



Energy Efficiency Portfolio Report June - August 2013

Prepared for
ILLINOIS COMMERCE COMMISSION

Prepared by
Ameren Illinois
Energy Efficiency
300 Liberty Street
Peoria, Illinois 61602

November 4, 2013

Table of Contents

<u>BACKGROUND</u>	<u>3</u>
<u>FIRST QUARTER ACTIVITY (Q1)</u>	<u>4</u>
June – August 2013	4
<u>ATTACHMENT: ACTIVITY REPORT</u>	

Background

Per 220 ILCS 5/8-104, Sec. 8-104(f)(8), the Ameren Illinois Corporation (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.¹ AIC also routinely reports and presents portfolio activity to the Illinois Stakeholder Advisory Group (also known as SAG) of which 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 first 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 first 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 Services Applications International Corporation (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 **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:

¹ Even though the legislation and the reporting requirement only pertains to the gas portfolio, AIC is also providing a summary and activity reports 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

First Quarter Activity (Q1)

June 1, 2013 – August 31, 2013

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 per program activity:

Residential Lighting

The Residential Lighting program provides incentives to the 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 or better, qualified lighting products. This program is in its sixth year.

Key Activities and Key Concerns this quarter:

- Lighting is on track to reach its year end savings goal of 4,400,000 bulbs and reported a total of 486,383 bulbs sold this quarter.
- The Residential Lighting program for PY6 includes the IPA expansion reflected in the increased budget and goal.
- Specialty bulbs as a percentage of total bulbs invoiced remains at 12% with a target of 9%.
- New signage is complete and APT has updated store shelves.
- Fall promotional pricing has started at Home Depot where consumers can find \$.97 4-packs.

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 Key Concerns this quarter:

- Despite stepped up marketing attempts in the first quarter; appliance recycling is lagging at 95.8% of goal for this quarter.
- A new transportation process will be instituted in September for the Sears retail relationship. ARCA will again be picking up units at a Bloomington distribution center which should decrease time from pick up to customer payment.
- The Energy Hog (live actor) made appearances throughout the Illinois State Fair in August and was evident to be popular by the many photos taken.

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 year.

Key Activities and Key Concerns this quarter:

- The first quarter savings goal for the electric REEP was met coming in at 100% (241 MWhs) while staying below target with incentive dollars.
- The first quarter gas goal was not met and came in at 85% (21,911 therms) but also stayed below the budgeted incentives.
- Smart Power Strips lagged far behind targets most likely due to the large impact that Wal-Mart's reset and lack of unit choices has on this item.
- Thermostats for both gas and electric heat remain a steady product.

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 Key Concerns this quarter:

- The program blew away both its goals– reaching 184% of the first quarter electric goal and 142% for the annual gas goal. Incentive budgets were also exceeded – reaching 223% of the electric and 136% of gas for the first quarter.
- The HVAC program continues to exceed seasonal expectations helped in part by On Bill Financing. The increased number of standard air conditioner incentives has strained the budget this quarter and the growing imbalance between savings and incentive dollars spent is being closely monitored.
- The program currently has 497 active allies. Active represents those who have submitted an incentive application within the past 12 months. A total of 38 new program allies were added to this program for the first quarter.

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 primarily to dual fuel customers. This program is in its fourth full year.

Key Activities and Key Concerns this quarter:

- The electric savings are reported at 27% (9,134 MWhs) of savings goal at the end of the first quarter.
- First quarter therm savings are reported at 6% (29,750 therms) of goal which is not unexpected during the summer season.
- An OPower module that offers tips on efficient ways to keep homes comfortable will be added in the late fall.

Home Energy Performance

Home Energy Performance (HEP) 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. This program is migrating towards becoming ENERGY STAR in Y6 with goals of collaborating with a statewide framework for program design. This program is in its sixth year.

Key Activities and Key Concerns this quarter:

- The HEP program achieved 38% of its electric savings goal and 30% of its gas savings goal for the first quarter.

- The expected pent up demand for HEP did not materialize this quarter and production remained flat. A half priced audit promotion has been in place for two months and has increased the audit pipeline.
- 479 audits were completed this quarter along with 252 completed projects. There were also 41 quality assurance audits conducted during the first quarter.
- In the first quarter 57 homes qualified for an IHPwES silver certificate and 8 homes qualified for the IHPwES gold certificate.
- 42 scholarships to attend the Better Buildings Better Business conference in Chicago this December have been provided to select allies.

