



# Energy Efficiency Portfolio Report March – May 2014

Prepared for  
ILLINOIS COMMERCE COMMISSION

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## Background

Per 220 ILCS 5/8-104, Sec. 8-104(f)(8), the Ameren Illinois Company (AIC) is required to “provide for quarterly status reports tracking implementation of and expenditures for the utility's portfolio of measures and the Department's portfolio of measures...”. AIC provides the attached activity reports to satisfy this requirement.<sup>1</sup> AIC also routinely reports and presents portfolio activity to the Illinois Stakeholder Advisory Group (also known as SAG) of which Illinois Commerce Commission Staff (Staff) is a participant.

Per 220 ILCS 5/8-104, Sec. 8-103, (Docket #07-0539), AIC started providing an electric energy efficiency portfolio in June 2008. Per 220 ILCS 5/8-104, Sec. 8-104 and Docket #10-0568, AIC started providing a combined portfolio of gas and electric energy efficiency measures beginning in June 2011. This activity report reflects the fourth quarter of the sixth year AIC has been providing energy efficiency measures, which is referred to as PY6. The first three years of energy efficiency is referred to as Plan 1, while the second three year cycle is referred to as Plan 2 (Docket #10-0568). This report reflects the fourth quarter of PY6 activity, the third year of Plan 2.

AIC uses a prime implementer model for the portfolio's provision of services. Conservation Services Group (known as CSG) is the implementer for the residential portfolio and Leidos (previously known as SAIC) implements the business portfolio. These implementers provide both the gas and electric portfolio of services in an integrated manner.

The evaluators for Plan 1, who determine the portfolio's annual savings, were The Cadmus Group and Opinion Dynamics Corporation. In collaboration with Staff, these same evaluators evaluate the Plan 2 savings achievement. Staff attends AIC's routine meetings with the evaluators, is copied on communication with evaluators and per the Plan order, the evaluation work plans are developed with agreement from Staff.

As referenced, this gas portfolio reporting obligation pertains to the gas energy efficiency portfolio. However, AIC operates an integrated portfolio of gas and electric measures resulting in a summary report containing information about measures impacting both fuels. Further detail on AIC's energy efficiency portfolio and its programs can be found in the AIC's Plan 2 filing (Docket #10-0568). Additional detail on all programs can also be found at the Ameren Illinois energy efficiency website (***ActOnEnergy.com***) and the Illinois Stakeholder Advisory Group web site (ilsag.org).

As presented in the attached activity report, the gas & electric energy efficiency programs are as follows:

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<sup>1</sup> Even though the legislation and the reporting requirement only pertain to the gas portfolio, AIC is also providing a summary and activity report for the electric portfolio due to AIC operating an integrated portfolio.

Residential Portfolio:

- Residential Lighting
- Appliance Recycling
- Residential Energy Efficient Products
- New HVAC Equipment
- Home Energy Performance
- Energy Star New Homes
- Multi-Family
- Behavior Modification
- Moderate Income

Business Portfolio:

- Standard
- Custom
- Retro-Commissioning

## Fourth Quarter Activity (Q4)

March 1– May 31, 2014

With this being the sixth year of the portfolio, most programs are focused on expansion and enhancement as opposed to start up activities. Following is a brief explanation of program activity:

### Residential Lighting

The Residential Lighting program provides incentives to manufacturing and retail partners to increase sales of qualified lighting. Through these upstream and midstream incentives, the end user receives a discount on the price of highly efficient ENERGY STAR<sup>®</sup> or better, qualified lighting products. This program is in its sixth year.

Key Activities and Key Concerns this quarter:

- Lighting met its year-end savings goal while staying within its budget.
- 4.7 million bulbs were sold which is 106% of goal.
- Over the lifetime of the program, over 12 million bulbs have been sold.
- New signage is complete and being put in stores for a fresh look for the new program year.
- There were four in-store promotions in May, bringing PY6's total promotion number to a total of 98. 804 stores participated in the Lighting program in PY6.

