



3RD QUARTER REPORT

Program Year 2019 | 01.01.19 – 09.30.19

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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 – September 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 Q3, the portfolio has achieved 72% of its electric PY2019 forecast¹ of 356,663 MWh and 54% of its gas PY2019 forecast of 3,524,550 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 Q3, pilot opportunities were identified for the Diversity Procurement effort. This effort entailed each subcontractor evaluating spending opportunities, to help the team identify dollars that could be moved to diverse business enterprises (DBEs) and local companies where feasible.

» In Q3, the 2019 workshop commitment recommendations were implemented into Portfolio Operations, with action plans and timelines created for the future commitments.

PY2019 PORTFOLIO SUMMARY

Actual Net MWh YTD	255,881
Actual Net Therm YTD	1,890,760
PY2019 MWh Forecast	356,663
PY2019 Therm Forecast.....	3,524,551
PY2019 MWh Filed Goal	356,783
PY2019 Therm Filed Goal.....	3,524,550

Diverse Vendor Spend YTD	\$6,896,885
Diverse Program Ally Spend YTD	\$8,621,000
Income Qualified Incentive Spend YTD	\$26,079,331
PY2019 Actual Spend YTD.....	\$81,471,424
PY2019 Spending Limit.....	\$114,050,506

¹ The forecasts identified herein reflect the implementation forecast for the current plan year.

PY2019 YTD ENVIRONMENTAL IMPACT



45,858

CARS OFF THE ROAD



254,092

ACRES OF TREES PLANTED



215,896

CARBON REDUCTION (TONS)



25,853

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 Q3, the Residential Program (non-IQ specific initiatives) has achieved 82% of its electric PY2019 forecast of 108,915 MWh and 50% 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.

» **1,775 net MWh and 20,769 net therm savings achieved (27% and 20%, respectively, of forecast).**

- » The initiative has reached over 40,000 participants with the year-to-date delivery of home energy reports of 150,310.
- » Consistent with our effort to focus on Cumulative Persisting Annual Savings (CPAS), the initiative has successfully ramped down Home Energy Reports (HER) but maintains the customer portal in order to provide continuity for users.

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.

- » **1,650 net MWh and 74,283 net therm savings achieved (52% and 81%, respectively, of forecasts).**
- » At the end of the 3rd quarter, over 5,700 kits have been distributed to 64 schools with more than half of the students receiving them representing low to moderate income families.
- » Cross promotion in process with all Business offerings.
- » Fall launch date was September 23, 2019 in conjunction with when school was back in session.

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.

- » **77,852 net MWh and 349,174 net therm savings achieved (88% and 44%, respectively, of forecasts).**
- » Through Q3, incentives have been provided for over 7,500 smart thermostats.
- » In an effort to maximize longer lived savings, measures in Q3 focused on specialty bulbs and year to date have incentivized over 500,000.
- » Education around smart thermostats and lighting continues to be an area of interest to Ameren Illinois customers. Due to this, various community events were held to assist in providing that education.

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.

- » **4,248 net MWh and 52,869 net therm savings achieved (75% and 115%, respectively, of forecasts).**
- » Q3 results remain strong with the installation of 300 Air Source Heat Pumps, over 3,109 high-efficiency blower motors, more than 1,400 Central Air Conditioning and a little over 1,000 smart thermostats.
- » Program Allies are extremely satisfied with the initiative, and staff is now managing projects to ensure successful program year closeout.

RESIDENTIAL APPLIANCE RECYCLING INITIATIVE

Overview: In the Appliance Recycling Initiative, operable, inefficient refrigerators and freezers are permanently removed and recycle 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 reward for each qualified appliance they turn in.

- » **2,100 net MWh savings achieved (82% of forecast).**
- » The Initiative continues to perform well and on-track to meet the forecasted goal.
- » Over 4,000 units have been picked up and recycled through Q3.
- » Analysis complete of PY2019 marketing entry points; 42% bill inserts, 31% friends & family, 13% online.
- » In an effort to continuously improve the customer experience, the initiative has instituted a more geographically aligned routing system and introduced a confirmation call prior to pick up. This in turn has reduced wait times and decreased cancellations.



