



Ameren Illinois Gas Rate Zone I - (CIPS)  
Adjustments to Operating Income  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Interest Synchronization Part 285 Schedule C	Eliminate PGA Part 285 Schedule C-2.1	Eliminate Pass-Through Charges Part 285 Schedule C-2.2	Other Revenue Adjustments C-2.3	Rider GER Adjustment Part 285 Schedule C-2.4	Environmental Rider Adjustment Part 285 Schedule C-2.5	Company Use of Fuels Part 285 Schedule C-2.6	Subtotal Operating Statement Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Gas Operating Revenues	\$ -	\$ (100,612)	\$ (9,767)	\$ 287	\$ -	\$ -	\$ -	\$ (110,092)
2	Other Revenues	-	-	-	366	(3,939)	(2,112)	-	(5,685)
3	Total Operating Revenue	-	(100,612)	(9,767)	653	(3,939)	(2,112)	-	(115,777)
4	Uncollectible Expense	-	-	-	-	-	-	-	-
5	Cost of Gas	-	-	-	-	-	-	-	-
6	Production Expenses	-	(98,968)	-	-	-	-	-	(98,968)
7	Storage, Term., and Proc. Expenses	-	-	-	-	-	-	-	-
8	Transmission Expenses	-	-	-	-	-	-	-	-
9	Distribution Expenses	-	-	-	-	-	-	268	268
10	Cust. Accounts, Service & Sales	-	-	-	-	(3,939)	-	-	(3,939)
11	Administrative and General Expenses	-	-	-	-	-	-	-	-
12	Depreciation and Amortization	-	-	-	-	-	(2,112)	-	(2,112)
13	Taxes Other Than Income	-	-	(9,767)	-	-	-	-	(9,767)
14		-	-	-	-	-	-	-	-
15	Total Operating Expense	-	(98,968)	(9,767)	-	(3,939)	(2,112)	268	(114,517)
16	Before Income Taxes	-	(98,968)	(9,767)	-	(3,939)	(2,112)	268	(114,517)
17	State Income Tax	(2)	(156)	-	62	-	-	(25)	(121)
18	Federal Income Tax	(8)	(521)	-	207	-	-	(85)	(407)
19		-	-	-	-	-	-	-	-
20	Total Operating Expenses	(10)	(99,645)	(9,767)	269	(3,939)	(2,112)	158	(115,045)
21	NET OPERATING INCOME	\$ 10	\$ (967)	\$ -	\$ 384	\$ -	\$ -	\$ (158)	\$ (732)

Ameren Illinois Gas Rate Zone I - (CIPS)  
Adjustments to Operating Income  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Subtotal Operating Statement Adjustments	Franchise Requirement Part 285 Schedule C-2.7	Interest on Customer Deposits Part 285 Schedule C-2.8	Uncollectible Expense Part 285 Schedule C-2.9	Incentive Compensation Part 285 Schedule C-2.10	Performance Share Unit Program Part 285 Schedule C-2.11	Injuries and Damages Part 285 Schedule C-2.12	Subtotal Operating Statement Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Gas Operating Revenues	\$ (110,092)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (110,092)
2	Other Revenues	(5,685)	-	-	-	-	-	-	(5,685)
3	Total Operating Revenue	(115,777)	-	-	-	-	-	-	(115,777)
4	Uncollectible Expense	-	-	-	(1,804)	-	-	-	(1,804)
5	Cost of Gas	-	-	-	-	-	-	-	-
6	Production Expenses	(98,968)	-	-	-	-	-	-	(98,968)
7	Storage, Term., and Proc. Expenses	-	-	-	-	-	-	-	-
8	Transmission Expenses	-	-	-	-	-	-	-	-
9	Distribution Expenses	268	1,106	-	-	-	-	-	1,374
10	Cust. Accounts, Service & Sales	(3,939)	-	11	-	-	-	-	(3,928)
11	Administrative and General Expenses	-	(660)	-	-	(105)	(351)	(22)	(1,137)
12	Depreciation and Amortization	(2,112)	-	-	-	-	-	-	(2,112)
13	Taxes Other Than Income	(9,767)	-	-	-	-	-	-	(9,767)
14		-	-	-	-	-	-	-	-
15	Total Operating Expense								
16	Before Income Taxes	(114,517)	446	11	(1,804)	(105)	(351)	(22)	(116,342)
17	State Income Tax	(121)	(42)	(1)	171	10	33	2	52
18	Federal Income Tax	(407)	(141)	(3)	571	33	111	7	171
19		-	-	-	-	-	-	-	-
20	Total Operating Expenses	(115,045)	263	7	(1,062)	(62)	(207)	(13)	(116,119)
21	NET OPERATING INCOME	\$ (732)	\$ (263)	\$ (7)	\$ 1,062	\$ 62	\$ 207	\$ 13	\$ 342

**Ameren Illinois Gas Rate Zone I - (CIPS)**  
**Adjustments to Operating Income**  
**For the Test Year Ending December 31, 2014**  
**(In Thousands)**

Line No.	Description	Subtotal Operating Statement Adjustments	Charitable Contributions Part 285 Schedule C-2.13	Depreciation Part 285 Schedule C-2.14	Regulatory Debits Part 285 Schedule C-2.15	(Source)	(Source)	(Source)	Total Operating Statement Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Gas Operating Revenues	\$ (110,092)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (110,092)
2	Other Revenues	(5,685)	-	-	-	-	-	-	(5,685)
3	Total Operating Revenue	(115,777)	-	-	-	-	-	-	(115,777)
4	Uncollectible Expense	(1,804)	-	-	-	-	-	-	(1,804)
5	Cost of Gas	-	-	-	-	-	-	-	-
6	Production Expenses	(98,968)	-	-	-	-	-	-	(98,968)
7	Storage, Term., and Proc. Expenses	-	-	-	-	-	-	-	-
8	Transmission Expenses	-	-	-	-	-	-	-	-
9	Distribution Expenses	1,374	-	-	-	-	-	-	1,374
10	Cust. Accounts, Service & Sales	(3,928)	-	-	-	-	-	-	(3,928)
11	Administrative and General Expenses	(1,137)	123	-	-	-	-	-	(1,015)
12	Depreciaton and Amortization	(2,112)	-	(2)	402	-	-	-	(1,712)
13	Taxes Other Than Income	(9,767)	-	-	-	-	-	-	(9,767)
14		-	-	-	-	-	-	-	-
15	Total Operating Expense	(116,342)	123	(2)	402	-	-	-	(115,819)
16	Before Income Taxes	(116,342)	123	(2)	402	-	-	-	(115,819)
17	State Income Tax	52	(12)	-	(38)	-	-	-	2
18	Federal Income Tax	171	(39)	1	(127)	-	-	-	6
19		-	-	-	-	-	-	-	-
20	Total Operating Expenses	(116,119)	72	(1)	237	-	-	-	(115,811)
21	NET OPERATING INCOME	\$ 342	\$ (72)	\$ 1	\$ (237)	\$ -	\$ -	\$ -	\$ 34

Ameren Illinois Gas Rate Zone I - (CIPS)  
Rate Base  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Company Unadjusted Rate Base (Part 285 Sch B-1)	Company Adjustments (Sch 2, page 3)	Company Direct Rate Base (Col. b+c)
	(a)	(b)	(c)	(d)
1	Gross Plant in Service	\$ 492,169	\$ (3,479)	\$ 488,690
2	Less Accum. Deprec. and Amort.	(218,043)	188	(217,855)
3		-	-	-
4	Net Plant	274,126	(3,291)	270,835
5	Additions to Rate Base			
6	Cash Working Capital Allowance	-	4,926	4,926
7	Materials & Supplies Inventory	23,265	(6,646)	16,620
8		-	-	-
9		-	-	-
10		-	-	-
11		-	-	-
12		-	-	-
13		-	-	-
14	Deductions From Rate Base			
15	Accum. Deferred Income Taxes	(37,381)	(2,392)	(39,774)
16	Customer Advances for Construction	(2,196)	-	(2,196)
17	Customer Deposits	(2,134)	(6)	(2,140)
18		-	-	-
19		-	-	-
20		-	-	-
21	Rate Base	\$ 255,680	\$ (7,410)	\$ 248,270

