

I. Intermediate Subsidiaries

Ameren proposes to acquire, directly or indirectly through the Nonutility Subsidiaries, the securities of one or more new subsidiaries ("Intermediate Subsidiaries") organized exclusively for the purpose of acquiring, holding and/or financing the acquisition of the securities of or other interest in EWGs, foreign utility companies ("FUCOs"), exempt telecommunications companies ("ETCs") under section 34 of the Act, energy-related companies" under rule 58 ("Rule 58 Subsidiaries") or other non utility companies the acquisition of which has been expressly authorized by the Commission. Applicants state that the Intermediate Subsidiaries would be organized exclusively for the purpose of acquiring, holding and/or financing the acquisition of the securities of or other interest in one or more of EWGs, FUCOs, ETCs under section 34 of the Act, (collectively, "Exempt Subsidiaries"), Rule 58 Subsidiaries, or other current or future non-exempt subsidiaries that have been authorized by the Commission ("Non-Exempt Subsidiaries"), provided that Intermediate Subsidiaries may also engage in Development Activities⁶ and Administrative Activities⁷ relating to such subsidiaries.

II. Financing Subsidiaries

Applicants request authority to acquire, directly or indirectly, the equity securities of one or more new subsidiaries ("Financing Subsidiaries") organized exclusively for the purpose of issuing long-term debt or equity securities to investors other than Ameren in order to finance, in whole or in part, Ameren's direct or indirect acquisition of Exempt Subsidiaries and Rule 58 Subsidiaries created specifically for the purpose of facilitating the financing of the Applicants' authorized and exempt activities (including exempt

and authorized acquisitions) through the issuance of long-term debt or equity securities to third parties and the transfer of the proceeds of such financings to the parent company of the Financing Subsidiary.

The amount and terms (*i.e.*, interest rate, maturity, etc.) of any long-term debt or preferred equity securities issued by a Financing Subsidiary of Ameren will count against the limitation and comply with the specific terms applicable to that type of security under the any applicable order approving financing by Ameren. Ameren also proposes, if required, to guarantee or enter into expense agreements in respect of the obligations of any such Financing Subsidiaries. To avoid double counting, however, the guarantee of that security by Ameren would not also be counted against the then current limit on guarantees that Ameren is authorized to issue under any applicable order. Nonutility Subsidiaries may also provide guarantees and enter into expense agreements, if required, on behalf of such entities pursuant to rules 45(b)(7) and 52, as applicable. Ameren further requests authorization to issue its unsecured subordinated promissory notes ("Subordinated Notes") to any Financing Subsidiary to evidence a loan of the proceeds of any financing by a Financing Subsidiary to Ameren. The amount and terms (*i.e.*, interest rate, maturity, default provisions, prepayment terms, etc.) of any Subordinated Notes issued by Ameren to a Financing Subsidiary will be designed to parallel the amount and terms of the specific securities of a Financing Subsidiary in respect of which such Subordinated Notes are issued. Again, to avoid double counting, the amount of Subordinated Notes issued by Ameren to any Financing Subsidiary will not be counted against the then applicable limit on long-term debt and preferred equity securities that Ameren is authorized to issue.

III. Special Purpose Subsidiaries

Ameren requests authority to acquire, directly or indirectly through a Nonutility Subsidiary, the equity securities of one or more new subsidiaries ("Special Purpose Subsidiaries") organized to purchase or otherwise acquire any of the assets of or securities held by UEDC and/or CIC at the time Ameren became a registered holding company, and UEDC and CIC request authorization to sell or otherwise transfer such assets or securities to Special Purpose Subsidiaries. In addition, Special Purpose Subsidiaries may also be

formed to engage in any of the following additional business activities:

(i) Making or guaranteeing loans to customers to finance the purchase of home and business heating, ventilation and cooling equipment; energy conservation and management equipment, products and services; lighting equipment and supplies; and home and business security systems. Ameren proposes that the aggregate principal amount of loans, guarantees or customer installment obligations with respect to which there is recourse to any Special Purpose Subsidiary shall not exceed \$300 million at any one time during the Authorization Period.

(ii) Development Activities and operations and maintenance, construction and construction management, fuel procurement and other types of services for or on behalf of any Nonutility Subsidiary. The Applicants are requesting a continuation of their current authority to expend up to \$250 million in the aggregate outstanding at any time during the Authorization Period on all Development Activities.

(iii) The marketing of energy bill payment insurance in Illinois and Missouri, which would enable utility customers to pay their energy bills in the event of unemployment, illness, disability or death. This program would be underwritten and administered by an independent insurance company or companies.

(iv) The offering of economic development services for businesses wishing to expand or relocate their facilities to anywhere within the wholesale or retail service area of the Union Electric Company d/b/a AmerenUE ("AmerenUE"), Central Illinois Public Service Company d/b/a AmerenCIPS ("AmerenCIPS"), and Central Illinois Light Company, d/b/a AmerenCILCO ("AmerenCILCO," and together with AmerenUE and AmerenCIPS, the "Utility Subsidiaries"), including consultation with local economic development officials, building and site screening, customized tax comparison studies and workforce analyses, liaison services to identify financing and leasing sources for building construction, equipment and working capital, and other similar services. These services will be similar in scope to those which the Utility Subsidiaries have in the past provided to relocating businesses, often without charge. Ameren states that minimal capital will be required to provide these types of services and that, without further order of the Commission, it will not acquire any securities of or other interest in any industrial/commercial

⁶ Development Activities are limited to due diligence and design review; market studies; preliminary engineering; site inspection; preparation of bid proposals, including, in connection therewith, posting of bid bonds; application for required permits and/or regulatory approvals; acquisition of site options and options on other necessary rights; negotiation and execution of contractual commitments with owners of existing facilities, equipment vendors, construction firms, power purchasers, thermal "hosts," fuel suppliers and other project contractors; negotiation of financing commitments with lenders and other third-party investors; and such other preliminary activities as may be required in connection with the purchase, acquisition or construction of facilities or the securities of other companies.

⁷ Administrative Activities include ongoing personnel, accounting, engineering, legal, financial, and other support activities necessary to manage Development Activities and investments in non-utility subsidiaries.