

# GOVERNMENT AGGREGATION OF ELECTRIC SUPPLY



March 2012

**A REVIEW OF THE PROCESS**

Illinois Commerce Commission  
Illinois Power Agency  
Ameren Illinois



# YOUR ELECTRICITY: WHO IS INVOLVED?

Illinois is a restructured electricity state: supply and delivery are separate.

- Ameren Illinois: **Delivers** electricity to Illinois homes and businesses in our service territory. Ameren Illinois does not generate electricity.
- Illinois Commerce Commission (ICC): **Certifies** Retail Electric Suppliers and **Licenses** Agents, Brokers, and Consultants.
- Illinois Power Agency (IPA): **Secures** electric supply for on behalf of Ameren Illinois customers electing to remain on utility provided fixed price service. Ameren Illinois is the default supplier for customers who elect not to “shop”. The IPA supply cost is passed on to customers with no mark-up.
- Government Aggregation: A town or county that **chooses** a retail electric supplier to provide electricity to residential and small commercial customers.



# YOUR ELECTRICITY: WHO IS INVOLVED? (CONT.)

- Retail Electric Suppliers (RES): **Markets** electricity directly to residents, businesses and industry to sell the electricity they either generate or purchase on the market
  - Certified with Illinois Commerce Commission (ICC) to serve residential and small commercial customers which are covered under Government Aggregation legislation.
  - Registered with Ameren Illinois for the same appropriate groups where such registration includes systems testing.
- GA's Consultant: Assists GA with town or county's Aggregation program's implementation and/or RES selection.
- Ameren Illinois Government Aggregation Team (GAT): Coordinates registration, non-disclosure agreements, requests for and dissemination of Ameren Illinois customer data for the purpose of government aggregation programs.
  - [GovernmentAggregationTeam@AmerenIllinois.com](mailto:GovernmentAggregationTeam@AmerenIllinois.com)
- Residential and Small Commercial Customers



# HOW DOES AMEREN ILLINOIS FEEL ABOUT CHOICE?

- We're ok with aggregation and other forms of supply choice because we are a delivery company. Ameren Illinois is neutral regarding customer's electric supply choice and encourage customers to explore their options. If a government authority elects government aggregation, we want to help the GA understand the process to make the customer supply switch as easy as possible.
- **We'll Still Deliver!** No matter who's a customer's electric supplier, Ameren Illinois will continue to deliver safe, reliable service.



# TOPICS WE WILL DISCUSS

- Defining a Government Aggregator
- Government Aggregation Services
- Using the Lists
- Franchise Impacts and Options
- Ameren Illinois Rates
- Understanding Bill Methods
- LIHEAP/PIPP and Retail Electric Suppliers
- Suggestions for Achieving Success
- GA Communications
- Enrollment
- Check List
- Government Aggregator Support
- Appendix



# DEFINING A GOVERNMENT AGGREGATOR

- Many types of electric supply “aggregators” – so we refer to municipalities and county boards who chose to offer aggregation of electric supply as “government aggregators” or “GAs”
- GAs can be municipalities, county boards, or a combination of two or more authorized municipal and county boards acting under an intergovernmental agreement.
  - Municipality means a city, village or incorporated town.
  - Aggregators are not Agents, 3<sup>rd</sup> Parties, Retail Electric Suppliers (RES)
- GA must determine if they will operate an “opt-in” or “opt-out” program.



## ELIGIBLE CUSTOMERS

- Customers must be located within the municipality's or county's geographical boundaries.
  - Residential customers receiving electric supply from Ameren Illinois on delivery service rate DS (Delivery Service)-1.
  - Small commercial retail customers are those consuming 15,000 kWh's or less annually (220 ILCS 5/16 -102).



# GOVERNMENT AGGREGATION SERVICES

- Ameren Illinois filed a Government Aggregation (GA) Services tariff March, 1, 2012 on 45 day notice to be effective on April 15, 2012, pending ICC approval.
- We will operate under procedures following the details contained within the tariff until the tariff is approved. A two step process.
  - First step: GA registers and completes the non-disclosure agreement, Ameren Illinois then sends GA a premise list along with an optional preliminary summary load and customer detail service point data list. The preliminary customer list will not contain account numbers.
  - Second step: GA completes and provides to Ameren Illinois the authenticated premise list, certified results of referendum; Ameren Illinois then provides eligible customer list with account numbers.

\* All lists will be provided in an electronic format.



