BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a AmerenUE for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in the Company's Missouri Service Area.	)))))	Case No. ER-2007-0002

STIPULATION AND AGREEMENT
<u>AS TO CERTAIN ISSUES/ITEMS</u>

COME NOW Union Electric Company, d/b/a AmerenUE ("AmerenUE" or "Company"), the Staff of the Missouri Public Service Commission ("Staff"), the Office of the Public Counsel ("Public Counsel"), the Missouri Department of Natural Resources ("DNR"), Missouri Department of Economic Development ("DED"), the State of Missouri ("State"), AARP, Aquila Networks ("Aquila"), Consumers Council of Missouri ("CCM"), Laclede Gas Company ("Laclede"), Missouri Association for Social Welfare ("MASW"), Missouri Energy Group ("MEG"), Missouri Industrial Energy Consumers ("MIEC"), Missouri Retailers Association ("MRA"), Noranda Aluminum, Inc. ("Noranda"), and The Commercial Group ("TCG")(collectively, the "Parties") and respectfully state to the Missouri Public Service Commission ("Commission") that, as a result of negotiations, the undersigned parties ("Parties") have reached the stipulations and agreements contained herein in order to settle the certain issues/items specified below.

1. **Issues/Items Settled.** This Stipulation and Agreement is intended to settle the following issues/items previously identified by some or all of the Parties through testimony and/or schedules. The Parties agree that the adjustments/items identified below, and approximately quantified in Attachment A, have been made to AmerenUE's, the Staff's and the

other Parties' Revenue Requirements as reflected in the Reconciliation that has been filed in this proceeding, in resolving each issue/item. Because additional agreements were subsequently reached prior to filing the Reconciliation in this proceeding, Attachment A does not match the Reconciliation filed on March 9, 2007, but it remains useful in quantifying the impact of the items agreed to herein.

It must be noted that not all of the matters identified herein can be characterized as discrete issues in this case. The matters below include changes to Parties' cases based upon, for example, the provision of additional information, or corrections of arithmetic calculations or information. Many of the matters reflected below are changes in Parties' cases that in other rate cases have been routinely addressed as a part of prehearing conferences and have not been reflected in a formal document, but just have appeared unidentified in the numbers of the Reconciliation. It is customary in Commission cases for parties to identify errors in other parties' and their own cases, remove the same from the proceedings and only take into the hearing room substantive differences for Commission resolution. The Parties in this proceeding, for purposes of clarity and finality, have chosen to commit these particular items to writing along with the resolution of discrete issues that they are presenting to the Commission for approval. The Parties are hopeful that they will be able to submit to the Commission subsequent stipulations and agreements resolving additional discrete issues in this case.

The issues/items settled by this Stipulation and Agreement are as follows. An issue is indicated by an asterisk (*), a correction or change in position is indicated by a carrot (^) and a combination of an issue and a correction or change in position is indicated by an asterisk and a carrot (*^):

Rate Base Adjustments

- Incentive Compensation Capitalized*
- Incentive Compensation Reserve*^
- Prepayments^
- Allocations and Other*
- Customer Advances^
- Hydro Depreciation Overaccrual^

Revenue and Expense Adjustments

- Incentive Compensation and Exceptional Performance Bonus Plan*^
- Taum Sauk Expense*^[1]
- Uncollectibles*
- Advertising*
- Pay Stations*
- Pension*
- Employee Benefits*
- FAS 106*
- PSC Assessment*
- Lease Expense*
- Insurance Expense*
- CTG Expense*
- Gross Receipts Taxes^
- Labor*
- Callaway Refueling-Labor*
- Miscellaneous Adjustment to A&G Expenses*
- Expense Reassigned to Sales for Resale*
- Revenue Allocations*
- Taxes Other*
- Environmental^
- Interest Synchronization^ (to be updated based on final rate base and ROE)
- Dues and Donations^ (issue remains to be heard)
- Test Year Osage Headwaters Expense^ (issue remains to be heard)
- Income Tax Deduction – Production Credit^ [2]

[1] AmerenUE's and the Staff's cases are based on the assumption that Taum Sauk is available as a generation resource for AmerenUE for the test year and true-up period. AmerenUE's and the Staff's cases are also based on AmerenUE not recovering any of the costs relating to the failure of that generating facility. No other Party has taken a different position in this case on these matters. The unavailability of Taum Sauk does affect Public Counsel's position on the availability of the fuel adjustment clause rules to AmerenUE and in this manner Taum Sauk is an issue between Public Counsel and AmerenUE.

