



Ameren Missouri
Advancing Time of Use Rates
Agenda Meeting
7/29/2020

Discussion Topics

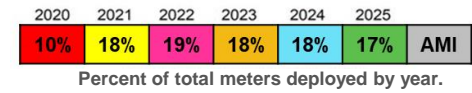
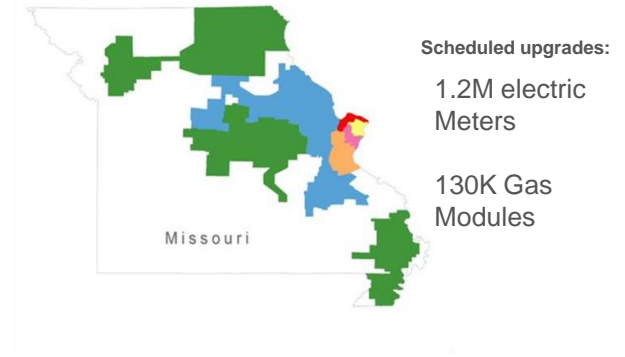


- Opening Remarks - Tara Oglesby, Vice President Customer Experience
- Advancing TOU Rates - Jeff Esserman, Director, Smart Meter Program
 - Review of ER-2019-0335 Requirements
 - Customer Research and related AMI data analytics
 - Key Benefits / Challenges
 - Next Steps
- Customer Communications Plan - Amanda Barbieri, Sr. Manager, Smart Meter Program
- Additional Discussion Attendees:
 - Mark Birk – Sr. Vice President, Customer Operations, Ameren Missouri
 - Tom Byrne – Sr. Director, Regulatory Affairs, Ameren Missouri
 - Clark Allen – Sr. Manager, Digital Program Management, Ameren Services
 - Gaye Suggett – Manager, Regulatory Affairs, Ameren Missouri
 - Steve Wills – Director, Regulatory Affairs, Ameren Missouri
 - Dr. Ahmad Faruqui – Principal, The Brattle Group, Energy Economist

Smart Meter Program (AMI) update



- Successfully launched our meter deployment in our targeted time frame the first week in July, 2020. This launch began after an aggressive planning / build period. The program is on track with our investment plan and schedule provided in the Smart Energy Plan.
- Thus far, approximately 6,000 meters have been installed. All network communications, systems and billing functions are working properly.
- Our existing deployment plan runs through 2025. We are currently evaluating options to accelerate deployment within the capital spending cap on this program to complete our deployment in 2024. This will allow us to deliver on our customer value propositions in an expedited fashion.



Deployment Location	Timing
St. Charles	2020
St. Louis Metro	2020 - 2022
East Central Missouri	2023 - 2024
Southeast, Central, Northern Missouri	2024 - 2025

ER-2019-0335 Key Deliverables



1. Make available for residential customers a new default time of use (TOU) rate that enables customers to have an introduction to managing their energy usage differently. In addition, all TOU rate options will be made available to all AMI customers which include options with significant peak to off-peak variances.
2. Within six billing months after a residential AMI meter is installed, communicate with the customer to educate them on what their bill would have been in prior billing periods under available rate options
3. All new customers or new accounts with AMI meters will be placed directly on the new default rate
4. Implement a rate comparison tool to support customer education
5. Execute a robust customer communication plan that supports the elements of the agreement and a positive customer experience
6. Collaborate with key stakeholders (Staff, OPC, DE) to align on approach for executing on deliverables via a series of 4 meetings

Advancing Time of Use Rates



The settlement outcomes include expansion of our TOU rate offerings to include a default time-of-use program. In addition, there are designated customer education requirements and new capabilities to enable customer choice including the below components.

New TOU Billing System Enhancements

Ameren Missouri will enable interval billing for all customers and ensure all rate options are calculated every month for customers to execute the “shadow billing” requirements. Significant enhancements will be made to support billing a TOU program at the scale a default offering will require.

Bill Comparison Tool

Ameren Missouri will launch a new interactive web-based platform in an aggressive timeline to allow customers to compare their costs under all rate options.

New Rate Choice Platforms

Ameren Missouri will implement web and other service channel capabilities to ensure that customers can easily activate their rate option choices.

