



Energy Efficiency ICC Activity Report Plan 3: PY7 Q4 March – May 2015

Prepared for
ILLINOIS COMMERCE COMMISSION

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

October 20, 2015

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Introduction

Per 220 ILCS 5/8-104, Sec. 8-104(f)(8), the Ameren Illinois Company (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...”. Further, pursuant to the AIC Plan 3 Final Order in Docket 13-0498, the Commission directs AIC to provide certain information in the ICC quarterly activity reports. AIC provides the attached activity reports to satisfy these requirements.¹ AIC also routinely reports and presents portfolio activity to the Illinois Stakeholder Advisory Group (also known as SAG) of which Illinois Commerce Commission Staff (Staff) is a participant.

Quarterly report filing requirements specified in the Plan 3 Docket 13-0498 Final Order including adjustments made to the Portfolio Flexibility section of the Final Order in the Order on Rehearing to provide AIC portfolio flexibility and for the annual adjustment of savings goals include the following: cost-effectiveness screening results for new measures added during implementation (Order at 67, 140, 152) and explanation of how AIC responds to TRM, NTG, and other changes (Order at 140, 152). Quarterly report filing requirements specified in the Plan 3 Docket 13-0498 Order on Rehearing include the following: proposed modifications of programs, budgets or savings goals reasonably expected to require a 20% or greater budget shift from the planned annual program budget, the reallocation of funds among program where the change in budget for any specific program is reasonably expected to be greater than 20%, the discontinuation of approved program, and the addition of new programs.

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

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

started providing a combined portfolio of gas and electric energy efficiency measures beginning in June 2011.

This activity report reflects the fourth quarter of the seventh year AIC has been providing energy efficiency measures, which is referred to as PY7. The first three years of energy efficiency is referred to as Plan 1, the second three year cycle is referred to as Plan 2 (Docket 10-0568) while the third three year cycle is referred to as Plan 3 (Docket 13-0498) This report reflects the fourth quarter of PY7 activity, the first year of Plan 3.

As presented in this activity report, the gas & electric energy efficiency programs for PY7 are as follows:

Residential:

- Appliance Recycling
- Behavior Modification
- ENERGY STAR® New Homes
- HPwES
- HVAC
- Lighting
- Moderate Income
- Multi-Family In-Unit
- School Kits

Business:

- Standard
- Custom
- Retro-Commissioning
- Large C&I*

** As noted in the PY7 Q1 ICC Activity Report, the Large C&I Pilot Program was closed in August 2014 after receiving no participation.*

As presented in this activity report, AIC has included several exhibits with the information contained in each exhibit meeting the Final Order requirements.

Exhibit A, noted as the Ameren Illinois PY7 Adjusted Goals Analysis depicts the PY7 Compliance Goal and compares those values to the PY7 Adjusted Goals for both electric (MWhs) and gas (therms). The PY7 Adjusted Goals reflects the savings values adjusted as a result of the Statewide TRM Version 3.0 approved by the Commission in Docket 13-0437. As noted on the exhibit, the NTG values for PY7 were known at the time of the Plan 3 Compliance Filing made in Docket 13-0498 on February 28, 2014, so no goal adjustments were related to NTG. The “TRM V3.0 Adjustment Explanations” column in this exhibit provides an explanation of the changes due to the TRM. The updated version of the Statewide TRM (Version 4.0) was filed on March 11, 2015 and was approved by the Commission in Docket 15-0187 on May 6, 2015. There were 16 errata in Version 4.0 of which none of them have an impact on PY7. Therefore, the PY7 Adjusted Goals remained the same for the program year.

Exhibit B, noted as Ameren Illinois PY7 Adjusted Goals vs PY7 Implementation Plan provides a listing of each program’s PY7 adjusted savings goal (MWhs/therms) compared to the PY7 Implementation Plan along with an explanation for any program whose savings goals are 20% or greater from the PY7 Implementation Plan. There were no changes in Q4 from Q3.

Exhibit C, noted as Ameren Illinois PY7 Budgets vs PY7 Implementation Plan provides a listing of each program's PY7 Plan 3 budget in comparison to the PY7 Implementation Plan budget along with an explanation for any program whose PY7 Plan 3 budgets are 20% or greater from the PY7 Implementation Plan. There were no changes in Q4 from Q3. Ameren Illinois notes that due to the pendency of Commission proceedings, as well as the funding issues faced by the Department of Commerce and Economic Opportunity, the Emerging Technologies budget will be utilized in PY8 and PY9.

Fourth Quarter Activity (Q4)

March 1, 2015 – May 31, 2015

With this being the seventh year of the portfolio, most programs are focused on expansion and enhancement as opposed to start up activities. The following Exhibits provides information specific to the actual activity by program for both energy savings and budgets that occurred during the fourth quarter of PY7.

Exhibit D, noted as Ameren Illinois PY7 Implementation Plan vs Actual, provides the actual² energy savings activity by program that occurred through the fourth quarter of PY7. The Residential ENERGY STAR® New Homes Program ended the year at 200% of the gas implementation plan. As identified in the Explanations column of this exhibit, the Residential ENERGY STAR® New Homes Program was forecasted to have achieved 157% of the gas savings implementation goal at the end of Q2 and 180% of the gas savings implementation goal at the end of Q3. The Moderate Income Program ended the program year at 64% and 70%, respectively, of the electric and gas implementation goals. At the end of the third quarter, this program was forecasted to be at 53% of the electric implementation plan and 72% of the gas implementation plan. In addition, the Custom Program ended the year at 124% of the gas implementation plan. In response to the forecasted goal for ENERGY STAR® New Homes, a reservation system was implemented to closely monitor incentive dollars and to slow down participation momentum. As noted in the PY7 Q3 Activity Report, the delay of offering On-Bill Financing was impacting the Moderate Income Program projections to be under goal. The On-Bill Financing program started back up in April which assisted in bringing the Moderate Income Program to a year end of 70% of the implementation plan rather than the 53% forecasted at the end of Q3. As for the Business-Custom Program, at the end of Q2 it was forecasting to be at 131% of the gas implementation plan and ended the year at 124% of the gas implementation plan as some projects finished with less savings that originally estimated.

Exhibit E, noted as Ameren Illinois PY7 Implementation Plan vs Actual, provides the actual expenditures of program budgets through the fourth quarter of PY7 with a comparison to the PY7 Implementation Plan. The Explanations column in this exhibit notes that at the end of the fourth quarter, the Moderate Income Program for electric ended at 78% of the Implementation

² AIC notes that these values are unevaluated actual results, subject to approval of the ICC, and reflect savings for projects that have been completed but do not include potential energy savings for projects that have been submitted but not completed.

Plan budget while it was forecasting at the end of Q3 to be at 72%. In addition, the Standard and Custom programs for gas that were forecasted at the end of Q3 to be at 70% and 126%, respectively, of the Implementation Plan budget, actually ended the program year at 66% and 131%, respectively of the Implementation Plan budget due to a shift in customer participation among these business programs.

Exhibit F and G, provides cost-effectiveness screening results for New Measures in PY7 for residential and business, respectively, that AIC added to the Implementation Plan. As noted on both Exhibits, there were no new measures added in the fourth quarter.