



Energy Efficiency Portfolio Report December 2012 – February 2013

Prepared for
ILLINOIS COMMERCE COMMISSION

Prepared by
Ameren Illinois
Energy Efficiency
300 Liberty Street
Peoria, Illinois 61602

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Background

Per 220 ILCS 5/8-104, Sec. 8-104(f)(8), the Ameren Illinois Corporation (AIC) is required to “provide for quarterly status reports tracking implementation of and expenditures for the utility's portfolio of measures and the Department's portfolio of measures...”. AIC provides the attached activity reports to satisfy this requirement.¹ AIC also routinely reports and presents portfolio activity to the Illinois Stakeholder Advisory Group (also known as SAG) of which Staff is a participant.

Per 220 ILCS 5/8-104, Sec. 8-103, (Docket #07-0539), AIC started providing an electric energy efficiency portfolio in June 2008. Per 220 ILCS 5/8-104, Sec. 8-104 and Docket #10-0568, AIC started providing a combined portfolio of gas and electric energy efficiency measures beginning in June 2011. This activity report reflects the third quarter of the fifth year AIC has been providing energy efficiency measures, which is referred to as PY5. The first three years of energy efficiency is referred to as Plan 1, while the second three year cycle is referred to as Plan 2 (Docket #10-0568). This report reflects the third quarter of PY5 activity, the second year of Plan 2.

AIC uses a prime implementer model for the portfolio's provision of services. Conservation Services Group (known as CSG) is the implementer for the residential portfolio and Services Applications International Corporation (known as SAIC) implements the business portfolio. These implementers provide both the gas and electric portfolio of services in an integrated manner.

The evaluators for Plan 1, who determine the portfolio's annual savings, were The Cadmus Group and Opinion Dynamics Corporation. In collaboration with Staff, these same evaluators evaluate the Plan 2 savings achievement. Staff attends AIC's routine meetings with the evaluators, is copied on communication with evaluators and per the Plan order, the evaluation work plans are developed with agreement from Staff.

As referenced, this gas portfolio reporting obligation pertains to the gas energy efficiency portfolio. However, AIC operates an integrated portfolio of gas and electric measures resulting in a summary report containing information about measures impacting both fuels. Further detail on AIC's energy efficiency portfolio and its programs can be found in the AIC's Plan 2 filing (Docket #10-0568). Additional detail on all programs can also be found at **actonenergy.com** and the Illinois Stakeholder Advisory Group web site (ilsag.org).

As presented in the attached activity report, the gas & electric energy efficiency programs are as follows:

¹ Even though the legislation and the reporting requirement only pertains to the gas portfolio, AIC is also providing a summary and activity reports for the electric portfolio due to AIC operating an integrated portfolio.

Residential Portfolio:

- Residential Lighting
- Appliance Recycling
- Residential Energy Efficient Products
- New HVAC Equipment
- Home Energy Performance
- Energy Star New Homes
- Multi-Family
- Behavior Modification
- Moderate Income

Business Portfolio:

- Standard
- Custom
- Retro-Commissioning

Third Quarter Activity (Q3)

December 1, 2012 – February 28, 2013

With this being the fifth year of the portfolio, most programs are focused on expansion and enhancement as opposed to start up activities. Following is a brief explanation of per program activity:

Residential Lighting

The Residential Lighting program provides 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. This program is in its fifth year.

Key Activities and Key Concerns this quarter:

- Third quarter bulb sales are on track to achieve the year end goal.
- Specialty bulbs as a percentage of total bulbs invoiced increased this quarter to over 14% increasing the year to date percentage of specialty bulbs to 13.5%.
- EM&V completed store intercepts this quarter at select retailers.

Appliance Recycling

The Appliance Recycling program provides residential and small business customers free pick-up of eligible equipment (inefficient refrigerators, freezers, and window a/c units) and an incentive for each appliance turned in to the program. This program is in its fifth year.

Key Activities and Key Concerns this quarter:

- The program is below target for the quarter with a total of 2,368 units for a total of 1,238 MWhs. At the end of the third quarter the program has achieved 4,820 MWhs of its annual goal of 20,070 MWhs (24%).
- Increased marketing efforts to stimulate the program included print ads in newspapers, brochures in retailers, online display ads and a 30,000 direct mail piece all completed this quarter.
- The retailer program produced 67 units in the third quarter and in store re-training for Sears store employees on the appliance recycling program is scheduled for early March.

