



**Edison Electric Institute
Annual Finance Meeting**

May 2007



Cautionary Statements



Regulation G Statement

Ameren has presented certain information in this presentation on a diluted cents per share basis. These diluted per share amounts reflect certain factors that directly impact Ameren's total earnings per share. 2006 non-GAAP earnings per share excludes the impact of the severe 2006 storms and 2007 non-GAAP earnings per share guidance excludes the impact of the severe January 2007 storms and charges that may result from commitments made to avoid rate rollback and generation tax legislation, or the enactment of such legislation. Ameren believes this information is useful because it enables readers to better understand the impact of these factors on Ameren's results of operations and earnings per share.

Forward-looking Statements

Statements made in this presentation, which are not based on historical facts, are "forward-looking" and, accordingly, involve risks and uncertainties that could cause actual results to differ materially from those discussed. Although such "forward-looking" statements have been made in good faith and are based on reasonable assumptions, there is no assurance that the expected results will be achieved. These statements include (without limitation) statements as to future expectations, beliefs, plans, strategies, objectives, events, conditions, and financial performance. In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, Ameren is providing this cautionary statement to identify important factors that could cause actual results to differ materially from those anticipated. In addition to factors discussed in this presentation, Ameren's periodic reports filed with the SEC under the Securities Exchange Act of 1934 contain a list of factors and a discussion of risk factors, which could cause actual results to differ materially from management expectations as suggested by such "forward-looking" statements. All "forward-looking" statements included in this presentation are based upon information presently available, and Ameren assumes no obligation to update any "forward-looking" statements.

Ameren Today



- Regional electric and gas utility
 - ➔ Missouri regulated generation, transmission and delivery business
 - 1.2 million electric and 125,000 gas customers
 - ➔ Illinois regulated transmission and delivery businesses
 - 1.2 million electric and 840,000 gas customers
 - ➔ Non-rate-regulated generation business

- NYSE-listed under AEE
 - ➔ Market cap. ~ \$11 billion
 - ➔ Component of the S&P 500



Ameren Service Territory

- AmerenUE
- AmerenCIPS
- AmerenCILCO
- AmerenIP



Investment Highlights

- Track record of consistent operational and financial performance and strategic focus on “the basics”
- Top tier dividend yield (~ 5%)
 - ➔ Top 5 in S&P Electric Utilities Index
 - ➔ Top 10 in S&P 500 Index
- Solid total return potential
 - ➔ Legislative/regulatory uncertainties impacting stock price
 - ➔ Significantly underearning allowed return in Illinois
- Strong balance sheet, conservative financial management
 - ➔ 47% net debt to total capital
 - ➔ Recent credit ratings pressure due to Illinois political situation

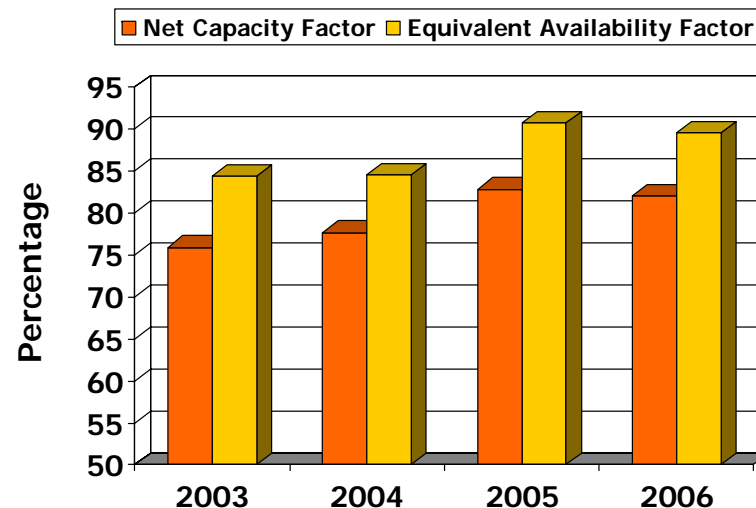
Regulated Operations

- Missouri
 - ➔ 9,900 MW generation
 - Low cost 7,000 MW baseload coal-fired and nuclear fleet
 - ➔ Current rates 37% below national average
 - ➔ Pending rate case

