

**REBUTTAL TESTIMONY**

**of**

**BONITA A. PEARCE  
Accountant**

**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. 16-0262**

**August 23, 2016**

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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)

**Other Adjustment Schedules**

Schedule 4.10 – Cash Working Capital Adjustment

1 **Witness Identification**

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

3 A. My name is Bonita A. Pearce. My business address is 527 East Capitol Avenue,  
4 Springfield, Illinois 62701.

5 **Q. Have you previously filed testimony in this proceeding?**

6 A. Yes. My direct testimony was filed as ICC Staff Ex. 1.0 on June 30, 2016.

7 **Q. What is the purpose of your testimony in this proceeding?**

8 A. The purpose of my testimony is to present Staff's adjusted Statements of  
9 Operating Income and Rate Base for the Company's electric utility delivery  
10 service operations and the Reconciliation Adjustment and Return on Equity  
11 ("ROE") Collar Calculation.

12 **Schedule Identification**

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

14 A. Yes. I prepared the following schedules for the Company, which show data for  
15 the 2016 filing year ("FY") and the 2015 reconciliation year ("RY"). The letters  
16 that follow the schedule numbers indicate to which revenue requirement the  
17 respective schedule pertains. The letters FY indicate the filing year revenue  
18 requirement on which delivery service rates effective January 2017 will be based.  
19 The Staff proposed FY revenue requirement includes: (a) a reconciliation amount  
20 for the actual revenue requirement compared to the revenue requirement that  
21 was reflected in delivery service charges applied during 2015 and (b) the Return  
22 on Equity ("ROE") collar calculation for the year ended December 31, 2015.

23 The letters RY indicate the reconciliation year revenue requirement, which is the  
24 *actual* revenue requirement for 2015, as adjusted by Staff. If letters do not follow  
25 the schedule number, the schedule pertains to both the filing year and the  
26 reconciliation year revenue requirements.

27

28 **Revenue Requirement Schedules**

29 Revenue Requirement Summary - Base Rate Revenue Change from Prior Case

30 Schedule 4.01 – Statement of Operating Income with Adjustments

31 Schedule 4.02 – Adjustments to Operating Income

32 Schedule 4.03 – Rate Base

33 Schedule 4.04 – Adjustments to Rate Base

34 Schedule 4.05 – Revenue Effect of Adjustments

35 Schedule 4.06 – Interest Synchronization Adjustment

36 Schedule 4.07 – Gross Revenue Conversion Factor

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

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

39 **Other Adjustment Schedules**

40 Schedule 4.10 – Cash Working Capital Adjustment

41

42 **Q. Please explain the differences between the two proposed revenue**  
43 **requirements you are presenting.**

44 A. The Statement of Operating Income with Adjustments for the filing year ending  
45 December 31, 2015, Schedule 4.01FY, presents the revenue requirement that is

46 the basis for delivery service charges beginning in January 2017. The schedule  
47 has an additional column (j) entitled "Net Revenue Requirement per Staff." The  
48 column is necessary to show the inputs for the amount representing the  
49 Reconciliation Adjustment from Schedule 4.08FY and the amount representing  
50 the ROE Collar Adjustment from Schedule 4.09FY.

51

52 **Revenue Requirement Schedules**

53 **Q. Please describe the Revenue Requirement Summary of Base Rate Revenue**  
54 **Change from Prior Formula Rate Case ("Summary").**

55 A. The Summary shows the total net revenue requirement from the prior year  
56 formula rate case final order (column (b)), the changes proposed by the  
57 Company (column (c)), and the Company's proposed total net revenue  
58 requirement in the current proceeding (column (e)). The Summary also shows  
59 Staff's proposed adjustments (column (f)) to the Company's proposed total net  
60 revenue requirement leading to Staff's proposed total net revenue requirement  
61 (column (h)). Column (d) shows the Company's proposed changes as a  
62 percentage of the prior year formula rate case final order, and column (g) shows  
63 Staff's proposed changes as a percentage of the Company's proposed total net  
64 revenue requirement.

65

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

68 A. Schedule 4.01 is the same as ICC Staff Exhibit 1.0, Schedule 1.01, described on  
69 pages 2-5 of ICC Staff Exhibit 1.0, except that it incorporates Company and Staff  
70 rebuttal positions. Schedule 4.01 derives the revenue requirement at the Staff  
71 proposed rate of return with Staff's adjustments. In this proceeding, Staff and the  
72 Company agree that the overall rate of return should equal 7.282%.<sup>1</sup>

73

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

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

78

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

80 A. Schedule 4.03 compiles Staff's proposed rate base. Column (b) reflects the  
81 Company's proposed rate base. Column (c) summarizes Staff's adjustments to  
82 rate base. Column (d) is the net of columns (b) and (c), and reflects Staff's  
83 computed rate base.

84

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

86 A. Schedule 4.04 identifies Staff's adjustments to rate base. The source of each  
87 adjustment is shown in the heading of each column. The final column of each  
88 Schedule is carried forward to the corresponding Schedule 4.03, column (c).

89

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<sup>1</sup> Staff Ex. 4.0, Worksheet ROR.

90 **Revenue Effect of Adjustments**

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

92 A. Schedule 4.05 identifies the approximate effect of each proposed Staff  
93 adjustment on the Company's revenue requirement. Schedule 4.05 is not the  
94 development of Staff's revenue requirement. Rather, it is an analysis designed  
95 to assist in identifying the relative monetary significance of each Staff adjustment.

96

97 **Interest Synchronization**

98 **Q. Please describe Schedule 4.06, Interest Synchronization Adjustment.**

99 A. Schedule 4.06 computes the interest component of the revenue requirement.  
100 The interest expense (component) is computed by multiplying Staff's proposed  
101 rate base by Staff's proposed weighted cost of debt. The resulting calculated  
102 interest expense is then compared against the interest expense used by the  
103 Company in its computation of 2015 income tax expense. The tax effect of the  
104 difference in interest expense is the adjustment for interest synchronization. The  
105 effect of this adjustment is to ensure that the revenue requirement reflects the tax  
106 savings generated by the interest component of the revenue requirement.

107

108 **Gross Revenue Conversion Factor**

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

110 A. Schedule 4.07 presents Staff's proposed gross revenue conversion factor  
111 ("GRCF"). The GRCF is applied to the operating income deficiency to derive the  
112 change in revenue requirement. It is based upon the applicable federal tax rate,

113 state income tax rate, and uncollectible rate. The GRCF is used in the  
114 calculation of the revenue requirement in columns (f) through (h) of the  
115 corresponding Schedule 4.01.