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 Key Concerns this quarter:

- The electric saving goal reached 87% (2,197 MWhs) of its first quarter goal. Gas savings for the program fell short of its goals reaching 87% (15,865 therms).
- Given the pipeline of projects, the program should be able to reach projected savings goals by next quarter.
- The In-Unit portion of the program served 2118 units in the first quarter and installed 15,857 bulbs. The Common Area Lighting portion of the program completed 29 projects and installed 1160 bulbs, 66 exit signs, and 44 occupancy sensors.

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 Key Concerns this quarter:

- The program had a slow first quarter largely due to seasonal swings in construction. Over 70 new projects were enrolled in the last quarter which should provide a pipeline of pending homes greater than half of the PY6 goal.
- The current total PY6 pipeline is 234 single family homes, and 42 multifamily units.
- Five new homes were completed in August in the Springfield area and accounted for gas savings only.

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 Key Concerns this quarter:

- The Moderate Income program performed 65 audits in the first quarter.
- Retrofit projects in the third quarter numbered 42 which is 23% of the PY6 goal.
- For the first quarter the program had 6 gold and 6 silver Illinois Home Performance with Energy Star certificates awarded.
- A pre and post-project homeowner education component is being developed in an effort to manage customer expectations and provide guidance on further energy efficiency opportunities.

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 process steam, water heaters, furnaces, boilers, water heaters, seasonal HVAC and chiller tune-ups, steam trap repair, VFDs for HVAC applications, various commercial kitchen appliances, plus stock waterers, 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: 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 Key Concerns this quarter:

- The business program had a solid first quarter and surpassed its quarterly goal for both the electric and gas portfolios.
- Electric savings for the business portfolio reached 89.3% savings with 67.7% spent, a total savings for electric of 104K mWh. Electric spend is at 12.4 cents per kWh. Of that, 10 cents are incentives and 2.3cents is T&M.
- Gas savings for the business portfolio reached 87.5% of goal with 71.6% spent, total savings is 1,791,066 therms. Gas spend is \$1.54 per therm. Of that, \$1.32 is incentives and .22 cents is T & M.
- We have received 14 PY6 CLIP projects. One CLIP project has been completed and 16 will be accepted or pre-approved with \$4M in incentives. This will amount to 35M gross kWh and 650K gross therms.
- Application deadlines for Staffing Grants ended the last week in August and 24 were received for an estimated 84M gross kWh and 2.7M gross therms with approximately \$1.4M requested grant money.
- Transition to the new Amplify database continues and the previous project management database is being run in tandem until October. PY5 final migration will take place next week and testing will be performed to assure accuracy in Amplify. Retro Commissioning can now be handled in Amplify and EM&V will be exclusively using AIB for PY5 data.
- Marketing highlights for the first quarter included various bonus programs. Awesummer Rewards was released June 12, 2013 and was a 10% incentive increase on most energy efficiency projects completed before Sept. 30. To date, 49 projects

qualify for this bonus 93,156,168 kWh, 15,477 therms, \$268,381 incentives). There have been 22 coupons submitted from the 2013 Symposium out of the 401 coupons that were issued.

Attachment: Activity Reports

Ameren Illinois Electric Energy Efficiency Portfolio
Key Indicator Report
Program Year 6
June 1, 2013 through August 31, 2013

Overall Portfolio			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (MWH)			
Total	164,721	239,016	69%
Portfolio Cost			
Total	\$ 17,906,240	\$ 54,203,289	33%

Residential Programs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (MWH)			
Total	60,275	141,041	43%
Program Cost			
Total	\$ 5,880,497	\$ 26,424,828	22%

Business Programs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (MWH)			
Total	104,446	97,455	107%
Program Cost			
Total	\$ 11,669,491	\$ 21,508,117	54%

Other Portfolio Costs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (MWH)			
Total	NA	NA	NA
Other Costs			
Total	\$ 356,252	\$ 5,090,987	7%

