Ameren Illinois Company Gas Rate Zone II

Statement of Operating Income with Adjustments

For the Test Year Ending December 31, 2014
(In Thousands)

Line No.	Description	Company Rebuttal Present (AIC Ex. 17.2 Sch. 1)	Adjustments (App. B, p.4)	Pro Forma Present (Cols. b+c)	Company Proposed Increase (AIC Ex. 17.2 Sch. 1)	Gross Revenue Conversion Factor	Proposed Rates With Adjustments (Cols. d+e+f)	Adjustment To Proposed Increase	Approved Operating Statement per Order (Cols. g+h)	Hillsboro Used & Useful Allowance	Approved Pro Forma w Hillsboro Allowance (Cols. i+j)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	Gas Operating Revenues	$ 75,594	$ -	$ 75,594	$ 18,232	$ -	$ 93,826	$ (3,609)	$ 90,217	$ 24	$ 90,241
2	Other Revenues	958	116	1,074	-	-	1,074	-	1,074	-	1,074
3	Total Operating Revenue	76,552	116	76,668	18,232	$ -	94,900	(3,609)	91,291	24	91,315
4	Uncollectible Accounts	826	2	828	197	-	1,025	(39)	986	-	986
5	Cost of Gas	-	-	-	-	-	-	-	-	-	-
6	Production Expenses	700	-	700	-	-	700	-	700	-	700
7	Storage, Term., and Proc. Expenses	3,497	-	3,497	-	-	3,497	-	3,497	-	3,497
8	Transmission Expenses	1,014	-	1,014	-	-	1,014	-	1,014	-	1,014
9	Distribution Expenses	20,367	43	20,410	-	-	20,410	-	20,410	-	20,410
10	Cust. Accounts, Service and Sales	7,685	-	7,685	-	-	7,685	-	7,685	-	7,685
11	Administrative and General Expenses	14,473	(1,304)	13,169	-	-	13,169	-	13,169	-	13,169
12	Depreciation and Amortization	11,452	84	11,536	-	-	11,536	-	11,536	-	11,536
13	Taxes Other than Income	4,321	(5)	4,316	-	-	4,316	-	4,316	-	4,316
14		-	-	-	-	-	-	-	-	-	-
15	Total Operating Expense										
16	Before Income Taxes	64,335	(1,180)	63,155	197	-	63,352	(39)	63,313	-	63,313
							-		-		-
17	State Income Tax	444	195	639	1,713	-	2,352	(339)	2,013	2	2,015
18	Federal Income Tax	1,481	653	2,134	5,713	-	7,847	(1,131)	6,716	8	6,724
19	Deferred Taxes and ITCs Net	(79)	-	(79)	-	-	(79)	-	(79)	-	(79)
20	Total Operating Expenses	66,181	(332)	65,849	7,623	-	73,472	(1,509)	71,963		71,973
21	NET OPERATING INCOME	$ 10,371	$ 448	$ 10,819	$ 10,609	$ -	$ 21,428	$ (2,100)	$ 19,328	$ 14	$ 19,342
22	Rate Base (Appendix B, Page 5)								$ 245,804		
23	Overall Rate of Return (per Order)								7.86%		
24	Non-Used and Useful Investment (Ameren Ex. 2.2, Sch 1)										489
25	Rate of Return Excluding Common Equity Return (per Order)										2.82%
26	Revenue Change from Co. Rebuttal Present (with and without Hillsboro Used & Useful) (Cols. (i) and (k), Line 3 minus Col. (d), Line 3)								$ 14,623		$ 14,647
27	Percentage Revenue Change (Cols. (i) and (h), Line 26 divided by Col. (d), Line 3)								19.07%		19.10%

Ameren Illinois Company Gas Rate Zone II

Adjustments to Operating Income

For the Test Year Ending December 31, 2014
(In Thousands)