### Appliance Recycling

The Appliance Recycling program provides residential and small business customers free pick-up of eligible equipment (inefficient refrigerators, freezers, and window a/c units) and an incentive for each appliance turned in to the program. This program is in its sixth year.

Key Activities and Concerns this quarter:

- The Appliance Recycling program finished the year with 9,258 units recycled, which is 96.9% of the original goal of 9,540
- Promotional efforts (Google AdWords, mall advertising, and in select areas, local radio advertising), resulted in increased call volume in PY6 and 2,374 page views of the Appliance Recycling webpage.

### Residential Energy Efficient Products (REEP)

This program provides rebates for products such as ENERGY STAR® high-efficiency water heaters, thermostats, and smart power strips. This program is in its third and final year. With the total resource cost (TRC) less than one for this program, AIC has made a decision to not offer it in the coming Program Year 7.

Key Activities and Concerns this quarter:

- A strong fourth quarter ended the REEP program for PY6 with it hitting 127.8% of its electric savings goal and 131.9% of its gas goal.
- All measures in the REEP program exceeded their goals with the exception of Smart Power Strips.
- Thermostats had the highest penetration rate reaching 4,375 units rebated for PY6.

### New HVAC

This program consists of retrofit and replacement upgrades for air conditioners, heat pumps, and heating and cooling systems, achieving both gas and electric energy savings. This program is in its fifth year.

Key Activities and Concerns this quarter:

- HVAC exceeded both its annual electric and gas goal – reaching 132% of the electric goal and 151% for the gas goal. Incentive budgets were also above targets at 146% for electric and 148% for gas.
- Early replacement furnaces and boilers continued to play a role in the success of the program and were 31% of all gas projects.
- The program currently has 539 active allies. Active represents those who have submitted an incentive application within the past 12 months. A total of 65 new program allies were added to the program in PY6.
- Communication to all program allies advising of the gas incentive shutdown was completed in May. The website was also updated to reflect the changes.

### Behavior Modification

Home Energy Reports provide customers with a profile of their energy use, energy efficiency tips, portfolio program information, and a comparison of their energy usage to their “neighbors”; encouraging reduced energy use, achieving both gas and electric energy

savings. AIC typically targets this program to dual fuel customers. The program is in its fourth year.

Key Activities and Concerns this quarter:

- The electric savings are reported at 111% (33,500MWhs) of savings goal at the end of the fourth quarter.
- Fourth quarter therm savings are reported at 110% (1,555,000 therms) of goal.
- At the end of the fourth quarter there are 253,753 active participants in the program with the majority being dual fuel and 17,120 participants being gas only.

### Home Performance with ENERGY STAR®

Home Energy Performance (HEP) has migrated to Home Performance with ENERGY STAR® (HPwES). The program includes a home energy audit, direct install measures (CFLs, energy saving faucet aerators and shower heads), and follow up sealing and insulation measures, achieving both gas and electric energy savings. The legacy program of HEP is in its 6 year.

Key Activities and Concerns this quarter:

- 168 audits were completed in May, while the air seal team completed a total of 25 audits. Also, the Champaign initiative is finally taking off, with 18 completed audits in May, full schedules through July, and our first four major measure retrofits already. 175 projects were completed for May.
- Another 49 HPwES silver certificates and 3 gold certificates were issued, taking our year-end totals to 511 and 35, respectively.
- Although the HPwES program severely underperformed compared to its original projections, it did pick up some ground in the later months, especially with the addition of the All Electric Homes program numbers which performed quite well. Still, the savings goal was not met for either the gas or the electric portions of the program. Electric and gas savings came in well under budget as well.

### Multifamily

This program provides owners of multifamily buildings measures for apartments (in-unit program) and common area lighting, exit signs, in addition to walk-through audits and incentives for complex measures, achieving both gas and electric energy savings. This program is in its sixth year.

Key Activities and Concerns this quarter:

- The In-unit portion of the program retrofitted 2,851 units in the fourth quarter,
- 100 insulation projects were completed in May resulting in a 437,730 CFM50 reduction and 230,461 SF of installation installed.

