) mean activities and programs that are developed, implemented, or administered by or for the Company, or the Illinois Department of Commerce and Economic Opportunity (DCEO), related to energy efficiency and demand-response plans approved by the Illinois Commerce Commission (ICC) pursuant to Section 8-103 of the Act.” (Ameren Illinois, Rider EDR, Ill. C. C. No. 1, Original Sheet No. 42).

<sup>2</sup> “GEE Measures (Measures) mean activities and programs that are developed, implemented, or administered by or for the Company, or the DCEO, related to gas energy efficiency plans approved by the Illinois Commerce Commission (ICC) pursuant to a Commission Order.” (Ameren Illinois, Rider GER, Ill. C. C. No. 2, 1<sup>st</sup> Revised Sheet No. 41).

<sup>3</sup> Ameren CILCO, et al., Docket No. 07-0539, Ameren Ex. 1.1, *Ameren Illinois Utilities Energy Efficiency and Demand Response Plan*, Nov. 15, 2007 (“EDR Plan”)

39 provisions now found at Section 8-103<sup>4</sup> of the Illinois Public Utilities Act (“PUA” or  
40 “Act”). On February 6, 2008, Ameren’s EDR Plan was approved by the  
41 Commission subject to the conditions, modifications, and requirements stated in the  
42 EDR Plan Order.<sup>5</sup> The Commission-approved GEE Measures are set forth in  
43 Ameren’s GEE Plan<sup>6</sup> that was filed in Docket No. 08-0104 (“GEE Plan Docket”).  
44 On October 15, 2008, Ameren’s GEE Plan was approved by the Commission  
45 subject to the conditions, modifications, and requirements stated in the GEE Plan  
46 Order.<sup>7</sup>

47 **C. PURPOSE OF TESTIMONY**

48 **Q. What is the purpose of your testimony in this proceeding?**

49 A. The purpose of my testimony is to provide recommendations to the Commission  
50 based on my review of the Company’s filing.

51 **D. ATTACHMENTS**

52 **Q. Are you attaching any exhibits to your direct testimony?**

53 A. Yes. Staff Ex. 2.1 contains Ameren’s Data Request Response (“Ameren’s DRR”)  
54 to the Citizens Utility Board (“CUB”) Data Request (“DR”) 2.01 including CUB 2.01  
55 Attach, and Ameren’s response to Staff DR JLH 1.05 including JLH 1.05 Attach.

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<sup>4</sup> Section 12-103 of the Act was amended and renumbered as Section 8-103 by Public Act 95-0876, effective as of August 21, 2008.

<sup>5</sup> Ameren CILCO, et al., Docket No. 07-0539, Final Order, Feb. 6, 2008 (“EDR Plan Order”)

<sup>6</sup> Ameren CILCO, et al., Docket No. 08-0104, Ameren Ex. 1.1, *Ameren Illinois Utilities Natural Gas Energy Efficiency Plan*, Feb. 11, 2008 (“GEE Plan”)

<sup>7</sup> Ameren CILCO, et al., Docket No. 08-0104, Final Order, Oct. 15, 2008 (“GEE Plan Order”)

56 **II. FINDINGS AND RECOMMENDATIONS – SMALL BUSINESS HVAC PROGRAM**

57 **Q. Please explain Staff Ex. 1.0, Schedule 1.2.**

58 A. Schedule 1.2 presents my adjustment to Rider GER recoverable costs to disallow  
59 all Small Business (“SB”) HVAC Program costs recovered through Rider GER for  
60 PY2.

61 **Q. Why are you proposing to disallow the Small Business HVAC Program**  
62 **costs?**

63 A. The costs associated with the Company’s expenditures on the Small Business  
64 HVAC Program do not appear to be reasonably and prudently incurred. Ameren  
65 acted imprudently and unreasonably by continuing to spend ratepayer funds on the  
66 SB HVAC Program despite clear evidence that the BEGIN CONF\*\*\*XXXXXX  
67 XX \*\*\*END CONF I  
68 recommend that the Commission approve my adjustment to Rider GER  
69 recoverable costs to disallow all SB HVAC Program costs recovered through Rider  
70 GER for PY2, \$131,771.<sup>8</sup>

71 **Q. Has the Commission previously defined prudence?**

72 A. Yes, the Commission has defined prudence as:

73 [...] that standard of care which a reasonable person would be  
74 expected to exercise under the circumstances encountered by  
75 utility management at the time decisions had to be made. In  
76 determining whether or not a judgment was prudently made, only  
77 those facts available at the time the judgment was exercised can be  
78 considered. Hindsight review is impermissible. Imprudence cannot

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<sup>8</sup> \$131,771 [(SAIC \$130,801.68 + Simantel \$969.53)]. (Ameren’s DRR-Staff ST 1.01G Attach).

79 be sustained by substituting one’s judgment for that of another. The  
80 prudence standard recognizes that reasonable persons can have  
81 honest differences of opinion without one or the other necessarily  
82 being “imprudent”.

83 (Docket No. 84-0395, Final Order at 17, Oct. 7, 1987).

84 **Q. Please describe the basis for your proposed disallowance, including your**  
85 **understanding of the circumstances encountered by utility management at**  
86 **the time decisions had to be made regarding the Small Business HVAC**  
87 **Program.**

88 A. BEGIN CONF\*\*XX  
89 XXX  
90 XXX XXX XXXXXXXXXX XXX  
91 XXX  
92 XXX

93 XXX XXXXXXXX \*\*\*END CONF (Ameren’s DRR-Staff JLH 4.01a Attach 10  
94 CONFIDENTIAL and PROPRIETARY at 3,5; Ameren’s DRR-Staff JLH 4.01a  
95 Attach 9 CONFIDENTIAL and PROPRIETARY at 4-5). At Ameren’s request, the  
96 Commission had granted Ameren flexibility to modify its GEE programs should  
97 market forces warrant such modification. (GEE Plan Order at 18). Within the filed

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<sup>9</sup> The TRC benefit-cost ratio gives an indication of the rate of return of this program to the utility and its ratepayers. A benefit-cost ratio above one indicates that the program is beneficial to the utility and its ratepayers on a total resource cost basis. The TRC results may also be presented as a net present value which is the discounted value of the net benefits to this test over a specified period of time. It is a measure of the change in the total resource costs due to the program. A net present value above zero indicates that the program is a less expensive resource than the supply option upon which the marginal costs are based. (California Standard Practice Manual at 18-19).

<sup>10</sup> Acknowledgement of the TRC test values listed in Ameren’s documents should not be construed as an endorsement of the inputs used in the TRC calculations. In other words, I have not received nor verified the inputs, underlying assumptions, and model calculations that form the basis of the TRC results presented here.