New Communications to Support Rate Options

New touchpoint on delivery of the smart meter to educate on rate options

New AMI data presentment and comparison requirements

“Shadow billing” to allow customers to see their individual comparisons

Customer Research



Ameren Missouri conducted customer research to gather insights on our upcoming TOU rate enhancements. This research included focus groups and surveys with diverse customer segments and geographies. Our key findings:

- 1 Overcommunicate**
Share more detail, not less. The onus is on us to ensure the message gets heard.
- 2 Customer benefit is important**
It's not just about new smart meters. It's about what they enable: savings opportunity, choice, control.
- 3 Clarify what customers need to do, when, and what happens if they don't act**
Contacting Ameren to change a rate isn't a hassle. Not knowing what to do is the concern.
- 4 Lifestyle framing helps customers make an easy choice**
Putting the rates on more equal footing and encouraging customers to self-identify increases confidence.
- 5 Help customers feel in control**
Even if they don't follow through, they like knowing THEY – not just Ameren – have a say in the matter.

Additional Research – AMI Data Considerations



Ameren Missouri analyzed a blind / random sample of 50,000 AMI meters from our Ameren Illinois pool to evaluate how customer usage patterns would impact our rate plan confidence levels.

We evaluated how often Ameren Missouri’s rate comparisons would align with the 24-month calculation in shorter time frames.

Key findings:

- **Rate plan confidence levels improve over time as a customer’s AMI data builds**
- Seasonal impacts occur when using 6-months of data to create a rate plan calculation
- When communicating rate plan options to customers in a window less than 24-months, leveraging “**lifestyle framing**” is important

Timeframe	Rate Plan Calculation match with 24-months of AMI data
When using 12 - months of AMI data to calculate rate options	<u>90% match</u> with 24-months
When using 6 - months of AMI data to calculate rate options	<u>60% - 80% match</u> with 24-months (dependent on seasonality)

