

**REBUTTAL TESTIMONY**

**of**

**MARY H. EVERSON**

**Accounting Department**

**Financial Analysis Division**

**Illinois Commerce Commission**

**Ameren Illinois Company d/b/a Ameren Illinois  
Rate MAP-P Modernization Action Plan – Pricing Annual Update Filing**

**Docket No. 14-0317**

**August 28, 2014**

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**Revenue Requirement Schedules**

Schedule 4.01 – Statement of Operating Income with Adjustments

Schedule 4.02 – Adjustments to Operating Income

Schedule 4.03 – Rate Base

Schedule 4.04 – Adjustments to Rate Base

Schedule 4.05 – Revenue Effect of Adjustments

Schedule 4.06 – Interest Synchronization Adjustment

Schedule 4.07 – Gross Revenue Conversion Factor

Schedule 4.08FY – Reconciliation Computation (Filing Year Only)

Schedule 4.09FY – ROE Collar Computation (Filing Year Only)

**Adjustment Schedule**

Schedule 4.10 – Cash Working Capital Adjustment

1 **Witness Identification**

2 **Q. Please state your name and business address.**

3 A. My name is Mary H. Everson. My business address is 527 East Capitol Avenue,  
4 Springfield, Illinois 62701.

5 **Q. Are you the same Mary H. Everson who previously provided direct**  
6 **testimony in this proceeding?**

7 A. Yes.

8 **Q. What is the purpose of your rebuttal testimony?**

9 **A.** I present the Staff of the Illinois Commerce Commission's ("Staff", "ICC" or  
10 "Commission") rebuttal revenue requirement schedules for Ameren Illinois  
11 Company ("AIC" or "Company"). These schedules start with the Company's  
12 rebuttal revenue requirement, and include Staff's adjustments thereto. I also  
13 present testimony responding to AIC witness Ronald D. Stafford and to AIC  
14 witness John P. Barud regarding AIC's recently completed Safety Awareness  
15 and Recognition Spending Guidelines.

16

17 **Q. Has AIC accepted any adjustments from your direct testimony?**

18 A. AIC witness Stafford accepted my adjustment to remove ADIT amounts for which  
19 there is no corresponding underlying rate base item.<sup>1</sup> AIC also noted its  
20 agreement with my recommendation to the Commission to include a table in the  
21 final order presenting the incremental plant additions in compliance with Section

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<sup>1</sup> Ameren Ex. 13.0 (Rev.), 3:57-65

22 16-108.5(b)(2) of the Public Utilities Act (“Act” or “PUA”) and the Commission’s  
23 order in Docket No. 12-0293.<sup>2</sup>

24 **Q. Are you sponsoring any schedules with your rebuttal testimony?**

25 A. Yes. I prepared the following schedules for the Company, which show data for  
26 2013:

27 **Revenue Requirement Schedules**

28 Schedule 4.01 – Statement of Operating Income with Adjustments

29 Schedule 4.02 – Adjustments to Operating Income

30 Schedule 4.03 – Rate Base

31 Schedule 4.04 – Adjustments to Rate Base

32 Schedule 4.05 – Revenue Effect of Adjustments

33 Schedule 4.06 – Interest Synchronization Adjustment

34 Schedule 4.07 – Gross Revenue Conversion Factor

35 Schedule 4.08FY – Reconciliation Computation (Filing Year Only)

36 Schedule 4.09FY – ROE Collar Computation (Filing Year Only)

37 **Adjustment Schedules**

38 Schedule 4.10 – Cash Working Capital Adjustment

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<sup>2</sup> Ameren Ex. 13.0 (Rev.), 4:71-72.

39 **Q. Do you have a comment regarding your presentation of the Staff proposed**  
40 **revenue requirement?**

41 A. Yes. The Staff proposed revenue requirement for the filing year (“FY”) ending  
42 December 31, 2013 includes: (a) a reconciliation amount for the actual revenue  
43 requirement compared to the revenue requirement that was reflected in delivery  
44 service charges applied during 2013; and (b) the Return on Equity (“ROE”) collar  
45 calculation.

46 **Q. Please explain the differences between the two proposed revenue**  
47 **requirements you are presenting.**

48 A. The Statement of Operating Income with Adjustments for the filing year ending  
49 December 31, 2013, Schedule 4.01FY, presents the revenue requirement that is  
50 the basis for delivery service charges beginning in January 2015. The schedule  
51 has an additional column (j) entitled “Staff Proposed Net Revenue Requirement.”  
52 The column is necessary to show the inputs for the amount representing the  
53 Reconciliation Adjustment from Schedule 4.08FY and the amount representing  
54 the ROE Collar Adjustment from Schedule 4.09FY.

55 The letters that follow the schedule numbers indicate to which revenue  
56 requirement the respective schedule pertains. The letters FY indicate the filing  
57 year revenue requirement on which delivery service rates effective January 2015  
58 will be based. The letters RY indicate the reconciliation year revenue

59 requirement, which is the actual revenue requirement for 2013, as adjusted by  
60 Staff.

61 **Revenue Requirement Schedules**

62 **Q. Please describe ICC Staff Ex. 4.0, Schedule 4.01, Statement of Operating**  
63 **Income with Adjustments.**

64 A. Schedule 4.01 derives the required revenue at the Staff proposed rate of return  
65 with Staff's adjustments. It is the same schedule as ICC Staff Exhibit 1.0 (2<sup>nd</sup>  
66 Rev.), Schedule 1.01, except that it incorporates Company and Staff rebuttal  
67 positions.

68 **Q. Please describe Schedule 4.02, Adjustments to Operating Income.**

69 A. Schedule 4.02 identifies Staff's adjustments to Operating Income. The source of  
70 each adjustment is shown in the heading of each column. The final column of  
71 Schedule 4.02 is carried forward to Schedule 4.01, column (c).

72 **Q. Please describe Schedule 4.03, Rate Base.**

73 A. Schedule 4.03 compiles Staff's proposed rate base. It is the same as ICC Staff  
74 Exhibit 1.0 (2<sup>nd</sup> Rev.), Schedule 1.03, except that it incorporates Company and  
75 Staff rebuttal positions.

76 **Q. Please describe Schedule 4.04, Adjustments to Rate Base.**

77 A. Schedule 4.04 identifies Staff's adjustments to rate base. The source of each  
78 adjustment is shown in the heading of each column. The last column of the  
79 schedule is carried forward to the corresponding Schedule 4.03, column (c).

80 **Revenue Effect of Adjustments**

81 **Q. Please describe Schedule 4.05, Revenue Effect of Adjustments.**

82 A. Schedule 4.05 uses the same concept as ICC Staff Exhibit 1.0 (2<sup>nd</sup> Rev.)  
83 Schedule 1.05. The theory is discussed on ICC Staff Exhibit 1.0 (2<sup>nd</sup> Rev.), page  
84 5.

85 **Interest Synchronization**

86 **Q. Please explain Schedule 4.06, Interest Synchronization Adjustment.**

87 A. Schedule 4.06 uses the same concept as ICC Staff Exhibit 1.0 (2<sup>nd</sup> Rev.)  
88 Schedule 1.06. The theory is discussed on ICC Staff Exhibit 1.0 (2<sup>nd</sup> Rev.), page  
89 6.

