

AmerenUE's Response to  
MPSC Staff Data Request  
MPSC Case No. ER-2007-0002  
AmerenUE's Tariff Filing to Increase Rates for Electric Service  
Provided to Customers in the Company's Missouri Service Area

Requested From: Warren Wood

Data Request No. MPSC 0455

At Ameren's May 2, 2006 annual meeting of shareholders, several matters were presented in the meeting for a vote. Item (4) is described as a "Shareholder proposal requesting evaluation of 20-year extension of Callaway Plant Operating License." Please provide a complete copy of the material provided to shareholders describing this item before the shareholder vote was taken.

**Response:**

The only material provided to Ameren Corporation's shareholders in advance of the shareholders vote on the above referenced Item (4) is the attached proxy statement for Ameren Corporation's 2006 annual meeting of shareholders.

Prepared By: Ronald Evans  
Title: VP & Deputy General Counsel  
Date: November 29, 2006



**NOTICE OF ANNUAL MEETING OF  
SHAREHOLDERS AND PROXY STATEMENT OF  
AMEREN CORPORATION**

Time and Date: 9:00 A.M.  
Tuesday  
May 2, 2006

Place: The Saint Louis Art Museum  
Forest Park  
One Fine Arts Drive  
St. Louis, Missouri  
(Free parking will be available)

**IMPORTANT**

*If you plan to attend the annual meeting of shareholders, please advise the Company in your proxy vote (by telephone or the Internet or by checking the appropriate box on the proxy card) and bring the Admission Ticket on the bottom of your proxy card. Persons without tickets will be admitted to the meeting upon verification of their shareholdings in the Company. If your shares are held in the name of your broker, bank or other nominee, you must bring an account statement or letter from the nominee indicating that you were the beneficial owner of the shares on March 6, 2006, the record date for voting. Please note that cameras and other recording devices will not be allowed in the meeting.*

Please vote by proxy (via telephone or the Internet or the enclosed proxy card) even if you own only a few shares. If you attend the meeting and want to change your proxy vote, you can do so by voting in person at the meeting.

**Item (3): Ratification of the Appointment of Independent Auditors for the Fiscal Year Ending December 31, 2006**

The Company is asking its shareholders to ratify the appointment of PricewaterhouseCoopers LLP ("PwC") as the Company's independent auditors for the fiscal year ending December 31, 2006. PwC was appointed by the Audit Committee.

Although ratification by the shareholders is not required by law, the Board of Directors has determined that it is desirable to request approval of this selection by the shareholders. In the event the shareholders fail to ratify the appointment, the Audit Committee will consider this factor when making any determination regarding PwC. Even if the selection is ratified, the Audit Committee in its discretion may direct the appointment of a different independent accounting firm at any time during the year if it determines that such a change would be in the best interests of the Company and its shareholders.

Passage of the proposal requires the affirmative vote of a majority of the shares entitled to vote on the proposal and represented in person or by proxy at the meeting at which a quorum is present.

**YOUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF PWC AS INDEPENDENT AUDITORS FOR FISCAL YEAR ENDING DECEMBER 31, 2006.**

**Item (4): Shareholder Proposal Requesting an Evaluation of a 20-Year Extension of the Callaway Nuclear Plant Operating License**

Proponents of the shareholder proposal described below notified the Company of their intention to attend the Annual Meeting to present the proposal for consideration and action. The names and addresses of the proponents and the number of shares they hold will be furnished by the Secretary of the Company upon receipt of any telephonic or written request for such information.

**WHEREAS:**

The Nuclear Regulatory Commission (NRC) issues 40-year operating licenses for commercial nuclear power plants, and allows these licenses to be renewed for an additional 20 years.

A nuclear power plant licensee seeking to renew its original license must submit an application to the NRC that:

- Identifies any reactor system, structure and component that could be affected by the adverse consequences of additional aging during the proposed 20-year extended period of operation;
- Analyzes the environmental, health and safety effects of extended reactor operation.

Some licensees have already received 20-year extensions of their original 40-year licenses. A licensee is allowed to apply to renew its license within the 20 years prior to the license expiration. Because Ameren's Callaway Plant in Missouri began operating in December 1984, its operating license is due to expire in 2024. Ameren is therefore allowed to apply to renew its license within the current twenty years.

**RESOLVED:**

Shareholders request that Ameren prepare a report, at reasonable cost, omitting confidential information, and available within six months of the 2006 annual meeting, that discloses the company's evaluation (pros and cons) of applying for a twenty-year extension of Callaway's current 40-year operating license.