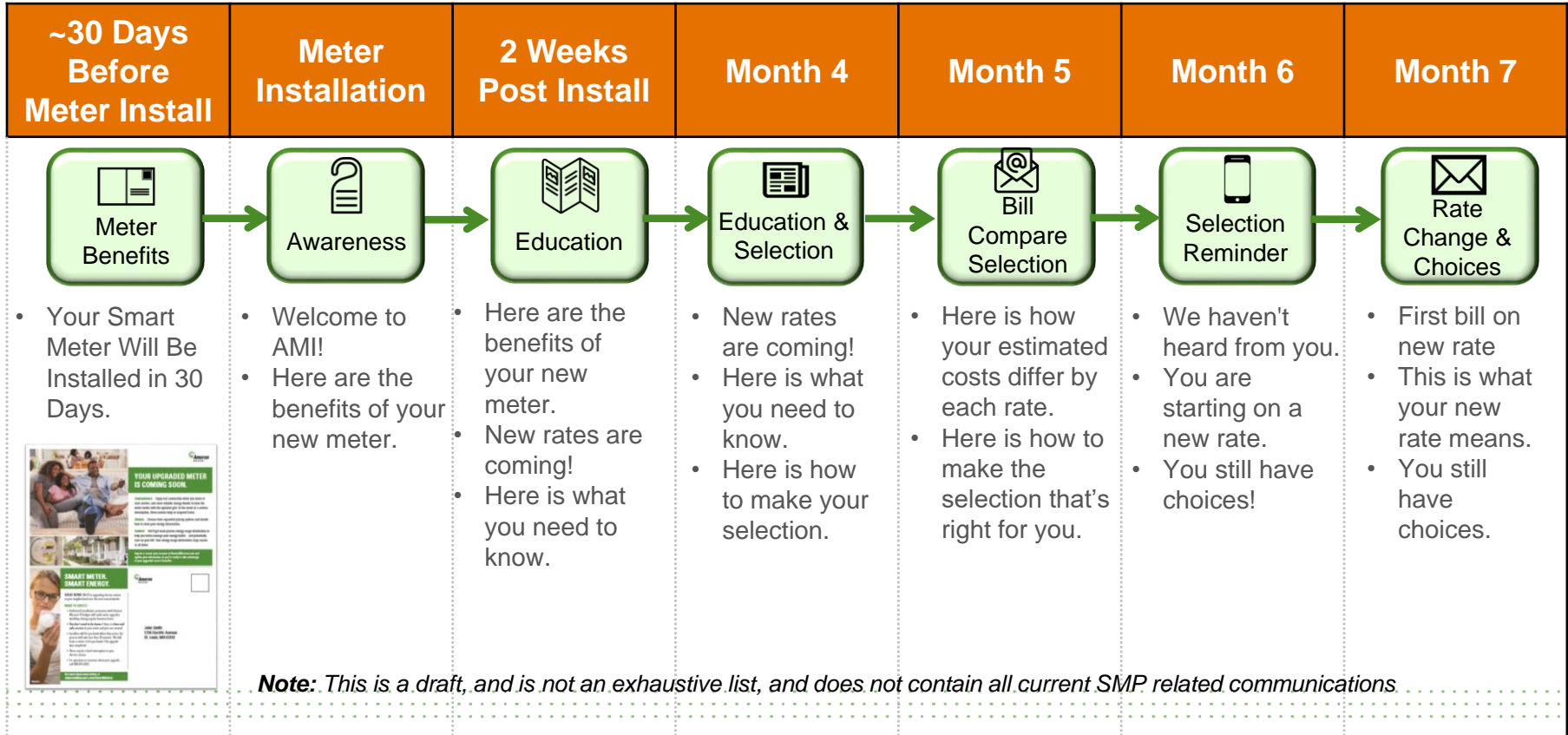
Time of Use Rates – Lifestyle Framing



Our plans are designed so you can find the right fit for your household's lifestyle. Who are you most like?

Anytime User (Existing Rate)	Evening/Morning Saver	Overnight Saver	Smart Saver	Ultimate Saver
<ul style="list-style-type: none"> Do you want to keep things as simple as possible? Do you not want to change what you're doing today? 	<ul style="list-style-type: none"> Do you leave the house by 9AM? Do you spend most of the day at work? Do you run a few errands before coming home? 	<ul style="list-style-type: none"> Do you stay up late? Do you have an electric vehicle? 	<ul style="list-style-type: none"> Do you already pay attention to your energy use? Do you have a Nest? Are you willing to cut back so you can save more? 	<ul style="list-style-type: none"> Do you want to closely monitor the way you use energy and focus on off-peak use? Are you able to stagger how you use energy to save even more?
<p>One rate for all the energy you use that's the same as what you're currently used to paying.</p>	<p>One rate for energy you use during the day that's slightly higher than what you've been paying. + A discounted rate for energy you use from 9PM-9AM.</p>	<p>One rate for energy you use during the day that's slightly higher than what you've been paying. + A discounted rate for energy you use from 10PM-8AM. + The opportunity to save if you have an electric vehicle and charge it at night.</p>	<p>During off-peak hours, you'll pay less for the energy you use. + You'll pay 5 times your discounted rate for energy you use during peak hours.</p> <p>Summer Peak: 2-7PM Winter Peak: 6-8AM, 6-8PM</p>	<p>A new, even lower rate for energy you use during off peak hours. + A higher rate during peak hours. + An opportunity to save if you distribute your energy use throughout the day.</p> <p>Summer Peak: 3-7PM Winter Peak: 6-8AM, 6-8PM</p>
<p>Save on this rate by using less energy.</p>	<p>Save on this rate by shifting some of your usage to the discounted rate window.</p>		<p>Save on this rate by avoiding peak hours, when energy is most expensive.</p>	<p>Save on this rate by avoiding peak hours when energy is most expensive, and by staggering the use of major appliances.</p>