- Illinois
 - ➔ Current rates approximate national average
 - ➔ Pending legislative/regulatory activity

- Strategic focus
 - ➔ Customer satisfaction
 - ➔ Infrastructure investment
 - ➔ Operational improvements
 - ➔ Cost control
 - ➔ Regulatory/legislative matters

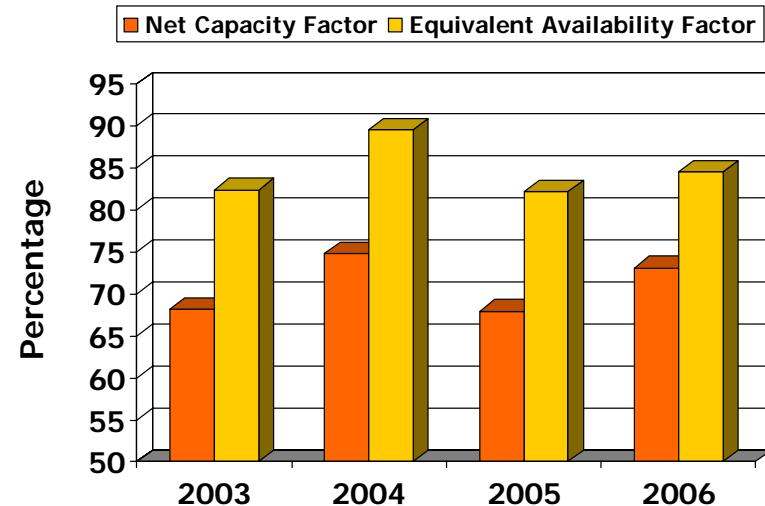
Missouri Regulated Coal-fired Generation



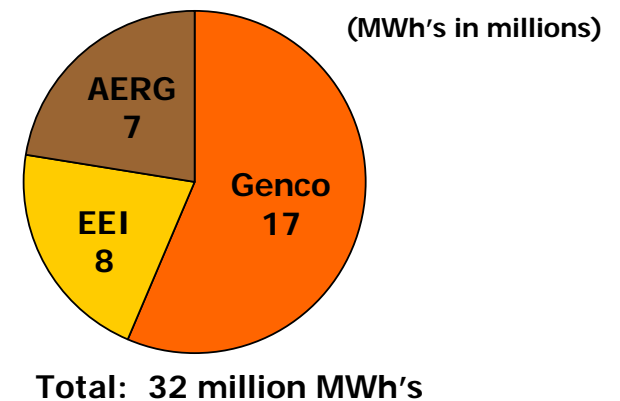
Non-rate-regulated Generation

- 6,500 MW generation
 - ➔ Low-cost 4,600 MW baseload coal-fired fleet
- Multi-year marketing strategy
 - ➔ Optimize value & mitigate commodity price risk
 - ➔ ~ 90% of 2007 output hedged
 - ➔ Targeting to hedge 85-90% of 2008 generation
- Strategic focus
 - ➔ Operational improvements
 - ➔ Power marketing
 - ➔ Risk management
 - ➔ Cost control
 - ➔ Environmental project management

Non-rate-regulated Coal-fired Generation



Estimated 2007 Generation



Missouri Regulated Matters



- AmerenUE requested electric and gas delivery rate increases
 - ➔ \$361 million electric and \$11 million gas rate increase requests
 - MoPSC approved annual gas revenue increase of \$6 million effective April 2007
 - ➔ MoPSC staff recommended up to a \$168 million electric rate decrease. Other interveners also made recommendations.
- Settlement of several issues with MoPSC staff and other parties
 - ➔ AmerenUE's revised rate increase request is \$245 million (12% ROE)
 - ➔ MoPSC staff's revised recommendation is a rate reduction of \$75 million (9% ROE)
- Remaining key issues include:
 - ➔ Return on equity
 - ➔ Off-system sales margins
 - ➔ EEI contract expiration
 - ➔ Depreciation
 - ➔ Fuel and purchased power cost recovery mechanism
 - ➔ Emission allowance sales
- Decision expected by June 2007