Ameren Illinois Gas Rate Zone I - (CIPS)  
Adjustments to Rate Base  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Hillsboro Used and Useful Adjs Part 285 Schedule B-2.1	Hillsboro Base Gas Part 285 Schedule B-2.2	Plant Additions Part 285 Schedule B-2.3, B-2.4, B-2.5	Incentive Comp Earnings Based Part 285 Schedule B-2.6	PSUP Costs Schedule B-2.7	AFUDC From FERC Enforcement Adjustment Schedule B-2.8	Depreciation Reserve Write-Offs Part 285 Schedule B-2.9	Subtotal Rate Base Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Gross Plant in Service	\$ (347)	\$ (2,689)	\$ (311)	\$ (29)	\$ (98)	\$ (4)	\$ -	\$ (3,479)
2	Less Accum. Deprec. and Amort.	-	-	6	0	1	0	180	188
3		-	-	-	-	-	-	-	-
4	Additions to Rate Base	(347)	(2,689)	(305)	(29)	(96)	(4)	180	(3,291)
5	Additions to Rate Base								
6	Cash Working Capital Allowance	-	-	-	-	-	-	-	-
7	Materials & Supplies Inventory	-	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-	-
9		-	-	-	-	-	-	-	-
10		-	-	-	-	-	-	-	-
11		-	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
14	Deductions From Rate Base								
15	Accum. Deferred Income Taxes	-	-	4	3	11	-	-	18
16	Customer Advances for Construction	-	-	-	-	-	-	-	-
17	Customer Deposits	-	-	-	-	-	-	-	-
18		-	-	-	-	-	-	-	-
19		-	-	-	-	-	-	-	-
20		-	-	-	-	-	-	-	-
21	Rate Base	\$ (347)	\$ (2,689)	\$ (301)	\$ (26)	\$ (85)	\$ (4)	\$ 180	\$ (3,273)

Ameren Illinois Gas Rate Zone I - (CIPS)  
Adjustments to Rate Base  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Subtotal Rate Base Adjustments	Cash Working Capital Part 285 Schedule B-8	Bonus Depreciation Adjustment Part 285 Schedule B-2.10	Materials & Supplies Inventory Part 285 Schedule B-2.11	Customer Deposits 13 Month Avg Part 285 Schedule B-2.12	(Source)	(Source)	Total Rate Base Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Gross Plant in Service	\$ (3,479)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,479)
2	Less Accum. Deprec. and Amort.	188	-	-	-	-	-	-	188
3		-	-	-	-	-	-	-	-
4	Additions to Rate Base	(3,291)	-	-	-	-	-	-	(3,291)
5	Additions to Rate Base								
6	Cash Working Capital Allowance	-	4,926	-	-	-	-	-	4,926
7	Materials & Supplies Inventory	-	-	-	(6,646)	-	-	-	(6,646)
8		-	-	-	-	-	-	-	-
9		-	-	-	-	-	-	-	-
10		-	-	-	-	-	-	-	-
11		-	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
14	Deductions From Rate Base								
15	Accum. Deferred Income Taxes	18	-	(2,411)	-	-	-	-	(2,392)
16	Customer Advances for Construction	-	-	-	-	-	-	-	-
17	Customer Deposits	-	-	-	-	(6)	-	-	(6)
18		-	-	-	-	-	-	-	-
19		-	-	-	-	-	-	-	-
20		-	-	-	-	-	-	-	-
21	Rate Base	\$ (3,273)	\$ 4,926	\$ (2,411)	\$ (6,646)	\$ (6)	\$ -	\$ -	\$ (7,410)

**Ameren Illinois Gas Rate Zone I - (CIPS)**  
**Cash Working Capital Requirement Employing the Gross Lag Methodology**  
For the Test Year Ending December 31, 2014  
(\$000s)

Line No.	Description (A)	Company Direct Proposed (B)	Revenue Lag/Expense (Leads) (C)	CWC Factor (D) (Col C/365)	Cash Working Capital Requirement (E) Col. D x Col. B
<b>REVENUES</b>					
1	Revenues at Present Rates	\$ 86,585	49.74	13.63%	\$ 11,799
2	Plus PGA Revenues	98,968	49.74	13.63%	13,487
3	Plus ICC Gross Revenue Tax	173	-	0.00%	-
4	Plus Municipal Utility Tax	2,857	-	0.00%	-
5	Plus Energy Assistance Charges	2,098	-	0.00%	-
6	Plus Illinois Public Utility Tax	4,668	-	0.00%	-
7	Plus Interest Expense and Bank Facility Fees	7,554	49.74	13.63%	1,029
8	(Less) Uncollectibles	(984)	49.74	13.63%	(134)
9	(Less) Depreciation and Amortization	(8,836)	49.74	13.63%	(1,204)
10	(Less) Return on Equity and Debt	(20,964)	49.74	13.63%	(2,857)
11	<b>TOTAL - REVENUES</b>	<u><u>\$ 172,119</u></u>			<u><u>\$ 22,120</u></u>
<b>EXPENSES</b>					
12	Employee Benefits	\$ 5,449	(15.97)	-4.38%	(238)
13	Payroll	21,470	(11.39)	-3.12%	(670)
14	PGA Expense	98,968	(39.23)	-10.75%	(10,637)
15	Other Operations and Maintenance (less uncollectibles)	16,028	(48.87)	-13.39%	(2,146)
16	FICA	1,187	(13.13)	-3.60%	(43)
17	Federal Unemployment Tax	22	(76.38)	-20.92%	(5)

18	State Unemployment Tax	76	(76.38)	-20.92%	(16)
19	St. Louis Payroll Expense Tax	1	(83.51)	-22.88%	(0)
20	ICC Gross Revenue Tax	173	65.50	17.95%	31
21	Invested Capital Tax	1,669	(30.13)	-8.25%	(138)
22	Municipal Utility Tax	2,857	(15.00)	-4.11%	(117)
23	Energy Assistance Charges	2,098	(4.00)	-1.10%	(23)
24	Corporation Franchise Tax	102	(161.97)	-44.37%	(45)
25	Illinois Public Utility Tax	4,668	1.00	0.27%	13
26	Property/Real Estate Taxes	385	(375.08)	-102.76%	(395)
27	Interest Expense	7,406	(91.25)	-25.00%	(1,851)
28	Bank Facility Fees	148	156.59	42.90%	64
29	Federal Income Tax	7,241	(37.88)	-10.38%	(751)
30	State Income Tax	2,172	(37.88)	-10.38%	(225)
31	<b>TOTAL EXPENSES</b>	<u>\$ 172,119</u>			<u>\$ (17,195)</u>
32	<b>CASH WORKING CAPITAL REQUIREMENT - DIRECT</b>				<u>\$ 4,926</u>
33	<b>CASH WORKING CAPITAL REQUIREMENT - ADJUSTMENTS</b>				<u>\$ -</u>
34	<b>DIFFERENCE - ADJUSTMENT TO CASH WORKING CAPITAL</b>				<u>\$ 4,926</u>

Ameren Illinois Gas Rate Zone I - (CIPS)  
Interest Synchronization Adjustment  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Amount
	(a)	(b)
1	Rate Base	\$ 248,270 <sup>(1)</sup>
2	Hillsboro Storage Field Used & Useful Allowance	<u>347</u> <sup>(2)</sup>
3	Rate Base	\$ 248,617
4	Weighted Cost of Debt	3.04% <sup>(3)</sup>
5	Synchronized Interest Per Company Direct (Line 3 x Line 4)	\$ 7,565
6	Test Year Interest Expense (Line 5 + Line 2 x Line 4)	7,541
7	Increase (Decrease) in Interest Expense (Line 5 - Line 8)	<u>24</u>
8	Increase (Decrease) in State Income Tax Expense	
9	at 9.500%	<u>(2)</u>
10	Increase (Decrease) in Federal Income Tax Expense	
11	at 35.000%	<u>\$ (8)</u>

(1) Source: Company Exhibit 2.1, Schedule 2, Page 1, col D, ln 21.  
(2) Source: Ameren Part 285 Gas Schedule B-2.1 RZ-I, col C, ln 1.  
(3) Source: Company Exhibit 2.1, Schedule 5, col E, ln 2, 3 & 4.

