

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	\$ (4,355)	\$ 89,471	\$ 26	\$ 89,497
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	(4,355)	90,545	26	90,571
4	Uncollectible Accounts	826	2	828	197	-	1,025	(47)	978	-	978
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	9	1,023	-	-	1,023	-	1,023	-	1,023
9	Distribution Expenses	20,367	155	20,522	-	-	20,522	-	20,522	-	20,522
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	(1,059)	63,276	197	-	63,473	(47)	63,426	-	63,426
17	State Income Tax	444	128	572	1,713	-	2,285	(409)	1,876	2	1,878
18	Federal Income Tax	1,481	427	1,908	5,713	-	7,621	(1,365)	6,256	8	6,264
19	Deferred Taxes and ITCs Net	(79)	-	(79)	-	-	(79)	-	(79)	-	(79)
20	Total Operating Expenses	66,181	(504)	65,677	7,623	-	73,300	(1,821)	71,479		71,489
21	NET OPERATING INCOME	\$ 10,371	\$ 620	\$ 10,991	\$ 10,609	\$ -	\$ 21,600	\$ (2,534)	\$ 19,066	\$ 15	\$ 19,081
22	Rate Base (Appendix B, Page 5)								\$ 245,901		
23	Overall Rate of Return (per Order)								7.75%		
24	Non-Used and Useful Investment (Ameren Ex. 2.2, Sch 1)										489
25	Rate of Return Excluding Common Equity Return (per Order)										3.06%
26	Revenue Change from Co. Rebuttal Present (with and without Hillsboro Used & Useful) (Cols. (i) and (k), Line 3 minus Col. (d), Line 3)								\$ 13,877		\$ 13,903
27	Percentage Revenue Change (Cols. (i) and (h), Line 26 divided by Col. (d), Line 3)								18.10%		18.13%

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	-	(35)	1	(53)	(28)	(1,006)	-	(1,121)
16	Before Income Taxes	-	(35)	1	(53)	(28)	(1,006)	-	(1,121)
17	State Income Tax	16	3	-	5	3	96	-	123
18	Federal Income Tax	54	11	-	17	9	319	-	410
19	Deferred Taxes and ITCs Net	-	-	-	-	-	-	-	-
20	Total Operating Expenses	70	(21)	1	(31)	(16)	(591)	-	(588)
21	NET OPERATING INCOME	<u>\$ (70)</u>	<u>\$ 21</u>	<u>\$ (1)</u>	<u>\$ 31</u>	<u>\$ 16</u>	<u>\$ 591</u>	<u>\$ -</u>	<u>\$ 588</u>

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 2)	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	123	11	10	-	-	7	(17)	134
18	Federal Income Tax	410	36	35	-	-	24	(57)	448
19	Deferred Taxes and ITCs Net	-	-	-	-	-	-	-	-
20	Total Operating Expenses	(588)	48	(65)	-	-	(46)	107	(544)
21	NET OPERATING INCOME	\$ 588	\$ 68	\$ 65	\$ -	\$ -	\$ 46	\$ (107)	\$ 660

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)	EAM/MWM Software (Per Order)	(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	-	-	-	9
9	Distribution Expenses	97	(41)	(13)	112	-	-	-	155
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)	121	-	-	-	(1,059)
17	State Income Tax	134	4	1	(11)	-	-	-	128
18	Federal Income Tax	448	13	4	(38)	-	-	-	427
19	Deferred Taxes and ITCs Net	-	-	-	-	-	-	-	-
20	Total Operating Expenses	(544)	(24)	(8)	72	-	-	-	(504)
21	NET OPERATING INCOME	\$ 660	\$ 24	\$ 8	\$ (72)	\$ -	\$ -	\$ -	\$ 620

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	(954)	3,600
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	<u>\$ 246,341</u>	<u>\$ (440)</u>	<u>\$ 245,901</u>

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. 11.05)	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	(954)	-	-	-	-	-	-	(954)
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	<u>\$ (954)</u>	<u>\$ -</u>	<u>\$ (22)</u>	<u>\$ (131)</u>	<u>\$ 667</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (440)</u>

Ameren Illinois Company Gas Rate Zone II
Revenue Effect of Adjustments
For the Test Year Ending December 31, 2014
(In Thousands)

