

Exhibit No.:
Issues: Low Income Assistance
Program and Economic
Development Program
Witness: Richard J. Mark
Sponsoring Party: Union Electric
Type of Exhibit: Rebuttal Testimony
Case No.: EC-2002-1
Date Testimony Prepared: May 10, 2002

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. EC-2002-1

REBUTTAL TESTIMONY

OF

RICHARD J. MARK

ON

BEHALF OF

**UNION ELECTRIC COMPANY
d/b/a AmerenUE**

Exhibit No. 125
Date 7/10/02 Case No. EC-2002-1
Reporter Kem

St. Louis, Missouri
May, 2002

Rebuttal Testimony of
Richard J. Mark

1 Company's customers in need of financial assistance to benefit from the Alt Reg Plan in
2 a special way, and it will provide a special vehicle to fund economic development in the
3 Company's service territory. My testimony will provide the Commission with
4 information about how these programs will work. In addition, as part of my testimony, I
5 have prepared an **Executive Summary** attached hereto as Appendix A.

6 **Q. How will the Company's Alt Reg Plan provide funding for these**
7 **programs?**

8 A. As explained in more detail in Mr. Baxter's testimony, upon approval of
9 the Alt Reg Plan, the Company will provide a one-time contribution of \$10 million (\$5
10 million for each program). Thereafter, each program will receive additional funding
11 based on the Company's performance each year under the Alt Reg Plan. The programs
12 will receive \$1 million each in any year when the Company's earnings under the Alt Reg
13 Plan equal or exceed 10.5%. In addition, the programs will receive a total of 5% of the
14 earnings between 12.5% and 15%, and 10% of the earnings, if any, above 15%. As a
15 consequence, if the Company is successful in reducing its costs under the Alt Reg Plan,
16 needy customers and economic development will be the beneficiaries.

17 **Q. Are these benefits in addition to the earnings sharing that all of**
18 **AmerenUE's customers will receive under the Alt Reg Plan?**

19 A. Yes, these benefits are above and beyond the benefits that will be realized
20 by all the Company's ratepayers if the Company is successful in reducing its costs under
21 the Alt Reg Plan.

22 **Q. Please explain the Company's proposed Low Income Assistance**
23 **Program.**

Rebuttal Testimony of
Richard J. Mark

1 A. The Company's Low Income Assistance Program would provide low
2 income customers with energy grants through the existing Dollar More Program.
3 Because the Dollar More Program is already in existence, and has operated successfully
4 to provide energy assistance to low income customers for many years, the additional
5 funding provided by the Alt Reg Plan would provide the maximum benefit to needy
6 customers at a minimum cost.

7 **Q. Could you explain what the Dollar More Program does?**

8 A. The Dollar More Program is an existing energy assistance program that
9 provides funds to needy families in AmerenUE's service territory to assist them in paying
10 their energy bills. It is designed so that AmerenUE customers can easily make voluntary
11 contributions to help those families. In addition, the Company has historically
12 contributed an amount each year to supplement those contributions.

13 **Q. When was the Dollar More Program created?**

14 A. The Dollar More Program was created in November 1982.

15 **Q. Who administers the Dollar More program?**

16 A. The Company collects the money from customers, as discussed below.
17 These funds are then sent to The United Way of Greater St. Louis. That organization
18 allocates the funds to the Dollar More agency network.

19 **Q. What agencies make up the Dollar More network?**

20 A. Currently there are over 30 agencies, located throughout our service
21 territory which receive funding through this program. I have attached a list of those
22 agencies as Schedule 1.

Rebuttal Testimony of
Richard J. Mark

1 **Q. How much money is contributed each year to the Dollar More**
2 **program?**

3 A. In the last three years customer contributions to the Dollar More Program
4 are as follows:

5	\$753,997.57	1999
6	\$787,926.67	2000
7	\$825,373.79	2001

8 Obviously, if the Company's Alt Reg Plan is approved, this level of
9 funding would increase significantly and many more needy families could be helped.

10 **Q. Are any of the Dollar More contributions used to pay for program**
11 **administrative costs?**

12 A. No contributions go to pay for administrative costs. All contributions go
13 to help families in need.

14 **Q. How do AmerenUE customers contribute to the Dollar More**
15 **Program?**

16 A. Typically, customers contribute to the Dollar More Program by making a
17 pledge on their energy bill. The Dollar More pledge is then included on the customer's
18 bill each month. Customers also contribute to Dollar More by sending checks to Ameren
19 or to the United Way. And customers may make pledges on Ameren Corporation's web
20 site.

21 **Q. Who is helped by the Dollar More Program?**

22 A. Families in financial need are helped by the Dollar More program. The
23 intent of Dollar More is to supplement the agencies' energy assistance programs;

Rebuttal Testimony of
Richard J. Mark

1 therefore, Dollar More adheres to the guidelines of each agency which may permit
2 assistance to both customers who are eligible for assistance under the federal Low
3 Income Heating Assistance Program (LIHEAP) and customers that fall outside the
4 LIHEAP guidelines. This philosophy provides the agency flexibility in addressing the
5 needs of its clients and ensuring that their administrative costs are kept at a minimum. In
6 addition, the agency maintains its role as the social service expert, and the Company does
7 not attempt to perform that role.

