

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Union Electric Company d/b/a)
Ameren Missouri's 2nd Filing to Implement) File No. EO-2015-0055
Regulatory Changes in Furtherance of Energy)
Efficiency as Allowed by MEEIA.)

NOTIFICATION

COMES NOW Union Electric Company d/b/a Ameren Missouri (Ameren Missouri or Company) and, pursuant to the terms of the *Non-Unanimous Stipulation and Agreement (Stipulation)* filed in this case, submits the following:

1. The *Stipulation* requires Ameren Missouri to file its initial measures and incentive amounts in this case no less than five business days prior to launching its new energy efficiency programs.¹

2. Ameren Missouri plans to launch its new business energy efficiency programs on March 1, 2016. The guidelines include the incentive levels which will satisfy the requirement detailed in the *Stipulation* to notify regulatory stakeholders.

3. In accordance with the *Stipulation*, Ameren Missouri is providing notice of this change. Attached to this pleading is a list of the custom, new construction and retro-commissioning program guidelines offered in Ameren Missouri's business energy efficiency program.

WHEREFORE, Ameren Missouri respectfully files this *Notification* in compliance with the terms of the *Non-Unanimous Stipulation and Agreement*.

¹ File No. EO-2015-0055, Non-Unanimous Stipulation and Agreement, p. 4.

Respectfully submitted,

UNION ELECTRIC COMPANY,
d/b/a Ameren Missouri

/s/ Wendy K. Tatro _____

Wendy K. Tatro, #60261

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**ATTORNEYS FOR UNION ELECTRIC
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CERTIFICATE OF SERVICE

The undersigned certifies that true and correct copies of the foregoing have been e-mailed to counsel of record in this case on this 24th day of February, 2016.

/s/ Wendy K. Tatro

Wendy K. Tatro

Custom Incentive Guidelines Information

Program Objectives:

The Custom Incentive Program provides energy efficiency expertise, services, and financial incentives to encourage the installation of new, higher efficient equipment retrofits, process improvements, and/or building system upgrades. A "Custom Incentive" is a direct payment or bill credit to a Participant for installation of Measures that are part of Projects that have been pre-approved by Ameren Missouri.

Eligibility:

- Incentives are available for equipment purchased and installed after **March 1, 2016**, and all completion paperwork (completed applications, invoices, documentation) is postmarked no later than **January 31st 2019**.
- Eligible Customers are commercial electric customers of Ameren Missouri that are classified under one of the following rates: Small General Service Rate 2(M), Large General Service Rate 3(M), Small Primary Service Rate 4(M), and Large Primary Service Rate 11(M).
- Equipment may not be purchased or installed prior to receiving pre-approval from the program.
- Projects must be completed within 12 months of the incentive offer being signed by the customer in order to be eligible for an incentive.

Process:

1. All custom projects will be submitted via a custom application to Ameren Missouri for engineering review
2. Projects with incentives greater than \$10,000 will require a pre-inspection.
3. Submitted Custom incentive application will be reviewed to ensure that the measures satisfy the following program requirements:
 - a. Calculate energy savings and demand reduction potential
 - b. Verify project, measure, and installation cost estimates
 - c. Determine the value of the incentive offer
 - d. A Cost Test to verify the energy efficiency impact of the measure(s)
 - e. A simple payback that is greater than **18 months**
4. Incentive Applications for energy efficient measures will only be approved for reliable and cost-effective energy savings potential in the proposed use and site.
5. Once the project is reviewed, Ameren Missouri will send an incentive offer to the customer for their review and signature.
 - a. ***The customer must sign and return the offer to the Ameren Missouri within 30 days and prior to the purchase and installation of the equipment, to signify acceptance of the offer.***
 - b. The customer will indicate on the written offer the following:
 - i. Estimated start date
 - ii. Installation completion date
 - iii. Final completion paperwork submittal date for the project, **which shall not exceed 12 months from the date the offer is signed**
 - c. **A change in scope may result in recalculation or disqualification of the incentive offer.**

Incentive Values and Caps:

- Custom Incentives are based on the estimated energy savings after completion and verification of the approved energy efficiency project.
- **The incentive is \$0.07 per kWh for non-lighting measures and \$0.06 per kWh for lighting measures.**
- Implementation of pre-approved measures may be reimbursed up to a **maximum of 50% of the total project cost or 100% of incremental cost based upon the chart below.**

Type of Upgrade	Incentive Max. per measure
Early Replacement – Existing equipment has not yet reached the end of its useful life (EUL).	50% of total project cost
End of Life Replacement – Existing equipment has reached end of its useful life (EUL) or has been deemed obsolete.	100% of incremental project cost

- Customers must install measures achieving a minimum total incentive of **\$150** per application and total incentives across all programs shall be capped at **\$3,000,000** per customer per this cycle defined as March 1, 2016 through February 28, 2019.