98 GEE Plan the Commission approved, Ameren stated that the SB HVAC Program  
99 could be dropped or modified quickly and easily if it proved ineffective. (GEE Plan  
100 at 53). BEGIN CONF\*\*\*XX  
101 XXX  
102 XXX \*\*\*END CONF and Ameren  
103 could have quickly and easily discontinued the program, Ameren's decision to  
104 continue spending ratepayer funds on the program was imprudent and the  
105 Commission should disallow recovery of expenses associated with the SB HVAC  
106 Program.

107 The GEE Plan Order makes it clear that Ameren has the responsibility to  
108 modify ineffective programs and measures:

109 Once the programs have been rolled out, AIU says it will retain  
110 flexibility to modify them as circumstances warrant. AIU believes  
111 this is consistent with the Commission's Order in Docket No. 07-  
112 0539, which recognized that flexibility is key to the success of  
113 energy efficiency programs. For example, AIU states that the  
114 delivery mechanisms, incentive levels and/or types and overall  
115 projected load reductions could change as a result of bid proposals  
116 from prospective third-party implementers... In AIU's view, flexibility  
117 is also necessary to address market risk - the risk that, either  
118 because of a poor economic climate or the availability of better  
119 investments, customers choose not to participate in energy  
120 efficiency programs.

121 The Commission agrees that this approach and recommended  
122 language are appropriate.

123 (GEE Plan Order at 18). While Ameren did use its flexibility when it significantly  
124 increased spending on its Residential New HVAC Program from \$1.3 million<sup>11</sup> to

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<sup>11</sup> \$1,315,491 [=( \$565,491 + \$750,000)]. (Staff Ex. 2.1 at 3,5; Ameren's DRR-CUB 2.01 Attach).

125 approximately \$4.67 million,<sup>12</sup> Ameren failed to use its flexibility to discontinue the  
126 SB HVAC Program in PY2, BEGIN CONF\*\*\*XXXXXXXXXXXXXXXXXXXXXXXXXXXX  
127 XX \*\*\*END CONF (Ameren's  
128 DRR-Staff JLH 4.01a Attach 10 CONFIDENTIAL and PROPRIETARY at 5; Staff  
129 Ex. 2.1 at 3-6). Within the filed GEE Plan the Commission approved, under "Exit  
130 Strategy" for the SB HVAC Program, it states: "The program will not significantly  
131 impact stocking practices or vendor-customer relationships. As such, exit from this  
132 program can occur quickly if it proves to be ineffective." (GEE Plan at 53). This  
133 shows the Company recognized that it would be able to easily drop the program  
134 should circumstances warrant such decision (i.e., there are no barriers to exit).  
135 Given the flexibility the Commission granted Ameren in implementing its programs,  
136 it was unreasonable for Ameren to continue operating the SB HVAC Program in  
137 PY2 BEGIN CONF\*\*\*XXX  
138 XX \*\*\*END CONF (Ameren's  
139 DRR-Staff JLH 4.01a Attach 10 CONFIDENTIAL and PROPRIETARY at 5).

140 **Q. Did the Commission offer Ameren any guidance on how to use cost-**  
141 **effectiveness analysis in its implementation of GEE measures and**  
142 **programs?**

143 **A.** Yes. The Commission made clear its concerns regarding the cost effectiveness of  
144 GEE programs and its desire that Ameren monitor the cost effectiveness of these  
145 programs and react appropriately to changes in various market or other program-  
146 related factors. For example, the Commission explicitly ordered Ameren to monitor

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<sup>12</sup> \$4,667,652.74 [=( \$1,410,396 + \$3,257,256.74)]. (Staff Ex. 2.1 at 4,6; Ameren's DRR-CUB 2.01 Attach).



171 The Commission approved a reasonably developed GEE Plan that sought to  
172 screen out measures and programs that would not provide net benefits to Illinois  
173 ratepayers. The GEE Plan Order states:

174 According to AIU, it determined which energy efficiency measures  
175 should be included within its energy efficiency plan by first  
176 screening measures for cost-effectiveness, and then including all  
177 applicable and cost-effective measures in one or more programs.

178 (GEE Plan Order at 8). (Emphases added).

179 AIU states that drawing from those programs that passed the TRC  
180 test, ICF worked with AIU to build a portfolio that was designed to  
181 achieve its gas savings and spending objectives, taking into  
182 account other important considerations, such as how fast certain  
183 programs can be ramped up.

184 (GEE Plan Order at 16). (Emphasis added).

185 AIU's preference for a single EM&V contractor is aligned with its  
186 intent to integrate both its natural gas and electric energy efficiency  
187 programs in a seamless manner for customers, and to maximize  
188 overall cost-effectiveness.

189 (GEE Plan Order at 18). (Emphases added). However, after GEE Plan approval,

190 Ameren has permitted a large number of HVAC tune-ups to occur as part of its SB

191 HVAC Program. These tune-ups are BEGIN CONF\*\*\*XXXXXXXXXXXXXXXXXXXX

192 XXX

193 XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX \*\*\*END CONF (Ameren's DRR-Staff JLH 4.01a

194 Attach 10 CONFIDENTIAL and PROPRIETARY at 3). BEGIN CONF\*\*\*XXX

195 XXX

196 XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX \*\*\*END CONF (Ameren's DRR-Staff JLH

197 4.01a Attach 9 CONFIDENTIAL and PROPRIETARY at 6). It is unreasonable to

198 require Ameren ratepayers, and in this case in particular, the GDS-2 rate class, to  
199 fund energy efficiency investments BEGIN CONF\*\*\*XXXXXXXXXXXXXXXXXXXXXXXXXXXX  
200 XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX \*\*\*END CONF due to Ameren failing to act on  
201 information that it had readily available and failing to exercise its ability to modify or  
202 drop programs, a flexibility that the Commission had granted at Ameren's request.

203 **Q. Are ratepayers receiving net benefits as a result of Ameren's GEE Plan**  
204 **expenditures?**

205 A. I don't know. The Company has declined to provide a cost-effectiveness analysis  
206 for its gas energy efficiency programs. (Staff Ex. 2.1 at 10; Ameren's DRR-Staff  
207 JLH 1.05 Attach 63). Ameren states:

208 The requirement in Docket 08-0104 was for an independent  
209 evaluation after the full three years. However, Ameren Illinois asked  
210 for interim memos for PY2.  
211 As a result of the lack of full evaluation results, TRC, 1st Year  
212 Costs, Levelized Life Cycle Costs, and Utility Cost Test are not  
213 available.

214 (Staff Ex. 2.1 at 10; Ameren's DRR-Staff JLH 1.05 Attach 63).