[2] The value of this item is based in part on the rate of return positions of the various parties. Thus, the value of this item cannot be precisely calculated until the Commission determines the appropriate capital structure and return on equity in this case.

- Allocation of AMS Expense^ (issue remains to be heard)
- Magnesium Oxide in Fuel Expense*
- Test Year Expense – New Accounts^
- Test Year Rate Case Expense
- Customer Growth through 12/31/06 and Postage Expense, Automated Meter Reading Expense and Fuel Expense associated with Customer Growth*[3]

2. The Parties agree that the following adjustments shall be made to the **Staff Production Cost Model** that will be utilized in this proceeding:

- Annual cost of urea shall be included in the Company's cost of service as a non-fuel Operations and Maintenance Expense.^
- Callaway DOE Decommissioning and Dismantling costs shall be trued up to reflect the January, 2007 level.^
- Sioux Plant generation shall be adjusted to reflect the level associated with the fuel supply.^
- Callaway refueling outages shall be revised to reflect normal times (the averages of April and November) and durations (35 days X 2/3).^
- A line loss factor of 5.93% shall be utilized.^
- Load shapes and price shapes shall be synchronized.^
- Fuel inventory and materials and supplies shall be included consistent with Production Cost Model changes.^

3. The Parties agree that the following miscellaneous issues/items shall be resolved as follows:

Revenues and kWh Sales
The parties agree that the Missouri retail rate revenues and kWh sales by rate class shown on Attachment B have been computed in accordance with the following agreed-upon procedures:

- The weather normalization adjustment to kWh sales shall be computed consistent with the method reflected in the Direct Testimony of AmerenUE witness Richard A. Voytas, except that normal weather shall be ranked annually as proposed by Staff.

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[3] The Parties addressed in their Jointly Proposed Procedural Schedule And Request For Other Procedural Items, at page 4, filed on August 29, 2006 anticipated true-up items and significant additional items and true-up direct testimony and true-up rebuttal testimony.

- The "365 days" adjustment to kWh sales shall be computed as described in the Direct Testimony of Staff witness Shawn Lange.
- The weather normalization and days adjustments to revenues shall be computed consistent with the average pricing method reflected in the Direct Testimony of Staff witness James A. Busch.
- The annualization of kWh sales and revenues that reflect load growth/decline and rate switching for Large Primary Service customers shall be calculated on an individual customer basis as described in the Direct Testimony of Staff witness Curt Wells.
- Additional kWh sales and revenues that result from growth in the number of customers shall be computed as described in the Direct Testimony of Staff witness Jeremy Hagemeyer.

Other Issues/Items

- Pension and OPEB tracking method requested by the Company and described in the Supplemental Direct Testimony of C. Kenneth Vogl on September 29, 2006, including the supplemental clarification attached hereto as Attachment C shall be adopted.
- No adjustment shall be made to the Company's operating expenses to reflect a reduction in ash handling costs.^
- Treatment of Demand Side Management Costs proposed in the Direct Testimony of Staff witness Lena Mantle shall be adopted.*

4. This Stipulation and Agreement is being entered into solely for the purpose of settling the identified issues/items, in this case alone, that are listed above. Unless otherwise explicitly provided herein, none of the Parties to this Stipulation and Agreement shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any other method of cost determination or cost allocation or revenue-related methodology. Other than explicitly provided herein, none of the Parties shall be prejudiced or bound in any manner by the terms of this Stipulation and Agreement in this or any other proceeding regardless of whether this Stipulation and Agreement is approved.

5. This Stipulation and Agreement has resulted from extensive negotiations among the Parties and the terms hereof are interdependent. If the Commission does not approve this Stipulation and Agreement unconditionally and without modification, then this Stipulation and

Agreement shall be void and no Party shall be bound by any of the agreements or provisions hereof, except as explicitly provided herein.

6. If the Commission does not unconditionally approve this Stipulation and Agreement without modification, and notwithstanding the provision herein that it shall become void; neither this Stipulation and Agreement nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any Party has for a decision in accordance with §536.080 RSMo 2000 or Article V, Section 18 of the Missouri Constitution, and the Parties shall retain all procedural and due process rights as fully as though this Stipulation and Agreement had not been presented for approval, and any suggestions, memoranda, testimony, or exhibits that have been offered or received in support of this Stipulation and Agreement shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any purpose whatsoever.