Illinois Regulated Matters



- 10-year electric rate freeze and supply contracts expired at end of 2006
- CIPS, CILCO and IP electric delivery service rate cases
 - ➔ ICC ordered annual aggregate revenue increase of \$97 million versus a request of over \$200 million
 - ➔ Order included ROE of approximately 10%, but significant disallowance of costs (based on a 2004 test year)
 - ➔ Rehearing request granted on \$50 million administrative and general cost disallowance
 - ➔ ICC issued order in May 2007 granting no recovery of these costs
- Power supply auction completed in September 2006
 - ➔ Clearing price of \$65 per MWh for residential and small commercial customers and \$85 per MWh for large commercial and industrial customers. 97% of large commercial and industrial customers switched to alternative suppliers.
- New electric rates went into effect January 2, 2007
 - ➔ Estimated average annual residential overall increase of 40% to 55%; 60% to 80% for electric heat customers
 - ➔ ICC reviewing rate design for all classes of customers

Illinois Regulated Matters



- Illinois governor and various legislators support rolling back and freezing electric rates at 2006 levels due to significant rate increases
 - ➔ SB 1592 - 1 year rate freeze legislation (Ameren Illinois utilities only) passed in Senate
 - Amended by House of Representatives committee to include Commonwealth Edison
- Financial insolvency and bankruptcy of Ameren Illinois utilities if legislation rolling back rates to 2006 levels is enacted and not promptly halted by the courts
- S&P, Moody's and Fitch have all downgraded credit ratings due to legislative actions
- Strongly believe a rate rollback and freeze would be unconstitutional
 - ➔ Will aggressively protect our interests



Illinois Regulated Matters

- Committed to a constructive solution that is in the best interests of all Illinois stakeholders
 - \$150+ million customer relief package has been offered
- Open to a dialogue with stakeholders for a constructive long-term solution to meet the power supply needs of our customers. Could include the following concepts:
 - Modifying or replacing current auction power procurement process
 - Allowing regulated utilities to enter into ICC-approved long-term power supply arrangements
 - Allowing regulated utilities to purchase and/or build generating plants
 - Reconsidering options for residential and small commercial customer choice
 - Giving large electric, non-residential users and certain other customers the option to either select re-regulated bundled rates or purchase electricity from alternative suppliers



Ameren Calendar

Illinois

- Illinois General Assembly session Through May 2007
- ICC rate design investigation – target order date September 2007
- Power procurement auction January 2008

Missouri

- MoPSC electric rate case order May/June 2007

Investor Relations

- Q2 2007 Quiet Period Begins July 7, 2007
- Q3 2007 Quiet Period Begins October 7, 2007

Appendix

2007 Earnings Reconciliation



	Q1
Q1 2006 GAAP Earnings per Share	\$0.34
2006 Severe storm-related costs	0.03
Q1 2006 Non-GAAP Earnings per Share	\$0.37
Electric and gas margins	0.46
Weather (estimate)	0.05
Fuel prices	(0.03)
FERC Order – MISO charges	(0.05)
Labor and benefits	(0.06)
Bad debt expense	(0.02)
Depreciation	(0.05)
Dilution and financing, net	(0.04)
Q1 2007 Non-GAAP Earnings per Share	\$0.63
2007 Severe storm-related costs	(0.09)
December 2006 IL contribution plan termination	0.05
Q1 2007 GAAP Earnings per Share	\$0.59

2007 Earnings Guidance

(Issued and effective as of May 10, 2007)



2006 GAAP Earnings per Share	\$ 2.66
2006 Severe storms	0.26
2006 Non-GAAP Earnings per Share	\$ 2.92
Illinois regulated margins, net	0.04
Missouri regulated rates (midpoint)	0.19
Other electric margins	1.34
Fuel costs	(0.34)
Weather	0.04
Callaway refueling outage	(0.07)
Plant maintenance	(0.11)
Distribution system reliability	(0.05)
Labor and employee benefits	(0.17)
Bad debt expense	(0.08)
Depreciation and amortization	(0.08)
Dilution and financing, net	(0.11)
Taum Sauk	0.15
Emission allowance sales	(0.17)
Sale of non-core properties	(0.16)
ICC December 2006 order - contributions	0.05
Other, net	(0.04)
2007 Non-GAAP EPS Guidance Range^(a)	\$3.15 - \$3.60

(a) Ameren's earnings guidance for 2007 excludes costs related to the severe January 2007 storms and charges that may result from commitments made to avoid rate rollback and generation tax legislation, or the enactment of such legislation. Variances reflect single point estimates, but a range of outcomes could occur around each of these variables.

