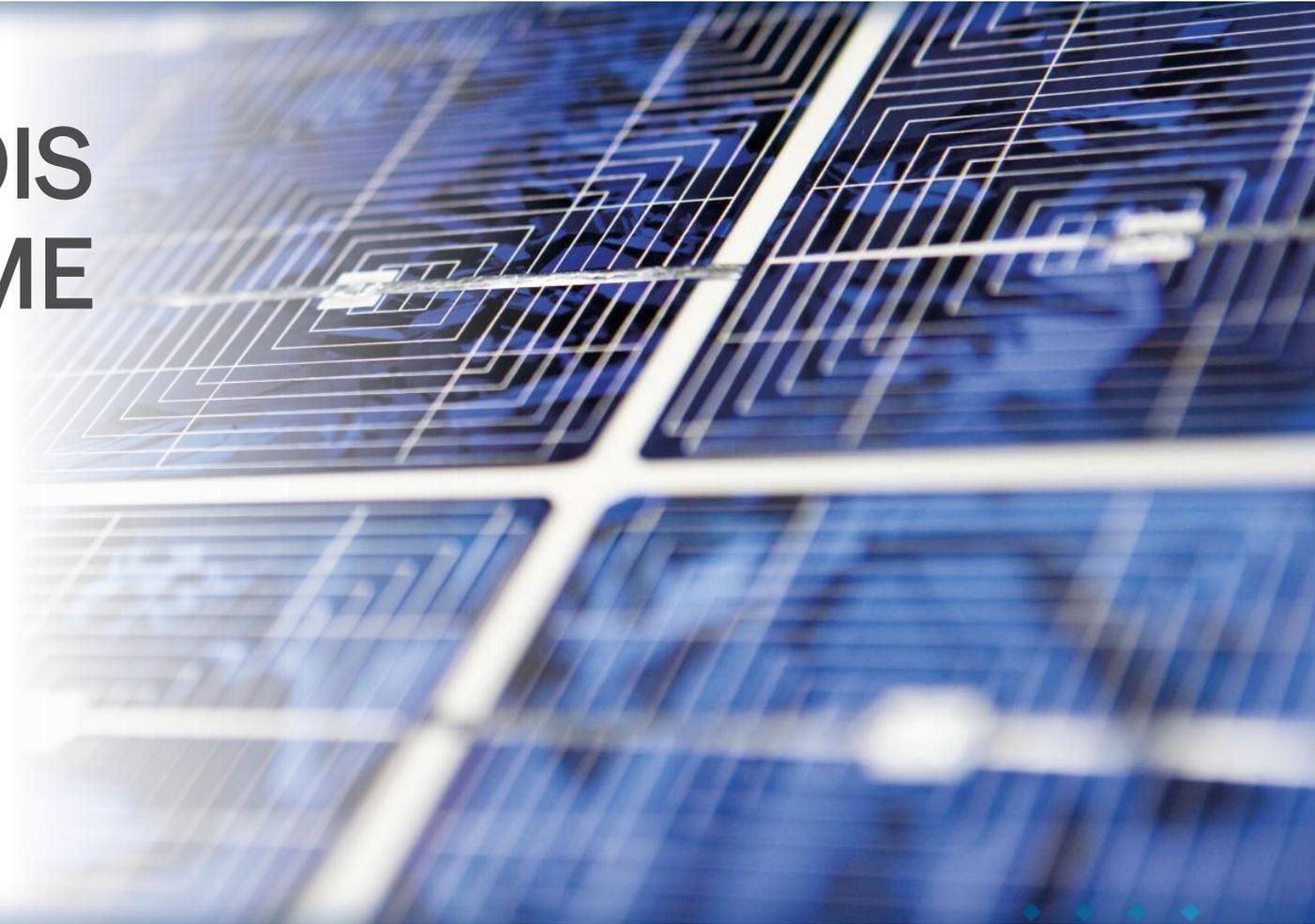


Opinion **Dynamics**

2021 AMEREN ILLINOIS COMPANY LOW INCOME NEEDS ASSESSMENT

Summary of Findings
and Recommendations



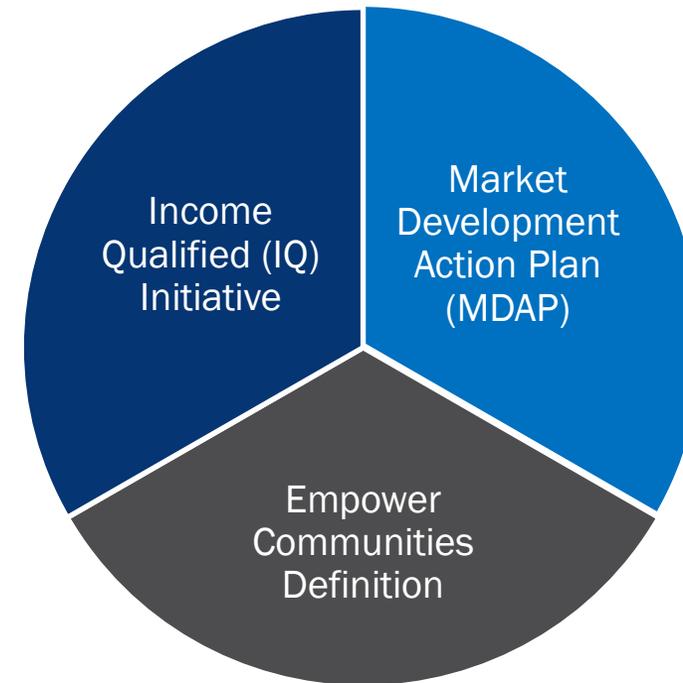
September 8, 2022



Low Income Needs Assessment (LINA) Overview

- General population survey with 1,359 residential Ameren Illinois Company (AIC) customers
- Income, homeownership, and housing type were the primary analysis groups
- Key objectives of the survey:
 - Identify key IQ customer subsegments with high need: energy burden, financial insecurity, health hardship
 - Improve AIC's understanding of its IQ customers
 - Reveal potential new engagement strategies