90 **Gross Revenue Conversion Factor**

91 **Q. What is the purpose of Schedule 4.07, Gross Revenue Conversion Factor?**

92 A. Schedule 4.07 uses the same concept as ICC Staff Exhibit 1.0 (2<sup>nd</sup> Rev.)  
93 Schedule 1.07. The theory is discussed on ICC Staff Exhibit 1.0 (2<sup>nd</sup> Rev.), page  
94 6.

95 **Reconciliation Computation (Filing Year Only)**

96 **Q. Please describe Schedule 4.08FY, Reconciliation Computation.**

97 A. Schedule 4.08FY uses the same concept as ICC Staff Exhibit 1.0 (2<sup>nd</sup> Rev.),  
98 Schedule 1.08FY. The theory is discussed on ICC Staff Exhibit 1.0 (2<sup>nd</sup> Rev.),  
99 page 7. The Company did not take issue with the mechanics of the computation,  
100 although it did not agree with the total amount of each adjustment. However, the  
101 final inputs should reflect the Commission conclusions on all issues.

102 **Q. How does your Reconciliation Computation on Schedule 4.08FY differ from**  
103 **the Company Schedule FR A-4 as presented in Ameren Exhibit 13.1, page**  
104 **6?**

105 A. My Reconciliation Computation provides different inputs for the rate year revenue  
106 requirement since it includes Staff's adjustments to the 2013 rate year operating  
107 statement and rate base presented by the Company. The Company's Schedule  
108 does not reflect Staff's adjustments.

109 **ROE Collar Calculation**

110 **Q. Please describe Schedule 4.09FY, ROE Collar Computation (Filing Year**  
111 **Only).**

112 A. Schedule 4.09FY uses the same concept as ICC Staff Exhibit 1.0 (2<sup>nd</sup> Rev.),  
113 Schedule 1.09FY. The theory is discussed on ICC Staff Exhibit 1.0 (2<sup>nd</sup> Rev.),  
114 beginning on pages 7-8. The Company did not take issue with the mechanics of

115 the computation, although the Company did not agree with the total amount of  
116 each adjustment. The final inputs should reflect the Commission conclusions on  
117 all issues.

118 **Cash Working Capital Adjustment**

119 **Q. Please describe Schedule 4.10, Cash Working Capital Adjustment.**

120 A. Schedule 4.10 presents the adjustment to Cash Working Capital (“CWC”) to  
121 reflect Staff’s proposed level of operating expenses rather than the Company’s  
122 proposed level of operating expenses and to include the values for current  
123 federal and state income taxes that are included in the revenue requirement.

124 The only issue concerning CWC is the consideration of current federal and state  
125 income taxes in the CWC calculation. My rebuttal position includes the negative  
126 value for current federal income tax as represented by AIC; my direct position  
127 reflected zero as the value for both current and deferred federal income taxes in  
128 the CWC calculation. Thus, my rebuttal position agrees with the methodology  
129 presented in the Company’s rebuttal testimony.

130 My rebuttal position is not consistent with Attorney General (“AG”) witness  
131 Brosch’s CWC calculation that includes zero as the value representing current  
132 income tax in the calculation when the current income tax is negative.

133 However, I disagree with the Company’s presentation of a single amount of  
134 current income taxes in the CWC calculation. I recommend that in future formula

135 rate proceedings the Company separately identify the current federal and state  
136 income taxes in the CWC calculation rather than presenting a combined total of  
137 the two amounts.

138 **Q. Why did you change your position presented in direct testimony and**  
139 **include the positive or negative values for current federal and state income**  
140 **taxes in the CWC calculation?**

141 A. After assessing the arguments asserted by AIC witness Stafford in his rebuttal  
142 testimony, I obtained a clearer interpretation of the intent of the Commission's  
143 Order in Docket No. 13-0301. That Order supports the removal of deferred  
144 income tax expense and the inclusion of current income tax expense in the CWC  
145 calculation regardless of whether the value is positive or negative.<sup>3</sup>

146 **Q. AG witness Brosch proposes eliminating a CWC allowance for current income**  
147 **tax expense in situations where the Company has negative current tax expense**  
148 **since there are no related cash flow outflows. Please comment.**

149 A. The AG proposed this adjustment in AIC's previous formula rate case, arguing in part  
150 that AIC's calculation of CWC produced different results than Commonwealth Edison's  
151 ("ComEd") calculation of CWC in similar circumstances.<sup>4</sup> The Commission Order in  
152 Docket No. 13-0301 stated:

153 The Commission also notes that under similar income tax  
154 circumstances, ComEd ratepayers do not contribute to

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<sup>3</sup> Docket No. 13-0301, Final Order, p. 16

<sup>4</sup> Docket No. 13-0301, AG Ex. 1.0C, 29:633-637

155 CWC. Although AIC argues that it and ComEd calculate  
156 income taxes differently, **there appears to the Commission**  
157 **to be no justifiable reason presented to continue this**  
158 **disparate treatment between the two utilities.** The  
159 Commission therefore finds that is appropriate, based on the  
160 evidence presented in this proceeding, to adopt the AG's  
161 proposed adjustment on this issue.

162 Ameren Illinois Co., ICC Order Docket No. 13-0301, 16 (Dec. 9, 2013) (emphasis  
163 added). Mr. Brosch argues that, in this case, AIC's treatment of current income  
164 taxes is not in compliance with the Commission's Order in Docket No. 13-0301,  
165 since AIC includes a negative income tax amount in its calculation of CWC. Mr.  
166 Brosch proposes replacing the negative value representing current income tax  
167 expense with a zero.<sup>5</sup>

168 **Q. Do you agree with Mr. Brosch that the Commission's intent to eliminate the**  
169 **disparity in the CWC calculation between ComEd and AIC would result in**  
170 **replacing the negative value of income taxes with a zero?**

171 A. No. The Commission's stated intent in its conclusion, approving the AG position  
172 in Docket No. 13-0301, was to eliminate the disparity in the CWC calculations of  
173 ComEd and AIC. My review of the final calculation of CWC in ComEd Docket No.  
174 13-0318 showed that deferred taxes are removed from the revenues used in the  
175 calculation of CWC and that current state and federal income tax expenses, one  
176 of which was negative, were included.<sup>6</sup> AIC's treatment of deferred and current  
177 income taxes in the CWC calculation in Exhibit 13.1, App 3, is consistent with the

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<sup>5</sup> AG Ex. 1.0, 22-23:494-523

<sup>6</sup> Commonwealth Edison Co., ICC Docket No. 13-0318, Appendix A, Schedule 10 FY, column (b), lines 29-30

178 CWC calculation in ComEd's in Docket No. 13-0318.<sup>7</sup> Thus, inclusion of negative  
179 value for income tax expense by AIC is in compliance with the Commission's  
180 conclusion in Docket No. 13-0301 regarding the need to align AIC and ComEd's  
181 CWC calculations.

182 **Q. Do you have a recommendation about AIC's use of one value for current**  
183 **income taxes in the CWC calculation rather than separately identifying the**  
184 **amounts for current state and federal income tax expense in the CWC**  
185 **calculation?**

186 A. Yes. AIC's CWC calculation shows only one value for current income taxes.  
187 Current state and federal income taxes should be identified separately on App 3  
188 and on the Part 285 Excel schedules for increased transparency. AIC is including  
189 negative current income tax expense amount in the CWC calculation, but current  
190 state and federal income tax expense should be identified separately as I have  
191 done in Schedules 4.10FY and RY.

