RIDER CGC-CUSTOMER GENERATION CHARGE

APPLICABILITY

Rider CGC – Customer Generation Charge (Rider CGC) is applicable to all Customers eligible to receive service under Rider NM – Net Metering (Rider NM).

PURPOSE

The purpose of this Rider is to effectuate provisions in subsection 16-107.6 of the Public Utilities Act (Act) to allow the Company to recover all the costs it incurs associated with (a) the provision of distributed generation rebates under Rider CGR - Customer Generation Rebate (Rider CGR) and (b) the operation and control of applicable smart inverters as provided for in Rider CGR.

Costs incurred in implementing Rider CGR are placed into a regulatory asset. The Company will update the value of the asset annually as provided in the Determination of Revenue Requirement section of this tariff.

The total annual revenue requirement will undergo class allocations to determine charges applicable to individual Delivery Service classifications. Recovery of costs will be on a Delivery Service class basis based on the Delivery Service class of the customer when they received a rebate under Rider CGR or when they entered into a Subscription, regardless of whether the subscribing Customer actually received the rebate. The allocation of the Delivery Service classification recovery amounts will be based on the ratio of total Rider CGR rebates received or triggered by Customers within the respective Delivery Service classifications. Recovery will be through means of a per Customer charge appearing as a separate line item on Customers' bills.

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* Asterisk denotes change
RIDERS CGC-CUSTOMER GENERATION CHARGE

DEFINITIONS

Generally, definitions used in this Rider are provided in the Definitions section of the Customer Terms and Conditions tariff. The following definitions are for use in this Rider.

Effective Period
Effective Period means the calendar year immediately following the year in which the Company submits its annual update filing to the ICC in accordance with the Annual Updates section of this Rider.

Filing Year
Filing Year means the calendar year in which the Company submits its update filing to the ICC in accordance with the Annual Updates section of this Rider.

Reconciliation Year
Reconciliation Year means the calendar year immediately prior to the Filing Year.

Subscribers
Subscriber shall have the same meaning as that term has in the Company's Rider NM.

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DETERMINATION OF REVENUE REQUIREMENT

The Company recovers its costs of providing Customer Generation Rebates as prescribed under Rider CGR through the application of charges determined in accordance with the provisions of this tariff. Such costs are determined in accordance with the provisions of this Determination of Revenue Requirement section. Such costs are determined with sufficient specificity to operate in a standardized manner with annual updates using transparent cost information published by the Company in accordance with various federal and state reporting requirements. Such information reflects the Company's actual cost in the applicable rate year as well as provides projected costs the Company expects to incur during the year immediately preceding the Effective Period in accordance with the rebates remitted by the Company in compliance with Section 16-107.6 of the Act. Such costs are subject to review and approval, or approval as modified, by the ICC in accordance with the provisions of the Annual Updates section of this tariff.

The following cell shadings, shown with their associated meanings, are used in the spreadsheets presented in this Determination of Revenue Requirement section.

| Internal Link | Calculation | Input |

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## RIDER CGC-CUSTOMER GENERATION CHARGE

### Net CGC Revenue Requirement Computation

The Net CGC Revenue Requirement is determined in accordance with the spreadsheet provided in this subsection. The computations in such spreadsheet, herein identified as Sch FR A-1, are made in accordance with Section 16-107.6 of the Act.

<table>
<thead>
<tr>
<th>Ln</th>
<th>Description</th>
<th>Source</th>
<th>Sch FR A-1</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Net CGC Revenue Requirement Computation</td>
<td>(Year Prior to Filing)</td>
<td>Proj. Date (Year of Filing)</td>
</tr>
<tr>
<td></td>
<td>(A)</td>
<td>(B)</td>
<td>(C)</td>
</tr>
<tr>
<td>1</td>
<td>Regulatory Asset Recovery</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Net Regulatory Asset</td>
<td>Sch FR B-1 Col C Ln 4</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Total Revenue Effect of Return</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Authorized Return Gessed Up for Taxes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Regulatory Asset Amortization</td>
<td>Sch FR B-1 Col C Ln 5</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Impact Permanent Tax Differences (if any)</td>
<td>Sch FR C-1 Ln 8</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Other Operating Expense and Misc Adj (if any)</td>
<td>Sch FR C-1 Ln 9</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>CGC Revenue Requiroment - Reg Asset</td>
<td>(Ln 3)+(Ln 4)-(Ln 5)+(Ln 6)</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>CGC Reconciliation with Interest</td>
<td>Sch FR A-3 Ln 39</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>CGC Revenue Balancing Adjustment</td>
<td>Sch FR A-2 Ln 39</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Net CGC Revenue Requirement</td>
<td>(Ln 7)+(Ln 8)+(Ln 9)</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Prior Net Revenue Requirement</td>
<td>Prior Yr Sch FR A-1 Ln 10</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Change in Net Revenue Requirement from Prior Yr</td>
<td>(Ln 10) -(Ln 11)</td>
<td></td>
</tr>
</tbody>
</table>