Serving IQ Customers: Three Lenses

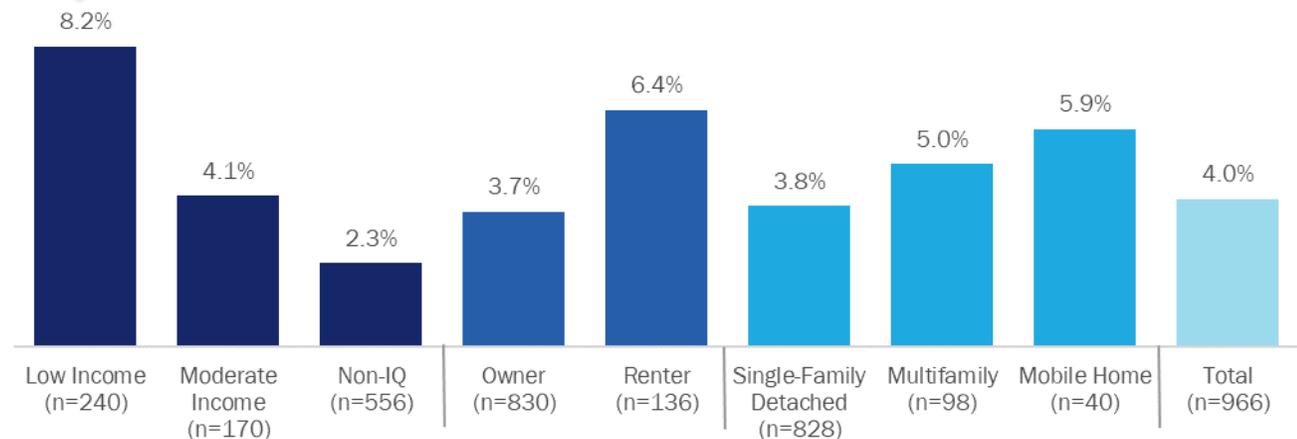


Energy Burden

- IQ customers continue to experience greater energy burden and financial hardship than non-IQ customers
- This study underscored the vulnerability of specific sub-segments:
 - Customers in mobile homes
 - Renters in multifamily units
 - Additional demographic groups
- The IQ Initiative already addresses most energy-related needs, at no-cost or a heavy discount

ACEEE: The definition of “high energy burden” is 6%+ nationally.¹

Average Energy Burden, by Core Segment



Annual Household Energy Costs

Energy Burden $\frac{\text{Annual Household Energy Costs}}{\text{Annual Household Income}}$