New Construction Incentive Guidelines Information

Program Objectives:

New Construction Incentives are designed to help fund the cost of increasing the energy efficiency potential for construction projects. The New Construction Incentive Program will capture energy and demand reductions from new construction projects by interacting with building owners and designers during the design and/or construction process. The Program encourages building owners and designers to evaluate and install systems with higher energy efficiencies than the standard or planned systems through training, design incentives, and installation incentives.

Eligibility:

- Incentives are available for equipment purchased and installed after **March 1, 2016**, and all completion paperwork (completed applications, invoices, documentation) is due no later than **January 31, 2019**.
- Customers that had a Design Team Meeting between January 2, 2013 and December 31, 2015 will be eligible to maintain the design baseline that was established at the time of the meeting. Those applicants will be eligible for the Installed Interior Lighting (LPD) Incentive using the baseline that was established at the Design Team Meeting.
- **Eligible Customers** are commercial electric customers of Ameren Missouri that are classified under one of the following rates: Small General Service Rate 2(M), Large General Service Rate 3(M), Small Primary Service Rate 4(M), Large Primary Service Rate 11(M).
- **New construction project examples include any of the following:**
 - New building projects wherein no structure or site footprint presently exists.
 - Addition or expansion of an existing building or site footprint.
 - A gut rehab for a change of purpose requiring replacement of all electrical systems/equipment.
 - “Warm Shell” projects, where the building envelope, central mechanical system and core lighting systems are included in the design but future build out work or tenant improvements are permitted separately.

Process:

1. The customer will submit a New Construction application that will provide the preliminary site, customer, and project information.
 - a. **Note: The baseline for the project will be established based on program and site specific codes unless design effort has already been performed and is higher than required code compliance. Please contact the program office as early in the process as possible.**
2. After Ameren Missouri receives this application, the New Construction representative will contact the customer to set up the design team meeting to accomplish the following activities:
 - a. Review the application process for the three types of incentives.
 - b. Establish a baseline for a project for calculating energy impacts and financial incentives.
 - c. Identify energy savings and demand reduction potential.
 - d. Assign a New Construction Program representative to assist the customer throughout the term of the project.
3. Since the state of Missouri does not have a statewide building code **the building design baseline will be established on a case-by-case basis**. The baseline will be the most stringent of:
 - a. ASHRAE 90.1-2001



- b. The facility’s completed design, if the design is 100% complete at the time of the Design Team Meeting
 - c. The ASHRAE 90.1 standard complying with the current local energy code or building code
 - d. Any legal or contractual construction requirements
4. After the design team meeting has occurred, the New Construction representative at Ameren Missouri will provide the customer with the incentive options.
 5. All New Construction projects will receive a post-installation inspection.

New Construction Incentive Options:

1. Whole Building Performance Incentive

- o Provides design incentives to fund Technical Analysis Studies.
- o The Technical Analysis Study must satisfy the requirements outlined in the New Construction Energy Efficiency Program handbook.
- o The Whole Building Performance Incentive cap is **\$50,000** per site, per program year.
- o The customer designates the recipient of Whole Building Performance Incentives.

2. Installed Interior Lighting Incentives

- o Incentives are available for lighting systems where the installed interior lighting power density (watt per square foot) is lower than the baseline-allowed lighting power density (LPD) by **at least 10%**.
- o Baseline LPD is established during the Design Team Meeting and will equal the LPD established by the applicable ASHRAE 90.1 standard.
- o Incentives will be capped at **50%** of total costs.
- o The incentive offered is based on \$0.40 per watt below the wattage required under the ASHRAE standard multiplied by the associated area measured in square feet.

3. Custom Incentives

- o New Construction projects are eligible for the Custom program incentives, with the exception of interior lighting.

Incentive Values and Caps:

- o Custom incentives are based on the calculated energy savings of the installed energy efficiency project. Incentives rates are shown in the table below:

Measure Type	Incentive Rate
Exterior Lighting	\$0.06/ kWh
Non-Lighting	\$0.07/ kWh

- o The New Construction Program offers incentives as shown in the table below:

From Baseline	Whole Building (Design)	Custom (non-lighting)
10-19% energy savings	\$0.02/kWh	\$0.07/kWh
20-29% energy savings	\$0.03/kWh	\$0.07/kWh
30% energy savings and above	\$0.04/kWh	\$0.07/kWh

- The Whole Building Design incentive payment is determined by the amount of kWh savings of the completed

building over baseline represented in each respective savings range above. The Whole Building Performance incentive cap is **\$50,000** per site per program year.

