Ameren Exhibit 3.0

ILLINOIS COMMERCE COMMISSION

DOCKET NO. 16-0413

DIRECT TESTIMONY

OF

MATTHEW E. NOONAN

Submitted On Behalf

Of

AMEREN ILLINOIS COMPANY
d/b/a Ameren Illinois

August 30, 2016

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Ameren Illinois

I. INTRODUCTION AND QUALIFICATIONS

Q. Please state your name and business address.

A. My name is Matthew E. Noonan. My business address is 1901 Chouteau Avenue, St. Louis, Missouri 63103.

Q. By whom are you employed and in what capacity?

A. I am employed as a Regulatory Specialist in the Illinois Regulatory Policy and Rates Department for Ameren Illinois Company d/b/a Ameren Illinois (AIC or the Company).

Q. Please describe your educational background and relevant work experience.

A. See my Statement of Qualifications attached as an Appendix to this testimony.

Q. What are your current job duties and responsibilities?

A. My duties and responsibilities include analysis and development of supporting data for gas and electric pricing for Ameren Illinois, including general rate case support. I am also responsible for any other assigned regulatory research and other rate or regulatory projects, including analysis related to the energy efficiency and demand response three year plan that is the subject of this proceeding ("Plan 4").

II. PURPOSE, SCOPE, AND IDENTIFICATION OF EXHIBITS

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

A. My testimony presents the results of my analysis and calculation of the energy efficiency spending limits and savings goals for Plan 4 identified in Sections 8-103(d) and 8-104(d) of the Public Utilities Act ("Act"). I have also calculated and present the demand response goal identified in Sections 8-103(c) of the Act for Plan 4. I also sponsor Rider EDR and Rider GER, which, as explained by AIC witness Mr. Keith Goerss, the Company seeks Commission approval for as the cost recovery mechanism for the energy efficiency and demand response programs pursuant to the Act.

Q. Will you be sponsoring any exhibits with your direct testimony?

A. Yes. I am sponsoring Ameren Illinois Exhibit 3.1, which is a summary of the electric savings goal and spending limit; Ameren Illinois Exhibit 3.2, which is a summary of the gas savings goal and spending limit; Ameren Illinois Exhibit 3.3, which is Rider EDR; and Ameren Illinois Exhibit 3.4, which is Rider GER.

III. ELECTRIC ENERGY EFFICIENCY SPENDING LIMITS AND SAVINGS GOALS

Q. Please provide a summary of your conclusions regarding the electric spending limit and savings goals.

A. Based on my calculations, the Plan 4 cumulative 3-year spending limit for the electric energy efficiency program (inclusive of the Department of Commerce and Economic Opportunity (the "Department") portion) has been calculated as approximately $173 million, which when apportioned over three years comes to approximately $56.9 million, $57.9 million, and $58.6 million for PY10, PY11, and PY12, respectively.[1] PY10 consists of June 1, 2017 through May 31, 2018 with each subsequent plan year beginning June 1 and ending May 31 of the following year. I have calculated the electric savings goals (inclusive of the Department) for Plan 4 as 753,139 Megawatthours ("MWH") (for PY10), 765,343 MWH (for PY11), and 774,635 MWH (for PY12), which when each amounts are added together accumulate to a total three year goal of 2,293,118 MWH. While I am not a lawyer, it is my understanding that the utility has the option of establishing compliance with these savings goals either individually or as a 3-year cumulative savings goal, which is calculated as the simple summation of the individual years' savings.

A. Electric Spending Limits

Q. How did you calculate the spending limits for Plan 4?

A. Pursuant to Section 8-103(d)(5) the spending limit, as expressed in a cents per kWh basis,[2] is expected to be equal to 0.1543 cents per kWh ("¢/kWh") for the plan year beginning June 1, 2017 and each year thereafter multiplied by forecast delivered kWh sales. The statutory ¢/kWh spending limit for PY5 and each year thereafter is the greater of either 2.015% of the amount paid per kWh during the year ending May 31, 2007 or the incremental amount per kWh paid in PY4. The value of 0.1543 ¢/kWh is the incremental amount paid in PY4 (2011) and thus will not change. For further detail please see columns 3 through 7 in Ameren Exhibit 4.1.

Q. Will the electric spending limit change each year?

A. No. AIC understands that the spending limit is already based on forecasted sales pursuant to the Act and the utility may maintain the forecasted sales for cost recovery purposes (as with

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[1] For ease of reference, I have rounded the amounts identified in my testimony.

[2] I would note that the spending limit can also be expressed in terms of a cumulative dollar amount for the three years.

the gas spend limit, addressed below), AIC does not plan to recalculate the electric spend limit each year. AIC also plans to use the spending limit approved in this docket for the three year period as the portfolio budget and the basis for the amounts it can recover through Rider EDR for its reasonable and prudent expenditures during Plan 4

Q. Is the calculation methodology for the electric spending limit in PY10, PY11, and PY12 consistent with the calculation methodology approved in prior plans?

A. Yes. The methodology used to calculate the electric energy efficiency spending limits is consistent with that approved by the Commission in prior dockets. Specifically, the energy and revenue forecast was updated in the model to reflect the current projections, and estimates for the cost of power for third party loads were also updated.

B. Electric Savings Goals

Q. How did you calculate the unmodified electric savings goal for Plan 4?

A. Pursuant to Section 8-103(b) of the Act the PY10, 11, and 12 unmodified savings goals are calculated as 2.0% of forecasted energy delivered. For further detail please see Ameren Exhibit 3.1.

Q. Does the unmodified electric energy savings goal get updated each year based on actual throughput, or is it fixed for the 3-Year planning cycle?

A. As explained by Ameren Illinois witness Mr. Keith Goerss, the Illinois Energy Efficiency Policy Manual will apply during Plan 4, and I understand that there are some provisions in that manual regarding the adjustment of goals. However, those adjustments are not based on actual throughput. Accordingly, AIC does not intend to update the throughput for its annual savings goals or budget.

IV. NATURAL GAS ENERGY EFFICIENCY SPENDING LIMITS AND THERM SAVINGS GOALS

Q. Please provide a summary of your conclusions of the natural gas spending limits and savings goals.

A. Based on my calculations, the total spending limit for the natural gas energy efficiency programs and measures that could be included in Plan 4 (inclusive of the programs to be administrated by the Department) is $44.78 million. While I understand the law provides for some flexibility in how this total is spent, the spending limit given current forecasted revenue would be: $ 14.90 million (for PY10), $14.84 million (for PY11), and $ 15.03 million (for PY12). I have also calculated the therm savings goals (inclusive of the Department) for Plan 4 as 15,660,238 therms (for PY10), 16,778,826 therms (for PY11), and 16,437,809 therms (for PY12), which when each amount is added together accumulate to a total three year goal of 48,876,873 therms. While I am not a lawyer, it is my understanding that the utility has the option of establishing compliance with these savings goals either individually or as a 3-year cumulative savings goal.

