



# 4<sup>TH</sup> QUARTER REPORT

Program Year 2019 | 01.01.19 – 12.31.19

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Data presented in this document is based on preliminary results and is subject to revision and evaluation adjustments. Ameren Illinois Energy Efficiency is funded by Ameren Illinois customers in compliance with Illinois Public Act 95-0481.

## PORTFOLIO SUMMARY

Ameren Illinois Company d/b/a Ameren Illinois (“Ameren Illinois”) provides this quarterly report for the period of January – December 2019 pursuant to Section 6.5 of the Illinois Energy Efficiency Policy Manual Version 1.1 (effective Jan. 1, 2018). Consistent with Section 6.5, Ameren Illinois provides this report using a common template developed in collaboration with other Illinois utilities and stakeholders and designed to provide the categories of information set forth in Section 6.5(i)-(vii). The information in this quarterly report may be based on preliminary results and will be assessed for revision, evaluation and adjustment quarterly, with updates and changes being made on a quarterly basis. As set forth in Section 6.5, interested stakeholders should raise any questions regarding the programs addressed in this report through the Illinois Stakeholder Advisory Group process or with Ameren Illinois directly, including to identify any updates or changes made since prior reports. As has been done previously, AIC will address questions, when practicable, through the appropriate channels, including updates to this report.

» **Through Q4, the portfolio achieved 98% of its electric PY2019 forecast<sup>1</sup> of 356,663 MWh and 127% of its gas PY2019 forecast of 3,524,551 therms.**

» In 2019, Ameren Illinois began reporting on the savings achieved by its Voltage Optimization (VO) program. Ameren Illinois committed to prioritize implementation of VO on circuits serving low-income utility customers.

» In Q4, efforts were launched piloting more formalized joint delivery of incentives with Nicor.

» In Q4, the guide for national accounts on installer certification was completed.

» In Q4, all Multifamily IQ eligibility requirements that were updated in the IL Policy manual were adopted into implementation operations.

### PY2019 PORTFOLIO SUMMARY

Actual Net MWh YTD .....	351,097	Diverse Vendor Spend YTD .....	\$9,492,527
Actual Net Therm YTD .....	4,481,414	Diverse Program Ally Spend YTD .....	\$9,663,797
PY2019 MWh Forecast .....	356,663	Income Qualified Incentive Spend YTD .....	\$31,626,475
PY2019 Therm Forecast .....	3,524,551	PY2019 Actual Spend YTD .....	\$108,777,364
PY2019 MWh Filed Goal .....	356,783	PY2019 Spending Limit .....	\$114,050,506
PY2019 Therm Filed Goal .....	3,524,550		

<sup>1</sup> The forecasts identified herein reflect the implementation forecast for PY2019.

### PY2019 YTD ENVIRONMENTAL IMPACT



# 58,754

CARS OFF THE ROAD



# 355,155

ACRES OF TREES PLANTED



# 271,951

CARBON REDUCTION (TONS)



# 31,381

HOMES POWERED FOR 1 YEAR

## RESIDENTIAL PROGRAM

### PORTFOLIO-LEVEL NARRATIVE

The Residential Program includes eight initiatives that address key electric and natural gas end-uses in single family homes and multifamily properties. The Residential Program offers a range of educational opportunities and incentives for consumers to implement a series of energy efficiency improvements. Direct installation initiatives, targeted primarily to low- and moderate-income customers, are designed to achieve reductions in energy consumption within participants' homes through the installation of low-cost energy savings measures followed by comprehensive weatherization services. Each initiative is a potential entry point for consumers into the program, which is structured to facilitate cross-promotion between initiatives and maximize participation.

Ameren Illinois' large geographic service territory encompasses over 43,000 square miles and serves more than one million residential customers of which over 640,000 receive both electric and gas service.

- » **Through Q4, the Residential Program (non-IQ specific initiatives) achieved 103% of its electric PY2019 forecast of 108,915 MWh and 91% of its gas PY2019 forecast of 1,084,855 therms.**
- » A summary report on the various residential initiatives follows.

### RESIDENTIAL BEHAVIOR MODIFICATION INITIATIVE

*Overview: The Behavior Modification Initiative generates both electric and natural gas energy savings by empowering consumers to make better-informed decisions regarding their energy use. Customers receive feedback regarding their energy consumption relative to similar homes and individually customized energy savings tips based on their energy usage patterns, housing characteristics, and demographics. Feedback is delivered by mail, email, and interactions with a customized website.*

### Q4 Update:

- » **3,617 net MWh and 35,694 net therm savings achieved (55% and 34%, respectively, of forecast).**
- » The Initiative reached over 40,000 participants with the delivery of home energy reports of 150,310 during the year.
- » Consistent with our effort to focus on Cumulative Persisting Annual Savings (CPAS), the Initiative successfully ramped down Home Energy Reports (HER)s, and the portal was closed.

