

Ameren

Nonqualified Pension Plans

Actuarial Valuation Report

Fiscal Year Ending December 31, 2008 and

Plan Year Beginning January 1, 2008

February 2009

Table of Contents

Management Summary of Valuation Results

Pension Cost..... *MS-1*

Liabilities *MS-3*

Pension Cost

This report summarizes financial results for Ameren's non-qualified plans based upon actuarial valuations as of January 1, 2008 and January 1, 2007. The Plans included are:

- ▶ Ameren SERP Plan
- ▶ AmerenUE Retirement Incentive Plan (Retirement Incentive Plan)
- ▶ AmerenCILCO BRP Plan

Pension cost is the amount charged to the company's income statement and is determined in accordance with Financial Accounting Standards Board Statement No. 87. Pension cost for the plans is \$2,171,368 for 2008 compared with \$2,689,854 for 2007.

The company's pension cost and benefit payments for the period 2004 to 2008 are shown below:

Year	PENSION COST					Total
	Ameren SERP ⁽¹⁾	UE Directors Plan ⁽²⁾	Retirement Incentive Plan	CIPS Directors Plan ⁽²⁾	CILCO BRP	
2008	\$ 1,593,805	N/A	\$ 21,242	N/A	\$ 556,321	\$ 2,171,368
2007	2,067,576	\$ (44,810)	21,327	\$ 52,780	592,981	2,689,854
2006	1,539,217	103	21,473	5,897	488,373	2,055,063
2005	1,353,529	(667)	28,802	7,274	341,118	1,730,056
2004	1,061,336	(1,443)	62,346	8,006	535,632	1,665,877

⁽¹⁾ The Ameren SERP Plan includes what used to be the Excess Plan, CIPS SERP, and Gary Rainwater Plan as of January 1, 2004.

⁽²⁾ UE Directors Plan and CIPS Directors Plan ceased to exist after 2007 because there were no remaining plan participants.

BENEFIT PAYMENTS

<i>Year</i>	<i>Ameren SERP</i>	<i>UE Directors Plan</i>	<i>Retirement Incentive Plan</i>	<i>CIPS Directors Plan</i>	<i>CILCO BRP</i>	<i>Total</i>
2008*	\$ 2,304,112	N/A	\$ 38,235	N/A	\$ 453,183	\$ 2,795,530
2007	1,818,735	N/A	38,728	N/A	456,812	2,314,275
2006	1,739,059	\$ 9,000	38,728	\$ 3,667	477,519	2,267,973
2005	1,281,553	10,800	39,978	6,286	435,189	1,773,806
2004	1,265,645	10,800	43,725	9,536	417,342	1,747,048

* Expected benefit payments are shown.

Assumptions

Pension cost is based on the following key economic assumptions:

	December 31, 2007	December 31, 2006
Discount rate for obligations	6.15%	5.85%
Salary increase rate	4.00%	4.00%

Liabilities

The Projected Benefit Obligation (PBO) at the beginning of the year is shown below:

Year	Ameren SERP	UE Directors Plan	Retirement Incentive Plan	CIPS Directors Plan	CILCO BRP	Total	Discount Rate
2008	\$19,206,876	N/A	\$301,948	N/A	\$6,158,141	\$25,666,965	6.15%
2007	21,235,242	N/A	318,839	N/A	6,421,604	27,975,685	5.85%
2006	17,682,202	\$ 36,846	335,657	\$ 3,098	6,738,795	24,796,598	5.60%
2005	15,864,593	38,932	387,123	11,750	6,134,003	22,436,401	5.75%
2004	15,006,342	40,657	387,837	16,934	6,486,910	21,938,680	6.25%

The change in PBO from 2007 to 2008 is accounted for as follows:

	Ameren SERP	Retirement Incentive Plan	CILCO BRP	Total
▶ Benefits accumulated	\$ 550,540	\$ 0	\$ 0	\$ 550,540
▶ Interest	1,218,923	17,548	362,596	1,599,067
▶ Benefits paid	(1,818,735)	(38,728)	(456,812)	(2,314,275)
▶ Assumption changes	(412,513)	(5,079)	(191,845)	(609,437)
▶ Plan change	0	0	0	0
▶ Actuarial (gain)/loss	(1,566,581)	9,368	22,598	(1,534,615)
▶ Transfers	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
▶ Net change	\$ (2,028,366)	\$ (16,891)	\$ (263,463)	\$ (2,308,720)

Supplemental Information

Pension Cost

<i>Obligations for Pension Cost as of January 1, 2008</i>	<i>SI-1</i>
<i>Amounts Not Yet Recognized in Pension Cost as of January 1, 2008</i>	<i>SI-2</i>
<i>Fiscal 2008 Pension Cost</i>	<i>SI-3</i>
<i>Change in Pension Cost</i>	<i>SI-4</i>

