



2014 ANNUAL REPORT ON
SUPPLIER DIVERSITY
FOR
ILLINOIS COMMERCE COMMISSION

Ameren Illinois Corporation
6 Executive Drive
Collinsville, IL 62234
Richard Mark, President and Chairman

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I. PRESIDENT & CHAIRMAN MESSAGE

As a Fortune 500 energy Corporation, we are focused on powering the quality of life throughout our 64,000 square mile Illinois and Missouri service territory. Providing diverse-owned companies greater opportunities to do business with Ameren is a critical component of our business and economic development strategy. We believe diverse business participation is a catalyst to our economic success because they are key drivers of economic growth, job creation and the financial well-being of our communities, our states and region.

Ameren is committed to providing equal access and opportunity to all qualified businesses, including those owned by minorities, women, veterans, service disabled veterans and lesbian, gay, bi-sexual and transgender (LGBT). Through our Supplier Diversity Program, we identify qualified diverse businesses that add value to our sourcing and business segment relationships. Engaged Ameren leadership, business segments, employees and prime suppliers in partnership with Ameren, all work to ensure that qualified diverse suppliers are given opportunities and awarded contracts to do business with Ameren. Our philosophy has yielded results where our total spend with diverse suppliers has grown from \$73 million in 2007 to \$272 million in 2014.

In addition, we are proud to open our doors to the business community to host our Ameren Supplier Diversity Symposiums and Summits. These events create an ideal environment to learn about Ameren procurement opportunities and establish partnerships with both Ameren and our prime suppliers.

Our commitment to diverse supplier participation also includes funding scholarships for diverse business owners to attend the Minority Business Executive Series at the Tuck School of Business on the campus of Dartmouth College in Hanover, NH. The Tuck School of Business at Dartmouth has helped minority business executives succeed and now boasts more than 7,000 graduates of its high impact programs. We believe these scholarships help our diverse suppliers grow and create long-term sustainable partnerships with Ameren.

Ameren has a special connection to the communities we serve. We believe creating a culture where diverse-owned businesses can participate in Ameren opportunities enhance our region and help power the quality of life.

Richard Mark

President & Chairman
Ameren Illinois

II. TERMS AND DESCRIPTIONS

Product/Service Description	
Advertising Services	promotional, news, publicity
Control & Instrumentation	pressure gauges, flow meters, SCADA, DCS, strip chart recorders, CEMs
ED Gas Materials	GAS SPECIFIC Pipe, valves, and fittings, risers, regulators, anodes
ED Maintenance & Construction Services Distribution	overhead distribution line and substation construction and maintenance, concrete and asphalt repair and restoration, relay testing and engineering, pole inspections and repairs, pole and tower painting, equipment rentals, traffic control services, and crane services for overhead ED distribution work less than 100kV
ED Maintenance & Construction Services	directional boring, line construction, transmission substation, pole inspection, pole painting, rock drilling, tower painting, relay testing, electrical testing, inspection and restoration, etc. for overhead ED work greater than 100kV
ED Maintenance & Construction Services Underground	hydro-excavation, underground locating, directional boring and trenching, duct banks, underground substation work, and rock drilling for underground ED work
ED Underground Materials	conduit, vaults, precast concrete structures, junction boxes, lead shields & sleeves, pedestals, manholes, frames, bends, spacers, coil able duct, cover, grates
Engineering & Architectural Services	civil, electrical, mechanical, chemical
Environmental Services	hazardous waste, clean-up, remediation, industrial hygiene testing
Facilities Maintenance & Construction Services	fencing, buildings, painting, new construction, roofing, concrete, asphalt, pavement replacement, excavation / grading, electrical work and construction, crane services for construction, demo and/or demo clean up - EXCLUDES REMEDIATION, rental equipment
Facilities Management Facilities Management (Cont'd)	janitorial, maintenance, pest control, trash service, catering / food service, meetings, snow removal, office furniture, decorating, picture framing, landscaping, HVAC, plumbing, rental equipment
Fleet Materials	trucks, earth movers, rail, tires, parts

