

**Ameren Illinois Company's  
Response to ICC Staff Data Requests  
Docket No. 13-xxxx  
Proposed General Increase in Gas Delivery Service Rates  
Data Request Response Date: 2/27/2013**

MHE 2.05

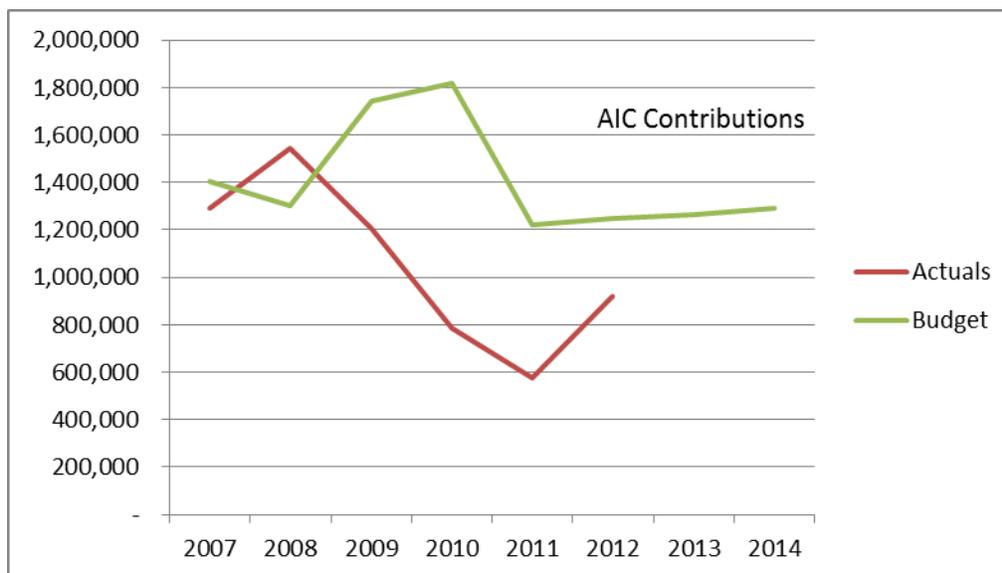
Please provide a budget to actual comparison of charitable contributions for the years 2010, 2011 and 2012.

**RESPONSE**

**Prepared By: Thomas B. Kennedy, III  
Title: Director Communications and Public Relations  
Phone Number: (309) 677-5489**

Please see MHE 2.05 Attach for a budget to actual comparison of charitable contributions for the years 2007-2012. Please note that these are total dollars for contributions by AIC, for both its electric and natural gas businesses.

Please also note the 2012 budget as shown in MHE 2.05 Attach reflects an adjustment to the budgeted amount presented in Ameren Illinois' 2012 FTY case in Docket No. 11-0282. After the issuance of the Commission's order in Docket No. 11-0282, steps were taken to better align actual 2012 spending and 2013 and 2014 forecasted spending with the targeted amount of contributions that AIC was authorized to collect in rates.



Ameren Illinois  
Charitable Contributions

	2007		2008		2009		2010	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Total Charitable Contributions	1,290,383	1,402,088	1,542,836	1,299,358	1,206,894	1,745,247	785,322	1,816,421

Ameren Illinois  
Charitable Contributions

	2007		2011		2012	
	Actual	Budget	Actual	Budget	Actual	Budget
	(A)	(B)	(I)	(J)	(K)	(L)
Total Charitable Contributions	1,290,383	1,402,088	574,902	1,222,958	918,517	1,247,417 *manually adjusted per Docket No. 11-0282

Response to AIC's  
Fourth Set of Data Requests to Staff  
AIC-Staff 4.01-4.44  
Docket No. 13-0192  
Response of Staff Witness Mary H. Everson  
Response Date: June 24, 2013

ICC Person Responsible: Mary H. Everson  
Title: Accountant  
Business Address: Illinois Commerce Commission  
527 East Capitol Avenue  
Springfield, IL 62701  
Phone Number: 217-785-5425

**AIC-Staff 4.26** Does ICC Staff agree that a utility's actual spending on discretionary expenses in prior years should be judged in the context of the prior year's economic climate? If not, please explain why not.

**Response to AIC-Staff 4.26**

Ms. Everson agrees that a prior years' economic climate can be a factor in reviewing a utility's actual spending on discretionary expenses in prior years.

Response to AIC's  
Fourth Set of Data Requests to Staff  
AIC-Staff 4.01-4.44  
Docket No. 13-0192  
Response of Staff Witness Mary H. Everson  
Response Date: June 24, 2013

ICC Person Responsible: Mary H. Everson  
Title: Accountant  
Business Address: Illinois Commerce Commission  
527 East Capitol Avenue  
Springfield, IL 62701  
Phone Number: 217-785-5425

**AIC-Staff 4.27** Does ICC Staff agree that a utility's actual revenues in a particular year can impact its actual spending on discretionary expenses?

**Response to AIC-Staff 4.27**

Ms. Everson agrees.

Response to AIC's  
Fourth Set of Data Requests to Staff  
AIC-Staff 4.01-4.44  
Docket No. 13-0192  
Response of Staff Witness Mary H. Everson  
Response Date: June 24, 2013

ICC Person Responsible: Mary H. Everson  
Title: Accountant  
Business Address: Illinois Commerce Commission  
527 East Capitol Avenue  
Springfield, IL 62701  
Phone Number: 217-785-5425

**AIC-Staff 4.28** Does ICC Staff agree that a utility's actual earned rate of return in a particular year can impact its actual spending on discretionary expenses?

**Response to AIC-Staff 4.28**

Ms. Everson agrees, although she is not a rate of return witness.

Response to AIC's  
Fourth Set of Data Requests to Staff  
AIC-Staff 4.01-4.44  
Docket No. 13-0192  
Response of Staff Witness Mary H. Everson  
Response Date: June 24, 2013

ICC Person Responsible: Mary H. Everson  
Title: Accountant  
Business Address: Illinois Commerce Commission  
527 East Capitol Avenue  
Springfield, IL 62701  
Phone Number: 217-785-5425

**AIC-Staff 4.10** Does ICC Staff agree that annual costs that are outliers should not be included in the calculating of a normalized amount for a particular expense item? If not, please explain why not.

**Response to AIC-Staff 4.10**

Ms. Everson agrees that if an annual cost is considered an outlier, it could be appropriate to omit it from in an averaged or normalized amount.

**Ameren Illinois Company's  
Response to ICC Staff Data Requests  
Docket No. 13-0192  
Proposed General Increase in Natural Gas Delivery Service Rates  
Data Request Response Date: 6/3/2013**

MHE 10.06

Referring to the AIC response to MHE 2.01, which lists a donation to the Greater Missouri Leadership Foundation, please provide a complete response to the following:

- a) What portion of AIC's territory does this foundation serve?
- b) Describe the specific benefits to AIC's ratepayers provided by this donation.
- c) The description of the purpose/nature of the recipient states that this is an "annual traveling symposium...". When does the symposium occur in Illinois?

**RESPONSE**

**Prepared By: Thomas B. Kennedy, III**  
**Title: Director Communications and Public Relations**  
**Phone Number: (309) 677-5489**

Regarding the donation to the Greater Missouri Leadership Foundation:

- a) The Greater Missouri Leadership Foundation conducts an annual leadership development program – focused on women who live or work in the greater St. Louis area. Leaders from Ameren attend the programs. Their increased leadership skills benefit AIC throughout the service area.
- b) The program exposes women to the educational, legislative, penal, non-profit, societal and corporate issues faced within the state of Missouri. While the program runs in Missouri, the issues are broad and societal and can easily be transferred from state to state. There are both women from Missouri and Illinois who participate in the program. This as a "broadening experience" – helping leaders gain exposure to issues and perspectives that are relevant to the communities in which they live and work. The real benefit is through leadership effectiveness.
- c) The annual traveling symposium is the annual leadership development program. The symposium occurs in Missouri locations.

Response to AIC's  
Fourth Set of Data Requests to Staff  
AIC-Staff 4.01-4.44  
Docket No. 13-0192  
Response of Staff Witness Mary H. Everson  
Response Date: June 24, 2013

ICC Person Responsible: Mary H. Everson  
Title: Accountant  
Business Address: Illinois Commerce Commission  
527 East Capitol Avenue  
Springfield, IL 62701  
Phone Number: 217-785-5425

**AIC-Staff 4.33** Does ICC Staff agree that leadership development programs can provide ratepayer benefits through the education and training of utility employees? If not, please explain why not.

**Response to AIC-Staff 4.33**

Ms. Everson agrees that leadership development programs can provide non-quantifiable benefits to ratepayers.

**Ameren Illinois Company's  
Response to ICC Staff Data Requests  
Docket No. 13-0192  
Proposed General Increase in Natural Gas Delivery Service Rates  
Revised Response Date: 3/25/2013**

KC 1.01R

Referring to Schedule C-8, Advertising Expense in account numbers 909 and 930.1, please provide copies of all advertisements and scripts for which the associated cost is included in the workpapers. For future amounts, please provide an explanation of the methodology used and provide the associated calculations. All calculations should be provided in Excel format with working formulae.