7. In the event the Commission unconditionally accepts the specific terms of this Stipulation and Agreement without modification, the Parties waive their respective rights to present oral argument and written briefs pursuant to §536.080.1 RSMo 2000; their respective rights to the reading of the transcript by the Commission pursuant to RSMo §536.080.2 RSMo 2000; their respective rights to seek rehearing, pursuant to §536.500 RSMo 2000; and their respective rights to judicial review pursuant to §386.510 RSMo 2000. This waiver applies only to a Commission order respecting this Stipulation and Agreement issued in this proceeding and only to the issues/items that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding or any matters not explicitly addressed by this Stipulation and Agreement.

8. This Stipulation and Agreement contains the entire agreement of the Signatories concerning the issues/items addressed herein.

9. Should the Commission have questions about this Stipulation and Agreement, the Signatories will make available their witnesses and attorneys on the issues/items resolved by this Stipulation and Agreement. If the Commission has questions for the Signatories' witnesses or Signatories, the Signatories will make available at any on-the-record session, their witnesses and attorneys on the issues/items resolved by this Stipulation and Agreement, so long as all the Parties have had adequate notice of that session. The Signatories agree to cooperate in presenting this Stipulation and Agreement to the Commission for approval, and will take no action, direct or indirect, in opposition to the request for approval of this Stipulation and Agreement.

10. This Stipulation and Agreement does not constitute a contract with the Commission. Acceptance of this Stipulation and Agreement by the Commission shall not be deemed as constituting an agreement on the part of the Commission to forego the use of any discovery, investigative or other power which the Commission presently has. Thus, nothing in this Stipulation and Agreement is intended to impinge or restrict in any manner the exercise by the Commission of any statutory right, including the right to access information, or any statutory obligation.

WHEREFORE, for the foregoing reasons, the undersigned Parties respectfully request that the Commission issue its Order approving all of the specific terms and conditions of this Stipulation and Agreement.

Respectfully submitted,

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d/b/a AmerenUE

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MISSOURI RETAILERS ASSOCIATION

By: ______________________________
Samuel E. Overfelt, MBE #

NORANDA ALUMINUM, INC.

By: Stuart W. Conrad
Stuart W. Conrad, MBE #23966

THE COMMERCIAL GROUP

By: ______________________________
Rick D. Chamberlain, OBA #11255

UNION ELECTRIC COMPANY d/b/a AMERENUE
CASE NO. ER-2007-0002
REVISED POSITIONS

	Company	Staff	State	OPC
Filed Revenue Requirement	374,748,565	(157,277,419)	(53,007,000)	(196,716,019)
Corrections:				
Incentive Compensation Reserve		123,237		123,237
Incentive Compensation and EPB	(715,000)			
Interest Synchronization		3,188,447		3,188,447
Dues and Donations		19,774		19,774
Test Year Osage Headwaters Expense		(6,643,945)		(6,643,945)
Income Tax Deduction - Production Credit		600,648		600,648
Hydro Depreciation Over-accrual		5,117		5,117
Allocation of AMS Expense		178,027		178,027
Eviornmental		1,871,463		1,871,463
Taum Sauk Expense	(10,001,699)			
Test Year Expense - New Accounts	2,642,000			
Ash Handling Costs			909,000	
Gross Receipts Taxes	580,000			
Customer Advances	73			
Test Year Rate Case Expense	(1,011,000)	(1,011,000)		(1,011,000)
Starting Point Differnece	(5,966,324)	50,539,635		50,539,635
365 days Adjustment	(2,966,788)	1,201,992		1,201,992
Weather Adjustment	(6,156,461)	6,899,901		6,899,901
Annualized Large Primary Service Customers	(1,703,182)	1,710,223		1,710,223
Fuel Expense		19,129,577		19,129,577
Prepayments	183,488			
Settled Items:				
Incentive Compensation Capitalized	(2,185,908)		(1,750,766)	
Incentive Compensation Reserve	150,650		120,660	
Incentive Compensation and EPB	(10,237,000)		(2,688,000)	
Allocations and Other	101,326		101,326	
Taum Sauk	(1,059,301)		108,000	
Large Primary Service Customers	(47,541)		(47,541)	
Revenue Allocations	(2,975,423)		(2,975,423)	
Labor	(730,000)		(730,000)	
Callaway Refueling - Labor	14,000		14,000	
CTG Expense	(1,278,000)		(1,278,000)	
Expense Reassigned to Sales for Resale	(11,000)		(11,000)	
Environmental	524,654		524,654	
Uncollectibles	(2,369,592)		596,000	
Pay Stations	(165,000)		(165,000)	
Pension	(6,000)		(6,000)	
Employee Benefits	(27,000)		(27,000)	
FAS 106	40,000		14,000	
Advertising	(1,061,000)		(1,061,000)	
PSC Assessment	823,000		823,000	
Lease Expense	(88,000)		(88,000)	
Insurance Exp	1,992,000		1,992,000	
Urea	(717,241)	3,458,300	3,458,300	3,458,300
Magnesium Oxide in Fuel Expense	(4,448,054)			
Miscellaneous Adjustment to A&G Expenses	(446,000)		(446,000)	
Income Tax Deduction - Production Credit	(14,805,199)	(8,992,428)	(366,793)	(8,992,428)
Customer Growth, Postage & Automated Meter Reading	(12,349,233)	239,104		239,104
Taxes Other	(5,168,344)		(5,168,344)	
Additional Items:				
Income Taxes	24,145,184	(35,495,753)		(35,495,753)
Callaway Non-labor	4,419,528			
Current Revenue Requirement	321,669,178	(120,255,100)	(61,154,927)	(159,693,700)