Annual Household Income

¹ Drehobl, A., L. Ross, and R. Ayala. 2020. How High are Household Energy Burdens? Washington, DC: American Council for an Energy-Efficient Economy. <https://www.aceee.org/research-report/u2006>

Health, Comfort, and Safety (HCS)

- IQ customers generally face greater health hardship
- Multifamily renters and mobile home dwellers experience HCS concerns more often
- Addressing HCS needs has been historically difficult but new opportunities may arise in response to the Clean and Equitable Jobs Act (CEJA)

Recommendation Highlights

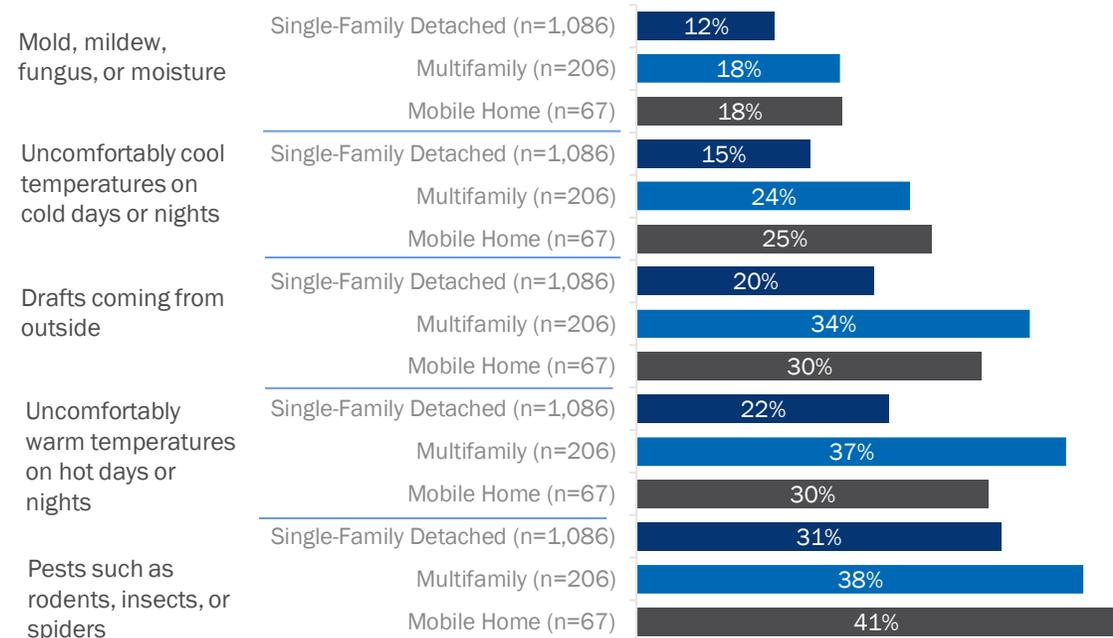
Continue efforts to develop and implement a targeted offering for mobile homes; research mobile home energy and HCS needs

Explore additional strategies to overcome owner-renter split incentives and increase tenant education on low/no cost strategies

Explore opportunities to further identify and address window infiltration issues through the IQ Initiative, especially the IQ Multifamily channel.

Explore opportunities to further address HCS needs in light of CEJA requirements

Percentage of Respondents Experiencing HCS Issues At Least “Sometimes”

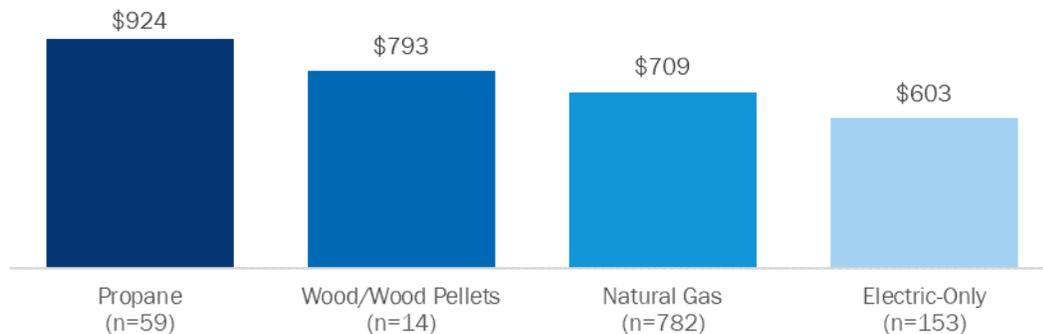


Note: The survey question informing this figure reads: “During the last year, how often, if at all, did you or a household member experience any of the following inside your home?” Figure includes “sometimes”, “often”, or “always” responses.