**RESPONSE**

**Prepared By: Thomas B. Kennedy, III**  
**Title: Director, Communications and Public Relations**  
**Phone Number: (309) 677-5489**

Concerning the request for "copies of all advertisements and scripts," please see Ameren Exhibit 6.0, lines 388-406. Pursuant to Part 295.40 of the Commission's rules, AIC previously provided copies of advertisements and scripts that were produced and published in 2011 (2011 being the most recent calendar year for which AIC had a full year of actual data) and the production and publication costs of which were charged to Account 909. The 2011 advertisements and scripts were provided to Commission Staff as work papers to AIC's January 25, 2013 filing. Included with the copies of the 2011 advertisements and scripts was a worksheet that listed the production and publication costs for the ads and scripts produced and published in 2011 and charged to Account 909. Please see KC 1.01 Attach 1, which includes copies of 2011 advertisements whose costs were charged to Account 930.1 and see KC 1.01 Attach 2, which includes the production and publication costs charged to Account 930.1. Also, please see KC 1.01 Attach 3, which updates the worksheet previously provided to Staff to list the production and publication costs for 2011 advertisements and scripts charged to Accounts 909 and now 930.1.

Concerning the request for "an explanation of the methodology used" and "associated calculations" to support the forecasted 2014 expenses for AIC's gas operations for FERC Accounts 909 and 930.1, as shown on Schedule C-8, please see KC 1.01R Attach (which is a revision of the previously provided KC 1.01 Attach 4) for a detailed list of the budgeted projects and allocated amounts that form the projected spending that AIC has included in the 2014 test year for Accounts 909 and 930.1. The "Resource Type" indicates the how the work is being done, i.e. with internal labor, with contractor services, with material purchases, etc. The "Activity" indicates what is being done, i.e. community relations, education programs, etc. The "Project" provides a way to track specific initiatives where various resource types and activities are combined. For instance, the Project- Information Marketing consolidates costs for contract and professional services doing safety, education and energy efficiency programs. This would include production costs for advertising safety and energy efficiency. In general, the aggregated amounts budgeted and allocated for the various projects used by AIC's Community Relations and Public Affairs group are based on prior budgeted spending, with adjustments for inflation and planned expanded educational campaigns. Please see the direct testimony of Ameren witness Mr. Michael Getz (Ameren Exhibit 3.0) for a further discussion of how AIC developed the test year forecast based on AIC's operating budget for 2014.

## AMEREN ILLINOIS

## 29D - IL COMMTY REL - PBLIC AFFAIRS

2014

## 2014 RMC PROJECTED COSTS - FERC Accounts 909 and 930.1

Resource Type	Activity	Project	Gas	FERC 909	FERC 930.1
80 - INDIVIDUAL EXPENSES	CCCR - COMMUNITY RELATIONS	0K869 - Community Initiatives - AIC	\$45,921	\$45,921	
82 - NON-TAXABLE MEALS & ENTERTAINMENT	CCCR - COMMUNITY RELATIONS	0K869 - Community Initiatives - AIC	\$1,592	\$1,592	
BX - PURCHASES-OTHER	CCCR - COMMUNITY RELATIONS	0K869 - Community Initiatives - AIC	\$32,886	\$32,885	
BX - PURCHASES-OTHER	SAAD - SAFETY ADMINISTRATION	0K869 - Community Initiatives - AIC	\$8,160	\$8,160	
EX - PROFESSIONAL SERVICES-OTHER	CCCR - COMMUNITY RELATIONS	0K869 - Community Initiatives - AIC	\$7,575	\$6,146	
EX - PROFESSIONAL SERVICES-OTHER	SAAD - SAFETY ADMINISTRATION	0K869 - Community Initiatives - AIC	\$6,630	\$6,630	
BX - PURCHASES-OTHER	CCEP - EDUCATION PROGRAMS	0K906 - Customer Communications - AIC	\$21,224	\$21,224	
BX - PURCHASES-OTHER	EECY - ENERGY EFFICIENCY	0K906 - Customer Communications - AIC	\$4,245	\$3,678	
EC - CONTRACT SERVICES	CCEP - EDUCATION PROGRAMS	0K906 - Customer Communications - AIC	\$12,735	\$12,735	
EC - CONTRACT SERVICES	SAAD - SAFETY ADMINISTRATION	0K906 - Customer Communications - AIC	\$11,037	\$11,037	
EX - PROFESSIONAL SERVICES-OTHER	CCEP - EDUCATION PROGRAMS	0K906 - Customer Communications - AIC	\$369,300	\$369,300	
EX - PROFESSIONAL SERVICES-OTHER	EECY - ENERGY EFFICIENCY	0K906 - Customer Communications - AIC	\$6,493	\$6,493	
80 - INDIVIDUAL EXPENSES	CCEP - EDUCATION PROGRAMS	0K912 - Informational Messaging - AIC	\$38,203	\$38,203	
82 - NON-TAXABLE MEALS & ENTERTAINMENT	CCEP - EDUCATION PROGRAMS	0K912 - Informational Messaging - AIC	\$6,155	\$6,155	
BX - PURCHASES-OTHER	CCEC - EMPLOYEE COMMUNICATIONS	0K912 - Informational Messaging - AIC	\$19,102	\$16,551	
BX - PURCHASES-OTHER	CCEP - EDUCATION PROGRAMS	0K912 - Informational Messaging - AIC	\$132,651	\$132,651	
BX - PURCHASES-OTHER	SAAD - SAFETY ADMINISTRATION	0K912 - Informational Messaging - AIC	\$4,328	\$2,894	
EC - CONTRACT SERVICES	CCEP - EDUCATION PROGRAMS	0K912 - Informational Messaging - AIC	\$1,804	\$1,804	
EC - CONTRACT SERVICES	SAAD - SAFETY ADMINISTRATION	0K912 - Informational Messaging - AIC	\$35,710	\$35,710	
EX - PROFESSIONAL SERVICES-OTHER	CCEP - EDUCATION PROGRAMS	0K912 - Informational Messaging - AIC	\$95,509	\$22,484	\$73,025
EX - PROFESSIONAL SERVICES-OTHER	EECY - ENERGY EFFICIENCY	0K912 - Informational Messaging - AIC	\$10,821	\$10,821	
EX - PROFESSIONAL SERVICES-OTHER	SAAD - SAFETY ADMINISTRATION	0K912 - Informational Messaging - AIC	\$194,781	\$194,781	
BX - PURCHASES-OTHER	CCCR - COMMUNITY RELATIONS	0K920 - Youth Outreach - AIC	\$51,942	\$51,942	
BX - PURCHASES-OTHER	CCCR - COMMUNITY RELATIONS	0K941 - Customer Assistance Programs - AIC	\$104,040	\$34,910	
EX - PROFESSIONAL SERVICES-OTHER	CCCR - COMMUNITY RELATIONS	0K941 - Customer Assistance Programs - AIC	\$41,121		
EX - PROFESSIONAL SERVICES-OTHER	MMRA - MARKET RESEARCH & ANALYSIS	0K944 - Cust Satisfaction Research - AIC	\$8,490	\$7,262	\$1,205
BX - PURCHASES-OTHER	CCCR - COMMUNITY RELATIONS	0K950 - Corporate Sponsorships - AIC	\$41,616	\$41,616	
XA - OTHER	BACO - ADVERTISING - COMMUNITY	0K950 - Corporate Sponsorships - AIC	\$132,651		\$132,651
BX - PURCHASES-OTHER	BACO - ADVERTISING - COMMUNITY	0K953 - Informational Messaging - Corp/AIC	\$3,184	\$2,758	
EX - PROFESSIONAL SERVICES-OTHER	BACO - ADVERTISING - COMMUNITY	0K953 - Informational Messaging - Corp/AIC	\$419,696	\$419,696	
LM - LABOR-MANAGEMENT	CCCR - COMMUNITY RELATIONS	PE273 - CUSTOMER CARE - AIC	\$503,945		
	Totals		\$2,373,547	\$1,546,039	\$206,881

**Ameren Illinois Company's  
Response to ICC Staff Data Requests  
Docket No. 13-0192  
Proposed General Increase in Natural Gas Delivery Service Rates  
Data Request Response Date: 4/17/2013**

KC 3.02

Referring to Company's Response to KC 1.01, Attachment 4, if the basis for the 2014 projected amount is based upon actual 2011 and actual 2012 cost levels, please explain the basis for the increases in each category of the advertising cost forecasts.

**RESPONSE**

**Prepared By: Thomas B. Kennedy, III  
Title: Director, Communications and Public Relations  
Phone Number: (309) 677-5489**

Please note AIC revised its response to KC 1.01 to include KC 1.01R Attach (which is a revision of the previously provided KC 1.01 Attach 4). KC 1.01R Attach shows that AIC projects the Communications and Public Relations (CPR) group will charge approximately \$1.55 million to FERC Account 909 (gas) and \$207,000 to FERC Account 930.1 (gas). This represents the allocated amount that AIC projects will be charged to Account 909 for AIC's natural gas business. As indicated in KC 1.01R, KC 1.01R Attach is list of the budgeted projects and allocated amounts that form the projected spending that AIC has included in the 2014 test year for Accounts 909 and 930.1. Please see KC 1.01R for further description of the "Resource Type" and "Activity" fields.

As also indicated in KC 1.01R, in general, the aggregated amount of O&M dollars budgeted annually for AIC's CPR group is based on prior budgeted spending, with adjustments for inflation and planned expanded educational campaigns. The aggregated amount of O&M dollars budgeted is then spread across the various projects to which the CPR charges costs. The 2014 test year forecasted spending was developed from the aggregated annual amount of O&M dollars included in CPR's budget for 2012. CPR's budgeted spend for 2012 was escalated by 2% and adjusted to reflect additional spending on informational messaging to derive a level of spending for 2013. CPR's budgeted spend for 2013 was then adjusted to include additional spending escalated by 2% to derive a level of spending for 2014. As explained by Ameren witness Mr. Michael Getz, the 2014 budget was then mapped to the various FERC accounts to create the 2014 test year forecast.