A. Gas Spending Limits

Q. How was the spending limit calculated for the gas energy efficiency programs?

A. Section 8-104(d) of the Act identifies a limit on the amount of gas energy efficiency measures that can be implemented under that Section of the Act. This provision serves "to limit the estimated average increase in the amounts paid by retail customers in connection with natural gas service to no more than 2% in the applicable 3-year reporting period." I calculated the spending limit by multiplying estimated Retail Revenue (amounts paid by retail customers) by this 2% cap.

Q. How was revenue determined for use in calculating the natural gas spending limit?

A. "Retail Revenue" is defined as all revenue components billed and collected under Ameren Illinois' tariff rates. This includes such components as gas delivery service charges, taxes, and supplemental customer charges. "Supply Cost Revenue," as that term is used in the energy efficiency space, is defined as revenue associated with Gas Commodity Costs. Both Retail Revenue and Supply Cost Revenue are included for both Rider S ("System") Customers as well as "Small Transport Customers" (Certified Alternative Gas Supplier customers below 5,000 Annual Therms). For "Large Transportation Customers" (i.e., customers who took equal to or greater than 5,000 Annual Therms), Retail Revenue is included in the spending limit calculation but Supply Revenue is not. Customers served under Rider T – Gas Transportation Service – take their gas supply from a third party (non-Ameren Illinois) supplier. This method of calculating the gas spending limit is consistent with approval of similar calculations by the Commission in past energy efficiency dockets, including AIC's Plan 3 approval docket (Docket No. 13-0498).

Q. Does the natural gas spending limit examine Retail Revenue from a particular period of time?

A. Yes. For PY10, expected Retail Revenue for the 12 months ending May 2018 is used, while, PY11 uses expected revenue for the 12 months ending May 2019, and PY12 uses expected revenue for the 12 months ending May 2020.

Q. Will the natural gas spending limit values for PY11 and PY12 be updated once the trailing 12 months of revenue data is known?

A. No. My understanding of Section 8-104(d) is that the plan must limit the average increase in the amounts paid by retail customers in conjunction with natural gas service to no more than 2% in the applicable three year reporting period. Ameren Illinois has estimated Retail Revenues to be collected from customers for PY10, PY11, and PY12, and these estimates are used as the basis of calculating the applicable spending limit for the three year period. Because the natural gas limit is not based on the actual cents paid in the previous year, but rather on estimated Retail Revenue for the three year period of the Plan, it is unnecessary to recalculate the gas spending limit every year. Additionally, AIC intends to use the gas spending limit approved in this docket for the three year period as the portfolio budget and as basis for the amounts it can recover through Rider EDR for its reasonable and prudent expenditures during Plan 4

Q. What is the estimated natural gas Retail Revenue for the 12 month periods ending May 2018, May 2019, and May 2020?

A. Ameren Exhibit 3.2 shows that the Retail Revenue for the period ending May 2018 is estimated at $ 745,023,580 and the estimated Retail Revenues for PY11 and PY12 are $ 742,112,331 and $ 751,679,327 respectively. Revenue for these plan years was estimated by combining delivery service revenue forecast with forecasted Purchased Gas Adjustment ("PGA") revenue and other tariff charges to result in total natural gas revenues.

Q. Does the calculation of natural gas Retail Revenue exclude any customer revenue?

A. Yes. While I am not a lawyer, I understand that Section 8-104(m) of the Act provides several exemptions, which serve to exclude certain customer revenue. The Department has provided an application process which exempts certain customers from Ameren Illinois' energy efficiency programs: very large use customers and certain customers who use natural gas as a feedstock. These customers have been classified as Self Directing Customers ("SDCs") by the Department and will establish their own Natural Gas Self-Direct Program. For purposes of calculating Ameren Illinois' natural gas energy efficiency spending limit, Retail Revenues collected from SDCs have been excluded from the calculation. Furthermore, Retail Revenues collected from customers with a North American Industry Classification System ("NAICS") code of 22111 (Electric Power Generation) are automatically excluded, pursuant to Section 8-104(m). Furthermore, I understand that Section 8-104(n) provides that Section 8-104 will no longer be applicable to any gas customer who is eligible for 8-104(m) – SDC and exempt customers beginning January 1, 2020. This will affect the last five months of PY 12 (January-May of 2020).

Q. How does the Plan 4 natural gas spending limit compare to Plan 3?

A. The spending limit has declined due to the reduction in forecasted revenue. The Plan 3 cumulative 3-year spend limit (inclusive of the Department) was $ 46,940,276 and the Plan 4 spending limit is $ 44,776,305 which represents a reduction of $2.1 million or 5%.

B. Therm Savings Goal

Q. How did you calculate the therm savings goal for Plan 4?

A. Per Section 8-104(c), the savings goals are applied to the base calendar year 2009. The qualified sales during the calendar year 2009 were 111,858,841 dekaTherms. Multiplying the PY10 goal of 1.4% by calendar 2009 sales yields 1,566,024 dekaTherms. For PY11 (June 1, 2018 through May 31, 2019), multiplying the goal of 1.5 % by calendar 2009 sales yields 1,677,883 dekaTherms. Finally, multiplying the PY12 (June 1, 2019 through May 31, 2020) goal of 1.5% by calendar 2009 sales yields 1,663,234 dekaTherms. Please refer to Ameren Illinois Exhibit 3.2, columns 2 through 5 for additional details on the calculation of energy-efficiency reduction goals. From January 1, 2020 on, the qualified sales during the calendar year 2009 would be 109,585,395 based on the conditions of 8-104(n). The reduction to the eligible sales is equal to the 2009 sales of the customers known to Ameren Illinois who meet the 8-104(m) requirements which are not currently self-directing. These customers were determined under the condition that annual consumption exceeded 4 million therms. Additional customers may meet the requirements based on their statewide consumption of 8 million therms or use of natural gas as a feedstock, but that information is not currently known to AIC and therefore cannot be included in the calculation. Ameren Illinois may adjust the calculation if or when this information is provided to the company.

Q. Has the 2009 calendar year base amount of therms changed since Ameren Illinois' Plan 3 filing?

A. Yes, the 2009 total energy delivered was increased from 110,882,275 up to 111,858,841. It was adjusted up by 976,566 dekaTherms to reflect known changes in the SDC group. One former SDC had its status revoked in May of 2015, and an additional customer opted out of SDC status in July of 2016 to work with the Ameren Illinois energy efficiency program. The increase of 976,566 dekaTherms represents the former SDC customers' consumption for the Calendar Year 2009. The updated value of 111,858,841 is valid until January of 2020; the final half of PY12 will be calculated based on the revised value 109,585,395. The adjustment based on the conditions of 8-104(n) includes the 976,566 dekaTherms described above, in addition to 1,296,881 dekaTherms from additional qualifying customers (based on the 2009 consumption of non-SDC customers over 4 million annual therms).