215 **Q. Is the Company's response a reasonable explanation for not providing the**  
216 **TRC results showing whether or not ratepayers received net benefits?**

217 A. No. I am unable to confirm that there was a requirement in the GEE Plan Order for  
218 an independent evaluation after the full three years. In fact, the GEE Plan Order  
219 explicitly states:

220 AIU's preference for a single EM&V contractor is aligned with its  
221 intent to integrate both its natural gas and electric energy efficiency  
222 programs in a seamless manner for customers, and to maximize  
223 overall cost-effectiveness. AIU states that since it expects to utilize

224 a master EM&V contractor to support electric energy efficiency  
225 programs, AIU will include consideration of the evaluation of natural  
226 gas energy efficiency programs in tandem with electric EM&V  
227 development.

228 (GEE Plan Order at 18). (Emphasis added). Considering Ameren has evaluated  
229 the cost effectiveness of its electric energy efficiency programs for PY2, it would  
230 appear to be in line with its argument in the GEE Plan Docket to hire a single  
231 EM&V<sup>13</sup> contractor to have the cost effectiveness evaluated for its gas programs for  
232 PY2 and to present these findings as well in this proceeding. (Staff Ex. 2.1 at 9-10;  
233 Ameren's DRR-Staff JLH 1.05 Attach 63).

234 **Q. What do you recommend?**

235 A. In its rebuttal testimony in this proceeding, the Company should address whether  
236 the Company's expenditures have provided net benefits to ratepayers in the GDS-2  
237 rate classification. It is unreasonable to require Illinois ratepayers, and in this case  
238 in particular, Ameren's customers in the GDS-2 rate class, to fund energy efficiency  
239 investments BEGIN CONF\*\*\*XX  
240 XXX \*\*\*END CONF due to imprudent and unreasonable management decisions.

241 **Q. Please quote and cite to source documents that support your understanding,**  
242 **as described above, of the circumstances encountered by utility**  
243 **management at the time decisions had to be made regarding the Small**  
244 **Business HVAC Program.**

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<sup>13</sup> Evaluation, Measurement & Verification ("EM&V")

245 A. BEGIN CONF\*\*\***XXX XXX XXXXXXXXXX XXX XXX XXX XXX XXXXXX**

246 **XXXXXXXXXXXXXXXX XXXXXX XX**

247 **XXX** \*\*\*END CONF clearly describe the circumstances encountered by Ameren  
248 management at the time decisions had to be made. The excerpts from these  
249 documents presented in this section show those facts available at the time the  
250 judgment to continue offering the Small Business HVAC Program was exercised.

251 The table below provides evidence that Ameren should have been well-  
252 aware that the SB HVAC Program was BEGIN CONF\*\*\* **XXXXXXXXXXXXXXXXXXXX**

253 **XX** \*\*\*END CONF

254 (Ameren’s DRR-Staff JLH 4.01a Attach 10 CONFIDENTIAL and PROPRIETARY at  
255 5). BEGIN CONF\*\*\* **XX**

256 **XXXXXXXXXXXXXXXXXXXX** \*\*\*END CONF Ameren continued to spend ratepayer

257 funds on this program throughout PY2. It is important to point out that Ameren  
258 faced no financial penalties if it did not meet the goals set forth in its GEE Plan nor  
259 did Ameren have any legislatively mandated therm savings goals for PY2. As

260 such, there was no compelling reason for Ameren to chase BEGIN CONF\*\*\***XXX**

261 **XX**

262 **XXXXXX**

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<sup>14</sup> BEGIN CONF\*\*\* **XX**  
**XX**  
**XXXXXXXXXXXX** \*\*\*END CONF (Ameren’s DRR-Staff JLH 4.01a Attach 10 CONFIDENTIAL and  
PROPRIETARY). (“Implementation Plan”).

<sup>15</sup> BEGIN CONF\*\*\* **XX**  
**XX**  
**XXX** \*\*\*END CONF (Ameren’s DRR-Staff JLH 4.01a Attach 9 CONFIDENTIAL and PROPRIETARY).  
 (“Implementation Plan Overview”).

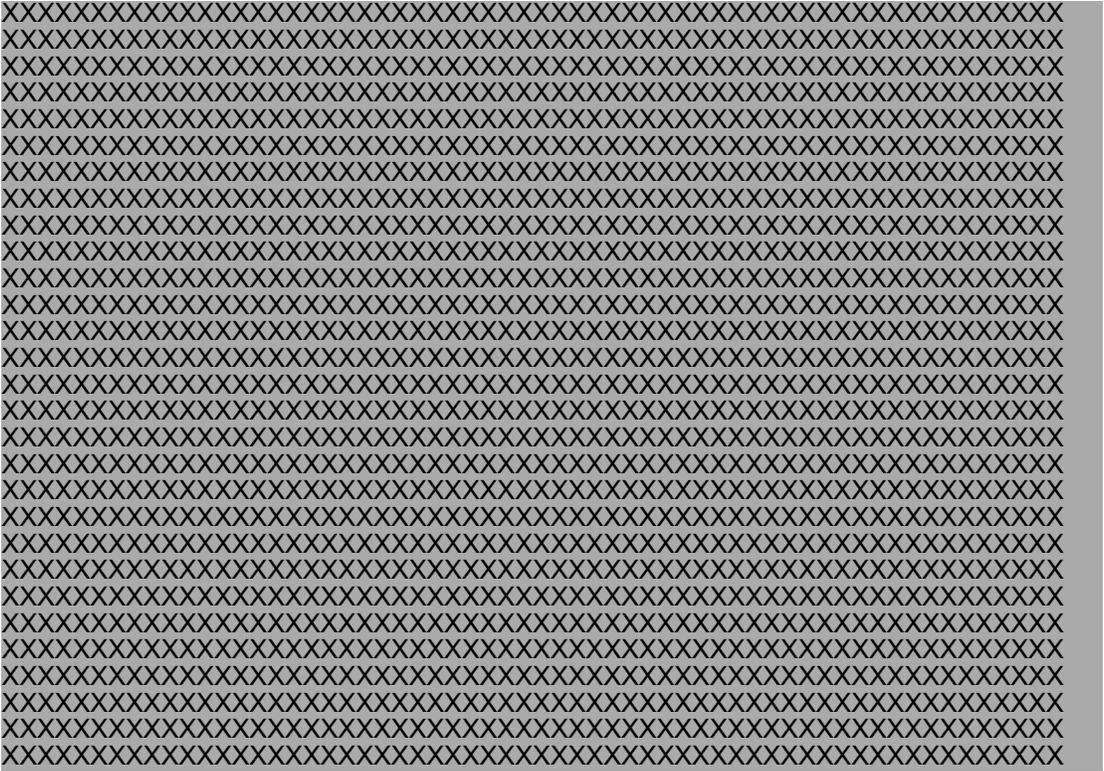






292           The cost-effectiveness analysis that Ameren included in its GEE Plan filing  
293 for the SB HVAC Program did not include participation and savings estimates  
294 associated with HVAC tune-ups. (Ameren’s GEE Plan Docket, Ameren’s DRR-  
295 Staff RZ 1.01c Attach (C&P); GEE Plan at 54-55, B-4). Ameren’s GEE Plan  
296 acknowledges that there were only four small business measures screened that  
297 were found to be cost effective. (GEE Plan at 76). Ameren included two of these  
298 cost-effective measures in its SB HVAC Program in the Commission-approved  
299 GEE Plan and forecasted that savings would come from cost-effective installations  
300 of Efficient Boilers and 85% Efficient Commercial Furnaces. (GEE Plan at 54-55,  
301 B-4). Unfortunately, after the Commission approved Ameren’s GEE Plan, BEGIN  
302 CONF\*\*\*XX  
303 XX \*\*\*END  
304 CONF (Ameren’s DRR-Staff JLH 4.01a Attach 9 CONFIDENTIAL and  
305 PROPRIETARY at 21). As a result, BEGIN CONF\*\*\*XXXXXXXXXXXXXXXXXXXX  
306 XX





