

## Revenue Requirement Comparison

<b>Case 1</b>
---------------

### 2007 Rate Case

#### Under Ameren ownership

Rate Base wo/ transaction	1,600	at end of 2006
<u>Net change due to step-up</u>	<u>310</u>	
New Rate Base =	1,910	

	<u>% of RBase</u>	<u>Rate</u>
Equity	55%	10.5%
Debt	45%	6.0%

Tax Rate = 39.75%

Return on Rate Base =	8.5%	162
Interest Tax Savings =		(20)

After-Tax Return Requirement = 141

EBIT = 235

Depreciation & Amortization	90
<u>Acquisition Adjustment Amortization</u>	<u>17</u>
D&A =	107

EBITDA = 342

O&M and G&A Expense	310
<u>Synergies</u>	<u>(13)</u>
Net O&M =	297

Gross Margin = 639

Purchased Power + Gas = 887

Total Revenue Required =	1,525
--------------------------	-------

#### Under Dynegy ownership

Rate Base = 1,600 at end of 2006

	<u>% of RBase</u>	<u>Rate</u>
Equity	50%	10.5%
Debt*	50%	7.0%

Tax Rate = 39.75%

Return on Rate Base =	8.8%	140
Interest Tax Savings =		(22)

After-Tax Return Requirement = 118

EBIT = 195

Depreciation & Amortization	90
<u>Acquisition Adjustment Amortization</u>	<u>-</u>
D&A =	90

EBITDA = 285

O&M and G&A Expense	310
<u>Synergies</u>	<u>-</u>
Net O&M =	310

Gross Margin = 595

Purchased Power + Gas = 942

Total Revenue Required =	1,537
--------------------------	-------

\* Total actual interest expense is expected to be approximately \$101 million per year higher than that which is allowed in rates.

## Revenue Requirement Comparison

<b>Case 2</b>
---------------

### 2007 Rate Case

#### Under Ameren ownership

Rate Base wo/ transaction	1,600	at end of 2006
<u>Net change due to step-up</u>	<u>310</u>	
New Rate Base =	1,910	

	<u>% of RBase</u>	<u>Rate</u>
Equity	55%	10.5%
Debt	45%	6.0%

Tax Rate = 39.75%

Return on Rate Base =	8.5%	162
Interest Tax Savings =		(20)

After-Tax Return Requirement = 141

EBIT = 235

Depreciation & Amortization	90
<u>Acquisition Adjustment Amortization</u>	<u>17</u>
D&A =	107

EBITDA = 342

O&M and G&A Expense	310
<u>Synergies</u>	<u>(13)</u>
Net O&M =	297

Gross Margin = 639

Purchased Power + Gas = 887

Total Revenue Required =	1,525
--------------------------	-------

#### Under Dynegy ownership

Rate Base = 1,600 at end of 2006

	<u>% of RBase</u>	<u>Rate</u>
Equity	50%	11.5%
Debt*	50%	7.9%

Tax Rate = 39.75%

Return on Rate Base =	9.7%	155
Interest Tax Savings =		(25)

After-Tax Return Requirement = 130

EBIT = 216

Depreciation & Amortization	90
<u>Acquisition Adjustment Amortization</u>	<u>-</u>
D&A =	90

EBITDA = 306

O&M and G&A Expense	310
<u>Synergies</u>	<u>-</u>
Net O&M =	310

Gross Margin = 616

Purchased Power + Gas =

Total Revenue Required =	#VALUE!
--------------------------	---------

\* Total actual interest expense is expected to be approximately \$94 million per year higher than that which is allowed in rates.

## Revenue Requirement Comparison

<b>Case 3</b>
---------------

### 2007 Rate Case

#### Under Ameren ownership

Rate Base wo/ transaction	1,600	at end of 2006
<u>Net change due to step-up</u>	<u>310</u>	
New Rate Base =	1,910	

	<u>% of RBase</u>	<u>Rate</u>
Equity	55%	10.5%
Debt	45%	6.0%

Tax Rate = 39.75%

Return on Rate Base =	8.5%	162
Interest Tax Savings =		(20)

After-Tax Return Requirement = 141

EBIT = 235

Depreciation & Amortization	90
<u>Acquisition Adjustment Amortization</u>	<u>17</u>
D&A =	107

EBITDA = 342

O&M and G&A Expense	310
<u>Synergies</u>	<u>(13)</u>
Net O&M =	297

Gross Margin = 639

Purchased Power + Gas = 887

Total Revenue Required =	1,525
--------------------------	-------

#### Under Dynegy ownership

Rate Base = 1,600 at end of 2006

	<u>% of RBase</u>	<u>Rate</u>
Equity	50%	12.5%
Debt*	50%	8.8%

Tax Rate = 39.75%

Return on Rate Base =	10.7%	170
Interest Tax Savings =		(28)

After-Tax Return Requirement = 142

EBIT = 236

Depreciation & Amortization	90
<u>Acquisition Adjustment Amortization</u>	<u>-</u>
D&A =	90

EBITDA = 326

O&M and G&A Expense	310
<u>Synergies</u>	<u>-</u>
Net O&M =	310

Gross Margin = 636

Purchased Power + Gas = 942

Total Revenue Required =	1,578
--------------------------	-------

\* Total actual interest expense is expected to be approximately \$87 million per year higher than that which is allowed in rates.