Q. How do the resulting therm savings goal amounts compare to the goal percent of delivered therms?

A. As explained, the unmodified therm savings goal is calculated by applying the goal percent to 2009 total delivered therms. However, for our calculations, delivered therms have declined since 2009. Therefore, the resulting therm savings goal amount is actually higher than the goal percent for the applicable program years. The therm goal percent is 1.4%, 1.5 % and 1.5

% of delivered therms, but the resulting savings goal actually represents 1.44%, 1.54% and 1.51 % of forecasted therms for 2017- 2020.

Q. Does the natural gas savings goal get updated annually?

A. No, it does not, as the savings goal is based on 2009 as the base year and companies that apply or become eligible as SDCs are only eligible for the following 3-year cycle.

Q. How does the Plan 4 therm unmodified savings goal compare to Plan 3?

A. The therm goal increases substantially since the goal percentage increases linearly. The Plan 3 cumulative 3-year therm savings goal (inclusive of the Department) was 33,264,683 therms and the Plan 4 cumulative therm savings goal is 48,876,873 therms which is an increase of approximately 15.6 million therms or 47%. However as mentioned previously, the spending limit has declined (- 5%).

V. <u>DEMAND RESPONSE GOAL</u>

Q. How did you calculate the demand response goal for Plan 4?

A. Per the Act, "Electric utilities shall implement cost-effective demand-response measures to reduce peak demand by 0.1% over the prior year for eligible retail customers, as defined in Section 16-111.5 of this Act, and for customers that elect hourly service from the utility pursuant to Section 16-107 of this Act, provided those customers have not been declared competitive. This requirement commences June 1, 2008 and continues for 10 years."

Q. What is the resulting demand response goal for Plan 4?

A. The resulting demand response goal for Plan 4 is 1.98 MW for PY10, 0.0 MW for PY11 and 0.0 MW for PY12. The PY11 and PY12 demand response goals go to zero according to the statutory sunset at 10 years contained in the act.

Q. How does the Plan 4 demand response goal compare to the Ameren Illinois' Plan 3 goal?

A. It is lower because only one year of the three year plan is eligible for demand response programs according to the Act. The Plan 3 cumulative 3-year demand response goal was forecasted as 3.42 MW. The Plan 4 demand response goal is only 1.98 MW, a reduction of 1.43 MW or 42%.

VI. RIDERS EDR AND GER

Q. Please explain Riders EDR and GER.

A. It is my understanding that the Act requires Ameren Illinois to submit a proposed cost recovery mechanism along with its Plan 4. As explained in Plan 3, the Company is proposing to continue with the use of Rider EDR and Rider GER.

Q. Have any substantial changes been approved to Riders EDR or GER since the last three year plan was approved?

A. Yes, in the Rider EDR/GER revenue reconciliation case (Docket No. 14-0570), language was introduced into the riders to allow for any over or under recovery to be amortized over the remaining time in the three year planning period, rather than to include the entire over or under recovery in the rates calculated for the next year. The following modification was made to the individual riders' "Calculation of the EDR/GER Charge" sections.

]amortized =	Amortization of all or a portion of the quantity included in the brackets, as necessary, which will be a period of months not to exceed the number of months remaining in the current three year plan approved by the Commission. For a situation in which amortization exceeds 12 months, only the first 12 months will be included in the EDRC. At the end of each three year plan, a true-up of costs and

recoveries will be reflected in the rates for the first year of the subsequent planning period.

Q. Why was this change made?

A. The change was motivated by the Company's and Staff's desire to resolve the lag between the time that rates are collected and expenses are incurred. Both Staff and the Company provided input and presented a joint solution to the Commission.

Q. Has this change been approved by the Commission?

A. **A.** Yes, the Commission issued a Final Order in ICC Docket No. 14-0570 approving the reconciliation statements and tariff changes. Accordingly, AIC is now asking that the Commission approve the current Rider EDR and Rider GER for use during Plan 4.

VII. <u>CONCLUSION</u>

Q. Does this conclude your direct testimony?

A. Yes, it does.

APPENDIX A

STATEMENT OF QUALIFICATIONS

Matthew E. Noonan

My name is Matthew E. Noonan. My business address is One Ameren Plaza, 1901 Chouteau Avenue, St. Louis, Missouri 63103. I am a Regulatory Analyst in the Illinois Regulatory Policy and Rates Department of Ameren Illinois Company. I am a 2007 graduate of Illinois State University with a Bachelor of Science degree in Economics. In 2009, I acquired a Master's of Science in Applied Economics from Illinois State University. As part of my post-graduate work I followed a sequence in Electricity, Natural Gas, and Telecommunications Economics, which combines training in economic theory and statistical methods with specialized training in industry-related issues. The Department hosts the Institute for Regulatory Policy Studies (IRPS). During the time of my studies, I worked as a graduate assistant, with the role of research on Regulatory and Energy related studies, as well as filling in on occasion as a lecturer for courses in Energy Economics and the Economics of Telecommunication. In conjunction with this sequence, I completed an internship in the Rates Department at Nicor Gas. Upon Graduation in 2009; I was hired as a Regulatory Analyst in the Regulatory Policy and Rates Department at Ameren Illinois. In 2014, I was promoted to the position of Regulatory Specialist and I have been working in this capacity ever since. My duties and responsibilities include analysis and development of supporting data for gas and electric pricing and general rate case support. I am also responsible for regulatory research and other rate or regulatory projects, as assigned, including work relating to Ameren Illinois' energy efficiency programs. I previously provided testimony in the Plan 3 energy efficiency (Docket No. 13-0498), also related to the gas and electric spending limits and savings goals.

