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Ameren Illinois takes initial action In implementation of electric grid Modernization Action Plan

Peoria, Ill. (Jan. 3, 2012) – Ameren Illinois, a subsidiary of Ameren Corporation (NYSE: AEE), today took initial action in the implementation of its Modernization Action Plan (MAP) that will provide customers with an improved, more reliable and modernized electric distribution system.

“Today’s filing with the Illinois Commerce Commission marks the beginning of an initiative that will enable Ameren Illinois to modernize its electric distribution system over the next 10 years in order to meet the service expectations of our customers in the 21st century,” said Craig Nelson, senior vice president of Ameren Illinois.

Key points of the Modernization Action Plan include:

- Investing an additional \$625 million in the Ameren Illinois electric delivery system over the next 10 years.
- Creating 450 new jobs during the peak program year.
- Improving service reliability through measureable delivery system improvements, including greater use of advanced distribution system automation, the modernization and expansion of electric substations and the installation of new transformers.
- Benefitting customers by significantly reducing the number of electric service outages as well as the shortening the length of outages that do occur.
- Providing new and expanded ways for customers to take greater control of their energy expenditures, including the deployment of about 750,000 automated “smart” meters and expanded energy efficiency initiatives.
- Failing to meet the goals will cause penalties to be assessed against Ameren Illinois.

“Our initiative was made possible by the Illinois Energy Infrastructure Modernization Act which was enacted last October,” Nelson said. “Customers will benefit through improved service reliability and a greater potential for energy savings. The law also is designed to provide greater regulatory certainty and financial stability for participating utilities.

“In addition, companion legislation to the Illinois Energy Infrastructure Modernization Act will require us to provide \$10 million in assistance programs over the next 10 years for low-income customers, senior citizens, active members of the armed services and reserved forces, and disabled veterans,” Nelson said.

The filing made today with the Illinois Commerce Commission (ICC) utilizes the performance-based formula rate-setting method. If approved by the ICC, the new rates are expected to take effect in October.

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The performance-based formula rate-setting method was made possible when a supermajority of the Illinois General Assembly voted on Oct. 26, 2011, to enact the Energy Infrastructure Modernization Act. Ameren Illinois supported enactment of this legislation.

As a result of today's filing, the electric delivery service rate case filed by Ameren Illinois on Feb. 18, 2011, was withdrawn.

Beginning Feb. 1, Ameren Illinois customers will be able to see how the proposed rates would impact them for a full year by using the rate estimator at IllinoisRateFacts.com. Also beginning Feb. 1, this information will be available by calling Customer Service at 1-800-755-5000.

The ICC will have 270 days for a complete review of today's Ameren Illinois filing. As with previous filings, the ICC staff and other groups and individuals may participate in the ICC rate-setting process as set forth in the ICC's rules. Additional information is available at the ICC website (icc.illinois.gov).

Ameren Illinois delivers energy to 1.2 million electric and 813,000 natural gas customers in Downstate Illinois, and our mission is to meet their energy needs in a safe, reliable, efficient and environmentally responsible manner. Our service area covers more than 1,000 communities and 43,700 square miles. For more information, visit AmerenIllinois.com.

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Forward-Looking Statements

Statements in this release not based on historical facts are considered “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, we are providing this cautionary statement to identify important factors that could cause actual results to differ materially from those anticipated. The following factors, in addition to those discussed under Risk Factors in Ameren Illinois’ Form 10-K for the year ended December 31, 2010 and elsewhere in this release and in our other filings with the SEC, could cause actual results to differ materially from management expectations suggested in such forward-looking statements:

- regulatory, judicial, or legislative actions, including changes in regulatory policies and ratemaking determinations; and future regulatory, judicial, or legislative actions that seek to change regulatory recovery mechanisms;
- the effects of, or changes to, the Illinois power procurement process;
- changes in laws and other governmental actions, including monetary, fiscal, and tax policies;
- the effects of increased competition in the future due to, among other things, deregulation of certain aspects of our business at both the state and federal levels, and the implementation of deregulation, such as occurred when the electric rate freeze and power supply contracts expired in Illinois at the end of 2006;
- the effects on demand for our services resulting from technological advances, including advances in energy efficiency and distributed generation sources, which generate electricity at the site of consumption;
- increasing capital expenditure and operating expense requirements and our ability to recover these costs through our regulatory frameworks;
- the effects of our and other members’ participation in, or potential withdrawal from, Midwest Independent Transmission System Operator, Inc. (MISO), and the effects of new members joining MISO;
- business and economic conditions, including their impact on interest rates, bad debt expense, and demand for our products;
- disruptions of the capital markets or other events that make Ameren Illinois’ access to necessary capital, including short-term credit and liquidity, impossible, more difficult, or more costly;
- our assessment of our liquidity;

- actions of credit rating agencies and the effects of such actions;
- distribution asset construction, installation, performance, and cost recovery;
- the effects of strategic initiatives, including mergers, acquisitions and divestitures;
- the impact of current environmental regulations on utilities and power generating companies and the expectation that new or more stringent requirements, including those related to greenhouse gases, other emissions, and energy efficiency, will be enacted over time, which could reduce our customers' demand for electricity or otherwise have a negative financial effect;
- labor disputes, work force reductions, future wage and employee benefits costs, including changes in discount rates and returns on benefit plan assets;
- the inability of our counterparties and affiliates to meet their obligations with respect to contracts, credit facilities, and financial instruments;
- legal and administrative proceedings; and
- acts of sabotage, war, terrorism, or intentionally disruptive acts.

Given these uncertainties, undue reliance should not be placed on these forward-looking statements. Except to the extent required by the federal securities laws, we undertake no obligation to update or revise publicly any forward-looking statements to reflect new information or future events.