116

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

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

119 A. Schedule 4.08FY computes the variance between the actual revenue  
120 requirement for 2015 and the revenue requirement that was reflected in delivery  
121 services charges applied during 2015. Interest for the period January 2015  
122 through December 2017 is added to the variance and the total amount is  
123 incorporated into the revenue requirement which provides the basis for the 2017  
124 delivery service rates. Schedule 4.08FY demonstrates that AIC's revenue  
125 requirement in effect during 2015 was less than the Company's 2015 actual  
126 Delivery Service ("DS") revenue requirement and therefore a reconciliation  
127 adjustment to increase revenues is necessary.

128

129 **Q. How does your reconciliation computation on Schedule 4.08FY differ from**  
130 **the Company's Schedule FR A-4 as presented in Ameren Exhibit 10.1, page**  
131 **6?**

132 A. My reconciliation computation provides different inputs for the actual revenue  
133 requirement since it includes Staff's adjustments to the 2015 actual operating  
134 statement and rate base presented by the Company. These adjustments are  
135 addressed in the testimony of the Staff witness proposing the adjustments.

136

137 **ROE Collar Calculation (Filing Year Only)**

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

140 A. Schedule 4.09FY computes the adjustment when the Company's earned return  
141 on common equity falls outside the parameters of the earnings collar established  
142 by Section 16-108.5(c)(5) of the Public Utilities Act. The calculation utilizes the  
143 actual delivery service revenues, operating expenses, rate base, and capital  
144 structure for 2015, inclusive of ratemaking adjustments and Commission  
145 disallowances as proposed by Staff. The delivery service revenues reflect actual  
146 revenues reported by the Company on FERC Form 1. The resulting adjustment  
147 is incorporated into the filing year revenue requirement on Schedule 4.01FY,  
148 which is the basis for the 2017 delivery service rates.

149

150 **Q. How does your ROE Collar Computation on Schedule 4.09FY differ from the**  
151 **Company Schedule FR A-3 as presented in Ameren Exhibit 10.1, page 5?**

152 A. My schedule utilizes the Staff recommended rate base, operating expenses, and  
153 capital structure for the reconciliation year as presented on the reconciliation year  
154 schedules of my testimony, indicated by a "RY" after the schedule number. Any  
155 adjustments to the Company's position proposed in its filing are addressed  
156 individually in the testimony of the Staff witness sponsoring those adjustments.

157

158 **Other Adjustment Schedules – Cash Working Capital Adjustment**

159 **Q. Please describe Schedule 4.10 Cash Working Capital Adjustment.**

160 A. Schedule 4.10 presents adjustments to calculate the Cash Working Capital  
161 (“CWC”) component of rate base to incorporate the effects of any Staff-proposed  
162 adjustments. The Company calculated its working capital requirement using the  
163 gross lag method based on the requested operating revenues and expenses. I  
164 have no objection to the use of this method, which is consistent with prior years.

165

166 **Q. Did the Company accept your proposal to change the number of lead days  
167 associated with miscellaneous expenses<sup>2</sup>?**

168 A. Yes, the Company accepted my proposal to change the number of lead days  
169 associated with miscellaneous expenses.<sup>3</sup> Accordingly, I do not see any  
170 differences between the revenue lag days and expense lead days used by the  
171 Company and Staff in their respective calculations of CWC.

172

173 **Q. Are you still proposing to adjust CWC?**

174 A. Yes, Staff’s presentation of various revenue requirement inputs affect CWC such  
175 that Staff’s resulting CWC amount is slightly greater than the CWC amount  
176 proposed by the Company. For example, the amount of depreciation and  
177 amortization expense in Staff’s CWC calculation is different from the depreciation  
178 and amortization expense reflected on Ameren Exhibit 10.1, App 3. Although the

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<sup>2</sup> ICC Staff Ex. 1.0, 10:205-214.

<sup>3</sup> Ameren Ex. 10.7, 8, Stipulation - Attachment B.

179 Company and I use the same methodology for our CWC calculations, certain  
180 inputs to the calculation of CWC differ. My proposed CWC<sup>4</sup> is reflected on  
181 Schedule 4.10. For the final order in this proceeding, the CWC amount should be  
182 updated to reflect the operating revenues and expenses ultimately approved by  
183 the Commission.

184

185 **Stipulation Between Staff and the Company**

186 **Q. Please describe the Stipulation.**

187 A. On July 28, 2016 AIC and Staff entered into a stipulation (“Stipulation”) to resolve  
188 all issues that existed between them as a result of the filing of Staff’s direct  
189 testimony. A complete copy of the Stipulation is included with the rebuttal  
190 testimony of Mr. Ronald D. Stafford.<sup>5</sup>

191

192 **Q. Please summarize the key provisions of the Stipulation.**

193 A. The Stipulation includes the following key provisions:

194 1. AIC accepts the advertising adjustments proposed by Staff witness  
195 Everson in her direct testimony.<sup>6</sup>

196 2. AIC accepts the rate case expense adjustment proposed by Staff witness  
197 Everson in her direct testimony<sup>7</sup> and the number of expense lead days for  
198 miscellaneous expenses I used in my calculation of CWC.<sup>8</sup>

---

<sup>4</sup> Staff Ex. 4.0, Schedule 4.10, line 25.

<sup>5</sup> Ameren Exhibit 10.7, 1 – 12.

<sup>6</sup> Staff Ex. 2.0, Schedule 2.01.

<sup>7</sup> Staff Ex. 2.0, Schedule 2.02.

<sup>8</sup> Staff Ex. 1.0, Schedule 1.10.

- 199 3. AIC and Staff agree to the corrections identified in the data responses  
200 AIC-ICC 1.01 through 1.04.<sup>9</sup>
- 201 4. AIC and Staff agree that the Company's overall rate of return is 7.282%,  
202 as used by the Company in its filing.
- 203 5. AIC and Staff agree on:
- 204 a. The Original Cost Determination and recommended ordering  
205 language I proposed in my direct testimony;<sup>10</sup>
- 206 b. The amount of incremental plant investment reflected in the  
207 Company's filing pursuant to Section 16-108.5(b)(2) of the Act;<sup>11</sup>  
208 and
- 209 c. The ordering language regarding rate case expense, as reflected in  
210 AIC-ICC 1.04.<sup>12</sup>

211

212 **Q. Do you have any remaining contested issues with the Company?**

213 A. No. Although the Company and I propose different CWC amounts, we agree on  
214 the methodology to calculate CWC as described previously. My other issues  
215 from direct testimony have been resolved by the Stipulation.

