Transmission Planning and Cost Allocation at Ameren and in the Midwest ISO

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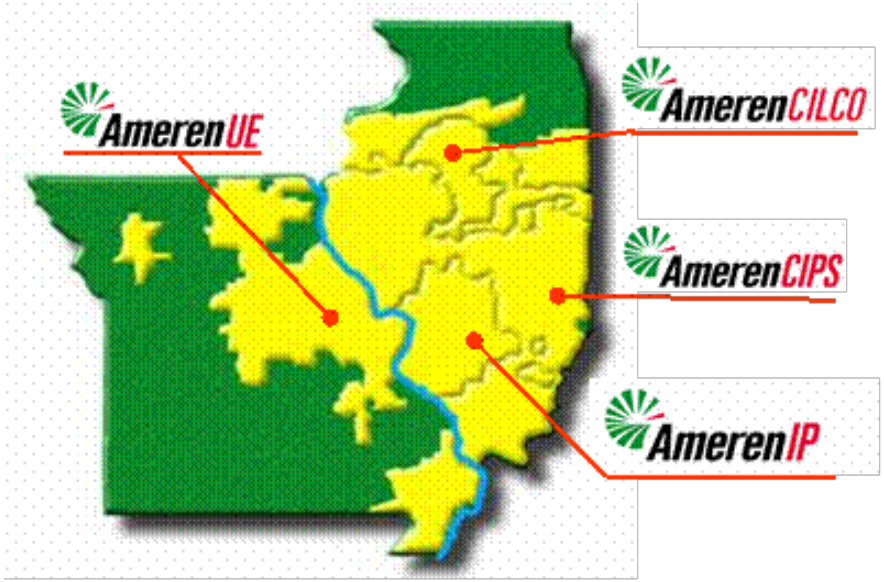
Ameren Company Statistics

	2009
Electric Customers	2.4 Million
Gas Customers	1 Million
Service Area	64,000 Sq. Miles
Generation	16,300 MW
Peak Load	18,265 MW
Electric System Miles	96,000
Transmission Miles	7,400
Total Assets	$24 Billion
Total Revenues	$ 7 Billion
Employees	9,500



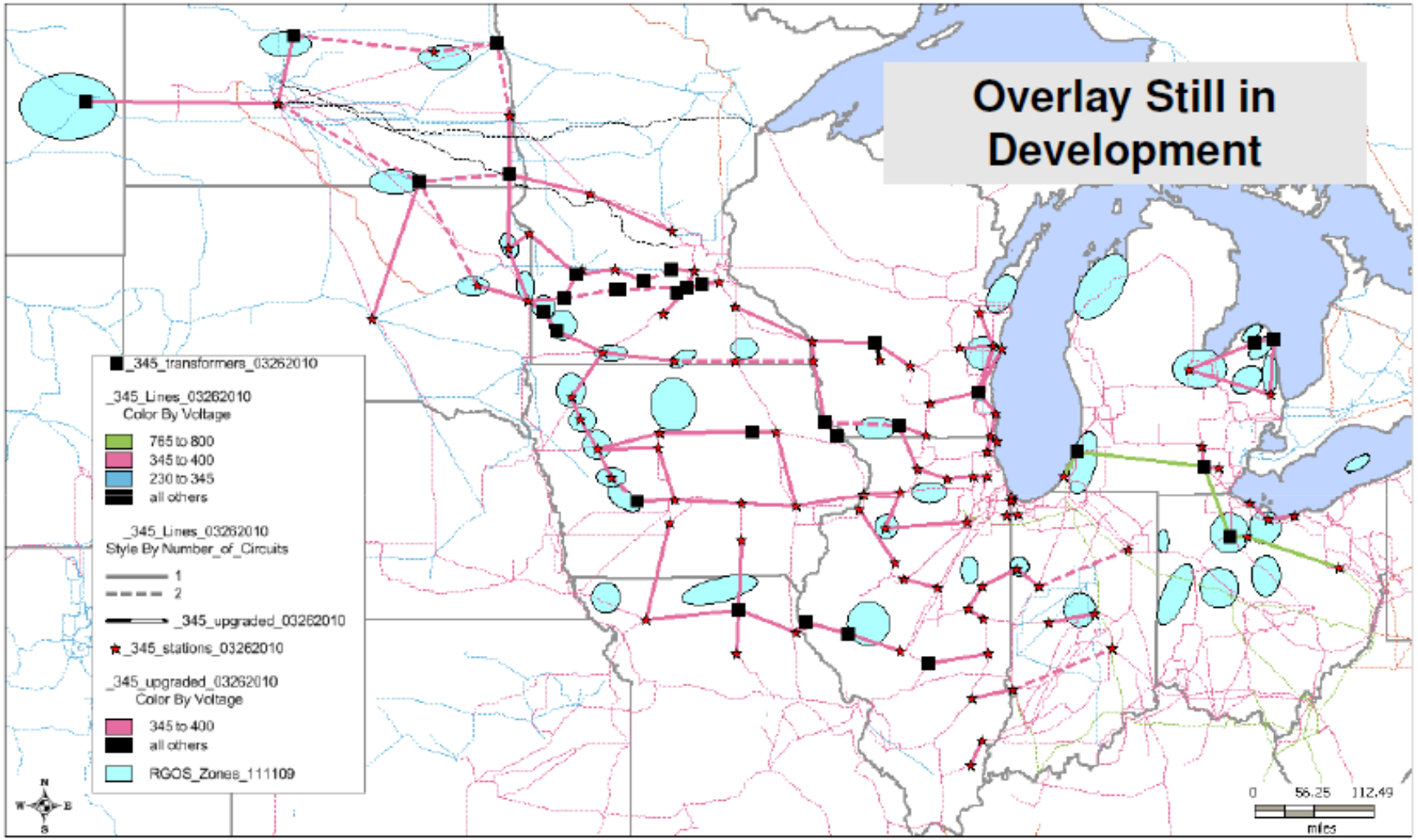
As of October 1, 2010, AmerenCILCO, Ameren CIPS and Ameren IP have merged and are now Ameren Illinois Company.
AmerenUE is now known as Ameren Missouri.