Other Information

<i>Actuarial Assumptions and Methods</i>	<i>SI-5</i>
<i>Participant Data</i>	<i>SI-8</i>
<i>Forecast of Disbursements</i>	<i>SI-9</i>
<i>Plan Provisions</i>	<i>SI-10</i>
<i>Actuarial Certification, Reliances and Distribution</i>	<i>SI-11</i>

Obligations for Pension Cost as of January 1, 2008

	Ameren SERP	Retirement Incentive Plan	CILCO BRP	Total
Service cost	\$ 439,321	\$ 0	\$ 0	\$ 439,321
Accumulated benefit obligation [ABO]:				
Participants currently receiving benefits	\$ 10,653,149	\$ 301,948	\$ 5,862,130	\$ 16,817,227
Deferred inactive participants	85,682	0	296,011	381,693
Active participants	<u>7,065,471</u>	<u>0</u>	<u>0</u>	<u>7,065,471</u>
Total ABO	\$ 17,804,302	\$ 301,948	\$ 6,158,141	\$ 24,264,391
Obligation due to future salary increases	<u>1,402,574</u>	<u>0</u>	<u>0</u>	<u>1,402,574</u>
Projected benefit obligation [PBO]	\$ 19,206,876	\$ 301,948	\$ 6,158,141	\$ 25,666,965
Unfunded PBO	19,206,876	301,948	6,158,141	25,666,965

Amounts Not Yet Recognized in Pension Cost as of January 1, 2008

	Ameren SERP	Retirement Incentive Plan	CILCO BRP	Total
Unrecognized net actuarial loss (gain)	\$ 5,244,285	\$ 38,297	\$ 1,900,921	\$ 7,183,503
Unrecognized prior service cost (credit)	(3,224,010)	0	0	(3,224,010)
Unrecognized transition obligation (asset)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total unrecognized amounts	\$ 2,020,275	\$ 38,297	\$ 1,900,921	\$ 3,959,493

The Reconciliation of Funded Status differs from the amounts disclosed in Ameren's 2007 financial statements because disclosures are prepared before the corresponding valuation results are available.

Fiscal 2008 Pension Cost

	Ameren SERP	Retirement Incentive Plan	CILCO BRP	Total
Service cost	\$ 439,321	\$ 0	\$ 0	\$ 439,321
Interest cost	1,138,447	17,412	364,999	1,520,858
Expected return on assets	0	0	0	0
Amortization:				
Transition obligation (asset)	0	0	0	0
Prior service cost (credit)	(508,392)	0	0	(508,392)
Net loss (gain)	<u>524,429</u>	<u>3,830</u>	<u>191,322</u>	<u>719,581</u>
Pension cost	\$ 1,593,805	\$ 21,242	\$ 556,321	\$ 2,171,368

Change in Pension Cost

	Ameren SERP	UE Directors Plan	Retirement Incentive Plan	CIPS Directors Plan	CILCO BRP	Total
Pension cost for fiscal 2007	\$ 2,067,576	\$ (44,810)	\$ 21,327	\$ 52,780	\$ 592,981	\$ 2,689,854
Change from fiscal 2007 to fiscal 2008:						
Expected based on prior valuation	(35,118)	44,810	(1,615)	(52,780)	(27,649)	(72,352)
Experience loss/(gain) from liabilities	(415,633)	0	1,485	0	3,582	(410,566)
Experience loss/(gain) from assets	0	0	0	0	0	0
Assumption changes	(23,020)	0	45	0	(12,593)	(35,568)
Plan changes	0	0	0	0	0	0
Internal Ameren transfers	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Pension cost for fiscal 2008	\$ 1,593,805	\$ 0	\$ 21,242	\$ 0	\$ 556,321	\$ 2,171,368

Actuarial Assumptions and Methods

Economic Assumptions

Discount rate	6.15%
Return on assets	N/A

Annual rates of increase in:

▶ Salaries	4.00%
▶ Future Social Security wage bases	3.50%
▶ Indexed limits on compensation and benefits	3.00%
▶ Credit rate for cash balance account	5.00%

Demographic Assumptions

Mortality	1994 Group Annuity Reserving Table	
Termination	Rates varying by age.	
	<i>Age</i>	<i>Sample rate per 1,000</i>
	25	60.0
	40	20.0
	55	0.0
Disability	None	

Retirement

Rates varying by age.

Sample rates:

<i>Age</i>	<i>Sample rates per 1,000</i>	<i>Age</i>	<i>Sample rates per 1,000</i>
55	120.0	61	200.0
56	80.0	62	400.0
57	80.0	63	300.0
58	80.0	64	300.0
59	120.0	65	1.000.0
60	200.0		

Form of payment

▶ Excess Plan

80% lump sum, 20% life annuity

▶ Other plans

Life annuity

Administrative expense

None

Percent married

85% of males; 65% of females

Spouse age

Wife three years younger than husband

Participant data

The company supplied a census of all participants as of December 31, 2007.