8 **Q. How many families are assisted each year by the Dollar More**
9 **program?**

10 A. Nearly 8,000 families are assisted each year by the Dollar More Program
11 from both customer and corporate contributions. Again, if the Alt Reg Plan is approved,
12 the number of families that can be assisted will increase significantly.

13 **Q. How will the contributions described by Mr. Baxter, in the**
14 **Company's proposed Alternative Regulation Plan, be handled?**

15 A. If the Company's proposal is approved, we will administer these funds in
16 the same manner as customer contributions are handled now. The funds will be
17 transferred to the United Way of Greater St. Louis for distribution throughout the
18 AmerenUE Missouri service area, through the network of agencies listed in Schedule 1.
19 These organizations, which are primarily community action agencies, are well equipped
20 to handle large energy assistance contributions.

21 **Q. What benefits would result from the additional funding of the Dollar**
22 **More Program through the Company's Alt Reg Plan?**

Rebuttal Testimony of
Richard J. Mark

1 A. The additional funding of the Dollar More Program would provide
2 significant additional resources to assist the Company's most vulnerable customers. The
3 needs of these customers must not be forgotten when significant energy policy decisions
4 are made, such as the Commission's decision in this case.

5 **Q. Please describe the Company's proposed Economic Development**
6 **Program.**

7 A. The Company's proposed Economic Development Program would
8 provide funding to promote economic development and job growth within the Missouri
9 electric service territory of AmerenUE. To administer this program, the Company
10 proposes to form Ameren Community Development Corporation (ACDC), a Missouri
11 Nonprofit Corporation. ACDC would be governed by a board of directors consisting of
12 one representative from the Company, and five or more directors representing diverse
13 economic, political and charitable perspectives throughout AmerenUE's service territory.
14 A copy of the proposed Articles of Incorporation and Bylaws of ACDC are attached
15 hereto as Schedule 2.

16 **Q. How would the funding provided to ACDC be disbursed?**

17 A. The Board of Directors would disburse the funds at its discretion to
18 support community development projects in the Company's electric service territory.
19 Under the bylaws proposed for the organization, the directors would be required to
20 consider the following goals in awarding grants:

21 1. The growth of new employment opportunities within the
22 designated area;

Rebuttal Testimony of
Richard J. Mark

- 1 2. The creation of incentives for businesses to relocate their facilities
2 to, or retain facilities in the designated area;
3 3. The development of renewable energy sources; and
4 4. The promotion of community education and job-training programs.
5 The bylaws would also require ACDC to spend no less than 90% of the
6 funds it receives each year on development projects.

7 **Q. What benefits would result from the funding of economic**
8 **development projects in the Company's service territory?**

9 A. The Company believes that all stakeholders—the State of Missouri, local
10 governments, the Company and its existing customers—stand to benefit over the long run
11 from economic development in the AmerenUE service territory. New businesses provide
12 jobs and tax revenues. They also provide additional customers which allow the Company
13 to spread its fixed costs over a larger customer base, thereby lowering rates. This funding
14 should also serve to assist state agencies in their pursuit of economic development during
15 this period of significant budget constraints. In short, everyone can have a larger piece of
16 the pie when the size of the pie is increased through economic development.

17 **Q. Does this conclude your testimony?**

18 A. Yes it does.

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

The Staff of the Missouri Public Service
Commission,)

Complainant,)

vs.)

Case No. EC-2002-1

Union Electric Company, d/b/a)

AmerenUE,)

Respondent.)

AFFIDAVIT OF RICHARD J. MARK

STATE OF MISSOURI)

) ss

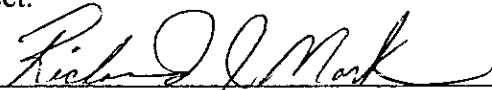
CITY OF ST. LOUIS)

Richard J. Mark, being first duly sworn on his oath, states:


1. My name is Richard J. Mark. I work in St. Louis, Missouri, and I am employed by AmerenUE as a Vice President of Customer Services.

2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony on behalf of Union Electric Company d/b/a AmerenUE consisting of 7 pages, Appendix A and Schedule ^{and 2}1, all of which have been prepared in written form for introduction into evidence in the above-referenced docket.

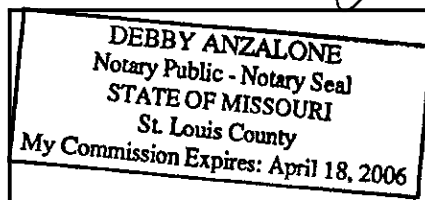
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct.


