



Ameren Illinois Company  
d/b/a Ameren Illinois

**MODERNIZATION ACTION PLAN**  
**Multi-Year Performance Metrics**

**2014 Annual Report**

Filed pursuant to 220 ILCS 5/16-108.5(f)

**June 1, 2014**

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# Introduction

On January 3, 2012, Ameren Illinois Company d/b/a Ameren Illinois (AIC) filed with the Commission, pursuant to 220 ILCS 5/16-108.5(c), a petition and supporting testimony and schedules declaring its election to become a "participating utility" and requesting approval of its performance-based formula rate (PBR) tariff, otherwise known as the Rate Modernization Action Plan -Pricing (Rate MAP-P) tariff, for recovery of its electric delivery service costs. Within 30 days after filing of a PBR tariff pursuant to Section 16-108.5(c), a participating utility must "develop and file with the Commission multi-year metrics designed to achieve, ratably (i.e. in equal segments) over a 10-year period, improvement over performance baseline values." 220 ILCS 5/16-108.5(f).<sup>1</sup> As a participating utility, Ameren Illinois filed and subsequently received ICC approval for its Modernization Action Plan - Metrics tariff (Rider MAP-M). Rider MAP-M sets forth the calculation for each category of penalty (PEN) per Sections 16-108.5(f)(1-2), (4-6) and (8-9) of the Act. The sum of such PEN values is input as the Performance Metrics Penalty and is used to determine the return on common equity used to develop the Company's annual net revenue requirement for the annual reconciliation in accordance with the formula rate structure and Rate MAP-P. Subsequently, on June 1 of each year beginning in 2014, the participating utility shall file a report with the Commission that includes, among other things, a description of how the participating utility performed under each metric and an identification of any extraordinary events that adversely impacted the utility's performance. This document describes how Ameren Illinois performed on the applicable metrics in 2013.

## Metric Summary

Table 1 below summarizes the applicable metrics, baseline performance values, 10-year performance goals, and incremental performance goals:

AIC MAP Metric Summary Table															
Metric	Year 10 Improvement	Baseline Years	Baseline	Year 10 Goal	Incremental Goal by Year										
					2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
System Average Interruption Frequency Index (SAIFI)	20% reduction	2001 - 2010	1.13	0.90	1.11	1.08	1.06	1.04	1.02	0.99	0.97	0.95	0.93	0.90	N/A
Customer Average Interruption Duration Index (CAIDI)	15% reduction	2001 - 2010	156	133	154	151	149	147	144	142	140	137	135	133	N/A
Customers Exceeding Service Reliability Targets	75% reduction	2010	984	246	910	836	763	689	615	541	467	394	320	246	N/A
Estimated Electric Bills	56% reduction	2008 - 2010	590,905	259,998	N/A	557,814	524,724	491,633	458,542	425,452	392,361	359,270	326,180	293,089	259,998
Consumption on Inactive Electric Meters	56% reduction	2009-2010	12,100,806	5,324,355	N/A	11,423,161	10,745,516	10,067,871	9,390,225	8,712,580	8,034,935	7,357,290	6,679,645	6,002,000	5,324,355
Electric Uncollectible Expense	\$3.5 M reduction	2008-2010	\$17,773,333	\$14,273,333	N/A	\$17,423,333	\$17,073,333	\$16,723,333	\$16,373,333	\$16,023,333	\$15,673,333	\$15,323,333	\$14,973,333	\$14,623,333	\$14,273,333
Minority / Female Owned Business Spend	15% increase	2010	\$14,730,922	\$16,940,560	\$14,951,886	\$15,172,850	\$15,393,813	\$15,614,777	\$15,835,741	\$16,056,705	\$16,277,669	\$16,498,632	\$16,719,596	\$16,940,560	N/A

Table 1 – MAP Metric Summary

<sup>1</sup> The performance categories applicable to AIC are set forth in Sections 16-108.5(f)(1-2), (4-6) and (8-9). The performance categories addressed in Sections 16-108.5(f)(3), (3.5) and (7) apply to "a participating utility other than a combination utility" and are therefore inapplicable to AIC.

# Methodology and Calculation

## Reliability Related Metrics

### SAIFI

#### (1) 2013 Incremental Performance goal

The 2013 performance year SAIFI goal was 1.11 interruptions / customer, as provided for in the approved Ameren Illinois Multi-Year Performance Metrics Plan.