Fleet Services	engine repair, auto body, towing, general vehicle maintenance
Gas Services	new construction, maintenance, trenching, gas well work, snubbing
Human Resource Services	medical services, drug testing, benefits, life insurance, medical insurance
IT - Materials	desktops, laptops, servers, LAN/WAN equipment, routers, software
IT - Services	IT consulting, programming, network design, implementation services
Materials to support Power Plant Maintenance	small industrial electrical components, fuses, cleaning supplies, welding supplies, hoisting equipment, electrical appliances
Meter Services	contract meter reading
Other	Category/description not elsewhere classified
Pole Line Hardware & Accessories	anchors, arrestors, brackets, connectors, cutouts, insulators, guy wire, pedestals, transformer pads, fuse links
Poles & Towers	wood, towers, and cross arms
Professional Services	expert testimony, management consulting, tax and auditing services, training, payroll services
Real Estate	brokers fees, title insurance, easements, ROW, appraisal services
Safety	1st aid, goggles, glasses, fire extinguishers, fall protection, personal protective equipment, uniforms, electrostatic gloves, hot wire cutters, respirator, respirator cartridges, safety line hose, basket liners, lineman sleeves, hotline stick, lift pole, insulated hoods, traffic cones, barriers, ice melt
Staff Augmentation	temporary labor - clerical, technical and general
Substation Materials	air break switches, steel structures, power control cable, relays, remote terminal units (RTU), insulators, switchgear, breakers, circuit breakers, re-closures, capacitors
Tools	saw, wire cutter, wrench, screwdriver, hammer, drill, drill bits, ladders, chainsaws, trimmers, mowers, leaf blowers, rope, rigging, lifting accessories
Transformers	distribution and power transformers, transformer services, network protectors, network protectors key components
Transportation	bus, helicopter, truckload and less than truckload freight, small package, air express, air cargo, courier

Travel	hotels, airlines, rental cars, airport charges, taxi/limo, aircraft maintenance, travel agents
Vegetation Management	power line tree trimming, substation mowing, bare ground weed control

Key Terms and Definitions

AABE	American Association of Blacks in Energy
B&CS	Ameren Business & Corporate Services segment responsible for opportunities in (HR, Finance, Building Services, IT, Communications etc.)
CDT	Contract Development Team responsible for the implementation and execution of RFP
CMSDC	Chicago Minority Supplier Development Council
Corporation	The Investor Owned Utility whose Illinois company operations are regulated by the ICC
EEI	Edison Electric Institute
Excluded Expenditures	Payments made for goods and services that are excluded from the calculations used in reporting diverse and total expenditures
Expenditures	The actual accounts payable dollars (spend) paid for the procurement of goods and services during a given reporting period
ILBCC	Illinois Black Chamber of Commerce
Long-term goal	Performance criteria established 3-5 years beyond the current reporting period.
M/W/V/SBE Expenditures	The actual accounts payable dollars paid for the procurement of goods and services from third parties (MBE/WBE/VBE/SBE's) secured by the Corporation, either directly or through subcontracting
Minority Business Enterprise (MBE)	A business enterprise that is at least 51% owned by a minority individual or group; or if publicly owned business, at least 51% of the stock of which is owned by one or more minority groups; and whose management and daily business operations are controlled by one or more individuals.
NMSDC	National Minority Supplier Development Council
Prime Contractor	A supplier that invoices the Corporation directly for goods and services rendered
RFI, RFQ, RFP	Solicit requests for information, quotes, and proposals.
SLMBC	St. Louis Minority Business Council

Small Business Enterprise	A business enterprise that is independently owned and operated, is organized for profit, and is not dominant in its field. Depending on the industry, size standard eligibility is based on the average number of employees for the preceding 12 months or on sales volume averaged over a three-year period.
Subcontract	A contract between a party to an original contract and a third to provide all or a specific part of the goods or services required in the original contract
Subcontractor	A supplier with a subcontract with the Prime Contractor who invoices the Prime Contractor for services rendered
Supplier Diversity Goals	Establish annual corporate and business segment supplier diversity goals.
Tier II Program	Process in which prime suppliers are expected to share in the supplier diversity goals of the Corporation by providing meaningful subcontracting opportunities to diverse suppliers in support of its contractual obligations to the Corporation
Veteran Business Enterprise (VBE)	A business enterprise that is at least 51% owned by one or more veterans, including service-disabled veterans. In the case of publicly owned business, at least 51% of the stock is owned by one or more service-disabled veterans; and whose management and daily business operations are controlled by one or more individuals.
WBDC	Women Business Development Council
WBENC	Women Business Enterprise National Council
Women Business Enterprise (WBE)	A business enterprise that is at least 51% owned by a woman or women or if publicly owned business, at least 51% of the stock of which is owned by one or more women; and whose management and daily business operations are controlled by one or more of such individuals.