Line No.	Description	Interest Synchronization (App. B, p. 8)	Charitable Contributions (AG Ex. 5.1, p. 4)	Uncollectible Expense (Staff Ex. 11.0 (Rev.), Sch. 11.02)	Non-Union Wage Increase (AIC Cross Exhibit 5)	Outside Professional Services (AIC Cross Exhibit 7)	Employee Benefits (Staff Ex. 11.0 (Rev.), Sch. 11.05)	Rate Case Expense (Per Order)	Subtotal Operating Statement Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Gas Operating Revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2	Other Revenues	-	-	-	-	-	-	-	-
3	Total Operating Revenue	-	-	-	-	-	-	-	-
4	Uncollectible Accounts	-	-	1	-	-	-	-	1
5	Cost of Gas	-	-		-	-	-	-	-
6	Production Expenses	-	-	-	-	-	-	-	-
7	Storage, Term., and Proc. Expenses	-	-	-	-	-	-	-	-
8	Transmission Expenses	-	-	-	-	-	-	-	-
9	Distribution Expenses	-	-	-	-	-	-	-	-
10	Cust. Accounts, Service and Sales	-	-	-	-	-	-	-	-
11	Administrative and General Expenses	-	(35)	-	(48)	(28)	(1,006)	-	(1,117)
12	Depreciation and Amortization	-	-	-	-	-	-	-	-
13	Taxes Other than Income	-	-	-	(5)	-	-	-	(5)
14		-	-	-	-	-	-	-	-
15	Total Operating Expense								
16	Before Income Taxes	-	(35)	1	(53)	(28)	(1,006)	-	(1,121)
17	State Income Tax	72	3	-	5	3	96	-	179
18	Federal Income Tax	242	11	-	17	9	319	-	598
19	Deferred Taxes and ITCs Net	-	-	-	-	-	-	-	-
20	Total Operating Expenses	314	(21)	1	(31)	(16)	(591)	-	(344)
21	NET OPERATING INCOME	$ (314)	$ 21	$ (1)	$ 31	$ 16	$ 591	$ -	$ 344

Ameren Illinois Company Gas Rate Zone II

Adjustments to Operating Income

For the Test Year Ending December 31, 2014
(In Thousands)

Line No.	Description	Subtotal Operating Statement Adjustments	Rental Revenues (AG Ex. 5.1, p. 3)	Advertising Expense (AG Ex. 5.1, p. 6)	Industry Dues (Staff Ex. 13.0, Sch. 13.04)	Credit Card Expense (Per Order)	Corrosion Control Expense (AIC Cross Exhibit 7)	SVT Program (Ameren Ex. 31.4, Schedule 1)	Subtotal Operating Statement Adjustments
	(a)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
1	Gas Operating Revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2	Other Revenues	-	116	-	-	-	-	-	116
3	Total Operating Revenue	-	116	-	-	-	-	-	116
4	Uncollectible Accounts	1	1	-	-	-	-	-	2
5	Cost of Gas	-	-	-	-	-	-	-	-
6	Production Expenses	-	-	-	-	-	-	-	-
7	Storage, Term., and Proc. Expenses	-	-	-	-	-	-	-	-
8	Transmission Expenses	-	-	-	-	-	-	-	-
9	Distribution Expenses	-	-	-	-	-	-	97	97
10	Cust. Accounts, Service and Sales	-	-	-	-	-	-	-	-
11	Administrative and General Expenses	(1,117)	-	(110)	-	-	(77)	-	(1,304)
12	Depreciation and Amortization	-	-	-	-	-	-	84	84
13	Taxes Other than Income	(5)	-	-	-	-	-	-	(5)
14		-	-	-	-	-	-	-	-
15	Total Operating Expense								
16	Before Income Taxes	(1,121)	1	(110)	-	-	(77)	181	(1,126)
17	State Income Tax	179	11	10	-	-	7	(17)	190
18	Federal Income Tax	598	36	35	-	-	24	(57)	636
19	Deferred Taxes and ITCs Net	-	-	-	-	-	-	-	-
20	Total Operating Expenses	(344)	48	(65)	-	-	(46)	107	(300)
21	NET OPERATING INCOME	$ 344	$ 68	$ 65	$ -	$ -	$ 46	$ (107)	$ 416

Ameren Illinois Company Gas Rate Zone II

Adjustments to Operating Income

For the Test Year Ending December 31, 2014
(In Thousands)

Line No.	Description	Subtotal Operating Statement Adjustments	JULIE Locate Requests (AG Ex. 5.1, p. 2, Line 8)	Sewer Cross Bore Inspections (AG Ex. 5.1, p. 2, Line 5)	(Source)	(Source)	(Source)	(Source)	Total Operating Statement Adjustments
	(a)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)
1	Gas Operating Revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2	Other Revenues	116	-	-	-	-	-	-	116
3	Total Operating Revenue	116	-	-	-	-	-	-	116
4	Uncollectible Accounts	2	-	-	-	-	-	-	2
5	Cost of Gas	-	-	-	-	-	-	-	-
6	Production Expenses	-	-	-	-	-	-	-	-
7	Storage, Term., and Proc. Expenses	-	-	-	-	-	-	-	-
8	Transmission Expenses	-	-	-	-	-	-	-	-
9	Distribution Expenses	97	(41)	(13)	-	-	-	-	43
10	Cust. Accounts, Service and Sales	-	-	-	-	-	-	-	-
11	Administrative and General Expenses	(1,304)	-	-	-	-	-	-	(1,304)
12	Depreciation and Amortization	84	-	-	-	-	-	-	84
13	Taxes Other than Income	(5)	-	-	-	-	-	-	(5)
14		-	-	-	-	-	-	-	-
15	Total Operating Expense								
16	Before Income Taxes	(1,126)	(41)	(13)	-	-	-	-	(1,180)
17	State Income Tax	190	4	1	-	-	-	-	195
18	Federal Income Tax	636	13	4	-	-	-	-	653
19	Deferred Taxes and ITCs Net	-	-	-	-	-	-	-	-
20	Total Operating Expenses	(300)	(24)	(8)	-	-	-	-	(332)
21	NET OPERATING INCOME	$ 416	$ 24	$ 8	$ -	$ -	$ -	$ -	$ 448