Alternative Fuels

- Alternative fuel users (esp. propane) tend to have significantly higher annual energy costs than those who use natural gas or electricity only
- Alternative fuel usage is rare (7% use propane and 2% use wood or wood pellets)
- Also tends to be among relatively more affluent customers
- AIC is planning a targeted electrification offering in response to CEJA

Average Total 2020 Household Energy Costs per Bedroom by Fuel Use in Home



Note: Column values represent average annual household energy costs across all fuels. All homes have electricity. Per-bedrooms cost used to normalize for home size.

Recommendation Highlight

Conduct an alternative fuel use segmentation study

Market Development Action Plan Implications

- AIC and the Champaign County Regional Planning Commission (CCRCP) developed the “Empower Communities” index
- Race and income are a good starting point, but other demographic groups also have high energy burdens
- The Low Income Home Energy Assistance Program (LIHEAP) and other public assistance do not fully address energy burden

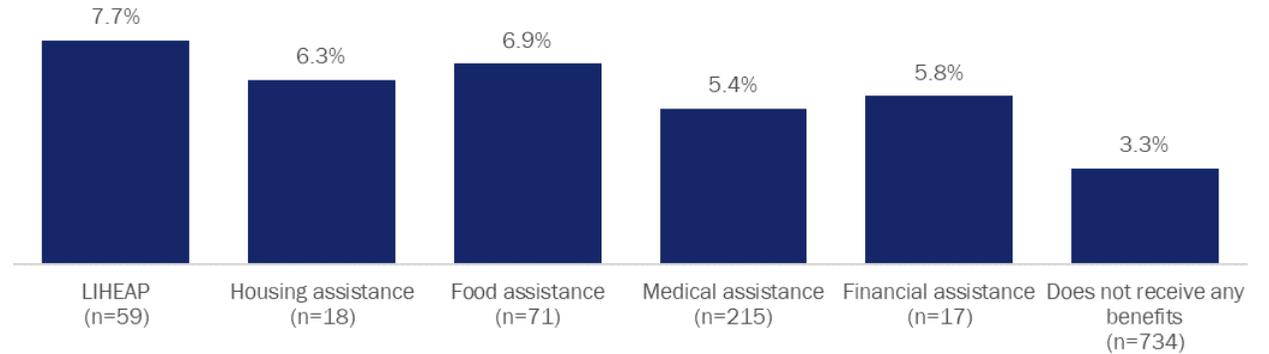
Recommendation Highlights

Continue to prioritize Empower Communities based on income and race

Work with CCRPC to add several demographics as new prioritization criteria: disability status, education, employment status, single-mother

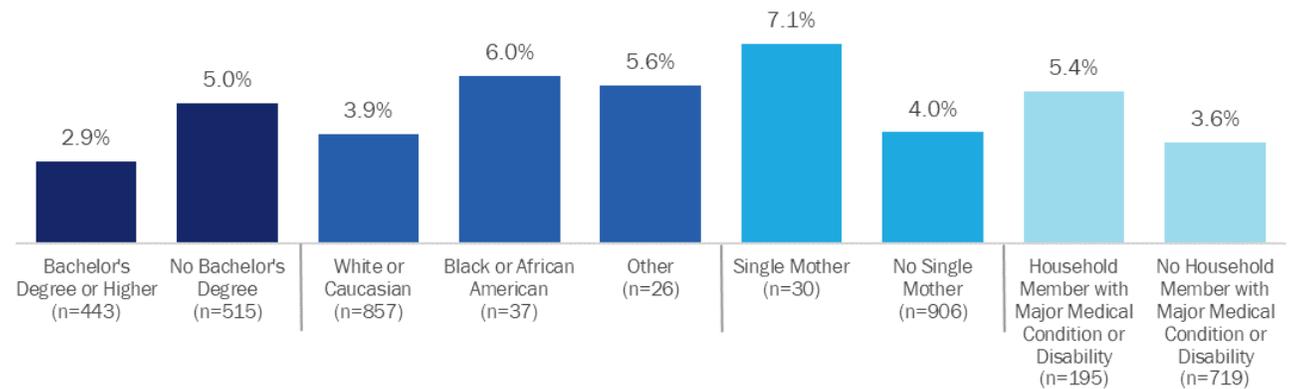
Include receipt of public assistance, particularly LIHEAP, as another prioritization criteria

