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AMEREN ILLINOIS BUSINESS SYMPOSIUM 2026

Peak Demand and Grid Reliability

Key insights on Illinois energy policy and the Clean and Reliable Grid Affordability Act

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THIS SESSION

What you will leave with

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1

Why peak demand matters to your business

What a demand charge is, and why the hour your equipment runs shows up on your bill.

2

What is changing in 2027

The new Illinois law in plain terms, and what it changes about the programs.

3

What to do about it

Which projects get more attractive, and how to plan around the change.

Why the grid conversation changed

Electricity demand is growing again. Electrification of heating and transportation, large new loads including data centers, and manufacturing investments all push in the same direction.

The system is built for its busiest hour. Power plants, transmission lines and substations are sized to serve the single highest hour of the year, not the average one.

That hour drives a large share of what everyone pays. Reducing load at that moment lowers what the whole system has to build and maintain.

So efficiency is being asked to do something new. Saving energy across the year still matters. Reducing load when the system is most stressed now matters just as much.

The whole grid is built for one hour a year.

Everything else follows from that.

THE VOCABULARY

Energy and Demand: The Marathon and the Sprint

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kWh

ENERGY: the marathon

How much your facility uses over time. Most of what the bill measures.

kW

DEMAND: the sprint

How fast you are using it right now, in this moment.

The system peak is everyone sprinting at once. A hot weekday afternoon in July, roughly 3 to 6 p.m., when the system works hardest. Savings in that window are worth more than the same savings at 2 a.m.

Your peak and the system's peak

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Related, but not the same number, and the difference decides what a project earns.

YOUR FACILITY PEAK

Sets your demand charge

The highest power your facility draws during the billing period. It might land on a July afternoon, a winter morning or a shift startup. It depends entirely on how you operate.

THE SYSTEM PEAK

The program's new focus

The hours when the whole grid works hardest, typically a hot summer weekday afternoon. It is the same window for every customer, and it is what the energy efficiency program will begin to put more focus on.

For many facilities, especially cooling-driven ones, the two line up. Where they do, one project lowers your bill and earns the most incentive. That overlap is what to hunt for.

Not every business account is billed on demand. Ask your Ameren Illinois account representative or Energy Advisor how yours is billed and when your own peak occurs.

THE LEGISLATION

CRGA At A Glance

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The Clean and Reliable Grid Affordability Act changes what the energy efficiency programs are measured on.

PEAK ELEVATED

Peak demand counts equally

Load reduced during peak hours is valued alongside annual energy savings.

RELIABILITY FOCUS

Reliability moves up

Greater emphasis on grid reliability and long-term planning statewide.

SAVINGS OVER TIME

How long savings last now counts

Savings are credited over the standard life the program assigns to each type of equipment.

The practical translation: the programs now value when your savings happen and how long they last. That changes which of your projects pencil, which is the rest of this session.

Framework summarized from Ameren Illinois CRGA program materials.

AN EXAMPLE

Similar peak savings, very different energy

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Manufacturing process cooling

Chiller plant optimization | ~40 kW | 300,000 kWh

Process cooling runs around the clock all year, so the savings show up in nearly every hour. An incentive based only on energy rewards it very well.

Office building cooling

Chiller plant optimization | ~40 kW | 40,000 kWh

Comfort cooling runs mostly on hot afternoons, so most of the savings land in the summer peak window.

Same type of project, about the same peak savings. The plant saves more than seven times the annual energy, so an incentive based only on energy rewards it far more. Going forward, peak savings count too.

Hypothetical example for illustration only. Actual savings and incentives depend on the project and the terms of the 2027 applications.

What this means for incentives

CUSTOM PROJECTS

	Private	Public sector and DS2
Energy	$0.16 / kWh	$0.20 / kWh
Demand (new)	**$400 / kW**	**$500 / kW**

Very large projects: savings above 3,125,000 kWh earn $0.06 / kWh, and demand above 1,000 kW earns $200 / kW.

Cap: the total incentive is limited to 80% of project cost.

STANDARD EQUIPMENT

Per-unit incentives rise for equipment that runs hardest at peak:

- Air-cooled chillers: $25 per ton per EER point (was $12)
- Water-cooled chillers: $150 per ton per IPLV point (was $100)
- VFDs: $140 per hp (was $125)
- Walk-in cooler EC motors: $175 each (was $120)

More measures in the appendix.

Worth a second look: projects that cut summer peak but save less annual energy may now make financial sense. Check eligibility with your Energy Advisor.