2007 Segment Guidance

(Issued and effective as of May 10, 2007)



Net Income (in millions)

Missouri Regulated	\$ 305
Illinois Regulated	115
Non-rate-regulated Generation	285
Other	(5)

2007 Non-GAAP Net Income Guidance Range^(a) \$650 - \$750

(a) Ameren's earnings guidance for 2007 excludes costs related to the severe January 2007 storms and charges that may result from commitments made to avoid rate rollback and generation tax legislation, or the enactment of such legislation. Segment contributions reflect single point estimates, but a range of outcomes could occur around each segment's earnings.

Environmental Strategy

(Issued and effective as of May 10, 2007)



- Clean Air Interstate (CAIR) and Mercury Rules expected to require reductions in SO₂, NO_x and mercury emissions over the next 10 years
- Agreement with Illinois EPA for SO₂, NO_x, mercury and fine particulates
- Expected CAIR and mercury rule-related capital expenditures:

(in millions)	2007	2008 - 2011	2012 – 2016	Total
AmerenUE	\$110	\$630 - \$ 830	\$910 - \$1,180	\$1,650 - \$2,120
Genco	110	820 - 1,060	180 - 260	1,110 - 1,430
AERG	100	185 - 240	95 - 140	380 - 480
EEI	10	185 - 240	165 - 220	360 - 470
Total Ameren	\$330	\$1,820 - \$2,370	\$1,350 - \$1,800	\$3,500 - \$4,500

- Continue to experience rising cost pressures for labor and materials
- Does not include any expenditures associated with any potential carbon emission control legislation
- Regulated costs (nearly 50%) are expected to be recoverable in rates
 - Environmental cost recovery mechanism rules to be developed in Missouri

Financial Strength

- Credit ratings
 - ➔ S&P = BBB-, negative credit watch (downgraded in April 2007)
 - ➔ Moody's = Baa2, review for possible downgrade (downgraded in March 2007)
 - ➔ Fitch = BBB+, negative credit watch (downgraded in April 2007)
 - ➔ Ameren Illinois utilities' issuer credit rating downgraded to junk
 - ➔ Credit rating downgrades due to IL political/regulatory uncertainty
- 47% debt/capitalization
- Manageable debt maturities
 - ➔ Available credit of \$1.1 billion at March 31, 2007
 - ➔ \$500 million credit facility added Q1 2007
- Conservative financial and operating strategy

March 2007	
Debt, net	\$ 6,043 ^(a)
Preferred stock	195
Common equity	<u>6,557</u>
Total capitalization	\$12,795
Debt Maturities	
2007	\$302
2008	225
2009	374

(a) Net of cash and notes receivable associated with two capital leases

Major Regulatory Proceedings

Illinois

Web site (<http://eweb.icc.state.il.us/e-docket>)

Case # 05-0160, 05-0161, 05-0162 – Power procurement (Order issued)

Case # 06-0070, 06-0071, 06-0072 - Delivery services rate increases
(Rehearing order issued)

Case # 06-0779, 06-0780, 06-0781 – Customer elect plan

Case # 07-0172, 07-0173, 07-0174 – Enhancements to customer elect plan

Case # 07-0165 – Investigation of rate design

Missouri

Web site (<http://www.psc.mo.gov/efis.asp>)

Case # ER-2007-0002 - Electric rate case

Case # GR-2007-0003 – Gas rate case (Order issued)

Case # EO-2007-0037 – July storms

FERC

Web site (<http://www.ferc.gov/docs-filing/elibrary.asp>)

Case # EL07-47 – Illinois attorney general request for FERC investigation of pricing in Illinois auction