317

318 \*\*\*END CONF (Ameren's DRR-Staff JLH 4.01a Attach 9 CONFIDENTIAL and  
319 PROPRIETARY at 6).

320 **III. SUMMARY AND CONCLUSION**

321 **Q. Please summarize your findings and recommendations.**

322 A. The costs associated with the Company's expenditures on the SB HVAC Program  
323 were not reasonably and prudently incurred. I recommend that the Commission  
324 approve my adjustment to Rider GER recoverable costs to disallow all SB HVAC  
325 Program costs recovered through Rider GER for PY2, \$131,771.<sup>16</sup> In addition, I  
326 recommend that the Commission direct that the Company monitor projected  
327 benefits and costs of the SB HVAC Program and to only continue the program if  
328 and when projected benefits exceed projected costs, consistent with the

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<sup>16</sup> \$131,771 [(SAIC \$130,801.68 + Simantel \$969.53)]. (Ameren's DRR-Staff ST 1.01G Attach).

329 Commission's direction provided in the GEE Plan Order. (GEE Plan Order at 10-  
330 11). Most importantly, I recommend that the Commission make a policy decision in  
331 this case and direct that the Company should always monitor projected benefits  
332 and costs of all of its energy efficiency programs and to only continue to spend  
333 ratepayer funds on a program if and when projected benefits exceed projected  
334 costs.<sup>17</sup> This recommendation will benefit Illinois ratepayers by making it clear to  
335 the Company that the Commission believes that ratepayers are entitled to the cost-  
336 effectiveness associated with reasonable and prudent decision-making and thus  
337 ratepayers will not bear the costs, including administrative costs (which is to a  
338 certain degree fixed per program), associated with programs that are projected to  
339 provide negative net benefits to Illinois ratepayers.

340 I recommend that the Company demonstrate in its rebuttal testimony  
341 whether the Small Business HVAC Program, in particular, and the portfolio overall  
342 have provided net benefits to Illinois ratepayers.

343 **Q. Does this conclude your prepared direct testimony?**

344 **A. Yes.**

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<sup>17</sup> Low-income programs may be one exception to this policy.

**Ameren Illinois Company  
d/b/a Ameren Illinois  
Response to ICC Staff Data Requests  
Docket No. 11-0341  
Reconciliation of revenues collected under Rider EDR/GER with actual costs  
associated with energy efficiency for program year ending May 31, 2010  
Data Request Response Date: 8/23/2011**

CUB 2.01

For each program in Ameren's Program Year 2 portfolio: Appliance Recycling; E-smart Programmable Thermostat; C&I Prescriptive; C&I Custom; C&I Retro-Commissioning; Commercial New Construction; Small Business HVAC; Commercial Demand Control Thermostat; Appliance Lighting and Appliance; and Multifamily, and any other program at issue in this proceeding:

- a) Please provide a detailed program budget and actual expense report(s).
- b) For each program, please define each cost category by type of expense recorded during Program Year 2.
- c) For each program, please specifically separate and provide detail on marketing expenses associated with that program incurred by either the Company or its subcontractors during Program Year 2.
- d) For each program, please specifically separate and provide detail on all administrative expenses associated with that program incurred by either the Company or its subcontractors during Program Year 2. For the purposes of this specific request, "administrative expenses" are those defined as costs "associated with labor, time, materials and other direct costs necessary to manage the overall portfolio the utility."

**RESPONSE**

**Prepared By: Kenneth C. Woolcutt**  
**Title: Managing Supervisor, Illinois Energy Efficiency**  
**Phone Number: 309-677-5001**

Ameren Illinois objects to this data request because the terms "detail," "marketing expenses" and "associated with" are vague and ambiguous. Moreover, Ameren Illinois has yet to file its direct case and testimony in support of the reconciliation. As such, discovery of the nature requested is premature and improper. Subject to these objections, Ameren Illinois provides the following information based on its understanding of the aforementioned terms:

- a) Please find attached (CUB 2.01 Attach), in a format identical to that discussed with and presented to SAG (at the February 23, 2010 meeting with Program Year 1 data), PY2 actual expenses for both Rider EDR and Rider GER as well as filed plan budgets, in the same format.

- b) Contractor Costs for each program are Implementer costs for time and materials. Incentive Costs are incentive costs invoiced by the Implementers. Marketing Costs for each program, if applicable, are vendor marketing costs that are related to marketing the specific program. AIC Labor for PY2 consists of the charges for incremental employees hired specifically to help administer the EE programs.
- c) Marketing expenses as defined in subpart b) above are those marketing costs specifically related to marketing the specific program including, but not limited to, newspaper, television or billboard advertisements and the specific marketing method varies by program.
- d) Administrative expenses, as defined above, are contained in column B, Contractor Costs, of the attached spreadsheet.

