

**Ameren Illinois Utilities – 2008 Procurement
Products Overview**

Levitan & Associates, Inc. (LAI), the Procurement Administrator for the Ameren Illinois Utilities (AIU) Initial Procurement Plan, will procure a portfolio of standard wholesale energy products, capacity, and renewable energy credits (RECs) through a procurement process that will involve three separate requests for proposals (RFPs). The products to be procured will serve the requirements of the AIU’s eligible customers for whom service expires on May 31, 2008. These customers are served under the full requirements contracts entered into as a result of the 2006 Illinois Auction. The products to be acquired will be for service for the period June 1, 2008 through May 31, 2009.

The RFP web site will serve as the primary source for information regarding the RFPs and the schedule. The RFPs, contract documents, questions and answers, credit information requirements, and bid submittals will be handled through the web site. Documents that require signatures should be downloaded from the web site, signed and e-mailed or faxed to the Procurement Administrator contacts identified on the web site.

Energy Products

The wholesale energy products to be procured include financial swap products for the following total contract quantities and terms:

Product	Term	Type	Quantity (MW)
Product A	Annual	7x24	200
Product B	January and February	5x16	200
Product C	June	5x16	175
Product D	September	5x16	175
Product E	July and August	5x16	500
Product F	October, November and December	5x16	75

The wholesale energy products are financially settled fixed for floating electricity swaps that will be settled monthly, with the floating price to be settled at the average MISO Real-Time LMP for the Ameren Illinois Utilities Load Zone. The parties will financially settle the difference between the agreed fixed price and the floating price.

Capacity Products

The capacity products to be procured include capacity provided under the full requirements contracts that expire on May 31, 2008, which will be replaced by the procurement of the following monthly "Capacity Amounts":

Month	Capacity Amount (MW)
June 2008	1,570
July 2008	1,840
August 2008	1,840
September 2008	1,420
October 2008	1,040
November 2008	1,020
December 2008	1,130
January 2009	1,140
February 2009	1,170
March 2009	1,010
April 2009	880
May 2009	1,110

Renewable Energy Credits

For the planning year June 1, 2008 through May 31, 2009, the IPA Act requires that the Ameren Illinois Utilities acquire RECs equivalent to 2% of the amount of electricity supplied to eligible retail customers in the prior planning year, 20,719,607 MWh. The target quantity to be procured is 415,000 RECs. Each REC represents the environmental attribute corresponding to one megawatt-hour (1 MWh, or 1,000 kilowatt-hours) of energy produced from qualified renewable energy resources.

The IPA Act requires that a minimum of 75% of the RECs must be derived from qualified wind resources, resulting in a target quantity of 315,000 RECs that must be from qualified wind resources.

The Ameren Illinois Utilities may purchase less than the quantities stated above if the RECs are deemed to be not "cost effective" in accordance with the IPA Act. (Section 1-75(c)(1) - (2).) The amount of renewable purchases shall be limited such that the estimated average net increase due to the cost of the RECs included in the amounts paid by eligible retail customers is no more than 0.5% of the amount paid per kilowatt-hour by those customers during the year ending May 31, 2007. The RECs procurement budget limit for the June 1, 2008 through May 31, 2009 planning year is \$7,730,039.