192 **AIC's Safety Awareness and Recognition Guidelines**

193 **Q. How did AIC respond to your comments on AIC's Safety Awareness and**  
194 **Recognition Guidelines ("Guidelines")?**

195 A. AIC witness John Barud provided a copy of AIC's recently completed Guidelines  
196 with his rebuttal testimony, Ameren Exhibit 17.0, Ameren Exhibit 17.1.

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<sup>7</sup> Id.

197 **Q. One area of concern you noted in your direct testimony was that the**  
198 **Guidelines as presented in AIC's direct filing contained no details that**  
199 **addressed long term awards and, therefore, you considered the Guidelines**  
200 **incomplete. Has AIC provided a complete policy with its rebuttal filing?**

201 A. Yes. AIC has added details addressing long term departmental awards and  
202 recognition. The Guidelines now include details regarding department recognition  
203 for long term accomplishments, which were the missing components in the policy  
204 provided in direct testimony.<sup>8</sup>

205 **Q. Do the completed Guidelines represent a company-wide policy regarding**  
206 **safety-related awards and recognition?**

207 A. Yes. The Guidelines contain a complete set of safety requirements necessary for  
208 individuals or departments to achieve to receive an award or recognition which is  
209 administered by a centralized department.<sup>9</sup> The Guidelines discuss the safety  
210 record, such as no recordable injuries that are necessary to qualify for awards,  
211 and the Guidelines set forth the types of items or events that are allowable as  
212 awards. The Guidelines specify that administration of the individual safety  
213 program rests with the Safety Department, and long term departmental  
214 recognition is reviewed quarterly by Senior Directors, Directors and the Safety  
215 Department. The Guidelines also specify the accounts to be used to record  
216 safety expenses.

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<sup>8</sup> Id.

<sup>9</sup> Ameren Ex. 17.1

217 **Q. In your direct testimony, you noted another concern that AIC's Guidelines**  
218 **represent a duplicative layer of compensation beyond normal wages and**  
219 **the safety-related incentive compensation allowed under Section 16-**  
220 **108.5(c)(4)(A) of the PUA. Have the Company's completed and revised**  
221 **Guidelines addressed this concern?**

222 **A. No. In my direct testimony, I noted that the Commission, in Docket No. 13-0301,**  
223 **had expressed this concern, stating:**

224 **Generally, AIC believes such purchases are reasonable and**  
225 **prudent because they supposedly encourage employees and**  
226 **contractors to work safely and recognize them for their efforts**  
227 **when they do so. **Such incentives and rewards, however,****  
228 **serve the same purpose as safety related incentive**  
229 **compensation programs. AIC already recovers safety**  
230 **related incentive compensation expenses under Section**  
231 **16-216 108.5(c)(4)(A) of the Act.**  
232

233

234 Ameren Illinois Co., ICC Order Docket No. 13-0301, 59-60 (Dec. 9, 2013)  
235 (emphasis added). The awards and recognition provided for in the Guidelines still  
236 represent a duplicative layer of compensation beyond base pay and safety-  
237 related incentive compensation. AIC witness Barud states that AIC considers the  
238 Guidelines to be different from the safety incentive compensation addressed in  
239 AIC's direct testimony.<sup>10</sup> The Guidelines do not address this area of concern.

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<sup>10</sup> Ameren Ex. 17.0, 8:158-163 (citing Ameren Ex. 10.0, p. 13-16)

240 **Q. Are you recommending that the Commission require AIC to eliminate**  
241 **safety awards and recognition spending in this policy?**

242 A. No. Whether the Company offers additional compensation to encourage  
243 employees to work in a safe manner is a management decision. However, the  
244 recoverability from ratepayers of duplicative levels of compensation is a  
245 Commission decision. Due to the Commission's concern regarding the  
246 duplicative level of compensation that these expenses represent, I recommend  
247 this type of expense category be closely reviewed in future rate proceedings,  
248 regardless of whether spending is in or out of compliance with the Guidelines.

249 **Q. Are safety-related award or recognition expenses an issue in this case?**

250 A. No. Since the safety-related spending in 2013 is included in the credit card  
251 disallowance<sup>11</sup>, the level of safety-related expenses are not an issue in this case,  
252 so no further disallowance in this case is necessary.

253 **Q. Do you have any objection to the Commission approving the Safety**  
254 **Awareness and Recognition Spending Guidelines policy?**

255 A. No, subject to the Commission's stated concern in its Docket No. 13-0301 Order  
256 regarding the duplicative incentive payments that this policy governs. That is,  
257 approval of the Guidelines should not carry the presumption that future safety  
258 awards to be given pursuant to this policy are recoverable from ratepayers.

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<sup>11</sup> Ameren Ex. 9.0, 15:336-340

259 **Q. Do you have a recommendation for language related to future**  
260 **recoverability of safety awards to be included in the order in this case?**

261 A. Yes. I recommend that the Commission, in its Order in this case, include the  
262 following language: "Commission approval of the Guidelines does not carry the  
263 presumption that future safety awards to be given pursuant to this policy are  
264 recoverable from ratepayers."

265 **Original Cost Determination**

266 **Q. Did AIC have any comment in rebuttal testimony regarding its request for**  
267 **an original cost determination?**

268 A. No. Since AIC did not respond, I consider the issue to be resolved. I affirm my  
269 recommendation to the Commission to include the following language in the  
270 Findings and Ordering paragraphs of its Order in this proceeding:

271 (x) the Commission, based on AIC's proposed original cost of  
272 plant in service as of December 31, 2013, before adjustments, of  
273 \$5,481,627,000 and reflecting the Commission's determination  
274 adjusting that figure, unconditionally approves \$5,481,627,000 as  
275 the composite original jurisdictional distribution services plant in  
276 service as of December 31, 2013.

277 **Conclusion**

278 **Q. Does this question end your prepared rebuttal testimony?**

279 A. Yes.

**Ameren Illinois Company**  
**Statement of Operating Income with Adjustments**  
For the Filing Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Company Pro Forma Present (Co. Sch. FR C-1)	Staff Adjustments (Schedule 4.02FY)	Pro Forma Present (Cols. b+c)	Company Proposed Increase (Co. Sch. C-1)	Gross Revenue Conversion Factor	Proposed Rates With Adjustments (Cols. d+e+f)	Adjustment To Proposed Increase	Operating Statement with Adjustments (Cols. g+h)	Net Revenue Requirement Per Staff
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	Operating Revenues	\$ 787,403	-	\$ 787,403	\$ 68,037	\$ 476	\$ 855,916	\$ (511)	\$ 855,405	\$ 855,405
2	Other Revenues	36,992	-	36,992	-	-	36,992	-	36,992	-
3	Reconciliation Adjustment	-	-	-	-	-	-	-	-	69,683
4	Return on Equity Collar Adjustment	-	-	-	-	-	-	-	-	-
5	Total Operating Revenue	824,395	-	824,395	68,037	476	892,908	(511)	892,397	\$ 925,088
6	Uncollectibles Expense	6,302	-	6,302	-	477	6,779	(4)	6,775	-
7	Distribution	212,589	-	212,589	-	-	212,589	-	212,589	-
8	Customer Accounts	39,877	-	39,877	-	-	39,877	-	39,877	-
9	Customer Services and Informational Services	5,363	-	5,363	-	-	5,363	-	5,363	-
10	Sales	-	-	-	-	-	-	-	-	-
11	Administrative and General	122,722	(7)	122,715	-	-	122,715	-	122,715	-
12	Depreciation and Amortization	194,495	-	194,495	-	-	194,495	-	194,495	-
13	Taxes Other Than Income	53,459	-	53,459	-	-	53,459	-	53,459	-
14	Regulatory Asset Amortization	3,397	-	3,397	-	-	3,397	-	3,397	-
15	Pension Asset Funding Cost	-	-	-	-	-	-	-	-	-
16	Other Expense Adjs	-	-	-	-	-	-	-	-	-
17	Total Operating Expense	-	-	-	-	-	-	-	-	-
18	Before Income Taxes	638,204	(7)	638,197	-	477	638,674	(4)	638,670	-
19	State Income Tax	(7,506)	2	(7,504)	6,464	(1)	(1,041)	(48)	(1,089)	-
20	Federal Income Tax	(25,025)	5	(25,020)	21,551	(1)	(3,470)	(161)	(3,631)	-
21	Deferred Taxes and ITCs Net	75,903	-	75,903	-	-	75,903	-	75,903	-
22	Total Operating Expenses	681,576	-	681,576	28,015	475	710,066	(213)	709,853	-
23	NET OPERATING INCOME	\$ 142,819	-	\$ 142,819	\$ 40,022	\$ 1	\$ 182,842	\$ (298)	\$ 182,544	-
24	Rate Base (Schedule 4.03, column (d), line 24)								\$ 2,260,709	
25	Overall Rate of Return									8.07%