216

217 **Recommendations**

218 **Q. Do you have any recommendations for the Commission?**

---

<sup>9</sup> Ameren Exhibit 10.7, Att. C, 1-4.

<sup>10</sup> Staff Ex. 1.0, 11.

<sup>11</sup> Id., 12-13.

<sup>12</sup> Ameren Exhibit 10.7, Att. C, 4.

219 A. Yes, I recommend the Commission:

220 1. approve the revenue requirements in Staff Ex. 4.0 for both the filing year

221 and the reconciliation year; and,

222 2. Approve the agreed to adjustments between Staff and the Company as set

223 forth in the Stipulation.

224

225 **Conclusion**

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

227 A. Yes.

**Ameren Illinois Company**  
**Revenue Requirement Summary**  
For the Test Year Ending December 31, 2016  
(In Thousands)

Line No.	Description	Granted in Prior Case (15-0305) (b)	Company Proposed Changes		Company Proposal FR A-1 (e)	Staff Adjustments		Net Revenue Requirement Per Staff (h)				
			(e) - (b) (c)	(c) / (b) (d)		(h) - (e) (f)	(f) / (e) (g)					
1	Base Revenue Requirement - Filing Year	\$ 920,521	(1)	\$ 23,667	\$ 944,188	(2)	\$ (82)	\$ 944,106 (8)				
2	Reconciliation Adjustment with Interest	109,754	(1)	(38,087)	71,667	(3)	4	71,671 (9)				
3	ROE Collar Adjustment	-	(1)	-	-	(4)	-	- (10)				
4	<b>Total Net Revenue Requirement</b>	<b>\$ 1,030,275</b>	<b>(1) &amp; (6)</b>	<b>\$ (14,420)</b>	<b>(7)</b>	<b>-1.40%</b>	<b>\$ 1,015,855</b>	<b>(5)</b>	<b>\$ (78)</b>	<b>-0.01%</b>	<b>\$ 1,015,777</b>	<b>(11)</b>
	Total \$ Change - Total Net Revenue Requirement								\$ (14,498)	(12)		
	Total % Change - Total Net Revenue Requirement								-1.41%	(13)		

Notes

- (1) Commission Order in Docket No. 15-0305, Appendix A, Summary, Column (h)
- (2) Ameren Rebuttal Testimony, Ameren Ex. 10.1, Sch FR A-1, line 22 + line 26
- (3) Ameren Rebuttal Testimony, Ameren Ex. 10.1, Sch FR A-1, line 28
- (4) Ameren Rebuttal Testimony, Ameren Ex. 10.1, Sch FR A-1, line 29
- (5) Ameren Rebuttal Testimony, Ameren Ex. 10.1, Sch FR A-1, line 30
- (6) Ameren Rebuttal Testimony, Ameren Ex. 10.1, Sch FR A-1, line 31
- (7) Ameren Rebuttal Testimony, Ameren Ex. 10.1 Sch FR A-1, line 32
- (8) Staff Rebuttal Testimony, Staff Ex. 4.0, Schedule 4.01 FY, line 1
- (9) Staff Rebuttal Testimony, Staff Ex. 4.0, Schedule 4.01 FY, line 3
- (10) Staff Rebuttal Testimony, Staff Ex. 4.0, Schedule 4.01 FY, line 4
- (11) Staff Rebuttal Testimony, Staff Ex. 4.0, Schedule 4.01 FY, line 5
- (12) Column (h) line 4 minus Column (b) line 4
- (13) Line 5 divided by Column (b), line 4.





**Ameren Illinois Company**  
**Rate Base**  
For the Filing Year Ending December 31, 2016  
(In Thousands)

Line No.	Description	Company Pro Forma Jurisdictional Rate Base (Ameren Ex. 10.1, pp. 7-8)	Staff Adjustments (Staff Sch. 4.04FY)	Staff Rate Base (Col. b+c)
	(a)	(b)	(c)	(d)
1	Distribution Plant	\$ 5,924,364	\$ -	\$ 5,924,364
2	G & I Plant	508,298	-	508,298
3	Accumulated Depreciation on Distribution Plant	(2,814,778)	-	(2,814,778)
4	Accumulated Depreciation on G & I Plant	<u>(169,326)</u>	<u>-</u>	<u>(169,326)</u>
5	Net Plant	3,448,558	-	3,448,558
6	Additions to Rate Base			
7	Materials and Supplies	39,457	-	39,457
8	Construction Work in Progress	2,259	-	2,259
9	Plant Held for Future Use	411	-	411
10	OPEB Liability	2,677	-	2,677
11	Cash Working Capital	15,011	34	15,045
12	Deferred Charges Greater Than \$3.7M	8,876	-	8,876
13	Other Deductions From Rate Base	(15,105)	-	(15,105)
14	Accumulated Deferred Income Taxes	(901,655)	-	(901,655)
15	Accrued Vacation Reserve	-	-	-
16		-	-	-
17		-	-	-
18	Accumulated Misc. Operating Provisions	-	-	-
19	Asset Retirement Obligation	-	-	-
20	Other Deferred Credits	-	-	-
21	Customer Advances	(17,579)	-	(17,579)
22	Customer Deposits	(27,199)	-	(27,199)
23		<u>-</u>	<u>-</u>	<u>-</u>
24	Rate Base	<u>\$ 2,555,711</u>	<u>\$ 34</u>	<u>\$ 2,555,745</u>



**Ameren Illinois Company**  
**Revenue Effect of Adjustments**  
For the Filing Year Ending December 31, 2016  
(In Thousands)

Line No.	Description (a)	Company Proposal (b)	Staff Adjustments (c)	Per Staff (d)
1	<b>Summary</b>			
2	Current Revenues	\$ 952,089		\$ 952,089
3	<b>Proposed Increase</b>	<b>24,075</b>	<b>(82) #</b>	<b>23,993</b>
4	Proposed Revenue Requirement	<u>\$ 976,164</u>	<u>\$ (82)</u>	<u>\$ 976,082</u>
5	<b>Percentage Increase</b>	<b>2.53%</b>	<b>-0.01%</b>	<b>2.52%</b>
6	<b>Effect of Each Adjustment</b>			
7	Cash Working Capital		\$ 3	
8		-	-	
9		-	-	
10		-	-	
11		-	-	
12		-	-	
13		-	-	
14		-	-	
15		-	-	
16	Interest Synchronization		6	
17	Rate of Return		(22)	
18	Gross Revenue Conversion Factor		(113)	
19	Rounding		44	
20	Effect of Adjustments		<u>\$ (82) #</u>	
21	<b>Reconciliation to Staff Sch. 4.01FY</b>			
22	Column (c), line 5.		\$ -	
23	Column (f), line 5.		(113)	
24	Column (h), line 5.		31	
25	Total Effect of Adjustments		<u>\$ (82) #</u>	