Ameren Exhibit 3.1

Electric Energy Efficiency and Demand Response

Summary of Revenue Spending Limit for Three Year Plan Period (TME May 2016, 2017 & 2018)

Time Periods			MWh Adjusted for Energy Efficiency Measures				Revenue Spending Limit Calculation (Inclusive of DCEO spend)					
							Limit Based on Year Ending 5/31/07		nit Based on Add'l 0.5eater of '07 Based or Additive Amou			
Plan Yr	Source Period	Plan Period	Base Forecast	ıcremental EE Targ	umulative EE Targ	Adjusted Forecast	¢/kWh Limit	Dollar Amount	¢/kWh Limit	¢/kWh Limit	Dollar Amount	Annual DR
		(1)				(2)	(3)	(4)	(5)	(6)	(7)	
1	TME May 2007	6/1/08 - 5/31/09	38,462,615	76,925	76,925	38,385,690	0.0360	$ 13,818,848	N.A.	0.0360	$ 13,818,848	
2	TME May 2008	6/1/09 - 5/31/10	36,964,945	147,860	224,785	36,817,086	0.0719	$ 26,471,484	0.0407	0.0767	$ 28,238,705	
3	TME May 2009	6/1/10 - 5/31/11	37,926,462	227,559	452,344	37,698,903	0.1079	$ 40,677,117	0.0410	0.1177	$ 44,371,609	
4	TME May 2010	6/1/11 - 5/31/12	38,716,487	309,732	762,076	38,406,755	0.1438	$ 55,228,913	0.0366	0.1543	$ 59,261,622	4.42
5	TME May 2011	6/1/12 - 5/31/13	38,015,427	380,154	1,142,230	37,635,273	0.1449	$ 54,533,511		0.1543	$ 58,071,226	4.20
6	TME May 2012	6/1/13 - 5/31/14	38,600,835	540,412	1,682,642	38,060,424	0.1449	$ 55,149,554		0.1543	$ 58,727,234	4.16
7	TME May 2013	6/1/14 - 5/31/15	39,325,443	707,858	2,390,500	38,617,585	0.1449	$ 55,956,881		0.1543	$ 59,586,934	1.23
8	TME May 2014	6/1/15 - 5/31/16	40,043,284	800,866	3,191,365	39,242,418	0.1449	$ 56,862,264		0.1543	$ 60,551,052	1.12
9	TME May 2015	6/1/16 - 5/31/17	40,260,242	805,205	3,996,570	39,455,037	0.1449	$ 57,170,349		0.1543	$ 60,879,122	1.07
10	TME May 2016	6/1/17 - 5/31/18	37,656,975	753,139	4,749,710	**36,903,835**	0.1449	$ 53,473,657		0.1543	**$ 56,942,618**	1.98
11	TME May 2017	6/1/18 - 5/31/19	38,267,169	765,343	5,515,053	**37,501,825**	0.1449	$ 54,340,145		0.1543	**$ 57,865,317**	0.00
12	TME May 2018	6/1/19 - 5/31/20	38,731,736	774,635	6,289,688	**37,957,102**	0.1449	$ 54,999,840		0.1543	**$ 58,567,808**	0.00

Notes:

Col (1): Reflects the planning period for which measures are to be implemented

Col (2): Forecast includes adjustment for energy efficiency measures.

Col (3): TME 5/31/07 ¢/kWh amount paid times 0.5% in PY 1, 1% in PY 2, 1.5% in PY 3, 2% in PY 4, and 2.015% in PY 5 through PY 12

Col (4): Col (2) x Col (3)

Col (5): TME 5/31/08, 5/31/09 and 5/31/10 ¢/kWh amount estimated to be paid times 0.5% in PY 2, PY 3 and PY 4, respectively

Col (6): For PY 1- 0.5% of Amt Paid(¢/kWh) for TME 5/31/07, For PY 2,3,&4 -Greater of Col (3) or [Col (5) Current Year + Col (6) Prior Year], For PY 5-9 -Greater of Col(3) or ¢/kWh paid in PY4, For PY 10-12 Greater of Col(3) or ¢/kWh paid in PY4

Col (7): Col (6) x Col (2) x 10

Time Periods			DekaTherms Adjusted for Energy Efficiency Measures					Revenue Spending Limit Calculations (Inclusive of DCEO spend)									
Plan Yr	Source Period	Plan Period	Energy Forecast (Total Delivered)	Energy Forecast (System Only)	Target	Incremental EE Target	Cumulative EE Target (System Only)		Forecast Retail Revenue ($1000)	¢/ Therm (forecast)	5-6-2010 Final Order Adj.	Retail Revenue ($1000)	Avg. Retail Rate (¢/Therm)	% Increase Limit	¢/Therm Limit	Spending Limit ($1000)
		(1)	(2)	(3)		(4)	(5)					(6)			(7)	
	Calendar 2009	**1/1/09-12/31/09**	**110,882,275**	**89,419,711**		-	-		$ 1,006,038	90.7		$ 1,006,038	90.7	0.0%	0.0	$ -
	Revised Cal 2009 (Plan Year 4)	**1/1/09-12/31/09**	**111,858,841**	**89,419,711**					$ 1,005,765	89.9		$ 1,005,765	89.9	0.0%	0.0	$ -
	Revised Cal 2009 {8-104 (n)}	**1/1/09-12/31/09**	**109,585,395**													
	TME May 2010	6/1/09 - 5/31/10	118,744,606	88,809,347	-	-	-	-	$ 915,885	77.1	-	$ 915,885	77.1	-	0.0	-
	TME May 2011	6/1/10 - 5/31/11	118,469,977	83,027,933	-	-	-	-	$ 918,632	77.5	(1.323)	$ 902,962	76.2	-	0.0	-
4	TME May 2012	6/1/11 - 5/31/12	120,944,475	83,595,756	0.20%	221,765	221,765	-	$ 942,761	77.9	(1.323)	$ 926,763	76.6	2.0%	1.5325	**$ 18,535**
5	TME May 2013	6/1/12 - 5/31/13	122,228,429	83,668,154	0.40%	443,529	665,294	-	$ 961,059	78.6	(1.323)	$ 944,891	77.3	2.0%	1.5461	**$ 18,898**
6	TME May 2014	6/1/13 - 5/31/14	122,918,961	83,852,213	0.60%	665,294	1,330,587	-	$ 976,676	79.5	(1.323)	$ 960,417	78.1	2.0%	1.5627	**$ 19,208**
7	TME May 2015	6/1/14 - 5/31/15	106,869,251	74,864,170	0.80%	887,058	2,298,143		$ 779,948	73.0	-	$ 779,948	73.0	2.0%	1.4596	**$ 15,599**
8	TME May 2016	6/1/15 - 5/31/16	106,831,840	75,027,969	1.00%	1,108,823	3,406,966		$ 782,738	73.3	-	$ 782,738	73.3	2.0%	1.4654	**$ 15,655**
9	TME May 2017	6/1/16 - 5/31/17	105,896,073	74,143,788	1.20%	1,330,587	4,737,553		$ 784,327	74.1	-	$ 784,327	74.1	2.0%	1.4813	**$ 15,687**
10	TME May 2018	6/1/17 - 5/31/18	108,537,574	73,577,150	1.40%	1,566,024	6,303,577		$ 745,024	68.6	-	$ 745,024	68.6	2.0%	1.3728	**$ 14,900**
11	TME May 2019	6/1/18 - 5/31/19	108,951,071	72,910,091	1.50%	1,677,883	7,981,459		$ 742,112	68.1	-	$ 742,112	68.1	2.0%	1.3623	**$ 14,842**
12	TME May 2020	6/1/19 - 5/31/20	108,560,242	72,725,043	1.50%	1,643,781	9,625,240		$ 751,679	69.2	-	$ 751,679	69.2	2.0%	1.3848	**$ 15,034**

RIDER EDR – ENERGY EFFICIENCY AND DEMAND-RESPONSE COST RECOVERY

APPLICABILITY

Rider EDR – Energy Efficiency and Demand-Response Cost Recovery (Rider EDR) is applicable to all Customers taking service under this Electric Service Schedule as authorized by Section 8-103 and Section 16-111.5B of the Public Utilities Act (Act), 220 ILCS 5/8-103 and 220 ILCS 5/16-111.5B, respectively. The charges calculated pursuant to this Rider shall be applicable to all kilowatt-hours (kWhs) delivered by the Company.

