Ameren Illinois

Schedule D-2
e) Supporting work papers and documents

1) Formulas used to set interest rates on variable and adjustable rate issues

The interest rates for all utility money pool loans are calculated as follows:

a) If the source of pool funds are exclusively from *internal* sources than the rate equals the CD yield equivalent of the 30-day Federal Reserve "AA" Non-Financial commercial paper composite rate.
b) If the source of pool funds are exclusively from *external* sources than the interest rate is equal to the lending party's cost of such external funds.
c) If both *internal and external* sources make up available pool funds than the rate charged on pool loans equal a weighted average blend of a) and b) based on the proportion of each that make up the blend.

Please see WP (D-2) 1 Attach 1

The interest rates for all bank loans are calculated as follows:

Borrowing rates are calculated by adding a spread to the appropriate Libor rate—a rate that is set and fixed two days prior to the date the loan is drawn. The Libor spreads are listed in the table under the heading "Pricing Schedule" on the attached pages and are dependent on the obligor's "level status" (I, II, III, IV, V or VI). This level status is solely based on the obligor's credit rating. Since these facilities are unsecured, ratings are according to each utility's unsecured ratings (AIC currently Baa1/BBB+ which corresponds to a Level II status). Once loans are drawn and priced the appropriate Libor rate (generally 1 mo., 3 mo. or 6 mo. LIBOR) is fixed for the entirety of the loan while the spread based on the level status is subject to revision during the life of the loan.

Please see WP (D-2) 1 Attach 2 for pricing schedule.

2) Portions of documents describing the manner by which interest rates on variable and adjustable rate debt issues are set (e.g., loan agreements).

See attached pages WP (D-2) 1 Attach 1 and WP (D-2) 1 Attach 2.

3) Documents supporting all interest rates

See attached pages

4) A description of company policy regarding short-term financing, including its uses, sources (e.g., commercial paper, bank loans, and lines of credit) and limitations (i.e., amount relative to total capital).

Ameren Illinois utilizes short-term debt to support normal operations and other temporary cash requirements. The company has FERC authority of $1 billion for the issuance of short-term unsecured debt instruments. Short-term borrowings in the past have generally consisted of overnight intercompany utility money pool borrowings and direct borrowings under credit facilities. Currently, Ameren Illinois has access to a $1.1 billion credit facility from which it is eligible to borrow the up to a maximum of $800 million. Ameren Corporation is the only other borrower in the facility and is subject to a $300 million sublimit. The facility is unsecured.

5) Formulas and rates of return the company uses to calculate AFUDC rates.

The information requested is contained in Schedule B-7.2.