Ameren Illinois Company  
Interest Synchronization Adjustment  
For the Filing Year Ending December 31, 2016  
(In Thousands)

Line No.	Description (a)	Amount (b)
1	Rate Base	\$ 2,555,745 <sup>(1)</sup>
2	Weighted Cost of Debt	<u>2.901%</u> <sup>(2)</sup>
3	Synchronized Interest (Line 1 x Line 2)	74,134
4	Company Interest Expense	<u>74,141</u> <sup>(3)</sup>
5	Increase (Decrease) in Interest Expense	<u><u>(7)</u></u>
6	Increase (Decrease) in State Income Tax Expense	
7	at 7.750%	<u>\$ 1</u>
8	Increase (Decrease) in Federal Income Tax Expense	
9	at 35.000%	<u>\$ 2</u>

(1) Source: Staff Schedule 4.03FY, column (d), line 24

(2) Source: Ameren Schedule WPC-5.4

(3) Source: Ameren Ex. 10.1, p. 12, line 6 multiplied by line 7.

**Ameren Illinois Company**  
**Gross Revenue Conversion Factor**  
For the Filing Year Ending December 31, 2016  
(In Thousands)

Line No.	Description	Rate	With Bad Debts	Without Bad Debts
	(a)	(b)	(c)	(d)
1	Revenues		1.000000	1.000000
2	Uncollectibles	0.7320%	<u>0.007320</u>	
3	State Taxable Income		0.992680	
4	State Income Tax	7.7500%	<u>0.076933</u>	<u>0.077500</u>
5	Federal Taxable Income		0.915747	0.922500
6	Federal Income Tax	35.0000%	<u>0.320511</u>	<u>0.322875</u>
7	Operating Income		<u>0.595236</u>	<u>0.599625</u>
8	Gross Revenue Conversion Factor (Line 1 / Line 7)		<u>1.680006</u>	<u>1.667709</u>

**Ameren Illinois Company**  
**Overall Cost of Capital**  
For the Filing Year Ending December 31, 2016  
(In Thousands)

Line No.	Description	Amount	Percent of Total	Percent of Cost	Weighted Component	Effective Tax Rates (1)	After-Tax Cost of Capital
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	<u>PER COMPANY</u>						
2	Short Term Debt	\$ -	0.000%	0.000%	0.000%	40.0375%	0.0000%
3	Long Term Debt	2,257,403,277	48.759%	5.869%	2.862%	40.0375%	1.7159%
4	Preferred Stock	57,461,407	1.241%	4.979%	0.062%		0.0618%
5	Common Stock	2,314,864,684	50.000%	8.638%	4.319%		4.3190%
6	Credit Facility Costs	-	<u>0.000%</u>	0.0000%	<u>0.039%</u>	40.0375%	<u>0.0234%</u>
7							
8	Total	<u>\$ 4,629,729,368</u>	<u>100.000%</u>		<u>7.282%</u>		<u>6.1201%</u>
9							
10	Company Proposed Operating Income				\$ 186,107	[Sch. FR A-1, line 13]	
11	Company Proposed Rate Base				\$ 2,555,711		
12	Company Effective Return on Rate Base				<b>7.282%</b>		
13	<u>PER STAFF</u>						
14	Short Term Debt	\$ -	0.000%	0.000%	0.000%	40.0375%	0.0000%
15	Long Term Debt	2,257,403	48.759%	5.869%	2.862%	40.0375%	1.7159%
16	Preferred Stock	57,461	1.241%	4.979%	0.062%		0.0618%
17	Common Stock	2,314,865	50.000%	8.638%	4.319%		4.3190%
18	Credit Facility Costs	-	<u>0.000%</u>	0.000%	<u>0.039%</u>	40.0375%	<u>0.0234%</u>
19							
20	Total	<u>\$ 4,629,729</u>	<u>100.000%</u>		<u>7.282%</u>		<u>6.1201%</u>
21							
22	Staff Proposed Operating Income				186,097		
23	Staff Proposed Rate Base				2,555,745		
24	Staff Effective Return on Rate Base				<b>7.282%</b>		
25	<u>EFFECTIVE TAX RATE</u>						
26	State Income Tax Rate	7.7500%					
27	Federal Income Tax Rate	35.0000%					
28							
29	Effective Tax Rate	<u>40.0375%</u>				[State Rate + ((1- State Rate) x Federal Rate)]	

**Ameren Illinois Company**  
**Reconciliation Computation for the Year Ending December 31, 2015**  
For the Filing Year Ending December 31, 2016  
(In Thousands)