PURPOSE

* The purpose of this Rider is to provide for the recovery of costs, fees and charges for approved Energy Efficiency and Demand-Response (EDR) measures implemented in compliance with Section 8-103 of the Act. Moreover, pursuant to the provisions of Section 16-111.7 of the Act, any EDR Charge applicable to Residential (Rate DS-1) or Small Non-residential (Rate DS-2 or DS-5) Retail Customers computed by the Company shall provide for the recovery of all costs prudently incurred by the Company in association with any on-bill financing program described in Section 16-111.7. In addition, this Rider provides for the recovery of costs, fees and charges in compliance with Section 16-111.5B of the Act, associated with the implementation of Energy Efficiency programs and measures approved by the Commission in its order approving the procurement plan under Section 16-111.5 of the Act, from all Retail Customers whose electric service has not been declared competitive under Section 16-113 of the Act and who are eligible to purchase power and energy from the Company under fixed-price bundled service tariffs, regardless of whether such Customers actually do purchase such power and energy from the Company.

DEFINITIONS

Effective Period
Effective Period means the period during which the EDR Charge, the recovery mechanism for Incremental Costs, is applied to delivered kWhs. The Effective Period begins with the first monthly Billing Period after the EDR Charge is filed.

EDR Measures or Measures
EDR Measures (Measures) mean activities and programs that are developed, implemented, or administered by or for the Company, or the Illinois Department of Commerce and Economic Opportunity (DCEO), related to energy efficiency and demand-response plans approved by the Illinois Commerce Commission (ICC) pursuant to Section 8-103 or Section 16-111.5B of the Act, as applicable.

RIDER EDR – ENERGY EFFICIENCY AND DEMAND-RESPONSE COST RECOVERY

Incremental Costs
Incremental Costs means costs incurred by or for the Company or recovered on behalf of DCEO in association with the Measures, incurred after the effective date of Section 8-103 of the Act, to be recovered pursuant to this Rider, and include, but are not limited to (a) fees, charges, billings, or assessments related to the Measures; (b) costs or expenses associated with equipment, devices, or services that are purchased, provided, installed, operated, maintained, or monitored for the Measures; (c) the revenue requirement equivalent of the return of and on a capital investment associated with the Measures, based upon the most recent rate of return approved by the ICC; and (d) all legal and consultant costs.

Incremental Costs also includes incremental expenses for wages, salaries, and benefits of Company employees, including direct and indirect incremental costs associated with such Company employees who are hired for positions specifically related to the Measures and that were created after the effective date of Section 8-103 of the Act.

Incremental Costs do not include any expenses for wages, salaries, and benefits of Company employees, employed either before or after the effective date of Section 8-103 of the Act, which are otherwise recovered pursuant to other approved tariffs.

Incremental Costs may also include joint costs common to both gas and electric energy efficiency programs. The proportion of joint costs allocated and recovered through this Rider will be based on the proportion of electric program expenses to total electric and gas program expenses.

Incremental Costs also include costs incurred after July 10, 2009, by the Company in association with on-bill financing programs approved by the ICC and provided in accordance with the provisions of Section 16-111.7 of the Act and include, but are not limited to (a) all start-up and administrative costs associated with any such program; (b) evaluation costs associated with any such program; (c) the revenue requirement equivalent of the return of and on a capital investment associated with any such program, based on the most recent rate of return approved by the ICC; and (d) all legal and consultant costs associated with any such program. Such costs may not include bad debt expense related to costs incurred by the Company as described in Section 16-111.7(c)(6) of the Act.

RIDER EDR – ENERGY EFFICIENCY AND DEMAND-RESPONSE COST RECOVERY

Incremental Costs also include incremental expenses for wages, salaries, and benefits of Company employees, including direct and indirect incremental costs associated with Company employees, who are hired for positions related to any on-bill financing program approved by the ICC and provided in accordance with the provisions of Section 16-111.7 of the Act, and incurred after July 10, 2009. Incremental Costs may not include any expenses for wages, salaries, and benefits of Company employees in positions related to any on-bill financing program approved by the ICC pursuant to Section 16-111.7 of the Act, employed either before or after July 10, 2009, that are otherwise recovered under other effective tariffs.

Incremental Costs may also include joint costs common to both gas and electric on-bill financing programs. The proportion of joint costs allocated and recovered through this Rider will be based on the proportion of maximum on-bill financing permitted for a electric utility to maximum electric on-bill financing and maximum gas utility on-bill financing, permitted pursuant to Section 16-111.7(c)(7) of the Act and Section 19-140(c)(7) of the Act, respectively.

Moreover, Incremental Costs also include all costs incurred by or for the Company, in association with the implementation of energy efficiency programs and measures approved by the Commission in its order approving the procurement plan under Section 16-111.5 of the Act pursuant to Section 16-111.5B of the Act including but not limited to (a) all start-up and administrative costs, (b) the costs for any evaluation, measurement, and verification of the measures, and (c) all legal and consultant costs.

Program Year
Program Year means the period of June 1 through May 31 of the next year for which the EDR Charge is generally determined.

CALCULATION OF THE EDR CHARGE

A separate EDR Charge (or EDRC) shall be calculated for each of the following Customer classes.