Ameren Illinois Gas Rate Zone I - (CIPS)  
Gross Revenue Conversion Factor  
For the Test Year Ending December 31, 2014

Line No.	Description	Rate (Part 285 A-2.1)	Per Company With Bad Debts	Per Company Without Bad Debts
	(a)	(b)	(c)	(d)
1	Revenues		1.00000	
2	Uncollectibles	1.1368%	<u>0.01137</u>	
3	State Taxable Income		0.98863	1.00000
4	State Income Tax	9.50%	<u>0.09392</u>	<u>0.09500</u>
5	Federal Taxable Income		0.89471	0.90500
6	Federal Income Tax	35.00%	<u>0.31315</u>	<u>0.31675</u>
7	Operating Income		<u>0.58156</u>	<u>0.58825</u>
8	Gross Revenue Conversion Factor Per Company		<u>1.71950</u>	<u>1.69996</u>

Ameren Illinois Gas Rate Zone I - (CIPS)  
Overall Cost of Capital  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Amount	Percent of Total	Percent of Cost	Weighted Component	Effective Tax Rates	After-Tax Cost of Capital
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1							
2	Long Term Debt	\$ 1,960,206	46.501%	6.406%	2.979%	41.1750%	1.7524%
3	Short Term Debt	10,030	0.238%	1.875%	0.004%	41.1750%	0.0024%
4	Bank Facility Costs		0.000%	0.000%	0.060%	41.1750%	0.0351%
5			0.000%	0.000%	0.000%		0.0000%
6	Preferred Stock	60,719	1.440%	4.979%	0.072%		0.0720%
7	Common Stock	<u>2,184,499</u>	<u>51.821%</u>	10.400%	<u>5.389%</u>		<u>5.3890%</u>
8	Total	<u>\$ 4,215,454</u>	<u>100.000%</u>		<u>8.504%</u>		<u>7.2509%</u>
9							
10							
11	<u>EFFECTIVE TAX RATE</u>						
12	State Income Tax Rate	9.5000%					
13	Federal Income Tax Rate	35.0000%					
14							
15	[State Rate + ((1- State Rate) x Federal Rate)]	<u>41.1750%</u>					
16	Source for company capital structure per testimony of Ryan Martin.						

**Ameren Illinois Gas Rate Zone II - (CILCO)**  
**Statement of Operating Income with Adjustments**  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Company Unadjusted Direct (Part 285 Sch C-1)	Company Adjustments (Sch 1, page 4)	Company Direct Present (Cols. b+c)	Company Direct Proposed Increase	Company Direct Proposed w/o Hillsboro (Cols. d+e)	Hillsboro Base & Useful Allowance	Company Direct Proposed w/Hillsboro (Cols. f+g)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Operating Revenues	\$ 188,132	\$ (111,614)	\$ 76,518	\$ 16,917	\$ 93,435	\$ 26	\$ 93,461
2	Other Revenues	6,905	(6,401)	504	-	504	-	504
3	Total Operating Revenue	<u>195,037</u>	<u>(118,015)</u>	<u>77,021</u>	<u>16,917</u>	<u>93,938</u>	<u>26</u>	<u>93,965</u>
4	Uncollectible Expense	3,119	(2,410)	709	156	865	-	865
5	Cost of Gas	-	-	-	-	-	-	-
6	Production Expenses	101,522	(101,017)	505	-	505	-	505
7	Storage, Term., and Proc. Expenses	3,305	-	3,305	-	3,305	-	3,305
8	Transmission Expenses	1,619	-	1,619	-	1,619	-	1,619
9	Distribution Expenses	18,187	1,510	19,697	-	19,697	-	19,697
10	Cust. Accounts, Service & Sales	12,311	(4,603)	7,708	-	7,708	-	7,708
11	Administrative and General Expenses	15,331	(1,165)	14,166	-	14,166	-	14,166
12	Depreciaton and Amortization	13,209	(1,757)	11,452	-	11,452	-	11,452
13	Taxes Other Than Income	14,290	(9,969)	4,321	-	4,321	-	4,321
14	Rounding	-	-	-	-	-	-	-
15	Total Operating Expense							
16	Before Income Taxes	182,894	(119,411)	63,482	156	63,638	-	63,638
17	State Income Tax	437	125	562	1,592	2,154	2	2,157
18	Federal Income Tax	1,457	418	1,875	5,309	7,184	8	7,192
19	Deferred Taxes and ITCs Net	(80)	-	(80)	-	(80)	-	(80)
20	Total Operating Expenses	<u>184,707</u>	<u>(118,868)</u>	<u>65,839</u>	<u>7,057</u>	<u>72,896</u>	<u>10</u>	<u>72,907</u>
21	NET OPERATING INCOME	<u>\$ 10,330</u>	<u>\$ 853</u>	<u>\$ 11,182</u>	<u>\$ 9,860</u>	<u>\$ 21,042</u>	<u>\$ 15</u>	<u>\$ 21,058</u>
22	Company Rate Base (Schedule 2, page 1, col d, line 21).					\$ 247,447		
23	Company Overall Rate of Return (Schedule 5, col e, line 8).					8.504%		
24	Non-Used and Useful Investment (Schedule 3, Line 2.)							\$ 489
25	Rate of Return Excluding Common Equity Return (Sch 5, Ln 8 minus Ln 7)							3.115%

**Ameren Illinois Gas Rate Zone II - (CILCO)**  
**Adjustments to Operating Income**  
**For the Test Year Ending December 31, 2014**  
(In Thousands)

Line No.	Description	Interest Synchronization Part 285 Schedule C	Eliminate PGA Part 285 Schedule C-2.1	Eliminate Pass-Through Charges Part 285 Schedule C-2.2	Other Revenue Adjustments C-2.3	Rider GER Adjustment Part 285 Schedule C-2.4	Environmental Rider Adjustment Part 285 Schedule C-2.5	Company Use of Fuels Part 285 Schedule C-2.6	Subtotal Operating Statement Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Operating Revenues	\$ -	\$ (102,695)	\$ (9,969)	\$ 1,050	\$ -	\$ -	\$ -	\$ (111,614)
2	Other Revenues	-	-	-	374	(4,620)	(2,156)	-	(6,401)
3	Total Operating Revenue	-	(102,695)	(9,969)	1,424	(4,620)	(2,156)	-	(118,015)
4	Uncollectible Expense	-	-	-	-	-	-	-	-
5	Cost of Gas	-	-	-	-	-	-	-	-
6	Production Expenses	-	(101,017)	-	-	-	-	-	(101,017)
7	Storage, Term., and Proc. Expenses	-	-	-	-	-	-	-	-
8	Transmission Expenses	-	-	-	-	-	-	-	-
9	Distribution Expenses	-	-	-	-	-	-	277	277
10	Cust. Accounts, Service & Sales	-	-	-	-	(4,620)	-	-	(4,620)
11	Administrative and General Expenses	-	-	-	-	-	-	-	-
12	Depreciation and Amortization	-	-	-	-	-	(2,156)	-	(2,156)
13	Taxes Other Than Income	-	-	(9,969)	-	-	-	-	(9,969)
14		-	-	-	-	-	-	-	-
15	Total Operating Expense	-	(101,017)	(9,969)	-	(4,620)	(2,156)	277	(117,484)
16	Before Income Taxes	-	(101,017)	(9,969)	-	(4,620)	(2,156)	277	(117,484)
17	State Income Tax	(7)	(159)	-	135	-	-	(26)	(57)
18	Federal Income Tax	(23)	(532)	-	451	-	-	(88)	(192)
19		-	-	-	-	-	-	-	-
20	Total Operating Expenses	(30)	(101,708)	(9,969)	586	(4,620)	(2,156)	163	(117,733)
21	NET OPERATING INCOME	\$ 30	\$ (987)	\$ -	\$ 838	\$ -	\$ -	\$ (163)	\$ (282)

**Ameren Illinois Gas Rate Zone II - (CILCO)**  
**Adjustments to Operating Income**  
**For the Test Year Ending December 31, 2014**  
**(In Thousands)**