Notes: Goals for Residential and Business Programs are based on the AIC Plan (8-103 and IPA).
 Energy Savings are based on PY3 EMV values.
 Cumulative figures include pending projects.
 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	39,968	2,534	42,502	61,836	69%
Energy Efficient Products	242	16	258	13,110	2%
New HVAC Equipment	2,341	391	2,732	15,109	18%
Appliance Recycling	1,294	339	1,633	16,036	10%
Home Energy Performance	564	201	764	2,728	28%
Energy Star New Homes	0	737	737	701	105%
Multi-Family	2,197	161	2,358	8,016	29%
Behavior Modification	9,134	0	9,134	21,705	42%
Moderate Income	105	52	156	1,800	9%
Total	55,844	4,431	60,275	141,041	43%
Program Cost					
Programs	Actual	Pending	Cumulative PYTD	Budget	% PYTD
Lighting	\$ 1,210,335	\$ 303,887	\$ 1,514,222	\$ 10,866,298	14%
Energy Efficient Products	\$ 51,353	\$ 1,155	\$ 52,508	\$ 3,178,364	2%
New HVAC Equipment	\$ 1,381,609	\$ 36,650	\$ 1,418,259	\$ 5,036,419	28%
Appliance Recycling	\$ 509,298	\$ 194,294	\$ 703,591	\$ 2,279,311	31%
Home Energy Performance	\$ 647,429	\$ 57,178	\$ 704,606	\$ 972,621	72%
Energy Star New Homes	\$ 77,278	\$ 165,588	\$ 242,866	\$ 563,836	43%
Multi-Family	\$ 287,628	\$ 10,707	\$ 298,335	\$ 2,218,009	13%
Behavior Modification	\$ 763,850	\$ -	\$ 763,850	\$ 778,958	98%
Moderate Income	\$ 154,590	\$ 27,671	\$ 182,261	\$ 531,012	34%
Total	\$ 5,083,369	\$ 797,128	\$ 5,880,497	\$ 26,424,828	22%

Business Programs					
Energy Savings (MWH)					
Programs	Actual PYTD	Pending	Cumulative PYTD	Goal	% PYTD
Standard	16,878	19,731	36,609	37,334	98%
Custom	807	57,378	58,185	50,648	115%
Retro-Commissioning	0	9,652	9,652	3,019	320%
New Construction	0	0	0	6,454	0%
Total	17,685	86,761	104,446	97,455	107%
Program Cost					
Programs	Actual PYTD	Pending	Cumulative PYTD	Budget	% PYTD
Standard	\$ 1,593,586	\$ 2,279,998	\$ 3,873,584	\$ 8,667,418	45%
Custom	\$ 440,105	\$ 6,667,517	\$ 7,107,622	\$ 10,643,474	67%
Retro-Commissioning	\$ 244,731	\$ 443,554	\$ 688,285	\$ 271,820	253%
New Construction	\$ -	\$ -	\$ -	\$ 1,925,405	0%
Total	\$ 2,278,422	\$ 9,391,069	\$ 11,669,491	\$ 21,508,117	54%

Other Portfolio Costs/Savings			
Portfolio Cost			
Programs	Cumulative PYTD	Budget/Goal	% PYTD
Portfolio Administration	\$ 239,662	\$ 2,058,965	12%
Marketing and Education	\$ 116,590	\$ 2,058,966	6%
Evaluation, Measurement & Verification	\$ -	\$ 1,235,379	0%
Funds for Combo Measures - Gas Budget	\$ -	\$ (362,323)	0%
Discretionary Funding Margin-MWH Goal	\$ -	\$ 520	0%
Discretionary Funding Margin-Costs	\$ -	\$ 100,000	0%
Total	\$ 356,252	\$ 5,090,987	7%

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
Total	0	42,496	0%
Program Cost			
Programs	Cumulative PYTD	Budget	Achieved PYTD
Public Sector	\$ -	\$ -	0%
Low Income	\$ -	\$ -	0%
Market Transformation and SEDAC	\$ -	\$ -	0%
Other	\$ -	\$ 14,880,000	0%
Total	\$ -	\$ 14,880,000	0%

** 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 August 31, 2013

Overall Portfolio			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (therms)			
Total	2,396,026	4,942,447	48%
Portfolio Cost			
Total	\$ 5,056,258	\$ 14,406,257	35%