Program Year 2 Expenses- Plan Filing Budget

	Rider EDR Expenses					TOTAL Rider EDR Expenses
	Contractor Costs	Incentive Costs	Marketing Costs	TOTAL Non-Labor Costs	AIU Labor	
	<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	
			<i>a+b+c</i>		<i>d+e</i>	
<b>RESIDENTIAL EE PROGRAM COSTS</b>						
Home Energy Performance	\$ 361,497.00	\$ 270,000.00	\$ -	\$ 631,497.00	\$ -	\$ 631,497.00
HVAC Diagnostics & Tune-Up	\$ 293,605.00	\$ 480,000.00	\$ -	\$ 773,605.00	\$ -	\$ 773,605.00
Appliance Recycling	\$ 1,647,500.00	\$ 690,000.00	\$ 550,000.00	\$ 2,887,500.00	\$ -	\$ 2,887,500.00
Lighting & Appliances	\$ 446,047.00	\$ 1,790,000.00	\$ 410,000.00	\$ 2,646,047.00	\$ -	\$ 2,646,047.00
Multifamily	\$ 142,025.00	\$ 180,000.00	\$ 72,000.00	\$ 394,025.00	\$ -	\$ 394,025.00
New HVAC	\$ 200,491.00	\$ 280,000.00	\$ 85,000.00	\$ 565,491.00	\$ -	\$ 565,491.00
DR-Direct Load Control	\$ 251,820.00	\$ 600,000.00	\$ -	\$ 851,820.00	\$ -	\$ 851,820.00
Energy Star New Homes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Residential Programs+</b>	<b>\$ 3,342,985.00</b>	<b>\$ 4,290,000.00</b>	<b>\$ 1,117,000.00</b>	<b>\$ 8,749,985.00</b>	<b>\$ -</b>	<b>\$ 8,749,985.00</b>
<b>C&amp;I EE PROGRAM COSTS</b>						
Prescriptive	\$ 2,187,293.00	\$ 3,710,000.00	\$ 370,000.00	\$ 6,267,293.00	\$ -	\$ 6,267,293.00
Retro-commissioning	\$ 148,294.00	\$ 240,000.00	\$ 73,000.00	\$ 461,294.00	\$ -	\$ 461,294.00
New Construction	\$ 21,600.00	\$ 48,000.00	\$ 2,400.00	\$ 72,000.00	\$ -	\$ 72,000.00
Street Lighting	\$ 60,000.00	\$ 400,000.00	\$ 60,000.00	\$ 520,000.00	\$ -	\$ 520,000.00
Custom	\$ 599,765.00	\$ 810,000.00	\$ 40,000.00	\$ 1,449,765.00	\$ -	\$ 1,449,765.00
Demand Credit	\$ 4,617.00	\$ 98,000.00	\$ -	\$ 102,617.00	\$ -	\$ 102,617.00
<b>Total C&amp;I Programs</b>	<b>\$ 3,021,569.00</b>	<b>\$ 5,306,000.00</b>	<b>\$ 545,400.00</b>	<b>\$ 8,872,969.00</b>	<b>\$ -</b>	<b>\$ 8,872,969.00</b>
<b>OTHER PORTFOLIO COSTS</b>						
Demand Response	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DCEO	\$ 7,044,319.00	\$ -	\$ -	\$ 7,044,319.00	\$ -	\$ 7,044,319.00
R&D / Emerging Technologies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Measurement & Verification	\$ 840,000.00	\$ -	\$ -	\$ 840,000.00	\$ -	\$ 840,000.00
Educational Outreach	\$ 800,000.00	\$ -	\$ -	\$ 800,000.00	\$ -	\$ 800,000.00
EIO / Energy Star	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Portfolio Administration	\$ 1,400,000.00	\$ -	\$ -	\$ 1,400,000.00	\$ -	\$ 1,400,000.00
<b>Total Other</b>	<b>\$ 10,084,319.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,084,319.00</b>	<b>\$ -</b>	<b>\$ 10,084,319.00</b>
<b>Total Portfolio Costs</b>	<b>\$ 16,448,873.00</b>	<b>\$ 9,596,000.00</b>	<b>\$ 1,662,400.00</b>	<b>\$ 27,707,273.00</b>	<b>\$ -</b>	<b>\$ 27,707,273.00</b>

Program Year 2 Expenses- Actual

	Rider EDR Expenses					TOTAL Rider EDR Expenses
	Contractor Costs	Incentive Costs	Marketing Costs	TOTAL Non-Labor Costs	AIU Labor	
	a	b	c	d	e	
				a+b+c		
<b>RESIDENTIAL EE PROGRAM COSTS</b>						
Home Energy Performance	\$ 276,602.50	\$ 96,184.77	\$ -	\$ 372,787.27	\$ -	\$ 372,787.27
HVAC Diagnostics & Tune-Up			\$ -	\$ -	\$ -	\$ -
Appliance Recycling	\$ 1,115,517.74	\$ 391,440.00	\$ 279,176.97	\$ 1,786,134.71	\$ -	\$ 1,786,134.71
Lighting & Appliances	\$ 1,109,488.58	\$ 1,244,002.00	\$ 280,222.13	\$ 2,633,712.71	\$ -	\$ 2,633,712.71
Multifamily	\$ 128,484.18	\$ 223,363.00	\$ -	\$ 351,847.18	\$ -	\$ 351,847.18
New HVAC	\$ 339,456.74	\$ 2,917,800.00	\$ -	\$ 3,257,256.74	\$ -	\$ 3,257,256.74
DR-Direct Load Control	\$ 379,037.52	\$ 700,690.24	\$ -	\$ 1,079,727.76	\$ -	\$ 1,079,727.76
Energy Star New Homes		\$ 3,200.00	\$ -	\$ 3,200.00	\$ -	\$ 3,200.00
<b>Total Residential Programs+</b>	<b>\$ 3,979,258.62</b>	<b>\$ 5,576,680.01</b>	<b>\$ 559,399.10</b>	<b>\$ 10,115,337.73</b>	<b>\$ -</b>	<b>\$ 10,115,337.73</b>
<b>C&amp;I EE PROGRAM COSTS</b>						
Prescriptive	\$ 1,535,065.50	\$ 3,314,557.00	\$ -	\$ 4,849,622.50	\$ -	\$ 4,849,622.50
Retro-commissioning	\$ 109,302.26	\$ 216,662.00	\$ -	\$ 325,964.26	\$ -	\$ 325,964.26
New Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Street Lighting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Custom	\$ 349,245.93	\$ 2,258,436.84	\$ -	\$ 2,607,682.77	\$ -	\$ 2,607,682.77
Demand Credit	\$ 189,391.97	\$ 140,308.70	\$ -	\$ 329,700.67	\$ -	\$ 329,700.67
<b>Total C&amp;I Programs</b>	<b>\$ 2,183,005.66</b>	<b>\$ 5,929,964.54</b>	<b>\$ -</b>	<b>\$ 8,112,970.20</b>	<b>\$ -</b>	<b>\$ 8,112,970.20</b>
<b>OTHER PORTFOLIO COSTS</b>						
Demand Response	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DCEO	\$ 6,643,233.47	\$ -	\$ -	\$ 6,643,233.47	\$ -	\$ 6,643,233.47
R&D / Emerging Technologies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Measurement & Verification	\$ 817,655.03	\$ -	\$ -	\$ 817,655.03	\$ -	\$ 817,655.03
Educational Outreach	\$ -	\$ -	\$ 434,389.35	\$ 434,389.35	\$ -	\$ 434,389.35
EIO / Energy Star	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Portfolio Administration	\$ 1,052,186.65	\$ -	\$ -	\$ 1,052,186.65	\$ 336,564.02	\$ 1,388,750.67
<b>Total Other</b>	<b>\$ 8,513,075.15</b>	<b>\$ -</b>	<b>\$ 434,389.35</b>	<b>\$ 8,947,464.50</b>	<b>\$ 336,564.02</b>	<b>\$ 9,284,028.52</b>
<b>Total Portfolio Costs</b>	<b>\$ 14,675,339.43</b>	<b>\$ 11,506,644.55</b>	<b>\$ 993,788.45</b>	<b>\$ 27,175,772.43</b>	<b>\$ 336,564.02</b>	<b>\$ 27,512,336.45</b>