Line No.	Description	Subtotal Operating Statement Adjustments	Franchise Requirement Part 285 Schedule C-2.7	Interest on Customer Deposits Part 285 Schedule C-2.8	Uncollectible Expense Part 285 Schedule C-2.9	Incentive Compensation Part 285 Schedule C-2.10	Performance Share Unit Pgm Part 285 Schedule C-2.11	Injuries and Damages Part 285 Schedule C-2.12	Subtotal Operating Statement Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Operating Revenues	\$ (111,614)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (111,614)
2	Other Revenues	(6,401)	-	-	-	-	-	-	(6,401)
3	Total Operating Revenue	(118,015)	-	-	-	-	-	-	(118,015)
4	Uncollectible Expense	-	-	-	(2,410)	-	-	-	(2,410)
5	Cost of Gas	-	-	-	-	-	-	-	-
6	Production Expenses	(101,017)	-	-	-	-	-	-	(101,017)
7	Storage, Term., and Proc. Expenses	-	-	-	-	-	-	-	-
8	Transmission Expenses	-	-	-	-	-	-	-	-
9	Distribution Expenses	277	1,233	-	-	-	-	-	1,510
10	Cust. Accounts, Service & Sales	(4,620)	-	17	-	-	-	-	(4,603)
11	Administrative and General Expenses	-	(774)	-	-	(114)	(381)	(30)	(1,299)
12	Depreciaton and Amortization	(2,156)	-	-	-	-	-	-	(2,156)
13	Taxes Other Than Income	(9,969)	-	-	-	-	-	-	(9,969)
14		-	-	-	-	-	-	-	-
15	Total Operating Expense								
16	Before Income Taxes	(117,484)	460	17	(2,410)	(114)	(381)	(30)	(119,943)
17	State Income Tax	(57)	(44)	(2)	229	11	36	3	176
18	Federal Income Tax	(192)	(146)	(5)	763	36	121	9	586
19		-	-	-	-	-	-	-	-
20	Total Operating Expenses	(117,733)	270	10	(1,418)	(67)	(224)	(18)	(119,181)
21	NET OPERATING INCOME	\$ (282)	\$ (270)	\$ (10)	\$ 1,418	\$ 67	\$ 224	\$ 18	\$ 1,166

**Ameren Illinois Gas Rate Zone II - (CILCO)**  
**Adjustments to Operating Income**  
**For the Test Year Ending December 31, 2014**  
**(In Thousands)**

Line No.	Description	Subtotal Operating Statement Adjustments	Charitable Contributions Part 285 Schedule C-2.13	Depreciation Part 285 Schedule C-2.14	Regulatory Debits Part 285 Schedule C-2.15	(Source)	(Source)	(Source)	Total Operating Statement Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Operating Revenues	\$ (111,614)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (111,614)
2	Other Revenues	(6,401)	-	-	-	-	-	-	(6,401)
3	Total Operating Revenue	(118,015)	-	-	-	-	-	-	(118,015)
4	Uncollectible Expense	(2,410)	-	-	-	-	-	-	(2,410)
5	Cost of Gas	-	-	-	-	-	-	-	-
6	Production Expenses	(101,017)	-	-	-	-	-	-	(101,017)
7	Storage, Term., and Proc. Expenses	-	-	-	-	-	-	-	-
8	Transmission Expenses	-	-	-	-	-	-	-	-
9	Distribution Expenses	1,510	-	-	-	-	-	-	1,510
10	Cust. Accounts, Service & Sales	(4,603)	-	-	-	-	-	-	(4,603)
11	Administrative and General Expenses	(1,299)	133	-	-	-	-	-	(1,165)
12	Depreciaton and Amortization	(2,156)	-	(3)	402	-	-	-	(1,757)
13	Taxes Other Than Income	(9,969)	-	-	-	-	-	-	(9,969)
14		-	-	-	-	-	-	-	-
15	Total Operating Expense								
16	Before Income Taxes	(119,943)	133	(3)	402	-	-	-	(119,411)
17	State Income Tax	176	(13)	-	(38)	-	-	-	125
18	Federal Income Tax	586	(42)	1	(127)	-	-	-	418
19		-	-	-	-	-	-	-	-
20	Total Operating Expenses	(119,181)	78	(2)	237	-	-	-	(118,868)
21	NET OPERATING INCOME	\$ 1,166	\$ (78)	\$ 2	\$ (237)	\$ -	\$ -	\$ -	\$ 853

## Ameren Illinois Gas Rate Zone II - (CILCO)

### Rate Base

For the Test Year Ending December 31, 2014

(In Thousands)

Line No.	Description	Company Unadjusted Rate Base (Part 285 Sch B-1)	Company Adjustments (Sch 2, page 3)	Company Direct Rate Base (Col. b+c)
	(a)	(b)	(c)	(d)
1	Gross Plant in Service	\$ 672,037	\$ (4,904)	\$ 667,133
2	Less Accum. Deprec. and Amort.	(388,347)	(56)	(388,403)
3		-	-	-
4	Net Plant	283,690	(4,960)	278,730
5	Additions to Rate Base			
6	Cash Working Capital Allowance	-	4,558	4,558
7	Materials & Supplies Inventory	35,595	(10,333)	25,262
8		-	-	-
9		-	-	-
10		-	-	-
11		-	-	-
12		-	-	-
13		-	-	-
14	Deductions From Rate Base			
15	Accum. Deferred Income Taxes	(51,426)	(3,291)	(54,717)
16	Customer Advances for Construction	(3,021)	(99)	(3,121)
17	Customer Deposits	(3,265)	-	(3,265)
18		-	-	-
19		-	-	-
20		-	-	-
21	Rate Base	\$ 261,573	\$ (14,126)	\$ 247,447

**Ameren Illinois Gas Rate Zone II - (CILCO)**  
**Adjustments to Rate Base**  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Hillsboro Used and Useful Adjs Part 285 Schedule B-2.1	Hillsboro Base Gas Part 285 Schedule B-2.2	Plant Additions Part 285 Schedule B-2.3, B-2.4, B-2.5	Incentive Comp Earnings Based Part 285 Schedule B-2.6	PSUP Costs Schedule B-2.7	AFUDC From FERC Enforcement Adjustment Schedule B-2.8	Depreciation Reserve Write-Offs Part 285 Schedule B-2.9	Subtotal Rate Base Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Gross Plant in Service	\$ (489)	\$ (3,785)	\$ (444)	\$ (42)	\$ (139)	\$ (6)	\$ -	\$ (4,904)
2	Less Accum. Deprec. and Amort.	-	-	9	1	2	0	(67)	(56)
3		-	-	-	-	-	-	-	-
4	Additions to Rate Base	(489)	(3,785)	(435)	(41)	(137)	(6)	(67)	(4,960)
5	Additions to Rate Base								
6	Cash Working Capital Allowance	-	-	-	-	-	-	-	-
7	Materials & Supplies Inventory	-	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-	-
9		-	-	-	-	-	-	-	-
10		-	-	-	-	-	-	-	-
11		-	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
14	Deductions From Rate Base								
15	Accum. Deferred Income Taxes	-	-	6	4	15	-	-	25
16	Customer Advances for Construction	-	-	-	-	-	-	-	-
17	Customer Deposits	-	-	-	-	-	-	-	-
18		-	-	-	-	-	-	-	-
19		-	-	-	-	-	-	-	-
20		-	-	-	-	-	-	-	-
21	Rate Base	\$ (489)	\$ (3,785)	\$ (430)	\$ (37)	\$ (122)	\$ (6)	\$ (67)	\$ (4,935)

Ameren Illinois Gas Rate Zone II - (CILCO)  
Adjustments to Rate Base  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Subtotal	Cash Working	Bonus	Materials &	Customer Deposits			Total
		Rate Base	Capital	Depreciation	Supplies Inventory	13 Month Avg	(Source)	(Source)	Rate Base
	(a)	Adjustments	Part 285	Adjustment	Part 285	Part 285			Adjustments
		(b)	Schedule B-8	Part 285	Schedule B-2.11	Schedule B-2.12	(g)	(h)	(i)
			(c)	Schedule B-2.10	(e)	(f)			
1	Gross Plant in Service	\$ (4,904)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,904)
2	Less Accum. Deprec. and Amort.	(56)	-	-	-	-	-	-	(56)
3		-	-	-	-	-	-	-	-
4	Additions to Rate Base	(4,960)	-	-	-	-	-	-	(4,960)
5	Additions to Rate Base	-	-	-	-	-	-	-	-
6	Cash Working Capital Allowance	-	4,558	-	-	-	-	-	4,558
7	Materials & Supplies Inventory	-	-	-	(10,333)	-	-	-	(10,333)
8		-	-	-	-	-	-	-	-
9		-	-	-	-	-	-	-	-
10		-	-	-	-	-	-	-	-
11		-	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
14	Deductions From Rate Base	-	-	-	-	-	-	-	-
15	Accum. Deferred Income Taxes	25	-	(3,317)	-	-	-	-	(3,291)
16	Customer Advances for Construction	-	-	-	-	(99)	-	-	(99)
17		-	-	-	-	-	-	-	-
18		-	-	-	-	-	-	-	-
19		-	-	-	-	-	-	-	-
20		-	-	-	-	-	-	-	-
21	Rate Base	\$ (4,935)	\$ 4,558	\$ (3,317)	\$ (10,333)	\$ (99)	\$ -	\$ -	\$ (14,126)