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.

» **21,330 net MWh and 463,383 therm savings achieved (169% and 38%, respectively, of forecasts).**

» **The IQ Initiative is implemented through three 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 – serving low to moderate income multifamily 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.

» Outreach events were held in targeted communities and have produced leads resulting in the Home Efficiency Income Qualified (HEIQ) continued

focus on finding a solution pertaining to the barrier of resource constraints, as there is no public housing maintenance staff available to accompany on the installations.

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.

- » **1,176 net MWh and 21,907 net therm savings achieved (100% and 76%, respectively, of forecasts).**
- » Year-to-date, 1,498 units completed including 1,301 smart thermostats installed.
- » PY2019 pipeline is full through the remainder of the year, with the forecast of exceeding savings goals.
- » Continuing discussions regarding creating a one-stop shop for complexes.
- » Gas only efforts were strong in Q3, with a continued focus on signing gas only complexes.



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 Q3, the Business Program has achieved 65% of its PY2019 electric forecast of 138,478 MWh and 53% of its PY2019 gas forecast of 884,272 therms.**

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** 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.*

» **125,404 net MWh and 337,621 net therm savings achieved (73% of electric forecast and 41% of gas forecast).**

» Through Q3, the Standard Initiative has processed approximately 8,000 electric applications and 600 gas applications.

» Approximately 47% of the savings for the Standard Initiative was attributable to the small business direct install projects with nearly 4,836 assessments and 2,900 projects performed by 133 active Program Allies.

» Through Q3, Standard Lighting, Instant Incentives, and Steam Traps offerings have a pipeline of the following;

» Standard Lighting – 52,587 net MWh

» Instant Incentives – 26,739 net MWh

» Steam Traps – 861,364 net therms PYTD

» Several sector-related targeting efforts were attended in Q3 including the Compressed Air Sector Event, Motor Sector Event, and indoor agricultural conferences in Chicago and Collinsville.

» Working on managing project completions for public sector natural gas spend.



BUSINESS PROGRAM

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.

- » **10,465 net MWh and 546,651 net therm savings achieved (30% and 89%, respectively, of forecasts).**
- » 2 Public Sector Energy Management System Offer applications were received through Q3.
- » Compressed Air Challenge training was offered to customers to help develop compressed air improvements.
- » Strategic Energy Management (SEM) sessions continue to be held with a focus on educating large customers on the value of 'custom' incentives.
- » 17 SEM customers are active in finding energy savings at their facilities through a highly orchestrated energy approach.
- » The newly adopted IECC-2018 code in Illinois continues to create challenges in achieving savings targets and customer-perceived cost barriers.
- » Marketing efforts continue with the top 1,000 customers based off of energy usage, specifically an email journey was launched in Q3 and results are being gathered and analyzed.
- » Increased feasibility study incentive released to help with sector specific expert help.
- » In Q3 we began working with indoor agricultural for potential new construction projects.
- » In process of developing motor audits with Program Allies and customers.
- » Several top 300 customers submitted their first ever customer projects this quarter.
- » Custom gas pipeline has exceeded budget.

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.

- » **1,334 net MWh and zero net therm savings achieved (33% and 0%, respectively, of forecasts).**
- » With a limited number of Retro-Commissioning Service Providers (RSPs), recruitment for new Program Allies for all retro-commissioning offerings continues.
- » Progress continues regarding expanding the number of relationships with various levels of management at customer facilities.
- » SEDAC completed first RCx Lite project.
- » In process of rolling out annual RSP RCx training.

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.

- » **1,275 net MWh savings achieved (36% of forecast).**

STREET LIGHTING: MUNICIPAL-OWNED

- » Discussions with City of Peoria on major lighting upgrades.
- » PYTD, applications have been received for 17 cities/villages.