Ameren Illinois Company Gas Rate Zone II

Rate Base

For the Test Year Ending December 31, 2014
(In Thousands)

Line No.	Description	Company Rebuttal Rate Base (AIC Ex. 17.12 Sch. 2)	Adjustments (App. B, p. 6)	Per Order Rate Base (Col. b+c)
	(a)	(b)	(c)	(d)
1	Gross Plant in Service	$ 667,133	$ 685	$ 667,818
2	Accumulated Depreciation and Amortization	(388,403)	(84)	(388,487)
3		-	-	-
4	Net Plant	278,730	601	279,331
5	Additions to Rate Base			
6	Cash Working Capital	4,554	(1,051)	3,503
7	Materials & Supplies Inventory	25,262	-	25,262
8		-	-	-
9		-	-	-
10		-	-	-
11		-	-	-
12		-	-	-
13		-	-	-
14		-	-	-
15		-	-	-
16	Deductions From Rate Base			
17	Accumulated Deferred Income Taxes	(55,708)	(87)	(55,795)
18	Customer Advances for Construction	(3,021)	-	(3,021)
19	Customer Deposits	(3,365)	-	(3,365)
20	Budget Payment Plan Balances	(111)	-	(111)
21		-	-	-
22		-	-	-
23	Rate Base	$ 246,341	$ (537)	$ 245,804

Ameren Illinois Company Gas Rate Zone II

Adjustments to Rate Base

For the Test Year Ending December 31, 2014
(In Thousands)

Line No.	Description	Cash Working Capital (App. B, p. 10)	ADIT Metro East Asset Transfer (Per Order)	Non-Union Wage Increase (AIC Cross Exhibit 5)	Employee Benefits (Staff Ex. 11.0, (Rev.) Sch. 11.03)	SVT Program (Ameren Ex. 31.4, Schedule 1)	(Source)	(Source)	Total Rate Base Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Gross Plant in Service	$ -	$ -	$ (21)	$ (131)	$ 837	$ -	$ -	$ 685
2	Accumulated Depreciation and Amortization	-	-	-	-	(84)	-	-	(84)
3	-	-	-	-	-	-	-	-	-
4	Net Plant	-	-	(21)	(131)	753	-	-	601
	-								
5	Additions to Rate Base								-
6	Cash Working Capital	(1,051)	-	-	-	-	-	-	(1,051)
7	Materials & Supplies Inventory	-	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-	-	-
13	-	-	-	-	-	-	-	-	-
14	-	-	-	-	-	-	-	-	-
15	-	-	-	-	-	-	-	-	-
16	Deductions From Rate Base	-	-	-	-	-	-	-	-
17	Accumulated Deferred Income Taxes	-	-	(1)	-	(86)	-	-	(87)
18	Customer Advances for Construction	-	-	-	-	-	-	-	-
19	Customer Deposits	-	-	-	-	-	-	-	-
20	Budget Payment Plan Balances	-	-	-	-	-	-	-	-
21		-	-	-	-	-	-	-	-
22	-	-	-	-	-	-	-	-	-
	-								
23	Rate Base	$ (1,051)	$ -	$ (22)	$ (131)	$ 667	$ -	$ -	$ (537)

Ameren Illinois Company Gas Rate Zone II

Revenue Effect of Adjustments

For the Test Year Ending December 31, 2014

(In Thousands)