Residential Energy Efficient Products (REEP)

This program provides rebates for products such as ENERGY STAR high-efficiency water heaters, thermostats, and smart power strips. This program is in its second year.

Key Activities and Key Concerns this quarter:

- The third quarter goals for the both electric and gas REEP were slightly exceeded coming in at 108% and 117% respectively.
- Thermostats for electric and gas heat rebates are the overachievers again this quarter. Heat pump water heaters have made a strong showing as they gain acceptance in the marketplace reaching 123% of goal.

New HVAC

This program consists of retrofit and replacement upgrades for air conditioners, heat pumps, and heating and cooling systems, achieving both gas and electric energy savings. This program is in its fourth year.

Key Activities and Key Concerns this quarter:

- Third quarter results for this program were below targets – reaching 28% of the 9 month electric goal and 60% for the 9 month gas goal.
- The combined HVAC program had a total of 2,599 incentive applications for the third quarter. The breakdown per program was 1,276 gas measure incentive applications and 1,323 electric measure incentive applications.
- The Early Retirement (ER) Furnace measure is approximately 30% of the total furnace applications. Outreach phone calls to HVAC allies by the account managers are

helping to bring awareness of the ER furnace. These calls also remind them about the ECM motor incentives and encourage them to participate in the on bill financing.

Behavior Modification

Home Energy Reports provide customers with a profile of their energy use, energy efficiency tips, portfolio program information, and a comparison of their energy usage to their “neighbors”; encouraging reduced energy use, achieving both gas and electric energy savings. AIC typically targets this program primarily to dual fuel customers. This program is in its third full year.

Key Activities and Key Concerns this quarter:

- At the end of the third quarter, therm savings are reported at 136% of goal for the year and will achieve its year-end gas goal of 664,517 therms.
- The electric savings are reported at 56% of goal at the end of the third quarter and it is anticipated to not achieve the year-end electric goal of 39,993 MWhs.

Home Energy Performance

Home Energy Performance (HEP) includes a home energy audit, direct install measures (CFLs, energy saving faucet aerators and shower heads), and follow up sealing and insulation measures, achieving both gas and electric energy savings. This program is migrating towards becoming ENERGY STAR in Y6 with goals of collaborating with a statewide framework for program design. This program is in its fifth year.

Key Activities and Key Concerns this quarter:

- The HEP reservation system has moderated production as planned and should allow both electric and gas goals to be achieved by the end of the program year.
- 612 audits were completed this quarter along with 604 completed projects. There were also 56 quality assurance audits conducted during the third quarter.
- Due to low response rates to recent direct mail prospecting the call center has been contacting customers who have not responded and also contacting home show registrants who expressed interest in the program.
- In the third quarter 3 homes in AOE programs qualified for an IHPwES Gold certificate. 42 IHPwES Silver certificates were awarded to homes serviced by the AOE programs.

Multifamily

This program provides owners of multifamily buildings measures for apartments (in-unit program) and common area lighting, exit signs, in addition to walk-through audits and incentives for complex measures, achieving both gas and electric energy savings. This program is in its fifth year.

Key Activities and Key Concerns this quarter:

- The direct install portion of the program continues to exceed the goal for the total apartments retrofitted. The focus has been on direct install gas projects which are high savings and low cost measures.
- The In-unit portion had 2879 units, and has 1845 units in the pipeline. A total of 22,820 bulbs were installed this quarter with the majority of these installed in the One North and One South Complex in Urbana.
- 2 Major Measures projects were completed with 2 buildings in the pipeline.

Energy Star New Homes

This program targets builders with a package of training, technical and marketing assistance, and incentives for construction of ENERGY STAR homes, achieving both gas and electric energy savings. A HERS test and rating is required for the program ally to receive an incentive. This program is in its fourth year.

Key Activities and Key Concerns this quarter:

- The Energy Star New Homes program had its best quarter with 103 completions. The third quarter saw 11 completions, with 139 homes in the pipeline.
- The program saw its first Energy Star V3 home completed in February. The home scored a HERS 48 with a 93% AFUE furnace, 13 SEER AC, and a well-sealed building envelope.
- The year-to-date electric savings is still lagging due to the measure mix being more heavily weighted toward gas-heated projects than planned. Several large electric-heat projects are expected to be completed during the remainder of the program year which should meet the electric goal.