Schedule of Exclusions from Expenditures Reported
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Board of Directors

Corporation (Inter-Entity Payments)

Confidential

Customer Accounts

Employee

Fuel/Coal/Interchange

Fuel works supplier

Municipality/Utility

Government

Civic

**III. SUMMARY OF WOMEN-OWNED, MINORITY-OWNED, VETERAN-OWNED,
AND SMALL BUSINESS ENTERPRISE GOALS AND SPENDING IN CALENDAR
YEAR 2014**

**TABLE 1-AMEREN COMPANIES
M/W/V/SBE EXPENDITURES AND VENDOR UTILIZATION**

(In Thousands)

Ameren Corporation w/All Suppliers					
				% of Overall	
Spend Category	Total			Actual	Goal
Overall	\$2,208,734			12.3%	12%
	Direct	2nd Tier	Total	Actual	Goal
MBE	\$ 84,994	\$ 14,562	\$ 99,557	4.5%	3.5%
WBE	\$ 107,966	\$ 34,000	\$ 141,966	6.4%	4%
VBE	\$ 21,745	\$ 8,230	\$ 29,975	1.4%	1%
SBE	\$ 363,785	\$ -	\$ 363,785	16.5%	0.00%
Total M/W/VBE/SBE	\$ 578,491	\$ 56,792	\$ 635,283	28.8%	

***Note:** Actual and Goal percentages reflected does not include small business

**TABLE 2- AMEREN ILLINOIS CORPORATION
M/W/V/SBE EXPENDITURES AND VENDOR UTILIZATION**

Ameren Illinois Corporation w/All Suppliers					
Spend Category	Total			% of Overall	
				Actual*	Goal
Overall	\$992,614.9			12.8%	9.8%
	Direct	2nd Tier	Total	Actual	Goal
MBE	\$ 34,368	\$ 1,302	\$ 35,670	3.6%	2.6%
WBE	\$ 69,455	\$ 10,837	\$ 80,293	8.1%	6.7%
VBE	\$ 10,856	\$ 321	\$ 11,177	1.1%	1.1%
SBE	\$ 155,805	\$ -	\$ 155,805	15.7%	9.8%
Total M/W/V/SBE	\$ 270,485	\$ 12,462	\$ 282,947	28.5%	

**Note: Actual and Goal percentages reflected does not include small business*

AMEREN ILLINOIS M/W/V/SBE SPEND BY PRODUCT CATEGORY

a) Minority Business Enterprises (MBE)

Product/Service	
Staff Augmentation	\$ 7,356
IT – Materials	\$ 6,063
Substation Materials	\$ 5,258
IT – Services	\$ 4,242
Facilities Management	\$ 3,121
ED Maintenance & Construction Services Distribution	\$ 1,774
Transformers	\$ 1,635
Environmental Services	\$ 1,473
Professional Services	\$ 1,336
Engineering & Architectural Services	\$ 586
Total MBE Spend	\$ 34,368

**Note: Only the top 10 Product/Services are listed
(See Definitions Page for Product/Service Description)*

b) Women Business Enterprises (WBE)

Product/Service	
ED Maintenance & Construction Services Distribution	\$ 39,089
Meter Services	\$ 8,590
Gas Services	\$ 4,977
Engineering & Architectural Services	\$ 3,255
Human Resource Services	\$ 2,142
Professional Services	\$ 2,058
Safety	\$ 1,749
ED Maintenance. & Construction Services	\$ 1,116
Facilities Management	\$ 1,108
Environmental Services	\$ 915
Total WBE Spend	\$ 69,455

**Note: Only the top 10 Product/Services are listed*

c) Veteran Business Enterprises (VBE)

Product/Service	
Fleet Materials	\$ 2,938
ED Maintenance & Construction Services Distribution	\$ 1,712
Fleet Services	\$ 1,464
Tools	\$ 1,162
Transportation	\$ 815
Substation Materials	\$ 510
IT - Materials	\$ 339
Vegetation Management	\$ 334
ED Underground Materials	\$ 293
Engineering & Architectural Services	\$ 259
Total VBE Spend	\$ 10,856

**Note: Only the top 10 Product/Services are listed*

**TABLE 3-AMEREN ILLINOIS CORPORATION
M/W/V/SBE EXPENDITURES AND VENDOR UTILIZATION
W/ILLINOIS BASED SUPPLIERS**

Ameren Illinois Corporation w/Illinois Based Suppliers					
				% of Overall	
Spend Category	Total			Actual*	Goal
Overall	\$ 992,614				
Breakdown by Tier					
	Direct	2nd Tier	Total	Actual	Goal
MBE	\$ 3,797	\$ 8,946	\$ 12,743	1.3%	-
WBE	\$ 34,549	\$ 12,261	\$ 46,810	4.7%	-
VBE	\$ 4,986	\$ 6,939	\$ 11,925	1.2%	-
SBE	\$ 42,422	\$ -	\$ 42,422	4.3%	-
Total M/W/VBE/SBE	\$ 85,754	\$ 28,147	\$113,901	11.5%	