Average Modified Energy Burden, by Public Assistance Received



Note: “Modified energy burden” accounts for the benefits of public assistance; considering them a part of income

Average Energy Burden, by Demographic Groups



Marketing, Education, and Outreach (ME&O)

- Awareness remains the biggest barrier to AIC offering participation
- Less than two-thirds of LIHEAP-eligible customers are aware of LIHEAP
- IQ and non-IQ customers have similar communication preferences.
- Customers are most likely to consult established AIC resources for assistance with reducing their energy bill, if they know support exists
- Community partnerships can drive awareness of AIC's offerings and layer them on top of the partners' other support services.

Recommendation Highlights

Develop an ME&O campaign dedicated to raising awareness of LIHEAP and leverage community partners who already promote it

Continue to use e-mail outreach, but focus more on direct mail or paper collateral as much as possible

Consider opportunities to expand the use of text message alerts

Continue to develop community partnerships, especially with organizations who share common goals or target demographics

Seek ways to connect established AIC resources and community partners who offer other social services

The survey included a “MaxDiff” exercise. We used these results to conduct “first-choice simulations” to reveal which sources customers would be most likely and least likely to go to for help when looking to find ways to reduce their monthly energy bills.

Next Steps for Ameren Illinois

- Launched Mobile Homes Initiative
- Launched Healthier Homes Pilot
 - Includes measures such as air purifiers and indoor air quality monitors
- Collect data on potential other HCS measures
- LIHEAP-specific promo videos
 - Market LIHEAP in combination with EE
- Pursue mixed-mode and “stacked” ME&O to income-qualified customers
- Continue to pursue partnerships with community-based orgs



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Supplemental Slide: Recommendations Summary (1/2)

- INSERT STUDY LINK WHEN AVAILABLE

Cross-Cutting

- Explore opportunities to further address HCS needs in light of CEJA requirements
- Conduct an alternative fuel use segmentation study (planned for 2022)
- Use LINA data as a supplemental source for planned IL-TRM V.11.0 updates related to measures in IQ homes

Manufactured Homes

- Continue efforts to develop and implement a targeted offering for mobile homes (began in 2021)
- Conduct a market study on mobile homes' energy-related and HCS needs (planned for 2022)

IQ Multifamily Initiative

- Increase emphasis on replacing portable air conditioners (PACs), especially in tenant units
- Use ductless heat pumps when replacing both PACs and baseboard heating together
- Explore opportunities to further identify and address window infiltration issues
- Explore additional strategies to overcome owner-renter split incentives and increase tenant education on low/no cost strategies

Supplemental Slide: Recommendations Summary (2/2)

- INSERT STUDY LINK WHEN AVAILABLE

MDAP Strategies

- Continue to prioritize Empower Communities based on income and race
- Work with CCRPC to add several demographics as new prioritization criteria: disability status, education, employment status, single-mother household
- Include receipt of public assistance, particularly LIHEAP, as another prioritization criteria
- Continue to develop community partnerships, especially with organizations who share common goals or target demographics
- Develop an ME&O campaign dedicated to raising awareness of LIHEAP and leverage community partners who already promote it
- Seek ways to connect established AIC resources and community partners who offer other social services
- Consider an ME&O strategy specific to faith-based organizations, particularly those in Empower Communities.

Marketing Education and Outreach

- Continue relying on the AIC website and call centers as a critical information resources for AIC customers.
- Continue to use e-mail outreach but focus more on direct mail or paper collateral as much as possible
- Consider opportunities to expand the use of text message alerts.
- Consider additional investments in search engine marketing and in-store promotions at local hardware/ home improvement stores.