# REGISTRATION & NON-DISCLOSURE AGREEMENT

- The GA must submit to Ameren Illinois Government Aggregation Team (GAT) a completed and verified copy of the Ameren Illinois Government Aggregation Registration and Customer Information Request Form (GA Registration) as well as a separate Non-Disclosure Agreement (NDA) form before Ameren Illinois will release any data to the GA. These are standard Ameren Illinois forms.
  - Note: The primary contact must be an authorized elected official or authorized GA employee, not an Agent, Broker, or Consultant.
- Return completed forms to Ameren Illinois' Government Aggregation Team (GAT) at [GovernmentAggregationTeam@amerenillinois.com](mailto:GovernmentAggregationTeam@amerenillinois.com)



# AMEREN ILLINOIS NEXT ACTIONS

- After submitting the completed GA Registration and NDA to the Ameren Illinois GAT, the GA will be contacted by a GAT representative who will be its primary point of contact throughout the aggregation process.
- Once Ameren Illinois approves the GA Registration and NDA, the GA will be provided the following password protected information:
  - Premise Clean-up List
  - Preliminary Summary Load Data List
  - Preliminary Customer Detailed Service Point Data List
    - No account numbers are provided at this step, however significant information is provided to help the GA program.
- No fees charged for any list.



## USING THE LISTS – PREMISE CLEAN-UP LIST

- A Premise Clean-Up List contains all premises which Ameren Illinois shows within the GA's jurisdiction.
  - To ensure privacy of customer data the GA will review this Premise Clean-up List to ensure Ameren Illinois is only releasing data for premises which fall in the GA's limits. Therefore the GA will need to indicate premise addresses which need to be added or deleted from the List. This would be similar to the process used to clean-up premises in the event that your GA has a municipal electric or gas utility tax.
  - Note that the Premise Clean-up List will include electric and gas premises, both active and vacant.
  - This Premise Clean-up List needs to be completed and returned to Ameren Illinois Government Aggregation Team before the post-referendum account number Customer Detailed Service Point Data can be released.



## PREMISE CLEAN-UP LIST (CONTINUED)

- The list is provided electronically with two tabs.
- The first tab includes all active and vacant premises.
  - If you need to make a correction by asking that a premise not be part of your GA area please follow the instructions on the form.
- The second tab provides a space and method for your communicating to Ameren Illinois any premise that needs to be included in your area.
- Please note: To avoid complications, the GA should make sure the taxation boundaries submitted to Ameren Illinois match the boundaries it submits as part of its Aggregation Program. To the extent information is inconsistent between information provided on this Premise Clean-up List and previous submittals, Ameren Illinois reserves the right to use the most current information provided. Any adjustments to premises made by the GA and updated by Ameren Illinois on a prospective basis and changes to a municipality's tax are the accountability of the municipality.
- The Municipal Utility Tax (MUT) calculation remains the same
  - Based on delivered kwh; not on the choice of supplier.



## USING THE LISTS – SUMMARY LOAD LIST

- Along with the Premise Clean-up List, Ameren Illinois will provide a preliminary Summary Load Data List for your GA. This list is in a standard format provided to all registered GAs working with Ameren Illinois. Summary data is available throughout the process after registration is considered complete.
  - Summary Load Data will be consolidated load data which will include counts and kWh usage by **service point**. Included on the list will be:
    - All residential rate classifications by Delivery Service (DS) rate class and supply types (Basic Generation Service (BGS), Real-Time Pricing (RTP), Hourly Supply Service (HSS), Power Smart Pricing (PSP), and Retail Electric Supply (RES)).
    - All small commercial loads by DS rate class and Supply types (BGS, RTP/HSS, RES, etc.). (Note that Ameren Illinois defines small commercial for this data as those service points with 15,000 kWh or less on an annual calendar basis.)
    - All lighting rate classes and supply types (BGS, RES).



## SUMMARY LOAD LIST (CONTINUED)

- Space heat indicator. Ameren Illinois would like to stress that this load type is a **major** item that bidders on your RFP should understand and which cannot be totally captured separately in the Summary Data List. We have listed in the Summary Data List any **known** space heat consolidated loads; however NOT all are known/flagged in our systems to be passed along.
- Supply types mentioned above are Basic Generation Service (BGS), Real-Time Pricing (RTP), Hourly Supply Service (HSS), Power Smart Pricing (PSP), and Retail Electric Supplier (RES).
- Data contained on the Summary Load Data List is accurate as of the time the summary was created and is subject to change based on changes to the base data
- Data for each supply type listed stands on its own.
- Data for Ameren Illinois Company Use or Municipal Franchise Agreement service points receiving discounted or free service will not be included.



## PRICE COMPARISON

- To successfully achieve your program objectives:
  - Compare the rate zone and supply type data for each **service point** in the detailed report and apply the rate information discussed previously.
  - Verify that the customer would receive an actual decrease in supply costs prior to processing an enrollment.



## USING THE LISTS – CUSTOMER DETAIL LIST

- A Preliminary Customer Detailed Service Point Data List for each Active Service Point for your GA may be requested in addition to the Premise (Clean-Up) and Summary Load Data lists.
- Prior to Ameren Illinois' receipt of a verified referendum or ordinance as applicable to the GA program, the Customer Detailed Service Point list shall contain service point data without account numbers.
- Following verification of the ordinance or referendum results, the default Customer Detailed Service Point list shall contain no account numbers for service points receiving service from Ameren Illinois under Power Smart Pricing (PSP), Hourly Supply Service (HSS), or Real Time Pricing (RTP), or service points served by a Retail Electric Supplier (RES) unless the GA specifically requests that the account numbers be included.