Line No.	Description	Source	Amt	(d)	(e)	(f)	(g)
	(a)	(b)	(c)				
1	Actual Revenue Requirement	Staff Ex. 4.0, Sch. 4.01RY, col. (i), line 1	\$ 917,124				
	Revenue Requirement in effect during						
2	Reconciliation Year	(1')	855,130				
3	Variance - Reconciliation Before Collar	(Ln 1) - (Ln 2)	61,994				
4	ROE Collar Adjustment	Staff Ex. 4.0, Sch. 4.09FY, Col (b), Ln 43	-				
5	Variance with Collar	(Ln 3) + (Ln 4)	\$ 61,994				
6	Monthly Interest Rate	Staff Ex. 3.0, Wtd. Cost of Capital/12	<u>0.6067%</u>				
			<u>Variance</u>	<u>Interest Rate</u>	<u>Months</u>	<u>Interest</u>	<u>Surcharge (Refund)</u>
			(Ln 5) / 12	Ln 6		(c) * (d * (e))	(c) + (f)
	2014						
7	January		\$ 5,166	0.6067%	11.5	\$ 360	\$ 5,527
8	February		5,166	0.6067%	10.5	329	5,495
9	March		5,166	0.6067%	9.5	298	5,464
10	April		5,166	0.6067%	8.5	266	5,433
11	May		5,166	0.6067%	7.5	235	5,401
12	June		5,166	0.6067%	6.5	204	5,370
13	July		5,166	0.6067%	5.5	172	5,339
14	August		5,166	0.6067%	4.5	141	5,307
15	September		5,166	0.6067%	3.5	110	5,276
16	October		5,166	0.6067%	2.5	78	5,245
17	November		5,166	0.6067%	1.5	47	5,213
18	December		<u>5,166</u>	<u>0.6067%</u>	<u>0.5</u>	<u>16</u>	<u>5,182</u>
19	Total	Sum of (Ln 7) thru (Ln 18)	\$ <u>61,994</u>			\$ <u>2,257</u>	\$ <u>64,251</u>
			<u>Balance</u>	<u>Interest Rate</u>	<u>Mons</u>	<u>Interest</u>	<u>Balance</u>
				Ln 6		(c) * (d * (e))	(c) + (f)
	2015						
20	January - December	Col G Ln 19	\$ <u>64,251</u>	0.6067%	12	\$ 4,677	\$ 68,928
			<u>Balance</u>	<u>Interest Rate</u>		<u>Amort</u>	<u>Balance</u>
				Ln 6		(2)	(c) + (c) * (d) - (f)
	2016						
21	Jan	Col G Ln 20	\$ 68,928	0.6067%		\$ 5,973	\$ 63,373
22	Feb	Col G Ln 21	63,373	0.6067%		5,973	57,785
23	Mar	Col G Ln 22	57,785	0.6067%		5,973	52,162
24	Apr	Col G Ln 23	52,162	0.6067%		5,973	46,506
25	May	Col G Ln 24	46,506	0.6067%		5,973	40,815
26	Jun	Col G Ln 25	40,815	0.6067%		5,972	35,090
27	Jul	Col G Ln 26	35,090	0.6067%		5,972	29,331
28	Aug	Col G Ln 27	29,331	0.6067%		5,972	23,537
29	Sep	Col G Ln 28	23,537	0.6067%		5,972	17,708
30	Oct	Col G Ln 29	17,708	0.6067%		5,972	11,843
31	Nov	Col G Ln 30	11,843	0.6067%		5,972	5,943
32	Dec	Col G Ln 31	<u>5,943</u>	<u>0.6067%</u>		<u>5,972</u>	<u>7</u>
33	Variance with Interest	Sum of (Ln 21) thru (Ln 32)				\$ 71,671	
34	Remove ROE Collar Adjustment (3')	Ln 4				\$ -	
35	Reconciliation with Interest	(Ln 33) - (Ln 34)				\$ 71,671	To Sch. 4.01

Notes:

(1') Calculated in accordance with Section 16-108.5 (d)(1) of the Act. Reconciliation for 2015 will reflect the amount shown on Sch. FR A-4 Ln 2 of the calculation used to determine revenue requirement in effect during the reconciliation year.

(2) (-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, 2015  
For the Filing Year Ending December 31, 2016  
(In Thousands)

Line No.	Description (a)	Amount (b)	Column (b) Source (c)
1	DS Rate Base	\$ 2,433,206	Staff Sch. 4.03RY, Column (d), Line 24
	Capital Structure:		
2	Common Equity %	50.00%	AIC Schedule WPC-5.4, Line 4
3	Preferred Stock%	1.24%	AIC Schedule WPC-5.4, Line 3
4	Short-Term Debt %	0.00%	AIC Schedule WPC-5.4, Line 2
5	Long-Term Debt %	48.76%	AIC Schedule WPC-5.4, Line 1
6	DS Equity Balance	1,216,602	Ln 1 x Ln 2
7	DS Preferred Stock Balance	30,226	Ln 1 x Ln 3
8	DS Short-Term Debt Balance	-	Ln 1 x Ln 4
9	DS Long-Term Debt Balance	1,186,376	Ln 1 x Ln 5
10	Cost of Short-Term Debt (%)	0.00%	
11	Cost of Long-Term Debt (%)	5.87%	
12	Cost of Preferred Stock	4.98%	
13	DS Operating Revenue	\$ 901,432	FERC Form 1, p. 300, line 12 and Note (1')
14	[blank]		
	Accrued Reconciliation and Collar Revenues		
15	Included on Line 13	\$ 56,002	FERC Form 1, p. 300, line 12 and Note (1')
16	Updated Reconciliation Amount before Collar	\$ 61,994	Staff Sch. 4.08FY line 3
17	Other Revenue	\$ 31,976	Staff Sch. 4.01FY Column (i) line 2
18	DS Applicable Operating Revenue	\$ 939,400	Ln 13 - Ln 15 + Ln 16 + Ln 17
19	Total DS Operating Expenses	\$ 702,151	Staff Ex. 4.0, Schedule 4.01RY line 18
20	DS Operating Income Before Interest & Taxes	\$ 237,249	Ln 18 - Ln 19
21	DS Short-Term Interest Expense	\$ -	Ln 6 x Ln 10
22	DS Long-Term Interest Expense	\$ 69,628	Ln 9 x Ln 11
23	Credit Facilities Expense	\$ 923	Line 1 times 0.04% Credit Facility Fees
24	DS Operating Income before Taxes	\$ 166,698	Ln 20 - Ln 21 - Ln 22 - Ln 23
25	Income Tax Rate (%)	40.038%	Staff Ex. 4.0, Sch. 4.07RY, Column (d), Ln 4 + Ln 6
26	DS Income Taxes	\$ 66,742	Ln 24 x Ln 25
27	Impact of ITCs & Permanent Tax Differences	\$ (1,547)	Company Sch FR C-4 Ln 12
28	DS Income Taxes	\$ 65,195	Ln 26 + Ln 27
29	DS Net Income before Dividend	\$ 101,503	Ln 24 - Ln 28
30	DS Preferred Stock Dividend	\$ 1,505	Ln 7 x Ln 12
31	DS Net Income	\$ 99,998	Ln 29 - Ln 30
32	DS ROE (%)	8.22%	Ln 31 / Ln 6
33	ROE Collar		
34	Allowed ROE (%)	8.64%	Company Sch FR D-1 Col. Ln 17
35	Maximum Allowed ROE (%)	9.14%	Ln 34 + .5%
36	Minimum Allowed ROE (%)	8.14%	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, 2016  
(In Thousands)

