

January 24, 2007

Dear Valued Customer,

2006 was a challenging year with two major storms hitting Missouri and Illinois, causing thousands of customers to lose power. I am sure you, like me, looked forward to a calm 2007 after two devastating storms and hoped it would be a long time before another storm of that magnitude hit our region.

In mid 2006, we began implementing improvements to our system, cleaning up trees and debris and fine tuning our restoration process. We met, discussed and started to implement ways to improve communication, response time, reliability, etc. We responded to the Missouri Public Service Commission with recommendations for improving system reliability during storms. But, six weeks later, Ameren customers experienced another devastating blow to their service with ice, high winds and extreme cold causing hardship again, to many of the same customers.

Many believed that these weather events were only occurring here! However, in 2006 and early 2007, Seattle, Oregon, Oklahoma, Texas, Colorado, Nebraska, Ohio, New York and Kansas also experienced major storms that downed trees and knocked out power for extended periods to millions of customers across America.

The purpose of my letter is to give you information about what caused outages in Missouri and what Ameren is doing to respond to your concerns.

Trees are a source of great beauty and community pride, but they, along with the severe weather, are major culprits behind these widespread outages. Our area boasts millions of trees - some 100 years old and over 80 feet high. During the wind storms in July, and the ice storms of November and January, tens of thousands of trees and large limbs toppled onto our poles and wires, causing immense damage to our electric delivery system. Communities were still cleaning up debris from the July storm when we were hit again.

Ongoing maintenance of poles, wires and substations is a responsibility we take very seriously, and we have spent billions of dollars in recent years maintaining and upgrading our system.

Almost all of the trees that caused the recent storm outages were planted outside our easements. There is no practical tree trimming program in an urban area that could have prevented this damage.

This is an area where we should have done a better job of communicating with customers. We have information about planting the right tree in the right place but haven't made a strong enough effort to get that communication out to the public. We pledge to do a better job communicating what we can legally do from a tree trimming perspective and what homeowners can do to help improve reliability.

After every large storm outage, Ameren evaluates ways to improve its performance. In addition, we have intensified our ongoing analysis of ways we can strengthen our electric transmission and distribution system to cope with the seemingly more severe weather that Missouri is experiencing.

We want to work with the Missouri Public Service Commission on an expanded approach to tree trimming and tree removal on private property with customer consent, as well as a public education program that will encourage customers to deal with potentially serious threats to service reliability on their own properties.

We have posted on our Web site, www.ameren.com, answers to questions many customers are asking about rates, system reliability, storm preparedness and outage responses. I encourage you to visit the site.

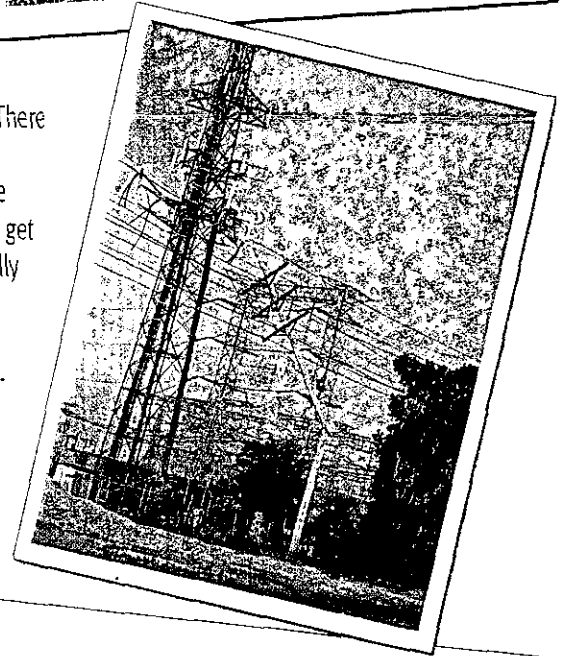
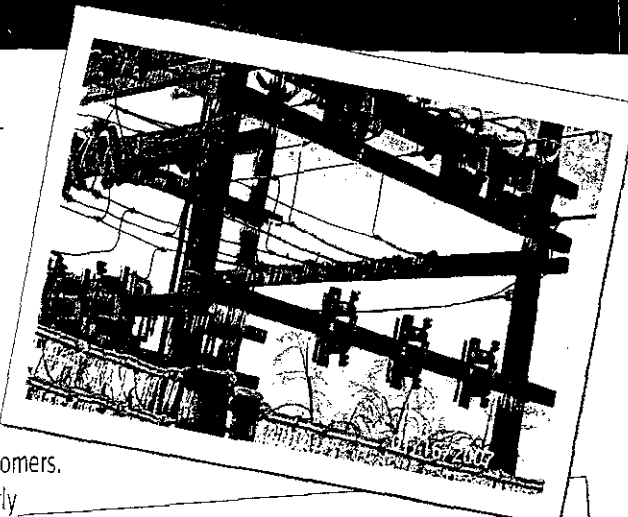
Finding solutions that are practical, cost effective and socially acceptable will require careful discussion and thought by all of us. I assure you that we will continue to work with regulators, community leaders and you to provide reliable electricity at the lowest possible price.

I will keep you informed of our progress as the process moves forward.

Sincerely,

Richard J. Mark

Senior Vice President, Missouri Energy Delivery



(Seattle Times - 12/12/06)

533,000 Customers Still Powerless

(The Buffalo News, N.Y. - 10/23/06)

Exhibit No. 254
Case No(s) 08-101-007
Date 3/12/07 Rpt Day 7

**A Week into the Storm
and More than 100,000 Homes and Businesses
Are Still Without Power**

APR 20 2007
Missouri Public
Service Commission



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Buffalo and the Town of Tonawanda, Two of the Hardest-Hit Areas, Officials Say 70 to 90 Percent of the People are Without Heat and Electricity

(The Buffalo News, N.Y. - 10/23/06)

Third Snowstorm in 3 Weeks Blows Through Hard-Hit Colorado

(The Associated Press - 1/6/07)

Winter Storm Pummels Western Kansas Electric System

(Transmission & Distribution World Magazine - 1/1/07)



460,000 Puget Sound Energy, 60,000 Seattle City Light and 13,000 Snohomish County Public Utility District Customers Still Without Power

(Seattle Times - 12/12/06)

About 300,000 Still Without Power in NW

(Seattle Associated Press - 12/17/06)

The Worst Winter Storms in Oklahoma History

(The Oklahoman - 1/1/07)