## CUSTOMER DETAIL LIST (CONTINUED)

- The Customer Detailed Service Point Data List shall include:
  - All residential rate classifications by Delivery Service (DS) rate class and supply types (BGS, RTP/PSP, RES, etc.).
  - All small commercial loads by DS rate class and Supply types (BGS, RTP/HSS, RES, etc.). (Note that Ameren Illinois defines small commercial for this data as those service points with 15,000 kWh or less on an annual calendar basis.)
  - All lighting rate classes and supply types (BGS, RES).



## CUSTOMER DETAIL LIST (CONTINUED)

- Space heat indicator. Ameren Illinois would like to stress that this load type is a **major** item that bidders on your RFP should understand. We have listed in this list any **known** space heat service points; however NOT all are known/flagged in our systems to be passed along.
- A second tier use indicator for customers receiving lower block step charges in non-summer months.
  - Residential – use in at least the 4 non-summer months
  - Non-residential – use in any non-summer month
- Certain volume use under some rate codes can get a lower tail block rate. This is addressed in the "Understanding Electric Supply Rate Impacts" section of this presentation along with the Government Aggregation Handbook so we encourage you to review it and make your bidders aware of this item.



# FRANCHISE IMPACTS AND OPTIONS

- Some municipalities may have older franchise agreements which allowed for free service, such as free street lighting or free electricity.
- If the franchise had free services, then the accounts associated with the free service would be impacted when switching to a RES
- Municipalities have three options to consider:
  1. Do nothing – with this option, any accounts previously receiving discounts or free electricity would be included with the aggregation and the discounts/free service would cease on the supply portion of the bill
  2. Choose to opt-out those accounts that receive discounts or free service and continue with current electric supply
  3. Request Alternative Municipal Compensation – this option allows the municipality to enroll all municipal accounts with the RES and receive an annual cash payment equal to the current value of that free service



# AMEREN ILLINOIS RATES

- Ameren Illinois bills show charges grouped into three main categories (please see sample bill)
  1. Delivery Service (DS)
  2. Electricity Supply
  3. Taxes
- Electric Supply Category subject to competition
  - For customers switching to a Retail Electric Supplier (RES), RES charges replace Ameren Illinois supply charges
  - **Delivery Service and Tax Charges unaffected by supply choice.**



# SAMPLE RESIDENTIAL BILL

## ELECTRIC SERVICE BILLING DETAIL - Rate Zone I

<b>DS - Residential Service (DS-1)</b>				<b>Service From</b>	<b>10/15/2010 to 11/15/2010</b>
<b>Annual kWh Up to 7,999</b>					
Customer Charge					\$13.55
Meter Charge					\$4.72
Distribution Deliv Chg Non-Summer	350.00	kWh @	\$0.01528000		\$5.09
Electric Environmental Adj	350.00	kWh @	\$0.00205710		\$0.72
Rider EDR Charge	350.00	kWh @	\$0.00168571		\$0.59
<b>Total Delivery Service Amount</b>					<b>\$24.67</b>
<b>Electric Supply (BGS-1)</b>				<b>Service From</b>	<b>10/15/2010 to 11/15/2010</b>
Purch Elec Non-Summer(0-800 kWh)	350.00	kWh @	\$0.05893000		\$20.74
Purchased Electric Adj	350.00	kWh @	-\$0.00294286		-\$1.03
Rider PER Supply Cost Adj	350.00	kWh @	\$0.00208571		\$0.73
Transmission Service Charge	350.00	kWh @	\$0.00308571		\$1.08
<b>Total Supply Amount</b>					<b>\$21.52</b>
<b>Taxes</b>				<b>Service From</b>	<b>10/15/2010 to 11/15/2010</b>
Illinois State Electricity Excise Tax					\$1.16
Distribution Tax					\$0.45
<b>Total Tax Related Charges</b>					<b>\$1.61</b>
<b>Total Electric Charges</b>					<b>\$47.80</b>

\* Reflects BGS-1 Purchased Electricity Charges (base BGS) only. A price to compare should also include Supply Cost Adjustment, Rider TS – Transmission Service, and Purchased Electricity Adjustment cost.



# ELECTRIC SUPPLY FROM AMEREN ILLINOIS

Two options:

1. Basic Generation Service (BGS), a fixed seasonal price service
2. Real Time Pricing (RTP)\*
  - Prices vary hourly based on wholesale market
  - Power Smart Pricing is a subset of RTP, available to Residential Customers

\* Note: Customers with demands over 150 kW may take Rider HSS - Hourly Supply Service. Rider RTP is for customers with demands less than 150 kW. Pricing for RTP originates within the HSS tariff.