After budget reductions in 2010 and 2011, the 2012 budget was designed to appropriately fund specific projects to support educational and informational messaging for natural gas customers. The customer education included communications on energy efficiency (tips, tools and rebates) and safety (smell gas leave fast, CALL 811 before you dig). Compared to the level of spending included in the 2012 budget, the 2014 budget has an additional \$400,000 allocated to gas operations that was initially included to the 2013 budget and carried forward through 2014 for increased messaging using various media channels (social, television, radio, print, and digital). The communication campaign will focus on safety, customer service and rate related changes included gas supply choice.

**Ameren Illinois Company's  
Response to ICC Staff Data Requests  
Docket No. 13-0192  
Proposed General Increase in Natural Gas Delivery Service Rates  
Data Request Response Date: 5/7/2013**

BAP 7.05

The response to Staff DR KC-3.02 states, in relevant part:

The 2014 test year forecasted spending was developed from the aggregated annual amount of O & M dollars included in CPR's budget for 2012. CPR's budgeted spend for 2012 was escalated by 2% and adjusted to reflect additional spending on informational messaging to derive a level of spending for 2013. CPR's budgeted spend for 2013 was then adjusted to include additional spending escalated by 2% to derive a level of spending for 2014.

Based on this methodology, Staff used the actual 2012 expense for account 909 of \$703,460, as reflected on Form 21 ILCC, page 325, multiplied by 1.02% to derive an estimate for 2013 equal to \$717,529 which was further escalated by an additional 2% for 2014, to equal \$731,879, excluding additional spending. This amount, compared to the 2014 test year forecast of \$1,550,000 for account 909 (Schedule C-8, line 1) results in a difference of \$818,121. Please provide the following information:

- a) Example calculations to derive the 2014 test year forecasted spending based on actual expenses for 2012 and forecasted 2013;
- b) Detailed description of CPR activities that support additional spending for 2013 and 2014;
- c) Indicate how the annualized first quarter of 2013 actual spending compares to the 2013 forecast that was used to project the 2014 test year forecast; and,
- d) Explain how and why the actual 2012 advertising expenses in account 909 of \$703,460 varied significantly from the original forecast of \$1,068,000 utilized in Docket No. 11-0282 (Schedule C-8, line 1).

**RESPONSE**

**Prepared By: Thomas B. Kennedy, III**  
**Title: Director Communications and Public Relations**  
**Phone Number: (309) 677-5489**

- a) See BAP 7.05 Attach for a derivation of CPR's 2014 budgeted spending from 2012 budgeted spend. Included also is a comparison of CPR's 2012 actual to budgeted spend. Because CPR does not budget by FERC account and does not prepare its annual budget specifically using prior actual Account 909 spending, the calculations rely on the projected spending for Project 0K 912 Information messaging as a proxy for account 909 dollars. The calculations to derive CPR's 2014 test year forecasted spending use prior budgeted amounts, which, as indicated, was the basis for the test year forecasted spending. When comparing the difference between the 2014 test year forecast of \$1,550,000 and AIC 2014 budget forecast of \$1,282,877 for Project 0K 912 (gas), the difference is \$267,123. Moreover, when comparing the 2012 revised forecast (gas), \$840,904, with the actual 2012 spending (gas) with a 4<sup>th</sup> quarter media spend that was not performed, \$843,460, actual expenses would have exceeded budget by \$2,556. Without the media addition,

the 2012 actual of \$703,460 compared with the 2012 revised budget of \$840,904 is \$137,444 underspent. This variance is the 4<sup>th</sup> quarter media spend that was not done.

- b) AIC advertises for the purpose of transmitting educational messages to customers and other stakeholders. In its advertising, AIC intends to educate customers about key energy initiatives, inform consumers on available programs and assistance, and maintain and build public awareness on service interruptions, response to weather events and gas leaks, other required notices, safety issues, energy usage, energy efficiency and energy conservation. Generally, all channels of advertising are used and cycled through the year. Quarterly media messages are purchased in designated market areas for television, cable and radio. Natural Gas safety messages in print media are placed twice per year. Twitter is the social media utilized to communicate daily. CPR activities that generally support additional spending for 2013 include:

- Additional media messages communicating safety and customer services. Examples would include common safety messaging for safe digging (i.e. Know What's Below Before you Dig, Call 811 Before you Dig, Smell Gas Leave Fast), new customers services (ebill, alerts for bill payment, outages and restoration via text messaging), and energy efficiency (use less, spend less).
- New worker safety website with information for keeping safe on the job when working around underground utilities.
- Participation in Farm Progress Show with safety theme of safe digging.
- Updating web and communications for natural gas supply choice
- Increased outreach to schools regarding natural gas safety
- Increased emergency response training for fire department and police personnel
- Required notices will be sent to all property owners along AIC owned pipeline. This notice includes gas safety information and contact information.
- Additional social media support for Twitter.

CPR activities that generally support additional spending for 2014 include:

- Additional media messaging for gas safety, customer services and energy efficiency.
- Additional outreach to schools for student education on safe digging and gas safety
- Revised municipal guide (booklet to community leaders regarding Ameren Illinois services)
- Additional social media support beyond Twitter. AIC plans to open channels of communication to customers through use of mobile platforms and additional social media venues.

- c) The annualized first quarter of 2013 actual spending compared to the 2013 forecast is included in BAP 7.05 Attach. Invoicing for work by marketing agency (new with AIC as of February) are lagging and therefore, the 2013 budget appears significantly under spent at this point in time (the budget of \$314,000 compared to spending of \$102,000).
- d) The actual 2012 advertising costs were \$703,460. The original corrected forecast presented in Docket No. 11-0282 was for \$1,048,704. (See Ameren Exhibit 18.1, Docket 11-0282.) The difference is \$344,244 comparing the forecast to actual spending. This difference includes a

budgeted quarterly media spend that was not done because of decreased availability and increased costs of ad placement due to presidential and related political campaigns running at that time.

**BAP 7.05 part a)**

Staff Calculations	Gas Only	AIC	Total Elec & Gas Budget	Informational Messaging (approximate 909 spending)	
909		Cost Center Team CPR	Total Budget	Total (Elec & Gas)	Gas Allocation 40%
Actual 2012	703,460	Budget 2012	4,332,360	1,302,260	520,904
2013	717,529 inflate 2%	Incremental Addition	1,350,000	800,000	320,000
2014	731,880 inflate 2%	Revised 2012	5,682,360	2,102,260	840,904 *
C-8		Budget 2013			
2014	1,550,000	Inflate 2012 revised 2%	5,796,007	2,144,305	857,722
		Incremental Addition:	1,000,000	1,000,000	400,000
Difference	818,120	Revised 2013	6,796,007	3,144,305	1,257,722
		Budget 2014			
		Inflate 2013 revised 2%	6,931,927	3,207,191	1,282,877
		Test Year Forecast 2014			1,550,000
		Difference Budget to Forecast for Informational Messaging			(267,123)
		Actual 2012	4,447,130	2,222,358	703,460
		Budgeted Media 4th Qtr	350,000		140,000
		Revised Actual with 4th Qtr Media	4,797,130		843,460 *
		Actual to budget	(885,230)		2,556 *

**BAP 7.05 part c)**

1st QTR 2013 Forecast (use budget above divide by 4 to get QTR budget)			
Revised 2013	6,796,007	3,144,305	1,257,722
One quarter	1,699,002	786,076	314,431 **
Actual 2013	703,516	254,728	101,891 **
Outstanding invoices (marketing agency)		350,000	140,000
Budget spent		604,728	241,891

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Data Request Response Date: 5/7/2013**

BAP 7.06

Based on the methodology referenced in BAP 7.05, Staff used the actual 2012 expense of \$126,278 for account 930.1, as reflected on Form 21 ILCC, page 325, multiplied by 1.02% to derive an estimate for 2013 equal to \$128,803 which was further escalated by an additional 2% for 2014, to equal \$131,379, excluding additional spending. This amount, compared to the 2014 test year forecast of \$207,000 for account 930.1 (Schedule C-8, line 5) results in a difference of \$75,621. Please provide the following information:

- a) Example calculations to derive the 2014 test year forecasted spending based on actual expenses for 2012 and forecasted 2013;
- b) Detailed description of CPR activities that support additional spending for 2013 and 2014;
- c) Indicate how the annualized first quarter of 2013 actual spending compares to the 2013 forecast that was used to project the 2014 test year forecast; and,
- d) Explain how and why the actual 2012 advertising expenses in account 930.1 of \$126,278 varied significantly from the original forecast of \$175,000 utilized in Docket No. 11-0282 (Schedule C-8, line 5).