Transmission Planning at Ameren

- Ameren plans its transmission system
  - to continue to provide reliable service to customers,
  - to be more environmentally responsible by enabling growth in renewables,
  - to improve the efficiency of the delivery system,
  - to reduce congestion in wholesale markets,
  - to provide flexibility in responding to climate legislation.
- As Midwest ISO Transmission Owning members, the Ameren Utilities participate in the Midwest ISO Transmission Expansion Plan (MTEP), the Regional Generation Outlet Study (RGOS) and other MISO studies.

Transmission Planning Challenges

- Coordinated Approach to Transmission Expansion for New Generation Interconnections
- Prepare for Potential Energy or Climate Legislation
  - Renewable Energy Standards will change generation portfolios and power flows
  - Carbon taxes or Cap and Trade will change market dispatch and may make some generation uneconomic to operate
- Address congestion in and across organized markets for both on and off peak conditions
- Cost allocation must be resolved equitably to reflect cost causation and beneficiaries
- Certificate of need and siting authority needs to address regional issues not just local



New Projects at Prevailing Voltages

Midwest ISO July 15 Filing

- Multi-Value Projects (MVPs): Projects needed to allow delivery of energy to meet federal or state policy mandates, such as renewable energy standards. Also establishes criteria related to market efficiency and reliability.
- The cost of MVPs are allocated on a pro rata basis across all Mwh of load in the Midwest ISO and for all exports.
- $4.6 billion of MVPs (the Starter Set) identified in the filing.
- New generators connecting to the system will pay 90% of the cost of network upgrades related to their interconnection with the other 10% shared by Midwest ISO loads.
- Baseline Reliability projects and Regionally Beneficial (Market Efficiency) projects continue to be cost shared as previously defined in the Tariff.

Ameren Transmission Company

- Ameren Transmission Company (ATX) was formed to develop regional transmission projects, like the MVPs
- Initial $3 billion portfolio of Grand Rivers projects focuses on Illinois and Missouri
- Grand Rivers projects include many projects identified in the Midwest ISO Starter set of MVPs
- ATX will attract capital to invest in regional transmission development, allowing the Ameren utilities to continue to invest in reliable service to their native load customers.

Grand Rivers Projects (Phase 1)

Other Transmission Developments

- FERC Notice of Proposed Rulemaking
  - Transmission Planning
  - Cost allocation
  - Right of First Refusal
- Eastern Interconnection Planning Collaborative and States' Planning Council (EIPC and EISPC)

Ameren Priorities

- Build and operate a robust transmission system to support reliable, efficient and environmentally responsible service to customers
- Ensure equitable and timely recovery of transmission costs with a fair return
- Encourage economic development and job creation through transmission development

Going Forward

Midwest ISO is on its way to efficient transmission expansion planning with reasonable cost allocation that provides reliable service, efficient market operations and access to renewable resources.

Ameren is prepared to make the investment to put these projects in service.