Richard J. Mark

Subscribed and sworn to before me this 3rd day of May, 2002.


Notary Public

My commission expires:



EXECUTIVE SUMMARY

Richard J. Mark

Vice-President, Customer Service at AmerenUE

* * * * *

The purpose of my testimony is to describe AmerenUE's proposed Low Income Customer Assistance and Economic Development Programs which would be funded through the Company's proposed Alternative Regulation Plan (Alt Reg Plan). In effect, these programs will permit the Company's customers who are in need of financial assistance to benefit from the Alt Reg Plan in a special way, and it will provide a vehicle to fund economic development in the Company's service territory.

The Company will fund these programs through a one-time contribution of \$5 million each. Thereafter, each program will receive additional funding based on the Company's performance under the Alt Reg Plan. Annually, the programs will receive \$1 million each if the Company's earnings equal or exceed 10.5%, and they will receive a portion of the earnings in excess of 12.5%.

The Low Income Customer Assistance Program will provide low income customers with energy grants through the Company's existing Dollar More Program. This program, which has been in existence since 1982, distributes grants through agencies affiliated with the United Way of Greater St. Louis. The Dollar More Program currently assists nearly 8,000 families per year, and if the Company's proposal is approved, the impact of this program will be extraordinarily amplified. In recent years, customers have contributed approximately \$800,000 annually to the program. The initial

contribution of \$5,000,000, followed by the potential of an additional \$1,000,000 or more every year will provide truly meaningful assistance to low income customers.

The Economic Development Program will provide funding to promote economic development and job growth in the Missouri electric service territory of the Company. It will be administered by Ameren Community Development Corporation (ACDC), a nonprofit corporation that Ameren will form. The board of directors of ACDC will consist of one representative from the Company, and five or more directors representing diverse economic, political and charitable perspectives. By fostering economic development this program will provide long-run benefits to all stakeholders—the State of Missouri, local governments, the Company and its existing customers—by creating jobs and incremental tax revenue. This funding should also serve to assist state agencies in their pursuit of economic development during this period of significant budget constraints.

2000 DOLLAR MORE CONTACTS FOR FINANCIAL INFORMATION

Agency	Contact	Address	City	State	Zip	Phone	Fax
American Cancer Society	Deborah Furnace	4207 Lindell Boulevard	St. Louis	MO	63108	314-286-8171	314-286-8160
American Red Cross-Arnold	Omar Ruiz	3880 Jeffco Boulevard	Arnold	MO	63010	636-464-9150	636-464-7901
Central Missouri Counties HDC	David Thayer	807 B. Providence	Columbia	MO	65203	573-443-8706	573-875-2689
Circle of Concern	Glenn Koenen	112 St. Louis Avenue	Valley Park	MO	63088	636-861-2623	
Community Services, Inc.	David Bell	PO Box 328 214 West Third Street	Maryville	MO	64468	816-582-3114	816-582-2965
Delta Area EOC	Jim Link	Drawer E	Portageville	MO	63873	573-379-3851	573-379-3336
East Missouri AA	Robert Fulton	403 Glendale, PO Box N	Park Hills	MO	63601	573-431-5191	573-431-6773
EOC St. Joseph	Dave Leyland	305 Virginia, PO Box 207	Joplin	MO	64802	417-781-0352	417-781-0563
Feed My People	John DeGuire	171 Kingston Drive	St. Louis	MO	63125	314-631-4900	314-631-7930
Green Hills CAA	Don Warren	1506 Oklahoma Avenue PO Box 278	Trenton	MO	64683	816-359-3907	816-359-6619
Guardian Angel Settlement Association	Sister Annalee Faherty	PO Box 2055	St. Louis	MO	63158	314-231-3188	314-231-3188
Hosea House	Julann Johnson	2635 Gravois	St. Louis	MO	63118	314-773-9027	314-773-2744
Human Development Corporation	Jackie Hutchison	4548 Dr. Martin Luther King Drive	St. Louis	MO	63113	314-535-7633	314-535-7638
International Institute	Suzanne LeLaurin	3800 Park Avenue	St. Louis	MO	63110	314-773-9090	314-773-4081
Lessie Bates Neighborhood House	Bill Kreeb	1200 North 13th Street	East St. Louis	IL	62205	618-874-0777	618-874-0511
Loving Hearts	Sandy Crider	P.O. Box 1054	Washington	MO	63090	636-390-8300	636-239-1565
Mid East Area Agency on Aging	Sandi Bohler	14535 Manchester Road	Manchester	MO	63011	636-207-0847	636-962-8208
Missouri Ozarks Community Action	Shirley Saunders	219 N. Walnut Street PO Box 69	Richland	MO	65556	573-765-3263	573-765-4426
Missouri Valley Human Resources CAA	Richard Gray	1415 South Odell PO Box 550	Marshall	MO	65340	816-886-7476	816-886-7476x810
National Kidney Foundation	Vivian McKinney	1423 Hanley Industrial Court	St. Louis	MO	63144	314-961-2828	314-961-0888
North East CAC	Donald Patrick	16 North Court Street PO Box 470	Bowling Green	MO	63334	573-324-2231	573-324-3960
Northeast Missouri CAA	Janet Hartsfield	1011 S. Jamison Street PO Box 966	Kirksville	MO	63501	816-665-9855	816-665-5542
Presbytery of Giddings Lovejoy	Beverly Armstrong	2149 Gray Avenue	St. Louis	MO	63117	314-772-2395	314-772-2309
Salvation Army	Flo Walker Knox	1130 Hampton Avenue	St. Louis	MO	63139	314-646-3144	314-646-3202
Salvation Army-Alton	Angel Steward	525 Alby Street	Alton	IL	62002	618-465-7764	618-465-0331
Salvation Army-Arnold	Glenda Guenther	3742 Telegraph	Arnold	MO	63010	314-464-0787	314-464-2511
S.T.E.P. Inc.	Thomas Trenn	7935 Page	St. Louis	MO	63133	314-863-0015	314-863-1252
St. Patrick Center	Greg Vogelweid	PO Box 60411	St. Louis	MO	63106	314-436-1283	314-436-5483
United Services of Kansas City CAA	Tommie Barnett	6323 Manchester	Kansas City	MO	64133	816-358-6868	816-358-0143
United Way of Greater St. Louis-I&R	Jennifer Kennedy	1111 Olive Street	St. Louis	MO	63101	314-539-4147	314-539-4270
Urban League of Metropolitan St. Louis	Jim Buford	3701 Grandel Square P.O. Box 8138	St. Louis	MO	63108	314-652-6954	314-615-3687
Webster/Rock Hill Ministries	Mike Bohannon	111 Waymire Avenue	St. Louis	MO	63119	314-961-5082	314-961-1941
West Central Missouri CAA	Amos Jackson	106 West 4th Street PO Box 125	Appleton City	MO	64724	816-476-2185	816-476-5529