<u>Line</u>	<u>Description</u> (a)	<u>Amount</u> (b)	<u>Lag (Lead)</u> (c)	<u>CWC Factor</u> (d) (c/365)	<u>Requirement</u> (e) (b*d)	<u>Column b</u> <u>Source</u> (f)
1	Revenues	\$ 629,260	53.98	0.14789	\$ 93,063	Staff Sch. 4.10FY, page 2, Column (b), Line 6
	Collections of Pass-through Taxes:					
2	Energy Assistance Charges	17,065	0.00	0.00000	-	Line 14
3	Municipal Utility Tax	34	0.00	0.00000	-	Line 16
3a	Deferred Taxes & ITCs Net	(114,907)	53.98	0.14789	(16,994)	Staff Sch. 4.01FY, Column (j), Line 21
4	Total Receipts	<u>\$ 531,452</u>			<u>\$ 76,069</u>	Sum of Lines 1 through 5
5	Employee Benefits	\$ 38,593	(20.27)	(0.05553)	\$ (2,143)	Ameren Schedule B-8, Column B, Line 9
6	FICA	6,392	(13.13)	(0.03597)	(230)	Ameren Schedule B-8, Column B, Line 10
7	Payroll	153,176	(11.53)	(0.03159)	(4,839)	Ameren Schedule C-11.1, Column E, Line 14 +(Sum of Schedule C-2, Columns K, L, M, and R, Line 37 )
8	Other Operations and Maintenance Expenses	236,210	(47.04)	(0.12888)	(30,442)	Staff Sch. 4.10FY, page 2, Column (b), Line 17
9	Federal Unemployment Tax	91	(76.38)	(0.20926)	(19)	Ameren Schedule C-18, Column H, Line 3
10	State Unemployment Tax	349	(76.38)	(0.20926)	(73)	Ameren Schedule C-18, Column H, Line 6 + Line 7
11	St. Louis Payroll Expense Tax	18	(87.33)	(0.23926)	(4)	Ameren Schedule C-18, Column H, Line 16
12	Federal Excise Tax	3	(30.21)	(0.08277)	-	Ameren Schedule C-18, Column H, Line 4
13	Electricity Distribution Tax	41,919	(29.38)	(0.08049)	(3,374)	Ameren Schedule C-18, Column H, Line 10
14	Energy Assistance Charges	17,065	(45.66)	(0.12510)	(2,135)	Ameren Schedule C-18, Column H, Line 9
15	Municipal Utility Tax	34	(45.63)	(0.12501)	(4)	Ameren Schedule C-18, Column H, Line 15
16	Gross Receipts Tax	144	(45.63)	(0.12501)	(18)	Ameren Schedule C-18, Column H, Line 11
17	Corporation Franchise Tax	1,091	(193.45)	(0.53000)	(578)	Ameren Schedule C-18, Column H, Line 8
18	Property/Real Estate Tax	3,494	(387.27)	(1.06101)	(3,707)	Ameren Schedule C-18, Column H, Line 14 Staff Sch. 4.06 FY, Column (b), Line 3 less Line 20
19	Interest Expense	73,137	(91.25)	(0.25000)	(18,284)	below Staff Sch. 4.03FY, Column (d),Line 24 x Staff weighted
20	Bank Facility Costs	997	307.92	0.84362	841	bank facility fees.
21	Current State Income Taxes	(8,085)	(37.88)	(0.10378)	839	Staff Sch.4.01FY, Column (i), Line 19
22	Current Federal Income Taxes	(33,680)	(37.88)	(0.10378)	3,495	Staff Sch.4.01FY, Column (i), Line 20
23	Misc. Expenses	504	(253.45)	(0.69438)	(350)	Ameren Ex. 10.1, p. 20, line 53, col. (D)
24	Total Outlays	<u>\$ 531,452</u>			<u>\$ (61,025)</u>	Sum of Lines 5 through 23
25	Cash Working Capital Per Staff				\$ 15,044	Line 4 plus Line 24
26	Cash Working Capital per Company				15,010	Ameren Ex. 10.1, p. 20, line 60
27	Difference -- Adjustment to Cash Working Capital				<u>\$ 34</u>	Line 25 minus Line 26

**Ameren Illinois Company**  
**Cash Working Capital Adjustment**  
For the Filing Year Ending December 31, 2016  
(In Thousands)

<u>Line</u>	<u>Description</u> (a)	<u>Amount</u> (b)	<u>Source</u> (c)
1	Total Operating Revenues	\$ 976,082	Staff Sch. 4.01FY, Column (i), Line 5
2	Uncollectible Accounts	(7,591)	Staff Sch. 4.01FY, Column (i), Line 6
3	Depreciation & Amortization	(225,099)	Staff Sch. 4.01FY, Column (i), Line 12
4	Regulatory Debits	(2,170)	Staff Sch. 4.01FY, Column (i), Line 14
5	Return on Equity	(111,962)	Line 9 below
6	Total Revenues for CWC calculation	<u>\$ 629,260</u>	Sum of Lines 1 through 5
7	Total Rate Base	\$ 2,555,745	Staff Sch. 4.03FY, Column (d), Line 24
8	Weighted Cost of Equity	4.381%	Ameren Schedule WPC-5.4
9	Return on Equity	<u>\$ 111,962</u>	Line 7 times Line 8
10	Operating Expense Before Income Taxes	\$ 716,843	Staff Sch. 4.01FY, Column (i), Line 18
11	Employee Benefits Expense	(38,593)	Ameren Schedule B-8, Column B, Line 9
12	Payroll Expense	(153,176)	Ameren Schedule C-11.1, Column E, Line 14 +(Sum of Schedule C-2, Columns K, L, M, and R, Line 37 )
13	Uncollectible Accounts	(7,591)	Staff Sch. 4.01FY, Column (i), Line 6
14	Depreciation & Amortization	(225,099)	Staff Sch. 4.01FY, Column (i), Line 12
15	Taxes Other Than Income	(54,004)	Staff Sch. 4.01FY, Column (i), Line 13
16	Regulatory Debits	(2,170)	Staff Sch. 4.01FY, Column (i), Line 14
17	Other Operations & Maintenance for CWC Calculation	<u>\$ 236,210</u>	Sum of Lines 10 through 16





