

AmerenIP's and Ameren Illinois Transmission Company's  
Response to  
Illinois Commerce Commission Data Requests  
ICC Docket No. 06-0706  
Petition for Certificate of Public Convenience and Necessity

**FD 8.02**

AmerenIP Exhibit 19.0, lines 73 – 74 states, “[i]f AmerenIP is unable to pay dividends, its ability, and thus Ameren Corporation’s ability, to obtain equity capital will be harmed.”

- a. Please explain how AmerenIP’s ability to obtain equity capital will be harmed by its inability to pay dividends to Ameren Corporation.
- b. At any time since January 1, 2007, has AmerenIP declared or paid any preferred dividends to Ameren Corporation? If the response is affirmative, please provide the declaration date for those dividends and specify the dollar amount of preferred dividends for each instance in which AmerenIP declared or paid preferred dividends to Ameren Corporation during 2007. Additionally, please supplement this response every time AmerenIP declares or pays preferred dividends to Ameren Corporation through and including December 31, 2007.
- c. At any time since January 1, 2007, has AmerenIP declared or paid any common dividends to Ameren Corporation? If the response is affirmative, please provide the declaration date for those dividends and specify the dollar amount of common dividends for each instance in which AmerenIP declared or paid common dividends to Ameren Corporation during 2007. Additionally, please supplement this response every time AmerenIP declares or pays common dividends to Ameren Corporation through and including December 31, 2007.

**Updated  
Response:**

- a. All investors look to options that will earn some return. Ameren Corporation has the ability to attract and raise capital from the sale of common stock. Investors look to stocks that pay dividends, and these dividends are supported from the on-going operations of its various subsidiaries. Ameren Corporation issued \$1.3 billion of common stock for the purposes of acquiring and recapitalizing AmerenIP, thus returning it to financial health. As is the case with all of Ameren’s common equity, there is a reasonable expectation that there would be some return generated due to this capital. It is certainly not unreasonable for the investment for which this capital

was raised should be the source for such return (dividend). AmerenIP has suspended dividends to Ameren Corporation for the last seven quarters. Please note the response to Item c below regarding expected dividends in the last quarter of 2007.

- b. Ameren Corporation holds a portion of the preferred stock of AmerenIP. Ameren Corporation has received four quarterly payments totaling \$1.75 million since January 1<sup>st</sup>, 2007. These are detailed below:

2/1/07 \$ 436 K

5/1/07 \$ 436 K

8/1/07 \$ 436 K

11/1/07 \$ 436 K

- c. The Board of Directors of AmerenIP acted by unanimous written consent without a meeting on October 11, 2007 to declare dividends at AmerenIP in an amount not to exceed \$ 73 million. The expected payment date for the AmerenIP common stock dividend is December 28, 2007.

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