**Note: Illinois actual % is expressed as a % of total spend with Illinois based suppliers*

M/W/V/SBE Spend by Product/Service Category

d) Illinois Based Minority Business Enterprises (MBE)

Product/Service	
ED Maintenance & Construction Services Distribution	\$ 1,634
Facilities Management	\$ 1,210
Environmental Services	\$ 842
Other	\$ 36
Professional Services	\$ 32
Substation	\$ 27
Travel	\$ 9
Control & Instrumentation	\$ 2
Advertising Services	\$ 1
Human Resource Services	\$ 0.2
Total MBE Spend	\$ 3,797

**Note: Only the top 10 Product/Services are listed*

e) Illinois Based Women Business Enterprises (WBE)

Product/Service	
ED Maintenance & Constr. Services Distribution	\$ 18,490
Meter Services	\$ 8,589
Engineering & Architectural Services	\$ 2,626
ED Maintenance & Construction Services Underground	\$ 1,116
Facilities Management	\$ 904
Environmental Services	\$ 903
Transportation	\$ 382
IT – Materials	\$ 294
Advertising Services	\$ 279
Facilities Maintenance & Construction Services	\$ 179
Total WBE Spend	\$ 34,549

**Note: Only the top 10 Product/Services are listed*

f) Illinois Based Veteran Business Enterprises (VBE)

Product/Service	
Fleet Materials	\$ 2,919
Tools	\$ 1,162
Engineering & Architectural Services	\$ 259
Vegetation Management	\$ 242
Real Estate	\$ 111
Other	\$ 88
Facilities Maintenance & Construction Services	\$ 65
Facilities Management	\$ 38
ED Gas Materials	\$ 26
Total VBE Spend	\$ 4,986

**Note: Only the top 10 Product/Services are listed*

g) Illinois Based Small Business Enterprises (SBE)

Product/Service Description	
Environmental Services	\$ 11,040
Fleet Materials	\$ 6,084
Poles & Towers	\$ 3,823
ED Maintenance & Construction Services	\$ 3,238
Substation Materials	\$ 2,356
Tools	\$ 1,770
ED Gas Materials	\$ 1,615
Materials to support Power Plant Maintenance	\$ 1,489
Engineering & Architectural Services	\$ 1,426
Facilities Management	\$ 1,152
Total SBE Spend	\$ 42,422

**Note: Only the top 10 Product/Services are listed*

IV. POLICIES AND METHODOLOGY**Purpose**

The purpose of this section is to set forth the Ameren corporate policy for supplier diversity in the procurement of non-fuel materials, services and asset leases.

Scope

- A. This policy applies to all Ameren companies.
- B. Employee travel and entertainment expenses are not included in this policy
- C. This policy supersedes all previous Supplier Diversity Policies.

Definitions

Third party certifying organizations recognized by Ameren

- A. Ameren does not certify Diverse Suppliers and relies upon third party certifying organizations.

- B. Ameren recognizes certification from the National Minority Supplier Development Council (NMSDC) and its affiliate councils, the Women’s Business Enterprise National Council (WBENC) and its affiliate councils, and Federal, State and Local government certifying agencies. Contact the Supplier Diversity team for more information on certifying organizations.

Supplier Diversity Organization – Works within Supply Services to support contract development teams and Business Segment personnel to identify diverse suppliers for inclusion in the sourcing and procurement processes.

Contract Development Team – Members may include the Project Manager, Plant/Facility Manager, and representative from Sourcing, Procurement, and Corporate Legal. Corporate Legal coordinates input from Credit; Tax, Finance / Accounting; Health, Safety, and Environmental; Risk Management; and other applicable departments.

Responsibilities

Supplier Diversity Organization

- I. Sourcing for Diverse Suppliers:
- A. Organize and administer diverse supplier sourcing strategies to include:
- Participating as a member of contract development teams.
 - Identifying qualified diverse suppliers to include in procurement projects.
 - Providing insight into market and industry availability of diverse suppliers for specific commodities and services.
 - Sharing expectations and requirements with prospective diverse suppliers as they relate to procurement opportunities.
 - Sharing supplier information with Contract Development Team for the project and developing possible second tier subcontracting opportunities.
 - Debriefing suppliers and providing feedback after contract award or non-award.

II. Build Awareness within Ameren:

- Developing and communicating Supplier Diversity goals & policy.
- Continuing engagement of Supply Services Groups and Business Segments.
- Integrating Supplier Diversity into all procurement strategies.
- Measuring, tracking and reporting progress monthly and quarterly to all levels within the organization.
- Providing support and data to other Ameren departments as required.