**Ameren Illinois Company**  
**Rate Base**  
For the Reconciliation Year Ending December 31, 2015  
(In Thousands)

Line No.	Description	Pro Forma Jurisdictional Rate Base (Ameren Ex. 10.1, pp. 7-8)	Staff Adjustments (Staff Sch. 4.04RY)	Reconciliation Year Rate Base (Col. b+c)
	(a)	(b)	(c)	(d)
1	Distribution Plant	\$ 5,587,904	\$ -	\$ 5,587,904
2	G & I Plant	438,471	-	438,471
3	Accumulated Depreciation on Distribution Plant	(2,629,184)	-	(2,629,184)
4	Accumulated Depreciation on G & I Plant	(144,180)	-	(144,180)
5	Net Plant	3,253,011	-	3,253,011
6	Additions to Rate Base			
7	Materials and Supplies	39,457	-	39,457
8	Construction Work in Progress	2,259	-	2,259
9	Plant Held for Future Use	411	-	411
10	Deferred Debits	8,876	-	8,876
11	Cash Working Capital	15,162	36	15,198
12	OPEB Liability	2,677	-	2,677
13	Deductions From Rate Base			
14	Accumulated Deferred Income Taxes	(827,647)	-	(827,647)
15	Accrued Vacation Reserve	-	-	-
16		-	-	-
17		-	-	-
18	Accumulated Misc. Operating Provisions	-	-	-
19	Asset Retirement Obligation	-	-	-
20	Other Rate Base Adjustments	(15,105)	-	(15,105)
21	Customer Advances	(17,579)	-	(17,579)
22	Customer Deposits	(27,199)	-	(27,199)
23		-	-	-
24	Rate Base at End of Year	\$ 2,434,323	\$ 36	\$ 2,434,359



**Ameren Illinois Company**  
**Revenue Effect of Adjustments**  
 For the Reconciliation Year Ending December 31, 2015  
 (In Thousands)

Line No.	Description (a)	Company Proposal (b)	Staff Adjustments (c)	Per Staff (d)
1	<b>Summary</b>			
2	Current Revenues	\$ 887,106		\$ 887,106
3	<b>Proposed Increase</b>	<b>61,984</b>	<b>\$ 10 #</b>	<b>61,994</b>
4	Proposed Revenue Requirement	\$ 949,090	\$ 10	\$ 949,100
5	<b>Percentage Increase</b>	<b>6.99%</b>	<b>0.00%</b>	<b>6.99%</b>
6	<b>Effect of Each Adjustment</b>			
7				
8	Cash Working Capital		\$ 4	
9		-	-	
10		-	-	
11		-	-	
12		-	-	
13		-	-	
14		-	-	
15		0	-	
16		-	-	
17	Gross Revenue Conversion Factor		-	
18	Rate of Return		-	
19	Interest Synchronization		6	
20	Rounding		-	
21	Effect of Adjustments		<b>\$ 10 #</b>	
22	<b>Reconciliation to Staff Sch. 4.01RY</b>			
23	Column (c), line 5.		\$ -	
24	Column (f), line 5.		-	
25	Column (h), line 5.		10	
26	Total Effect of Adjustments		<b>\$ 10 #</b>	

**Ameren Illinois Company**  
**Interest Synchronization Adjustment**  
For the Reconciliation Year Ending December 31, 2015  
(In Thousands)

Line No.	Description (a)	Amount (b)
1	Rate Base	\$ 2,434,359 <sup>(1)</sup>
2	Weighted Cost of Debt	<u>2.901%</u> <sup>(2)</sup>
3	Synchronized Interest (Line 1 x Line 2)	70,613
4	Company Interest Expense	<u>70,620</u> <sup>(3)</sup>
5	Increase (Decrease) in Interest Expense	<u>(7)</u>
6	Increase (Decrease) in State Income Tax Expense	
7	at 7.750%	<u>\$ 1</u>
8	Increase (Decrease) in Federal Income Tax Expense	
9	at 35.000%	<u>\$ 2</u>

(1) Source: Schedule 4.03, column (d), line 24

(2) Source: Staff Ex. 4.0, Sch. ROR RY

(3) Source: Ameren Ex. 10.1, p. 12, line 16 multiplied by line 17

**Ameren Illinois Company**  
**Gross Revenue Conversion Factor**  
 For the Reconciliation Year Ending December 31, 2015  
 (In Thousands)

Line No.	Description	Rate	With Bad Debts	Without Bad Debts
	(a)	(b)	(c)	(d)
1	Revenues		1.000000	1.000000
2	Uncollectibles	0.0000%	<u>0.000000</u>	
3	State Taxable Income		1.000000	
4	State Income Tax	7.7500%	<u>0.077500</u>	<u>0.077500</u>
5	Federal Taxable Income		0.922500	0.922500
6	Federal Income Tax	35.0000%	<u>0.322875</u>	<u>0.322875</u>
7	Operating Income		<u>0.599625</u>	<u>0.599625</u>
8	Gross Revenue Conversion Factor (Line 1 / Line 7)		<u>1.667709</u>	<u>1.667709</u>

**Ameren Illinois Company**  
**Overall Cost of Capital**  
For the Reconciliation Year Ending December 31, 2015

Line No.	Description	Amount	Percent of Total	Percent of Cost	Weighted Component	Effective Tax Rates (1)	After-Tax Cost of Capital
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	<u>PER COMPANY</u>						
2	Short Term Debt	\$ -	0.000%	0.000000%	0.000%	40.0375%	0.0000%
3	Long Term Debt	2,257,403,277	48.759%	5.869000%	2.862%	40.0375%	1.7159%
4	Preferred Stock	57,461,407	1.241%	4.979000%	0.062%		0.0618%
5	Common Stock	2,314,864,684	50.000%	8.638000%	4.319%		4.3190%
6	Credit Facility Costs	-	<u>0.000%</u>	0.000000%	<u>0.039%</u>	40.0375%	<u>0.0234%</u>
7							
8	Total	<u>\$ 4,629,729,368</u>	<u>100.000%</u>		<u>7.282%</u>		<u>6.1201%</u>
9							
10	Company Proposed Operating Income				\$ 177,255		
11	Company Proposed Rate Base				\$2,434,323		
12	Company Effective Return on Rate Base				<b>7.281%</b>		
13	<u>PER STAFF</u>						
14	Short Term Debt	\$ -	0.000%	0.000000%	0.000%	40.0375%	0.0000%
15	Long Term Debt	2,257,403,277	48.759%	5.869000%	2.862%	40.0375%	1.7159%
16	Preferred Stock	57,461,407	1.241%	4.979000%	0.062%		0.0618%
17	Common Stock	2,314,864,684	50.000%	8.638000%	4.319%		4.3190%
18	Credit Facility Costs	-	0.000%	0.000000%	0.039%	40.0375%	0.0234%
19		-	<u>0.000%</u>	0.000000%	<u>0.000%</u>		<u>0.0000%</u>
20	Total	<u>\$ 4,629,729,368</u>	<u>100.000%</u>		<u>7.282%</u>		<u>6.1201%</u>
21							
22	Staff Proposed Operating Income				\$ 177,258		
23	Staff Proposed Rate Base				\$ 2,434,359		
24	Staff Effective Return on Rate Base (Agrees to Ameren Ex. 10.7, p. 1)				<b>7.282%</b>		
25	<u>EFFECTIVE TAX RATE</u>						
26	State Income Tax Rate		7.7500%				
27	Federal Income Tax Rate		35.0000%				
28							
29	Effective Tax Rate		<u>40.0375%</u>				[State Rate + ((1- State Rate) x Federal Rate)]