2001 DOLLAR MORE CONTACTS FOR PROGRAMMATIC INFORMATION

Area	Agency	Contact	Address	City	State	Zip	Phone	Fax
City/County	American Cancer Society	Deborah Furnace	4207 Lindell Boulevard	St. Louis	MO	63108	314-286-8177	314-286-8160
Jeff. Co.	American Red Cross-Arnold	Omar Ruiz	3880 Jeffco Boulevard	Arnold	MO	63010	636-464-9150	636-464-7901
Outstate	Central Missouri Counties HDC	David Thayer	807 B. Providence	Columbia	MO	65203	573-443-8706	573-875-2689
City/County	Circle of Concern	Glenn Koenen	112 St. Louis Avenue	Valley Park	MO	63088	636-861-2623	
Outstate	Community Services, Inc.	David Bell	PO Box 328 214 West Third Street	Maryville	MO	64468	816-582-3114	816-582-2965
Outstate	Delta Area EOC	Jim Link	Drawer E	Portageville	MO	63873	573-379-3851	573-379-3336
Outstate	East Missouri AA	Robert Fulton	403 Glendale, PO Box N	Park Hills	MO	63601	573-431-5191	573-431-6773
Outstate	EOC St. Joseph	Dave Leyland	305 Virginia, PO Box 207	Joplin	MO	64802	417-781-0352	417-781-0563
City/County	Feed My People	John DeGuire	171 Kingston Drive	St. Louis	MO	63125	314-631-4900	314-631-7930
Outstate	Green Hills CAA	Don Warren	1506 Oklahoma Avenue PO Box 278	Trenton	MO	64683	816-359-3907	816-359-6619
St. L. City	Guardian Angel Settlement Association	Sister Annalee Faherty	PO Box 2055	St. Louis	MO	63158	314-231-3188	314-231-3188
St. L. City	Hosea House	Julann Johnson	2635 Gravois	St. Louis	MO	63118	314-773-9027	314-773-2744
St. L. City	Human Development Corporation	Jackie Hutchison	4548 Dr. Martin Luther King Drive	St. Louis	MO	63113	314-535-7633	314-535-7638
City/County	International Institute	Suzanne LeLaurin	3800 Park Avenue	St. Louis	MO	63110	314-773-9090	314-773-4081
Illinois	Lessie Bates Neighborhood House	Bill Kreeb	1200 North 13th Street	East St. Louis	IL	62205	618-874-0777	618-874-0511
Franklin Co.	Loving Hearts	Sandy Crider	P.O. Box 1054	Washington	MO	63090	636-390-8300	636-239-1565
City/County	Mid East Area Agency on Aging	Sandi Bohler	14535 Manchester Road	Manchester	MO	63011	636-207-0847	636-962-8208
Outstate	Missouri Ozarks Community Action	Shirley Saunders	219 N. Walnut Street PO Box 69	Richland	MO	65556	573-765-3263	573-765-4426
Outstate	Missouri Valley Human Resources CAA	Richard Gray	1415 South Odell PO Box 550	Marshall	MO	65340	816-886-7476	816-886-7476x810
City/County	National Kidney Foundation	Vivian McKinney	1423 Hanley Industrial Court	St. Louis	MO	63144	314-961-2828	314-961-0888
Outstate	North East CAC	Donald Patrick	16 North Court Street PO Box 470	Bowling Green	MO	63334	573-324-2231	573-324-3960
Outstate	Northeast Missouri CAA	Janet Hartsfield	1011 S. Jamison Street PO Box 966	Kirksville	MO	63501	816-665-9855	816-665-5542
St. L. City	Presbytery of Giddings Lovejoy	Beverly Armstrong	2149 Gray Avenue	St. Louis	MO	63117	314-772-2395	314-772-2309
City/County	Salvation Army	Flo Walker Knox	1130 Hampton Avenue	St. Louis	MO	63139	314-646-3144	314-646-3202
Illinois	Salvation Army-Alton	Angel Steward	525 Alby Street	Alton	IL	62002	618-465-7764	618-465-0331
Jeff. Co.	Salvation Army-Arnold	Glenda Guenther	3742 Telegraph	Arnold	MO	63010	636-464-0787	636-464-2511
St. L. County	S.T.E.P. Inc.	Richard Krueger	7935 Page	St. Louis	MO	63133	314-863-0015	314-863-1252
St. L. City	St. Patrick Center	Greg Vogelweid	PO Box 60411	St. Louis	MO	63106	314-802-0700	314-802-1980
Outstate	United Services of Kansas City CAA	Tommie Barnett	6323 Manchester	Kansas City	MO	64133	816-358-6868	816-358-0143
City/County	United Way of Greater St. Louis-I&R	Jennifer Kennedy	1111 Olive Street	St. Louis	MO	63101	314-539-4147	314-539-4270
St. L. City	Urban League-Community Outreach	Linda Prince	4151 Olive	St. Louis	MO	63108	314-652-6954	314-615-3687
St. L. County	Urban League-North County	Everett Stuckey	72 Northland Shopping Center	St. Louis	MO	63136	314-389-9338	314-389-8267
St. L. County	Webster/Rock Hill Ministries	Mike Bohannon	111 Waymire Avenue	St. Louis	MO	63119	314-961-5082	314-961-1941
Outstate	West Central Missouri CAA	Amos Jackson	106 West 4th Street PO Box 125	Appleton City	MO	64724	816-476-2185	816-476-5529