### RESIDENTIAL DIRECT DISTRIBUTION OF EFFICIENT PRODUCTS INITIATIVE

*Overview: The Direct Distribution of Efficient Products Initiative primarily targets students in grades 5 through 8 providing energy education to influence families' energy behaviors. Teachers receive energy education curriculum and training by a qualified professional. Students are provided with a 'take-home' kit that raises awareness about how individual actions and low-cost measures can provide reductions in electricity, natural gas, and water consumption. Additional kits are distributed through community and other outreach efforts.*

### Q4 Update:

- » **2,718 net MWh and 82,338 net therm savings achieved (86% and 90%, respectively, of forecasts).**
- » At the end of the 4th quarter, over 7,500 kits were distributed to 70 schools with 59% of the schools served, being low income.
- » Survey results were overwhelmingly positive, with 93% of educators rating the Initiative as excellent.



## RESIDENTIAL PROGRAM

### RESIDENTIAL RETAIL PRODUCTS INITIATIVE

*Overview: The Retail Products Initiative intervenes at the point of sale to encourage residential customers to purchase high efficiency products through “brick and mortar” retail stores and online e-commerce sites. Customers receive instant discounts and/or mail-in cash rebates as an incentive to upgrade to ENERGY STAR® and other qualified high efficiency lighting products, home appliances, and smart thermostats.*

#### Q4 Update:

- » **94,849 net MWh and 739,243 net therm savings achieved (107% and 93%, respectively, of forecasts).**
- » Through Q4, incentives were provided for over 16,000 smart thermostats.
- » Greenlite pilot was launched with strong results, providing over 2,200 smart thermostats for self-install at no cost through coupons at select hardware stores in areas not traditionally served by other initiatives.
- » New retail products started in December, amongst these were ENERGY STAR refrigerators, clothes washers, electric clothes dryers, and dehumidifiers.

### RESIDENTIAL HVAC INITIATIVE

*Overview: The HVAC Initiative partners with HVAC contractors to offer instant discounts and/or mail-in cash-back rebates on efficient electric heating and cooling equipment, heat pump water heaters, and smart thermostats.*

#### Q4 Update:

- » **5,600 net MWh and 69,492 net therm savings achieved (99% and 151%, respectively, of forecasts).**
- » Q4 results were strong with the installation of 350 Air Source Heat Pumps (ASHP), over 4,200 high-efficiency blower motors, more than 1,900 Central Air Conditioning (CAC) and a little over 1,300 smart thermostats.
- » In Q4, the CAC incentive decreased, and the Brushless Permanent Magnetic Motors (BPMs) measure was removed from the Initiative.

### RESIDENTIAL APPLIANCE RECYCLING INITIATIVE

*Overview: In the Appliance Recycling Initiative, operable, inefficient refrigerators and freezers are permanently removed and recycled in an environmentally responsible manner. The pickup service is paid for by energy efficiency funds without additional cost to the customer, who also receives a cash incentive for each qualified appliance they turn in.*

#### Q4 Update:

- » **2,639 net MWh savings achieved (104% of forecast).**
- » Through Q4, over 5,000 units were picked up and recycled.
- » In Q4, appointment and routing system improvements continued to decrease cancellations and reduce pickup wait times.



## RESIDENTIAL PROGRAM

### RESIDENTIAL INCOME QUALIFIED INITIATIVE

*Overview: The Income Qualified (IQ) Initiative helps low- to moderate-income customers manage their electric and/or natural gas energy consumption through comprehensive home weatherization services, enhanced rebates on HVAC equipment, LED lighting and direct distribution of energy saving kits. Single family homes and multifamily living units and properties with average household incomes up to 300% of Federal Poverty Guidelines may receive a free, comprehensive home assessment, including a health and safety evaluation, to identify the energy efficiency services to be offered. Low-cost energy saving devices are installed in conjunction with the assessment at no cost. Comprehensive weatherization measures are also installed for eligible customers at no cost including insulation, air sealing, duct sealing, and ECM blower replacement. In addition, eligible customers receive enhanced incentives on energy efficient HVAC equipment. Energy savings kits are distributed at no cost through special events and other direct distribution efforts.*

#### **Q4 Update:**

- » **14,291 net MWh and 1,226,743 therm savings achieved (113% and 101%, respectively, of forecasts).**
- » Program Allies installed over 9,000 smart thermostats throughout our service territory for our income qualified customers.
- » **The IQ Initiative is implemented through four channels:**