Classes applicable through May 2013:
Residential – Rate DS-1
Small Commercial and Industrial - Rate DS-2, DS-3 and DS-5
Large Commercial and Industrial - Rate DS-4

Classes applicable beginning June 2013 through December 2014:
Residential – Rate DS-1
Small Non-residential – Rate DS-2 and DS-5
Medium Non-residential – Rate DS-3
Large Non-residential – Rate DS-4

RIDER EDR – ENERGY EFFICIENCY AND DEMAND-RESPONSE COST RECOVERY

Classes applicable beginning January 2015:
Residential – Rate DS-1
Small Non-residential – Rate DS-2 and DS-5
Medium Non-residential – Rate DS-3, or DS-6 Customer eligible for Rate DS-3 service
Large Non-residential – Rate DS-4, or DS-6 Customer eligible for Rate DS-4 service

The calculation and application of the applicable EDRC shall be applied to all kWhs delivered to the Customer class and shall be computed in accordance with the following formula:

*EDRC =	$\frac{PC + RIC + [ARA]amortized + ORA}{PE} \times UF \times \frac{100¢}{\$1}$
Where:	
EDRC =	EDR Charge, in cents/kWh rounded to the thousandths of a cent, applied as a charge or credit to kWhs delivered for Retail Customers, as applicable, during the Program Year as specified in this Rider.

PC =	Projected Costs, in dollars, are equal to the projected Incremental Costs associated with the applicable Program Year or in the case of a revised EDR Charge, are equal to adjustments for projected Incremental Costs for the remaining Effective Periods of the Program Year. Such Projected Costs to be recovered during the Program Year may include adjustments for (a) costs incurred after the effective date of Section 8-103 of the Act that are related to the planning and development of plans approved by the ICC for energy efficiency and demand-response programs amortized over a period of three years or other such costs related to annual reporting requirements and (b) ICC-approved adjustments to Incremental Costs, if any. In computing the EDRC, Projected Costs also include projected Incremental Costs associated with any on-bill financing program approved by the ICC and provided in accordance with the provisions of Section 16-111.7 of the Act during the applicable twelve (12) month period beginning in June following the date that the EDRC is filed with the ICC, or in the case of a revised EDRC, beginning with the month following the date that such revised EDRC is filed with the ICC for informational purposes and extending through the following May. Projected Costs also included projected Incremental Costs associated with any energy efficiency programs and measures approved by the Commission in its order approving the procurement plan and provided in accordance with the provisions of Section 16-111.5B of the Act.

RIDER EDR – ENERGY EFFICIENCY AND DEMAND-RESPONSE COST RECOVERY

RIC =	Reimbursement of Incremental Costs, in dollars, that are equal to funds from any source other than the application of EDRC that the Company expects to receive that are associated with the applicable twelve (12) month period of an ICC approved energy efficiency and demand response plan, if any, directly related to the implementation of programs and not otherwise credited. In addition to not including funds that the Company expects to receive from the application of EDRCs, Reimbursements of Incremental Costs do not include funds that the Company expects to receive through the application of Rider EUA – Electric Uncollectible Adjustment (Rider EUA) to recover costs incurred by the Company as described in Section 16-111.7(c)(6) of the Act.

ARA =	Automatic Reconciliation Adjustment, in dollars, is equal to the cumulative over- or under-collection of Incremental Costs, pursuant to the plans approved by the ICC, resulting from the application of the applicable EDRC through the Program Year (which will reflect projections through the end of the Program Year due to timing of adjustments).

*[ ]amortized =	Amortization of all or a portion of the quantity included in the brackets, as necessary, which will be a period of months not to exceed the number of months remaining in the current three year plan approved by the Commission. For a situation in which amortization exceeds 12 months, only the first 12 months will be included in the EDRC. At the end of each three year plan, a true-up of costs and recoveries will be reflected in the rates for the first year of the subsequent planning period.

ORA =	Ordered Reconciliation Adjustment, in dollars, is equal to an amount ordered by the ICC to be refunded to or collected from Retail Customers. Such amounts include interest charged at the rate established by the ICC in accordance with 83 Ill. Adm. Code 280.40(g)(1).

RIDER EDR – ENERGY EFFICIENCY AND DEMAND-RESPONSE COST RECOVERY

UF =	Uncollectible Factor to adjust for applicable uncollectibles related to this Rider based upon the historical uncollectible experiences of the Company. The first factor will be based upon the collective uncollectible experience for the Company in the consolidated Docket Nos. 06-0070/06-0071/06-0072 in the Company Delivery Services rate cases. The factor shall be revised after subsequent Delivery Services rate cases. Notwithstanding the above, UF shall be equal to 1.0 effective with the May 2010 Billing Period and thereafter.

PE =	Projected Energy, in kWh, forecasted to be delivered to the applicable Retail Customers during the applicable Effective Period(s).

ANNUAL REPORTING AND REVIEW

Annual Audit Report

Annually, subsequent to completion of a Program Year, the Company must conduct an internal audit of its costs and recoveries of such costs pursuant to this Rider. The internal audit shall determine if and to what extent Incremental Costs recovered through this Rider are: 1) wages, salaries, and benefits of Company employees, including direct and indirect incremental costs associated with such employees for positions that were created after August 28, 2007 for energy efficiency measures or after July 10, 2009 for on-bill financing programs; 2) associated with the Measures or applicable on-bill financing programs, as appropriate; 3) not recovered through other approved tariffs. The internal audit should also determine whether; 4) Rider EDR is being properly billed to Customers; 5) Rider EDR revenues are recorded in appropriate accounts; and 6) any reimbursements of costs are identified and recorded properly for calculating rates and reconciliation. The above list of determinations does not limit the scope of the audit.

The Company must also prepare a report each year summarizing the results of such audit. Such report must be submitted to the ICC in an informational filing, with copies of such report provided to the Manager of the Staff's Accounting Department and the Director of the Staff's Financial Analysis Division by September 30, beginning in 2009. Such report must be verified by an officer of the Company.

Annual Energy Efficiency and Demand-Response Charge Report

The Company will prepare an annual report summarizing the operation of the automatic adjustment mechanism for Measures and applicable on-bill financing programs, as appropriate, for the previous year. Such report will be submitted to the ICC in an informational filing, with copies of such report provided to the Manager of the Staff’s Accounting Department and the Director of the Staff’s Financial Analysis Division by September 30, beginning in 2009. Such report must be verified by an officer of the Company.

RIDER EDR – ENERGY EFFICIENCY AND DEMAND-RESPONSE COST RECOVERY

TERMS OF PAYMENT

Customer bills for service under this tariff shall be rendered and payments shall be due in accordance with the Payment of Bills and Late Payments section of the Customer Terms and Conditions.

TERMS AND CONDITIONS

Informational Filing

The amount of the EDR Charges shall be shown on an informational filing supplemental to this Rider and filed with the ICC at least once annually, prior to the Program Year. Such filing and any subsequent informational filings shall not be filed later than the 20th day of the month immediately preceding the Effective Period. The informational filing postmarked after that date but prior to the first day of the Effective Period will be accepted only if it corrects an error or errors for a timely filed report for the same Effective Period. Any other informational filing postmarked after that date will be accepted only if submitted as a special permission request under the provision of Section 9-201 (a) of the Act. The informational filing shall be accompanied by work papers showing the calculation of the EDR Charges. Unless otherwise required as indicated in the succeeding paragraph, each EDR Charge shall become effective as indicated on the informational filing and shall remain in effect for all kWh delivered during the Program Year.