**ARTICLES OF INCORPORATION
OF
A MISSOURI NONPROFIT CORPORATION**

HONORABLE MATT BLUNT
SECRETARY OF STATE
STATE OF MISSOURI
P.O. BOX 778
JEFFERSON CITY, MO 65102

The undersigned natural person of the age of eighteen years or more for the purpose of forming a corporation under the Nonprofit Corporation Law of Missouri adopts the following Articles of Incorporation:

ARTICLE I

The name of the corporation is Ameren Community Development Corporation.

ARTICLE II

This corporation is a Public Benefit Corporation.

ARTICLE III

The period of duration of the corporation is perpetual.

ARTICLE IV

The name and street address of the Registered Agent and Registered Office in Missouri is James Cook, One Ameren Plaza, 1901 Chouteau Avenue, PO Box 66149, MC 350, St. Louis, MO 63166-6149.

ARTICLE V

The name and street address of the incorporator is Amelia M. Frankel, One Metropolitan Square, 211 North Broadway, Suite 2600, St. Louis, Missouri 63102.

ARTICLE VI

This corporation shall not have members.

ARTICLE VII

Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Circuit Court of the county in which the principal office of the corporation is then located, exclusively for the purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE VIII

The purposes for which the corporation is organized are:

(a) To provide funding in the form of grants to promote economic development and job growth within the electric service territory in Missouri of Union Electric Company d/b/a AmerenUE (hereinafter "AmerenUE"), as defined in the tariffs of AmerenUE on file with the Missouri Public Service Commission as such area may be modified from time to time.

(b) The corporation is organized exclusively for charitable, educational, religious and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code or the corresponding section(s) of any future federal tax code.

(c) No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, directors, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in this Article. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from the federal income tax under Section 501(c)(3) of the Internal Revenue Code, or the corresponding section(s) of any future federal tax code, or (b) by a corporation, contributions to which are deductible under Section 107(c)(2) of the Internal Revenue Code, or the corresponding section(s) of any future federal tax code.

ARTICLE IX

The corporation reserves the right to amend, alter, or repeal any provisions in these Articles of Incorporation in the manner specified by the Bylaws, in the manner now or hereafter prescribed by statute and by these Articles of Incorporation.

ARTICLE X

The power to make, alter, amend or repeal the Bylaws and to adopt new Bylaws shall be vested in the Board of Directors of the corporation.