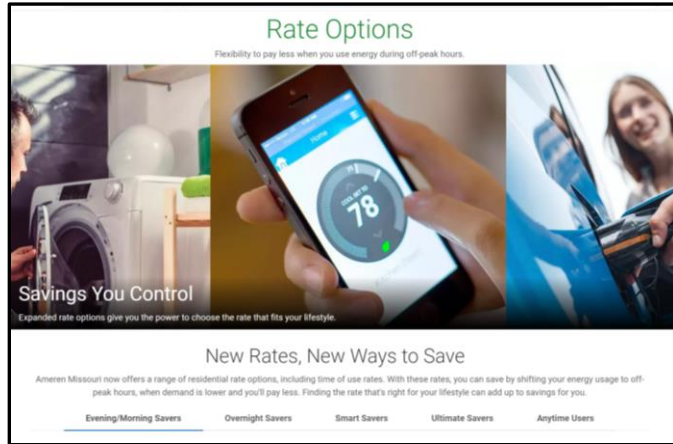
TOU Customer Communications Schedule



AmerenMissouri.com – TOU Rate information



We have proactively invested in our web launch to begin educating customers



New Rates, New Ways to Save

Ameren Missouri now offers a range of residential rate options, including time of use rates. With these rates, you can save by shifting your energy usage to off-peak hours, when demand is lower and you'll pay less. Finding the rate that's right for your lifestyle can add up to savings for you.

Evening/Morning Savers Overnight Savers **Smart Savers** Ultimate Savers Anytime Users

Is this rate a good fit for you?

If you enjoy using smart home products, like a smart thermostat or programmable appliances, and already pay attention to your energy usage, this rate option may work for you. You must have an upgraded AMI-enabled meter to qualify for this rate.

How It Works

The rate you'll pay for on-peak energy usage is nearly five times as much as the off-peak rate. You'll have the potential to save big if you can shift your energy usage to mid-peak and off-peak hours, when energy is least expensive.

You can select to use this rate year-round or you can elect to follow the Smart Savers Summer schedule and the Anytime Winter schedule.

Summer: June through September

On-Peak 2pm–7pm, M–F

Mid-Peak 6am–2pm and 7pm–10pm, M–F

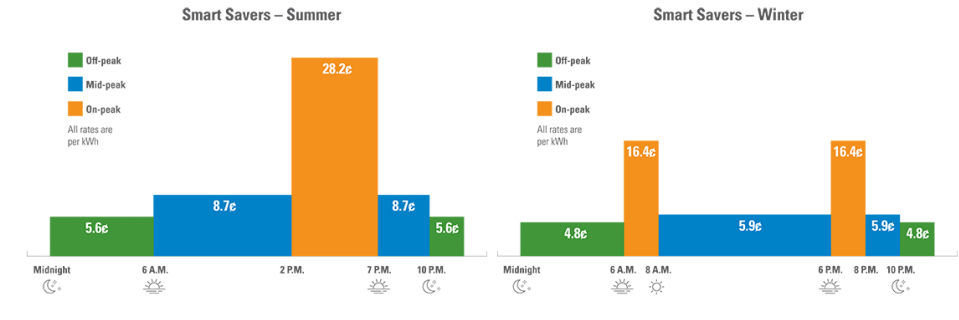
Off-Peak 10pm–6am M–F, all day Sat–Sun and on holidays: New Years' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Thanksgiving Friday, Christmas Eve Day, and Christmas Day.

Winter: October through May

On-Peak 6am–8am and 6pm–8pm, M–F

Mid-Peak 8am–6pm and 8pm–10pm, M–F

Off-Peak Same as Summer



Benefits and Challenges

The below highlights what we see as key benefits and challenges in delivering our new TOU rate and communication requirements:

Benefits

- Enhancing the customer benefits relating to our AMI investment
- Delivering a scalable platform for future flexibility to offer a robust portfolio of rate options
- Improving customers' visibility and engagement in their usage behavior
- Delivering online engagement tools that take advantage of industry advancements

Challenges

- Ensuring that customers are well informed through our education and communication plan
- Minimizing any customer confusion or issues when “defaulting” to new TOU rate
- Reducing customer effort and ensuring a seamless experience is key
- Upgrading our systems to ensure all interval billing and “shadow billing” requirements are completed in an aggressive time frame

Next Steps and Deliverable Estimates

1. Finalize our technical requirements and business process design framework to deploy our TOU requirements – September, 2020
2. Begin executing a communication plan to support our TOU rate options – October, 2020
3. Complete our initial build and system billing requirements – December, 2020
4. Begin new default TOU rate option execution and incorporate a full deployment of our new AMI data presentment and rate comparison capabilities – January - April, 2021