III. Community and Industry Awareness and Interaction

- Representing Ameren with community organizations, events and initiatives relating to supplier diversity in the Ameren service territory and nationally as required (e.g. minority/women business councils, chambers of commerce).
- Supporting requirements set forth by government (local, state, federal) and utility service commissions as required.
- Supporting supplier diversity efforts of utility related industry groups.

IV. Develop Competency and Capacity for program growth:

- Integrating Supplier Diversity into procurement strategies.
- Building a Second Tier Program.
- Establishing a formal Mentoring Program for existing suppliers when deemed necessary and/or advisable.

V. Create a Sustainable Process:

- Building on successful Diverse Supplier relationships to grow sustainable spend opportunities.
- Providing Supplier Diversity Training for Supply Services and Business Segments.
- Monitoring compliance of Supplier Diversity language in contracts and ensuring contracts are updated.

- Leading Supplier Diversity Symposiums and Summits.
- Administering recognition programs for outstanding Business Segments, Buyers and Corporate Partners.

Business Segments:

VI. Build Awareness within Ameren:

- Communicating business segment leadership message supporting and illustrating the importance of Supplier Diversity.
- Identifying and utilizing Business Segment Champions.
- Including Supplier Diversity in upcoming procurement projects.

VII. Develop Competency and Capacity for program growth:

- Meeting with prospective diverse suppliers for future procurement opportunities.
- Evaluating progress relative to goals.
- Maintaining level of awareness.

VIII. Create a Sustainable Process:

- Identifying opportunities for expanding the scope of work with successful Diverse Suppliers.
- Attending and participating in training classes, seminars, etc.
- Maintaining level of awareness regarding most recent Supplier Diversity requirements/language.
- Participating in and attending Supplier Diversity events.
- Participating in recognition programs.

Sourcing and Supply Chain Operations:

- Communicate leadership message supporting and illustrating the importance of Supplier Diversity.
- Develop Competency and Capacity for program growth:

- Incorporating Supplier Diversity into Strategic Sourcing and general procurement process.
- Ensuring Supplier Diversity is included in events and meetings with business segment partners.
- Meeting with identified prospective diverse suppliers for future procurement opportunities.
- Maintaining level of awareness.
- Evaluating progress relative to goals.

IX. Create a Sustainable Process:

- Identifying opportunities for expanding the scope of work with successful Diverse Suppliers.
- Attending and participating in training.
- Ensuring contracts contain the most recent Supplier Diversity requirements/language.
- Participating in and attending Supplier Diversity events.
- Participating in recognition program.

Policy Requirements

- A. Supplier Diversity follows the same policy requirements outlined in the Procurement Policy.
- B. Notwithstanding anything contained in this Policy or in the Procurement Policy to the contrary, the Corporation shall at all times comply with any and all applicable federal, state, and local laws and regulations to the extent such apply in any given situation.

Deviations

- A. Deviations from this policy must be approved, in writing, by the Vice President, Safety & Supply Services in advance of commitments to suppliers or other non-Ameren entities.

V. SUPPLIER DIVERSITY GOALS & STRATEGIES

Ameren's Supplier Diversity organization employs specific goals with comprehensive internal and external strategies to nurture and increase qualified Diverse Supplier participation within Ameren.

These strategies include:

- ✓ Establish and Support Corporate Supplier Diversity Goals:
 - Establishing Business Segment goals to support the corporate goal
 - Formalized multi-tier program
 - ≤ 100K Opportunity-provides targeted diverse suppliers an opportunity to gain experience with Ameren at this spend level or below

- ✓ Creating ACCESS and DEVELOPMENT opportunities:
 - Conducting Business Segment quarterly engagement meetings
 - Socializing Diverse Suppliers within each Business Segment to perform vendor presentations
 - Prime/Diverse Supplier matchmakers
 - Supplier Diversity Symposiums/Summits

- ✓ Driving long term SUSTAINABILITY:
 - Dartmouth Scholarship Awards for Diverse Suppliers
 - Focused growth initiative
 - Participation in Diverse Supplier Organizations

Goal Setting Methodology

Ameren employs an integrated planning process where Sourcing/Purchasing, Supplier Diversity, and the internal business partners analyze opportunities and develop goals for diverse supplier expenditures. These goals are then approved by senior management and measured, monitored, and reported throughout the year.

This process requires the Ameren team to analyze the type of services and/or material required, the current availability of diverse suppliers in the market, the location of the work to be performed, and historical trends regarding diverse participation in similar work.

Once the diverse spend goals are established, they are formally communicated throughout Ameren by the Supplier Diversity organization and the business partner stakeholders.

Ameren has established a long-term goal of achieving 15% expenditures with diverse suppliers by 2020. Ameren's corporate goal for 2015 is 12.5% with each business segment partner owning a specific, measurable, results-oriented goal that supports the corporate goal.