# BASIC GENERATION SERVICE

- Shown as “Purchased Electricity Charges” on bills.
- Charges updated via the IPA process each June 1.
- Seasonally differentiated charges
  - Summer (Jun-Sep) and Non-summer (Oct-May)
  - Non-summer may contain a Second Tier use (i.e. lower price for use over an initial amount)
    - Residential BGS-1 block at 800 kWh
    - Small General Service BGS-2 block at 2,000 kWh



# BGS CHARGES EFFECTIVE THROUGH MAY 31, 2012

<b>BGS-1 Prices</b>	<u>Rate Zone I</u>			<u>Rate Zone II</u>	<u>Rate Zone III</u>	
	Non-Heat	Space		All customers	Non-Heat	Space
		Heat	Metro-east			Heat
Summer - All kWh	\$0.05045	\$0.05045	\$0.05045	\$0.05019	\$0.05011	\$0.05011
Non-Summer, First 800	\$0.06057	\$0.06057	\$0.06057	\$0.06020	\$0.05733	\$0.05733
Non-Summer, +800 kWh	\$0.06057	\$0.03434	\$0.02024	\$0.03852	\$0.05733	\$0.01881

<b>BGS-2 Prices</b>	<u>Rate Zone I</u>	<u>Rate Zone II</u>	<u>Rate Zone III</u>
	Secondary Delivery Voltage		
Summer - All kWh	\$0.07281	\$0.07021	\$0.07208
Non-Summer, First 2000	\$0.06600	\$0.05687	\$0.06275
Non-Summer, +2000 kWh	\$0.05252	\$0.05687	\$0.05527

\* Reflects BGS-1 Purchased Electricity Charges (base BGS) only. A price to compare should also include Supply Cost Adjustment, Rider TS – Transmission Service, and Purchased Electricity Adjustment cost.



# AVERAGE BGS-1 PRICE AT VARIOUS USAGES

Average Annual BGS-1 Price\* Under Various Usage Types (Effective through May 31, 2012)

Usage Profile		Rate Zone I			Rate Zone II	Rate Zone III	
	kWh/yr	Non-Heat	Space Heat	Metro-east	All customers	Non-Heat	Space Heat
General Use	5,000	\$0.05492		\$0.05492	\$0.05461	\$0.05330	
	10,000	\$0.05629		\$0.05590	\$0.05575	\$0.05427	
	14,913	\$0.05628		\$0.05035	\$0.05277	\$0.05427	
	26,252	\$0.05631		\$0.04280	\$0.04872	\$0.05429	
Space Heat							
			\$0.05302	\$0.05026	\$0.05357		\$0.04807
			\$0.04844	\$0.04353	\$0.04969		\$0.04178
			\$0.04575	\$0.03946	\$0.04744		\$0.03792
			\$0.04184	\$0.03278	\$0.04442		\$0.03123
	60,253		\$0.04151	\$0.03274	\$0.04400		\$0.03141

\* Reflects BGS-1 Purchased Electricity Charges (base BGS) only. A price to compare should also include Supply Cost Adjustment, Rider TS – Transmission Service, and Purchased Electricity Adjustment cost.



## BGS-1 OBSERVATIONS

- Each individual customer's average price could differ from their neighbors. Why?
  - Different summer/non-summer usage mix
  - Different non-summer pricing, and/or different non-summer use
- Large non-summer use customers in Rate Zone I Metro East and Rate Zone II pay lower average BGS rates
- Qualified space-heat premises in Rate Zone I and Rate Zone III pay lower average BGS rates



## BGS-1 OBSERVATIONS (CONTINUED)

- Because an individual's BGS-1 price is variable (see previous page for table), comparisons to a RES flat rate offer will produce different percentage savings (or costs) for each individual customer. Savings cannot be guaranteed for an individual, even though savings could be guaranteed against an average cost.
- One way to allow all customers to benefit is to shadow the BGS-1 price structure with a % or fixed cents/kWh discount.



## BGS - TIMING OF CHANGES

- BGS prices updated each June 1.
- Illinois Power Agency (IPA) works in conjunction with the Illinois Commerce Commission (ICC) to secure supply each year.
- Update results filed within 2 business days of ICC approval of procurement contracts.
- Changes to BGS prices are not typically known until late May.



## BGS-2 (SMALL GENERAL SERVICE)

- Most non-residential customers using less than 15,000 kWh annually will fall under BGS-2
- Most customers using less than 15,000 kWh annually will have little or no non-summer use over 2,000 kWh/month
- Outliers do exist (e.g., grain drying, water pumps, etc...)

\* For most non-residential customers, the most relevant BGS price comparison are the summer and non-summer first 2,000 kWh charges



# UNDERSTANDING BILL METHODS

All bill methods are elected by the RES, not the customer. The customer may in part, base their choice of Supplier on the bill method the RES offer in addition to price or any other contract terms the customers finds desirable.

**Single Bill Option (SBO)** - A billing option in which the RES bills the customer for both the electric supply which they are providing as well as the electric delivery provided by Ameren Illinois. (Note: Customers with gas or non-service charges may receive an Ameren Illinois bill for these charges.)