**Ameren Illinois Gas Rate Zone II - (CILCO)**  
**Cash Working Capital Requirement Employing the Gross Lag Methodology**  
For the Test Year Ending December 31, 2014  
(\$000s)

Line No.	Description (A)	Company Direct Proposed (B)	Revenue Lag/Expense (Leads) (C)	CWC Factor (D) (Col E/365)	Cash Working Capital Requirement (E) Col. D x Col. B
<b>REVENUES</b>					
1	Revenues at Present Rates	\$ 93,965	49.74	13.63%	\$ 12,805
2	Plus PGA Revenues	101,017	49.74	13.63%	13,766
3	Plus ICC Gross Revenue Tax	174	-	0.00%	-
4	Plus Municipal Utility Tax	2,874	-	0.00%	-
5	Plus Energy Assistance Charges	2,111	-	0.00%	-
6	Plus Illinois Public Utility Tax	4,697	-	0.00%	-
7	Plus Interest Expense and Bank Facility Fees	7,529	49.74	13.63%	1,026
8	(Less) Uncollectibles	(865)	49.74	13.63%	(118)
9	(Less) Depreciation and Amortization	(11,452)	49.74	13.63%	(1,561)
10	(Less) Return on Equity and Debt	(20,837)	49.74	13.63%	(2,840)
11	<b>TOTAL - REVENUES</b>	<u>\$ 179,213</u>			<u>\$ 23,079</u>
<b>EXPENSES</b>					
12	Employee Benefits	\$ 5,919	(15.97)	-4.38%	(259)
13	Payroll	17,653	(11.39)	-3.12%	(551)
14	PGA Expense	101,017	(39.23)	-10.75%	(10,858)
15	Other Operations and Maintenance (less uncolle	23,366	(48.87)	-13.39%	(3,129)
16	FICA	1,381	(13.13)	-3.60%	(50)
17	Federal Unemployment Tax	25	(76.38)	-20.92%	(5)
18	State Unemployment Tax	89	(76.38)	-20.92%	(19)
19	St. Louis Payroll Expense Tax	1	(83.51)	-22.88%	(0)
20	ICC Gross Revenue Tax	174	65.50	17.95%	31
21	Invested Capital Tax	2,296	(30.13)	-8.25%	(189)
22	Municipal Utility Tax	2,874	(15.00)	-4.11%	(118)
23	Energy Assistance Charges	2,111	(4.00)	-1.10%	(23)
24	Corporation Franchise Tax	140	(161.97)	-44.37%	(62)
25	Illinois Public Utility Tax	4,697	1.00	0.27%	13
26	Property/Real Estate Taxes	529	(375.08)	-102.76%	(544)
27	Interest Expense	7,381	(91.25)	-25.00%	(1,845)
28	Bank Facility Fees	148	156.59	42.90%	63
29	Federal Income Tax	7,241	(37.88)	-10.38%	(751)
30	State Income Tax	2,172	(37.88)	-10.38%	(225)
31	<b>TOTAL EXPENSES</b>	<u>\$ 179,213</u>			<u>\$ (18,521)</u>
32	<b>CASH WORKING CAPITAL REQUIREMENT - DIRECT</b>				<u>\$ 4,558</u>
33	<b>CASH WORKING CAPITAL REQUIREMENT - ADJUSTMENTS</b>				<u>\$ -</u>
34	<b>DIFFERENCE - ADJUSTMENT TO CASH WORKING CAPITAL</b>				<u>\$ 4,558</u>

Ameren Illinois Gas Rate Zone II - (CILCO)  
Interest Synchronization Adjustment  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description (a)	Amount (b)
1	Rate Base	\$ 247,447 <sup>(1)</sup>
2	Hillsboro Storage Field Used & Useful Allowance	<u>489</u> <sup>(2)</sup>
3	Rate Base	\$ 247,935
4	Weighted Cost of Debt	3.04% <sup>(3)</sup>
5	Synchronized Interest Per Company Rebuttal (Line 3 x Line 4)	\$ 7,544
6	Test Year Interest Expense (Line 5 + Line 2 x Line 4)	7,472
7	Increase (Decrease) in Interest Expense (Line 5 - Line 8)	<u>72</u>
8	Increase (Decrease) in State Income Tax Expense	
9	at 9.500%	<u>(7)</u>
10	Increase (Decrease) in Federal Income Tax Expense	
11	at 35.000%	<u>\$ (23)</u>

(1) Source: Company Exhibit 2.2, Schedule 2, Page 1, col D, In 21.  
(2) Source: Ameren Part 285 Gas Schedule B-2.1 RZ-II,col C, In 1.  
(3) Source: Company Exhibit 2.2, Schedule 5, col E, In 2, 3 & 4.

Ameren Illinois Gas Rate Zone II - (CILCO)  
Gross Revenue Conversion Factor  
For the Test Year Ending December 31, 2014

Line No.	Description	Rate (Part 285 A-2.1)	Per Company With Bad Debts	Per Company Without Bad Debts
	(a)	(b)	(c)	(d)
1	Revenues		1.00000	
2	Uncollectibles	0.9202%	<u>0.00920</u>	
3	State Taxable Income		0.99080	1.00000
4	State Income Tax	9.50%	<u>0.09413</u>	<u>0.09500</u>
5	Federal Taxable Income		0.89667	0.90500
6	Federal Income Tax	35.00%	<u>0.31384</u>	<u>0.31675</u>
7	Operating Income		<u>0.58284</u>	<u>0.58825</u>
8	Gross Revenue Conversion Factor Per Company		<u>1.71575</u>	<u>1.69996</u>

Ameren Illinois Gas Rate Zone II - (CILCO)  
Overall Cost of Capital  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Amount	Percent of Total	Percent of Cost	Weighted Component	Effective Tax Rates	After-Tax Cost of Capital
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1							
2	Long Term Debt	\$ 1,960,206	46.501%	6.406%	2.979%	41.1750%	1.7524%
3	Short Term Debt	10,030	0.238%	1.875%	0.004%	41.1750%	0.0024%
4	Bank Facility Costs		0.000%	0.000%	0.060%	41.1750%	0.0351%
5			0.000%	0.000%	0.000%		0.0000%
6	Preferred Stock	60,719	1.440%	4.979%	0.072%		0.0720%
7	Common Stock	<u>2,184,499</u>	<u>51.821%</u>	10.400%	<u>5.389%</u>		<u>5.3890%</u>
8	Total	<u>\$ 4,215,454</u>	<u>100.000%</u>		<u>8.504%</u>		<u>7.2509%</u>
9							
10							
11	<u>EFFECTIVE TAX RATE</u>						
12	State Income Tax Rate	9.5000%					
13	Federal Income Tax Rate	35.0000%					
14							
15	[State Rate + ((1- State Rate) x Federal Rate)]	<u>41.1750%</u>					
16	Source for company capital structure per testimony of Ryan Martin.						



Ameren Illinois Gas Rate Zone III - (IP)  
Adjustments to Operating Income  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Interest Synchronization Part 285 Schedule C	Eliminate PGA Part 285 Schedule C-2.1	Eliminate Pass-Through Charges Part 285 Schedule C-2.2	Other Revenue Adjustments Schedule C-2.3	Rider GER Adjustment Part 285 Schedule C-2.4	Environmental Rider Adjustment Part 285 Schedule C-2.5	Company Use of Fuels Part 285 Schedule C-2.6	Subtotal Operating Statement Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Operating Revenues	\$ -	\$ (230,709)	\$ (22,395)	\$ (210)		\$ -	\$ -	\$ (253,314)
2	Other Revenues	-	-	-	840	(9,036)	(4,843)	-	(13,039)
3	Total Operating Revenue	-	(230,709)	(22,395)	630	(9,036)	(4,843)	-	(266,353)
4	Uncollectible Expense	-	-	-	-	-	-	-	-
5	Cost of Gas	-	-	-	-	-	-	-	-
6	Production Expenses	-	(226,939)	-	-	-	-	-	(226,939)
7	Storage, Term., and Proc. Expenses	-	-	-	-	-	-	-	-
8	Transmission Expenses	-	-	-	-	-	-	-	-
9	Distribution Expenses	-	-	-	-	-	-	543	543
10	Cust. Accounts, Service & Sales	-	-	-	-	(9,036)	-	-	(9,036)
11	Administrative and General Expenses	-	-	-	-	-	-	-	-
12	Depreciaton and Amortization	-	-	-	-	-	(4,843)	-	(4,843)
13	Taxes Other Than Income	-	-	(22,395)	-	-	-	-	(22,395)
14		-	-	-	-	-	-	-	-
15	Total Operating Expense	-	-	-	-	-	-	-	-
16	Before Income Taxes	-	(226,939)	(22,395)	-	(9,036)	(4,843)	543	(262,670)
17	State Income Tax	14	(358)	-	60	-	-	(52)	(336)
18	Federal Income Tax	48	(1,194)	-	200	-	-	(172)	(1,118)
19		-	-	-	-	-	-	-	-
20	Total Operating Expenses	62	(228,491)	(22,395)	260	(9,036)	(4,843)	319	(264,124)
21	NET OPERATING INCOME	\$ (62)	\$ (2,218)	\$ -	\$ 370	\$ -	\$ -	\$ (319)	\$ (2,229)