Ameren Illinois Company  
Cash Working Capital Adjustment  
For the Reconciliation Year Ending December 31, 2015  
(In Thousands)

<u>Line</u>	<u>Description</u> (a)	<u>Amount</u> (b)	<u>Lag (Lead)</u> (c)	<u>CWC Factor</u> (d) (c/365)	<u>Requirement</u> (e) (b*d)	<u>Column b Source</u> (f)
1	Revenues	\$ 622,279	53.98	0.14789	\$ 92,029	Staff Sch. 4.10RY, page 2, Column (b), Line 6
	Collections of Pass-through Taxes:					
2	Energy Assistance Charges	17,065	0.00	0.00000	-	Line 14
3	Municipal Utility Tax	34	0.00	0.00000	-	Line 16
3a	Deferred Taxes & ITCs Net	(114,907)	53.98	0.14789	(16,994)	Staff Sch. 4.01RY, Column (i), Line 21+Line 20
4	Total Receipts	<u>\$ 524,471</u>			<u>\$ 75,035</u>	Sum of Lines 1 through 5
5	Employee Benefits	\$ 38,593	(20.27)	(0.05553)	\$ (2,143)	Ameren Schedule B-8, Column B, Line 9
6	FICA	6,392	(13.13)	(0.03597)	(230)	Ameren Schedule B-8, Column B, Line 10
7	Payroll	153,176	(11.53)	(0.03159)	(4,839)	Ameren Schedule C-11.1, Column E, Line 14 +(Sum of Schedule C-2, Columns K, L, M, and R, Line 37 )
8	Other Operations and Maintenance Expenses	236,210	(47.04)	(0.12888)	(30,442)	Staff Sch. 5.01FY, page 2, Column (b), Line 17
9	Federal Unemployment Tax	91	(76.38)	(0.20926)	(19)	Ameren Schedule C-18, Column H, Line 3
10	State Unemployment Tax	349	(76.38)	(0.20926)	(73)	Ameren Schedule C-18, Column H, Line 6 + Line 7
11	St. Louis Payroll Expense Tax	18	(87.33)	(0.23926)	(4)	Ameren Schedule C-18, Column H, Line 16
12	Federal Excise Tax	3	(30.21)	(0.08277)	-	Ameren Schedule C-18, Column H, Line 4
13	Electricity Distribution Tax	41,919	(29.38)	(0.08049)	(3,374)	Ameren Schedule C-18, Column H, Line 10
14	Energy Assistance Charges	17,065	(45.66)	(0.12510)	(2,135)	Ameren Schedule C-18, Column H, Line 9
15	Municipal Utility Tax	34	(45.63)	(0.12501)	(4)	Ameren Schedule C-18, Column H, Line 15
16	Gross Receipts Tax	144	(45.63)	(0.12501)	(18)	Ameren Schedule C-18, Column H, Line 11
17	Corporation Franchise Tax	1,091	(193.45)	(0.53000)	(578)	Ameren Schedule C-18, Column H, Line 8
18	Property/Real Estate Tax	3,494	(387.27)	(1.06101)	(3,707)	Ameren Schedule C-18, Column H, Line 14
19	Interest Expense	69,664	(91.25)	(0.25000)	(17,416)	Staff Sch. 4.06 RY, Column (b), Line 3 less Line 20 below
20	Bank Facility Costs	949	307.92	0.84362	801	Staff Sch. 4.03RY, Column (d), Line 24 x Staff weighted bank facility fees.
21	Current State Income Taxes	(8,753)	(37.88)	(0.10378)	908	Staff Sch.4.01RY, Column (i), Line 19
22	Current Federal Income Taxes	(36,472)	(37.88)	(0.10378)	3,785	Staff Sch.4.01RY, Column (i), Line 20
23	Misc. Expenses	503	(253.45)	(0.69438)	(349)	Ameren Ex. 10.1, p. 19, line 23
24	Total Outlays	<u>\$ 524,470</u>			<u>\$ (59,837)</u>	Sum of Lines 5 through 23
25	Cash Working Capital Per Staff				\$ 15,198	Line 4 plus Line 24
26	Cash Working Capital per Company				15,162	Ameren Ex. 10.1, p. 19, line 30
27	Difference -- Adjustment to Cash Working Capital				<u>\$ 36</u>	Line 25 minus Line 26

**Ameren Illinois Company**  
**Cash Working Capital Adjustment**  
For the Reconciliation Year Ending December 31, 2015  
(In Thousands)

<u>Line</u>	<u>Description</u> (a)	<u>Amount</u> (b)	<u>Source</u> (c)
1	Total Operating Revenues	\$ 949,100	Schedule 4.01RY, Column i, Line 5
2	Uncollectible Accounts	(6,771)	Schedule 4.01RY, Column i, Line 6
3	Depreciation & Amortization	(211,236)	Schedule 4.01RY, Column i, Line 12
4	Regulatory Debits	(2,170)	Schedule 4.01RY, Column i, Line 14
5	Return on Equity	<u>(106,644)</u>	Line 9 below
6	Total Revenues for CWC calculation	<u>\$ 622,279</u>	Sum of Lines 1 through 5
7	Total Rate Base	\$ 2,434,359	Schedule 4.03RY, Column d, Line 24
8	Weighted Cost of Equity	<u>4.381%</u>	Ameren Schedule WPC-5.4
9	Return on Equity	<u>\$ 106,644</u>	Line 7 times Line 8
10	Operating Expense Before Income Taxes	\$ 702,160	Schedule 4.01RY, Column i, Line 18
11	Employee Benefits Expense	(38,593)	Ameren Schedule B-8, Column B, Line 9 Ameren Schedule C-11.1, Column E, Line 14 +(Schedule C-2, Column N, Line 54 + Column O, Line 54)
12	Payroll Expense	(153,176)	
13	Uncollectible Accounts	(6,771)	Schedule 4.01RY, Column i, Line 6
14	Depreciation & Amortization	(211,236)	Schedule 4.01RY, Column i, Line 12
15	Taxes Other Than Income	(54,004)	Schedule 4.01RY, Column I, Line 13
16	Regulatory Debits	(2,170)	Schedule 4.01RY, Column i, Line 14
17	Other Operations & Maintenance for CWC Calculation	<u>\$ 236,210</u>	Sum of Lines 10 through 16