**RESPONSE**

**Prepared By: Thomas B. Kennedy, III  
Title: Director Communications and Public Relations  
Phone Number: (309) 677-5489**

- a) See BAP 7.06 Attach for a derivation of CPR's 2014 budgeted spend from 2012 budgeted spend. Included also is a comparison of CPR's actual to budgeted spend. Because CPR does not budget by FERC account and does not prepare its annual budget specifically using prior actual Account 930.1 spending, the calculations rely on the projected spending for Project OK 950 Corporate Sponsorships as a proxy for account 930.1 dollars. The calculations to derive CPR's 2014 test year forecasted spending use prior budgeted amounts, which, as indicated, was the basis for the test year forecasted spending. . When comparing the difference between the 2014 test year forecast of \$207,000 and AIC 2014 budget forecast of \$173,955 for Project OK 950 Corporate Sponsorships, the difference is \$33,045.
- b) Specific sponsorship opportunities are reviewed as the requests are received. Dollars are included in the budget to meet an expected level of community support on an annual basis. Please see AIC's response to MHE 6.09S for AIC's guidelines for funding sponsorships.
- c) The annualized first quarter of 2013 actual spending compared to the 2013 forecast is included in BAP 7.06 Attach. The 2013 budget for corporate sponsorships, natural gas portion, is \$170,500. Estimating a quarterly budget (3 months), that amount is \$42,625. First quarter 2013 expenses are \$11,200. Spending on sponsorships is usually less in first part of the year compared to later.

- d) The actual 2012 advertising costs in Account 930.1 were \$126,278. The original corrected forecast presented in Docket No. 11-0282 was for \$189,738. (See Ameren Exhibit 18.1, Docket 11-0282) The difference is \$63,460 comparing the forecast to actual spending. This difference reflects transitions with the new AIC policy (See response to MHE 6.09 S for updated policy).

**BAP 7.06 part a)**

Staff Calculations	Gas Only	AIC	Informational Messaging (approximate 930.1 spending)		
			Total Elec & Gas Budget	Gas Allocation	
930.1		Cost Center Team CPR	Total Budget	Total (Elec & Gas)	40%
Actual 2012	126,278	Budget 2012	4,332,360	318,000	127,200
2013	128,804 inflate 2%	Incremental Addition	1,350,000	100,000	40,000
2014	131,380 inflate 2%	Revised 2012	5,682,360	418,000	167,200
C-8		Budget 2013			
2014	207,000	Inflate 2012 revised 2%	5,796,007	426,360	170,544
		Incremental Addition:	1,000,000		
Difference	75,620	Budget 2014			
		Inflate 2013 revised 2%	6,931,927	434,887	173,955 *
		Test Year Forecast 2014 (C - 8)			207,000 *
		Diference Budget to Forecast for Informational Messaging			(33,045) *
		Actual 2012	4,447,130	398,811	126,279
		Budgeted Media 4th qtr	350,000		
		Expected with 4th Qtr Medi:	4,797,130		
		Actual to budget	(885,230)		(40,921)

**BAP 7.06 part c)**

1st QTR 2013 Forecast (use budget above divide by 4 to get QTR budget)				
Revised 2013		6,796,007	426,360	170,544
One quarter		1,699,002	106,590	42,636 **
Actual 1st QTR 2013		703,516	28,000	11,200 **

**Ameren Illinois Company's  
Response to ICC Staff Data Requests  
Docket No. 13-0192  
Proposed General Increase in Natural Gas Delivery Service Rates  
Supplemental Response Date: 5/17/2013**

BAP 8.01S

Referring to Schedule C-8, please provide the following information regarding services provided by Strategic International Group ("SIG"):

- a). Request for Proposal, results of competitive bidding and corresponding Purchase Order, including exact description of services sought;
- b). Copies of contracts for services to be provided during the years 2011 through 2013 (and beyond, if applicable);
- c). Copies of invoices for all services rendered during the years 2011 through 2013 (please update this response with passage of time);
- d). Detailed explanation of services provided and justification for recovery in gas rates;
- e). Summary of all SIG costs incurred for fiscal year 2011;
- f). Summary of all SIG costs incurred for fiscal year 2012; and,
- g). Summary of all SIG costs incurred during fiscal year 2013 (please update this response with passage of time).

**RESPONSE**

**Prepared By:** Thomas B. Kennedy, III  
**Title:** Director Communications and Public Relations  
**Phone Number:** (309) 677-5489

b) An update to the purchase order was completed on May 14, 2013 when the Statement of Work authorized on May 10, 2013 was appended to the purchase order. Please see BAP 8.01S Attach for a copy of the Statement of Work.

**SCOPE OF WORK NUMBER 1**

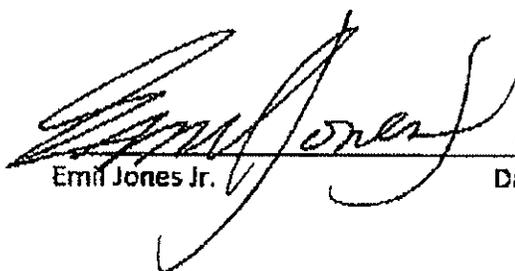
From March 1, 2013 to February 28, 2014, Strategic International Group will provide consulting and management services specific to the Client in the areas of community and customer relations, and issues management.

Projects and tasks

- Provide support for effective implementation of Client's energy efficiency programs
- Counsel Client on messaging strategies to influence specific customer segments
- Promote Client efforts to encourage customers reduce their energy usage, while helping the Client meet its energy efficiency goals
- Review of Client's targeted communications and materials for key customer segments
- Provide counsel and guidance to client in resolving high-impact customer issues and complaints
- Cultivate support and input from Illinois-based energy thought leaders on Client's customer programs
- Assist in generating stakeholder awareness about the Client's efforts to upgrade the state's energy delivery system
- Represent the Client at Chicago-based events and conferences
- Other duties as assigned

Reporting and Documentation

- Meet monthly with the Client to plan work schedules and review progress
- Prepare and deliver an annual report on yearly results