Business Partner Engagement Meetings

Ameren's Supplier Diversity organization conducts regular business partner engagement meetings to introduce diverse suppliers and provide opportunities to conduct supplier presentations. This process provides new and incumbent diverse suppliers direct access to the business stakeholders and promotes diverse supplier/business partner relationships.

The business partner meetings also provide the Supplier Diversity Executives the forum to discuss opportunity-rich categories for diverse supplier participation, business partner diverse spending profile, and analysis on how the business segments are achieving their Supplier Diversity goals.

Formalized multi-tier program

Ameren requires prime suppliers to share in our commitment to providing opportunities for diverse suppliers. Ameren's Tier II Program requires our prime suppliers to deliver a diverse business utilization plan when competing for Ameren work. The plan identifies the level of expenditures with diverse suppliers who are participating as subcontractors/consultants on Ameren awarded work. Prime Suppliers are required to report Tier II diverse spend monthly.

To facilitate participation in Ameren's Tier II Program, Supplier Diversity hosts matchmaker events with Ameren prime suppliers and diverse companies to encourage prime/diverse partnerships.

Supplier Diversity Symposiums and Summits

Ameren hosts Supplier Diversity Symposiums and Summits to increase the level of diverse supplier participation. These events bring diverse suppliers to a venue that provides access to senior leadership, business partners, prime suppliers, and Sourcing/Purchasing. In addition, workshops are available to educate suppliers on upcoming opportunities.

Ameren also subscribes to a 'Supplier Locator' database that assists the supplier diversity executives in identifying certified diverse suppliers by categories selected.

Dartmouth Tuck Scholarship Awards

Annually, Supplier Diversity awards scholarships to the Tuck Minority Executive Business Education series at Dartmouth College in Hanover, New Hampshire. These scholarships are awarded to incumbent diverse suppliers to promote their growth, development, and sustainability in our network.

Ameren has awarded more than 12 scholarships to incumbent diverse suppliers.

Participation in Diverse Supplier Organizations

Ameren actively participates in a number of external organizations that support and promote capabilities of diverse suppliers. Supplier Diversity personnel and other co-workers actively participate in certification committees, business expos, and other activities to alert and advise both diverse and non-diverse suppliers of program opportunities and expectations.

VI. AREAS OF PROCUREMENT FOR 2015

Key areas for procurement in 2015 include:

- ✓ Vegetation Management
- ✓ Transmission Line Construction
- ✓ Business & Corporate Services
- ✓ Information Technology
- ✓ Tier II contract opportunities

VII. CHALLENGES FINDING QUALITY VENDORS

Ameren is intentional with our Supplier Diversity program strategies that nurture opportunities for Diverse Suppliers. While these strategies continue to produce results, the uniqueness and complex nature of this industry and its systems create real challenges for identifying suppliers who can perform irrespective of diversity status.

Specialized expertise, high equipment cost, and a premium focus on safety appear to be some requirements that constrain the availability in the market for diverse suppliers who can perform in the most critical areas of our business. In addition, other industries in the region with similar program expectations create diverse participation demands in the market that appears to strain the capacity of diverse suppliers to provide goods and services in procurement areas commonly shared across industries. These market dynamics are a challenge for the utility because multiple industries compete for diverse participation from the same pool of diverse suppliers which weaken the success any one industry could enjoy.

Mergers and acquisitions of successful diverse utility suppliers have the effect of eroding sustainable diverse spend expenditures. When qualified diverse supplier perform well and succeed in certain procurement categories it creates year over year diverse spending for the utility. The success of the diverse suppliers positions them very well for an M&A. When M&A's occur it creates a yearly diverse spend void yet potentially no new opportunity if the utility is satisfied with the performance of the acquired supplier. This dynamic adds stress for the utility to identify other qualified diverse suppliers to replace the diverse spend loss.

The Illinois Commerce Commission could assist in this challenge by helping to nurture an environment of focused growth for diverse suppliers. A focused growth strategy would enable the Illinois utilities to leverage the competencies of our key diverse suppliers with each other. It would involve utility key stakeholders from the business segment, sourcing, and supplier diversity.

VIII. CERTIFICATIONS ACCEPTED

(See Section IV, Policies & Methodology, Definitions part B)

IX. POINT OF CONTACT

The point of contact for Ameren's Supplier Diversity Program is:

Byron Witherspoon
Director, Supplier Diversity
bwitherspoon@ameren.com

X. SUCCESS STORIES

Ameren's program strategies to create **ACCESS, DEVELOPMENT, AND SUSTAINABLE** opportunities has led to successful partnerships with Diverse Suppliers. As a result of the execution of our strategies, Ameren has realized an annual increase in diverse business spending over the past several years. (See Appendix A)

Some success stories include:

- ✓ In 2014, Ameren was introduced to an Illinois based Hispanic owned, multi-disciplined civil engineering firm. Our program created a healthy environment where the firm was introduced to our environmental business partners. The firm was vetted by Ameren key stakeholders and awarded inspection work on our Transmission project. After successfully completing that project, Ameren awarded the firm additional Transmission inspection work. Going forward, Ameren will be using the firm for inspection services on numerous Transmission projects.