Single Bill Option (SBO)	Electric Supply	Electric Delivery	Gas
Who issues the bill?	RES	RES	Ameren Illinois
Are charges seen in Ameren Illinois' billing system?	No	Yes	Yes
Charges can be collected by Ameren Illinois?	No	Yes	Yes
Who does the customer pay?	RES	Ameren Illinois	Ameren Illinois

**Dual Billing** - A billing option in which the RES bills their own electric supply charges and Ameren Illinois bills their own electric delivery charges. The customer receives two separate bills. (Note: Non-residential gas transportation customers will receive a third bill from Ameren Illinois for these charges.)

Dual Bill Option	Electric Supply	Electric Delivery	Gas
Who issues the bill?	RES	Ameren Illinois	Ameren Illinois
Are charges seen in Ameren Illinois' billing system?	No	Yes	Yes
Charges can be collected by Ameren Illinois?	No	Yes	Yes
Who does the customer pay?	RES	Ameren Illinois	Ameren Illinois

**Utility Consolidated Billing/Purchase of Receivables (UCB/POR)** - Ameren Illinois prepares and mails a bill to the customer for both Ameren Illinois' electric delivery charges and the RES' electric supply charges. Ameren Illinois also purchases the electric supply charges from the RES on the bill due date and treats those as its own receivables.

UCB/POR	Electric Supply	Electric Delivery	Gas
Who issues the bill?	Ameren Illinois	Ameren Illinois	Ameren Illinois
Are charges seen in Ameren Illinois' billing system?	Yes	Yes	Yes
Charges can be collected by Ameren Illinois?	Yes	Yes	Yes
Who does the customer pay?	Ameren Illinois	Ameren Illinois	Ameren Illinois



# LIHEAP/PIPP & RETAIL ELECTRIC SUPPLIERS (RES)

- When the customer seeks LIHEAP assistance, the Local Administrating Agency (LAA) will identify the type of supply the customer is receiving based on the bill statement provided. Is the customer receiving supply from Ameren Illinois or an RES? What type of bill method is used?
- Also, the LAA is informed of the bill method in the STARS system based on information from the Ameren Illinois' Customer Service System.
  - The LAA will provide the customer with the available LIHEAP options based on the bill method. \* DVP is a Direct Vendor Payment.

Billing Method	LIHEAP Option
Ameren Supply (Default)	Traditional DVP & PIPP
UCB/POR	Traditional DVP & PIPP
Single Bill Option (SBO)	Traditional DVP for gas charges only
Dual Billing	Traditional DVP for gas charges only



# LIHEAP/PIPP & RETAIL ELECTRIC SUPPLIERS (RES)

What if the customer is currently enrolled on PIPP and elects to receive their electric supply from an RES?

Once the customers elects to switch to an RES, the change is effective with the next billing statement. Ameren Illinois will receive electronic notification which provides the RES name and bill method.\*

- Ameren Illinois' Customer Service System will send an intervention message to the State's STARS system which includes the RES name and future bill option.
- STARS advises the LAA to contact the customer in an effort to educate them on the impacts to the PIPP benefit.

Billing Method	Effect on PIPP benefit
UCB/POR	No effect & No customer contact necessary
Single Bill Option (SBO)	Customer will loose PIPP benefit effective with the next bill
Dual Billing	Customer will loose PIPP benefit effective with the next bill



\* Once the customer is removed from the PIPP, there's no ability for other LIHEAP benefit for the remaining program year.

# SUGGESTIONS FOR ACHIEVING SUCCESS

Ameren Illinois desires that all GAs have successful programs. Toward that end, here are several suggestions to follow in order to achieve success:

- Study the Detailed Service Point Data and understand how it relates to current Ameren Illinois rates.
  - Residential Ameren Illinois rates can be found at <http://www.ameren.com/sites/aiu/Rates/Pages/ResidentialRates.aspx>.
  - Non-residential Ameren Illinois rates can be found at <http://www.ameren.com/sites/aiu/Rates/Pages/NonResidentialRates.aspx>
- If a Government Aggregation Program objective is to reduce customer costs:
  - Compare the Ameren Illinois Rate Zone and supply type data for each service point in the Customer Detailed Service Point Data List and apply the rate information discussed previously.
  - Take a second look at those service points indicating “space heat” or “second tier use”.
- Verify that the customer would receive an actual decrease in supply costs prior to processing an enrollment.
- RES have access to Ameren Illinois tools to compare monthly use so that they can then compare between Ameren Illinois charges and planned GA program charges.



## ACHIEVING SUCCESS (CONTINUED)

- Communicate with potential customers on **GA letterhead** and using **GA logo envelope**.
- Determine the process for handling customer inquiries.
- Prepare GA staff to address customer calls or other inquiries about the GA program.
- Ensure that the customer knows who and how to contact the GA or your representative for additional questions.
  - Do not include Ameren Illinois phone numbers on customer education materials related to the GA program. Customer inquiries should be directed to the GA or their representative.
- Allow enough time for customers to respond to opt-in or opt-out notices.