Supplemental Slide: Survey Respondents Summary

Survey Respondent Summary

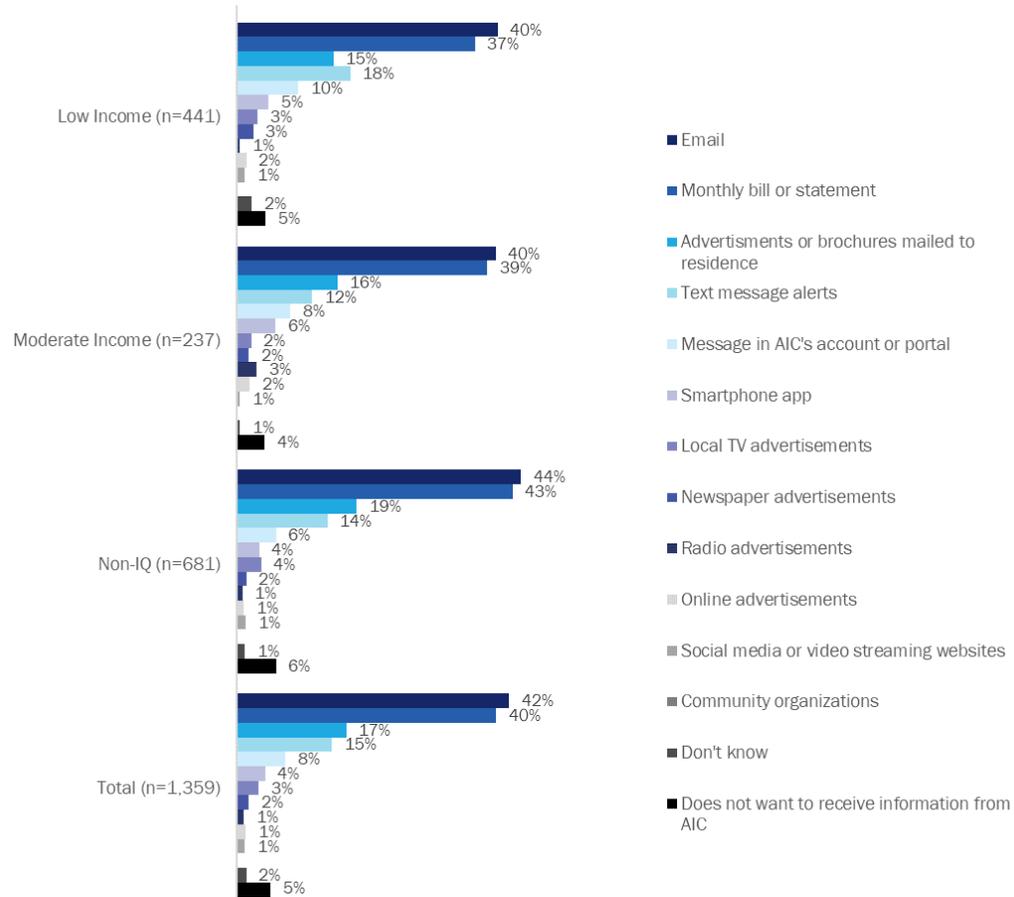
Segment	Count of Respondents	Percent of Respondents
Income ^a		
IQ: Low Income	441	33%
IQ: Moderate Income	237	17%
Non-IQ	681	50%
Homeownership		
Owner	1,049	77%
Renter	310	23%
Housing Type		
Single-family Detached	1,086	80%
Multifamily ^b	206	15%
Mobile Home	67	5%
Total	1,359	100%

^a Low income customers are households at 200% or lower of the Federal Poverty Level (FPL). Moderate income customers are households at 201% to 300% of FPL.