ARTICLE XI

(a) The corporation shall, to the fullest extent and as allowed by law, indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the corporation, by reason of the fact that such person is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

(b) The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that such person is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, and amounts paid in settlement actually and reasonably incurred by such person in connection with the defense or settlement of the action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of such person's duty to the corporation unless and only to the extent that the court in which the action or suit was brought determines upon application that, despite the adjudication of liability and in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

DRAFT

(c) Any mandatory indemnification under paragraph (a) or (b) of this Article, unless ordered by a court, shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent other than a director is proper in the circumstances because such person has met the applicable standard of conduct set forth in the foregoing provisions applicable thereto. The determination shall be made by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to the action, suit or proceeding, or if such a quorum is not obtainable, or even if obtainable if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

(d) Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of the action, suit or proceeding as authorized by the Board of Directors upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that such director, officer, employee or agent is entitled to be indemnified by the corporation as authorized in this Article.

(e) The indemnification required hereby shall continue as to a person who has ceased to be a director, officer, employee or agent, as the case may be, and shall inure to the benefit of the heirs, executors and administrators of such a person, subject, however, to the terms hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2002.

Amelia M. Frankel, Incorporator

STATE OF MISSOURI)
) SS
CITY OF ST. LOUIS)

I, _____, a Notary Public, do hereby certify that on the ____ day of _____, 2002, personally appeared before me _____, being by me duly sworn, and acknowledged that she signed as her free act and deed the foregoing document in the respective capacity therein set forth and declared that the statements therein contained are true, to her best knowledge and belief.

Notary Public

My commission expires:

DRAFT

**BYLAWS
OF
AMEREN COMMUNITY DEVELOPMENT CORPORATION
A NONPROFIT CORPORATION**

ARTICLE I

PURPOSES AND RESTRICTIONS

The purposes of the Corporation shall be those nonprofit purposes stated in the Articles of Incorporation of the Corporation, as they may be amended. No part of the net earnings or other assets of the Corporation shall inure to the benefit of, be distributed to or among, or revert to, any director, officer, contributor or other private individual having, directly or indirectly, any personal or private interest in the activities of the Corporation, except that the Corporation may pay reasonable compensation for services rendered and may make payments and distributions in furtherance of the nonprofit purposes stated in the Articles of Incorporation.

ARTICLE II

OFFICES

The principal office of the Corporation in the State of Missouri shall be located in the City of St. Louis. The Corporation may have such other offices as may be required.

The registered office of the Corporation required under the laws of the State of Missouri to be maintained in the State of Missouri may be, but need not be, identical with the principal office in the State of Missouri, and the address of the registered office may be changed from time to time in conformity with the laws of the State of Missouri. The Corporation shall maintain a registered agent whose address shall be the same as that of the registered office of the Corporation.

ARTICLE III

MEMBERS

The Corporation shall have no Members having voting rights.

ARTICLE IV

BOARD OF DIRECTORS

Schedule 2-5

DRAFT

A. Management. The affairs of the Corporation shall be managed, supervised and controlled by a Board of Directors, consisting of the _____ persons specified in Section B hereof.

B. Directors. The Board of Directors of the Corporation shall consist of the following _____ individuals (the "Designated Directors"):

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

If any of the Designated Directors of the Corporation is unwilling or unable to serve in such capacity, the remaining directors shall choose a substitute director to serve in place of the Designated Director. If at any time thereafter, such Designated Director is willing and able to serve as a director of the Corporation, the Board of Directors shall remove the substitute director and name the Designated Director in his or her place. Provided, however, at all times there shall be one Director who is also an employee of Union Electric Company or one of its affiliated companies.

C. Term of Directors. The full term of office of directors shall be three years. Vacancies occurring in the Board of Directors shall be filled by the directors then in office. Any director may succeed himself or herself indefinitely.

D. Removal and Resignation. Any director may resign at any time by giving written notice to the Board of Directors, the President or the Secretary of the Corporation; unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any director may be removed, with or without cause, by the affirmative vote of at least two-thirds (2/3) of the whole Board. Any such resignation or removal shall take effect at the time specified therein.

E. Annual Meetings. The Annual Meeting of the Board of Directors shall be held on such date and at such time and place within the State of Missouri as shall be designated by the President, and shall be held for the purpose of electing new directors and officers, and transacting such other business as may come before the meeting. The first order of business shall be the election of new members of the Board, who may participate in the meeting immediately upon their election.

F. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or by any two directors.

G. Meetings. Meetings of the Board of Directors, regular or special, may be held at any place either within the State of Missouri, or from time to time by resolution of the Board of Directors or by unanimous written consent of the members thereof. Meetings of the Board of

DRAFT

Directors shall be held upon such notice as provided herein. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors must be specified in the notice or waiver of notice of such meeting.

Members of the Board of Directors, or of any committee designated by the Board of Directors, may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting.