Ameren Illinois Gas Rate Zone III - (IP)  
Adjustments to Operating Income  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Subtotal Operating Statement Adjustments	Franchise Requirement Part 285 Schedule C-2.7	Interest on Customer Deposits Part 285 Schedule C-2.8	Uncollectible Expense Part 285 Schedule C-2.9	Incentive Compensation Part 285 Schedule C-2.10	Performance Share Unit Pgm Part 285 Schedule C-2.11	Injuries and Damages Part 285 Schedule C-2.12	Subtotal Operating Statement Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Operating Revenues	\$ (253,314)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (253,314)
2	Other Revenues	(13,039)	-	-	-	-	-	-	(13,039)
3	Total Operating Revenue	(266,353)	-	-	-	-	-	-	(266,353)
4	Uncollectible Expense	-	-	-	(3,552)	-	-	-	(3,552)
5	Cost of Gas	-	-	-	-	-	-	-	-
6	Production Expenses	(226,939)	-	-	-	-	-	-	(226,939)
7	Storage, Term., and Proc. Expenses	-	-	-	-	-	-	-	-
8	Transmission Expenses	-	-	-	-	-	-	-	-
9	Distribution Expenses	543	2,416	-	-	-	-	-	2,959
10	Cust. Accounts, Service & Sales	(9,036)	-	24	-	-	-	-	(9,013)
11	Administrative and General Expenses	-	(1,513)	-	-	(225)	(751)	(55)	(2,544)
12	Depreciation and Amortization	(4,843)	-	-	-	-	-	-	(4,843)
13	Taxes Other Than Income	(22,395)	-	-	-	-	-	-	(22,395)
14		-	-	-	-	-	-	-	-
15	Total Operating Expense								
16	Before Income Taxes	(262,670)	903	24	(3,552)	(225)	(751)	(55)	(266,326)
17	State Income Tax	(336)	(86)	(2)	337	21	71	5	10
18	Federal Income Tax	(1,118)	(286)	(8)	1,125	71	238	17	39
19		-	-	-	-	-	-	-	-
20	Total Operating Expenses	(264,124)	531	14	(2,090)	(133)	(442)	(33)	(266,277)
21	NET OPERATING INCOME	\$ (2,229)	\$ (531)	\$ (14)	\$ 2,090	\$ 133	\$ 442	\$ 33	\$ (76)

Ameren Illinois Gas Rate Zone III - (IP)  
Adjustments to Operating Income  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Subtotal Operating Statement Adjustments	Charitable Contributions Part 285 Schedule C-2.13	Depreciation Part 285 Schedule C-2.14	Regulatory Debits Part 285 Schedule C-2.15	(Source)	(Source)	(Source)	Total Operating Statement Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Operating Revenues	\$ (253,314)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (253,314)
2	Other Revenues	(13,039)	-	-	-	-	-	-	(13,039)
3	Total Operating Revenue	(266,353)	-	-	-	-	-	-	(266,353)
4	Uncollectible Expense	(3,552)	-	-	-	-	-	-	(3,552)
5	Cost of Gas	-	-	-	-	-	-	-	-
6	Production Expenses	(226,939)	-	-	-	-	-	-	(226,939)
7	Storage, Term., and Proc. Expenses	-	-	-	-	-	-	-	-
8	Transmission Expenses	-	-	-	-	-	-	-	-
9	Distribution Expenses	2,959	-	-	-	-	-	-	2,959
10	Cust. Accounts, Service & Sales	(9,013)	-	-	-	-	-	-	(9,013)
11	Administrative and General Expenses	(2,544)	263	-	-	-	-	-	(2,281)
12	Depreciation and Amortization	(4,843)	-	(6)	402	-	-	-	(4,447)
13	Taxes Other Than Income	(22,395)	-	-	-	-	-	-	(22,395)
14		-	-	-	-	-	-	-	-
15	Total Operating Expense								
16	Before Income Taxes	(266,326)	263	(6)	402	-	-	-	(265,667)
17	State Income Tax	10	(25)	1	(38)	-	-	-	(52)
18	Federal Income Tax	39	(83)	2	(127)	-	-	-	(169)
19		-	-	-	-	-	-	-	-
20	Total Operating Expenses	(266,277)	155	(3)	237	-	-	-	(265,888)
21	NET OPERATING INCOME	\$ (76)	\$ (155)	\$ 3	\$ (237)	\$ -	\$ -	\$ -	\$ (465)

Ameren Illinois Gas Rate Zone III - (IP)  
Rate Base  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Company Unadjusted Rate Base (Part 285 Sch B-1)	Company Adjustments (Sch 2, page 3)	Company Direct Rate Base (Col. b+c)
	(a)	(b)	(c)	(d)
1	Gross Plant in Service	\$ 1,189,780	\$ (8,667)	\$ 1,181,113
2	Less Accum. Deprec. and Amort.	(552,877)	(80)	(552,956)
3		-	-	-
4	Net Plant	636,903	(8,746)	628,157
5	Additions to Rate Base			
6	Cash Working Capital Allowance	-	9,916	9,916
7	Materials & Supplies Inventory	57,866	(16,781)	41,085
8		-	-	-
9		-	-	-
10		-	-	-
11		-	-	-
12		-	-	-
13		-	-	-
14	Deductions From Rate Base			
15	Accum. Deferred Income Taxes	(94,851)	(6,071)	(100,922)
16	Customer Advances for Construction	(5,572)	-	(5,572)
17	Customer Deposits	(4,881)	131	(4,750)
18		-	-	-
19		-	-	-
20		-	-	-
21	Rate Base	\$ 589,465	\$ (21,550)	\$ 567,915

**Ameren Illinois Gas Rate Zone III - (IP)**  
**Adjustments to Rate Base**  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Hillsboro Used and Useful Adjs Part 285 Schedule B-2.1	Hillsboro Base Gas Part 285 Schedule B-2.2	Plant Additions Part 285 Schedule B-2.3, B-2.4, B-2.5	Incentive Comp Earnings Based Part 285 Schedule B-2.6	PSUP Costs Schedule B-2.7	AFUDC From FERC Enforcement Adjustment Schedule B-2.8	Depreciation Reserve Write-Offs Part 285 Schedule B-2.9	Subtotal Rate Base Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Gross Plant in Service	\$ (870)	\$ (6,735)	\$ (747)	\$ (70)	\$ (234)	\$ (10)	\$ -	\$ (8,667)
2	Less Accum. Deprec. and Amort.	-	-	16	1	3	0	(100)	(80)
3		-	-	-	-	-	-	-	-
4	<b>Additions to Rate Base</b>	<b>(870)</b>	<b>(6,735)</b>	<b>(731)</b>	<b>(69)</b>	<b>(231)</b>	<b>(10)</b>	<b>(100)</b>	<b>(8,746)</b>
5	<b>Additions to Rate Base</b>								
6	Cash Working Capital Allowance	-	-	-	-	-	-	-	-
7	Materials & Supplies Inventory	-	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-	-
9		-	-	-	-	-	-	-	-
10		-	-	-	-	-	-	-	-
11		-	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
14	<b>Deductions From Rate Base</b>								
15	Accum. Deferred Income Taxes	-	-	10	8	28	-	-	46
16	Customer Advances for Construction	-	-	-	-	-	-	-	-
17	Customer Deposits	-	-	-	-	-	-	-	-
18		-	-	-	-	-	-	-	-
19		-	-	-	-	-	-	-	-
20		-	-	-	-	-	-	-	-
21	<b>Rate Base</b>	<b>\$ (870)</b>	<b>\$ (6,735)</b>	<b>\$ (721)</b>	<b>\$ (61)</b>	<b>\$ (203)</b>	<b>\$ (10)</b>	<b>\$ (100)</b>	<b>\$ (8,700)</b>