+ includes CSG Prime fee in Contractor Costs column

Program Year 2 Expenses- Plan Filing Budget

	Rider GER Expenses <sup>+</sup>					TOTAL Rider GER Expenses
	Contractor Costs	Incentive Costs	Marketing Costs	TOTAL Non-Labor Costs	AIU Labor	
	a	b	c	d	e	
			a+b+c		d+e	
<b>RESIDENTIAL EE PROGRAM COSTS</b>						
Home Energy Performance				\$ 1,471,667.00	\$ -	\$ -
HVAC Diagnostics & Tune-Up				\$ -	\$ -	\$ -
Multifamily				\$ 325,000.00	\$ -	\$ -
Low Income				\$ 241,667.00		\$ -
New HVAC				\$ 750,000.00	\$ -	\$ -
DR-Direct Load Control					\$ -	\$ -
Energy Star New Homes				\$ 100,000.00	\$ -	\$ -
<b>Total Residential Programs+</b>	\$ -	\$ -	\$ -	\$ 2,888,334.00	\$ -	\$ -
<b>C&amp;I EE PROGRAM COSTS</b>						
Small Business Food Service				\$ 283,333.00	\$ -	\$ -
Small Business HVAC				\$ 141,667.00	\$ -	\$ -
Demand Response					\$ -	\$ -
<b>Total C&amp;I Programs</b>	\$ -	\$ -	\$ -	\$ 425,000.00	\$ -	\$ -
<b>OTHER PORTFOLIO COSTS</b>						
Demand Response					\$ -	\$ -
Measurement & Verification					\$ -	\$ -
Educational Outreach					\$ -	\$ -
Portfolio Administration				\$ 683,333.00		\$ -
<b>Total Other</b>	\$ -	\$ -	\$ -	\$ 683,333.00	\$ -	\$ -
<b>Total Portfolio Costs</b>	\$ -	\$ -	\$ -	\$ 3,996,667.00	\$ -	\$ -

<sup>+</sup> Plan Filing Budget not broken out into level of detail that actuals were tracked by  
 Plan Filing Budget was converted to Program Year to correspond to Rider EDR Program Year

Program Year 2 Expenses- Actual

	Rider GER Expenses					TOTAL Rider GER Expenses
	Contractor Costs	Incentive Costs	Marketing Costs	TOTAL Non-Labor Costs	AIU Labor	
	a	b	c	d	e	
				a+b+c		
<b>RESIDENTIAL EE PROGRAM COSTS</b>						
Home Energy Performance	\$ 559,390.05	\$ 74,866.95	\$ -	\$ 634,257.00	\$ -	\$ 634,257.00
HVAC Diagnostics & Tune-Up	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Multifamily	\$ 195,210.00	\$ 33,043.00	\$ -	\$ 228,253.00	\$ -	\$ 228,253.00
Low Income	\$ 192,500.00			\$ 192,500.00		\$ 192,500.00
New HVAC	\$ 219,921.00	\$ 1,190,475.00	\$ -	\$ 1,410,396.00	\$ -	\$ 1,410,396.00
DR-Direct Load Control	\$ 2,512.24	\$ 162,917.76	\$ -	\$ 165,430.00	\$ -	\$ 165,430.00
Energy Star New Homes	\$ 93,829.00	\$ 3,200.00	\$ -	\$ 97,029.00	\$ -	\$ 97,029.00
<b>Total Residential Programs+</b>	<b>\$ 1,349,362.93</b>	<b>\$ 1,464,502.71</b>	<b>\$ -</b>	<b>\$ 2,813,865.64</b>	<b>\$ -</b>	<b>\$ 2,813,865.64</b>
<b>C&amp;I EE PROGRAM COSTS</b>						
Small Business Food Service	\$ 253,433.77	\$ 75,155.23	\$ -	\$ 328,589.00	\$ -	\$ 328,589.00
Small Business HVAC	\$ 118,021.00	\$ 13,750.00	\$ -	\$ 131,771.00	\$ -	\$ 131,771.00
Demand Response	\$ 24,762.29	\$ 16,732.71	\$ -	\$ 41,495.00	\$ -	\$ 41,495.00
<b>Total C&amp;I Programs</b>	<b>\$ 396,217.06</b>	<b>\$ 105,637.94</b>	<b>\$ -</b>	<b>\$ 501,855.00</b>	<b>\$ -</b>	<b>\$ 501,855.00</b>
<b>OTHER PORTFOLIO COSTS</b>						
Demand Response	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Measurement & Verification	\$ 155,200.00	\$ -	\$ -	\$ 155,200.00	\$ -	\$ 155,200.00
Educational Outreach	\$ -	\$ -	\$ 60,626.79	\$ 60,626.79	\$ -	\$ 60,626.79
Portfolio Administration	\$ 132,551.23	\$ -	\$ -	\$ 132,551.23	\$ 46,538.34	\$ 179,089.57
<b>Total Other</b>	<b>\$ 287,751.23</b>	<b>\$ -</b>	<b>\$ 60,626.79</b>	<b>\$ 348,378.02</b>	<b>\$ 46,538.34</b>	<b>\$ 394,916.36</b>
<b>Total Portfolio Costs</b>	<b>\$ 2,033,331.22</b>	<b>\$ 1,570,140.65</b>	<b>\$ 60,626.79</b>	<b>\$ 3,664,098.66</b>	<b>\$ 46,538.34</b>	<b>\$ 3,710,637.00</b>

+ includes CSG Prime fee in Contractor Costs column

**Ameren Illinois Company  
d/b/a Ameren Illinois  
Response to ICC Staff Data Requests  
Docket No. 11-0341  
Reconciliation of revenues collected under Rider EDR/GER with actual costs  
associated with energy efficiency for program year ending May 31, 2010  
Data Request Response Date: 7/26/2011**

JLH 1.05

Referring to both the Annual Energy Efficiency and Demand Response Charge Report, Rider EDR Annual Reconciliation, and the Annual Energy Efficiency and Demand Response Charge Report, Rider GER Annual Reconciliation, please provide a summary spreadsheet of all costs charged to Riders EDR and GER during PY2, June 1, 2009 – May 31, 2010. The costs should be broken down for each program and any subcategories of other portfolio costs that Ameren tracks (e.g., Portfolio Administration, market transformation). The total cost for each program should be further divided out into the following categories: Contractor/Implementer Costs, Incentive Costs, Marketing Costs (Implementer), Marketing Costs (Ameren), Other Program Costs (Program Administration Expense – Non-Labor), EM&V, Total Non-Labor Costs, Ameren Labor Costs (Program Administration Expense), Total Program Expenses, Program Cost %, Sector Cost %, Ex Post Gross Savings, Ex Post Net Savings, Program Savings %, Sector Savings %, Ex Post Savings (MW), Total Resource Cost (TRC) test ratio, Average 1st Year Costs (\$/kWh and \$/therm), Levelized Lifecycle Costs (\$/kWh and \$/therm) and Utility Cost Test (UCT) ratio. Please provide the summary in Excel format with working formulas. Program totals should be cross referenced to the Annual Reconciliation and ex post TRC analysis. Please precisely define each of the cost categories and provide at least ten invoices from each of the categories within each program with a general description of each invoice (where applicable).