## **SUPPORTING STATEMENT**

We believe there are concerns about extending the operating life of the Callaway nuclear power plant beyond the 40-year duration for which the plant was originally designed, including:

- A 2005 National Academy of Sciences report presents new information that even low doses of ionizing radiation may cause adverse genetic and other health effects. ("Health Risks from Exposure to Low Levels of Ionizing Radiation," BEIR VII – Phase 2);

- Due to the retirement of experienced employees and the industry-wide shortage of trained replacement employees, working conditions at nuclear power plants may become increasingly dangerous. Recruitment may continue to be difficult because of more widespread recognition of radiation hazards;

- Geologic, economic, transportation and security concerns about the proposed Yucca Mountain, Nevada, high-level radioactive waste disposal facility have made the ultimate disposal of Callaway's irradiated fuel rods uncertain. Political and capacity concerns at the Barnwell, South Carolina, low-level radioactive waste facility also make the disposition of Callaway's low-level waste uncertain;

- Planned and accidental releases of radioactive waste from Callaway to the Missouri River and the atmosphere during an additional 20 years may impact upon the health of downstream and downwind residents;

- In addition to the costs of operating and maintaining nuclear power plants, utilities are faced with the expense of replacing many components and retrofitting others as the plants age. For example, after only 20 years, Ameren had to replace massive, expensive steam generators that were supposed to have lasted for the plant's entire 40-year licensed operation. Such expenditures could add substantially to the cost of generating electricity.

Ameren remains morally responsible and financially liable for Callaway into the indefinite future. We believe this report is essential for Ameren's realistic and responsible, economic and ethical planning and for its accountability to its shareholders.

### **YOUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE AGAINST ITEM (4).**

The Board is of the opinion that the concerns about extending the operating license for the Callaway Plant are premature, unnecessary and would increase expenses without commensurate increase in relevant information.

- At this time, Ameren has not decided whether it will pursue renewal of the operating license for the Callaway Plant. The U.S. Nuclear Regulatory Commission ("NRC") rules consider a license renewal application to be timely if submitted five years before the expiration of the plant license. Because the operating license for the Callaway Plant does not expire until 2024, an application in 2019 would be considered timely. Therefore, any evaluation at this juncture would simply be premature. At this time, Ameren is monitoring the developments in the nuclear industry in license renewal and will benefit from the evaluations and assessments performed by other utilities and the NRC.
- The NRC has prepared a comprehensive Generic Environmental Impact Statement ("GEIS") evaluating the impact of environmental effects that would be associated with license renewal at any nuclear power plant site. The GEIS evaluates whether extended operation of a nuclear power plant would have any impact on human health, and bases this evaluation on a linear no-threshold model that assumes risk at any level of exposure to radiation, consistent with the

recommendations of the 2005 National Academy of Sciences Report. The GEIS also evaluates the disposal of high and low level radioactive waste, the release of plant effluents, and accident risk. Consequently, a generic evaluation of the proponent's concerns already exists.

- Numerous older plants have already applied for license renewal. The operators of those plants have not identified the need for any major plant refurbishment. Rather, aging of important systems, structures and components is addressed by ongoing maintenance and surveillance programs, and routine replacements of certain components over the life of the plant.
- If Ameren were to apply for renewal of the operating license of the Callaway Plant, it would be required under the NRC's rules to prepare an Integrated Plant Assessment demonstrating that the effects of aging will be adequately managed. Ameren would also be required to prepare a site-specific supplement to the GEIS which would include an evaluation of the potential impact on the environment if the Callaway Plant operates for another 20 years. The NRC would provide public notice of the application and provide an opportunity for hearing upon the request of any person whose interest might be affected. Therefore, if Ameren were to decide to pursue renewal of the Callaway Plant operating license in the future, the appropriateness of a renewal would be addressed in full and open regulatory proceedings.

Ameren's Health and Safety Policy and Environmental Policy evidence the Company's commitment to protecting its employees, the public and the environment. Ameren fulfills its commitment to safety and environmental compliance by maintaining a corporate culture that recognizes safety and environmental compliance and stewardship as measurable goals. Operating the Callaway Plant in a safe and environmentally sound manner is an important part of these policies. The Board of Directors established the Nuclear Oversight Committee to assist the Board in providing oversight of the Callaway Plant's operations (including safety and environmental concerns) and advise the Board in developing and implementing long-term strategies and plans relating to the Callaway Plant. Ameren's Safety and Health Policy and Environmental Policy, together with Board oversight and regulation by the NRC, will appropriately and adequately address the potential issues raised by this proposal. Accordingly, the Board of Directors unanimously recommends voting AGAINST ITEM 4.

Passage of the proposal requires the affirmative vote of a majority of the shares entitled to vote on the proposal and represented in person or by proxy at the meeting at which a quorum is present.

**Item (5): Other Matters**

The Board of Directors does not know of any matter, other than the election of Directors, approval of the Ameren Corporation 2006 Omnibus Incentive Compensation Plan, ratification of the appointment of independent auditors, and the shareholder proposal set forth above, which may be presented to the meeting. However, if any other matters should properly come before the meeting, it is the intention of the persons named in the enclosed proxy to vote thereon in accordance with their best judgment.