#### (2) Methodology:

"System Average Interruption Frequency Index (SAIFI)" is the average number of interruptions per customer during the year. It is calculated by dividing the total annual number of customer interruptions by the total number of customers served during the year.

$$\text{SAIFI} = \frac{\text{Total Number of Customer Interruptions}}{\text{Total Number of Customers Served}}$$

Consistent with the baseline calculation, the 2013 performance year calculation excluded three types of outages consistent with Part 411.20: (1) interruptions caused by the failure of a customer's equipment; (2) interruptions caused by loss of supply; and (3) scheduled interruptions for repair, maintenance or reinforcement. The 2013 performance calculations also excluded nine extreme weather days. An "extreme weather day" is defined as a 24 hour calendar day during which any weather event caused interruptions for 10,000 or more customers for three or more hours. These extreme weather days are summarized in Appendix 1.

#### (3) 2013 Performance

Ameren Illinois 2013 performance year SAIFI was 0.91 interruptions / customer. This performance clearly satisfies the approved 2013 performance year goal of 1.11 interruptions / customer, so, therefore, the applicable SAIFI penalty (PEN1) is zero.

#### (4) Extraordinary Events That Adversely Impacted Performance

Ameren Illinois is not aware of any extraordinary events, over and above the 9 extreme weather days already excluded, that adversely impacted performance of the SAIFI metric, other than those ordinary weather and other events that regularly impact this metric.

## CAIDI

### (1) 2013 Incremental Performance goal

The 2013 performance year CAIDI goal was 154 minutes / interruption, as provided for in the approved Ameren Illinois Multi-Year Performance Metrics Plan.

### (2) Methodology:

"Customer Average Interruption Duration Index (CAIDI)" is the average interruption duration for those customers who experience interruptions during the year. It is calculated by dividing the annual sum of all customer interruption durations by the total number of customer interruptions and is expressed in minutes.

$$\text{CAIDI} = \frac{\text{Sum of all Customer Interruption Durations}}{\text{Total Number of Customer Interruptions}}$$

Consistent with the baseline calculation, the 2013 performance year calculation excluded three types of outages consistent with Part 411.20: (1) interruptions caused by the failure of a customer's equipment; (2) interruptions caused by loss of supply; and (3) scheduled interruptions for repair, maintenance or reinforcement. The 2013 performance calculations also excluded nine extreme weather days. An "extreme weather day" is defined as a 24 hour calendar day during which any weather event caused interruptions for 10,000 or more customers for three or more hours. These extreme weather days are summarized in Appendix 1.

### (3) 2013 Performance

Ameren Illinois' 2013 performance year CAIDI was 131 minutes / interruption. This performance clearly satisfies the approved 2013 performance year goal of 154 minutes / interruptions so, therefore, the applicable CAIDI penalty (PEN2) is zero.

### (4) Extraordinary Events That Adversely Impacted Performance

Ameren Illinois is not aware of any extraordinary events, over and above the 9 extreme weather days already excluded, that adversely impacted performance of the CAIDI metric, other than those ordinary weather and other events that regularly impact this metric.

## Customers Exceeding Service Reliability Targets

### (1) 2013 Incremental Performance goal:

The 2013 performance year Customers Exceeding Service Reliability Targets goal was 910 customers, as provided for in the approved Ameren Illinois Multi-Year Performance Metrics Plan.

### (2) Methodology:

The service reliability targets are defined in Part 411.140 as follows:

- A) Customers whose immediate primary source of service operates at 69,000 volts or above should not have experienced:
  - i) More than three controllable interruptions in each of the last three consecutive years.
  - ii) More than nine hours of total interruption duration due to controllable interruptions in each of the last three consecutive years.
- B) Customers whose immediate primary source of service operates at more than 15,000 volts, but less than 69,000 volts, should not have experienced:
  - i) More than four controllable interruptions in each of the last three consecutive years.
  - ii) More than 12 hours of total interruption duration due to controllable interruptions in each of the last three consecutive years.
- C) Customers whose immediate primary source of service operates at 15,000 volts or below should not have experienced:
  - i) More than six controllable interruptions in each of the last three consecutive years.
  - ii) More than 18 hours of total interruption duration due to controllable interruptions in each of the last three consecutive years.
- D) Exceeding the service reliability targets is not, in and of itself, an indication of unreliable service, nor does it constitute a violation of the Act or any Commission order, rule, direction, or requirement. The Commission's assessment shall determine if the jurisdictional entity has a process in place to identify, analyze, and correct service reliability for customers who experience a number or duration of interruptions that exceeds the targets.