MOPSC CASE NO. ER-2007-0002
UNION ELECTRIC COMPANY d/b/a AMERENUE
STIPULATED RATE REVENUE, KWH SALES & NET SYSTEM INPUT
TEST YEAR ENDING JUNE 30, 2006

MISSOURI RETAIL RATE REVENUE

Rate Class	Billed TY Revenues (excluding GRT) [1]	Starting Point Difference [2]	Weather Adjustment	365 Days Adjustment	Large Customer Annualizations	Growth Adjustment	Total MO Rate Rev at 6/30/2006
Residential	$880,977,883	$441,436	($35,249,186)	$1,090,506	$0	$2,818,747	$850,079,387
Small General Service	$231,079,487	$102,888	($4,278,939)	$410,302	$0	$1,756,545	$229,070,284
Large General Service	$420,310,044	$591,616	($4,408,960)	$1,369,049	$0	$7,244,337	$425,106,087
Small Primary Service	$182,744,311	$0	($1,603,455)	$96,931	($2,607,479)	$768,707	$179,399,015
Large Primary Service	$159,408,062	$282,383	$0	$0	$904,297	$0	$160,594,742
Lighting & Other	$27,250,223	$0	$0	$0	$0	$0	$27,250,223
Large Transmission	$136,408,509	$0	$0	$0	($756,196)	$0	$135,652,313
TOTAL MO RETAIL	$2,038,178,519	$1,418,324	($45,540,539)	$2,966,788	($2,459,378)	$12,588,337	**$2,007,152,050**

MISSOURI RETAIL KWH SALES & NET SYSTEM INPUT

Rate Class	Billed TY Sales (kWh) [1]	Starting Point Difference [2]	Weather Adjustment	365 Days Adjustment	Large Customer Annualizations	Growth Adjustment	Total kWh at 6/30/2006
Residential	13,518,630,156		(409,326,779)	18,864,265	-	37,301,293	13,165,468,935
Small General Service	3,629,679,791		(50,522,124)	6,913,123	-	26,278,247	3,612,349,036
Large General Service	7,995,874,109		(61,732,124)	30,173,610	-	135,602,439	8,099,918,035
Small Primary Service	4,069,134,544		(33,781,196)	2,352,204	(60,329,690)	46,736,279	4,024,112,142
Large Primary Service	4,241,876,272		-	-	39,814,942	-	4,281,691,214
Lighting & Other	232,950,848		-	-	-	-	232,950,848
Large Transmission	4,033,041,745		-	-	-	-	4,033,041,745
TOTAL MO RETAIL	37,721,187,465	-	(555,362,223)	58,303,202	(20,514,748)	245,918,258	**37,449,531,954**
Wholesale Sales	627,564,255		(8,120,689)	-	-	-	619,443,566
NSI w/o Losses	38,348,751,720	-	(563,482,912)	58,303,202	(20,514,748)	245,918,258	38,068,975,520
Loss Factor:	**5.93%**						
Total NSI w/ Losses							**40,468,773,807**