Moderate Income/Warm Neighbors

This program partners with a non-profit organization which identifies qualified moderate income households and provides higher incentives for energy efficiency improvements and retrofits, achieving both gas and electric energy savings. This program is in its second year.

Key Activities and Key Concerns this quarter:

- The Moderate Income program performed 80 audits in the third quarter. Retrofit projects in the third quarter numbered 67.
- This quarter the program had 6 gold and 5 silver Illinois Home Performance With Energy Star certificates awarded.

Business Portfolio

Following is a brief description of the Business portfolio programs. These programs are in their fifth year.

- Standard: Incentivizes customers to purchase energy efficient measures with predetermined savings values and fixed incentive levels, achieving both gas and electric energy savings. Examples of measures include process steam, water heaters, furnaces, boilers, water heaters, seasonal HVAC and chiller tune-ups, steam trap repair, VFDs for HVAC applications, various commercial kitchen appliances, plus stock waterers, heat exchangers, and heat reclaimers in the agriculture segment.
- Custom: Applies to energy efficient measures that do not fall into the Standard Incentive program. These projects normally are complex and unique, requiring incentive applications and calculations of estimated energy savings, achieving both gas and electric energy savings. Custom gas related measures may include heat recovery options (flue gas heat exchangers, de-super-heater heat exchangers, exhaust air heat exchangers, compressed air heat exchangers, process heat exchangers and grain drying heat exchangers), as well as shell measures including windows, doors, infiltration reduction, roof and wall insulation.
- Retro-Commissioning: Provides options and incentives for businesses to improve operations and maintenance practices for buildings, systems, and processes, achieving both gas and electric energy savings.

During Plan 1 the gas energy efficiency program was limited to residential and small business customers. Beginning in PY4 all commercial and industrial customers were eligible to participate in the gas programs.

Key Activities and Key Concerns this quarter:

- Third quarter results indicate that the business program is ahead of forecast at 101% of its goal for the electric portfolio with Custom at forecast, and Retro-Commissioning and Standard ahead of forecasts. The gas portfolio has reached 113% of its goal with gas Custom, Retro-Commissioning and Standard performing ahead of schedule.
- There has been a steady increase in electric program participation by top 100 customers over the last 5 years. The third quarter review shows that 48% participated in ActOnEnergy programs in PY5 with 93,889,379 kWhs saved.
- The top 100 customer's gas program participation is at 10% with over 2 million therms saved. Steam trap projects account for approximately 40% of top customer's gas savings in PY5 with 18 steam trap projects accounting for over 980,000 therms of savings.
- The L Prize LED Promotion resulted in a total of 2,436 bulbs delivered for a savings of 365,400 kWhs. The LED bulbs were offered to business customers at a discounted price of \$10 and promoted through emails, chambers, Questline newsletters, and web banners.
- Practical Energy Management (PEM) training was offered to customers in February. 18 customers from 13 companies attended the training which consists of a package of energy management tools that are designed to reduce the time and effort required for a company to implement an energy management program or enhance their existing program.

Attachment: Activity Reports

Ameren Illinois Gas Energy Efficiency Portfolio
Key Indicator Report
Program Year 5
June 1, 2012 through February 28, 2012

Overall Portfolio			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (therms)			
Total	4,832,961	4,355,658	111%
Portfolio Cost			
Total	\$ 9,910,233	\$ 14,173,363	70%

Residential Programs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (therms)			
Total	2,690,992	2,751,265	98%
Program Cost			
Total	\$ 6,754,168	\$ 7,774,738	87%

Business Programs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (therms)			
Total	2,141,969	1,572,769	136%
Program Cost			
Total	\$ 2,852,340	\$ 5,297,538	54%

Other Portfolio Costs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (therms)			
Total	NA	NA	NA
Other Costs			
Total	\$ 303,725	\$ 1,101,087	28%

Notes: Goals for Residential and Business Programs are based on the AIC Plan.
 Energy Savings are based on PY3 EMV values.
 Cumulative figures include pending projects.
 The above does not include DCEO.
 PYTD = Program Year To Date