 5/7/13  
Emil Jones Jr. Date

 5/10/13  
Scott Wiseman Date

Ameren Illinois Electric  
2012 Sponsorships and Community Outreach

Recipient	Electric	Gas	Total	Date of Event	Location of Event	Description of the Sponsorship	Benefit to Attendees	AIC Informational Messaging Description	Advertising Channels	Description of Tangible Personal Benefits (Tickets/Meals)	Value of Tangible Personal Benefits (Tickets/Meals)	Voucher	Ad Example #
<b>SPONSORSHIPS</b>													
BEARDSTOWN CHAMBER OF COMMERCE	463		463										
DONATION FOR HALLOWEEN CANDY	100		100	Oct	Beardstown	Halloween festivities/candy	Public Welfare	Safety	Activities-distribute candy			0	1693410
MEMBERSHIP DUES & CONTRIBUTION	363		363	June	Beardstown	Community Outreach	Public Welfare	Energy Efficiency				0	1592791
BELLEVILLE EAST HIGH SCHOOL	300	200	500										
HOCKEY TEAM THANKSGIVING 5K RUN	300	200	500	Nov	Belleville	Event Sponsor -Hockey Team Run	Public Welfare	Safety	Activities-run			0	1704783
BEVERLY FARM FOUNDATION	225	150	375										
6/1/2012 BEVERLY FARMS GOLF TOURNAMENT FUNDRA	225	150	375	June	Godfrey	Beverly Farm Event			Activities-golf	golf	375	1584643	
BIG BROTHERS & BIG SISTERS	204	136	340										
LADIES GOLF TOURNAMENT TEAM REGISTRATION	204	136	340	May	Belleville	Big Brothers Big Sisters Event	Public Welfare	Safety	Activities-golf registration			0	1566097
BRADLEY UNIVERSITY	7,500	5,000	12,500										
BRADLEY ATHLETICS SPONSORSHIP	7,500	5,000	12,500	Oct	Peoria	Bradley Athletics	Public Welfare	Energy Efficiency	Booklet	tickets	2000	1691224	8
CENTRAL ILLINOIS BLACK EXPO	900	600	1,500										
16TH ANNUAL EXPO	900	600	1,500	Oct	Peoria	Exposition	Public Welfare	Energy Efficiency	Booklet	Booth		0	1689054
CENTRAL ILLINOIS BUSINESS PUBLISHERS	2,376	1,584	3,960										
INTERBUSINESS ISSUES NOT FOR PROFIT SPONSORSHIPS	2,376	1,584	3,960	Nov	Peoria	Ad space donated to not for profits	Public Welfare	Various	Magazine			0	1708765
CENTRAL ILLINOIS WW II REENACTMENT	300	200	500										
WORLD WAR II REENACTMENT BOOK AD	300	200	500	Mar	Tremont	World War II Reenactment Events	Public Welfare	Safety	Booklet			0	1528356
CHILDRENS HOME	1,500	1,000	2,500										
MAUI JIM CHARITY GOLF CLASSIC SPONSORSHIP	1,500	1,000	2,500	Mar	Peoria	Maui Jim Charity Event	Public Welfare	Safety	Activities-golf	tickets	400	1521916	
CITY OF EAST PEORIA	1,200	800	2,000										
FESTIVAL OF LIGHTS PARADE WHALE FLOAT	1,200	800	2,000	Dec	East Peoria	Festival of Lights	Public Welfare	Safety	Booklet, Float			0	1640158
CITY OF ELMWOOD	300	200	500										
CANINE PROGRAM SPONSORSHIP	300	200	500	May	Elmwood	Canine program	Public Welfare	Safety				0	1564944
CITY OF HILLSBORO ILLINOIS	1,200	800	2,000										
PAYMENT 5 OF 5 LIGHTING AT SPORTS COMPLEX	1,200	800	2,000	July	Hillsboro	Lighting at Sports Complex	Public Welfare	Safety				0	1623016
CITY OF PEORIA ILLINOIS	1,500	1,000	2,500										
SPONSORSHIP - State of the City	1,500	1,000	2,500	Jan	Peoria	Luncheon/Speaker sponsorship	Public Welfare	Diversity		tickets	400	1736289	
DANVILLE AREA COMMUNITY	900	600	1,500										
NJCAA MEN'S NATIONAL BASKETBALL TOURNAMENT	900	600	1,500	Dec	Danville	NJCAA Men's National Basketball Tr	Public Welfare	Safety	Booklet			0	1736331
DECATUR CELEBRATION	4,500	3,000	7,500										
SPONSORSHIP OF OUTDOOR FESTIVAL	4,500	3,000	7,500	June	Decatur	Outdoor musical celebration	Public Welfare	Safety		Tickets	500	1504479	
DECATUR FUTURES CHARITY	4,320	2,880	7,200										
TATE AND LYLE PLAYERS CHAMPIONSHIP SPONSORSHIP	4,320	2,880	7,200	June	Decatur	Tate and Lyle Player Championship	Public Welfare	Energy Efficiency	Banner, Signage	Booth	golf, tickets eve	5000	1532939
DECATUR HUMAN RELATIONS	600	400	1,000										
MLK SCHOLARSHIP BANQUET	600	400	1,000	Jan	Decatur	Scholarship and Banquet	Public Welfare	Diversity		tickets	400	1713480	
DECATUR PARK DISTRICT	6,000	4,000	10,000										
DECATUR PARK SINGERS AND FIRST TEE SPONSORSHIP	6,000	4,000	10,000	Summer	Decatur	Park Singers and First Tee (golf for c	Public Welfare	Safety				0	1543679
DECATUR PUBLIC SCHOOL	3,000	2,000	5,000										
TURKEY TOURNAMENT BASKETBALL SPONSORSHIP	3,000	2,000	5,000	November	Decatur	High School Basketball Tournament	Public Welfare	Energy Efficiency	Booklet			0	1713471
EDWARDSVILLE GLEN CARBON CHAMBER	387	258	645										
6/22/2012 EDWARDSVILLE/GLEN CARBON CHAMBER OF	387	258	645	June	Edwardsville	Chamber event and fundraiser	Public Welfare	Energy Efficiency				0	1584648
EDWARDSVILLE ROTARY	312	208	520										
30TH ANNUAL ROTARY FUNDRAISER ON MAY 18, 2012.	312	208	520	May	Edwardsville	Rotary event and fundraiser	Public Welfare	Energy Efficiency				0	1563347
FIGHTING ILLINI SPOR	3,041	2,027	5,068										
MENS BASKETBALL SEASON TICKETS	1,529	1,019	2,548	Winter	Champaign	Basketball				tickets	2548	1702075	
UNIVERSITY OF ILLINOIS FOOTBALL SEASON TICKETS	1,512	1,008	2,520	Fall	Champaign	Football				tickets	2520	1657727	
FRIENDS OF ST JOSEPH	150	100	250										
2 TICKETS FOR KAREN BOULANGER & GUEST TO REPRES	150	100	250	April	Highland	Annual spring gala				Tickets	250	1544899	
Gibbs-Monroe(ILCmtyR	864	576	1,440										
Purchases - Other (RT BX)::SOUTHERN ILLINOIS MINER	864	576	1,440							Tickets	1440		
GOSHEN ROTARY	393	262	655										
CONTRIBUTION FOR GOSHEN ROTARY GOLF SCRAMBLE	393	262	655	May	Edwardsville	Fundraiser- For the Kids	Public Welfare	Other				655	1563367
GREATER BELLEVILLE C	60	40	100										
GREATER BELLEVILLE CHAMBER OF COMMERCE - NEWSI	60	40	100	April	Belleville	ActOnEnergy newsletter ad	Public Welfare	Energy Efficiency				0	1553028
GREATER DECATUR CHAM	4,500	3,000	7,500										
THANKSGIVING LUNCHEON SPONSORSHIP	4,500	3,000	7,500	July	Decatur	Event Sponsor -Thanksgiving Lunch	Public Welfare	Energy Efficiency		meals	320	1625250	
GREATER EFFINGHAM CH	150	100	250										
EFFINGHAM CHAMBER OF COMMERCE ANNUAL GOLF O	150	100	250	April	Effingham	Annual golf outing, hole sponsor				tickets	250	1540116	
HEART OF ILLINOIS UNITED WAY	106	70	176										
KICKOFF BREAKFAST	106	70	176	August	Peoria	Kick-off breakfast				tickets	176	1630826	
HOSPICE OF SOUTHERN ILLINOIS	300	200	500										
RED CARPET GALA	300	200	500		Marion	Red Carpet Gala				tickets	500	1704363	