Actuarial Methods

Pension cost:

- ▶ Measurement date Fiscal year-end
- ▶ Service cost and projected benefit obligation Projected unit credit

Benefits Not Valued

All benefits described in the Plan Provisions section of this report were valued. Towers Perrin has reviewed documentation provided by Ameren and is not aware of any significant benefits that were not valued.

Change in Assumptions and Methods Since Prior Valuation

Pension cost

The discount rate for benefit obligations was changed from 5.85% to 6.15%.

Data Sources

Ameren furnished participant data, and the dates and amounts of the 2007 contributions as of December 31, 2007. Data were reviewed for reasonableness and consistency, but no audit was performed. Towers Perrin is not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Participant Data

	Ameren SERP	Retirement Incentive Plan	CILCO BRP	Total
Active:				
Number	150	0	0	150
Average age	51.6	N/A	N/A	51.6
Average service				
Past	21.7	N/A	N/A	21.7
Future	8.6	N/A	N/A	8.6
Deferred inactive:				
Number	6	0	9	15
Average age	59.4	N/A	53.1	55.6
Annual benefit				
Total	\$ 11,484	\$ 0	\$ 50,256	\$ 61,740
Average	1,914	N/A	5,584	4,116
Currently receiving benefits:				
Number	109	9	33	151
Average age	76.2	81.8	70.2	75.2
Annual benefit				
Total	\$ 1,332,740	\$ 38,728	\$ 453,519	\$ 1,824,987
Average	12,227	4,303	13,743	12,086

Forecast of Disbursements
(in thousands)

Year	Ameren SERP	Retirement Incentive Plan	CILCO BRP	Total
2008	\$ 2,304	\$ 38	\$ 453	\$ 2,795
2009	2,406	37	452	2,895
2010	1,970	36	451	2,457
2011	2,247	34	449	2,730
2012	1,981	33	447	2,461
2013	1,853	31	445	2,329
2014	1,719	30	442	2,191
2015	1,562	28	439	2,029
2016	1,610	26	435	2,071
2017	1,617	23	449	2,089

A. Plan Provisions — Ameren SERP

The plan provisions for the Ameren SERP are generally the same as those for the Ameren Cash Balance Plan. The exceptions are described below. In addition, Robert Jackson and Gary Rainwater have special provisions and are also included in this plan.

Definitions

Compensation Compensation as defined in the Cash Balance Plan provisions plus any deferred compensation and any pay in excess of the IRC 401(a)(17) limit on compensation.

Cash Balance Account The notional account maintained on behalf of a participant that represents the difference of: (i) calculating an account balance using compensation as defined above, and (ii) calculating an account balance using compensation as defined in the Cash Balance Plan provisions.

Changes in Plan Provisions Since Prior Year

There were no changes in the plan provisions since the prior year.

B. Plan Provisions — AmerenUE Retirement Incentive Plan

Effective Date July 1, 1988.

Covered Employees Employees of Union Electric Company who retired between July 1, 1988 and October 1, 1988.

C. Plan Provisions — AmerenCILCO BRP Plan

Effective Date January 1, 1991

Covered Employees Selected participants of the CILCO MOT plan designated by the Board of Directors.

Actuarial Certification, Reliances and Distribution

Ameren retained Towers Perrin to perform a valuation of its pension plan for the purpose of determining its pension cost in accordance with FAS 87. This valuation has been conducted in accordance with generally accepted actuarial principles and practices.

The consulting actuaries are members of the Society of Actuaries and other professional actuarial organizations and meets their “General Qualification Standard for Prescribed Statements of Actuarial Opinions” relating to pension plans.

In preparing the results presented in this report, we have relied upon information provided to us regarding plan provisions and plan participants. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. The accuracy of the results presented in this report is dependent upon the accuracy and completeness of the underlying information.

The actuarial assumptions and the accounting policies and methods employed in the development of the pension cost have been selected by the plan sponsor, with the concurrence of Towers Perrin. FAS 87 requires that each significant assumption “individually represent the best estimate of a particular future event.”

The results shown in this report are reasonable actuarial results. However, a different set of results could also be considered reasonable actuarial results since the Actuarial Standards of Practice describe a “best-estimate range” for each assumption, rather than a single best-estimate value. Thus, reasonable results differing from those presented in this report could have been developed by selecting different points within the best-estimate ranges for various assumptions.

The information contained in this report was prepared for the internal use of Ameren and its auditors in connection with our actuarial valuation of the pension plan. It is neither intended nor necessarily suitable for other purposes. Ameren may also distribute this actuarial valuation report to the appropriate authorities who have the legal right to require Ameren to provide them this report, in which case Ameren will use best efforts to notify Towers Perrin in advance of this distribution. Further distribution to, or use by, other parties of all or part of this report is expressly prohibited without Towers Perrin’s prior written consent.



Randall K. Lynn, FSA
Towers Perrin
February 2009



Russell J. Polcyn, CFA, FSA