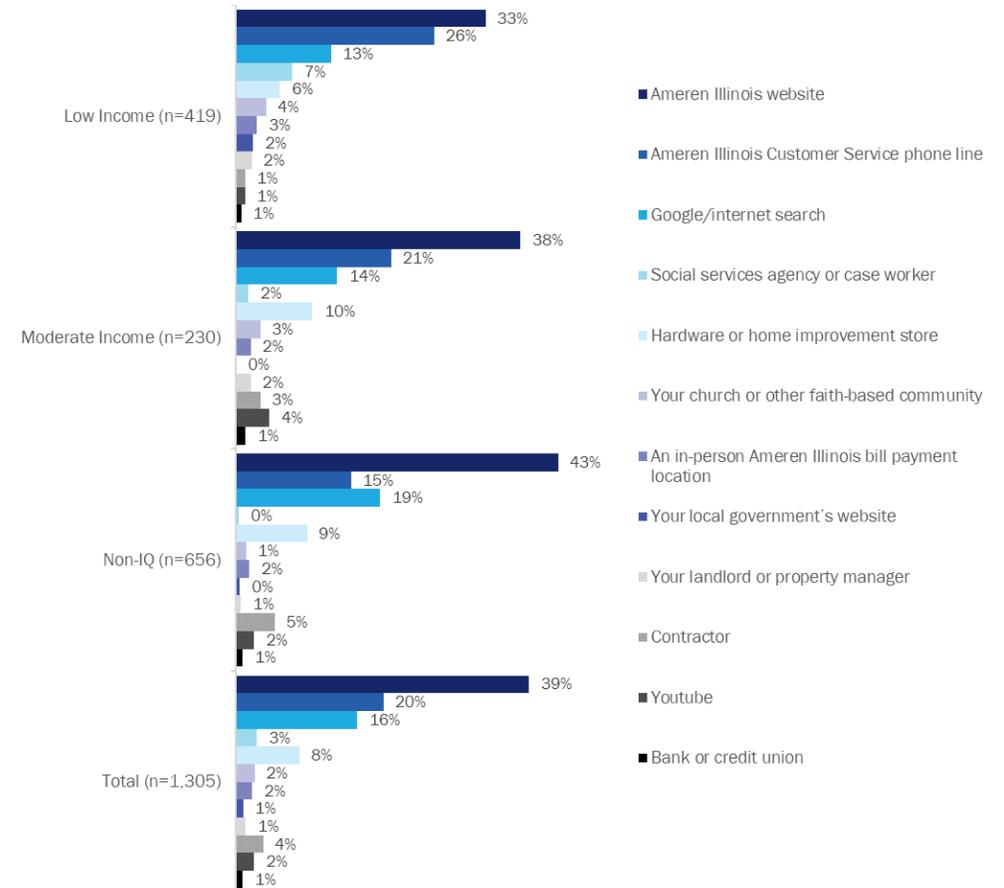
^b Multifamily includes single-family attached

Supplemental slide: ME&O-Related Survey Results

Preferred AIC Communications Methods



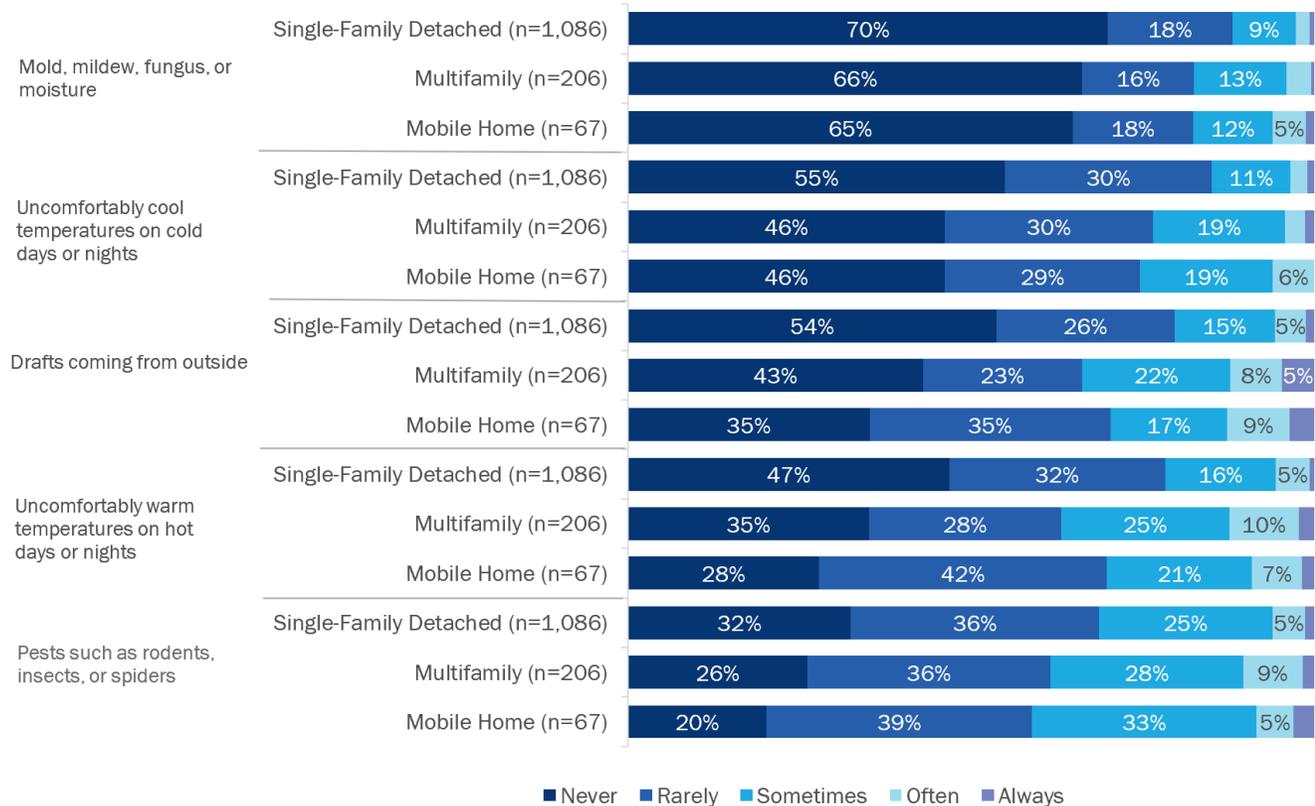
Top Preferred Source of Information When Seeking Help to Reduce Energy Bills