Ameren Illinois Electric  
2012 Sponsorships and Community Outreach

Recipient	Electric	Gas	Total	Date of Event	Location of Event	Description of the Sponsorship	Benefit to Attendees	AIC Informational Messaging Description	Advertising Channels	Description of Tangible Personal Benefits (Tickets/Meals)	Value of Tangible Personal Benefits (Tickets/Meals)	Voucher	Ad Example #
<b>ILLINOIS CENTRAL COLLEGE</b>	<b>1,500</b>	<b>1,000</b>	<b>2,500</b>										
COUGAR PLEX 2ND INSTALLMENT SPONSORSHIP	1,500	1,000	2,500	April	East Peoria	Installment - Cougar Complex	Public Welfare	Safety				0	1543658
<b>ILLINOIS DEPARTMENT OF AGRICULTURE</b>	<b>6,000</b>	<b>4,000</b>	<b>10,000</b>										
ILLINOIS STATE FAIR SPONSORSHIP	6,000	4,000	10,000	July	Springfield	Sponsor area/booth	Public Welfare	Energy Efficiency	Bags	tickets		2500	1624141 13
<b>ILLINOIS HIGH SCHOOL ASSOCIATION</b>	<b>25,500</b>	<b>17,000</b>	<b>42,500</b>										
MARCH MADNESS EXPERIENCE SPONSORSHIP AND BANQUET	25,500	17,000	42,500	March	Peoria	Event Sponsor	Public Welfare	Energy Efficiency	Signage, Booklet	tickets		3000	1532126 18
<b>ILLINOIS INSTITUTE OF TECHNOLOGY</b>	<b>9,000</b>	<b>6,000</b>	<b>15,000</b>										
SPONSORSHIP FOR GREAT LAKES SYMPOSIUM ON SMART	9,000	6,000	15,000	August	Chicago	Event Sponsor	Public Welfare	Safety			Booth	0	1630929
<b>ILLINOIS STATE BLACK CHAMBER</b>	<b>6,000</b>	<b>4,000</b>	<b>10,000</b>										
SPONSORSHIP OF CHAMBER CONVENTION	6,000	4,000	10,000	July	Peoria	Event Sponsor	Public Welfare	Diversity, jobs				0	1605747
<b>ILLINOIS VALLEY PUBLIC TELECOMMUNICATIONS</b>	<b>2,880</b>	<b>1,920</b>	<b>4,800</b>										
PROGRAM UNDERWRITING - Hometime	2,880	1,920	4,800	Jan	Peoria	Program Sponsor	Public Welfare	Energy Efficiency	TV			0	1471731
<b>JACKSONVILLE AREA CHAMBER</b>	<b>90</b>	<b>60</b>	<b>150</b>										
SPONSORSHIP	90	60	150	May	Jacksonville	Event Sponsor	Public Welfare					0	1565032
<b>JEAN WILSON - RED CROSS FUNDRAISER</b>	<b>135</b>		<b>135</b>										
1/4 PAGE AD	135		135	Jan	Ottawa	Program Sponsor	Public Welfare	Safety	Booklet			0	1481308 14
<b>JOHN WOOD COMMUNITY COLLEGE</b>	<b>360</b>	<b>240</b>	<b>600</b>										
SPONSORSHIP	360	240	600	April	Quincy	Program Sponsor	Public Welfare	Energy Efficiency				0	1536439
<b>LINCOLN TRAIL COLLEGE</b>	<b>90</b>	<b>60</b>	<b>150</b>										
DONATION TO LINCOLN TRAIL COLLEGE TO SUPPORT THE	60	40	100	August	Robinson	Event Sponsor- Trick and Treat at the	Public Welfare	Other	Activities - Candy			0	1642145
FIFTY DOLLAR DONATION TO LTC FOR THE CRAWFORD C	30	20	50	Sept	Robinson	Event Sponsor- Triathlon for Kids	Public Welfare	Other				0	1667213
<b>MATTOON HIGH SCHOOL</b>	<b>75</b>	<b>25</b>	<b>100</b>										
2012 PROJECT GRADUATION IN THE AMOUNT OF ONE HUNDRED	75	25	100	April	Mattoon	Event Sponsor-Project Graduation	Public Welfare	Safety				0	1539988
<b>MATTOON LIGHTWORKS</b>	<b>300</b>	<b>200</b>	<b>500</b>										
FIVE HUNDRED DOLLAR CONTRIBUTION FOR THE MATTOON	300	200	500	August	Mattoon	Program Sponsor-Lightworks	Public Welfare	Other				0	1666569
<b>METHODIST MEDICAL CENTER FOUNDATION</b>	<b>1,500</b>	<b>1,000</b>	<b>2,500</b>										
AUTUMN AFFAIR SPONSORSHIP	1,500	1,000	2,500	August	Peoria	Program Sponsor- Autumn Affair	Public Welfare	Energy Efficiency, Booklet		tickets		500	1658549 15
<b>N A A C P</b>	<b>9,240</b>	<b>6,160</b>	<b>15,400</b>										
FREEDOM FUND AWARDS BANQUET	9,000	6,000	15,000	Oct	East St. Louis	Event Sponsor	Public Welfare	Diversity, jobs	Booklet, speaker	meals	1000	1675303	9
LINCOLN DOUGLASS BANQUET	240	160	400	Jan	Springfield	Event Sponsor	Public Welfare			meals	400	1471091	9
<b>N A A C P OF PEORIA</b>	<b>600</b>	<b>400</b>	<b>1,000</b>										
FREEDOM FUND BANQUET	600	400	1,000	Oct	Peoria	Event Sponsor	Public Welfare	Diversity, jobs	Booklet	meals	400	1675332	9
<b>N E C A</b>	<b>600</b>		<b>600</b>										
CASH VOUCHERS ISSUED	600		600	Aug	Peoria	Tee Sponsor	Public Welfare			tickets	600	1652759	
<b>NORMAL CORNBELTERS</b>	<b>3,480</b>	<b>2,320</b>	<b>5,800</b>										
CORPORATE SPONSORSHIP	3,480	2,320	5,800	April	Normal	Program Sponsor	Public Welfare	Energy Efficiency	Scoreboard video	tickets	2000	1543094	16
<b>OAKLEY LINDSAY CIVIC CENTER</b>	<b>297</b>	<b>198</b>	<b>495</b>										
2012 GEMS OUTFIELD SIGN	297	198	495	March	Quincy	Program Sponsor	Public Welfare	Other	Signage			0	1524417
<b>OLNEY &amp; GREATER RICHLAND COUNTY</b>	<b>75</b>	<b>50</b>	<b>125</b>										
CONTRIBUTION OF ONE HUNDRED TWENTY FIVE DOLLARS	75	50	125	July	Olney	Event Sponsor-Bicycle Classic	Public Welfare	Other	Trophies			0	1616648
<b>OLNEY LITTLE LEAGUE</b>	<b>30</b>	<b>20</b>	<b>50</b>										
2012 SIGN SPONSORSHIP IN THE AMOUNT OF FIFTY DOLLARS	30	20	50	April	Olney	Program Sponsor	Public Welfare	Other	Signage			0	1551134
<b>Page(ILCmtyRIPA ),</b>	<b>100</b>		<b>100</b>										
Miscellaneous:Richwoods Drama Program	100		100	March	Peoria	Event Sponsor- High School Drama	Public Welfare	Booklet	Booklet			0	1637750 20
<b>PAXTON AREA CHAMBER</b>	<b>60</b>	<b>40</b>	<b>100</b>										
DONATION TO THE PAXTON AREA CHAMBER TO SUPPORT	60	40	100	August	Paxton	Program Sponsor-Buy Paxton	Public Welfare	Other				0	1637750
<b>PAXTON BUCKLEY LODA UNIT SCHOOLS</b>	<b>45</b>	<b>35</b>	<b>80</b>										
2012 SWEDES FENCE SIGN CAMPAIGN IN THE AMOUNT OF	45	35	80	April	Paxton	Program Sponsor-Baseball	Public Welfare	Other				0	1539965
<b>PEKIN AREA CHAMBER</b>	<b>300</b>	<b>200</b>	<b>500</b>										
ANNUAL MEETING SPONSOR	150	100	250	March	Pekin	Event Sponsor-Annual Meeting	Public Welfare	Other				0	1515753
FIREWORKS CELEBRATION	150	100	250	May	Pekin	Event Sponsor- Fireworks	Public Welfare	Other				0	1264975
<b>PEKIN PARK DISTRICT</b>	<b>300</b>	<b>200</b>	<b>500</b>										
PEKIN BAND CONCERT SPONSORSHIP	300	200	500	May	Pekin	Event Sponsor- Band Concert	Public Welfare	Other				0	1564915
<b>PEORIA AREA CHAMBER</b>	<b>2,340</b>	<b>1,560</b>	<b>3,900</b>										
2012 COMMUNITY THANKSGIVING LUNCHEON	2,100	1,400	3,500	Nov	Peoria	Event Sponsor- Thanksgiving Luncheon	Public Welfare	Energy Efficiency	Program Speaker	meals	400	1660553	
STATE OF THE CITY ADDRESS	240	160	400	Feb	Peoria	Event Sponsor- State of the City	Public Welfare			meals	400	1485838	
<b>PEORIA AREA COMMUNITY EVENTS</b>	<b>726</b>	<b>484</b>	<b>1,210</b>										
SANTA CLAUS PARADE UNDER THE SEA FLOAT	600	400	1,000	Dec	Peoria	Event Sponsor-Santa Claus Parade	Public Welfare	Other	Float in parade			0	1679613
YULE LIKE PEORIA POLE DECORATION	126	84	210	Oct	Peoria	Event Sponsor-Holiday Decorations	Public Welfare	Other				0	1694456
<b>PEORIA CHIEFS</b>	<b>2,880</b>	<b>1,920</b>	<b>4,800</b>										
SEASON TICKETS	2,880	1,920	4,800	Jan	Peoria	Baseball season tickets	Public Welfare			tickets	4800	1480136	
<b>PEORIA CIVIC CENTER</b>	<b>28,602</b>	<b>19,068</b>	<b>47,669</b>										
BROADWAY THEATER SERIES SPONSORSHIP	16,500	11,000	27,500	Aug	Peoria	Program Sponsor- Broadway Theater Series	Public Welfare	Other		tickets	17000	1640162	
Peoria Civic Center Signage Agreement	10,584	7,056	17,640	Jan	Peoria	Program Sponsor-Civic Center	Public Welfare	Energy Efficiency	Signage, Internet			0	1481062
PURCHASING RATE	318	212	529										
WORLDVEST SPONSORSHIP	1,200	800	2,000	Nov	Peoria	Event Sponsor - Worldfest	Public Welfare	Other				0	1705698
<b>PEORIA OFFICIALS ASSOCIATION</b>	<b>150</b>	<b>100</b>	<b>250</b>										
SPONSORSHIP FOR HOSPITALITY ROOM AT MARCH MADNESS	150	100	250	Mar	Peoria	Event Sponsor- IHSA Officials	Public Welfare			meals	250	1514831	
<b>PEORIA RIVERMEN HOCKEY</b>	<b>24,182</b>	<b>16,122</b>	<b>40,304</b>										
SPONSORSHIP	24,182	16,122	40,304	Nov	Peoria	Program Sponsor - Goals for Kids	Public Welfare	Energy Efficiency, Kids Booklet		tickets	6000	1702070	17
<b>PEORIA SYMPHONY ORCHESTRA</b>	<b>3,000</b>	<b>2,000</b>	<b>5,000</b>										
SPONSORSHIP 115TH SEASON	3,000	2,000	5,000	July	Peoria	Program Sponsor- Symphony	Public Welfare	Other		tickets	750	1622992	
<b>QUINCY AREA</b>	<b>1,140</b>	<b>760</b>	<b>1,900</b>										
QUINCY GEMS BASEBALL SPONSORSHIP*	1,140	760	1,900	Jan	Quincy	Baseball season tickets	Public Welfare	Other		tickets	400		