**RESPONSE**

**Prepared By: Kenneth C. Woolcutt  
Title: Managing Supervisor Illinois Energy Efficiency  
Phone Number: 309-677-5001**

Ameren Illinois objects to this data request as the phrase “precisely define” is vague and ambiguous and to the extent this data request seeks the creation of materials not already in existence. Subject to these objections, please see the attached workbook providing the breakdown that Ameren Illinois tracks, in the categories listed above.

Ameren Illinois has tracked its costs using the following definitions for categories of costs. Ameren Illinois can revise these definitions as appropriate:

- Contractor Costs: Contractor Costs for each program are Implementer costs for time and materials.

- Incentive Costs: Incentive Costs are incentive costs invoiced by the Implementers.
- Marketing Costs: Marketing Costs for each program, if applicable, are vendor marketing costs that are related to marketing the specific program.
- AIU Labor: AIU Labor for PY2 consists of the charges for incremental employees hired specifically to help administer the EE programs, hired through Manpower Professional.

Samples of 10 invoices (when available) from each of the categories within each program have been provided as JLH 1.05 Attach 1 thru Attach 63. Invoices are designated **CONFIDENTIAL and PROPRIETARY** and are identified with "(CP)" at the end of the each respective file name. Due to the volume of files they will be provided on a CD and mailed via UPS. See also JLH 1.05 Attach 63.

Program Year 2 Expenses- Actual

	Rider EDR Expenses					TOTAL Rider EDR Expenses f d+e	Program Cost % g f/sum(f)	Sector Cost % h Sector	Savings (Gross) (MWH) i	Ex Post Savings (Net) (MWH) j	Program Savings % k	Sector Savings % l	Ex Post Savings (MW) m	TRC n	Average 1st Year Costs o	Levelized Life Cycle Costs p	Utility Cost Test (UCT) q
	Contractor Costs	Incentive Costs	Marketing Costs	TOTAL Non-Labor Costs d a+b+c	AIU Labor e												
	a	b	c	d	e												
				a+b+c													
<b>RESIDENTIAL EE PROGRAM COSTS</b>																	
Home Energy Performance	\$ 276,602.50	\$ 96,184.77	\$ -	\$ 372,787.27	\$ -	\$ 372,787.27	1%	4%	1,168	907	1%	1%	0.06	0.80	\$ 0.47	\$ 0.07	0.94
HVAC Diagnostics & Tune-Up			\$ -	\$ -	\$ -	\$ -	0%	0%									
Appliance Recycling	\$ 1,115,517.74	\$ 391,440.00	\$ 279,176.97	\$ 1,786,134.71	\$ -	\$ 1,786,134.71	6%	18%	17,041	13,614	10%	21%	1.61	2.46	\$ 0.15	\$ 0.02	2.93
Lighting & Appliances	\$ 1,109,488.58	\$ 1,244,002.00	\$ 280,222.13	\$ 2,633,712.71	\$ -	\$ 2,633,712.71	10%	26%	49,613	38,548	28%	61%	3.92	2.26	\$ 0.07	\$ 0.01	4.47
Multifamily	\$ 128,484.18	\$ 223,363.00	\$ -	\$ 351,847.18	\$ -	\$ 351,847.18	1%	3%	2,991	2,924	2%	5%	0.26	2.75	\$ 0.13	\$ 0.02	3.22
New HVAC	\$ 339,456.74	\$ 2,917,800.00	\$ -	\$ 3,257,256.74	\$ -	\$ 3,257,256.74	12%	32%	11,195	7,053	5%	11%	3.33	1.39	\$ 0.47	\$ 0.05	2.49
DR-Direct Load Control	\$ 379,037.52	\$ 700,690.24	\$ -	\$ 1,079,727.76	\$ -	\$ 1,079,727.76	4%	11%	432	332	0%	1%	2.73	0.34	\$ 3.48	\$ 0.37	0.29
Energy Star New Homes		\$ 3,200.00	\$ -	\$ 3,200.00	\$ -	\$ 3,200.00	0%	0%	9	8	0%	0%		n/a Electric			
<b>Total Residential Programs+</b>	<b>\$ 3,979,258.62</b>	<b>\$ 5,576,680.01</b>	<b>\$ 559,399.10</b>	<b>\$ 10,115,337.73</b>	<b>\$ -</b>	<b>\$ 10,115,337.73</b>	<b>37%</b>	<b>94%</b>	<b>82,449</b>	<b>63,385</b>	<b>47%</b>	<b>100%</b>	<b>11.91</b>	<b>1.81</b>	<b>\$ 0.16</b>	<b>\$ 0.03</b>	<b>2.84</b>
<b>C&amp;I EE PROGRAM COSTS</b>																	
Prescriptive	\$ 1,535,065.50	\$ 3,314,557.00	\$ -	\$ 4,849,622.50	\$ -	\$ 4,849,622.50	18%	60%	56,739	41,608	31%	58%	8.90	2.12	\$ 0.11	\$ 0.01	5.14
Retro-commissioning	\$ 109,302.26	\$ 216,662.00	\$ -	\$ 325,964.26	\$ -	\$ 325,964.26	1%	4%	11,516	9,213	7%	13%	0.98	4.05	\$ 0.04	\$ 0.01	8.61
New Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%									
Street Lighting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%									
Custom	\$ 349,245.93	\$ 2,258,436.84	\$ -	\$ 2,607,682.77	\$ -	\$ 2,607,682.77	9%	32%	30,300	20,907	15%	29%	32.77	2.98	\$ 0.12	\$ 0.01	6.01
Demand Credit	\$ 189,391.97	\$ 140,308.70	\$ -	\$ 329,700.67	\$ -	\$ 329,700.67	1%	4%	317	244	0%	0%	0.89	0.43	\$ 1.35	\$ 0.26	0.39
<b>Total C&amp;I Programs</b>	<b>\$ 2,183,005.66</b>	<b>\$ 5,929,964.54</b>	<b>\$ -</b>	<b>\$ 8,112,970.20</b>	<b>\$ -</b>	<b>\$ 8,112,970.20</b>	<b>29%</b>	<b>100%</b>	<b>98,872</b>	<b>71,972</b>	<b>53%</b>	<b>100%</b>	<b>43.55</b>	<b>2.42</b>	<b>0.11</b>	<b>\$ 0.02</b>	<b>5.37</b>
<b>OTHER PORTFOLIO COSTS</b>																	
Demand Response	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%										
DCEO	\$ 6,643,233.47	\$ -	\$ -	\$ 6,643,233.47	\$ -	\$ 6,643,233.47	24%										
R&D / Emerging Technologies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%										
Measurement & Verification	\$ 817,655.03	\$ -	\$ -	\$ 817,655.03	\$ -	\$ 817,655.03	3%										
Educational Outreach	\$ -	\$ -	\$ 434,389.35	\$ 434,389.35	\$ -	\$ 434,389.35	2%										
EIO / Energy Star	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%										
Portfolio Administration	\$ 1,052,186.65	\$ -	\$ -	\$ 1,052,186.65	\$ 336,564.02	\$ 1,388,750.67	5%										
<b>Total Other</b>	<b>\$ 8,513,075.15</b>	<b>\$ -</b>	<b>\$ 434,389.35</b>	<b>\$ 8,947,464.50</b>	<b>\$ 336,564.02</b>	<b>\$ 9,284,028.52</b>	<b>34%</b>										
<b>Total Portfolio Costs</b>	<b>\$ 14,675,339.43</b>	<b>\$ 11,506,644.55</b>	<b>\$ 993,788.45</b>	<b>\$ 27,175,772.43</b>	<b>\$ 336,564.02</b>	<b>\$ 27,512,336.45</b>	<b>100%</b>										