General

Service hereunder is subject to the Customer Terms and Conditions, Standards and Qualifications for Electric Service, Tax Additions, and Supplemental Customer Charge Tariffs of this Schedule, as well as any other applicable Rates, Riders, taxes, adjustments, fees or charges that may be approved by the ICC from time to time and are in effect.

* **Annual Energy Efficiency Reconciliation Docket**

During the annual reconciliation proceeding, the Company shall file testimony that addresses the Company's reconciliation statement and the prudence and reasonableness of costs incurred and recovered under this Rider during the Program Year that is the subject of the reconciliation statement.

RIDER GER – GAS ENERGY EFFICIENCY COST RECOVERY

APPLICABILITY

*

* Rider GER-Gas Energy Efficiency Cost Recovery (Rider GER) is applicable to all Customers taking service under this Gas Service Schedule as authorized by Section 8-104 of the Public Utilities Act (Act), 220 ILCS 5/8-104. Sections 8-104(m)&(1) provides exemptions from Gas Energy Efficiency Program Cost Recovery charges for Electric Generation Customers, Exempt Feedstock, and Self-Directing Customers (SDC's). Customers must apply to the Department of Commerce and Economic Opportunity (DCEO) to be designated as a SDC or Exempt Feedstock. The charges calculated pursuant to this Rider shall be applicable to all Therms delivered by Ameren Illinois (the Company) other than those delivered to exempt Customers.

PURPOSE

* The purpose of this Rider is to provide for the recovery of costs, fees and charges for approved Gas Energy Efficiency (GEE) measures implemented by the Company and approved by the Commission. Moreover, pursuant to the provisions of Section 19-140 of the Act, any GEE Charge applicable to Residential (Rate GDS-1) or Small Non-residential (Rate GDS-2) Retail Customers computed by the Company shall provide for the recovery of all costs prudently incurred by Company in association with any on-bill financing program described in such Section 19-140.

DEFINITIONS

Effective Period
Effective Period means the period during which the GEE Charge, the recovery mechanism for GEE Incremental Costs, is applied to delivered Therms. The Effective Period begins with the first monthly Billing Period after the GEE Charge is filed.

GEE Measures or Measures
GEE Measures (Measures) mean activities and programs that are developed, implemented, or administered by or for the Company, or the DCEO, related to gas energy efficiency plans approved by the Illinois Commerce Commission (ICC) pursuant to a Commission Order.

RIDER GER – GAS ENERGY EFFICIENCY COST RECOVERY

Incremental Costs

* Incremental Costs means costs incurred by or for the Company or recovered on behalf of DCEO in association with the Measures, incurred after February 1, 2008, to be recovered pursuant to this Rider, and include, but are not limited to (a) fees, charges, billings, or assessments related to the Measures; (b) costs or expenses associated with equipment, devices, or services that are purchased, provided, installed, operated, maintained, or monitored for the Measures; (c) the revenue requirement equivalent of the return of and on a capital investment associated with the Measures, based upon the most recent rate of return approved by the ICC; and (d) all legal and consultant costs associated with the Measures.

Incremental Costs also include incremental expenses for wages, salaries, and benefits of the Company employees, including direct and indirect incremental costs associated with such Company employees who are hired for positions specifically related to the Measures and that were created after February 1, 2008.

Incremental Costs do not include any expenses for wages, salaries, and benefits of Company employees, employed either before or after February 1, 2008 which are otherwise recovered pursuant to other approved tariffs.

Incremental Costs may also include joint costs common to both gas and electric energy efficiency programs. The proportion of joint costs allocated and recovered through this Rider will be based on the proportion of gas program expenses to total electric and gas program expenses.

Incremental Costs also include costs incurred after July 10, 2009, by the Company in association with on-bill financing programs approved by the ICC and provided in accordance with the provisions of Section 19-140 of the Act and include, but are not limited to (a) all start-up and administrative costs associated with any such program; (b) evaluation costs associated with any such program; (c) the revenue requirement equivalent of the return of and on a capital investment associated with any such program, based on the most recent rate of return approved by the ICC; and (d) all legal and consultant costs associated with any such program. Such costs may not include bad debt expense related to costs incurred by the Company as described in Section 19-140(c)(6) of the Act.

RIDER GER – GAS ENERGY EFFICIENCY COST RECOVERY

Incremental Costs also include incremental expenses for wages, salaries, and benefits of Company employees, including direct and indirect incremental costs associated with Company employees, who are hired for positions related to any on-bill financing program approved by the ICC and provided in accordance with the provisions of Section 19-140 of the Act, and incurred after July 10, 2009. Incremental Costs may not include any expenses for wages, salaries, and benefits of Company employees in positions related to any on-bill financing program approved by the ICC pursuant to Section 19-140 of the Act, employed either before or after July 10, 2009, that are otherwise recovered under other effective tariffs.

Incremental Costs may also include joint costs common to both gas and electric on-bill financing programs. The proportion of joint costs allocated and recovered through this Rider will be based on the proportion of maximum on-bill financing permitted for a gas utility to maximum gas on-bill financing and maximum electric utility on-bill financing, permitted pursuant to Section 19-140(c)(7) of the Act and Section 16-111.7(c)(7) of the Act, respectively.

Program Year
Program Year means the period of January 1, 2009 through May 31, 2009 with subsequent Program Years consisting of the period of June through May, of the next year for which the GEE Charge is generally determined.

CALCULATION OF THE GEE CHARGE

*

Effective with the June 2011 Billing Period, a separate GEE Charge (or GEEC) shall be calculated for each of the following Customer classes:

Residential – Rate GDS-1
Small Commercial and Industrial – Rate GDS-2 and GDS-3
Large Commercial and Industrial – Rate GDS-4, GDS-5 and GDS-7

* Effective with the June 2014 Billing Period, a separate GEE Charge (or GEEC) shall be calculated for each of the following Customer classes:

Residential – Rate GDS-1
Small Non-residential – Rate GDS-2
Medium Non-residential - GDS-3
Large Non-residential – Rate GDS-4, GDS-5 and GDS-7

The calculation and application of the GEE Charge (or GEEC) shall be applied to all delivered Therms subject to this Rider. The GEE Charge will include costs and revenues for the Company, where:

RIDER GER – GAS ENERGY EFFICIENCY COST RECOVERY

$$*GEEC = \frac{PC + RIC + [ARA]amortized + ORA}{PT} \times UF \times \frac{100\,¢}{\$\,1}$$

Where:

GEEC = GEE Charge, in cents/Therm, rounded to the thousandths of a cent, applied as a charge or credit to Therms delivered for Customers, as applicable, during the Program Year as specified in this Rider.