1. IQ-Registered Program Ally Channel serving low to moderate income single family homes
2. IQ-Community Action Agency Channel serving low income single family homes
3. IQ-Multifamily Channel serving low to moderate income multi-family homes
4. IQ-Smart Savers Channel serving low to moderate income family homes

#### ***IQ: Registered Program Ally Channel – low to moderate income***

*The IQ-Registered Program Ally Channel is in its second year of implementation – with a commitment to develop community-focused energy efficiency initiatives.*

- » In Q4, 1,950 smart thermostats were installed.
- » In Q4, outreach efforts began to recruit customers for a joint utility pilot with Nicor to reach underserved customers in the service territory.

#### ***IQ: Community Action Agency Channel – low income***

*The IQ-Community Action Agency Channel partners with Community Action Agencies (CAA) located in Ameren Illinois' service territory and is in its second year of serving low income customers.*

- » 381 homes were served, with 86 smart thermostats installed.

#### ***IQ: Multifamily Channel***

*The IQ- Multifamily Channel targets low income multifamily properties and uses a diverse vendor in its outreach to facility managers.*

- » In PY2019, 2,213 units completed with 1,283 smart thermostats installed.

#### ***IQ: Smart Savers Channel***

*The IQ-Smart Savers Channel offers low and moderate income residential customers the ability to acquire a smart thermostat at no cost.*

- » 6,050 thermostats were installed through the initiative with support from local and diverse program allies.
- » Approximately \$850,000 was spent with local and diverse vendors through the initiative.

## RESIDENTIAL PROGRAM

### RESIDENTIAL PUBLIC HOUSING AUTHORITY

*Overview: The Public Housing Authority (PHA) targets public sector housing owned by government entities including federal, state and municipal housing authorities. The initiative mirrors the comprehensive home weatherization service offered through the IQ Initiatives in terms of income eligibility, home assessment, weatherization services, and incentive structure.*

#### Q4 Update:

- » **1,164 net MWh and 31,662 net therm savings achieved (97% and 162%, respectively, of forecasts).**
- » In PY2019, 67 complexes completed, 584 building completed, 2,662 units completed, and 152 smart thermostats installed.
- » Enhanced education to PHAs on the value of energy efficiency retrofits in their units.

### RESIDENTIAL MULTIFAMILY INITIATIVE

*Overview: The non-IQ Multifamily Initiative provides electric and gas energy savings in multifamily buildings for market rate and low- to moderate-income customers that are not a part of the IQ Initiative through the direct installation of free, low-cost energy saving measures in individual living units and common areas.*

#### Q4 Update:

- » **1,237 net MWh and 27,626 net therm savings achieved (105% and 95%, respectively, of forecasts).**
- » In PY2019, over 1,600 units were completed with over 1,400 smart thermostats installed.
- » Efforts to streamline to a “one-stop-shop” approach for our multifamily properties are underway and going well. The application/webpage and Energy Advisor training were completed in preparation for 2020.

## BUSINESS PROGRAM

### PORTFOLIO-LEVEL NARRATIVE

The Business Program provides incentives and services to non-residential customers to achieve electric and gas energy savings. The core initiatives for the Business Program include Standard, Custom, Retro-commissioning (RCx) and Street Lighting. Financial incentives are provided to business customers to drive them to conduct energy efficiency projects. Other aspects include education and training for customers and market professionals, energy efficiency marketing, and advancement of energy systems construction and monitoring beyond standard industry practices.

There are 160,000 business customers spanning the 42,000 square mile Ameren Illinois service territory. Ameren Illinois has 358 commercial and industrial customers with demands between 1 and 10 MW.

- » **Through Q4, the Business Program achieved 93% of its PY2019 electric forecast of 214,571 MWh and 170% of its PY2019 gas forecast of 1,664,787 therms.**

### BUSINESS STANDARD INITIATIVE

*Overview: The Business Standard Initiative incentivizes customers to purchase energy efficient products. Applications are filled out and delivered to Ameren Illinois via contractors, customers or through the [AmerenIllinoisSavings.com](http://AmerenIllinoisSavings.com) website. Program allies – including contractors, retailers, and distributors – are the main sales force promoting and educating consumers about the Standard Initiative. Midstream offerings in lighting technologies provide simple access to incentives for business customers. Small businesses, including non-profits, schools, and local government facilities, receive unique services and higher incentives through a network of program allies experienced and trained to assist facilities receiving delivery services under the electric DS-2 and the gas GDS-2 delivery service rates.*