- Customers must install measures achieving a minimum total incentive of **\$150** per application and total incentives across all programs shall be capped at **\$3,000,000** per customer per this cycle defined as March 1, 2016 through February 28, 2019.

Retro-commissioning (RCx) Incentive Guidelines Information

Program Objectives:

The Retro-commissioning Incentive (RCx) Program will provide financial assistance for projects that optimize building system energy use and overall efficiency through the calibration, maintenance, and optimization of current systems. RCx Incentives help fund the cost of RCx Technical Analysis Studies, the purchase and implementation of upgrades, and re-commissioning efforts.

Eligibility:

- Incentives are available for equipment purchased and installed after **March 1, 2016**, and all completion paperwork (completed applications, invoices, documentation) is postmarked no later than **November 30th, 2018**.
- RCx Incentives can help fund the cost of a RCx Technical Analysis Study, measurement and verification efforts, the purchase and implementation of upgrades, and implementation of re-commissioning practices.
- Eligible Customers are commercial electric customers of Ameren Missouri that are classified under one of the following rates: Small General Service Rate 2(M), Large General Service Rate 3(M), Small Primary Service Rate 4(M), and Large Primary Service Rate 11(M).
- The facility must also meet the following qualifications:
 1. At least one of the following conditions:
 - a. Higher than average electric energy intensities(kWh/ft²); or
 - b. Minimum of 100,000 ft² of conditioned space; or
 - c. Presence of an energy management system (EMS);
 2. Mechanical equipment in relatively good condition and good operating order; and
 3. Will yield cost-effective energy savings
 4. Presence of an Energy Management System with Direct Digital Controls (DDC) for a Buildings project.
 5. No existing commitment made to complete the project.

Process:

1. The customer, in coordination with an approved RCx Service Provider (RSP), must submit the Ameren Missouri RCx Program application.
 - a. This application must outline the proposed scope of the RCx Study.
 - b. Upon confirmation of eligibility and approval of the estimated study cost, the customer and the RCx Service Provider will be notified by Ameren Missouri that they can proceed with the RCx Study.
2. The study must compare estimated post-project energy consumption against the most recent actual annual usage history and/or a baseline model.
3. The completed study must be submitted to Ameren Missouri with the proposed measures itemized on the RCx tab(s) of the Ameren Missouri application tool.
4. Program engineers will evaluate the RCx study and verify estimated annual energy savings and eligibility of measures for incentive payment.
5. A pre-inspection will be performed to evaluate “existing” conditions and equipment prior to project implementation.



6. The customer will receive a written incentive offer following engineering review of the proposed RCx project.
7. **The customer must sign and return the offer to the Ameren Missouri prior to the purchase and installation of the equipment to signify acceptance of the offer.**
 - a. The customer must indicate on the written offer an estimated completion date for the project, **which shall not exceed 6 months from the date the offer**, and must include the customer's signature.
8. On the estimated completion date for the project, Ameren Missouri will send the RCx Incentive Completion Form.
 - a. The customer must complete and return the RCx Incentive Completion Form noting any equipment change or deviation from the approved project.
 - i. **Note: A change of scope or equipment may result in a recalculation of the incentive offer or even disqualification of the project.**
 - b. The customer must also submit required documents:
 - i. Itemized invoice(s) that allow for a clear confirmation of costs associated with each measure
 - ii. Specification Sheets for purchased equipment
 - iii. Final technical models supporting the project savings
9. Submitted RCx Incentive Completion Forms and documents will be reviewed by Program Engineers to:
 - a. Verify project implementation;
 - b. Calculate the estimated energy savings from the completed project;
 - c. Determine the total final value of the incentive;
10. All RCx projects will receive a post-installation inspection.
11. RCx projects may be inspected during the expected life of the measure to ensure persistence of the incentivized savings.

Incentive Values and Caps:

- RCx Incentives are based on the estimated energy savings after completion of the approved energy efficiency project. **The incentive for implementation is \$0.07 per estimated annual kWh saved.**
- Participants are eligible to receive an incentive up to 100% of the Program approved study cost, based on the incentive rates shown in the table below. The Study Incentive is payable when the recommended measures identified in the study have been installed and verified.

Total Verified Annual kWh Saved	RCx Study Incentive Tracks & Rates			Verification Type
	Compressed Air	Refrigeration	Buildings	
≤ 500,000 kWh	\$0.01/ kWh	\$0.01/ kWh	\$0.02/ kWh	Installation
> 500,000 kWh	\$0.02/ kWh	\$0.02/ kWh	\$0.03/ kWh	Operational

- Implementation of pre-approved RCx measures may be reimbursed up to a **maximum of 100% of the project cost.**
- Customers are subject to a \$3,000,000 incentive cap across all programs during the period of this cycle defined as March 1, 2016 through February 28, 2019.