Ameren Illinois Electric  
2012 Sponsorships and Community Outreach

Recipient	Electric	Gas	Total	Date of Event	Location of Event	Description of the Sponsorship	Benefit to Attendees	AIC Informational Messaging Description	Advertising Channels	AIC Booth	Description of Tangible Personal Benefits (Tickets/Meals)	Value of Tangible Personal Benefits (Tickets/Meals) TOTAL	Voucher	Ad Example #
<b>RIVERBEND GROWTH ASSOCIATION</b>	<b>300</b>	<b>200</b>	<b>500</b>											
CONTRIBUTION FOR GOSHEN ROTARY GOLF SCRAMBLE	300	200	500	May	Godfrey	Event Sponsor - For the Kids					tickets	500	1568535	
<b>ROBINSON CHAMBER</b>	<b>120</b>	<b>80</b>	<b>200</b>											
TWO HUNDRED DOLLARS FOR SILVER SPONSORSHIP 201	120	80	200	May	Robinson	Event Sponsor - BBQ	Public Welfare	Other				0	1573039	
<b>ROBINSON GIRLS SOFTBALL ASSOCIATION</b>	<b>90</b>	<b>60</b>	<b>150</b>											
2012 PAINT THE PARK PINK DONATION TO THE ROBINSON	90	60	150	April	Robinson	Event Sponsor - Paint the Park Pink	Public Welfare	Other				0	1540089	
<b>S P A R C</b>	<b>600</b>	<b>400</b>	<b>1,000</b>											
STARRY NIGHT EVENT SCOTT WISEMAN ON BOARD	600	400	1,000	Sept	Springfield	Event Sponsor - Starry Night	Public Welfare	Other				0	1670331	
<b>SOUTHWESTERN ILLINOIS EMPLOYERS ASC</b>	<b>900</b>	<b>600</b>	<b>1,500</b>											
ANNUAL MEETING	900	600	1,500	Nov	Woodriver	Event Sponsor-Annual Meeting	Public Welfare	Other				0	1702129	
<b>SOUTHWESTERN MADISON COUNTY CHAMBER</b>	<b>429</b>	<b>286</b>	<b>715</b>											
CONTRIBUTION FOR DAN BROWN MEMORIAL FUNDRAISER	429	286	715	July	Granite City	Fundraiser Contribution	Public Welfare	Other				0	1611191	
<b>SPRINGFIELD URBAN LEAGUE</b>	<b>390</b>	<b>260</b>	<b>650</b>											
TABLE AT AWARDS DINNER	390	260	650	Nov	Springfield	Event Sponsor- Awards Dinner					meals	650	1719191	
<b>TAYLORVILLE OPTIMIST CLUB</b>	<b>1,200</b>	<b>800</b>	<b>2,000</b>											
OPTIMIST TOURNAMENT SPONSORSHIP	1,200	800	2,000	April	Taylorville	Event Sponsor - Optimist Tourname	Public Welfare	Other				0	1548724	
<b>TAZEWELL COLUMBUS CLUB</b>	<b>600</b>	<b>400</b>	<b>1,000</b>											
PUNKIN CHUCKIN SPONSORSHIP	600	400	1,000	Sept	Morton	Event Sponsor - Punkin Chuckin	Public Welfare	Other			tickets	40	1657538	
<b>TIMOTHY FOX</b>	<b>163</b>	<b>-</b>	<b>163</b>											
Editing & Writing support on an as needed basis	158	-	158	July	Peoria	Ameren Journal - Resources on Demand						158	1614452	
PURCHASING RATE	5	-	5									5		
<b>TRI COUNTY URBAN LEAGUE</b>	<b>840</b>	<b>560</b>	<b>1,400</b>											
URBAN LEAGUE S GALA ENTERTAINMENT	840	560	1,400	June	Peoria	Event Sponsor - Entertainment	Public Welfare				meals	1400	1586537	
<b>U S CELLULAR COLISEUM</b>	<b>6,000</b>	<b>4,000</b>	<b>10,000</b>											
ADVERTISING PARTNERSHIP FOR 2012	6,000	4,000	10,000	June	Bloomington	Program Sponsor - Coliseum	Public Welfare	Energy Efficiency	Signage			0	1580694	
<b>UNITED WAY OF CHRISTIAN COUNTY</b>	<b>240</b>	<b>160</b>	<b>400</b>											
UWOCC RANDY FRANCE MEMORIAL ANNUAL GOLF TOU	240	160	400	April	Taylorville	Event Sponsor - Hole Sponsor					golf	400	1553520	
<b>VILLAGE OF BATH</b>	<b>60</b>	<b>40</b>	<b>100</b>											
FISH FRY SPONSORSHIP	60	40	100	July	Bath	Event Sponsor - Fish Fry	Public Welfare	Other				0	1608733	
<b>WEST RICHLAND PARENT TEACHER ORGANIZATION</b>	<b>60</b>	<b>40</b>	<b>100</b>											
ONE HUNDRED DOLLAR DONATION TO THE WEST RICHLAND	60	40	100	Oct	Noble	Fundraiser Contribution	Public Welfare	Other				0	1689897	
<b>ADVERTISERS PRINTING</b>	<b>17,738</b>	<b>-</b>	<b>17,738</b>											
Ameren Corporate Informational Printing	16,069	-	16,069	Various	area	Printing of various Customer	Public Welfare,	messages	booklets			0	Various	
PURCHASING RATE	336	-	336											
TAX	1,333	-	1,333											
Total Tangible Benefits (Tickets, meals, events)												\$	61,000	
Electric amount (60%) Total Tangible Benefits												\$	37,000	
Total Sponsorships (electric)												\$	200,000	

\*The 2012 donation to Quincy Gems was reclassified from Account 426 to Account 930.1. Although it appears in Exhibit 6.1, it was not included in AIC's Contribution adjustment as shown on C-2.16, since it was reclassified to Account 930.1.



**Ameren Illinois Company's  
Response to ICC Staff Data Requests  
Docket No. 13-0192  
Proposed General Increase in Natural Gas Delivery Service Rates  
Supplemental Response Date: 4/17/2013**

MHE 6.09S

With respect to Ameren Exhibit 6.0, p. 14, lines 301-309, does this statement comprise the totality of the guidelines that AIC uses to consider a donation a “corporate sponsorship”? If the answer is no, please provide and explanation for and copies of the additional guidance regarding corporate sponsorships, if not already provided.

**RESPONSE**

**Prepared By: Thomas B. Kennedy, III**  
**Title: Director Communications and Public Relations**  
**Phone Number: (309) 677-5489**

No, additional guidelines have been developed and are used to ensure more consistent accounting in regards to all parts of a sponsorship: community outreach, contribution, advertisement, and tangible benefits to AIC (meals, tickets).

Please see MHE 6.09S Attach for the guidelines. These guidelines became effective April 2013.



## Accounting Guidelines for Advertising, Community Outreach, Contributions and Sponsorships

These guidelines set forth the processes used by Ameren Illinois Company(AIC) to account for costs for Advertising, Community Outreach, Contributions, and Sponsorships.

### 1. Definitions

- a. Advertising
- b. Community Outreach
- c. Contributions
- d. Sponsorship
  - i. Not-for-Profit Sponsorship
  - ii. For-Profit Sponsorship

### 2. Reporting Practices

- a. Advertising Cost Allocation
- b. Community Outreach Cost Allocation
- c. Contributions Cost Allocation
- d. Sponsorship Cost Allocation
- e. Case Example of Multiple Cost Allocation
- f. Allocation to Electric and Gas
- g. Documentation
  - i. Production Costs
  - ii. Publication Costs

## 1. Definitions

- a. **Advertising** is defined in the Illinois Public Utilities Act, Section 9-225(1)(a), as "the commercial use, by an electric, gas, water or sewer utility, of any media, including newspapers, printed matter, radio, television, and internet in order to transmit a message to a substantial number of members of the public or to such utility's consumers." Part 295.20 of Title 83 of the Illinois Administrative Code further provides that "[i]n determining what constitutes a 'substantial number,' the Commission shall consider, among other things, the medium of communication used, the actual number of persons reached, and the size of the utility involved."
- b. **Community Outreach/Customer Assistance Expense** includes external activities and participation in events, which are designed for informational outreach to various AIC stakeholders. Organizations hosting such events often refer to the participating businesses as "sponsors"; however because the event is primarily designed for educational purposes, AIC views such involvement as Customer Assistance Expenses. Examples include senior fairs, health and safety fairs, conferences (i.e. LIHEAP Agencies, IASB, IML, IEMA, MEEA etc.) Expenses typically



incurred by the utility at Community Outreach activities and events include, but are not limited to, exhibitor fees, displays, videos and other associated costs used to attract audiences.

- c. A **Contribution** is defined in Illinois “a donation made by the utility for the public welfare or for charitable scientific, religious or educational purposes, provided that such donations are reasonable in amount. In determining the reasonableness of such donations, the Commission may not establish, by rule, a presumption that any particular portion of an otherwise reasonable amount may not be considered as an operating expense. The Commission shall be prohibited from disallowing by rule as an operating expense, any portion of a reasonable donation for public welfare or charitable purposes.” (Public Utilities Act, Section 9-227). AIC generally classifies Contributions as “Public Welfare” and/or “Charitable” Contribution by the nature of the recipient and the intended use. To qualify to receive a Contribution from AIC, the recipient must be a non-profit organization and must demonstrate that it intends to use the Contribution for a public welfare or charitable purpose. In addition, the recipient, project or program that receives the Contribution must be located within AIC’s service territory or provide a benefit to AIC customers. AIC will only make Charitable Contributions in accordance with the Ameren Charitable Contributions Policy.
  
- d. A **Sponsorship** is financial support paid to an organization which helps that organization achieve its goals or cause and in return the sponsor receives some sort of benefit. The (organization being sponsored may be for-profit or not-for-profit. The benefit to the sponsor may be in the form of name recognition, tickets, meals or good will. If substantial advertising is coupled with the sponsorship, Ameren Illinois requires the organization to separate the value of the advertising to properly account for advertising expenses. The organization should identify the purpose, tickets, meals or other benefits and the dollar value associated with those benefits in the request.

The use of promotional logos or slogans that are an established part of AIC’s identity is not, by itself, advertising. In addition, exhibits or displays of AIC to the public at a sponsored event, is considered community outreach rather than advertising.

- i. **Not-For-Profit Sponsorships:** When AIC is a sponsor for a not-for-profit organization AIC usually views such request to provide a contribution for some sort of public benefit. Types of requests for not-for-profit sponsorships often include fairs, festivals, concerts, theater performances, local amateur sporting events, parades, and community walks or runs. The motivation for AIC to be a sponsor for a not-for-profit activity is to support community efforts to increase the quality of life. Although there may be some form of recognition associated with sponsoring such events, it is usually minor such as name mentions, logo identification, listing or program booklet ad and as such, it is substantially inconsequential to the purpose of this type of sponsorship.
- ii. **For-Profit Sponsorships:** When sponsoring a for-profit organization, the sponsorship is usually coupled with extensive advertising that has a true market value for the ads that are placed. AIC views these types of sponsorships as another venue to reach specific audiences with targeted messaging. Examples



include radio and television outlets, U of I sports marketing and Peoria Chiefs sports marketing. Generally the messaging associated with such sponsorships is to promote energy efficiency, safety, career opportunities or customer service options.