Ameren Illinois Gas Rate Zone III - (IP)  
Adjustments to Rate Base  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Subtotal Rate Base Adjustments	Cash Working Capital Part 285 Schedule B-8	Bonus Depreciation Adjustment Part 285 Schedule B-2.10	Materials & Supplies Inventory Part 285 Schedule B-2.11	Customer Deposits 13 Month Avg Part 285 Schedule B-2.12	(Source)	(Source)	Total Rate Base Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Gross Plant in Service	\$ (8,667)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (8,667)
2	Less Accum. Deprec. and Amort.	(80)	-	-	-	-	-	-	(80)
3		-	-	-	-	-	-	-	-
4	Additions to Rate Base	(8,746)	-	-	-	-	-	-	(8,746)
5	Additions to Rate Base								
6	Cash Working Capital Allowance	-	9,916	-	-	-	-	-	9,916
7	Materials & Supplies Inventory	-	-	-	(16,781)	-	-	-	(16,781)
8		-	-	-	-	-	-	-	-
9		-	-	-	-	-	-	-	-
10		-	-	-	-	-	-	-	-
11		-	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
14	Deductions From Rate Base								
15	Accum. Deferred Income Taxes	46	-	(6,117)	-	-	-	-	(6,071)
16	Customer Advances for Construction	-	-	-	-	-	-	-	-
17	Customer Deposits	-	-	-	-	131	-	-	131
18		-	-	-	-	-	-	-	-
19		-	-	-	-	-	-	-	-
20		-	-	-	-	-	-	-	-
21	Rate Base	\$ (8,700)	\$ 9,916	\$ (6,117)	\$ (16,781)	\$ 131	\$ -	\$ -	\$ (21,550)

Ameren Illinois Gas Rate Zone III - (IP)  
**Cash Working Capital Requirement Employing the Gross Lag Methodology**  
For the Test Year Ending December 31, 2014  
(\$000s)

Line No.	Description (A)	Company Direct Proposed (B)	Revenue Lag/Expense (Leads) (C)	CWC Factor (D) (Col E/365)	Cash Working Capital Requirement (E) Col. D x Col. B
<b>REVENUES</b>					
1	Revenues at Present Rates	\$ 193,689	49.74	13.63%	\$ 26,395
2	Plus PGA Revenues	226,939	49.74	13.63%	30,926
3	Plus ICC Gross Revenue Tax	397	-	0.00%	-
4	Plus Municipal Utility Tax	6,556	-	0.00%	-
5	Plus Energy Assistance Charges	4,814	-	0.00%	-
6	Plus Illinois Public Utility Tax	10,712	-	0.00%	-
7	Plus Interest Expense and Bank Facility Costs	17,280	49.74	13.63%	2,355
8	(Less) Uncollectibles	(2,874)	49.74	13.63%	(392)
9	(Less) Depreciation and Amortization	(19,744)	49.74	13.63%	(2,691)
10	(Less) Return on Equity and Debt	(48,194)	49.74	13.63%	(6,568)
11	<b>TOTAL - REVENUES</b>	<u>\$ 389,575</u>			<u>\$ 50,026</u>
<b>EXPENSES</b>					
12	Employee Benefits	\$ 11,657	(15.97)	-4.38%	(510)
13	Payroll	37,704	(11.39)	-3.12%	(1,177)
14	PGA Expense	226,939	(39.23)	-10.75%	(24,392)
15	Other Operations and Maintenance (less uncollectibles)	44,035	(48.87)	-13.39%	(5,896)
16	FICA	2,304	(13.13)	-3.60%	(83)
17	Federal Unemployment Tax	42	(76.38)	-20.92%	(9)
18	State Unemployment Tax	148	(76.38)	-20.92%	(31)
19	St. Louis Payroll Expense Tax	1	(83.51)	-22.88%	(0)
20	ICC Gross Revenue Tax	397	65.50	17.95%	71
21	Invested Capital Tax	4,235	(30.13)	-8.25%	(350)
22	Municipal Utility Tax	6,556	(15.00)	-4.11%	(269)
23	Energy Assistance Charges	4,814	(4.00)	-1.10%	(53)
24	Corporation Franchise Tax	258	(161.97)	-44.37%	(115)
25	Illinois Public Utility Tax	10,712	1.00	0.27%	29
26	Property/Real Estate Taxes	976	(375.08)	-102.76%	(1,003)
27	Interest Expense	16,941	(91.25)	-25.00%	(4,235)
28	Bank Facility Costs	339	156.59	42.90%	145
29	Federal Income Tax	16,551	(37.88)	-10.38%	(1,717)
30	State Income Tax	4,964	(37.88)	-10.38%	(515)
31	<b>TOTAL EXPENSES</b>	<u>\$ 389,575</u>			<u>(40,109)</u>
32	<b>CASH WORKING CAPITAL REQUIREMENT - DIRECT</b>				<u>\$ 9,916</u>
33	<b>CASH WORKING CAPITAL REQUIREMENT - ADJUSTMENTS</b>				<u>\$ -</u>
34	<b>DIFFERENCE - ADJUSTMENT TO CASH WORKING CAPITAL</b>				<u>\$ 9,916</u>

**Ameren Illinois Gas Rate Zone III - (IP)**  
**Interest Synchronization Adjustment**  
**For the Test Year Ending December 31, 2014**  
(In Thousands)

Line No.	Description (a)	Amount (b)
1	Rate Base	\$ 567,915 <sup>(1)</sup>
2	Hillsboro Storage Field Used & Useful Allowance	<u>870</u> <sup>(2)</sup>
3	Rate Base	\$ 568,785
4	Weighted Cost of Debt	3.04% <sup>(3)</sup>
5	Synchronized Interest Per Company Direct (Line 3 x Line 4)	\$ 17,306
6	Test Year Interest Expense (Line 5 + Line 2 x Line 4)	17,458
7	Increase (Decrease) in Interest Expense	<u>(152)</u>
8	Increase (Decrease) in State Income Tax Expense	
9	at 9.500%	<u>14</u>
10	Increase (Decrease) in Federal Income Tax Expense	
11	at 35.000%	<u>\$ 48</u>

(1) Source: Company Exhibit 2.3, Schedule 2, Page 1, col D, ln 21.

(2) Source: Ameren Part 285 Gas Schedule B-2.1 RZ-III, col C, ln 1.

(3) Source: Company Exhibit 2.3, Schedule 5, col E, ln 2, 3 & 4.

Ameren Illinois Gas Rate Zone III - (IP)  
Gross Revenue Conversion Factor  
For the Test Year Ending December 31, 2014

Line No.	Description	Rate (Part 285 A-2.1 RZ-III)	Per Company With Bad Debts	Per Company Without Bad Debts
	(a)	(b)	(c)	(d)
1	Revenues		1.00000	
2	Uncollectibles	1.4838%	<u>0.01484</u>	
3	State Taxable Income		0.98516	1.00000
4	State Income Tax	9.50%	<u>0.09359</u>	<u>0.09500</u>
5	Federal Taxable Income		0.89157	0.90500
6	Federal Income Tax	35.00%	<u>0.31205</u>	<u>0.31675</u>
7	Operating Income		<u>0.57952</u>	<u>0.58825</u>
8	Gross Revenue Conversion Factor Per Company		<u>1.72556</u>	<u>1.69996</u>

Ameren Illinois Gas Rate Zone III - (IP)  
Overall Cost of Capital  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Amount	Percent of Total	Percent of Cost	Weighted Component	Effective Tax Rates	After-Tax Cost of Capital
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1							
2	Long Term Debt	\$ 1,960,206	46.501%	6.406%	2.979%	41.1750%	1.7524%
3	Short Term Debt	10,030	0.238%	1.875%	0.004%	41.1750%	0.0024%
4	Bank Facility Costs		0.000%	0.000%	0.060%	41.1750%	0.0351%
5			0.000%	0.000%	0.000%		0.0000%
6	Preferred Stock	60,719	1.440%	4.979%	0.072%		0.0720%
7	Common Stock	<u>2,184,499</u>	<u>51.821%</u>	10.400%	<u>5.389%</u>		<u>5.3890%</u>
8	Total	<u>\$ 4,215,454</u>	<u>100.000%</u>		<u>8.504%</u>		<u>7.2509%</u>
9							
10							
11	<u>EFFECTIVE TAX RATE</u>						
12	State Income Tax Rate	9.5000%					
13	Federal Income Tax Rate	35.0000%					
14							
15	[State Rate + ((1- State Rate) x Federal Rate)]	<u>41.1750%</u>					
16	Source for company capital structure per testimony of Ryan Martin.						