## ENERGY STAR® New Homes

This program targets builders with a package of training, technical and marketing assistance, and incentives for construction of ENERGY STAR® homes, achieving both gas and electric energy savings. A HERS test and rating is required for the program ally to receive an incentive. This program is in its fifth year.

Key Activities and Concerns this quarter:

- 120 pending projects for PY6 were completed and processed during May and June.
- The program achieved 25,781 therms or 132.8% of the goal for PY6; however, has struggled to achieve the electric goal of 858 MWh, resulting in 618 MWh for the year.
- There have been (15) new builders participating in the program in the last quarter of PY6.

## Moderate Income/Warm Neighbors

This program partners with a non-profit organization which identifies qualified moderate income households and provides higher incentives for energy efficiency improvements and retrofits, achieving both gas and electric energy savings. This program is in its third year.

Key Activities and Concerns this quarter:

- The Moderate income program achieved 107% of the electric savings goal and 141% of the gas savings goal.
- The Moderate Income program performed 324 audits and a total of 237 retrofit projects in PY6.
- For PY6, the program had 23 gold and 29 silver Illinois Home Performance with ENERGY STAR® (IHPwES) certificates awarded.
- For PY7, the program will be redesigned and renamed as the Home Efficiency program with increased goals for the three-year plan.

## Business Portfolio

Following is a brief description of the Business portfolio programs. These programs are in their sixth year.

- Standard: Incentivizes customers to purchase energy efficient measures with predetermined savings values and fixed incentive levels, achieving both gas and electric energy savings. Examples of measures include lighting, process steam, water heaters, furnaces, boilers, seasonal HVAC, chiller tune-ups, steam trap repair, VFDs for HVAC applications, various commercial kitchen appliances, heat exchangers, and heat reclaimers in the agriculture segment.
- Custom: Applies to energy efficient measures that do not fall into the Standard Incentive program. These projects normally are complex and unique, requiring incentive applications and calculations of estimated energy savings, achieving both

gas and electric energy savings. Custom gas related measures may include heat recovery options (flue gas heat exchangers, de-super-heater heat exchangers, exhaust air heat exchangers, compressed air heat exchangers, process heat exchangers and grain drying heat exchangers), as well as shell measures including windows, doors, infiltration reduction, roof and wall insulation.

- Retro-Commissioning (RCx): Provides options and incentives for businesses to improve operations and maintenance practices for buildings, systems, and processes, achieving both gas and electric energy savings.

During Plan 1 the gas energy efficiency program was limited to residential and small business customers. Beginning in PY4 all commercial and industrial customers were eligible to participate in the gas programs.

Key Activities and Concerns this quarter:

- The business portfolio reached 113% of the electric savings goal with 95% of the budget spent for a total electric savings of 133,163 MWh.
- The business portfolio reached 98% of the gas savings goal with 72% of the budget spent for a total savings of 2,008,364 therms.
- CLIP promotion for PY7 included sending over 2,000 letters and emails containing a fact sheet to large electric and gas customers and program allies.
- PY7 Staffing Grant promotion is scheduled for mid-March including direct mail and emails to over 5,000 customers.
- For the first time since the 8-103/8-104 programs began for business customers, there was a reduction in participation among the top 100 large industrials as evidenced by a drop from 46% to 40% participation levels.
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## Attachment: Activity Reports

**Ameren Illinois Electric Energy Efficiency Portfolio**  
**Key Indicator Report**  
**Program Year 6**  
**Prepared for the Illinois Commerce Commission Staff**  
**June 1, 2013 through May 31, 2014**

Overall Portfolio			
	Cumulative PYTD	Goal	% PYTD
<b>Energy Savings (MWH)</b>			
<b>Total</b>	307,111	245,931	125%
<b>Portfolio Cost</b>			
<b>Total</b>	\$ 48,535,938	\$ 54,889,962	88%

Residential Programs			
	Cumulative PYTD	Goal	% PYTD
<b>Energy Savings (MWH)</b>			
<b>Total</b>	166,149	141,041	118%
<b>Program Cost</b>			
<b>Total</b>	\$ 23,684,991	\$ 25,362,143	93%