Line No.	Description	Per Company	Adjustments	Per Order
	(a)	(b)	(c)	(d)
1	Present Revenues	$ 76,552	$ 116	$ 76,668
2	Proposed Increase	18,232	(3,585)	14,647
3	Proposed Revenues	$ 94,784	$ (3,469)	$ 91,315
4	% Increase	23.82%		19.10%
5	Staff Adjustments:			
6	Rate of Return (Applied to Company Rate Base)		(2,766)	
7	Employee Benefits		(1,031)	
8	Advertising Expense		(112)	
9	Cash Working Capital		(122)	
10	Corrosion Control		(79)	
11	Non-Union Wage Increase		(56)	
12	JULIE Locate Requests		(41)	
13	Charitable Contributions		(36)	
14	Outside Professional Services		(27)	
15	Sewer Cross Bore Inspections		(13)	
16	Rounding		(5)	
17	ADIT on Metro East Asset Transfer		-	
18	Rate Case Expense		-	
19	Credit Card Expense		-	
20	Industry Dues		-	
21	Rental Revenues		-	
22	Gross Revenue Conversion Factor		-	
23	Uncollectible Expense		2	
24	Interest Synchronization		530	
25	Used & Useful		26	
26	SVT Program		261	
27	Total Revenue Effect of Adjustments		$ (3,469)	

Reconciliation to Appendix B, Page 1

28	Column (c), line 3	$ 116
29	Column (h), line 3	(3,609)
30	Column (j), line 3	24
31	Total Revenue Effect of Adjustments	$ (3,469)

Ameren Illinois Company Gas Rate Zone II

Interest Synchronization Adjustment

For the Test Year Ending December 31, 2014
(In Thousands)

Line No.	Description	Amount	
	(a)	(b)	
1	Rate Base	$ 245,804	(1)
2	Hillsboro Used and Useful Allowance	489	(2)
3	Rate Base Including Hillsboro Storage Field	246,293	
4	Weighted Cost of Debt	2.75%	(3)
5	Synchronized Interest Per Order	6,781	
6	Company Interest Expense	7,544	(4)
7	Increase (Decrease) in Interest Expense	(763)	
8	Increase (Decrease) in State Income Tax Expense		
9	at 9.500%	$ 72	
10	Increase (Decrease) in Federal Income Tax Expense		
11	at 35.000%	$ 242	

(1) Source: Appendix B, Page 5, Column (d), Line 23
(2) Source: Appendix B, Page 1, Column (k), Line 24
(3) Source: Per Order
(4) Source: AIC Exhibit 15.2, Schedule 3, column (b), line 6

Ameren Illinois Company Gas Rate Zone II

Gross Revenue Conversion Factor

For the Test Year Ending December 31, 2014
(In Thousands)

Line No.	Description	Rate	Per Order With Bad Debts	Per Order Without Bad Debts
	(a)	(b)	(c)	(d)
1	Revenues		1.000000	
2	Uncollectibles	1.0796%	0.010796	
3	State Taxable Income		0.989204	1.000000
4	State Income Tax	9.5000%	0.093974	0.095000
5	Federal Taxable Income		0.895230	0.905000
6	Federal Income Tax	35.0000%	0.313331	0.316750
7	Operating Income		0.581899	0.588250
8	Gross Revenue Conversion Factor Per Order		1.718511	1.699958

Ameren Illinois Company-Gas Rate Case RZ II

Adjustment to Cash Working Capital

For the Year Ending December 31, 2014
(In Thousands)

Line	Item (a)	Amount (b)	Lag (Lead) (c)	CWC Factor (d) (c/365)	CWC Requirement (e) (b*d)	Column b Source (f)
1	Revenues	$ 167,304	49.74	0.13627	$ 22,799	Appendix B, Page 11, Column (b), Line 7
2	Pass-through Taxes	9,856	-	0.00000	-	Lines 12+14+15+17
3	Total Receipts	$ 177,160			$ 22,799	Line 1 + Line 2
4	Employee Benefits	$ 4,913	(15.97)	(0.04375)	$ (215)	Appendix B, Page 12, Column (b), Line 3
5	Base Payroll and Withholdings	17,605	(11.39)	(0.03121)	(550)	Appendix B, Page 12, Column (b), Line 6
6	PGA Purchases	100,821	(39.23)	(0.10748)	(10,836)	
7	Other Operations and Maintenance	23,817	(48.87)	(0.13389)	(3,189)	Appendix B, Page 11, Column (b), Line 17
8	FICA	1,376	(13.13)	(0.03597)	(49)	Appendix B, Page 12, Column (b), Line 9
9	Federal Unemployment Tax	25	(76.38)	(0.20925)	(5)	
10	State Unemployment Tax	89	(76.38)	(0.20925)	(19)	
11	St. Louis Payroll Expense Tax	1	(83.51)	(0.22880)	-	
12	ICC Gross Revenue Tax	174	65.50	0.17945	31	
13	Illinois Invested Capital Tax	2,296	(30.13)	(0.08253)	(189)	
14	Municipal Utility Tax	2,874	(45.63)	(0.12501)	(359)	
15	Energy Assistance Charges	2,111	(41.84)	(0.11463)	(242)	
16	Corporation Franchise Tax	140	(161.97)	(0.44375)	(62)	
17	Illinois Gas Use and Gas Revenue Tax	4,697	(29.79)	(0.08162)	(383)	
18	Property/Real Estate Taxes	529	(375.08)	(1.02763)	(544)	
19	Interest Expense	7,365	(91.25)	(0.25000)	(1,841)	Appendix B, Page 8, Line 5 less Bank Facility Costs
20	Bank Facility Costs	148	156.59	0.42900	63	
21	State Income Tax	2,015	(37.88)	(0.10377)	(209)	Appendix B, Page 1, Column (k), Line 17
22	Federal Income Tax	6,724	(37.88)	(0.10377)	(698)	Appendix B, Page 1, Column (k), Line 18
23	Total Outlays	$ 177,720			$ (19,296)	Sum of Lines 4 through 22
24	Cash Working Capital per Order				$ 3,503	Line 3 plus line 23
25	Cash Working Capital per Company				4,554	Ameren Ex. 17.2, Schedule 2, p. 3
26	Difference -- Adjustment per Order				$ (1,051)	Line 24 minus Line 25