Line No.	Description (a)	Per Company (b)	Adjustments (c)	Per Order (d)
1	Present Revenues	\$ 76,552	\$ 116	\$ 76,668
2	Proposed Increase	<u>18,232</u>	<u>(4,329)</u>	<u>13,903</u>
3	Proposed Revenues	<u>\$ 94,784</u>	<u>\$ (4,213)</u>	<u>\$ 90,571</u>
4	% Increase	23.82%		18.13%
5	Staff Adjustments:			
6	Rate of Return (Applied to Company Rate Base)		(3,231)	
7	Employee Benefits		(1,031)	
8	Advertising Expense		(112)	
9	Cash Working Capital		(107)	
10	Corrosion Control		(79)	
11	Non-Union Wage Increase		(55)	
12	JULIE Locate Requests		(41)	
13	Charitable Contributions		(36)	
14	Outside Professional Services		(27)	
15	Sewer Cross Bore Inspections		(13)	
16	Rounding		(3)	
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	Used & Useful		26	
25	Interest Synchronization		111	
26	EAM/MWM Software		124	
27	SVT Program		<u>259</u>	
28	Total Revenue Effect of Adjustments		<u>\$ (4,213)</u>	
 <u>Reconciliation to Appendix B, Page 1</u>				
29	Column (c), line 3		\$ 116	
30	Column (h), line 3		(4,355)	
31	Column (j), line 3		<u>26</u>	
32	Total Revenue Effect of Adjustments		<u>\$ (4,213)</u>	

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

Line No.	Description (a)	Amount (b)
1	Rate Base	\$ 245,901 (1)
2	Hillsboro Used and Useful Allowance	<u>489</u> (2)
3	Rate Base Including Hillsboro Storage Field	246,390
4	Weighted Cost of Debt	2.99% (3)
5	Synchronized Interest Per Order	7,375
6	Company Interest Expense	<u>7,544</u> (4)
7	Increase (Decrease) in Interest Expense	<u>(169)</u>
8	Increase (Decrease) in State Income Tax Expense	
9	at 9.500%	<u>\$ 16</u>
10	Increase (Decrease) in Federal Income Tax Expense	
11	at 35.000%	<u>\$ 54</u>

(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%	<u>0.010796</u>	
3	State Taxable Income		0.989204	1.000000
4	State Income Tax	9.5000%	<u>0.093974</u>	<u>0.095000</u>
5	Federal Taxable Income		0.895230	0.905000
6	Federal Income Tax	35.0000%	<u>0.313331</u>	<u>0.316750</u>
7	Operating Income		<u>0.581899</u>	<u>0.588250</u>
8	Gross Revenue Conversion Factor Per Order		<u>1.718511</u>	<u>1.699958</u>

Ameren Illinois Company-Gas Rate Case RZ II
Adjustment to Cash Working Capital
For the Year Ending December 31, 2014
(In Thousands)

<u>Line</u>	<u>Item</u> (a)	<u>Amount</u> (b)	<u>Lag (Lead)</u> (c)	<u>CWC Factor</u> (d) (c/365)	<u>CWC Requirement</u> (e) (b*d)	<u>Column b Source</u> (f)
1	Revenues	\$ 167,424	49.74	0.13627	\$ 22,816	Appendix B, Page 11, Column (b), Line 7
2	Pass-through Taxes	9,856	-	0.00000	-	Lines 12+14+15+17
3	Total Receipts	<u>\$ 177,280</u>			<u>\$ 22,816</u>	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	23,938	(48.87)	(0.13389)	(3,205)	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	7,227	(91.25)	(0.25000)	(1,807)	Appendix B, Page 8, Line 5 less Bank Facility Costs
20	Bank Facility Costs	148	156.59	0.42900	63	
21	State Income Tax	1,878	(37.88)	(0.10377)	(195)	Appendix B, Page 1, Column (k), Line 17
22	Federal Income Tax	6,264	(37.88)	(0.10377)	(650)	Appendix B, Page 1, Column (k), Line 18
23	Total Outlays	<u>\$ 177,106</u>			<u>\$ (19,216)</u>	Sum of Lines 4 through 22
24	Cash Working Capital per Order				\$ 3,600	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				<u>\$ (954)</u>	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)

<u>Line</u>	<u>Item</u> (a)	<u>Amount</u> (b)	<u>Source</u> (c)
1	Total Operating Revenues	\$ 90,571	Appendix B, Page 1, Column (k), Line 3
2	Uncollectible Accounts	(978)	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	(11,533)	Line 10 below
7	Total Revenues for CWC Calculation	<u>\$ 167,424</u>	Sum of Lines 1 through 6
8	Total Rate Base	\$ 245,901	Appendix B, Page 5, Column (d), Line 23
9	Weighted Cost of Equity	4.690%	Per Order
10	Return on Equity	<u>\$ 11,533</u>	Line 8 times Line 9
11	Operating Expense Before Income Taxes	\$ 63,426	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	(978)	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	<u>\$ 23,938</u>	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)

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