[1] Source: AmerenUE Sales Analysis Report (CURST #235): Billing Months of July 2005 - June 2006
[2] When compared to AmerenUE Rate Case Report (CURST #737): Billing Units by Rate Month

Tracker For Pension and Other Post-Employment Benefits

Intent:

1. These provisions of the Stipulation and Agreement are intended to accomplish the following:

   a. To ensure that the amount collected in rates for pension and other post-employment benefit costs is based on the FAS 87 and FAS 106 costs AmerenUE recognizes for financial reporting purposes; and

   b. To ensure AmerenUE recovers in rates certain contributions it makes to its pension and VEBA trusts; and

   c. To clarify, for ratemaking purposes, the accounting treatment of future charges AmerenUE would be required to record to equity (e.g., decreases to other comprehensive income) by FAS 87, FAS 106 or any other FASB statement or procedure relative to the recognition of pension and OPEB costs and / or liabilities.

Procedure:

2. The FAS 87 and FAS 106 costs AmerenUE recognizes for financial reporting purposes shall be recognized in rates. The calculation of these costs shall be, unless specifically changed by the issuance of new FASB accounting standards, based on the Market Related Value of Assets that reflects gains and losses over a 4 year period. Unrecognized gains and losses shall be, unless specifically changed by the issuance of new FASB accounting standards, amortized over a 10-year period. This calculation does not employ the corridor approach. AmerenUE will inform the Staff of the Missouri Public Service Commission and the Office of Public Counsel as soon as it becomes aware of a new FASB accounting standard that would affect the calculation parameters discussed above.

3. Each year AmerenUE shall contribute to its pensions and VEBA trusts the amount of its FAS 87 and FAS 106 costs for that year.

4. AmerenUE shall be allowed rate recovery for contributions it makes to its pension trust that exceed its FAS 87 cost for any of the following reasons: the minimum required contribution is greater than the FAS 87 cost, avoidance of Pension Benefit Guaranty Corporation (PBGC) variable premiums, and avoidance of a charge to other comprehensive income. To track any such excess contributions, a regulatory asset will be established and will be included in rate base.

5. The difference between the level of pension (FAS 87 & FAS 88) costs AmerenUE incurs and the level of those costs built into rates shall be tracked by means of regulatory assets and/or liabilities described in the following paragraphs. Similarly, the difference between the level of other post-employment benefits (OPEBs) shall be tracked by means of regulatory assets and/or liabilities described in the following paragraphs.

6. Regulatory assets or liabilities shall be established on AmerenUE's books to track the difference between the level of FAS 87 and FAS 106 costs AmerenUE incurs during the period between general electric rate cases and the level of FAS 87 and FAS 106 costs built into rates for that period. If the FAS 87, or FAS 106, cost during the period is more than the FAS 87, or FAS 106, cost built into rates for the period, AmerenUE shall establish a regulatory asset which has been reduced by any existing regulatory liability for pensions, or OPEBs, maintained pursuant to the following paragraph. If the FAS 87, or FAS 106, cost during the period, adjusted for any amount of such expense used to reduce a regulatory liability maintained pursuant to the following paragraph, is less than the cost built into rates for the period, AmerenUE shall establish a regulatory liability. Since this is a cash item, the regulatory asset or liability will be included in rate base for purposes of setting new rates in the next rate case, and amortized over 5 years beginning with the effective date of the new rates.

7. If AmerenUE incurs negative FAS 87, or FAS 106, cost, AmerenUE shall set up a regulatory liability to offset the negative cost. The regulatory liability will increase by the amount of negative cost, or decrease by the amount of positive cost, in each subsequent year. Positive cost in such subsequent year will be used to reduce this regulatory liability before being used to establish a regulatory asset pursuant to the preceding paragraph. Any existing regulatory liability related to prior negative FAS 87 or FAS 106 cost will reduce the FAS 87 or FAS 106 cost included in cost of service in AmerenUE's next rate case. This regulatory liability is a noncash item that AmerenUE shall exclude from its rate base in future rate cases.