Rates apply to the 2027 program year. Applications update this fall. See the 2027 applications for full terms and eligibility.

PRACTICAL STEPS

How to plan around it

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1	**Know when your peak happens**	Look at when your facility draws the most power, and how that compares with the summer afternoon window.
2	**Start with what runs hardest on hot afternoons**	Equipment that works hardest during the summer peak window is where the new value sits.
3	**Revisit projects that did not pencil before**	Projects that cut peak demand but save less energy were hard to justify before. The new demand incentive may change that math.
4	**Talk to your Energy Advisor early**	Bringing a peak-heavy project forward now gives it the best chance of fitting the new structure.

Questions?

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APPENDIX

2027 incentives and examples

How the custom tiers work, standard measure rates and hypothetical project examples

How the tiers work on a very large project

Hypothetical private-sector project: 4,000,000 kWh and 1,200 kW of savings, $2,000,000 project cost.

Part	Savings	Rate	Incentive
Energy, up to the threshold	first 3,125,000 kWh	$0.16 / kWh	$500,000
Energy, above the threshold	next 875,000 kWh	$0.06 / kWh	$52,500
Demand, up to the threshold	first 1,000 kW	$400 / kW	$400,000
Demand, above the threshold	next 200 kW	$200 / kW	$40,000
Total before cap			**$992,500**
80% of project cost			$1,600,000
Incentive			**$992,500**

Only the savings above each threshold earn the lower rate. Most projects never reach either threshold and earn the full rate on every kWh and kW. Public sector and DS2 projects use $0.20 / kWh and $500 / kW.

Illustration only. Actual incentives depend on verified savings, project cost and the terms of the 2027 custom application.

Equipment that helps at peak

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Measure	2026	2027
Air-cooled chiller	$12 per ton per EER point	**$25 per ton per EER point**
Water-cooled chiller	$100 per ton per IPLV point	**$150 per ton per IPLV point**
VFD on HVAC fans, pumps, cooling towers	$125 / hp (public $160)	**$140 / hp (public $180)**
VFD on process pumps and fans	$125 / hp (public $160)	**$140 / hp (public $180)**
EC motor, walk-in cooler or freezer	$120 / motor	**$175 / motor**
Demand controlled ventilation	$0.12 / sq ft (public $0.22)	**$0.12 / sq ft (public $0.27)**
Interior and exterior LED	$0.50 / watt reduced	**$0.55 / watt reduced**
Networked lighting controls	$0.50 to $1.50 / watt controlled	$0.50 to $1.50 / watt controlled

Private sector unless noted. 2027 demand controlled ventilation incentives are split between electric and gas. See the 2027 Standard application for full measure list, requirements and caps.

EXAMPLE A

Same upgrade, different schedule

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One-shift plant

Compressed air upgrade | ~5 kW | 105,000 kWh

The compressors shut down by mid-afternoon, so little of the savings lands in the summer peak window.

Three-shift plant

Compressed air upgrade | ~50 kW | 400,000 kWh

The compressors run through the afternoon, so the savings land in the peak window as well as every other hour.

Same upgrade. The schedule decides the peak value. Both plants earn the energy incentive. The plant that runs through the afternoon also earns the demand incentive on its peak savings.

Hypothetical example for illustration only. Actual savings and incentives depend on the project and the terms of the 2027 applications.

EXAMPLE B

Same building, different projects

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Air handler scheduling

Office building | ~5 kW | 60,000 kWh

Building automation shuts down air handlers and sets back temperatures on nights and weekends, so most of the savings land outside the peak window.

Chiller plant optimization

Office building | ~40 kW | 40,000 kWh

Saves less annual energy, but most of it lands on hot summer afternoons.

Same building, different answer at peak. The scheduling project saves more energy. The cooling project saves eight times as much at peak. Under the 2027 structure, both are worth a look.

Hypothetical example for illustration only. Actual savings and incentives depend on the project and the terms of the 2027 applications.

EXAMPLE C

Around-the-clock savings still do well

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Refrigeration controls

Cold storage warehouse | ~25 kW | 200,000 kWh

Refrigeration runs day and night, so the savings show up in almost every hour, including the summer peak.

Chiller plant optimization

Office building | ~40 kW | 40,000 kWh

More peak savings, with one fifth of the annual energy.

Energy savings are not losing value. The energy incentive remains, and steady around-the-clock projects still save at peak. The change is that peak-heavy projects are no longer undervalued.

Hypothetical example for illustration only. Actual savings and incentives depend on the project and the terms of the 2027 applications.