

**Ameren Illinois Company – RZ-I (CIPS)**  
**Electric Variance Workpaper**  
**Comparison of Budgeted Payroll**  
**Expense to Actual**  
**Historical Year ended December 31, 2009**

**DISTRIBUTION EXPENSES**

- Electric distribution operation expenses were primarily under budget due to account 580.
  - \$2.1 million or 83% of this variance is due to account 580. The majority of this variance is attributed to Division's II, IV and VI for direct overheads relating to supervision, engineering, estimating, clerical and administrative support. The payroll for these employees follows the actual work of the craft employees they supervise and/or support. Hence, even though these overheads are budgeted to several accounts changes in work strategy and storms impact the actual accounts charged.

**CUSTOMER ACCOUNTS EXPENSE**

- Electric customer accounts operation expenses were under budget primarily due to items affecting account 903.
  - \$852k or 75% of this variance is due to items affecting account 903. Of that, \$198k or 18% is attributed less than budget spend for collection activities for large commercial and industrial accounts. \$505k or 60% is accredited to billings within the Customer Accounting and Revenue Protection dept.

**CUSTOMER SERVICE AND INFORMATIONAL EXPENSES**

- Electric customer service and informational operation expenses were primarily under budget due to account 907.
  - Account 907 is under budget in part due over budgeting of Ameren Leadership Team (ALT) Labor which includes labor dollars as well as the budget for restricted stock. In 2009, the budget for CILCO restricted stock was over budgeted and the 907 expenses were budgeted to electric, while some were allocated to gas.

**SALES EXPENSE**

- Electric sales operation expense was under budget due to account 912.
  - Account 912 demonstrating and selling expense was under budget due to activities associated with economic development. Labor costs associated with economic development were under budget as a result of the poor economic conditions in 2009 and the loss of an employee. In addition all budgeted expenses to 912, were budgeted to electric, while some costs were allocated to gas. Economic development labor was under budget by 25% in 2009.

#### ADMINISTRATIVE AND GENERAL EXPENSES

- Electric administrative and general maintenance expenses were under budget primarily due to account 935.
  - This variance was primarily created by under utilization of budget dollars by the Building Services for maintenance modifications and installs.