STREET LIGHTING: AMEREN-OWNED

- » Approximately 25 cities/villages applied for incentives for approximately 6,495 streetlights.
- » Consistent with commission approval of AIC's 2018-2021 EEDR Plan, four 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.

- » **6,300 net MWh savings achieved (82% of forecast).**
- » A total of 19 circuits are operational and creating 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, 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.

- » Fall 2019 scholarships were awarded to 6 partnering community colleges throughout Ameren Illinois service territory. Eligible students included women, racial minorities, those who are the first in their family to attend college, returning citizens, and Veterans. Eligible majors included HVAC, construction management, carpentry, and others depending on the school.
- » In Q3, Warm Neighbors Cool Friends (WNCF) launched a smart thermostat education initiative through Smart Savers. As contractors installed smart thermostats in customer homes, WNCF sat with the customers and walked them through a curriculum about downloading the thermostat app, using their thermostat, and best practices to save energy and money with their smart thermostat.



- » Community Action Agency partnerships continue to be vital to MDI. CEFS Economic Opportunity Corporation completed their first project in August 2019, reaching 462 customers across 23 events, distributing 444 kits, and installing 3,200 direct install measures. As LIHEAP relaunches, Ameren Illinois has provided energy efficiency literature, tips, and tricks to Community Action Agency partners to share with clients during their appointments.
- » 46 job postings with community partners have been shared with job candidates utilizing the jobs board, hosted and run by the Springfield Urban League.
- » January 1-October 1 MDI community partners have engaged 3,424 individuals and held 146 educational events.



BREAKTHROUGH EQUIPMENT & DEVICES

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

Ameren Illinois launched a pilot initiative in PY2018 to further engage non-residential customers. The scope of the pilot is two-fold. First, printed BERs will be sent to approximately 30,000 Ameren Illinois small business customers and is intended to provide a monthly snapshot of energy use with tips to reduce energy consumption. Second, 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.

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



MARKETING EDUCATION AND AWARENESS

PORTFOLIO

- » ICC Recertification process underway and being monitored.
- » Working on integrating marketing cloud into the entire customer journey pertaining to our communications and events.

RESIDENTIAL

- » In Q3, Residential digital advertising was paused for several initiatives and offerings due to full subscription; however, Instant Savers, Smart Savers, and Retail Products all remained active to assist in achieving natural gas savings goals.
- » PYTD, 153 outreach events have been completed.
- » Facebook referred over 12,000 customers to the Ameren Illinois Residential Program web page during Q3 bringing the total to over 25,000 since January 1, 2019.
- » Developed cross promotional materials for the Direct Distribution Efficient Product Initiative and Business offerings.

BUSINESS

The Website customer experience, data analytics and general deployment continues to improve as indicated by the following metrics.

- » The Website customer experience, data analytics and general deployment continues to improve.
- » Emphasis of the Custom Initiative with an email journey deployed in Q3 to customers.
- » Targeted email blast relating to Energy Advisor promotion of Lighting Installation Incentive, National Manufacturing Day, and Motor System Studies review.
- » Held process cooling webinar with industrial sector expert.
- » Industrial specific webinars are being held, and will continue until the end of the program year.

SUPPORT SMALL BUSINESSES

SHOP SMALL, Shop Local.

MAKE A DIFFERENCE WHEN YOU SHOP WITH SMALL BUSINESSES

Ameren Illinois is committed to making the communities we serve better and brighter places to live. We support small businesses and encourage you to shop small and shop local!

- BOOST THE ECONOMY**
Small businesses contribute to local economies by bringing growth and innovation to the community.
- CREATE JOBS**
Locally owned businesses create more job opportunities helping to increase the employment rate in the area.
- GIVE BACK**
Many local small groups, organizations, and schools receive support from locally owned small businesses.

Ameren ILLINOIS

To learn more about available incentives, visit AmerenIllinoisSavings.com or call 1.866.800.0747.

NEW MEASURES

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