Business Programs			
	Cumulative PYTD	Goal	% PYTD
<b>Energy Savings (MWH)</b>			
<b>Total</b>	140,962	104,372	135%
<b>Program Cost</b>			
<b>Total</b>	\$ 20,813,711	\$ 23,144,984	90%

Other Portfolio Costs			
	Cumulative PYTD	Goal	% PYTD
<b>Energy Savings (MWH)</b>			
<b>Total</b>	0	518	NA
<b>Other Costs</b>			
<b>Total</b>	\$ 4,037,236	\$ 6,382,835	63%

**Notes:** Goals for Residential and Business Programs are based on the AIC plan (8-103).  
 Energy Savings are based on PY3 EMV values.  
 Cumulative figures include pending projects.  
 The Business New Construction program goals/budgets reporting has been combined with that of the Custom program.  
 \*Programs reported inclusive of IPA expansion.  
 \*\*Portfolio costs reported inclusive of IPA expansion.  
 The above does not include DCEO or Volt/VAR.  
 PYTD = Program Year To Date

Residential Programs					
Energy Savings (MWH)					
Programs	Actual PYTD	Pending	Cumulative PYTD	Goal	% PYTD
Lighting*	98,016	0	98,016	61,836	159%
Energy Efficient Products	1,421	0	1,421	13,110	11%
New HVAC Equipment	7,186	0	7,186	15,109	48%
Appliance Recycling	4,270	0	4,270	16,036	27%
Home Energy Performance	4,108	0	4,108	2,728	151%
Energy Star New Homes*	622	0	622	701	89%
Multi-Family*	13,100	0	13,100	8,016	163%
Behavior Modification	36,774	0	36,774	21,705	169%
Moderate Income	652	0	652	1,800	36%
<b>Total</b>	166,149	0	166,149	141,041	118%
Program Cost					
Programs	Actual PYTD	Pending	Cumulative PYTD	Budget	% PYTD
Lighting*	\$ 9,431,621	\$ -	\$ 9,431,621	\$ 9,991,648	94%
Energy Efficient Products	\$ 236,712	\$ -	\$ 236,712	\$ 3,178,364	7%
New HVAC Equipment	\$ 4,167,955	\$ -	\$ 4,167,955	\$ 5,036,419	83%
Appliance Recycling	\$ 1,794,692	\$ -	\$ 1,794,692	\$ 2,279,311	79%
Home Energy Performance	\$ 3,304,500	\$ -	\$ 3,304,500	\$ 972,621	340%
Energy Star New Homes*	\$ 535,097	\$ -	\$ 535,097	\$ 514,343	104%
Multi-Family*	\$ 2,268,711	\$ -	\$ 2,268,711	\$ 2,079,466	109%
Behavior Modification	\$ 1,228,025	\$ -	\$ 1,228,025	\$ 778,958	158%
Moderate Income	\$ 717,677	\$ -	\$ 717,677	\$ 531,013	135%
<b>Total</b>	\$ 23,684,991	\$ -	\$ 23,684,991	\$ 25,362,143	93%

Business Programs					
Energy Savings (MWH)					
Programs	Actual PYTD	Pending	Cumulative PYTD	Goal	% PYTD
Standard	58,083	0	58,083	37,335	156%
Custom	63,160	0	63,160	57,102	111%
Retro-Commissioning	11,487	0	11,487	3,019	380%
Small Business Prescriptive (IPA Expansion of Standard Program)	8,232	0	8,232	6,916	119%
<b>Total</b>	140,962	0	140,962	104,372	135%
Program Cost					
Programs	Actual PYTD	Pending	Cumulative PYTD	Budget	% PYTD
Standard	\$ 8,079,483	\$ -	\$ 8,079,483	\$ 8,667,418	93%
Custom	\$ 9,691,855	\$ -	\$ 9,691,855	\$ 12,568,879	77%
Retro-Commissioning	\$ 1,841,918	\$ -	\$ 1,841,918	\$ 271,820	678%
Small Business Prescriptive (IPA Expansion of Standard Program)	\$ 1,200,455	\$ -	\$ 1,200,455	\$ 1,636,867	73%
<b>Total</b>	\$ 20,813,711	\$ -	\$ 20,813,711	\$ 23,144,984	90%