	Operating Revenues	Other Revenues	Other Adjustments*	Total Revenues	Revenue Change	
Revenues in Docket No. 12-0001	\$ 779,280,000	\$ 31,337,000		\$ 810,617,000		
Revenues in Docket No. 12-0293	764,510,000	41,030,000		805,540,000	\$ (5,077,000)	Change in Revenues
Revenues in Docket No. 13-0301	787,565,000	40,735,000	(67,418,000)	760,882,000	(44,658,000)	% Change in Revenues
Revenues in Docket No. 14-0317	855,405,000	36,992,000	69,683,000	962,080,000	201,198,000	
Change in Total Revenues between Docket No. 12-0001 and Docket No. 14-0317					\$ 151,463,000	
* Reconciliation Adjustment and Collar Adjustment						
Docket No. 13-0301 Net Revenue Requirement	\$ 760,882,000	Final Order				
Net Revenue Requirement Per Staff	962,080,000					
Difference between 13-0301 and 14-0317	\$ 201,198,000					
Percentage Change between 13-0301 and 14-0317	26.44%					

**Ameren Illinois Company**  
**Adjustments to Operating Income**  
For the Filing Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Interest Synchronization (Staff Sch. 4.06FY)	Industry Association Dues (Staff Sch 5.01)	(Source )	(Source)	(Source)	(Source)	(Source)	Total Operating Statement Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Other Revenues	-	-	-	-	-	-	-	-
3	Reconciliation Adjustment	-	-	-	-	-	-	-	-
4	Return on Equity Collar Adjustment	-	-	-	-	-	-	-	-
5	Total Operating Revenue	-	-	-	-	-	-	-	-
6	Uncollectibles Expense	-	-	-	-	-	-	-	-
7	Distribution	-	-	-	-	-	-	-	-
8	Customer Accounts	-	-	-	-	-	-	-	-
9	Customer Services and Informational Services	-	-	-	-	-	-	-	-
10	Sales	-	-	-	-	-	-	-	-
11	Administrative and General	-	(7)	-	-	-	-	-	(7)
12	Depreciation and Amortization	-	-	-	-	-	-	-	-
13	Taxes Other Than Income	-	-	-	-	-	-	-	-
14	Regulatory Asset Amortization	-	-	-	-	-	-	-	-
15	Pension Asset Funding Cost	-	-	-	-	-	-	-	-
16	Other Expense Adjs	-	-	-	-	-	-	-	-
17	Total Operating Expense	-	-	-	-	-	-	-	-
18	Before Income Taxes	-	(7)	-	-	-	-	-	(7)
19	State Income Tax	1	1	-	-	-	-	-	2
20	Federal Income Tax	3	2	-	-	-	-	-	5
21	Deferred Taxes and ITCs Net	-	-	-	-	-	-	-	-
22	Total Operating Expenses	4	(4)	-	-	-	-	-	-
23	NET OPERATING INCOME	\$ (4)	\$ 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Ameren Illinois Company**  
**Rate Base**  
For the Filing Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Company Pro Forma Rate Base (Co. Sch. B-1)	Staff Adjustments (Staff Sch. 4.04FY)	Pro Forma Rate Base per Staff (Col. b+c)
	(a)	(b)	(c)	(d)
1	Distribution Plant	\$ 5,277,444	\$ -	\$ 5,277,444
2	G & I Plant	414,417	-	414,417
3	Accumulated Depreciation on Distribution Plant	(2,575,728)	-	(2,575,728)
4	Accumulated Depreciation on G & I Plant	(119,415)	-	(119,415)
5	Net Plant	2,996,718	-	2,996,718
6	Additions to Rate Base			
7	Materials and Supplies	43,635	-	43,635
8	Construction Work in Progress	731	-	731
9	Plant Held for Future Use	373	-	373
10	OPEB Liability	2,108	-	2,108
11	Cash Working Capital	8,052	(3)	8,049
12	Deferred Charges Greater Than \$3.7M	3,241	-	3,241
13	Other Deductions From Rate Base	(13,622)	-	(13,622)
14	Accumulated Deferred Income Taxes	(729,934)	-	(729,934)
15	Accrued Vacation Reserve	-	-	-
16		-	-	-
17		-	-	-
18	Accumulated Misc. Operating Provisions	-	-	-
19	Asset Retirement Obligation	-	-	-
20	Other Deferred Credits	-	-	-
21	Customer Advances	(22,691)	-	(22,691)
22	Customer Deposits	(27,899)	-	(27,899)
23		-	-	-
24	Rate Base	<u>\$ 2,260,712</u>	<u>\$ (3)</u>	<u>\$ 2,260,709</u>



**Ameren Illinois Company**  
**Revenue Effect of Adjustments**  
For the Filing Year Ending December 31, 2014  
(In Thousands)

Line No.	Description (a)	Per Company (b)	Adjustments (c)	Per Staff (d)
1	<b>Summary</b>			
2	Current Revenues	\$ 824,395		\$ 824,395
3	<b>Proposed Increase</b>	<b><u>68,037</u></b>	<b><u>(35) #</u></b>	<b><u>68,002</u></b>
4	Proposed Revenue Requirement	<u>\$ 892,432</u>	<u>\$ (35)</u>	<u>\$ 892,397</u>
5	<b>Percentage Increase</b>	<b>8.25%</b>	<b>0.00%</b>	<b>8.25%</b>
6	<b>Effect of Each Adjustment</b>			
7				
8				
9	Interest Synchronization		7	
10	Cash Working Capital		-	
11		-	-	
12		-	-	
13		-	-	
14		-	-	
15		-	-	
16		-	-	
17		-	-	
18		-	-	
19		-	-	
20		-	-	
21		-	-	
22	Industry Association Dues		(7)	
23		-	-	
24		-	-	
25		-	-	
26		-	-	
27		-	-	
28		-	-	
29		-	-	
30		-	-	
31		-	-	
32		-	-	
33				
34				
35	Rate of Return		\$ (509)	
36	Gross Revenue Conversion Factor		476	
37	Rounding		(2)	
38	<b>Effect of Adjustments</b>		<b><u>\$ (35) #</u></b>	
39	<b>Reconciliation to Staff Sch. 4.01FY</b>			
40	Column (c), line 5.		\$ -	
41	Column (f), line 5.		476	
42	Column (h), line 5.		(511)	
43	<b>Total Effect of Adjustments</b>		<b><u>\$ (35) #</u></b>	