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RIDER CGC-CUSTOMER GENERATION CHARGE

Net CGC Revenue Requirement Reconciliation Computation – Reconciliation Yr
An annual reconciliation shall be performed to develop an adjustment to true-up the revenue requirement calculated with projected expenditures to those using actual expenditures. The reconciliation includes provisions to true-up differences between the Company's actual costs and actual revenues collected in the applicable year. The CGC Revenue Requirement Reconciliation amount is determined in accordance with the spreadsheet provided in this subsection. The computations in such spreadsheet, herein identified as Sch FR A-1 REC, are made in accordance with Section 16-107.6 of the Act. This amount, if any, including interest, whether positive or negative value, is included in the Net CGC Revenue Requirement amount on Sch FR A-1.

<table>
<thead>
<tr>
<th>Aneren Illinois Company Net CGC Revenue Requirement Computation - Reconciliation Yr</th>
<th>Sch FR A-1 - REC (A) (Year Prior to Filing)</th>
<th>(B) Actual Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ln Description</td>
<td>Source</td>
<td></td>
</tr>
<tr>
<td>1 Net Regulatory Asset</td>
<td>Sch FR B-1 Col D Ln 4</td>
<td></td>
</tr>
<tr>
<td>2 Total Revenue Effect of Return</td>
<td>Sch FR D-1 Col D Ln 28</td>
<td></td>
</tr>
<tr>
<td>3 Authorized Return Grossed Up for Taxes</td>
<td>(Ln 1) x (Ln 2)</td>
<td></td>
</tr>
<tr>
<td>4 Regulatory Asset Amortization</td>
<td>Sch FR B-1 Col D Ln 5</td>
<td></td>
</tr>
<tr>
<td>5 Impact Permanent Tax Differences (if any)</td>
<td>Sch FR C-1 Ln 8</td>
<td></td>
</tr>
<tr>
<td>6 Other Operating Expense and Misc Adj (if any)</td>
<td>Sch FR C-1 Ln 9</td>
<td></td>
</tr>
<tr>
<td>7 CGC Revenue Requirement - Regulatory Asset</td>
<td>(Ln 3)+(Ln 4)-(Ln 5)+(Ln 6)</td>
<td></td>
</tr>
</tbody>
</table>

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Revenue Balancing Adjustment
The revenue balancing adjustment, if any, is computed in accordance with the provisions of Section 16-107.6 of the Act. This amount, whether positive or negative, if any, shall be included in the Net Revenue Requirement amount on Schedule FR A-1.

Supporting Schedules and Workpapers
In developing data that is used in the spreadsheets previously presented in this Determination of the Net CGC Revenue Requirement Computation section, the Company shall prepare the following schedules:

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sch FR A-1</td>
<td>Net CGC Revenue Requirement Computation</td>
</tr>
<tr>
<td>Sch FR A-1 - REC</td>
<td>Net CGC Revenue Requirement Computation - Reconciliation Yr</td>
</tr>
<tr>
<td>Sch FR A-2</td>
<td>CGC Revenue Balancing Computation</td>
</tr>
<tr>
<td>Sch FR A-3</td>
<td>CGC Revenue Requirement Reconciliation Computation</td>
</tr>
<tr>
<td>Sch FR B-1</td>
<td>CGC Regulatory Asset and Amortization Summary Computation</td>
</tr>
<tr>
<td>Sch FR C-1</td>
<td>CGC Taxes, Other Expense and Conversion Factor Computation</td>
</tr>
<tr>
<td>Sch FR D-1</td>
<td>CGC Cost of Capital Computation</td>
</tr>
<tr>
<td>Sch FR D-2</td>
<td>CGC Average Yield on Treasury Securities Computation</td>
</tr>
</tbody>
</table>

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RIDER CGC-CUSTOMER GENERATION CHARGE

In developing data that are used in the spreadsheets previously presented in this Determination of Revenue Requirement computation section, the Company shall prepare the following work papers:

WP 1: Regulatory Asset and Amortization
WP 2. Other Rate Base Adjustments (if any)
WP 3: Common Equity and Preferred Stock
WP 4: Long Term Debt
WP 5: Short Term Debt and Credit Facility Fees
WP 6: Other Expense and Permanent Taxes, Tax Rate Support
WP 7: Revenues

Notwithstanding the previous provisions of this Determination of Revenue Requirement section, the first filing will occur on or before June 1, 2019 reflecting a reconciliation of 2018 actual costs and projected expenses for calendar year 2019, for rates effective with the January 2020 Billing Period.