#### Q4 Update:

- » **171,858 net MWh and 1,364,960 net therm savings achieved (100% of electric forecast and 167% of gas forecast).**

- » Through Q4, the Standard Initiative processed over 9,500 electric applications and nearly 800 gas applications.
- » In Q4, over 40% of the savings for the Standard Initiative was attributable to Small Business Direct Install projects with over 5,200 assessments and a little over 3,200 projects performed by 138 active Program Allies.
- » Through Q4, Standard Lighting, Instant Incentives, and Steam Trap offerings brought in the following savings:

- » Standard Lighting – 50,382 MWh
- » Instant Incentives – 32,113 MWh
- » Small Business – 76,935 MWh
- » Steam Traps – 1,148,879 therms

- » In Q4, the IMEC partnership was maintained with continued Energy Advisor calls, the voucher program promotion, and a major production improvement project award with an important industrial customer.





## BUSINESS PROGRAM

### BUSINESS CUSTOM INITIATIVE

*Overview: The Business Custom Initiative offers incentives, training, and education for improving efficiency of compressed air, lighting, HVAC, refrigeration, motors/drives, waste/water treatment, and manufacturing processes. Complex and large scale new construction and building renovation projects also qualify under the Custom Initiative. Services such as the Staffing Grant, Metering & Monitoring, Strategic Energy Management (SEM), and the feasibility study are also provided.*

#### Q4 Update:

- » **19,898 net MWh and 1,397,816 net therm savings achieved (57% and 227%, respectively, of forecasts).**
- » Through Q4, 3 public sector energy management system offer applications, and 3 feasibility study applications were received.
- » Process energy advisor partners were brought on board for custom engineering assistance.
- » SEM sessions continued to be held with a focus on educating large customers on the value of 'Custom' Incentives.
- » Approximately 17 SEM customers were active in finding energy savings at their facilities through a highly orchestrated energy approach.
- » eQuest training for Program Allies was held to develop Custom HVAC projects.
- » In Q4, Custom compressed air audits were developed.
- » Throughout Q4, completed exploration calls with 4 potential financing partners.
- » In Q4, continued working with cannabis-sector for potential new construction projects associated with facility expansion, and investigated water treatment project leads.
- » Throughout Q4, more projects completed than forecasted, with the top electric savings in Custom HVAC and the second best year for Custom Refrigeration in the history of the Ameren Illinois Business Programs.
- » Attended Capital Development Board (CDB) meeting for collaboration on State energy efficiency projects.

### BUSINESS RETRO-COMMISSIONING (RCX) INITIATIVE

*Overview: The Business RCx Initiative identifies no cost/low cost (zero- to one-year payback) energy efficiency measures to optimize the operation of existing systems for compressed air, healthcare, commercial and public sector building facilities, industrial ventilation systems, industrial refrigeration and grocery stores. The energy efficiency measures in this Initiative generally go beyond what is offered by the Standard Initiative.*

#### Q4 Update:

- » **4,500 net MWh and 72,935 net therm savings achieved (113% and 32%, respectively, of forecasts).**
- » Through Q4, Compressed Air, Large Facilities, and Industrial Refrigeration offerings brought in the following project counts and associated savings:
  - » Compressed Air – 16 projects, 3,595 net MWh
  - » Large Facilities + RCx Lite – 6 projects, 813 net MWh, 72,935 therms
  - » Industrial Refrigeration 1 project, 91 net MWh
- » In Q4, annual Registered Service Providers (RSP) Retro-Commissioning training was completed.
- » Progress continued regarding expanding the number of relationships with various levels of management at customer facilities.

## BUSINESS PROGRAM

### BUSINESS STREET LIGHTING INITIATIVE

*Overview: The Street Lighting Initiative incentivizes municipal customers to upgrade their street light fixtures to LED technology. Ameren Illinois-owned street light fixtures are incentivized to encourage replacement prior to burn out with a per fixture incentive provided to the customer.*

#### Q4 Update:

» **3,318 net MWh savings achieved (94% of forecast).**

#### *Street Lighting: Municipal-Owned*

- » City of Peoria, the largest municipality in Ameren Illinois territory, released RFP for city-wide street light replacement to commence in 2020.
- » Through Q4, 22 applications were received, with over 800 MWhs savings achieved.

#### *Street Lighting: Ameren-Owned*

- » Approximately 25 cities/villages applied for incentives, with 22 communities completed.
- » Consistent with commission approval of AIC's 2018-2021 EEDR Plan, 4 underserved communities were added to the installation schedule beyond the 25 cities/villages that applied for incentives.