+ includes CSG Prime fee in Contractor Costs column

Program Year 2 Expenses- Actual

	Rider GER Expenses					TOTAL Rider GER Expenses	Program Cost %	Sector Cost %	Savings (Gross) (therms)	Ex Post Savings (Net) (therms) <sup>1</sup>	TRC <sup>1</sup>	Average 1st Year Costs <sup>1</sup>	Levelized Life Cycle Costs <sup>1</sup>	Utility Cost Test (UCT) <sup>1</sup>
	Contractor Costs	Incentive Costs	Marketing Costs	TOTAL Non-Labor Costs	AIU Labor									
	a	b	c	d	e									
				a+b+c										
					f	g	h	i	j	k	l	m	n	
					d+e	f/sum(f)	Sector							
<b>RESIDENTIAL EE PROGRAM COSTS</b>														
Home Energy Performance	\$ 559,390.05	\$ 74,866.95	\$ -	\$ 634,257.00	\$ -	\$ 634,257.00	17%	23%	64,470	59,195				
HVAC Diagnostics & Tune-Up	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%						
Multifamily	\$ 195,210.00	\$ 33,043.00	\$ -	\$ 228,253.00	\$ -	\$ 228,253.00	6%	8%	28,039	28,039				
Low Income	\$ 192,500.00			\$ 192,500.00		\$ 192,500.00	5%	7%	17,300	17,300				
New HVAC	\$ 219,921.00	\$ 1,190,475.00	\$ -	\$ 1,410,396.00	\$ -	\$ 1,410,396.00	38%	50%	1,038,401	511,041				
DR-Direct Load Control	\$ 2,512.24	\$ 162,917.76	\$ -	\$ 165,430.00	\$ -	\$ 165,430.00	4%	6%	62,361	47,970				
Energy Star New Homes	\$ 93,829.00	\$ 3,200.00	\$ -	\$ 97,029.00	\$ -	\$ 97,029.00	3%	3%	2,210	1,768				
<b>Total Residential Programs+</b>	<b>\$ 1,349,362.93</b>	<b>\$ 1,464,502.71</b>	<b>\$ -</b>	<b>\$ 2,813,865.64</b>	<b>\$ -</b>	<b>\$ 2,813,865.64</b>	<b>76%</b>	<b>97%</b>	<b>1,212,781</b>	<b>665,313</b>				
<b>C&amp;I EE PROGRAM COSTS</b>														
Small Business Food Service	\$ 253,433.77	\$ 75,155.23	\$ -	\$ 328,589.00	\$ -	\$ 328,589.00	9%	65%	53,670	41,608				
Small Business HVAC	\$ 118,021.00	\$ 13,750.00	\$ -	\$ 131,771.00	\$ -	\$ 131,771.00	4%	26%	10,889	8,711				
Demand Response	\$ 24,762.29	\$ 16,732.71	\$ -	\$ 41,495.00	\$ -	\$ 41,495.00	1%	8%	31,781	23,232				
<b>Total C&amp;I Programs</b>	<b>\$ 396,217.06</b>	<b>\$ 105,637.94</b>	<b>\$ -</b>	<b>\$ 501,855.00</b>	<b>\$ -</b>	<b>\$ 501,855.00</b>	<b>14%</b>	<b>100%</b>	<b>96,340</b>	<b>73,551</b>				
<b>OTHER PORTFOLIO COSTS</b>														
Demand Response	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%							
Measurement & Verification	\$ 155,200.00	\$ -	\$ -	\$ 155,200.00	\$ -	\$ 155,200.00	4%							
Educational Outreach	\$ -	\$ -	\$ 60,626.79	\$ 60,626.79	\$ -	\$ 60,626.79	2%							
Portfolio Administration	\$ 132,551.23	\$ -	\$ -	\$ 132,551.23	\$ 46,538.34	\$ 179,089.57	5%							
<b>Total Other</b>	<b>\$ 287,751.23</b>	<b>\$ -</b>	<b>\$ 60,626.79</b>	<b>\$ 348,378.02</b>	<b>\$ 46,538.34</b>	<b>\$ 394,916.36</b>	<b>11%</b>							
<b>Total Portfolio Costs</b>	<b>\$ 2,033,331.22</b>	<b>\$ 1,570,140.65</b>	<b>\$ 60,626.79</b>	<b>\$ 3,664,098.66</b>	<b>\$ 46,538.34</b>	<b>\$ 3,710,637.00</b>	<b>100%</b>							

+ includes CSG Prime fee in Contractor Costs column

<sup>1</sup> Note that Gas EM&V memos for PY2 have only been issued for Home Energy Performance, Multifamily, HVAC, Small Business Food Service, and Small Business HVAC.

The requirement in Docket 08-0104 was for an independent evaluation after the full three years. However, Ameren Illinois asked for interim memos for PY2.

As a result of the lack of full evaluation results, TRC, 1st Year Costs, Levelized Life Cycle Costs, and Utility Cost Test are not available.