PC = Projected Costs, in dollars, are equal to the Incremental Costs associated with the applicable Program Year, including applicable cost incurred after February 1, 2008, or in the case of a revised GEE Charge, are equal to adjustments for such projected Incremental Costs for the remaining Effective Periods of the Program Year. Such Projected Costs to be recovered during the Program Year may include adjustments for (a) costs incurred related to the planning and development of plans approved by the ICC for energy efficiency programs amortized over a period of three years or other such costs related to annual reporting requirements and (b) ICC approved adjustments to Incremental Costs, if any. In computing the GEEC for GDS-1 and GDS-2 Customers, Projected Costs also include projected Incremental Costs associated with any on-bill financing program approved by the ICC and provided in accordance with the provisions of Section 19-140 of the Act during the applicable twelve (12) month period beginning in June following the date that the GEEC is filed with the ICC, or in the case of a revised GEEC, beginning with the month following the date that such revised GEEC is filed with the ICC for informational purposes and extending through the following May.

RIC = Reimbursement of Incremental Costs, in dollars, that are equal to funds from any source other than the application of GEEC that the Company expects to receive that are associated with the applicable ICC approved energy efficiency plan, if any, directly related to the implementation of programs and not otherwise credited during an applicable Program Year. In addition to not including funds that the Company expects to receive from the application of the GEEC, Reimbursements of Incremental Costs do not include funds that the Company expects to receive through the application of Rider GUA – Gas Uncollectible Adjustment (Rider GUA) to recover costs incurred by the Company as described in Section 19-140(c)(6) of the Act.

RIDER GER – GAS ENERGY EFFICIENCY COST RECOVERY

ARA = Automatic Reconciliation Adjustment, in dollars, is equal to the cumulative over-or under-collection of Incremental Costs, pursuant to the plans approved by the ICC, resulting from the application of the applicable GEEC through the Program Year (which will reflect projections through the end of the Program Year due to timing of adjustments).

*[] amortized Amortization of all or a portion of the quantity included in the brackets, as necessary, which will be a period of months not to exceed the number of months remaining in the current three year plan approved by the Commission. For a situation in which amortization exceeds 12 months, only the first 12 months will be included in the GEEC. At the end of each three year plan, a true-up of costs and recoveries will be reflected in the rates for the first year of the subsequent planning period.

ORA = Ordered Reconciliation Adjustment, in dollars, is equal to an amount ordered by the ICC to be refunded to or collected from Customers. Such amounts include interest charged at the rate established by the ICC in accordance with 83 Ill. Adm. Code 280.40(g)(1).

UF = Uncollectible Factor to adjust for applicable uncollectibles related to this Rider based upon the historical uncollectible experiences of the Company. The first factor will be based upon the collective uncollectible experience for the Company in the consolidated Docket Nos. 07-0588, 07-0589 and 07-0590 in the Company Gas Delivery Services rate cases. The factor shall be revised after subsequent Gas Delivery Services rate cases. Notwithstanding the above, UF shall be equal to 1.0 effective with the May 2010 Billing Period and thereafter.

PT = Projected Therms forecasted to be delivered to the Company GDS-1 and GDS-2 Customers during the applicable Effective Period(s). Effective with the June 2011 Billing Period, PT will be the Projected Therms forecasted to be delivered to the applicable Customer classes during the applicable Effective Period(s).

RIDER GER – GAS ENERGY EFFICIENCY COST RECOVERY

ANNUAL REPORTING AND REVIEW

Annual Audit Report

Annually, subsequent to completion of a Program Year, the Company must conduct an internal audit of its costs and recoveries of such costs pursuant to this Rider. The internal audit should also determine if and to what extent Incremental Costs recovered through this Rider are: 1) wages, salaries, and benefits of Company employees, including direct and indirect incremental costs associated with such employees for positions that were created after February 1, 2008 for energy efficiency Measures or after July 10, 2009 for on-bill financing programs; 2) associated with the Measures or applicable on-bill financing programs, as appropriate; 3) not recovered through other approved tariffs. The internal audit should also determine whether; 4) Rider GER is being properly billed to Customers; 5) Rider GER revenues are recorded in appropriate accounts; and 6) any reimbursements of costs are identified and recorded properly for calculating rates and reconciliation. The above list of determinations does not limit the scope of the audit.

The Company must also prepare an annual report summarizing the results of such audit. Such report must be submitted to the ICC in an informational filing, with copies of such report provided to the Manager of the Staff's Accounting Department and the Director of the Staff's Financial Analysis Division by September 30, subsequent to completion of a Program Year. Such report must be verified by an officer of the Company.

Annual Energy Efficiency Charge Report

The Company will prepare an annual report summarizing the operation of the automatic adjustment mechanism for Measures and applicable on-bill financing programs, as appropriate, for the previous year. Such report will be submitted to the ICC in an informational filing, with copies of such report provided to the Manager of the Staff’s Accounting Department and the Director of the Staff’s Financial Analysis Division by September 30, subsequent to completion of a Program Year. Such report must be verified by an officer of Company.

RIDER GER – GAS ENERGY EFFICIENCY COST RECOVERY

TERMS OF PAYMENT

Customer bills for service under this tariff shall be rendered and payments shall be due in accordance with the Payment of Bills and Late Payments section of the Customer Terms and Conditions.

MISCELLANEOUS TERMS AND CONDITIONS

Informational Filing

The amount of the GEE Charge shall be shown on an informational filing supplemental to this Rider and filed with the ICC at least once annually, prior to the Program Year. Such filing and any subsequent informational filings shall not be filed later than the 20th day of the month immediately preceding the Effective Period. An informational filing postmarked after that date but prior to the first day of the Effective Period will be accepted only if it corrects an error or errors for a timely filed report for the same Effective Period. Any other informational filing postmarked after that date will be accepted only if submitted as a special permission request under the provision of Section 9-201 (a) of the Act. The informational filing shall be accompanied by work papers showing the calculation of the GEE Charge. Unless otherwise required as indicated in the succeeding paragraph, each GEE Charge shall become effective as indicated on the informational filing and shall remain in effect for all Therms delivered during the Program Year.

General

Service hereunder is subject to the Customer Terms and Conditions, Standards and Qualifications for Gas Service, Tax Additions, and Supplemental Customer Charges Tariffs of this Schedule, as well as any other applicable Rates, Riders, taxes, adjustments, fees or charges that may be approved by the ICC from time to time and are in effect.

* **Annual Energy Efficiency Reconciliation Docket**

During the annual reconciliation proceeding, the Company shall file testimony that addresses the Company's reconciliation statement and the prudence and reasonableness of costs incurred and recovered under this Rider during the Program Year that is the subject of the reconciliation statement.