



SUMMARY OF NEW IL EE LEGISLATION

ACEEE Energy Efficiency as a Resource Conference

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Presentation Outline

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- Savings goals
- Utility shareholder incentives
- Other provisions

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Savings Goals

- A. New Goal Definition
- B. Increased Levels of Savings

Cumulative Persisting Annual Savings

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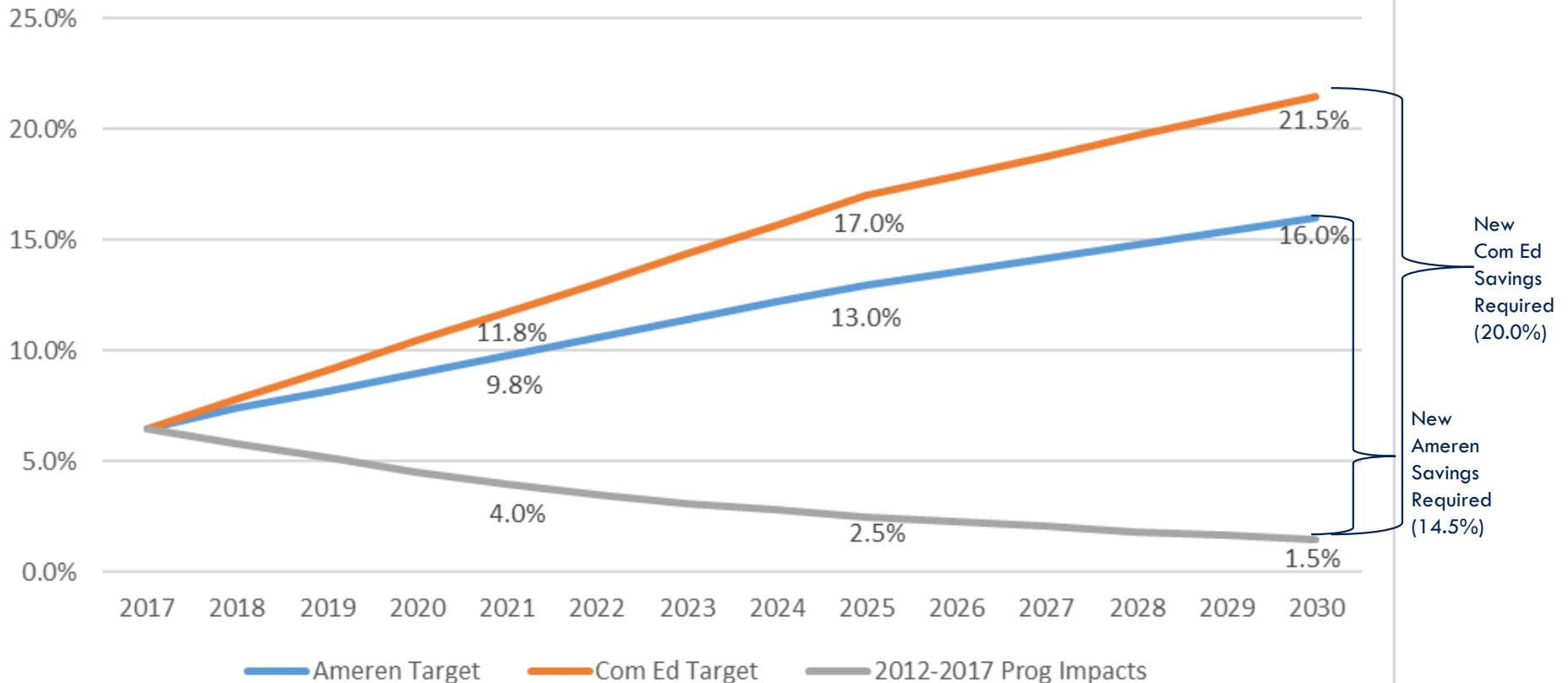
Com Ed Example

	2018	2019	2020	2021
Com Ed Target	7.8%	9.1%	10.4%	11.8%
Savings Persisting from 2012-2017 Programs	5.8%	5.2%	4.5%	4.0%
Savings persisting from 2018 program	2.0%	1.9%	1.8%	1.6%
Savings persisting from 2019 program		2.0%	1.9%	1.8%
Savings persisting from 2020 program			2.2%	2.1%
Savings persisting from 2021 program				2.3%
Total Savings that Count Towards Target	7.8%	9.1%	10.4%	11.8%

Note: Roughly based on Com Ed's filed plan. Most of die off is Residential Behavior program savings and lighting savings due to EISA 2020 standards changing baselines.

New Savings Targets

Cumulative Persisting Savings as % of Annual Sales
(from Customers other than Exempt Large Customers)



Note: utilities can request lower targets due if they can demonstrate spending caps or cost-effective potential constrain ability to meet statutory targets. Ameren currently proposing 2021 target of 8.95% (~15% reduction in new savings over 2018-2021 period).