Ameren Illinois Company  
 Interest Synchronization Adjustment  
 For the Filing Year Ending December 31, 2014  
 (In Thousands)

Line No.	Description (a)	Amount (b)
1	Rate Base	\$ 2,260,709 <sup>(1)</sup>
2	Weighted Cost of Debt	<u>3.28%</u> <sup>(2)</sup>
3	Synchronized Interest (Line 1 x Line 2)	74,142
4	Company Interest Expense	<u>74,151</u> <sup>(3)</sup>
5	Increase (Decrease) in Interest Expense	<u>(9)</u>
6	Increase (Decrease) in State Income Tax Expense	
7	at 9.500%	<u>\$ 1</u>
8	Increase (Decrease) in Federal Income Tax Expense	
9	at 35.000%	<u>\$ 3</u>

(1) Source: Staff Schedule 4.03FY, column (d), line 5  
 (2) Source: ICC Staff Exhibit 3.0  
 (3) Source: Ameren Schedule C-5.4, Filing Year, line 3

Ameren Illinois Company  
 Gross Revenue Conversion Factor  
 For the Filing Year Ending December 31, 2014  
 (In Thousands)

Line No.	Description	Rate	With Bad Debts	Without Bad Debts
	(a)	(b)	(c)	(d)
1	Revenues		1.000000	1.000000
2	Uncollectibles	0.6966%	<u>0.006966</u>	
3	State Taxable Income		0.993034	
4	State Income Tax	9.5000%	<u>0.094338</u>	<u>0.095000</u>
5	Federal Taxable Income		0.898696	0.905000
6	Federal Income Tax	35.0000%	<u>0.314544</u>	<u>0.316750</u>
7	Operating Income		<u>0.584152</u>	<u>0.588250</u>
8	Gross Revenue Conversion Factor (Line 1 / Line 7)		<u>1.711883</u>	<u>1.699958</u>

**Ameren Illinois Company**  
**Reconciliation Computation for the Year Ending December 31, 2013**  
**For the Filing Year Ending December 31, 2014**  
(In Thousands)

Line No.	Description	Source	Amt	(d)	(e)	(f)	(g)
	(a)	(b)	(c)				
1	Actual Revenue Requirement	Staff Ex. 4.0, Schedule 4.0RY, column (i), line 1	\$ 823,858				
2	Revenue Requirement in effect during Reconciliation Year	(1')	\$ 764,512				
3	Variance - Reconciliation Before Collar	(Ln 1) - (Ln 2)	\$ 59,346				
4	ROE Collar Adjustment	Schedule 4.09FY, Col (b), Ln 43	\$ -				
5	Variance with Collar	(Ln 3) + (Ln 4)	\$ 59,346				
6	Monthly Interest Rate	Sch FR D-1 Col D Ln 29/12	0.6730%				
			Variance	Interest Rate	Months	Interest	Surcharge (Refund)
			(Ln 5) / 12	Ln 6		(c) * (d * (e))	(c) + (f)
	2013						
7	January		\$ 4,946	0.6730%	11.5	\$ 383	\$ 5,328
8	February		4,946	0.6730%	10.5	349	5,295
9	March		4,946	0.6730%	9.5	316	5,262
10	April		4,946	0.6730%	8.5	283	5,228
11	May		4,946	0.6730%	7.5	250	5,195
12	June		4,946	0.6730%	6.5	216	5,162
13	July		4,946	0.6730%	5.5	183	5,129
14	August		4,946	0.6730%	4.5	150	5,095
15	September		4,946	0.6730%	3.5	116	5,062
16	October		4,946	0.6730%	2.5	83	5,029
17	November		4,946	0.6730%	1.5	50	4,995
18	December		4,946	0.6730%	0.5	17	4,962
19	Total	Sum of (Ln 7) thru (Ln 18)	\$ 59,346			\$ 2,396	\$ 61,742
			Balance	Interest Rate	Mons	Interest	Balance
				Ln 6		(c) * (d * (e))	(c) + (f)
	2014						
20	January - December	Col G Ln 19	\$ 61,742	0.6730%	12	\$ 4,986	\$ 66,728
			Balance	Interest Rate		Amort	Balance
				Ln 6		(2')	(c) + (c) * (d) - (f)
	2015						
21	Jan	Col G Ln 20	\$ 66,728	0.6730%		\$ 5,807	\$ 61,370
22	Feb	Col G Ln 21	61,370	0.6730%		5,807	55,976
23	Mar	Col G Ln 22	55,976	0.6730%		5,807	50,546
24	Apr	Col G Ln 23	50,546	0.6730%		5,807	45,080
25	May	Col G Ln 24	45,080	0.6730%		5,807	39,576
26	Jun	Col G Ln 25	39,576	0.6730%		5,807	34,035
27	Jul	Col G Ln 26	34,035	0.6730%		5,807	28,458
28	Aug	Col G Ln 27	28,458	0.6730%		5,807	22,842
29	Sep	Col G Ln 28	22,842	0.6730%		5,807	17,189
30	Oct	Col G Ln 29	17,189	0.6730%		5,807	11,498
31	Nov	Col G Ln 30	11,498	0.6730%		5,807	5,768
32	Dec	Col G Ln 31	5,768	0.6730%		5,807	(0)
33	Variance with Interest	Sum of (Ln 21) thru (Ln 32)				\$ 69,683	
34	Remove ROE Collar Adjustment (3')	Ln 4				\$ -	
35	Reconciliation with Interest	(Ln 33) - (Ln 34)				\$ 69,683	To Sch. 4.01

Note:

Calculated in accordance with Section 16-108.5 (d)(1) of the Act. Reconciliation for 2013 will reflect the amount shown on Sch. FR A-1 Ln 22 of the calculation used to determine revenue requirement in effect during the reconciliation year.

(1') (-1.0) \* (PMT((Ln 21 Col (d)),12,(Ln 20, Col (g)))

(3') Remove ROE Collar Adjustment from calculation as this amount is included on Schedule 4.01FY, Col (j), Ln 4.