The firm was also awarded the 2015 Ameren scholarship to attend the Tuck Minority Business Executive Education series on the campus of Dartmouth College in Hanover, New Hampshire.

- ✓ In 2014, Ameren Illinois on-boarded an Illinois based African American owned electrical firm to allow them distribution work experience on Ameren Illinois systems. The firm gained valuable experience on our systems and had success in the performance of the work. As a result, Ameren Illinois anticipates increased spending with the firm.
- ✓ The Ameren Illinois contract development team worked on an opportunity to increase diverse spend in the Vegetation Management area. The team facilitated a relationship with an Illinois based woman owned landscaping business and one of Ameren's prime tree trimming contractors. In 2014, a partnership was created with the woman owned

landscaping business and the tree trimming company to perform chipping work on Ameren Illinois projects. The partnership has continued in 2015.

- ✓ In 2014, the Ameren Information Technology team on-boarded a minority owned firm to work with Ameren on a data warehousing project. The partnership is a result of the firm participating in Ameren symposiums/summits.
- ✓ In 2014, a woman owned safety supplier was identified from Ameren outreach and was socialized with our generation partners to discuss capabilities. With the support of our generation team the safety supplier won a 3-year contract to provide safety equipment throughout Ameren.
- ✓ In 2014, through Ameren Illinois competitive bid process, two women owned businesses were awarded three gas construction projects in Illinois.

XI. ILLINOIS COMMERCE COMMISSION WEBSITE

Pursuant to Section 5-117 of the Public Utilities Act (220 ILCS 5/5-117 Section F), Ameren Illinois Company hereby submits to the Illinois Commerce Commission its 2014 Annual Supplier Diversity Report. Reports are due annually on April 15th beginning in 2015.

The Commission shall publish the report on its website and shall maintain the report for at least 5 years. The Public Utilities Act also require the ICC and participating utilities to hold an [Annual Policy Meeting](#) that is open to the public on the subject of Supplier Diversity. The policy meeting will follow submission of the April 15th reports.

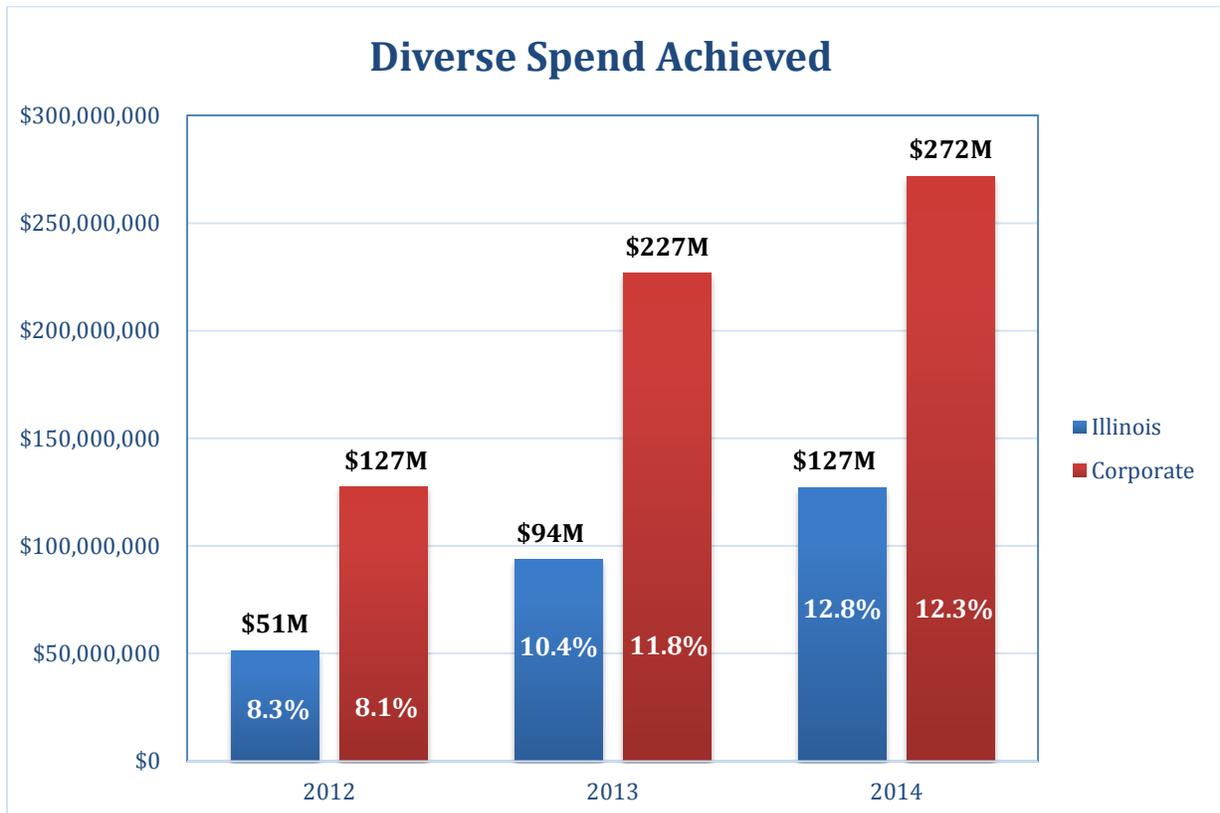
The 2015 Annual Policy Meeting is scheduled for 1:00pm on June 11, 2015 at the Illinois Commerce Commission located at 160 N. LaSalle; Chicago, IL 60601.

