



Illinois Commerce Commission

Docket No. 17-0311

Approval of Ameren Illinois Company  
Electric and Gas Energy Efficiency  
and Demand Response Plan  
2018 – 2021

Original Plan Filed: June 30, 2017  
Compliance Filing Filed: October 11, 2017

Ameren Illinois Company presents below the amendments to its Energy Efficiency and Demand Response Plan for the time period of January 1, 2018 through December 31, 2021 (the Plan), as directed by the Commission's Final Order dated September 11, 2017 (Final Order). As ordered, the Plan and its appendices, as amended by this compliance filing and the Final Order, are consistent with and reflective of the findings and determinations made by the Commission.

As an initial matter, the Final Order reflects a robust analysis and determination of many complicated and contentious regulatory issues involving development and approval of the Plan in a manner authorized by, and consistent with, Sections 8-103B and 8-104 of the Public Utilities Act (the Act). Ameren Illinois recognizes and appreciates the Commission's careful consideration of the evidence, law and positions of the parties, and while the Company did not prevail on all issues, it respectfully accepts the Commission's decisions as reflected in this filing. Ameren Illinois has, in good faith, complied with the Final Order and has modified its Plan to incorporate the Commission's directives, which are clear given the record before the Commission as follows:

#### Electric and Gas Budgets

Appendix A (Rev.) (electric) and Appendix D (Rev.) (gas) to the Plan reflect the allocation of the approved electric and gas budgets, which were the maximum budgets allowable under the Act. As explained in the Plan and approved by the Commission, the electric budget will be updated through a new Appendix A in the first quarter of 2018 to reflect the final list of exempt customers. The approved total electric and gas budgets have not been changed in this compliance filing.

#### Electric and Gas Savings Goals

Appendix B (Rev.) (electric) and Appendix E (gas) to the Plan reflect the Company's electric and gas savings goals, as directed by the Final Order. The goals comply with Sections 8-103B and 8-104 and are consistent with the Commission's clear directive to provide additional annual electric savings that will assist more Ameren Illinois customers. Accordingly, as directed, Ameren Illinois has incorporated Staff's suggestions for certain reallocations of measures to achieve an additional average annual savings of 12,043 MWhs or 48,172 MWhs over the four years of the Plan. These savings are incremental to the average annual savings and increase the cumulative persisting annual savings (CPAS) targets proposed by the Company in its rebuttal filing. As reflected in Appendix B (Rev.), the Company now plans to achieve an additional average annual savings of 54,646 MWhs or 218,584 MWhs over the four years of the Plan, when compared to the Company's originally filed position. As also reflected in Appendix B (Rev.) to the Plan, the 2021 CPAS percentage goal of 8.95% has been increased from 8.24%, as identified in the Company's originally filed position, and 8.84%, as identified in the Company's rebuttal filing. This CPAS goal reflects the necessary limitation and allocation of measures in

accordance with the maximum budget levels authorized by the Act, as well as the record evidence.

In accordance with the Final Order, the additional 12,043 MWhs of average annual savings are planned to come from the lowering of the cents/kWh cost of the Income Qualified initiative through a change in measure mix while maintaining the overall budget of the initiative. This change in measure mix includes, among other things, a plan to leverage federal funding for certain residential measures through the Illinois Home Weatherization Assistance Program (IHWAP). Notably, the Plan reflects a Residential Program design that still delivers on the Company's commitment to its customers, including its moderate- to low-income customers.

Finally, Appendix C (Rev.) reflects the Demand Response goal, which, as approved by the Commission, will be met through coincident peak demand reductions achieved through implementation of the Plan.

#### Investment in Diverse Business Enterprises and Illinois Communities

Through the Final Order, the Commission approved Ameren Illinois' proposed approximately \$3 million a year research and development investment in diverse business enterprises located in the Ameren Illinois service territory. This effort will fund initiatives aimed at developing a best-in-class model to engage diverse and economically challenged communities, businesses and individuals in energy efficiency programs. The goals of this work are to increase the number of diverse business enterprises delivering energy efficiency; increase the amount of incentive dollars associated with projects implemented by diverse businesses; provide job development and training in local, targeted communities; and provide energy savings to traditionally hard to reach customer segments.