**Ameren Illinois Company**  
ROE Collar Computation for the Year Ending December 31, 2013  
For the Filing Year Ending December 31, 2014  
(In Thousands)

Line No.	Description (a)	Amount (b)	Column (b) Source (c)
1	DS Rate Base	\$ 2,090,829	Staff Sch. 4.03RY, Column (d), Ln 24
	Capital Structure:		
2	Common Equity %	51.00%	Staff Ex. 3.0, p. 3
3	Preferred Stock%	1.60%	Staff Ex. 3.0, p. 3
4	Short-Term Debt %	0.00%	Staff Ex. 3.0, p. 3
5	Long-Term Debt %	47.41%	Staff Ex. 3.0, p. 3
6	DS Equity Balance	1,066,323	Ln 1 x Ln 2
7	DS Preferred Stock Balance	33,349	Ln 1 x Ln 3
8	DS Short-Term Debt Balance	-	Ln 1 x Ln 4
9	DS Long-Term Debt Balance	991,157	Ln 1 x Ln 5
10	Cost of Short-Term Debt (%)	0.00%	Staff Ex. 3.0, p. 3
11	Cost of Long-Term Debt (%)	6.80%	Staff Ex. 3.0, p. 3
12	Cost of Preferred Stock	4.98%	Staff Ex. 3.0, p. 3
13	DS Operating Revenue	\$ 819,989	FERC Form 1, p. 300, line 12 and Note (1')
14	[blank]		
	Accrued Reconciliation and Collar Revenues		
15	Included on Line 13	\$ 60,518	FERC Form 1, p. 300, line 12 and Note (1')
16	Updated Reconciliation Amount before Collar	\$ 59,346	Staff Sch. 4.08FY line 3
17	Other Revenue	\$ 36,992	Staff Sch. 4.01FY Column (i) line 2
18	DS Applicable Operating Revenue	\$ 855,809	Ln 13 - Ln 15 + Ln 16 + Ln 17
19	Total DS Operating Expenses	\$ 626,526	Staff Sch. 4.01RY line 18
20	DS Operating Income Before Interest & Taxes	\$ 229,283	Ln 18 - Ln 19
21	DS Short-Term Interest Expense	\$ -	Ln 6 x Ln 10
22	DS Long-Term Interest Expense	\$ 67,359	Ln 9 x Ln 11
23	Credit Facilities Expense	\$ 1,213	Line 1 times 0.058% Credit Facility Fees
24	DS Operating Income before Taxes	\$ 160,711	Ln 20 - Ln 21 - Ln 22 - Ln 23
25	Income Tax Rate (%)	41.175%	Staff Sch. 4.07RY, Column (d), Ln 4 + Ln 6
26	DS Income Taxes	\$ 66,173	Ln 24 x Ln 25
27	Impact of ITCs & Permanent Tax Differences	\$ (4,694)	Company Sch FR C-4 Ln 12
28	DS Income Taxes	\$ 61,479	Ln 26 + Ln 27
29	DS Net Income before Dividend	\$ 99,232	Ln 21 - Ln 23 - Ln 24
30	DS Preferred Stock Dividend	\$ 1,660	Ln 7 x Ln 12
31	DS Net Income	\$ 97,572	Ln 29 - Ln 30
32	DS ROE (%)	9.15%	Ln 31 / Ln 6
33	ROE Collar		
34	Allowed ROE (%)	9.25%	Company Sch FR D-1 Col. Ln 17
35	Maximum Allowed ROE (%)	9.75%	Ln 34 + .5%
36	Minimum Allowed ROE (%)	8.75%	Ln 34 - .5%
37	Percent Above Maximum Allowed ROE (%)	0.00%	
38	Amount Above Allowed ROE Collar	\$ -	Ln 6 x Ln 37
39	Percent Below Minimum Allowed ROE (%)	0.00%	Ln 36 - Ln 32
40	Amount Below Allowed ROE Collar	\$ -	Ln 6 x Ln 39
41	ROE Collar Adj After Tax	\$ -	Ln 38 + Ln 40
42	ROE Collar Tax Gross-up	\$ -	Ln 41 x Ln 25/(1- Ln 25)
43	ROE Collar Adj	\$ -	Ln 41 + Ln 42

Ameren Illinois Company  
 Cash Working Capital Adjustment  
 For the Filing Year Ending December 31, 2014  
 (In Thousands)

Line	Description (a)	Amount (b)	Lag (Lead) (c)	CWC Factor (d) (c/365)	CWC Requirement (e) (b*d)	Column b Source (f)
1	Revenues	\$ 579,329	49.75	0.13630	\$ 78,963	Staff Sch. 4.10FY, page 2, Column (b), Line 6
	Collections of Pass-through Taxes:					
2	Energy Assistance Charges	17,058	0.00	0.00000	-	Line 14
3	Municipal Utility Tax	33	0.00	0.00000	-	Line 16
3a	Federal Deferred Taxes & ITCs Net	(75,903)	49.75	0.13630	(10,346)	Staff Sch. 4.01FY, Column (i), Line 21
4	Total Receipts	<u>\$ 520,517</u>			<u>\$ 68,617</u>	Sum of Lines 1 through 5
5	Employee Benefits	\$ 43,004	(15.97)	(0.04375)	\$ (1,882)	Staff Sch. 4.10RY, page 2, line 11
6	FICA	7,270	(13.13)	(0.03597)	(262)	Ameren Schedule B-8, Column B, Line 10 Ameren Schedule C-11.1, Column E, Line 14 +(Sum of
7	Payroll	134,823	(11.39)	(0.03121)	(4,207)	Schedule C-2, Columns L, M, N, and W, Line 38 )
8	Other Operations and Maintenance Expenses	202,717	(48.87)	(0.13389)	(27,142)	Staff Sch. 4.10FY, page 2, Column (b), Line 17
9	Federal Unemployment Tax	37	(76.38)	(0.20926)	(8)	Ameren Schedule C-18, Column H, Line 3
10	State Unemployment Tax	1,006	(76.38)	(0.20926)	(211)	Ameren Ex. 13.2, WP 3, p. 5, l. 14
11	St. Louis Payroll Expense Tax	14	(83.51)	(0.22879)	(3)	Ameren Schedule C-18, Column H, Line 17
12	Federal Excise Tax	2	(30.21)	(0.08277)	-	Ameren Schedule C-18, Column H, Line 4
13	Electricity Distribution Tax	40,048	(30.13)	(0.08255)	(3,306)	Ameren Schedule C-18, Column H, Line 11
14	Energy Assistance Charges	17,058	(38.54)	(0.10559)	(1,801)	Ameren Schedule C-18, Column H, Line 10
15	Municipal Utility Tax	33	(48.54)	(0.13299)	(4)	Ameren Schedule C-18, Column H, Line 16
16	Gross Receipts Tax	(55)	(45.63)	(0.12501)	7	Ameren Schedule C-18, Column H, Line 12
17	Corporation Franchise Tax	1,175	(161.97)	(0.44375)	(521)	Ameren Schedule C-18, Column H, Line 9
18	Property/Real Estate Tax	3,963	(375.08)	(1.02762)	(4,072)	Ameren Schedule C-18, Column H, Line 15
19	Interest Expense	72,831	(91.25)	(0.25000)	(18,208)	Staff Sch. 4.06FY, Column (b), Line 3 less Line 20 below
20	Bank Facility Costs	1,311	156.59	0.42901	562	Staff Sch. 4.03FY, Column (d), Line 24 x Staff weighted bank facility fees.
21	Current State Income Taxes	(1,089)	(37.88)	(0.10378)	113	Staff Sch.4.01FY, Column (i), Line 19
22	Current Federal Income Taxes	(3,631)	(37.88)	(0.10378)	377	Staff Sch.4.01FY, Column (i), Line 20
23		-			-	
24	Total Outlays	<u>\$ 520,517</u>			<u>\$ (60,568)</u>	Sum of Lines 5 through 23
25	Cash Working Capital Per Staff				\$ 8,049	Line 4 plus Line 24
26	Cash Working Capital per Company				8,052	Ameren Sch. B-8
27	Difference -- Adjustment to Cash Working Capital				<u>\$ (3)</u>	Line 25 minus Line 26

**Ameren Illinois Company**  
**Cash Working Capital Adjustment**  
For the Filing Year Ending December 31, 2014  
(In Thousands)

