

Ameren Services

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ORIGINAL
601 East Adams Street
Springfield, IL 62739-0001

04-0105

March 31, 2004

REPORT

Ms. Elizabeth A. Rolando, Chief Clerk
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701

**RE: Annual Report – Central Illinois Public Service Company's
Electric Environmental Adjustment Clause (EEAC) and
Gas Environmental Adjustment Clause (GEAC)**



Dear Ms. Rolando:

Attached are an original and three copies of the Annual Report required by the Terms of CIPS' Electric Environmental Adjustment Clause (EEAC) (Ill. C.C. No. 15, Sheet Nos. 31, 31.001, 31.002, 31.003 and 31.004) and Gas Environmental Adjustment Clause (GEAC) (Ill. C.C. No. 10F, Sheet Nos. 12, 12.001, 12.002, 12.003 and 12.004).

This Annual Report covers rider activity and cost reconciliation for 2003.

Please return the additional copy of this letter stamped with the date of filing.

Very truly yours,

A handwritten signature in cursive script that reads "Jon R. Carls".

Jon R. Carls, Director
Regulatory Services Department

JRC/cic
Attachments

Ret'd
3-31-04
MS

**CENTRAL ILLINOIS PUBLIC SERVICE COMPANY d/b/a AmerenCIPS
ENVIRONMENTAL ADJUSTMENT CLAUSE
ANNUAL REPORT FOR 2003**

INTRODUCTION

In accordance with CIPS' environmental riders ("Riders") designated as ELECTRIC ENVIRONMENTAL ADJUSTMENT CLAUSE ("EEAC") and GAS ENVIRONMENTAL ADJUSTMENT CLAUSE ("GEAC"), CIPS is filing this Annual Report. The Annual Report provides a reconciliation of Rider revenues and costs for 2003 along with a description of remediation activities.

RECONCILIATION

Attached to this report are schedules which provide the reconciliations of costs incurred with revenues received during 2003.

Schedule 1.0	Reconciliation for Annual Recovery Period
Schedule 2.0	Incremental Costs
Schedule 3.0	Total Cumulative Recoveries
Schedule 4.0	Cumulative EEAC and GEAC Revenue by Class

SUMMARY OF 2003 REMEDIATION ACTIVITIES

The Company has identified thirteen manufactured gas plant ("MGP") sites for which the Company has and will continue to incur environmental cleanup costs as a potentially responsible party ("PRP") under federal and state law. The Company's prior Annual Reports provide background information with regard to these sites, and discuss environmental remediation activities through year-end 2002. The Company's 2003 environmental remediation activities are discussed below. As indicated, these activities are primarily in continuation of those discussed in prior Annual Reports.

TAYLORVILLE

In 2003, the Company incurred costs of \$433,626.73 in connection with remedial activities. The majority of these costs relates to continued operation of the groundwater pump and treat system discussed in prior Annual Reports. Other costs included routine monitoring of area groundwater and studies of fish in an adjacent residential pond. The Company conducted an additional sampling pilot study to evaluate treatment system optimization and field samples to evaluate potential future source reduction.

The Company also incurred costs of \$20,388.45 in defending bodily injury lawsuits that arose from remedial activities at the site. These lawsuits were also discussed in prior Annual Reports. All pending bodily injury lawsuits were settled in 2002. Monies paid in settlement were not charged to the environmental rider.

DUQUOIN

In 2003, the Company incurred costs of \$5,385.63 in connection with remedial activities. The majority of those costs were associated with site maintenance (mowing and cap maintenance).

BEARDSTOWN

In 2003, the Company incurred costs of \$207,505.11 in connection with remedial activities. The bulk of this amount was for generation of information to respond to the IEPA regarding the site closure report. A portion of the cost was for routine monitoring of area ground water pursuant to IEPA protocols.

CANTON

In 2003 the Company incurred costs of \$1,097,271.31 in connection with preparation for remediation and the start of site activities. A portion of the cost was for routine monitoring of area ground water pursuant to IEPA protocols.

PANA

In 2003, the Company incurred costs of \$33,665.03 in connection with remedial activities. The majority of this cost is associated with a consultant that is characterizing and defining the site contamination.

PARIS

In 2003, the Company incurred costs of \$71,886.08 in connection with remedial activities. The majority of this cost is associated with a consultant that is characterizing and defining the site contamination

Ameren CIPS
Reconciliation For Annual Recovery Period
Ending December 31, 2003

	<u>Amount</u>
Rider Revenues	\$4,550,055
Insurance Recoveries	\$4,685
Total Revenues	\$4,554,940
Actual Costs	<u>\$1,869,738</u>
Balance for Calendar Year- Over/ (Under) Recovery	<u>\$2,685,202</u>

AmerenCIPS
Manufactured Gas Plant Sites
2003 Actual Costs

<u>Work Order</u>	<u>Job Order</u>	<u>Location</u>	<u>Amount</u>
OK082		Brannan Lawsuit	\$0
OK180		Murphysboro-Investigation and Cleanup	\$0
OK500	JB2058	Beardstown-Investigation and Cleanup	\$207,505
OK501	JB2059	Carlton-Investigations and Cleanup	\$1,067,271
OK503	JB2071	Duquoin-Investigation and Cleanup	\$5,385
OK506	JB2063	Pana-Investigation and Cleanup	\$33,665
OK509	JB2004	Paris-Investigation and Cleanup	\$71,888
OK513	JB2085	Investigation of Ins. Coverage for MGP	\$10
OK517	JB3157	Donaldson Case-Remediation Bodily Injury Litigation	\$20,388
OK531	JB2250	Taylorville-Pump & Treat System O & M Costs	<u>\$433,827</u>
Total			<u>\$1,869,736</u>