Ameren Illinois Company  
Summary of Asset Separation Project  
2013 and 2014 Plant Balance

Line No.	Account	Function	E. Production	E. Transmission	E. Distribution	Gas	Retired	Other	Total
<b>As of December 31, 2013</b>									
1	301-303	Intangible Plant	\$ -	\$ 5,362,847	\$ 40,832,029	\$ 12,661,904	\$ -	\$ -	\$ 58,856,780
2	389-399	General Plant	\$ -	\$ 73,745,131	\$ 318,460,327	\$ 82,904,241	\$ 1,471,010	\$ 194,204	\$ 476,774,911
3		G&I Plant	\$ -	\$ 79,107,979	\$ 359,292,355	\$ 95,566,144	\$ 1,471,010	\$ 194,204	\$ 535,631,691
<b>As of December 31, 2014</b>									
4	301-303	Intangible Plant	\$ -	\$ 6,011,724	\$ 52,588,531	\$ 27,720,560	\$ -	\$ -	\$ 86,320,815
5	389-399	General Plant	\$ -	\$ 94,342,404	\$ 359,879,255	\$ 86,767,929	\$ 1,471,010	\$ 194,204	\$ 542,654,801
6		G&I Plant	\$ -	\$ 100,354,128	\$ 412,467,786	\$ 114,488,489	\$ 1,471,010	\$ 194,204	\$ 628,975,616
<b>Average (2013 and 2014)</b>									
7	301-303	Intangible Plant	\$ -	\$ 5,687,286	\$ 46,710,280	\$ 20,191,232	\$ -	\$ -	\$ 72,588,797
8	389-399	General Plant	\$ -	\$ 84,043,768	\$ 339,169,791	\$ 84,836,085	\$ 1,471,010	\$ 194,204	\$ 509,714,856
9		G&I Plant	\$ -	\$ 89,731,053	\$ 385,880,070	\$ 105,027,317	\$ 1,471,010	\$ 194,204	\$ 582,303,654
<b>ALLOCATOR</b>									
10		G&I Plant	0.00%	15.41%	66.27%	18.04%	0.25%	0.03%	100.00%

Ameren Illinois Company  
Summary of Asset Separation Project  
2013 and 2014 Plant Balance

Line No.	Allocator	E. Production	E. Transmission	E. Distribution	Gas	Retired	Other	Total
1	CUSTOMER	0.00%	0.00%	59.84%	40.16%	0.00%	0.00%	100.00%
2	E. DISTRIBUTION	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	100.00%
3	E. PRODUCTION	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
4	E. TRANSMISSION	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%
5	EMPALL	0.00%	6.39%	60.86%	32.75%	0.00%	0.00%	100.00%
6	GAS	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	100.00%
7	OMDG	0.00%	0.00%	73.64%	26.36%	0.00%	0.00%	100.00%
8	OMTD	0.00%	18.55%	81.45%	0.00%	0.00%	0.00%	100.00%
9	OMTDG	0.00%	14.37%	63.06%	22.58%	0.00%	0.00%	100.00%
10	RETIRED	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	100.00%
11	WASHINGTON BLDG	0.00%	7.35%	51.62%	19.37%	0.00%	21.65%	100.00%

Ameren Illinois Company  
Calculation of Original Cost Determination  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description (a)	Gas Total (b)	Gas RZ I (c)	Gas RZ II (d)	Gas RZ III (e)
1	Plant at 12/31/2011 per Company (1)	\$1,995,262	\$410,594	\$571,575	\$1,013,093
2	Less:				
3	Prior Plant Additions (2)	(10)	(2)	(3)	(5)
4	Prior Plant Additions for Incentive Comp(3)	(1,296)	(269)	(383)	(644)
5	Prior Plant Additions for PSUP(4)	(197)	(41)	(58)	(98)
6	AFUDC adjustment(5)	(20)	(4)	(6)	(10)
7	Hillsboro Used & Useful (6)	(1,706)	(347)	(489)	(870)
8	Hillsboro Base Gas (7)	<u>(13,209)</u>	<u>(2,689)</u>	<u>(3,785)</u>	<u>(6,735)</u>
9	Original Cost Determination per Company	<u>\$1,978,824</u>	<u>\$407,242</u>	<u>\$566,851</u>	<u>\$1,004,731</u>

Sources:

- (1) Company Schedules B-5;
- (2) Company Schedule B-2.3, Line 2
- (3) Company Schedule B-2.4, Line 2
- (4) Company Schedule B-2.5, Line 2
- (5) Company Schedule B-2.8, Line 1
- (6) Company Schedule B-2.1, Line 1
- (7) Company Schedule B-2.2, Line 1

**Summary of Rate Zone Allocators Used for 2014 Test Year AIC Gas Revenue Requirement**

1. Gas operating revenues for 2011-14 are allocated to Rate Zones based on Present Base Rate Revenues. O&M expenses related to storage are allocated to Rate Zones by sales and transport demand. O & M expenses related to the operations and maintenance of transmission facilities are allocated to Rate Zones based on high pressure demand or 2009 legacy information on feet of transmission main. O & M expenses related to operations and maintenance of distribution facilities are allocated to Rate Zones based on 2009 legacy information on feet of distribution main, low pressure demand, and number of customers. Support functions are allocated by number of customers or gross plant in service. The allocation of taxes other than income taxes are dependent on the type of tax and will use other O & M expenses, revenue, and gross plant in service. Corresponding ratemaking adjustments are allocated to similarly to the overall factor used for various revenues, expenses, and other taxes.
2. Gas depreciation expense and corresponding adjustments are allocated to Rate Zones based on September 2010 actual utility plant balances by legacy utility for each function except Intangible Plant and Gas Storage. For Intangible Plant, depreciation expense is being allocated by number of customers. Gas Storage depreciation expense is being allocated by sales and transport demand as discussed above.
3. Regulatory debits and credits amortizations and corresponding adjustments are allocated to the individual Rate Zones as described below:
  - a. Integration Asset is allocated based on number of customers.
  - b. Gas severance costs and voluntary separation plan costs are allocated based on other O & M similar to account 920/926.

- c. Rate Case related costs are allocated 1/3 to each Rate Zone.
  - d. Bad Debt Rider is allocated based on number of customers.
  - e. Manufactured Gas Plant Site Cleanup Costs are allocated based on revenues.
  - f. Merger Initiative amortization is allocated based on number of customers.
4. Federal and state income tax expense and amortizations of investment tax credits are allocated to the Rate Zones based on 2014 operating income before income taxes after deduction of synchronized interest.
  5. Gas utility plant and corresponding adjustments are allocated to Rate Zones based on September 2010 actual utility plant balances by legacy utility for each respective function except Intangible Plant and Gas Storage. Intangible Plant is being allocated to Rate Zones by number of customers. Functionally Gas Storage Plant is being allocated to Rate Zones by sales and transport demand. Gas plant and corresponding adjustments by function and Rate Zones, except Intangible and Gas Storage functions, are then allocated to FERC accounts based on September 2010 actual utility plant balances by legacy utility. Intangible Plant is only associated with FERC account 303 so no further allocation is required. The Gas Storage function is allocated within the FERC account by the functional Rate Zone allocator.
  6. Depreciation reserve uses the Gross Plant allocators as described in step 5 above. For all Plant functions except Intangibles and Gas Storage, legacy balances as of September 2010 are maintained at each Rate Zone with net reserve changes being allocated based on the allocators described in Step 5. For Intangible Plant, the reserve balance as of September 2010 and net changes are being allocated to Rate Zones based on the number of customers within each Rate Zone. For the Gas Storage function, the reserve balance as

of September 2010 and net changes are being allocated to Rate Zones based on sales and transport demand.

7. General materials & supplies inventory are allocated to Rate Zones based on a 13-month average of general materials & supplies inventory by Rate Zone. Gas Stored Underground is allocated based on a 13-month average of Gas Stored Underground by Rate Zone. Customer advances for construction are allocated to Rate Zones based on September 2010 actual utility plant balances by legacy utility.
8. Cash Working Capital (CWC) is compiled for each Rate Zone based on the respective inputs for revenues and expenses used to derive the calculation.
9. Accumulated deferred income taxes and corresponding adjustments are allocated to Rate Zones based on September 2010 actual utility plant balances by legacy utility.
10. Customer Deposits are allocated to Rate Zones based on 2009 gas deposits by legacy utility.