

SAG Portfolio Planning Process

Threshold Issue 6: Allocation Across Programs

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Preliminary Confidential Draft Document
Subject to Change
For Illustrative and Discussion Purposes

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Energy Efficiency Budget Allocations

Objective:

In the next three-year plan, Ameren Illinois will seek to allocate energy efficiency budgets across customer rate classes to maintain a similar bill impact for each rate class.

Current law limits electric bill impact to 2.015% and gas bill impact to 2.0%.

Therefore, Ameren Illinois will seek to keep a consistent 2.015% increase to electric rate classes and a 2.0% increase to gas rate classes as AIC sets its energy efficiency budgets for the next plan.

Illustrative Electric Budget Example Using Equal Bill Impact to Set Budgets

	DS-1	DS-2	DS-3	DS-4	Total
	Residential	Small General Delivery Service	General Delivery Service	Large General Delivery Service	
		0 - 150 Kw	150 - 1,000 Kw	>1,000 Kw	
Customer Total Annual Bill - Includes Delivery Service, Transmission, Energy and Capacity	\$ 1,250,000,000	\$ 675,000,000	\$ 425,000,000	\$ 700,000,000	\$ 3,050,000,000
Budget Based on 2.015% Bill Cap	\$ 25,156,250	\$ 13,584,375	\$ 8,553,125	\$ 14,087,500	\$ 61,381,250
DCEO Budget (25%)					\$ 15,345,313
Ameren Illinois Budget (75%)	\$ 18,867,188	\$ 10,188,281	\$ 6,414,844	\$ 10,565,625	\$ 46,035,938

Electric Budget Splits

- This approach would create a 40%/60% split between Residential and Business Customers
- It would also create a 65%/35% split between non competitively declared rate classes and competitively declared rate classes

Illustrative Gas Budget Example Using Equal Bill Impact to Set Budgets

	GDS-1	GDS-2	GDS-3	GDS-4	Total
	Residential	Small General Gas Delivery Service ADU < 200 therms	Intermediate General Gas Delivery Service ADU >200 <1,000 therms	Large General Delivery Service ADU >1,000 therms	
Customer Total Annual Bill	\$ 490,000,000	\$ 140,000,000	\$ 55,000,000	\$ 125,000,000	\$ 810,000,000
Customer Total Annual Bill - Includes Delivery Service and Purchased Gas					
Budget Based on 2.0% Bill Cap	\$ 9,861,250	\$ 2,817,500	\$ 1,106,875	\$ 2,515,625	\$ 16,301,250
DCEO Budget (25%)					\$ 4,075,313
Ameren Illinois Budget (75%)	\$ 7,395,938	\$ 2,113,125	\$ 830,156	\$ 1,886,719	\$ 12,225,938

Gas Budget Splits

- This approach would create a 60%/40% split between Residential and Business Customers