Other Portfolio Costs/Savings			
Portfolio Cost			
Programs	Cumulative PYTD	Budget/Goal	% PYTD
Portfolio Administration**	\$ 1,448,147	\$ 3,035,232	48%
Marketing and Education	\$ 2,143,961	\$ 2,058,966	104%
Evaluation, Measurement & Verification**	\$ 445,128	\$ 1,550,960	29%
Discretionary Funding Margin	\$ -	\$ 100,000	0%
Funds for Combo Measures allocated to Gas Budget	\$ -	\$ (362,323)	0%
Savings from Discretionary Funds	0	518	0%
<b>Total</b>	<b>\$ 4,037,236</b>	<b>\$ 6,382,835</b>	<b>63%</b>

Demand Response *			
Energy Savings (MW)			
Programs	Actual MW	Goal	Achieved
Volt/VAR	0.00	0.00	0%
Program Cost			
Programs	Actual	Budget	Achieved
	\$ -	\$ -	0%
Volt/VAR	\$ -	\$ 1,179,357	0%

\* NOT included in the Overall Portfolio shown above

DCEO *			
Energy Savings (MWH)			
Programs	Cumulative PYTD	Goal	% PYTD
<b>Total</b>	0	42,496	0%
Program Cost			
Programs	Cumulative PYTD	Budget	Achieved PYTD
Public Sector	\$ -	\$ -	0%
Low Income	\$ -	\$ -	0%
Market Transformation and SEDAC	\$ -	\$ -	0%
Other	\$ 12,691,030	\$ 14,880,000	85%
<b>Total</b>	<b>\$ 12,691,030</b>	<b>\$ 14,880,000</b>	<b>85%</b>

\* As reported by DCEO, NOT included in the Overall Portfolio shown above

**Ameren Illinois Gas Energy Efficiency Portfolio**  
**Key Indicator Report**  
**Program Year 6**  
**June 1, 2013 through May 31, 2014**  
**FINAL REPORT**

Overall Portfolio			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (therms)			
<b>Total</b>	6,220,437	5,532,991	112%
Portfolio Cost			
<b>Total</b>	\$ 12,216,636	\$ 14,158,908	86%

Residential Programs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (therms)			
<b>Total</b>	3,857,741	3,487,057	111%
Program Cost			
<b>Total</b>	\$ 7,096,067	\$ 7,812,657	91%

Business Programs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (therms)			
<b>Total</b>	2,362,696	2,045,934	115%
Program Cost			
<b>Total</b>	\$ 4,064,798	\$ 5,020,165	81%

Other Portfolio Costs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (therms)			
<b>Total</b>	NA	NA	NA
Other Costs			
<b>Total</b>	\$ 1,055,771	\$ 1,326,086	80%

**Notes:** Goals for Residential and Business Programs are based on implementer contracts.  
 Energy Savings are based on PY3 EMV values.  
 Cumulative figures include pending projects.  
 The above does not include DCEO.  
 PYTD = Program Year To Date

