

Low Income Advisory Council

Energy Efficiency Programs Serving Ameren Illinois Low and Moderate Income Gas and Electric Residential Consumers

April 11, 2017



Topics we will Cover

- The Ameren Illinois Service Territory
- Current Low Income Offerings
- 2018 Plan Considerations and Strategic Ideas

DOWNSTATE ILLINOIS



How long does it take to drive through AIC territory?

- **From North to South**
 - 351 miles
 - Five hours and 9 minutes
- **From East to West**
 - 234 miles
 - Three hours and 31 minutes



Ameren Illinois Service Territory

- 76% of Illinois land area (approx. 43,000 square miles)
- Only 33% of the state's public utility customers
- Large, widely dispersed rural population
- Scattered small- to mid-sized metro areas
- Older housing stock with low code compliance
- Health and safety issues in a high number of low-income homes

Ameren Illinois Demographics

- Primarily an agricultural based economy
- Poverty rate 14.1%, 1% below national poverty rate
- Unemployment rate is 3 to 10% depending on the area
- Downstate IL receives approx. 25% of total LIHEAP funding
- Major Employers: universities, State of Illinois, Caterpillar, healthcare systems, ADM/Tate & Lyle, State Farm

Program Design/Delivery Challenges

- Efficiently serving a large, sparsely populated area
- Depressed economy in some rural areas stifles EE investment
- Lack of social service infrastructure to serve low income families
- Underserved rural low income population is harder to reach
- Tendency toward smaller, less sophisticated service providers

Ameren Illinois appreciates information from:

- Initial conversations began with the original filing of Plan 4
- Nov 9, 2016-Phone conversation with Paul Knight & Mick Prince
- Feb 20, 2017-Face to Face meeting with Paul Knight/ Kate Brown
- Feb 28, 2017-Face to Face meeting with Mick Prince (Springfield)
- March 3, 2017- Meeting with Mick Prince & Local CAA's
- March 10, 2017- Meeting with Kate Brown & local representatives from public housing authorities
- Many ongoing interactions striving to understand and assess current status and approach to all programs





Current Offerings

- Low Income New Construction
- Single Family
- Multi Family
- Public Housing Authority

DCEO's Affordable Housing New Construction Pipeline

Grantee	Electric	Gas	Est. Electric Savings	Est. Gas Savings	Notes
Madison County Housing Authority	\$332,500		234,240		Project expected to be complete ~9/30/2017
Fox Meadows NFP	\$85,282		87,840		Project expected to be complete ~12/31/2017
Illinois Community Action Development Corp.	\$124,500		267,990		Project expected to be complete ~7/1/2018
Christian County Integrated Community Services	\$228,938	\$40,601	202,840	11,400	Project expected to be complete ~6/1/2018
Regional Housing Development Inc.	\$257,389		643,176		Project expected to be complete ~7/1/2018
Southwestern Illinois Development Authority	\$178,550		181,536		Project expected to be complete ~6/1/2018

***Ameren Illinois will fund these projects



Illinois Home Weatherization Assistance Program (IHWAP)

- Implementer: DCEO Weatherization through Inner-Agency Agreement with Energy and Recycling
- Primarily Single Family Projects
- Programs run in every county by Community Action Agencies
- Clients qualify if they are a LIHEAP client or $\leq 150\%$ of poverty level
- Multiple funding sources leveraged. e.g., US DOE, Illinois HHS
- Program takes a holistic approach to energy conservation



Existing Elevate Energy – Energy Savers Program

- Multi-family program
- DCEO provided a ‘snapshot’ for program activity in downstate IL:
- For the AIC service territory, during the last three to four program years
 - 71 buildings which included 4,897* units enrolled in the Energy Savers program (still do not understand this information)

* These numbers represent projects that are complete, current pipeline and waitlist

Public Housing Program

- Current Implementer: University of Illinois ERC, C/O Kate Brown
 - Provides free on-site technical services to Illinois Federally Assisted Low-Income and public housing authorities to upgrade and/or include energy efficient building practices
 - Public Housing Authority retrofit projects – not new construction
 - 66 PHA's in Illinois
 - AIC service territory estimated statutory budget: \$750,000





Preliminary Planning Assumptions

Ameren Illinois 2018 Low Income Program



2018 SF and MF Low to Moderate Income Plan

- Total spend \$16.7M electric, \$4.3M gas
 - Meet minimum low income electric spend of \$8.35M
 - Additional \$8.35M spend for moderate income
 - Previous Ameren low income spend approx. \$1,000,000 to \$2,000,000 annually
 - Treat ~5,800 Low to Moderate Income homes/units
 - Previously treated number not yet known – appears to represent a significant increase
 - Hybrid approach leveraging past resources while adding additional providers to allow the program to scale rapidly

2018 Low to Moderate Income Program Design

- Diagnostic assessment and low-cost measure direct installation
- Health and safety allocation for needed improvements
- Comprehensive insulation and air sealing services
- No co-pay for customers with household incomes $\leq 150\%$ of poverty
- 20% co-pay for household incomes between 150% to 300% poverty
- Mechanical equipment incentives at 80% incremental cost for all customers

Low to Moderate Income Delivery Strategy

- Drive expanded participation through CAA recruitment coupled with a focused, centrally administered marketing effort
- Coordinate with CAAs to build and maximize their achievable production capacity
- Supplement with private contractors in areas not served by CAAs
- Ameren oversight of program implementation including quality assurance and control, tracking, key customer and installation metrics
- Foster diverse business focus via implementation and installation contractors

Outreach and Recruitment Suggestions

- Support CAA recruitment in conjunction with LIHEAP
 - Give an energy efficiency kit to LIHEAP applicants
 - Target customers on CAA extensive waiting lists
- Community outreach and events
- Direct marketing campaign
- Outbound calling campaign

In Summary

- Honor Energy Efficiency Affordable Housing Program commitments
- Utilize current resources that makes sense for Ameren Illinois' Low Income customers
- 2018 Plan Design – Low Income Programs
- Open dialogue with Low Income Advisory Council

Questions?



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