## 2. Reporting Practices

### a. Advertising Cost Allocation

“Informational” Advertising should be classified in FERC Account 909 (18 CFR Part 201), Informational and instructional advertising expenses. FERC Account 909 must include the cost of labor, materials used and expenses incurred in activities which primarily convey information as to what the associate utility company urges or suggests customers should do in utilizing service to protect health and safety, to encourage environmental protection, to utilize their equipment safely and economically, or to conserve energy. That includes the costs of labor and materials for supervision of informational activities, preparing and printing informational materials, use of media and employing agencies, selecting media and conducting negotiations in connection with the placement and subject matter of information programs.

Section 9-225(3) of the Public Utilities Act and Part 295.30 of Title 83 Administrative Code identify a number of categories of Advertising that “shall be considered allowable operating expenses for [Illinois] gas, electric, water or sewer utilities.” These “allowable operating expenses,” when incurred by Ameren Illinois, should be considered Informational Advertising and should be classified to FERC Account 909:

- A. Informs consumers how they can conserve energy or reduce peak demand for electric or gas energy (“Energy Conservation or Reduction of Peak Demand”);
- B. Is required by law or regulation (“Required by Law”);
- C. Concerns service interruptions, safety measures or emergency conditions (“Service Interruptions and Safety”);
- D. Concerns employment opportunities (“Career Opportunities”);
- E. Promotes the use of energy efficient appliances, equipment or services (“Energy Efficiency”)
- F. Explains existing or proposed rate schedules or notifications of hearings (“Rate Notices”)
- G. Concerns customer service and the terms and conditions of service (“Customer Service and Terms of Service”);
- H. Promotes the shifting of demand from peak to off-peak hours or which encourages the off-peak usage of the service (“Peak Usage”); and
- I. Other categories that are not political, promotional, institutional or goodwill advertisements (“Other”).



AIC considers the categories outlined in the Public Utilities Act to be representative, and not exclusive, of the types of Advertising, the costs for which can be recovered in rates. AIC considers the overarching purpose of Section 9-225 is to allow utilities to recover the costs of Advertising that is primary designed with a purpose to inform and educate consumers about the available energy services, programs and benefits, including changes thereto.

Section 9-225 (2) of the Illinois Public Utilities Act states “In any general rate increase requested by any gas or electric utility company under the provisions of this Act, the Commission **shall not consider**, for the purpose of determining any rate, charge or classification of costs any direct or indirect expenditures for promotional, political, institutional or goodwill advertising unless the Commission finds the advertising to be in the best interest of the Consumer or authorized as provided pursuant to subsection 3 of this Section.” Additionally, Part 295.10 of Title 83 of the Illinois Administrative Code states that, “unless the Commission otherwise orders, no electric or gas utility shall include as an operating expense in the test year computation any direct or indirect expenditures for promotional, political, institutional or goodwill advertising.” Section 9-225(1) of the Illinois Public Utilities Act and Part 295.20 of Title 83 of the Illinois Administrative Code provide the following definitions for Promotional, Political and Goodwill or Institutional Advertising:

**Political Advertising** is any advertising for the purpose of influencing public opinion with respect to legislative, administrative or electoral matters, or with respect to any controversial issue of public importance.” Costs incurred on “Political Advertising” that is not in the best interest of AIC consumers or otherwise authorized for recovery should be classified in FERC Account 426.4 (18 CFR Part 201). “This account shall include expenditures for the purpose of influencing public opinion with respect to the election or appointment of public officials, referenda, legislation or ordinances (either with the respect to the possible adoption of new referenda, legislation or ordinances or repeal or modification ....for the purpose of influencing the decisions of public officials....”

**Promotional Advertising** is any advertising for the purpose of encouraging any person to select or use the service of additional service of a utility or the selection or installation of any appliance or equipment designed to use such utility’s service.” Costs incurred on “Promotional Advertising” that is not in the best interest of AIC consumers or otherwise authorized for recovery should be classified in FERC Account 913 (18 CFR Part 201). “This account must include the cost of labor, materials used and expenses incurred in advertising designed to promote or retain the use of services provided by the service company or the companies within the holding company system, except advertising the sale of merchandise.”

**Goodwill or Institutional Advertising** is “any advertising either on a local or national basis designed primarily to bring the utility’s name before the general public in such a way as to improve the image of the utility or to promote controversial issues for the utility or industry.” Such advertising that is not in



the best interest of AIC consumers or otherwise authorized for recovery should be classified in FERC Account 930.1 (18 CFR Part 201).

**b. Community Outreach – Cost Allocation**

AIC views the opportunity to be an exhibitor at events which are designed for informational and educational purposes as an opportunity to communicate to customers on topics such as safety, energy efficiency, careers, customer assistance and customer service. Community outreach expenses will be classified in account 908 (18 CFR Part 201) "This account shall include the cost of labor, materials used and expenses incurred in providing instructions or assistance to customers, the object of which is to promote safe, efficient and economical use of the utility's service." This account includes demonstrations, exhibits, lectures associated expenses designed educate consumers of energy.

If Informational Advertising is associated with the event and there is a defined cost for such advertising, that amount should be accounted to FERC Account 909.

If sponsorship opportunities are associated with the event, costs for the event should be allocated based on the not-for-profit or for profit status of the event as described below in the Sponsorship Cost Allocation section.

**c. Contributions Cost Allocation**

Contributions or donations should be charged to FERC Account 426.1 as categorized in the Code of Federal Regulations (CFR) Chapter 18 Part 201. Donations: "This account shall include all payments or donations for charitable, social or community welfare purposes." Generally, Contributions are given to non-profit organizations that are eligible for Section 501(c)(3) status under the Internal Revenue Code; however contributions may be made to non-profit organizations that do not have that specific federal tax designation, if such donation is for charitable or public welfare purposes, such as a contribution to a chamber of commerce to support a community fireworks display.

**d. Sponsorships Cost Allocation**

Expenses associated with Sponsorships should be charged to the appropriate FERC accounts based on the value attributed to those costs.

- Market Value of tickets, if any, associated with the sponsorship deduct 100% of the market value of the tickets and charge to 930.1 non-recoverable
- Market Value of meals, if any, associated with the sponsorship deduct 100% of the market value of the meals and charge to 930.1 non-recoverable
- Market Value of advertising, if any, associated with the sponsorship deduct 100% of the market value of advertising and charge to 909 if in categories A-I, otherwise allocate 426.4, 913 or 930.1 as appropriate



- Public Benefit Value associated with the sponsorship which will support the goals and objectives of not-for-profit organizations apply balance remaining to charitable contributions account 426.1 if the organization is tax-exempt
  - If the above categories do not properly fit with the intention of the sponsorship and the primary motive is goodwill intended to improve the image of AIC allocate to 930.1

**e. Case Example of Multiple Cost Allocation**

AIC is asked to be a “sponsor” at a senior fair for \$3000 by a local not-for-profit organization. The senior fair is designed to provide information on a wide range of topics to seniors that can improve their lives. As a “sponsor”, AIC will be allowed to have an exhibit and a full page ad (\$250 value) in the program book. AIC will also be listed as an exhibitor in promotional announcements made by the organization. AIC views this as an opportunity to provide information to seniors about energy efficiency and safety. AIC also recognizes that by supporting the efforts of the not-for-profit organization through additional sponsorship dollars above the normal exhibit fees (\$600.00) the organization is able to promote the event to increase attendance, provide for transportation for low income seniors, and other costs incurred by the not-for-profit to conduct the event.

The costs and accounting would include:

- The cost of the sponsorship less the normal exhibitor fee and less the identified value of the ad ( $\$3000 - 600 - 250 = \$2150$ ) should be accounted to FERC 426.1 as a contribution to the organization.
- The exhibitor fee of \$600.00 should be accounted to FERC Account 908 as a Customer Assistance Expense for community outreach and demonstrations.
- The \$250 stated value of the ad should be accounted to 909 provided the ad fits within the categories A-I outlined above.
- The logo and name mentions are inconsequential and not the primary motivation for supporting the event.
- No tickets are associated with this event, however if tickets are associated with a sponsorship, the fair market value of the tickets should be deducted from the sponsorship costs and allocated to FERC account 930.1.

**f. Allocation to Electric and Gas**

Advertising, sponsorships and contributions shall be charged to electric and gas at a 60% and 40% allocation respectively unless the advertising, sponsorship or contribution is specifically electric or gas or in a community that AIC only serves electric or gas in which case 100% of the cost shall be allocated to the appropriate electric or gas account.



**g. Documentation**

Part 295.40 of Title 83 of the Illinois Administrative Code requires a utility seeking a general increase in rates to provide “copies of all advertisements and scripts included in the test year operating expense, listing the production costs for each ad, the publication schedule and costs for each ad.” Ameren Illinois defines Production Costs and Publication Costs as follows:

**Production Costs** are considered the expenses the utility incurs to make or produce an advertisement or other informational materials such as brochures, booklets, bill inserts, web sites, and web videos that are used to transmit messages to consumers. These expenses include, but are not limited to, the costs to define the content of the message, develop scripts and/or visuals, design layouts, and create the informational materials or advertisements (audio, video or digital). These expenses also include the costs to employ outside agencies to develop and produce the external messages.

**Publication Costs** are the expenses the utility incurs to transmit the advertisement and informational materials and messages to consumers. These expenses include, but are not limited to, the costs to publish print advertisements or to air/broadcast a message on external media (i.e. radio, TV, internet or other communication channels). Publication costs include buying media air time and print advertising space and direct mail.