8. The parties have designed this agreement so that AmerenUE will receive through rates reimbursement of its FAS 87 and FAS 106 costs. Therefore, AmerenUE shall set up a regulatory asset to offset any charges that would otherwise be recorded against equity (e.g., decreases to other comprehensive income) caused by applying the provisions of FAS 87, FAS 106, or any other FASB statement or procedure that requires accounting adjustments due to the funded status or other attributes of AmerenUE's Pension or OPEB plans. This regulatory asset shall not be amortized into rates or included in rate base because AmerenUE will recover for the amounts in this regulatory asset in rates through AmerenUE's FAS 87 or FAS 106 costs in future years. This regulatory asset will increase or decrease each year by the same amount that the equity charge increases or decreases.

9. If AmerenUE has a curtailment, settlement, or special termination cost or credit due to requirements of applicable accounting rules according to FAS 88 and FAS 106, the following procedure will be used to address the cost reimbursement for pension and OPEB costs:

a. If the special event triggers a charge, then AmerenUE will establish an offsetting regulatory asset. This regulatory asset will not be added to rate base (since it is not a cash item), and it will be amortized over five years beginning when new rates are implemented in AmerenUE's next general electric rate increase or decrease proceeding before the Missouri Public Service Commission. AmerenUE shall make additional contributions to the applicable pension or VEBA trust equal to the amount of the amortization.

b. If the special event triggers a credit, then AmerenUE shall establish an offsetting regulatory liability. This regulatory liability will not be added to rate base (since it is not a cash item), and it will be amortized over five years beginning when new rates are implemented in AmerenUE's next general electric rate increase or decrease proceeding before the Missouri Public Service Commission. Generally, AmerenUE will contribute to the applicable pension or VEBA trust an amount equivalent to its FAS 87/106 costs for the year less the amortization amount, subject to the following condition:

> If pension cost becomes negative as a result of a FAS 87 and/or FAS 88 credit, the Parties agree AmerenUE shall set up an offsetting regulatory liability. This regulatory liability is a non-cash item which will not require rate base treatment. When FAS 87 costs becomes positive again, the regulatory liability will be amortized over five years, or longer, if necessary to avoid the net of the FAS 87 cost and the offsetting amortized regulatory liability yielding a result which is less than $0 in any year.

10. The parties agree the attached example calculation accurately reflects the intent of Appendix C of this Stipulation and Agreement, and that the testimony Steve Carver and Ken Vogl filed in Case No. ER-2007-0002 provides explanation of the matters addressed in these paragraphs of the Stipulation and Agreement.

Ameren Electric Company
Case No. ER-2007-0002

Example of Stipulated Tracking Mechanism for FAS 87 & FAS 88 Pension Cost[1]

						Balance	New Rates					Total
Financial & Rate Recognition		Row Reference	1	2	3	End of Yr 3	4	5	6	7	8	All 8 Years
FAS 87	Rates	(A)	$0.00	$0.00	$0.00	$0.00	$2.00	$2.00	$2.00	$2.00	$2.00	$10.00
FAS 87	Actual		$0.00	$0.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$12.00
FAS 88	Actual		($5.00)			($5.00)						($5.00)
FAS 88 Liability			($5.00)			($5.00)						
FAS 88 Liability - Amortization		(B)					($1.00)	($1.00)	($1.00)	($1.00)	($1.00)	($5.00)
FAS 87 Asset					$2.00	$2.00						
FAS 87 Asset - Amortization		(C)					$0.40	$0.40	$0.40	$0.40	$0.40	$2.00
Net Pension Cost in Rates		(A)+(B)+(C)	$0.00	$0.00	$0.00	$0.00	$1.40	$1.40	$1.40	$1.40	$1.40	$7.00
Net Pension Cost - Actual			($5.00)	$0.00	$2.00	($3.00)	$2.00	$2.00	$2.00	$2.00	$2.00	$7.00
Funding Requirement												
FAS 87	Actual		$0.00	$0.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$12.00
FAS 88 Liability	Amortization						($1.00)	($1.00)	($1.00)	($1.00)	($1.00)	($5.00)
Net Funding Requirement			$0.00	$0.00	$2.00	$2.00	$1.00	$1.00	$1.00	$1.00	$1.00	$7.00

[1] FAS 88 addresses accounting treatment for special events related to pension accounting under FAS 87.
FAS 106 addresses the accounting treatment for other post-employment benefits, including special events.
The example provided above would also reflect the tracking machanism for Other Post-employment Benefits calculated according to FAS 106.