## ACHIEVING SUCCESS (CONTINUED)

- Determine if the GA program will have fees or other type charges. If so, be clear what the charges are and when they will apply. Explain these to customers upfront. Note: fees and other non-service charges can not be sent to Ameren Illinois nor placed on the customer's bill.
- Since Ameren Illinois will be directing GA Program customers back to the RES with questions, determine what the process will be for handling complaints and questions from customers.
- During the RFP process and subsequent RES selection, pay attention to and chose the customer bill method provided by the RES that best serves the needs of the GA's customers.
- Keep a secured list of who elects to participate in the GA's aggregation program, including the account numbers.
  - In the next cycle of participation the GA may desire to know who is participating in the GA's program since there is no ability for Ameren Illinois to track this information via the selected RES.
- Ensure Consultant's/RES's understand that Ameren Illinois is part of the Midwest Independent Transmission System Operator (MISO).



# GA COMMUNICATIONS

- Ameren Illinois strongly recommends that customers be informed by the GAs of their right to opt-out of the aggregation program and not by some other business.
  - Some customers may not read a letter from a private company such as the RES believing it to be promotional materials or "junk mail".
- Ameren Illinois recommends correspondence to customers be on a **GA – municipal or county – letterhead** and delivered in a **GA logo envelope**.
- GA should provide a sample of the Ameren Illinois' electric switch letter and education about such letter so that the customer knows what to expect and confusion is diminished.
  - Samples will be made available.



## GA COMMUNICATIONS (CONTINUED)

- Please communicate to your enrollees that they should contact your GA, RES/Consultant regarding any supply questions.
- Customer's calling Ameren Illinois contact centers with questions specific to local government aggregation program will be advised to contact their local government authorities who are sponsoring aggregation for answers.
- Customers asking Ameren Illinois' view of GA programs will be advised that Ameren Illinois is neutral regarding electric supply choice and we encourage all customers to explore their electric supply options.



# ENROLLMENT – AKA SWITCHING

- Switching Requirements: The actual switch/enrollment of customers will be conducted by the RES chosen by the GA. The RES and the switches it conducts will be subject to all applicable Ameren Illinois electric tariffs and procedures. The RES is required to use Electronic Data Interchange (EDI) protocols to effectuate all switches. We strongly encourage all RES's to participate in the Illinois Commerce Commission (ICC) Communication Protocols Working Group (CPWG) to promote best practices and seamless processes.
- Additional information is at:  
<http://www.ameren.com/BusinessPartners/CPWG/Pages/Home.aspx>.



# IMPACTS FOLLOWING ENROLLMENT

- Customers that contact Ameren Illinois to question the enrollment will be advised to call the RES.
  - Only the RES will know if the switch is related to a GA program.
  - Only the RES will know if early termination fees or other charges apply.
- If the customer was enrolled in error, the RES can request the enrollment be cancelled before the actual switch.
  - After the switch date the customer would experience one bill under the GA program.
- If upon receipt of the switch letter the customer wants to cancel (rescind) their enrollment they may do so either through the RES or Ameren Illinois.
  - Rescinding may not cancel their contractual obligations to the GA program. GA's should have a plan to address this issue.



# CHECK LIST

- Register the Aggregation Program
- Complete a Non-Disclosure Agreement
- Verify premises within the Aggregator's jurisdiction
- Return verified premise data to Ameren Illinois
- Provide approved ordinance or referendum to Ameren Illinois
- Eligible customer data made available to Aggregator
- Determine what bill method will the RES use for your aggregation program
- Develop Customer Communication Plan



# AMEREN ILLINOIS' GOVERNMENT AGGREGATOR SUPPORT

- Ameren Illinois remains the local distribution company and responsible for:
  - Reliability of the system
  - Reading meters
  - Responding to outage situations
    - Customers should still call Ameren Illinois when their power is out.
- Ameren Illinois' Community Relations Coordinators will continue to be available as a resource to the communities.
- Ameren Illinois Government Aggregation Handbook will be provided to each GA and be available via the GAT.
- Ameren Illinois' Government Aggregation Team will be the direct representatives and responsible for handling all GA questions, requests, and technical support.
  - Contact them via [GovernmentAggregationTeam@amerenillinois.com](mailto:GovernmentAggregationTeam@amerenillinois.com)
- Ameren Illinois has developed extensive customer communications to educate customers on government aggregation.
  - Available at <http://www.AmerenIllinois.com/>



## COMING SOON

- Ameren Illinois will be providing a self-service web based tool to help Government Aggregators and the team that supports them.
- Planning for the future and continued GA programs this tool will provide greater flexibility in responding to the needs of the GA.
- It also will allow Ameren Illinois not to charge for providing lists.
- Anticipate it being available early June 2012
- Training and support will be provided.





**FOCUSED ENERGY.** *For life.*

# APPENDIX



# BGS-1 APPLICABILITY DETAILS

- Rate Zone I
  - Non-heat: Former AmerenCIPS premises, excluding Metro East, not subject to a space heat Rider as of 1/1/2007
  - Space-heat: Former AmerenCIPS premises, excluding Metro East, taking space-heat Rider as of 1/1/2007
  - Metro East: Customers formerly served by AmerenUE prior to merger with AmerenCIPS. Includes premises/customers formerly served under separate tariffs applicable to portions of Henderson and Hancock counties flagged on Customer Detailed Service Point List.