<u>Line</u>	<u>Description</u> (a)	<u>Amount</u> (b)	<u>Source</u> (c)
1	Total Operating Revenues	\$ 892,397	Staff Sch. 4.01FY, Column (i), Line 5
2	Uncollectible Accounts	(6,775)	Staff Sch. 4.01FY, Column (i), Line 6
3	Depreciation & Amortization	(194,495)	Staff Sch. 4.01FY, Column (i), Line 12
4	Regulatory Debits	(3,397)	Staff Sch. 4.01FY, Column (i), Line 12
5	Return on Equity	(108,401)	Line 9 below
6	Total Revenues for CWC calculation	<u>\$ 579,329</u>	Sum of Lines 1 through 5
7	Total Rate Base	\$ 2,260,709	Staff Sch. 4.03FY, Column (d), Line 24
8	Weighted Cost of Capital	4.80%	Staff Ex. 3.0, p. 3
9	Return on Equity	<u>\$ 108,401</u>	Line 7 times Line 8
10	Operating Expense Before Income Taxes	\$ 638,670	Staff Sch. 4.01FY, Column (i), Line 18
11	Employee Benefits Expense	(43,004)	Ameren Exhibit 13.1, App 3, line 23 Ameren Schedule C-11.1, Column E, Line 14 +(Sum of
12	Payroll Expense	(134,823)	Schedule C-2, Columns L, M, N, and W, Line 38 )
13	Uncollectible Accounts	(6,775)	Staff Sch. 4.01FY, Column (i), Line 6
14	Depreciation & Amortization	(194,495)	Staff Sch. 4.01FY, Column (i), Line 12
15	Taxes Other Than Income	(53,459)	Staff Sch. 4.01FY, Column (i), Line 13
16	Regulatory Debits	(3,397)	Staff Sch. 4.01FY, Column (i), Line 14
17	Other Operations & Maintenance for CWC Calculation	<u>\$ 202,717</u>	Sum of Lines 10 through 16



**Ameren Illinois Company**  
**Adjustments to Operating Income**  
For the Reconciliation Year Ending December 31, 2013  
(In Thousands)

Line No	Description	Interest Synchronization (Staff Sch. 4.06RY)	Industry Association Dues (Staff Sch 5.01)	(Source)	(Source)	(Source)	(Source)	(Source)	Total Operating Statement Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Other Revenues	-	-	-	-	-	-	-	-
3		-	-	-	-	-	-	-	-
4		-	-	-	-	-	-	-	-
5	Total Operating Revenue	-	-	-	-	-	-	-	-
6	Uncollectibles Expense	-	-	-	-	-	-	-	-
7	Distribution	-	-	-	-	-	-	-	-
8	Customer Accounts	-	-	-	-	-	-	-	-
9	Customer Services and Informational Services	-	-	-	-	-	-	-	-
10	Sales	-	-	-	-	-	-	-	-
11	Administrative and General	-	(7)	-	-	-	-	-	(7)
12	Depreciation and Amortization	-	-	-	-	-	-	-	-
13	Taxes Other Than Income	-	-	-	-	-	-	-	-
14	Regulatory Asset Amortization	-	-	-	-	-	-	-	-
15	Pension Asset Funding Cost	-	-	-	-	-	-	-	-
16	Other Expense Adjs	-	-	-	-	-	-	-	-
17	Total Operating Expense	-	-	-	-	-	-	-	-
18	Before Income Taxes	-	(7)	-	-	-	-	-	(7)
19	State Income Tax	1	1	-	-	-	-	-	2
20	Federal Income Tax	3	2	-	-	-	-	-	5
21	Deferred Taxes and ITCs Net	-	-	-	-	-	-	-	-
22	Total Operating Expenses	4	(4)	-	-	-	-	-	-
23	NET OPERATING INCOME	\$ (4)	\$ 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Ameren Illinois Company**  
**Rate Base**  
For the Reconciliation Year Ending December 31, 2013  
(In Thousands)

Line No.	Description	Company Pro Forma Rate Base (Co Sch B-1 Recon)	Staff Adjustments (Staff Sch. 4.04RY)	Pro Forma Rate Base per Staff (Col. b+c)
	(a)	(b)	(c)	(d)
1	Distribution Plant	\$ 5,013,099	\$ -	\$ 5,013,099
2	G & I Plant	315,884	-	315,884
3	Accumulated Depreciation on Distribution Plant	(2,403,453)	-	(2,403,453)
4	Accumulated Depreciation on G & I Plant	(108,140)	-	(108,140)
5	Net Plant	2,817,390	-	2,817,390
6	Additions to Rate Base			
7	Materials and Supplies	\$ 43,635	\$ -	\$ 43,635
8	Construction Work in Progress	731	-	731
9	Plant Held for Future Use	373	-	373
10	Deferred Debits	3,241	-	3,241
11	Cash Working Capital	8,433	(3)	8,430
12	OPEB Liability	2,108	-	2,108
13				
14				
15	Deductions From Rate Base			
16	Accumulated Deferred Income Taxes	(720,867)	-	(720,867)
17	Accrued Vacation Reserve	-	-	-
18	Accumulated Misc. Operating Provisions	-	-	-
19	Asset Retirement Obligation	-	-	-
20	Other Rate Base Adjustments	(13,622)	-	(13,622)
21	Customer Advances	(22,691)	-	(22,691)
22	Customer Deposits	(27,899)	-	(27,899)
23		-	-	-
24	Rate Base at End of Year	\$ 2,090,832	\$ (3)	\$ 2,090,829



**Ameren Illinois Company**  
**Revenue Effect of Adjustments**  
 For the Reconciliation Year Ending December 31, 2013  
 (In Thousands)

Line No.	Description (a)	Per Company (b)	Staff Adjustments (c)	Per Staff (d)
1	<b>Summary</b>			
2	Current Revenues	\$ 801,504		\$ 801,504
3	<b>Proposed Increase</b>	<u>59,363</u>	<u>(17) #</u>	<u>59,346</u>
4	Proposed Revenue Requirement	<u>\$ 860,867</u>	<u>\$ (17)</u>	<u>\$ 860,850</u>
5	<b>Percentage Increase</b>	<b>7.41%</b>	<b>-0.01%</b>	<b>7.40%</b>
6	<b>Effect of Each Adjustment</b>			
7				
8	Interest Synchronization		7	
9	Cash Working Capital		-	
10			-	
11			-	
12			-	
13			-	
14			-	
15	Industry Association Dues		(7)	
16		-	-	
17			-	
18			-	
19			-	
20			-	
21			-	
22			-	
23			-	
24			-	
25			-	
26			-	
27			-	
28	Gross Revenue Conversion Factor		1	
29	Rate of Return		\$ (19)	
30				
31				
32				
33				
34	Rounding		1	
35	Effect of Adjustments		<u>\$ (17) #</u>	
36	<b>Reconciliation to Staff Sch. 4.01RY</b>			
37	Column (c), line 5.		\$ -	
38	Column (f), line 5.		1	
39	Column (h), line 5.		<u>(18)</u>	
40	Total Effect of Adjustments		<u>\$ (17) #</u>	

**Ameren Illinois Company**  
**Interest Synchronization Adjustment**  
 For the Reconciliation Year Ending December 31, 2013  
 (In Thousands)