Any action which is required to be or may be taken at a meeting of the directors, or any committee established by the Board of Directors, may be taken without a meeting if consents in writing, setting forth the action so taken, are signed by all of the members of the Board or of the committee as the case may be. The consent shall have the same force and effect as a unanimous vote at a meeting duly held, and may be stated as such in any certificate or document. The Secretary shall file the consents with the minutes of the meetings of the Board of Directors or of the committee as the case may be.

H. Notice. Notice of any annual, regular or special meeting shall be given at least five (5) days prior thereto by written notice delivered either personally, by telegraph, teletype, facsimile, or other form of wire or wireless communication, or by mail to each director at his or her business or home address. Written notice shall be deemed effective at the earliest of the following: (i) when received; (ii) five days after its deposit in the United States mail, as evidenced by the postmark, if mailed correctly and with first class postage affixed; or (iii) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors must be specified in the notice or waiver of notice of such meeting.

I. Quorum. A majority of the whole Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

J. Manner of Acting. The act of the majority of the directors present at a meeting of the directors at which a quorum is present shall be the act of the Board of Directors unless a greater number is required under the Articles of Incorporation, these Bylaws or any applicable laws of the State of Missouri.

K. Grants. The Board of Directors, at its annual meeting or a properly convened special meeting, shall consider all current applications for grants that have been received by the Corporation. During each year, the Corporation shall pay out as grants no less than ninety (90%) of the funding received (or carried over as described below) during such year so long as it has received

DRAFT

sufficient grant applications to satisfy this requirement. In the event that insufficient grant applications are received in any particular year, the excess fund balance shall be carried over the following year. In choosing the recipients of grants from the Corporation pursuant to the purposes of the Corporation as stated in its Articles of Incorporation, the Board of Directors shall consider the following principles:

- a. Each grant recipient must meet the following qualifications:
 1. Each recipient must be a current electric customer of AmerenUE in Missouri or shall become an electric customer of AmerenUE in Missouri if the recipient is awarded a grant from the Corporation;
 2. Each facility which is the subject of a grant request must either currently be provided electric service from AmerenUE in Missouri or, in the case of a proposed facility, must agree to take electric service from AmerenUE as a condition of the receipt of the grant.
- b. Each grant must satisfy the following intended purposes and directly lead to:
 1. The growth of new employment or new employment opportunities within the AmerenUE Missouri service territory; or
 2. The creation of incentives for businesses to relocate their facilities to or retain facilities within the AmerenUE Missouri service territory.

In considering these intended purposes, the Board of Directors shall also give consider the impact of such grants the promotion of community education and related job-training programs as well as the development of renewable energy sources.

ARTICLE V

OFFICERS

A. Number and Election. The officers of the Corporation shall be a President, a Secretary, and a Treasurer. The same individual may simultaneously hold more than one office. All officers shall be elected at the Annual Meeting of the Board by a majority of those Board members present including newly-elected members, and said officers shall hold office at the pleasure of the Board until the next Annual Meeting and until their successors shall have been elected and qualified. Where a vacancy occurs in an office, it shall be filled by the Board for the unexpired term.

B. President. The President shall be the chief executive officer of the Corporation. The President shall preside at all meetings of the Board of Directors and the Committees thereof, shall

DRAFT

have the power to transact all of the usual, necessary and regular business of the Corporation as may be required and, with such prior authorization of the Board as may be required by these Bylaws, to execute such contracts, deeds, bonds and other evidences of indebtedness, leases and other documents as shall be required by the Corporation; and, in general, shall perform all such other duties incident to the office of President and Chief Executive Officer and such other duties as may from time to time be prescribed by the Board of Directors.

C. Secretary. The Secretary shall record and preserve the minutes of the meetings of the Board of Directors and all committees of the Board, shall be responsible for authenticating records of the Corporation, shall cause notices of all meetings of the Board of Directors and committees to be given to the members thereof, and shall perform all other duties incident to the office of Secretary or as from time to time directed by the Board of Directors or by the President.

D. Treasurer. The Treasurer shall be responsible for all funds of the Corporation, shall direct that such funds be deposited in such bank or banks as the Board of Directors may from time to time determine, and shall make reports to the Board of Directors as requested by the Board. The Treasurer shall see that an accounting system is maintained in such a manner as to give a true and accurate accounting of the financial transactions of the Corporation, that reports of such transactions are presented promptly to the Board of Directors, that all expenditures are presented promptly to the Board of Directors, that all expenditures are made to the best possible advantage, and that all accounts payable are presented promptly for payment. The Treasurer shall further perform such other duties incident to his or her office and as the Board or the President may from time to time determine. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine.

E. Removal and Resignation. Any officer may be removed, with or without cause, by the vote of a majority of the entire Board of Directors at any meeting of the Board. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Any such resignation or removal shall take effect at the time specified therein.