This planned investment is consistent with the Future Energy Jobs Act, 99-0906 (FEJA), the provisions of Section 8-103B, and the Commission's official diversity and inclusion policy. For example, the planned investment will be targeted to remove barriers to business and individual participation through support of the following initiatives where possible:

- Financial support for training, licensure, certifications, internships or job placement.
- Training related to financial and business processes, technical skills, and energy efficiency terminology, goals and forecasting.
- Coaching providing business advice, supporting soft skill development, employee development, financial planning and market potential.
- Assistance with Ameren-specific systems, requirements and procedures. infrastructure development; materials requirements and other support.
- Facilitation of partnerships and networking opportunities.

Notably, Commissioner del Valle's dissent reflects an apparent misunderstanding of the Commission's approval of this planned investment, as well as the Commission's strong support of the Plan's emphasis on serving low income customers in the Company's service territory, and

developing new economic and energy efficiency opportunities for diverse individuals and communities. But the approved investment directly addresses the concerns expressed by Commissioner del Valle himself at the August 25, 2017 Commission meeting, when the Commissioner expressed a need to provide adequate funding, training and opportunities to help promote a diverse workforce. Even though the intervening parties to this docket persist with their attempt to take away the funding for this important and necessary effort and spend more in the Business Program, the substantial evidence shows that the intervenors' suggested diversion of funds would neither result in additional savings nor provide actual, meaningful benefits to customers. Ameren Illinois looks forward to delivering this planned investment, which will benefit all its customers and which complies with the provisions of Section 8-103B.

#### Rider GER, Rider EE and Rider APM

In accordance with the approvals set forth in the Final Order, AIC has filed or will file its approved Rider GER, Rider EE and Rider APM with the Commission and the rates set by the Commission will be effective with the January 2018 billing period. Notably, in its Final Order, the Commission ordered the Company to donate, without future recovery, any performance-related incentives authorized under Section 8-103B(g)(8) as a result of 2018 program year savings that are greater than the 2018 applicable annual incremental goal to a charitable or 501(c)(3) nonprofit organization dedicated to serving low income communities in its service territory in energy efficiency related efforts. At the conclusion of the reconciliation proceeding for the 2018 plan year, which will result in a determination of whether Ameren Illinois achieved savings above the 2018 applicable annual incremental goal for that year, the Commission will approve any adjustment to the return on equity component of the Company's weighted cost of capital. Should the adjustment result in an increase in the return on equity percentage, the Company will make a one-time donation in an amount equal to the performance incentive, to a charitable or 501(c)(3) nonprofit organization of its choice and report the donation, in accordance with the Commission's directive.

#### Administrative and other Policy Directives

Consistent with the Final Order, the Company will adhere to and implement the eight administrative items proposed by Staff and approved by the Commission based on the substantial evidence, as well as the application of the Illinois Energy Efficiency Policy Manual and Illinois Technical Reference Manual, as approved. Also consistent with the Final Order, Ameren Illinois will continue to participate in future meetings and workshops relating to its Plan, including those of the Stakeholder Advisory Group (SAG) and the low income advisory group.

#### Appendices

For ease of reference, Ameren Illinois also attaches to this compliance filing a full set of the updated and revised appendices to its Plan.

### Conclusion

The Plan, as amended by this compliance filing and the Final Order, will provide opportunities to all eligible Ameren Illinois customers, including residential and business customers, who seek to save energy through energy efficiency investment. The Plan will also deliver the energy savings contemplated by the Act, as well as the investment in businesses and communities in the Ameren Illinois service territory that was promised by FEJA. Ameren Illinois looks forward to implementing its Plan, as amended by this compliance filing and the Final Order, while continuing its commitment to achieving the 16% cumulative persistent annual savings by December 31, 2030.

Appendices

Appendix A (Rev.):	Electric Budget
Appendix B (Rev.):	Electric Savings Goals
Appendix C (Rev.):	Electric Demand Response Goal
Appendix D (Rev.):	Gas Budget
Appendix E:	Gas Savings Goal
Appendix F (Rev.):	Electric and Gas Budget and Modified Savings Goal Summary
Appendix G (Rev.):	Adjustable Goals Template
Appendix H (Rev.):	Program Templates
Appendix I (Rev.):	Measure Level Inputs