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1st Year Savings Equivalents

- Com Ed: ~ 2.0% to 2.5% per year
- Ameren: ~ 1.1% to 1.3% per year
- State: ~ 2.0% per year

Top States in 2016

State	2016 net incremental savings (MWh)	% of 2016 retail sales
Massachusetts	1,569,661	3.00%
Rhode Island	214,329	2.85%
Vermont	138,318	2.52%
Washington [†]	1,358,095	1.54%
California [†]	3,909,215	1.54%
Connecticut	442,250	1.53%
Arizona	1,108,273	1.42%
Maine [†]	157,921	1.38%
Hawaii* [†]	124,399	1.32%
Minnesota [†]	847,830	1.31%
Illinois	1,716,876	1.23%
Michigan	1,209,981	1.17%
Oregon [†]	537,331	1.16%

Source: ACEEE 2017 State Scorecard

7 Utility Performance Incentives

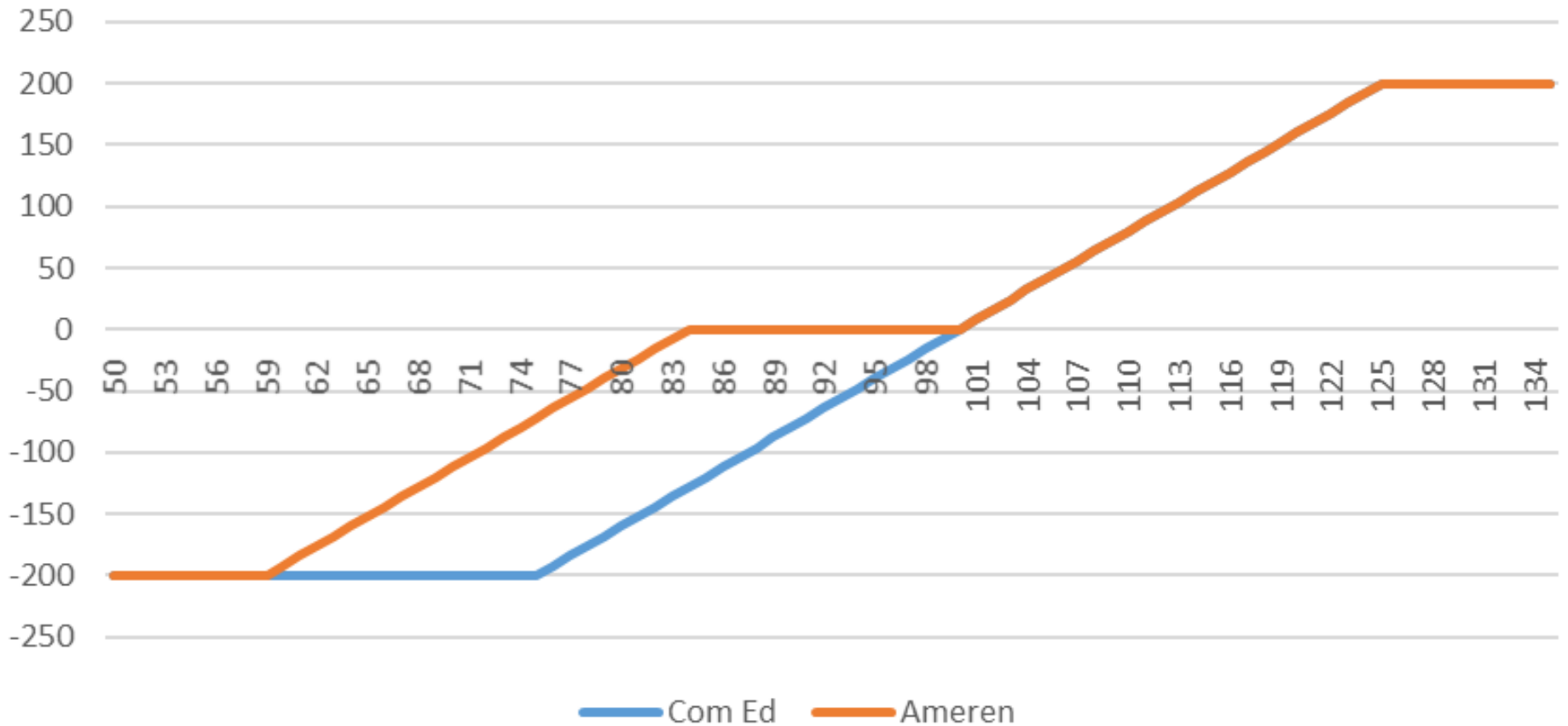
Performance Incentive Mechanism

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- Rate-basing of efficiency expenditures
- Rate of return tied to performance relative to goals
- Less risk for Ameren than Com Ed

Risk-Reward Structure

Basis Point Penalty/Bonus
Relative to Goal of 100 Units of Savings



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Other Provisions

Other Key Provisions

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- Several budget “set-asides”:
 - Low income: 7-8%
 - Public buildings: 7-10% of budget
 - 3rd party program solicitations: 7-8% of budget
 - Cost-effectiveness definition improved
 - Expanded definition of savings
 - Includes conservation voltage regulation (CVR)
 - Can count some gas savings towards electric target (up to 10%)
 - Exempts very large industrials (>10 MW)
 - Spending caps
 - ~\$351 million/year for Com Ed
 - ~\$ 99 million/year for Ameren
- } ...for 2018-2021;
increases ~7%
each plan period

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Q&A

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