AmerenCIPS
Total Cumulative Recoveries and Expenses

JB #	WO #	*		Actuals per CIPS 2003	Per CIPS Cumulative Actuals 03-0164 12/31/03
		Actuals Including Accepted Staff Adj 2002	Per CIPS Cumulative Actuals 02-0168 12/31/02		
EEAC/GEAC Recoveries	0K075	\$1,449,259.86	\$14,985,185.06	\$4,550,055.39	\$19,535,240.45
Insurance Recoveries	0K515	\$999,853.01	\$34,819,912.34	\$4,885.17	\$34,824,797.51
Total Recoveries		\$2,449,112.87	\$49,805,097.40	\$4,554,940.56	\$54,360,037.96
Taylorville Lawsuit II-Brannan	0K092	\$131,356.90	\$172,848.27	\$0.00	\$172,848.27
Murphysboro	0K160	\$2,400.00	\$11,303.00	\$0.00	\$11,303.00
Taylorville	2056 -	\$0.00	\$0.00	\$0.00	\$0.00
Beardstown	2058 0K500	\$201,159.19	\$6,310,614.18	\$207,505.11	\$6,518,119.29
Canton	2059 0K501	\$188,222.84	\$840,432.42	\$1,097,271.31	\$1,937,703.73
DuQuoin	2071 0K503	\$1,875.00	\$1,205,104.18	\$5,385.63	\$1,210,489.81
Hoopeston	2061 0K504	\$0.00	\$11,284.00	\$0.00	\$11,284.00
Charleston	2060 0K506	\$0.00	\$5,383.15	\$0.00	\$5,383.15
Macomb	2062 0K507	\$0.00	\$4,758.01	\$0.00	\$4,758.01
Pana	2063 0K508	\$25,281.05	\$33,362.90	\$33,665.03	\$67,027.93
Paris	2064 0K509	\$21,094.80	\$24,842.34	\$71,886.08	\$96,728.42
Quincy	2065 0K510	\$0.00	\$6,817.80	\$0.00	\$6,817.80
Shelbyville	2066 0K511	\$0.00	\$5,784.31	\$0.00	\$5,784.31
Insurance Litigation	2085 0K513	\$34,704.95	\$16,445,871.14	\$9.57	\$16,445,880.71
Mattoon	2090 0K514	\$0.00	\$29,332.37	\$0.00	\$29,332.37
T'ville Pump/Treat Constr	2187 0K516	\$0.00	\$8,250,270.64	\$0.00	\$8,250,270.64
Personal Injury Litigation	3157 0K517	\$184,432.27	\$13,217,657.30	\$20,388.45	\$13,238,045.75
T'ville Pump/Treat O & M	2250 0K531	\$577,291.33	\$3,273,571.71	\$433,626.73	\$3,707,198.44
DuQuoin Arbitration	2224 0K555	\$0.00	\$34,415.50	\$0.00	\$34,415.50
Rounding		\$0.00	(\$1.65)	\$0.00	(\$1.65)
Allowed Expenditures		\$1,367,818.33	\$49,883,651.57	\$1,869,737.91	\$51,753,389.48
Carrying Costs		\$0.00	\$0.00	\$0.00	\$0.00
Total Costs		\$1,367,818.33	\$49,883,651.57	\$1,869,737.91	\$51,753,389.48
Over (Under) Recovery		\$1,081,294.54	(\$78,554.17)	\$2,685,202.65	\$2,606,648.48

* The cumulative as of 12/31/2002 reflects staff audit adjustments agreed to on Docket # 03-164 in the amount of \$297.

AmerenCIPS
Cumulative EEAC and GEAC Revenues by Class
at 12/31/03

Actual EEAC Revenues								Cumulative Revenues
Rate Class	1997	1998	1999	2000	2001	2002	2003	at 12/31/03
Residential	\$584,879.91	\$1,426,443.11	(\$122,149.99)	\$198,976.77	\$1,616,160.31	\$504,541.09	\$1,538,241.32	\$6,826,875.88
Commercial	\$255,160.14	\$534,302.46	(\$5,444.14)	\$158,969.50	\$1,265,167.94	\$312,547.59	\$1,269,143.05	4,234,379.13
Industrial	\$360,569.32	\$1,057,213.50	(\$154,840.91)	\$82,232.04	\$802,734.44	\$176,652.02	\$656,602.88	3,882,492.12
Municipal	\$16,391.67	\$38,985.72	(\$234.50)	\$40,172.43	\$115,589.67	\$54,207.98	\$78,696.43	375,078.21
Total	\$1,217,001.04	\$3,056,944.79	(\$282,669.54)	\$480,350.74	\$3,799,652.36	\$1,047,948.68	\$3,542,683.68	\$15,318,825.34

Actual GEAC Revenues								Total
Rate Class	1997	1998	1999	2000	2001	2002	2003	
Residential	\$278,873.30	\$510,727.01	(\$9,515.57)	\$77,238.56	\$699,229.98	\$268,517.65	\$608,950.09	\$2,680,269.67
Commercial	\$90,505.72	\$160,317.61	\$4,663.92	\$26,233.48	\$248,490.10	\$78,384.99	\$215,941.68	905,155.04
Industrial	\$34,600.00	\$113,720.85	(\$5,207.95)	\$21,893.30	\$150,389.38	\$54,408.54	\$182,479.94	630,990.40
Municipal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
Total	\$403,979.02	\$784,765.47	(\$10,059.60)	\$125,365.34	\$1,098,109.46	\$401,311.18	\$1,007,371.71	\$4,216,415.11

Annual Environmental Revenues	\$1,620,980.06	\$3,841,710.26	(\$292,729.14)	\$605,716.08	\$4,897,761.82	\$1,449,259.86	\$4,550,055.39	\$19,535,240.45
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