DETERMINATION OF CUSTOMER GENERATION CHARGES

The Net CGC Revenue Requirement determined in accordance with the provisions of the Determination of CGC Revenue Requirement section of this tariff, modified as applicable in accordance with Orders issued by the ICC as described in the Annual Updates section of this tariff, is used to determine Customer Generation Charges applicable to Retail Customers. The Commission authorized spreadsheet used to determine electric Customer Generation Charges applicable to Customers shall accompany the Customer Generation Charges Informational Sheet filing.

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There are two major steps associated with the determination of Customer Generation Charges. First, an allocation factor will be developed based on the Delivery Service classification of the Customer or Subscriber when payments were made or costs incurred under Rider CGR. The Company will take the cumulative value the Rider CGR rebates by Delivery Service classification and compare that to the total value of all Rider CGR rebates to arrive at the percentage responsibility of Rider CGC asset recovery for the respective Delivery Service classes. The cumulative dollar value will not exceed 15 years of actual historical data.

The Company will then use the projected average monthly annual Customer count for each Delivery Service classification to calculate the monthly per Customer charge for the Effective Period. The charge will be listed as a separate line item on Customer bills.

ANNUAL UPDATES

The Customer Generation Charges determined in accordance with the provisions of this tariff are subject to annual updates in accordance with the provisions of Section 16-107.6(h)(2) of the Act.

Each year on or before June 1, but no sooner than beginning in 2019, the Company shall file with the ICC updates of the spreadsheets in accordance with the updated inputs to the Rider CGC formula rate for the applicable year and the corresponding new charges. The filing will include updates of the spreadsheets provided in the Determination of Revenue Requirement section of this tariff, and updates of the spreadsheets provided in the Determination of Customer Generation Charges section of this tariff.
The information used to update such spreadsheets, schedules and work papers shall be based on final historical data reflected in the Company’s most recently filed FERC Form 1 for the Reconciliation Year and include (a) projected costs to be incurred for Customer Generation Rebates prior to the Effective Period; and (b) a reconciliation of the Revenue Requirement in effect for the Reconciliation Year determined in accordance with the provisions of the Determination of Revenue Requirement section of this tariff, as previously approved, with modification as applicable, by the ICC, to the actual revenue requirement for such Reconciliation Year.

The intent of the reconciliation described in the previous paragraph is to balance the Net Revenue Requirement reflected in the Company’s Customer Generation Charges for a given year to the revenue requirement that would have been reflected in such Customer Generation Charges if the Company’s costs pertaining to Customer Generation Rebates for such year had been available at the time such Customer Generation Charges were filed. Each reconciliation shall be certified by the Company in the same manner that its FERC Form 1 is certified.

The annual update filing will be a petition seeking the initiation of an annual reconciliation and review of projected cost inputs to the Customer Generation Charge. The petition shall include supporting testimony and schedules. After the Company files its petition, the ICC may initiate a proceeding concerning whether projected costs to be incurred by the Company and recovered during the applicable rate year are reasonable and the costs incurred in the prior rate year were prudent and reasonable. The cost inputs in the petition will be effective in the subsequent Effective Period unless the ICC issues an Order, after notice and hearing, altering those cost inputs on or before December 15 of the year in which the petition is filed, which will allow for the timely entry of billing determinants into the Company's billing system for use during the subsequent Effective Period.
RIDER CGC-CUSTOMER GENERATION CHARGE

INFORMATIONAL FILINGS

Customer Generation Charges determined in accordance with the provisions of the Determination of Customer Generation Charges section of this tariff shall be filed with the ICC for information purposes in the form of an Informational Sheet. The Informational Sheet filing shall be accompanied by supporting work papers and documentation. The supporting work papers shall include formula work papers for the determination of revenue requirements and determination of Customer Generation Charges.

The annual updated Customer Generation Charges that are scheduled to be applicable with the January Billing Period and extending through the following December Billing Period shall be filed with the ICC for informational purposes no later than the earlier of 5 days following conclusion of a proceeding, initiated pursuant to the Annual Updates section, if any, or by December 15 in the year prior to the January Billing Period the charges are to become applicable. The charges will be effective with the first billing cycle of the Billing Period.

MISCELLANEOUS GENERAL PROVISIONS

Service hereunder is subject to the Customer Terms and Conditions, Standards and Qualifications for Electric Service, Tax Additions, and Supplemental Customer Charge Tariffs of this Schedule, as well as any other applicable Rates, Riders, taxes, adjustments, fees or charges that may be approved by the ICC from time to time and are in effect.

Revenue associated with the application of Customer Generation Charges shall be recorded separately by the Company.