Residential Programs					
Energy Savings (therms)					
Programs	Actual PYTD	Pending	Cumulative PYTD	Goal	% PYTD
Energy Efficient Products	78,623	6,095	84,718	463,622	18%
New HVAC Equipment	692,605	0	692,605	1,147,316	60%
Home Energy Performance	661,337	31,858	693,195	103,916	667%
Energy Star New Homes	11,669	4,113	15,782	14,268	111%
Multi-Family	184,545	2,788	187,333	290,831	64%
Behavior Modification	901,586	0	901,586	664,517	136%
Moderate Income	97,893	17,880	115,773	66,795	173%
Total	2,628,258	62,734	2,690,992	2,751,265	98%
Program Cost					
Programs	Actual PYTD	Pending	Cumulative PYTD	Budget	% PYTD
Energy Efficient Products	\$ 183,224	\$ 6,050	\$ 189,274	\$ 238,125	79%
New HVAC Equipment	\$ 1,334,920	\$ -	\$ 1,334,920	\$ 2,679,246	50%
Home Energy Performance	\$ 2,952,630	\$ 128,046	\$ 3,080,676	\$ 2,376,917	130%
Energy Star New Homes	\$ 79,755	\$ 17,500	\$ 97,255	\$ 91,742	106%
Multi-Family	\$ 648,439	\$ 6,642	\$ 655,081	\$ 900,852	73%
Behavior Modification	\$ 896,625	\$ -	\$ 896,625	\$ 1,026,000	87%
Moderate Income	\$ 432,825	\$ 67,512	\$ 500,337	\$ 461,856	108%
Total	\$ 6,528,418	\$ 225,750	\$ 6,754,168	\$ 7,774,738	87%

Business Programs					
Energy Savings (therms)					
Programs	Actual PYTD	Pending	Cumulative PYTD	Goal	% PYTD
Standard	93,609	950,680	1,044,289	1,306,813	80%
Custom	245,310	499,263	744,573	260,954	285%
Retro-Commissioning	0	353,107	353,107	5,002	7059%
Total	338,919	1,803,050	2,141,969	1,572,769	136%
Program Cost					
Programs	Actual PYTD	Pending	Cumulative PYTD	Budget	% PYTD
Standard	\$ 697,846	\$ 424,958	\$ 1,122,804	\$ 2,743,791	41%
Custom	\$ 644,429	\$ 524,509	\$ 1,168,938	\$ 2,316,745	50%
Retro-Commissioning	\$ 139,750	\$ 420,848	\$ 560,598	\$ 237,002	237%
Total	\$ 1,482,025	\$ 1,370,315	\$ 2,852,340	\$ 5,297,538	54%

Other Portfolio Costs/Savings			
Portfolio Cost			
Programs	Cumulative PYTD	Budget/Goal	% PYTD
Portfolio Administration	\$ 193,445	\$ 514,886	38%
Marketing and Education	\$ 54,823	\$ 161,000	34%
Evaluation, Measurement & Verification	\$ 55,457	\$ 425,201	13%
Discretionary Savings Margin - Therm Goal	\$ -	\$ 31,624	0%
Total	\$ 303,725	\$ 1,101,087	28%

DCEO *			
Energy Savings (therms)			
Programs	Cumulative PYTD	Goal	% PYTD
Total	0	0	0%
Program Cost			
Programs	Cumulative	Budget	% PYTD
Public Sector	\$ -	\$ -	0
Low Income	\$ -	\$ -	0
Market Transformation and SEDAC	\$ -	\$ -	0
Other	\$ -	\$ -	0
Total	\$ 962,518	\$ -	0

* As reported by DCEO, NOT included in the Overall Portfolio shown above

Ameren Illinois Electric Energy Efficiency Portfolio
Key Indicator Report
Program Year 5
June 1, 2012 through February 28, 2012

Overall Portfolio			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (MWH)			
Total	273,075	245,871	111%
Portfolio Cost			
Total	\$ 29,110,287	\$ 44,748,377	65%

Residential Programs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (MWH)			
Total	145,206	139,895	104%
Program Cost			
Total	\$ 13,506,449	\$ 20,048,376	67%

Business Programs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (MWH)			
Total	127,869	105,457	121%
Program Cost			
Total	\$ 14,607,236	\$ 21,769,389	67%

Other Portfolio Costs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (MWH)			
Total	NA	NA	NA
Other Costs			
Total	\$ 996,602	\$ 2,930,612	34%

Notes: Goals for Residential and Business Programs are based on the AIC Plan.
 Energy Savings are based on PY3 EMV values.
 Cumulative figures include pending projects.
 The above does not include DCEO or Volt/VAR.
 PYTD = Program Year To Date