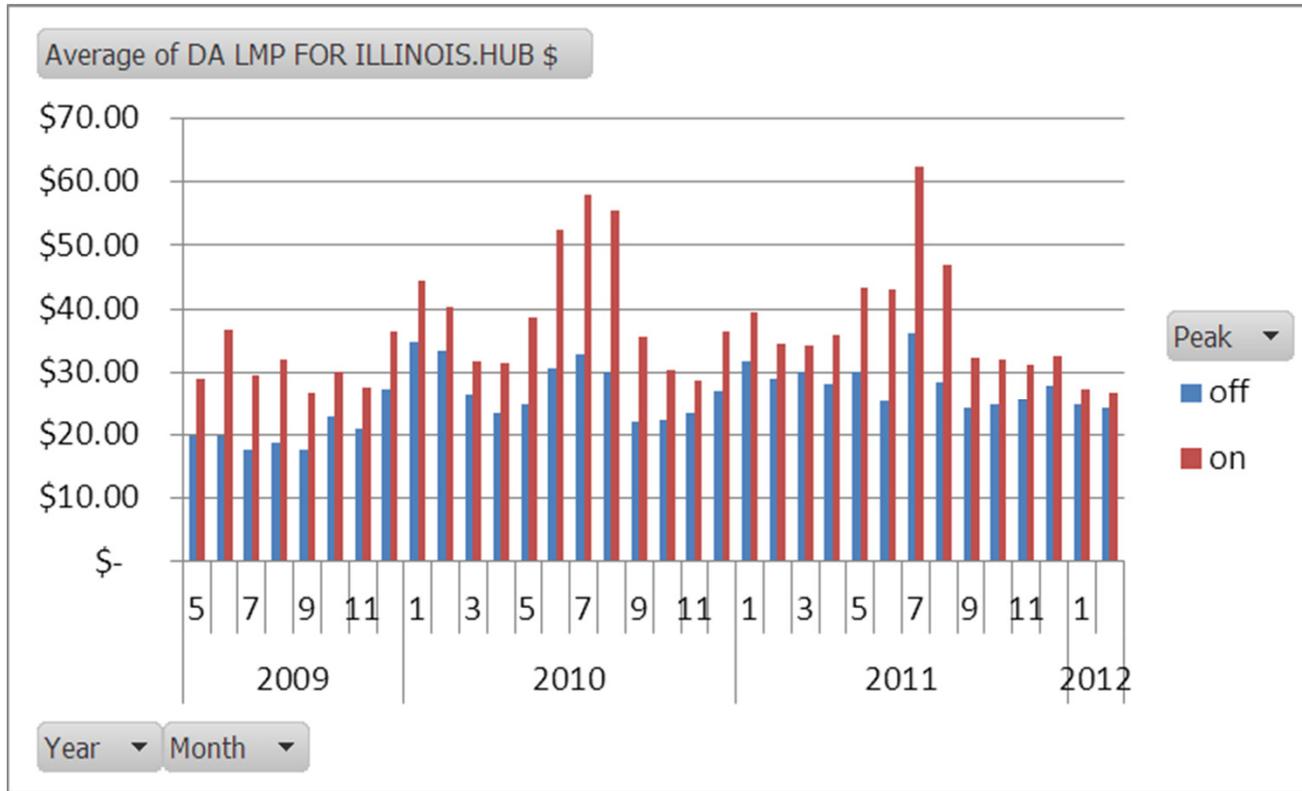


## BGS-1 APPLICABILITY DETAILS (CONTINUED)

- Rate Zone II
  - Former AmerenCILCO premises.
  - All premises/customers subject to the same BGS pricing.
- Rate Zone III
  - Non-heat: Former AmerenIP premises not subject to a space heat provision as of 1/1/2007.
  - Space-heat: Former AmerenIP premises taking the space-heat provision as of 1/1/2007.
- No new space heat premises able to be added.



# REAL TIME PRICING



- Hourly Day Ahead prices at the MISO hub, averaged for the month.
- Presented in \$/MWh. Divide by 1,000 to get \$/kWh (\$50/MWh = \$0.05/kWh)
- Excludes costs for capacity, energy based ancillary services from MISO, renewable energy adder, Market Settlement costs, and distribution energy losses.
- Values shown are not a forecast. Future hourly prices are unknown.



# REAL TIME PRICING OBSERVATIONS

- This is not an endorsement of RTP. Many customers do not want to be subjected to price volatility.
- Hourly prices are provided here to give a reference point for how customers who have been on RTP may perceive a fixed price offering from a RES.
- RTP customers have made a switch from BGS
- They accept the volatility of hourly market prices, and have been receiving lower overall prices over the past few years.
- For a customer unaware of Governmental Aggregation, a switch from RTP to a RES may be perceived negatively since they already have been receiving the benefits of lower prices and they have already made a switch.