Residential Programs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (therms)			
Total	604,960	3,201,713	19%
Program Cost			
Total	\$ 2,120,357	\$ 7,545,487	28%

Business Programs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (therms)			
Total	1,791,066	1,704,945	105%
Program Cost			
Total	\$ 2,857,491	\$ 4,886,105	58%

Other Portfolio Costs			
	Cumulative PYTD	Goal	% PYTD
Energy Savings (therms)			
Total	NA	NA	NA
Other Costs			
Total	\$ 78,410	\$ 1,974,665	4%

Notes : Goals for Residential and Business Programs are based on the AIC Plan.
 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	21,911	1,403	23,313	552,133	4%
New HVAC Equipment	270,285	37,965	308,250	1,480,704	21%
Home Energy Performance	74,230	26,413	100,643	107,034	94%
Energy Star New Homes	552	18,658	19,210	15,449	124%
Multi-Family	15,865	4,072	19,937	313,078	6%
Behavior Modification	93,925	0	93,925	664,517	14%
Moderate Income	26,600	13,082	39,682	68,798	58%
Total	503,367	101,593	604,960	3,201,713	19%
Program Cost					
Programs	Actual PYTD	Pending	Cumulative PYTD	Budget	% PYTD
Energy Efficient Products	\$ 54,550	\$ 1,425	\$ 55,975	\$ 814,446	7%
New HVAC Equipment	\$ 597,373	\$ 63,381	\$ 660,754	\$ 4,653,506	14%
Home Energy Performance	\$ 297,231	\$ 69,368	\$ 366,599	\$ 504,886	73%
Energy Star New Homes	\$ 17,640	\$ 76,050	\$ 93,690	\$ 71,116	132%
Multi-Family	\$ 44,784	\$ 9,701	\$ 54,485	\$ 881,361	6%
Behavior Modification	\$ 763,850	\$ -	\$ 763,850	\$ 243,158	314%
Moderate Income	\$ 90,254	\$ 34,750	\$ 125,004	\$ 377,014	33%
Total	\$ 1,865,681	\$ 254,676	\$ 2,120,357	\$ 7,545,487	28%

Business Programs					
Energy Savings (therms)					
Programs	Actual PYTD	Pending	Cumulative PYTD	Goal	% PYTD
Standard	11,653	47,752	59,405	1,429,883	4%
Custom	0	1,557,914	1,557,914	223,281	698%
Retro-Commissioning	0	173,747	173,747	4,651	3736%
New Construction	0	0	0	47,130	0%
Total	11,653	1,779,413	1,791,066	1,704,945	105%
Program Cost					
Programs	Actual PYTD	Pending	Cumulative PYTD	Budget	% PYTD
Standard	\$ 171,019	\$ 57,973	\$ 228,992	\$ 4,479,422	5%
Custom	\$ 107,044	\$ 2,229,419	\$ 2,336,463	\$ 266,628	876%
Retro-Commissioning	\$ 74,329	\$ 217,707	\$ 292,036	\$ 5,934	4921%
New Construction	\$ -	\$ -	\$ -	\$ 134,121	0%
Total	\$ 352,392	\$ 2,505,099	\$ 2,857,491	\$ 4,886,105	58%

Other Portfolio Costs/Savings			
Portfolio Cost			
Programs	Cumulative PYTD	Budget/Goal	% PYTD
Portfolio Administration	\$ 53,703	\$ 579,622	9%
Marketing and Education	\$ 24,707	\$ 584,296	4%
Evaluation, Measurement & Verification	\$ -	\$ 350,578	0%
Funds for Combo Measures	\$ -	\$ 362,323	0%
Discretionary Funding Margin	\$ -	\$ 97,846	0%
Discretionary Savings Margin - Therm Goal	\$ -	\$ 35,789	0%
Total	\$ 78,410	\$ 1,974,665	4%

DCEO *			
Energy Savings (therms)			
Programs	Cumulative PYTD	Goal	% PYTD
Total	0	1,411,085	0%
Program Cost			
Programs	Cumulative PYTD	Budget	% PYTD
Public Sector	\$ -	\$ -	0%
Low Income	\$ -	\$ -	0%
Market Transformation and SEDAC	\$ -	\$ -	0%
Other	\$ -	\$ 4,802,286	0%
Total	\$ -	\$ 4,802,286	0%

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