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Ameren Illinois IQ Electrification Targeting and Barriers Study

Presentation to Illinois SAG – November 10, 2026



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Introduction

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Ameren Illinois IQ Electrification Background

- In response to the passage of the Climate and Equitable Jobs Act (CEJA), AIC included a targeted low-income electrification offering in its 2022-2025 energy efficiency plan
- AIC's IQ electrification efforts focus on electrifying customers who use propane for space and water heating
- Electrification upgrades can include air source heat pumps, heat pump water heaters, electric induction stoves, and heat pump clothes dryers
- Upgrades are paired with weatherization and other EE services
- Participants must receive a positive bill impact to be eligible



Study Background & Research Objectives

AIC has made sustained outreach to tens of thousands of identified target customers, but program participation has been below expectations. AIC asked E Source to conduct a study to identify barriers to participation, assess the effectiveness of current targeting approaches, and inform potential channel adjustments.



01

Targeting

How does AIC currently identify potential propane customers? In what ways, if any, can this approach be improved?



02

Awareness & Acceptance

Are AIC customers currently aware of electrification efforts? What is the current level of acceptance for electrification measures among customers?



03

Barriers

What are the barriers to electrification efforts? Are the barriers related to awareness and acceptance? How can marketing and outreach efforts be optimized to overcome them and increase channel participation?

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Methodology

		Research objectives		
		01 Targeting	02 Awareness	03 Barriers
Staff interviews	AIC and Leidos implementation staff: targeting, program design, and outreach	●	●	●
Peer utility interviews	Peer programs: targeting, outreach, and barriers	●		●
Materials review	AIC's marketing, education, and outreach mailers, emails, and presentations		●	●
Targeting review	How AIC identifies potentially eligible propane customers	●		
Nonparticipant survey	Eligible customers who have not enrolled: awareness, acceptance, and barriers		●	●

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Findings

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Materials & Targeting Review

Marketing materials review

Materials are clear and well designed but try to say too much

- **Ten message themes** across financial, practical, and social categories
- **2–6 themes per piece,** too many for some materials
- **Emphasis shifted** from affordability and reliability toward technology, safety, and convenience
- **Imagery is well constructed** but sometimes repetitive

Targeting review

Proxy-based targeting flags many homes that don’t heat with propane

- **AIC infers propane use** from electric-only service, geography, and income, prioritizing areas with active Program Allies
- **No data source shows heating fuel,** so wood, electric, and mixed-fuel homes get flagged
- **Outreach timing is not always optimal** e.g. just after a tank refill
- **Opportunity to** combine customer and neighborhood data and rank by propane likelihood and readiness

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Non-Participant Awareness and Interest

Awareness is low

66%

are not familiar with the channel

46% not at all familiar and 20% not too familiar

34%

could not name any eligible measure

Air source heat pumps were the most recalled measure, at 45%

Appeal doesn't convert to interest

53–55%

found the mailers appealing

Somewhat or very appealing across both mailers (n=211)

8–9%

are very interested in the program

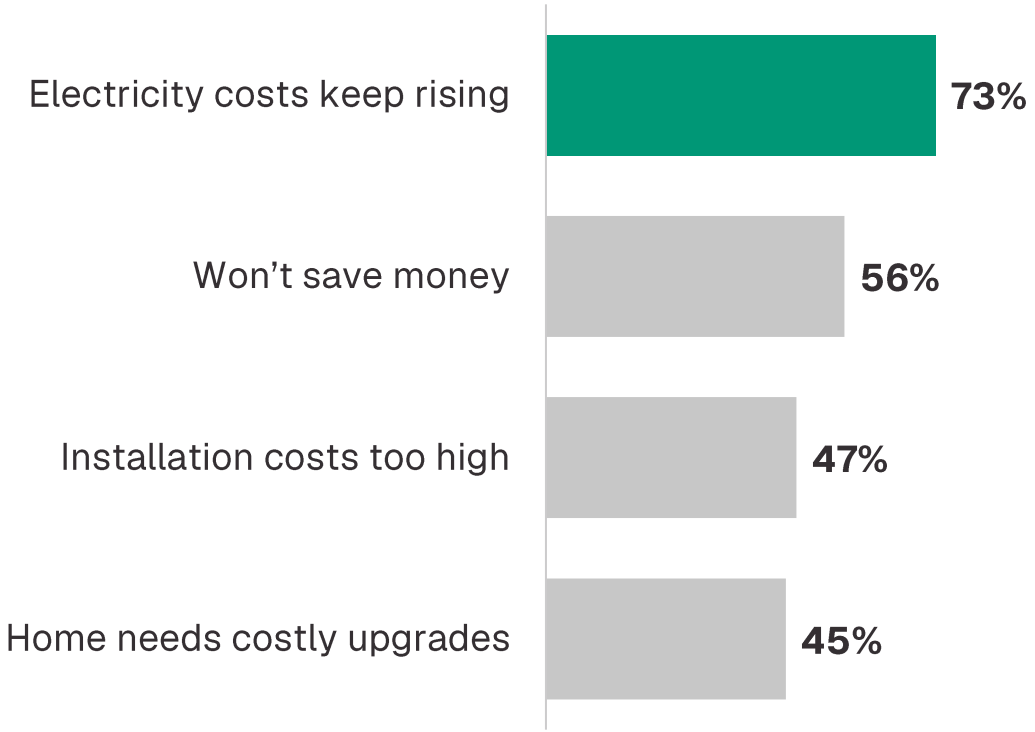
27–31% are not at all interested after seeing the materials

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Barriers to Electrification

Cost dominates the barriers customers cite

Share of respondents naming each as a barrier



Top concerns in customers' own words

Cost and affordability

54% expect electrification to raise their heating bill; 32% are unsure

"My brother in law is all electric and has an outrageous bill."

Electric rate volatility

32% call rising electricity costs their single largest barrier

"Electric bill is already tripled in the last few years, can't hardly pay it now."

Reliability and outages

Rural customers worry about losing heat in long outages

"I'm also concerned in my rural environment about extended power outages."

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Lessons from Peer Utilities

Trust and awareness build slowly

Repeated, local exposure builds awareness

Trusted messengers and visible local examples work better than one-time marketing

Legitimacy matters

Clear funding explanations and protections ease doubts

59% of respondents have a low degree of trust in AIC

Relational channels beat broad outreach

Contractors, neighbors, and community groups find eligible customers and normalize electrification

Delivery determines completion

Operational gaps cause drop-off

Contractor capacity, permitting, grid readiness, and poor handoffs lose interested customers

Lower burden lifts completion

Help with scheduling, paperwork, and permitting improves completion rates

Bill anxiety must be addressed

Transparent bill modeling, protections, and community validation turn interest into enrollment

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Conclusions

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Conclusions and Recommendations

01 Targeting

Use local knowledge and contractor support to identify targets

RECOMMENDATIONS

- Prioritize neighborhoods using data and local input
- Offer low-burden screening and flexible qualification
- Equip contractors with a support toolkit and incentives

02 Awareness & acceptance

Channel awareness is low, and messaging spans too many themes

RECOMMENDATIONS

- Limit messaging to 1–3 themes on affordability
- Frame electrification as relief from seasonal propane costs
- Move technology and safety detail to an FAQ or website

03 Barriers

Cost concerns and distrust of utilities outweigh gains from awareness alone

RECOMMENDATIONS

- Provide transparent, personalized cost estimates
- Address rising-rate fears with realistic scenarios
- Enlist community partners and past participants

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Thank you!

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