For more information on Ameren Illinois' Annual Supplier Diversity Reports, please visit the ICC Supplier Diversity webpage at <http://www.icc.illinois.gov/filings/mwvs/>

APPENDIX A

AMEREN ILLINOIS & AMEREN CORPORATE

DIVERSE SPEND PERFORMANCE



**3 year historical diverse spend performance*

APPENDIX B

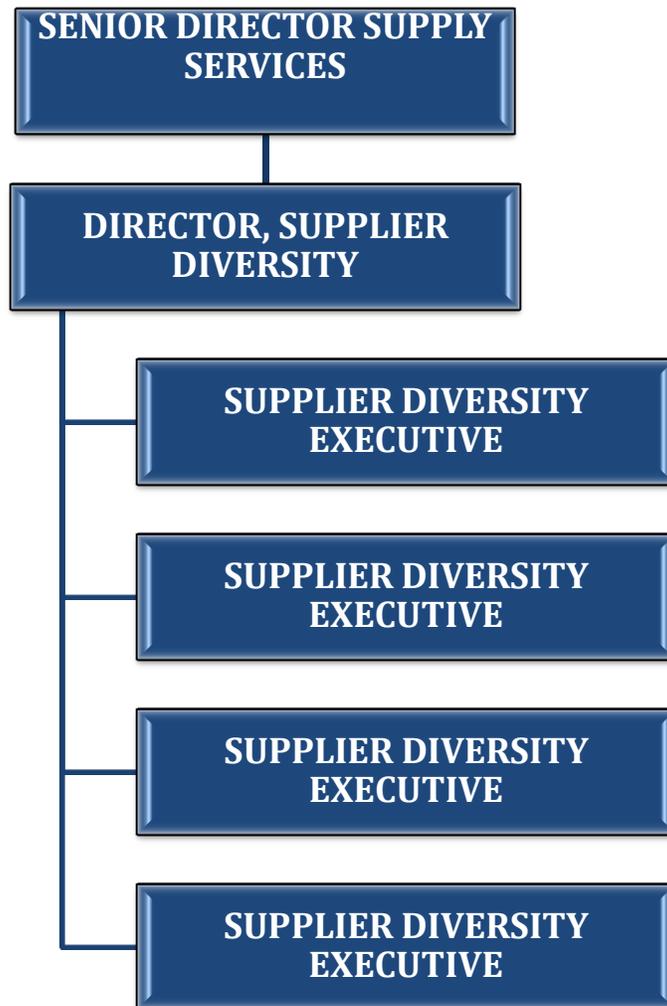
ORGANIZATION PARTICIPATION

Ameren actively engages in a number of organizations which support and promote capabilities of Diverse Suppliers:

- St. Louis Minority Business Council
- Edison Electric Institute
- American Association of Blacks in Energy
- Chicago Minority Supplier Development Council
- Illinois Black Chamber of Commerce
- Illinois Hispanic Chamber of Commerce
- National Minority Supplier Development Council
- Women Business Enterprise National Council
- National Gay Lesbian Chamber of Commerce
- Veteran Business Resource Center

APPENDIX C

ORGANIZATIONAL CHART



2015 SUPPLIER DIVERSITY SYMPOSIUM HIGHLIGHTS



2015 SUPPLIER DIVERSITY SYMPOSIUM HIGHLIGHTS