Note: Amount is from Ameren Ex. 17.2, Schedule 2, p. 3, Column (B) except where noted in "Source" column
Lag (Lead) is from Ameren Ex. 17.1, Schedule 2, p. 3, Column (C) except lines 14, 15 and 17 which are from ICC Staff Ex. 11.0, pp. 6 - 10

Ameren Illinois Company-Gas Rate Case RZ II

Adjustment to Cash Working Capital

For the Year Ending December 31, 2014
(In Thousands)

Line	Item (a)	Amount (b)	Source (c)
1	Total Operating Revenues	$ 91,315	Appendix B, Page 1, Column (k), Line 3
2	Uncollectible Accounts	(986)	Appendix B, Page 1, Column (k), Line 4
3	Depreciation & Amortization	(11,536)	Appendix B, Page 1, Column (k), Line 12
4	PGA	100,821	ICC Staff Ex. 11.0, Sch. 11.01, p. 1, Line 6
5	Deferred Taxes and ITCs Net	79	Appendix B, Page 1, Column (k), Line 19
6	Return on Equity	(12,389)	Line 10 below
7	Total Revenues for CWC Calculation	$ 167,304	Sum of Lines 1 through 6
8	Total Rate Base	$ 245,804	Appendix B, Page 5, Column (d), Line 23
9	Weighted Cost of Equity	5.040%	Per Order
10	Return on Equity	$ 12,389	Line 8 times Line 9
11	Operating Expense Before Income Taxes	$ 63,313	Appendix B, Page 1, Column (k), Line 16
12	Employee Benefits Expense	(4,913)	Appendix B, Page 12, Column (b), Line 3
13	Payroll Expense	(17,605)	Appendix B, Page 12, Column (b), Line 6
14	Uncollectible Accounts	(986)	Appendix B, Page 1, Column (k), Line 4
15	Depreciation & Amortization	(11,536)	Appendix B, Page 1, Column (k), Line 12
16	Taxes Other Than Income	(4,456)	Appendix B, Page 10, Column (b), Lines 8 - 11, 13, 16 & 18
17	Other Operations & Maintenance for CWC Calculation	$ 23,817	Sum of Lines 10 through 16

Ameren Illinois Company-Gas Rate Case RZ I

Adjustment to Cash Working Capital

For the Year Ending December 31, 2014
(In Thousands)

Line	Item (a)	Amount (b)	Source (c)
1	Employee Benefits per Company Filing	$ 5,919	Ameren Ex. 17.1, Schedule 2, p. 3, Column (B)
2	Employee Benefits Adjustment	(1,006)	Appendix B, Page 2, Column (g), Line 11
3	Employee Benefits per Order	4,913	Line 1 + Line 2
4	Base Payroll and Withholdings per Company Filing	17,653	Ameren Ex. 17.1, Schedule 2, p. 3, Column (B)
5	Non-Union Wage Increase Adjustment	(48)	Appendix B, Page 2, Column (e), Line 11
6	Base Payroll and Withholdings per Order	$ 17,605	Line 4 + Line 5
7	FICA per Company Filing	$ 1,381	Ameren Ex. 17.1, Schedule 2, p. 3, Column (B)
8	Non-Union Wage Increase Adjustment	(5)	Appendix B, Page 2, Column (e), Line 13
9	FICA per Order	$ 1,376	Line 7 + Line 8