Residential Programs					
Energy Savings (MWH)					
Programs	Actual PYTD	Pending	Cumulative PYTD	Goal	% PYTD
Lighting	88,425	6,641	95,066	61,974	153%
Energy Efficient Products	835	56	891	11,999	7%
New HVAC Equipment	3,800	221	4,021	14,187	28%
Appliance Recycling	4,509	311	4,820	20,070	24%
Home Energy Performance	3,780	182	3,962	2,665	149%
Energy Star New Homes	165	118	283	304	93%
Multi-Family	12,641	670	13,311	5,217	255%
Behavior Modification	22,385	0	22,385	21,705	103%
Moderate Income	395	72	467	1,774	26%
Total	136,935	8,271	145,206	139,895	104%
Program Cost					
Programs	Actual PYTD	Pending	Cumulative PYTD	Budget	% PYTD
Lighting	\$ 2,789,082	\$ 231,691	\$ 3,020,773	\$ 4,958,833	61%
Energy Efficient Products	\$ 217,257	\$ 5,770	\$ 223,027	\$ 324,247	69%
New HVAC Equipment	\$ 1,975,754	\$ 80,503	\$ 2,056,257	\$ 3,171,283	65%
Appliance Recycling	\$ 1,541,730	\$ 29,800	\$ 1,571,530	\$ 2,312,792	68%
Home Energy Performance	\$ 2,548,999	\$ 52,743	\$ 2,601,742	\$ 3,433,201	76%
Energy Star New Homes	\$ 150,036	\$ 29,258	\$ 179,294	\$ 368,272	49%
Multi-Family	\$ 2,484,045	\$ 44,574	\$ 2,528,619	\$ 2,553,549	99%
Behavior Modification	\$ 896,625	\$ -	\$ 896,625	\$ 1,026,000	87%
Moderate Income	\$ 400,243	\$ 28,339	\$ 428,582	\$ 705,241	61%
CSG Admin	\$ -	\$ -	\$ -	\$ 1,194,958	NA
Total	\$ 13,003,771	\$ 502,678	\$ 13,506,449	\$ 20,048,376	67%

Business Programs					
Energy Savings (MWH)					
Programs	Actual PYTD	Pending	Cumulative PYTD	Goal	% PYTD
Standard	35,946	30,036	65,982	40,648	162%
Custom	15,195	31,769	46,964	61,613	76%
Retro-Commissioning	575	14,348	14,923	3,196	467%
Total	51,716	76,153	127,869	105,457	121%
Program Cost					
Programs	Actual PYTD	Pending	Cumulative PYTD	Budget	% PYTD
Standard	\$ 5,445,909	\$ 2,482,783	\$ 7,928,692	\$ 11,253,275	70%
Custom	\$ 2,108,257	\$ 3,305,833	\$ 5,414,090	\$ 8,977,832	60%
Retro-Commissioning	\$ 455,038	\$ 809,416	\$ 1,264,454	\$ 1,538,282	82%
Total	\$ 8,009,204	\$ 6,598,032	\$ 14,607,236	\$ 21,769,389	67%

Other Portfolio Costs/Savings			
Portfolio Cost			
Programs	Cumulative PYTD	Budget/Goal	% PYTD
Portfolio Administration	\$ 582,397	\$ 1,160,009	50%
Marketing and Education	\$ 165,460	\$ 464,000	36%
Evaluation, Measurement & Verification	\$ 248,745	\$ 1,306,603	19%
Discretionary Funding Margin-MWH Goal		519	
Total	\$ 996,602	\$ 2,930,612	34%

Demand Response *			
Energy Savings (MW)			
Programs	Actual MW	Goal	Achieved
Volt/VAR	0.00	4.19	0%
Program Cost			
Programs	Actual	Budget	Achieved
Volt/VAR	\$ -	\$ -	0%

* NOT included in the Overall Portfolio shown above

DCEO *			
Energy Savings (MWH)			
Programs	Cumulative PYTD	Goal	% PYTD
Total	0	0	0%
Program Cost			
Programs	Cumulative	Budget	Achieved PYTD
Public Sector	\$ -	\$ -	0
Low Income	\$ -	\$ -	0
Market Transformation and SEDAC	\$ -	\$ -	0
Other	\$ -	\$ -	0
Total	\$ 3,581,563	\$ -	0

* As reported by DCEO, NOT included in the Overall Portfolio shown above