
RIDER VBA – VOLUME BALANCING ADJUSTMENT

APPLICABILITY

The Volume Balancing Adjustment (VBA) is applicable to all GDS-1 and GDS-2 Customers taking service under this Schedule.

PURPOSE

The purpose of the VBA is to stabilize the distribution revenue requirement approved by the Commission in the Company's most recent rate proceeding. A separate adjustment shall be calculated for each applicable Service Classification, expressed in cents per Therm, and shall be uniform among Rate Zones.

The Company shall determine annual adjustments under this Rider, based on the difference between actual delivery service revenue and class revenue amounts approved in prior rate cases. The adjustment shall be filed with the Commission no later than March 20th of each year, and shall be in effect for the nine-month period commencing with the following April Billing Period.

DEFINITIONS**Actual Revenue (AR)**

Actual Revenue means the dollar amount of distribution charge revenues arising from revenue requirements approved by the Commission, excluding revenues arising from adjustments under this Rider and Unsubscribed Bank Capacity Charge revenues recovered through Rider S, which were billed for the applicable period.

Effective Period

Effective Period means the period for which the adjustments in the "Determination of Adjustment" section are to be billed to Customers, and shall be the consecutive nine-month period after the Filing Month.

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Factor T (T)

Factor T means the number of Therms of gas forecast to be delivered to Customers by the Company, including the number of Therms of Customer-Owned or Supplier-owned gas delivered by the Company, for the applicable period.

Filing Month

Filing Month means the month in which an adjustment is determined by the Company and submitted to the Commission.

Fiscal Year

Fiscal Year means the Fiscal Year of the Company that ended as of the most recent December 31.

Previous Amortization Period

Previous Amortization Period means the nine-month reconciliation amortization period that ended as of the most recent Fiscal Year.

Rate Case Revenue (RCR)

Rate Case Revenue means the dollar amount of distribution charge revenues arising from the revenue requirements approved by the Commission in the Company's most recent rate proceeding for the applicable Service Classification, excluding revenues attributed to the Unsubscribed Bank Capacity Charge provision of Rider S and Rider TBS, as applicable. In a month or year in which new distribution rates come into effect, the RCR shall be prorated based upon the number of days in the month or year under the old rates and the number of days in the month or year under the new rates.

Upcoming Amortization Period

Upcoming Amortization Period means the nine-month reconciliation amortization period commencing with April of the following Fiscal Year.

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DETERMINATION OF ADJUSTMENT

There shall be separate per Therm adjustments determined annually for each applicable Service Classification and such adjustments shall be determined with two separate components, as follows:

$$\frac{[(RCR - AR) + (RA + O) \times (1 + i)]}{T} \times 100$$

Where:

RCR = Rate Case Revenue for the Fiscal Year

AR = Actual Revenue for the Fiscal Year

T = Factor T for the Effective Period

O = Ordered adjustment, in dollars (\$), ordered by the Commission that is to be refunded to or collected from Customers as a result of the reconciliation established in the Reports and Reconciliation section of this tariff.

RA = The dollar amount due the Company (+RA) or Customers (-RA) arising from adjustments under this Rider that were under-billed or over-billed in the Fiscal Year.

I = The interest rate established by the Commission under 83 Ill. Adm. Code 280.40 (g)(1) and in effect when each adjustment under this section is calculated, adjusted for the number of months in the Effective Period.

The adjustment components above shall be summed together for billing purposes. If either component of the adjustments computes to 0.01¢ per Therm or more, any fraction of 0.01¢ in the computed Therm adjustment amount shall be dropped if less than 0.005¢ or, if 0.005¢ or more, shall be rounded up the next full 0.01¢.

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REPORTS AND RECONCILIATION

The Company shall file with the Commission on or before March 20 of each year, an information sheet that specifies the annual adjustments to be effective under this Rider. The Company shall file any corrections from a timely filed information sheet on or before the Effective Period. Any filing after that time will be accepted only if submitted as a special permission request under the provisions of Section 9-201 (a) of the Public Utilities Act [220 ILCS 5/9-201 (a)]. The Company shall include with its filing a report which shows a determination of the RA to be applicable for the Upcoming Amortization Period. The Company shall also submit a report which provides the Company's rate of return with and without the effect of Rider VBA. At this same time, the Company shall also file a petition with the Commission seeking initiation of an annual reconciliation to determine the accuracy of the statement. The reconciling amount from such proceeding (Factor O) shall be recovered in the manner determined by the Commission in the annual reconciliation proceeding.

AUDIT

The Company shall annually conduct an internal audit of the distribution revenue requirements recovered or refunded pursuant to this Rider. The internal audit shall determine if: 1) the actual amount of revenues that exceed or fall short of any approved Rate Case Revenue (RCR) collected through base rate distribution charges are correctly reflected in the calculations; 2) the revenues are not collected through other approved tariffs; 3) Rider VBA adjustments are being properly billed to Customers; and 4) Rider VBA revenues are recorded in the appropriate accounts. The above list of determinations does not limit the scope of the audit. The Company shall submit the audit report to the Commission's Manager of the Accounting Department, no later than August 1 of each year. Such report shall be verified by an officer of the Company.

Ameren Illinois Company

d/b/a Ameren Illinois

Gas Service Schedule Ill. C. C. No. 2

Ill. C. C. No. 2

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COMPLIANCE

The Company shall submit as a public document, in any rate case compliance filing, the Rider VBA Rate Case Revenue (RCR) for each applicable Service Classification arising from the approved revenue requirement in the rate case.

TERMS AND CONDITIONS

Service hereunder is subject to the Customer Terms and Conditions, Standards and Qualifications for Gas Service, Tax Additions, and Supplemental Customer Charge Tariffs of this Schedule, as well as any other applicable Rates, Riders, taxes, adjustments, fees or charges that may be approved by the ICC from time to time and in effect.