Line No.	Description (a)	Amount (b)
1	Rate Base	\$ 2,090,829 <sup>(1)</sup>
2	Weighted Cost of Debt	<u>3.28%</u> <sup>(2)</sup>
3	Synchronized Interest (Line 1 x Line 2)	68,571
4	Company Interest Expense	<u>68,579</u> <sup>(3)</sup>
5	Increase (Decrease) in Interest Expense	<u>(8)</u>
6	Increase (Decrease) in State Income Tax Expense	
7	at 9.500%	<u>\$ 1</u>
8	Increase (Decrease) in Federal Income Tax Expense	
9	at 35.000%	<u>\$ 3</u>

(1) Source: Schedule 4.03RY, column (d), line 5

(2) Source: ICC Staff Exhibit 3.0

(3) Source: AIC Sch 5.4, Reconciliation Year, line 3

**Ameren Illinois Company**  
**Gross Revenue Conversion Factor**  
 For the Reconciliation Year Ending December 31, 2013  
 (In Thousands)

Line No.	Description	Rate	With Bad Debts	Without Bad Debts
	(a)	(b)	(c)	(d)
1	Revenues		1.000000	1.000000
2	Uncollectibles	0.6966%	<u>0.006966</u>	
3	State Taxable Income		0.993034	
4	State Income Tax	9.5000%	<u>0.094338</u>	<u>0.095000</u>
5	Federal Taxable Income		0.898696	0.905000
6	Federal Income Tax	35.0000%	<u>0.314544</u>	<u>0.316750</u>
7	Operating Income		<u>0.584152</u>	<u>0.588250</u>
8	Gross Revenue Conversion Factor (Line 1 / Line 7)		<u>1.711883</u>	<u>1.699958</u>

**Ameren Illinois Company**  
**Cash Working Capital Adjustment**  
For the Reconciliation Year Ending December 31, 2013  
(In Thousands)

Line No.	Description (a)	Amount (b)	Lag (Lead) (c)	CWC Factor (d) (c/365)	Requirement (e) (b*d)	Column b Source (f)
1	Revenues	\$ 568,063	49.75	0.13630	\$ 77,428	Staff Sch. 4.01RY, page 2, Column (b), Line 6
	Collections of Pass-through Taxes:					
2	Energy Assistance Charges	17,058	0.00	0.00000	-	Line 14
3	Municipal Utility Tax	33	0.00	0.00000	-	Line 55
3a	Federal Deferred Taxes & ITCs Net	(75,903)	49.75	0.13630	(10,346)	Schedule 4.01RY, Column (i), Line 20 + 21
4	<b>Total Receipts</b>	<b>\$ 509,251</b>			<b>\$ 67,082</b>	Sum of lines 1 through 5
5	Employee Benefits	\$ 43,004	(15.97)	(0.04375)	\$ (1,882)	Staff Sch. 4.10RY, page 2, line 11
6	FICA	7,270	(13.13)	(0.03597)	(262)	Ameren Exhibit 13.1, App 3, Line 11
7	Payroll	134,823	(11.39)	(0.03121)	(4,207)	Ameren Schedule C-11.1, Column E, Line 14 +(Schedule C-2, Columns L, M, N, and W, Line 37)
8	Other Operations and Maintenance Expenses	202,717	(48.87)	(0.13389)	(27,142)	Staff Sch. 4.10RY, page 2, line 17
9	Federal Unemployment Tax	37	(76.38)	(0.20926)	(8)	Ameren Schedule C-18, Column H, Line 3
10	State Unemployment Tax	1,006	(76.38)	(0.20926)	(211)	Ameren Schedule C-18, Column H, Line 7 + Line 8
11	St. Louis Payroll Expense Tax	14	(83.51)	(0.22879)	(3)	Ameren Schedule C-18, Column H, Line 17
12	Federal Excise Tax	2	(30.21)	(0.08277)	-	Ameren Schedule C-18, Column H, Line 4
13	Electricity Distribution Tax	40,048	(30.13)	(0.08255)	(3,306)	Ameren Schedule C-18, Column H, Line 11
14	Energy Assistance Charges	17,058	(38.54)	(0.10559)	(1,801)	Ameren Schedule C-18, Column H, Line 10
15	Municipal Utility Tax	33	(48.54)	(0.13299)	(4)	Ameren Schedule C-18, Column H, Line 16
16	Gross Receipts Tax	(55)	(45.63)	(0.12501)	7	Ameren Schedule C-18, Column H, Line 12
17	Corporation Franchise Tax	1,175	(161.97)	(0.44375)	(521)	Ameren Schedule C-18, Column H, Line 9
18	Property/Real Estate Tax	3,963	(375.08)	(1.02762)	(4,072)	Ameren Schedule C-18, Column H, Line 15
19	Interest Expense	67,358	(91.25)	(0.25000)	(16,840)	Schedule 4.06RY, Column b, Line 3 less Line 20 below Schedule 4.03RY, column d, line 24 x WPC-5.4, times Staff weighted bank facility fees
20	Bank Facility Costs	1,213	156.59	0.42901	520	
21	Current State Income Taxes	(2,402)	(37.88)	(0.10378)	249	Schedule 4.01RY, Column i, Line 19
22	Current Federal Income Taxes	(8,012)	(37.88)	(0.10378)	831	Schedule 4.01RY, Column i, Line 20
23	<b>Total Outlays</b>	<b>\$ 509,248</b>			<b>\$ (58,652)</b>	Sum of Lines 5 through 22
24	Cash Working Capital Per Staff				\$ 8,430	Line 4 plus line 23
25	Cash Working Capital per Company				<b>8,433</b>	Ameren Sch. B-8-Reconciliation
26	Difference -- Adjustment to Cash Working Capital				<b>\$ (3)</b>	Line 24 minus Line 25

**Ameren Illinois Company**  
**Cash Working Capital Adjustment**  
For the Reconciliation Year Ending December 31, 2013  
(In Thousands)

Line No.	<u>Description</u> (a)	<u>Amount</u> (b)	<u>Source</u> (c)
1	Total Operating Revenues	\$ 860,850	Schedule 4.01RY, Column i, Line 5
2	Uncollectible Accounts	(6,177)	Schedule 4.01RY, Column i, Line 6
3	Depreciation & Amortization	(182,949)	Schedule 4.01RY, Column i, Line 12
4	Regulatory Debits	(3,397)	Schedule 4.01RY, Column i, Line 14
5	Return on Equity	(100,264)	Line 9 below
6	Total Revenues for CWC calculation	<u>\$ 568,063</u>	Sum of Lines 1 through 5
7	Total Rate Base	\$ 2,090,829	Schedule 4.03RY, Column d, Line 24
8	Weighted Cost of Capital	4.80%	Staff Ex. 3.0
9	Return on Equity	<u>\$ 100,264</u>	Line 7 times Line 8
10	Operating Expense Before Income Taxes	\$ 626,526	Schedule 4.01RY, Column i, Line 18
11	Employee Benefits Expense	(43,004)	Ameren Exhibit 2.1, App 3 Ameren Schedule C-11.1, Column E, Line 14 +(Schedule C-2, Column N, Line 54 + Column O, Line 54)
12	Payroll Expense	(134,823)	
13	Uncollectible Accounts	(6,177)	Schedule 4.01RY, Column i, Line 6
14	Depreciation & Amortization	(182,949)	Schedule 4.01RY, Column i, Line 12
15	Taxes Other Than Income	(53,459)	Schedule 4.01RY, Column I, Line 13
16	Regulatory Debits	(3,397)	Schedule 4.01RY, Column i, Line 14
17	Other Operations & Maintenance for CWC Calculation	<u>\$ 202,717</u>	Sum of Lines 10 through 16