Residential Programs					
Energy Savings (therms)					
Programs	Actual PYTD	Pending	Cumulative PYTD	Goal	% PYTD
Energy Efficient Products	125,391	0	125,391	603,393	21%
New HVAC Equipment	1,170,161	0	1,170,161	1,717,678	68%
Home Energy Performance	380,258	0	380,258	69,274	549%
Energy Star New Homes	27,061	0	27,061	18,539	146%
Multi-Family	259,328	0	259,328	316,527	82%
Behavior Modification	1,713,598	0	1,713,598	738,252	232%
Moderate Income	162,023	0	162,023	23,392	693%
Efficiency Kits	19,921	0	19,921	0	0%
<b>Total</b>	3,857,741	0	3,857,741	3,487,057	111%
Program Cost					
Programs	Actual PYTD	Pending	Cumulative PYTD	Budget	% PYTD
Energy Efficient Products	\$ 265,990	\$ -	\$ 265,990	\$ 542,013	49%
New HVAC Equipment	\$ 2,597,533	\$ -	\$ 2,597,533	\$ 3,214,273	81%
Home Energy Performance	\$ 1,486,817	\$ -	\$ 1,486,817	\$ 2,724,500	55%
Energy Star New Homes	\$ 203,378	\$ -	\$ 203,378	\$ 100,703	202%
Multi-Family	\$ 781,959	\$ -	\$ 781,959	\$ 291,762	268%
Behavior Modification	\$ 1,228,025	\$ -	\$ 1,228,025	\$ 156,940	782%
Moderate Income	\$ 516,776	\$ -	\$ 516,776	\$ 782,466	66%
Efficiency Kits	\$ 15,589	\$ -	\$ 15,589	\$ -	0%
<b>Total</b>	\$ 7,096,067	\$ -	\$ 7,096,067	\$ 7,812,657	91%

Business Programs					
Energy Savings (therms)					
Programs	Actual PYTD	Pending	Cumulative PYTD	Goal	% PYTD
Standard	966,173	0	966,173	1,030,000	94%
Custom	1,160,115	0	1,160,115	892,000	130%
Retro-Commissioning	236,408	0	236,408	123,934	191%
New Construction	0	0	0	0	0%
<b>Total</b>	2,362,696	0	2,362,696	2,045,934	115%
Program Cost					
Programs	Actual PYTD	Pending	Cumulative PYTD	Budget	% PYTD
Standard	\$ 1,043,488	\$ -	\$ 1,043,488	\$ 1,955,713	53%
Custom	\$ 2,298,272	\$ -	\$ 2,298,272	\$ 1,457,964	158%
Retro-Commissioning	\$ 723,038	\$ -	\$ 723,038	\$ 98,523	734%
New Construction	\$ -	\$ -	\$ -	\$ 67,356	0%
Electric Combo Measures	\$ -	\$ -	\$ -	\$ 1,440,609	0%
<b>Total</b>	\$ 4,064,798	\$ -	\$ 4,064,798	\$ 5,020,165	81%

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**Program Year 6**  
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	Cumulative PYTD	Goal	% PYTD
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<b>Total</b>	3,857,741	3,487,057	111%
Program Cost			
<b>Total</b>	\$ 7,096,067	\$ 7,812,657	91%

Business Programs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (therms)			
<b>Total</b>	2,362,696	2,045,934	115%
Program Cost			
<b>Total</b>	\$ 4,064,798	\$ 5,020,165	81%

Other Portfolio Costs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (therms)			
<b>Total</b>	NA	NA	NA
Other Costs			
<b>Total</b>	\$ 1,055,771	\$ 1,326,086	80%

**Notes:** Goals for Residential and Business Programs are based on implementer contracts.  
 Energy Savings are based on PY3 EMV values.  
 Cumulative figures include pending projects.  
 The above does not include DCEO.

Other Portfolio Costs			
Portfolio Cost			
Programs	Cumulative PYTD	Budget	% PYTD
Portfolio Administration	\$ 525,223	\$ 751,885	70%
Marketing and Education	\$ 436,080	\$ 149,000	293%
Evaluation, Measurement & Verification	\$ 94,468	\$ 425,201	22%
<b>Total</b>	\$ 1,055,771	\$ 1,326,086	80%

DCEO *			
Energy Savings (therms)			
Programs	Cumulative PYTD	Goal	% PYTD
<b>Total</b>	0	0	0%
Program Cost			
Programs	Cumulative PYTD	Budget	% PYTD
Public Sector	\$ -	\$ -	0%
Low Income	\$ -	\$ -	0%
Market Transformation and SEDAC	\$ -	\$ -	0%
Other	\$ 4,699,030	\$ -	0%
<b>Total</b>	\$ 4,699,030	\$ -	0%

\* As reported by DCEO, NOT included in the Overall Portfolio shown above