Note: Customers were allowed to select up to two options.

Supplemental Slide: Additional HCS Survey Data

Frequency of In-Home Health, Comfort, and Safety Hazards by Housing Type



Note: Percentage labels <3% are not shown. The survey question informing this figure reads: “During the last year, how often, if at all, did you or a household member experience any of the following inside your home?”

Supplemental Slide: HVAC Technologies

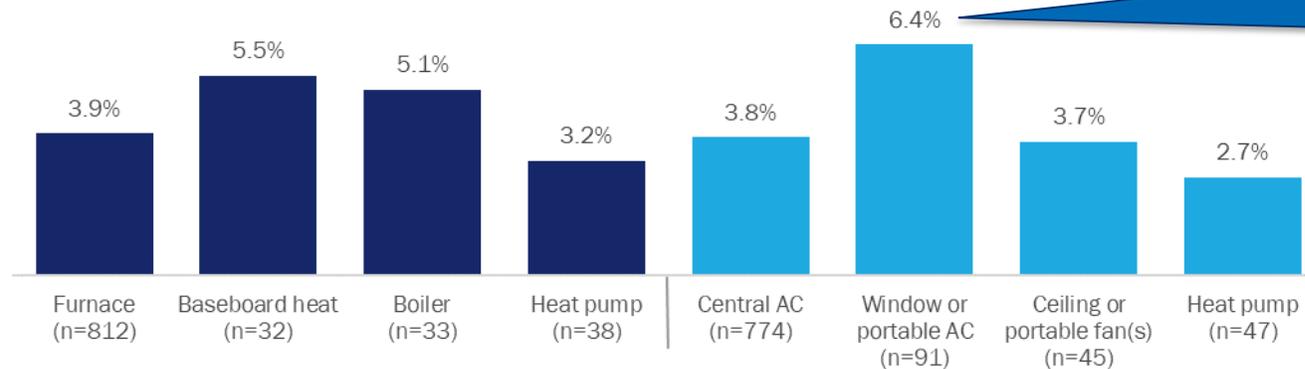
- Customers who use portable/window air conditioners (PAC) and baseboard heating have higher energy burden compared to other types of HVAC technologies
- AIC has begun to use room air conditioner replacements as a key foot-in-the door strategy for reaching multifamily units

Recommendation Highlights

Increase emphasis on replacing portable air conditioners (PACs), especially in tenant units

Use ductless heat pumps when replacing both PACs and baseboard heating together

Average Energy Burden, by Primary Heating and Cooling Sources



PACs exacerbate energy burden; not sole driver though