### (3) 2013 Performance

The number of Ameren Illinois customers exceeding service reliability targets in the 2013 performance year was 319 customers. This performance clearly satisfies the approved performance goal of 910 customers so, therefore, the applicable Customers Exceeding Service Reliability Targets penalty (PEN3) is zero.

### (4) Extraordinary Events That Adversely Impacted Performance

Ameren Illinois considers the 9 extreme weather days listed in Appendix 1 as extraordinary events that adversely impacted performance of the Customers Exceeding Service Reliability Targets metric, since these were not excluded from the analysis. Ameren Illinois is not aware of any additional extraordinary events that adversely impacted performance of the Customers Exceeding Service Reliability Targets metric, other than those ordinary weather and other events that regularly impact this metric.

## **Advanced Meter Infrastructure (AMI) Related Metrics**

The three AMI related metrics (Estimated Electric Bills, Consumption on Inactive Electric Meters, and Electric Uncollectible Expense) did not have goals set for the 2013 performance year in the approved Ameren Illinois Multi-Year Performance Metrics Plan. Therefore, the applicable Estimated Electric Bills penalty (PEN4) for the 2013 performance year is zero, and the combined Consumption on Inactive Electric Meters and Electric Uncollectible Expense penalty (PEN5) for the 2013 performance year is zero.

Goals will begin for these AMI related metrics in the 2014 performance year.

## **Opportunities for Minority-owned and Female-owned Business Enterprises**

### (1) 2013 Incremental Performance goal:

The 2013 performance year Opportunities for Minority-owned and Female-owned Business Enterprises goal set was \$14,951,886 of electric capital dollar expenditures paid to minority-owned and female-owned business enterprises, as provided for in the approved in Ameren Illinois Multi-Year Performance Metrics Plan.

### (2) Methodology:

Consistent with criteria established by state and federal law, AIC defines a MWBE as a minority-owned or women-owned business that is a for-profit enterprise, regardless of size, physically located in the United States or its trust territories,

which is owned, operated and controlled by minority group members or women. "Minority group members" refers to those individuals who are Asian, Black, Hispanic, or Native American. Ownership by minority individuals or women means the business is at least 51% owned by such individuals or, in the case of a publicly-owned business, at least 51% of the stock is owned by one or more such individuals. Further, the management and daily operations are controlled by those minority group members or women.

There are multiple MWBE certifying agencies that AIC accepts certifications from, including federal government entities, state government entities, City government entities, and the affiliates of the National Minority Supplier Development Council and the Women's Business Enterprise National Council.

AIC's accounts payable system contains data fields that are populated to identify suppliers that are MWBE. To maintain data base accuracy, on an annual basis AIC uses a third party data enrichment company to analyze the supplier master data and identify which companies are MWBE.

To determine MWBE spend, AIC queries its accounts payable system to determine the sum of all sourceable AIC electric related, direct, non-labor, non-inventory, non-clearing, capital expenditures made for goods and services paid to all businesses. Sourceable spend excludes several categories of items such as internal payments, finance related expenditures, civic, government, and utilities.

### (3) 2013 Performance

For the 2013 performance year, Ameren Illinois paid \$45,157,003 of electric capital expenditures to minority-owned and female-owned business enterprises. This performance clearly satisfies the approved performance goal of \$14,951,886. There is no applicable penalty related to this metric.

### (4) Extraordinary Events That Adversely Impacted Performance

Ameren Illinois is not aware of any extraordinary events that adversely impacted performance of the Opportunities for Minority-Owned and Female-Owned Business Enterprises metric, other than those ordinary economic and business events that regularly impact this metric.

# Appendix 1

## Identification of Extreme Weather Day Events

### Extreme Weather Day Detail

Ameren Illinois experienced 9 extreme weather days in the 2013 performance year. The following table shows the 9 extreme weather days excluded from the 2013 performance year, and the associated customer interruptions and customer minutes interrupted.

Date	Customer Interruptions	Customer Minutes Interrupted
05/21/2013	7,965*	1,270,586
05/27/2013	23,257	5,465,784
05/30/2013	41,725	8,986,520
05/31/2013	48,619	33,720,599
06/01/2013	13,185	6,749,136
06/23/2013	38,218	7,758,166
11/17/2013	171,815	103,008,628
11/18/2013	11,057	12,044,467
11/19/2013	2,391*	2,019,014
<b>TOTAL</b>	<b>358,232</b>	<b>181,022,900</b>
*These outage events began the previous day. The customer interruptions included in the extreme weather day are only the incremental new interruptions for the specified date.		

2013 Extreme Weather Days