## VOLTAGE OPTIMIZATION

### VOLTAGE OPTIMIZATION

*Overview: Voltage Optimization (“VO”) is the use of automation on distribution voltage control devices (switched capacitor banks, voltage metering, voltage regulators and LTC’s) to reduce the reactive power (VAR) flows on a circuit, and lower the voltage within regulatory limits to reduce end-use customer energy consumption and utility distribution system losses. As part of its portfolio, Ameren Illinois plans to deploy VO to an estimated 1047 cost-effective circuits from 2019-2025, while using its best efforts to identify and prioritize circuits with low-income customers.*

#### Q4 Update:

- » **8,792 net MWh savings achieved (115% of forecast).**
- » A total of 19 circuits are operational and created energy savings in 2019.



## BREAKTHROUGH EQUIPMENT & DEVICES

### MARKET DEVELOPMENT INITIATIVE

*Overview: As part of its portfolio goals and activities, Ameren Illinois deploys targeted funding to meet the goals of the Market Development Initiative (MDI), which include developing the energy efficiency workforce, the energy efficiency markets in unserved or underserved communities in the Ameren Illinois service territory as well as developing and supporting local and diverse businesses.*

#### Q4 Update:

» Through Q4, over 12,500 customers were engaged.

» Over 10,000 customers attended 184 different event hosted by Ameren Illinois and community partners.

» Other 2019 outcomes included:

- » 3,250 energy efficiency kits distributed
- » 18 internships were awarded with 16 employers
- » 36 scholarships funded

» In Q4, the Accessibility Pilot served 11 customers in partnership with Easterseals and Minds Eye. Two families completed full audits and home energy efficiency income qualified retrofits in their homes. All families received the following measures:

- » Smart LED bulbs, Google Mini smart speaker, smart thermostat (Nest-E), smart plugs, decorative lighting, night lights, faucet aerators, high efficiency showerheads, thermostatic shower valves, and advanced power strips.
- » Several customers were served with a wide range of disabilities with mobility challenges (both adults and children), including but not limited to cerebral palsy, brittle bone disease, blindness, and vision impairment. The benefits customers received were greater independence for individuals who previously needed caretakers to turn lights and other appliances on and off, the ability to control lights and thermostats with their voice which were previously difficult to reach, and the ability for children with disabilities to broadcast messages to caretakers and partners in other areas of the home with the Google Mini for improved safety and peace of mind.

- » CAAs partnered with Ameren Illinois during LIHEAP appointments to provide Energy Efficiency Program information including tips to clients.
- » Through Q4, 80 job postings with community partners were shared with job candidates utilizing the jobs board, hosted and run by the Springfield Urban League.

### BUSINESS ENERGY REPORTS (BERs), ADVISOR AND ENGAGEMENT PORTALS PILOT

*Overview: Ameren Illinois launched a pilot initiative in PY2018 and continued into PY2019 to further engage non-residential customers. A web-based online self-service platform will provide unique, personalized information based on the customer's energy usage and business-type, and is available to all business customers. This cloud-based analytics solution will also provide program staff with customer usage data enabling identification of customers with the most opportunity for improvement in energy efficiency and energy optimization. The utilization of Ameren Illinois AMI interval data is anticipated.*

#### Q4 Update:

- » Portal tool launched with primary use focused on data analytics, marketing and lead generation.





## MARKETING EDUCATION AND AWARENESS

### PORTFOLIO

- » In Q4, Marketing Cloud was integrated into the entire customer journey pertaining to communications and events.
- » In Q4, Program Ally kick-offs were held for both the Business and Residential Programs.

### RESIDENTIAL

#### Q4 Update:

- » In Q4, digital advertising continued to be paused for several Initiatives due to full subscription; however, Instant Savers, Smart Savers, and Retail Products all remained active to assist in achieving natural gas savings goals.
- » In PY2019, 188 outreach events were completed.
- » In Q4, the residential webpages had over 26,500 visitors.
- » Developed several marketing materials for the Multifamily One-Stop-Shop offering.



### BUSINESS

#### Q4 Update:

- » In Q4, the webpage had over 11,900 visitors.
- » In PY2019, 130 events were attended or held including:
  - » 24 Public Sector Outreach
  - » 106 Private Sector Outreach
  - » 16 Lunch and Learns
  - » 30 General Presentations
  - » 43 Booths or Exhibits
- » Throughout Q4, 23 online energy consultation requests, and 15 online small facility assessment requests were received.
- » Through the Program Year, 4 industry specific webinars were held.



## NEW MEASURES

No new measures were added to either the Business or Residential Programs during the fourth quarter of PY2019.

## BUDGET SHIFTS

No budget shifts occurred in Q4.