ARTICLE VI

GENERAL PROVISIONS

A. Contracts, Etc., How Executed. Except as in these Bylaws otherwise provided or restricted, the Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances; and, unless so authorized, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable pecuniarily for any purpose or in any amount.

B. Deposits. All funds of the Corporation shall be deposited from time to time to the

DRAFT

credit of the Corporation with such banks, bankers, trust companies or other depositories as the Board of Directors may select or as may be selected by any officer or officers, agent or agents of the Corporation to whom such power may be delegated from time to time by the Board of Directors.

C. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes, acceptances or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation, and in such manner as shall be determined from time to time by resolution of the Board of Directors in accordance with the provisions of these Bylaws. Endorsements for deposit to the credit of the Corporation in any of its duly authorized depositories may be made without countersignature, by the President, Vice President or Treasurer, or by any other officer or agent of the Corporation to whom the Board of Directors, by resolution, shall have delegated such power, or by hand-stamped impression in the name of the directors.

ARTICLE VII

CONFLICT OF INTEREST

No contract or transaction between the Corporation and one or more of its directors or officers, or between the Corporation and any other corporation, partnerships, association, or organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for that reason, or solely because the director or officer is present at or participates in the meeting of the Board or committee thereof which authorizes the contract or transaction, or solely because his or her or their votes are counted for such purposes, if the material facts as to his or her relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board or committee in good faith, taking into account the fairness of contract or transaction, authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors present.

ARTICLE VIII

AMENDMENTS

A. Amendment of Articles of Incorporation. The Articles of Incorporation of the Corporation may only be amended by a unanimous vote of the Board of Directors. The Corporation shall provide notice to each member of the Board of Directors of any meeting at which an amendment is to be voted on. Such notice must state that the purpose, or one of the purposes, of the meeting is to consider a proposed amendment to the Articles of Incorporation and such notice must contain or be accompanied by a copy or summary of the amendment or state the general nature of the amendment.

B. Amendment of Bylaws. These Bylaws, excepting the provisions of Article I hereof, may be amended by a majority vote of the Board of Directors.

ARTICLE IX

INDEMNIFICATION

A. **Mandatory Indemnification.** The Corporation shall indemnify any director who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which the director was a party because he or she is or was a director of the Corporation against reasonable expenses actually incurred by the director in connection with the proceeding.

B. **Permissive Indemnification.**

1. The Corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Corporation, by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or process if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable, cause to believe that his or her conduct was unlawful.

2. The Corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise against expenses, including attorneys' fees, and amounts paid in settlement actually and reasonably incurred by him or her in connection with the defense or settlement of the action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation unless

DRAFT

and only to the extent that the court in which the action or suit was brought determines upon application that, despite the adjudication of liability and in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnification for such expenses which the court shall deem proper.

3. To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in subsections (1) and (2) of this section, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him or her in connection with the action, suit, or proceeding.

4. Any indemnification under subsections (1) and (2) of this section, unless ordered by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in this section. The determination shall be made by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to the action, suit, or proceeding, or if such a quorum is not obtainable, or even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

5. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of the action, suit, or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation as authorized in this section.

6. The indemnification provided by this section shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under Section 537.117, Mo. Rev. Stat. 1986, any other provision of law, the Articles of Incorporation of the Corporation or these Bylaws or any agreement, vote of disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

7. The Corporation shall have the power to give any further indemnity, in addition to the indemnity authorized or contemplated under other subsections of this section, including subsection (6), to any person who is or was a director, officer, employee or agent, or to any person who is or was serving at the request of the Corporation as a director, officer, employee or agent of any other Corporation, partnership, joint venture, trust or other enterprise, provided such further indemnity is either (i) authorized, directed, or provided for

DRAFT

in the Articles of Incorporation of the Corporation or any duly adopted amendment thereof or (ii) is authorized, directed, or provided for in these Bylaw or agreement of the Corporation which has been adopted by a vote of the Board of Directors of the Corporation, and provided further that no such indemnity shall indemnify any person from or on account of such person's conduct which was finally adjudged to have been knowingly fraudulent, deliberately dishonest or willful misconduct.

8. For the purpose of this section, references to the "the Corporation" include all constituent corporations absorbed in a consolidation or merger as well as the resulting or surviving corporation so that any person who is or was a director, officer, employee or agent of such a constituent corporation or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this section with respect to the resulting or surviving corporation as he or she would if he or she had served the resulting or surviving corporation in the same capacity.

9. For purposes of this section, the term "other enterprise" shall include employee benefit plans; the term "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and the term "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner he or she reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this section.

C. Insurance. The Corporation may purchase and maintain insurance on behalf of an individual who is or was a director, officer, employee, or agent of the Corporation, or who, while a Director, officer, employee, or agent of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic business or nonprofit Corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against liability asserted against or incurred by him or her in that capacity or arising from his or her status as a director, officer, employee, or agent, whether or not the Corporation would have power to indemnify the person against the same liability under section (A) or (B) above.