## OTHER SUPPLY RELATED CHARGES

- In addition, the BGS-1 and BGS-2 or RTP supply charges\*, customers also pay the following supply related charges (shown in the supply section of the bill)
  - Purchased Electricity Adjustment
  - Supply Cost Adjustment
  - Transmission Service Charge
- RES served customers are not assessed these charges from Ameren Illinois

\* Note: The base BGS supply charges are shown on bills as the “Purch Elec Non-Summer” or “Purch Elec Summer”, as applicable. Base RTP supply charges are shown on two lines as “Day Ahead Energy Chg” and “RTP Supplier Charge”



## OTHER SUPPLY RELATED CHARGES (CONTINUED)

- Purchased Electricity Adjustment
  - This item is a mechanism that allows Ameren Illinois to true-up actual supply costs to revenue.
- Supply Cost Adjustment consists of four rolled-up components
  - Procurement Adjustment
  - Working Capital Adjustment
  - Uncollectibles Adjustment
  - Uncollectibles Adjustment True-up (Rider EUA)



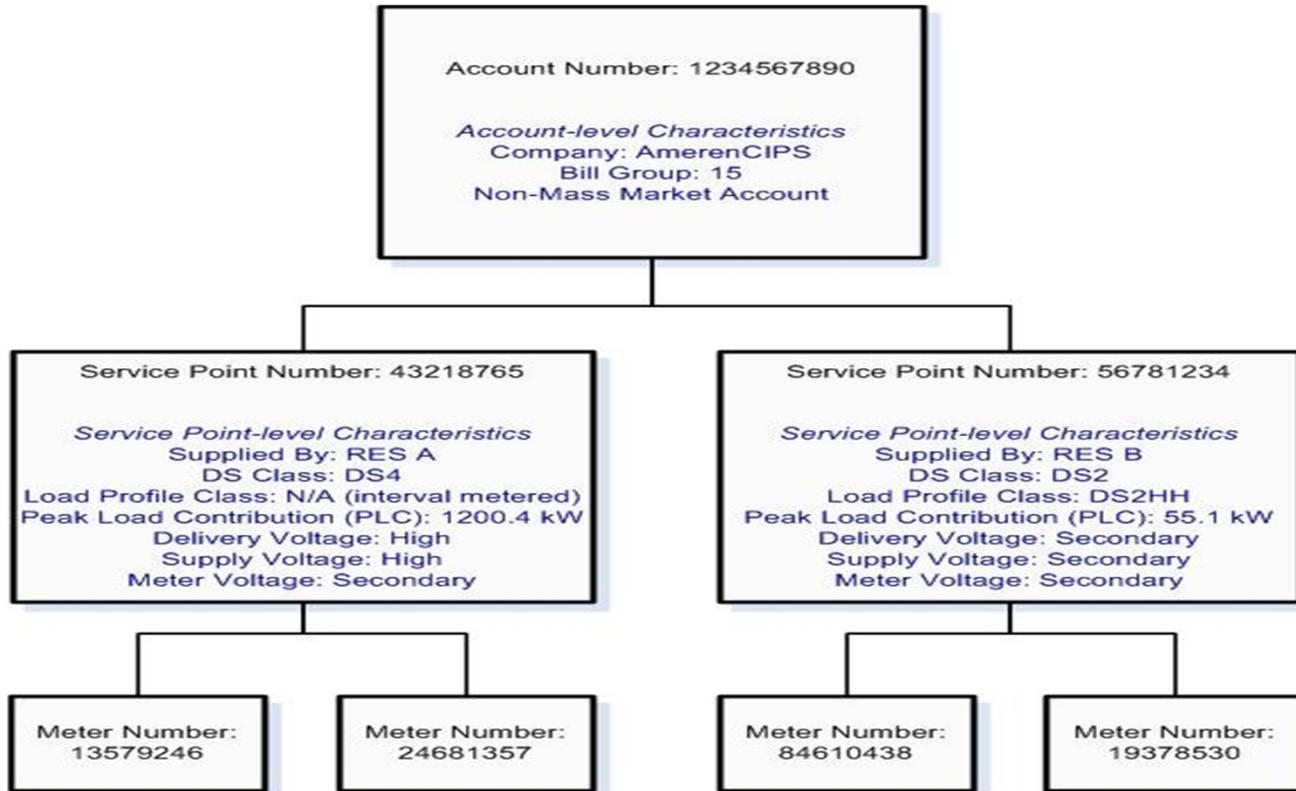
## OTHER SUPPLY RELATED CHARGES (CONTINUED)

- **Transmission Service**
  - Charge that passes through Ameren Illinois cost of providing bulk power transmission service to its supply service customers, at prices approved by the Federal Energy Regulatory Commission
  - Note: A RES serving an Ameren Illinois delivery service customer is billed directly for Transmission Service, who then in turn presumably recovers the cost from customers it serves



# ACCOUNT, SERVICE POINT, AND METER HIERARCHY

The diagram below depicts the hierarchy of an Ameren account. This particular account has two service points associated the account, and each service point has two meters associated with each service point. Note that each service point in this example is supplied by a different RES.





**FOCUSED ENERGY. *For life.***