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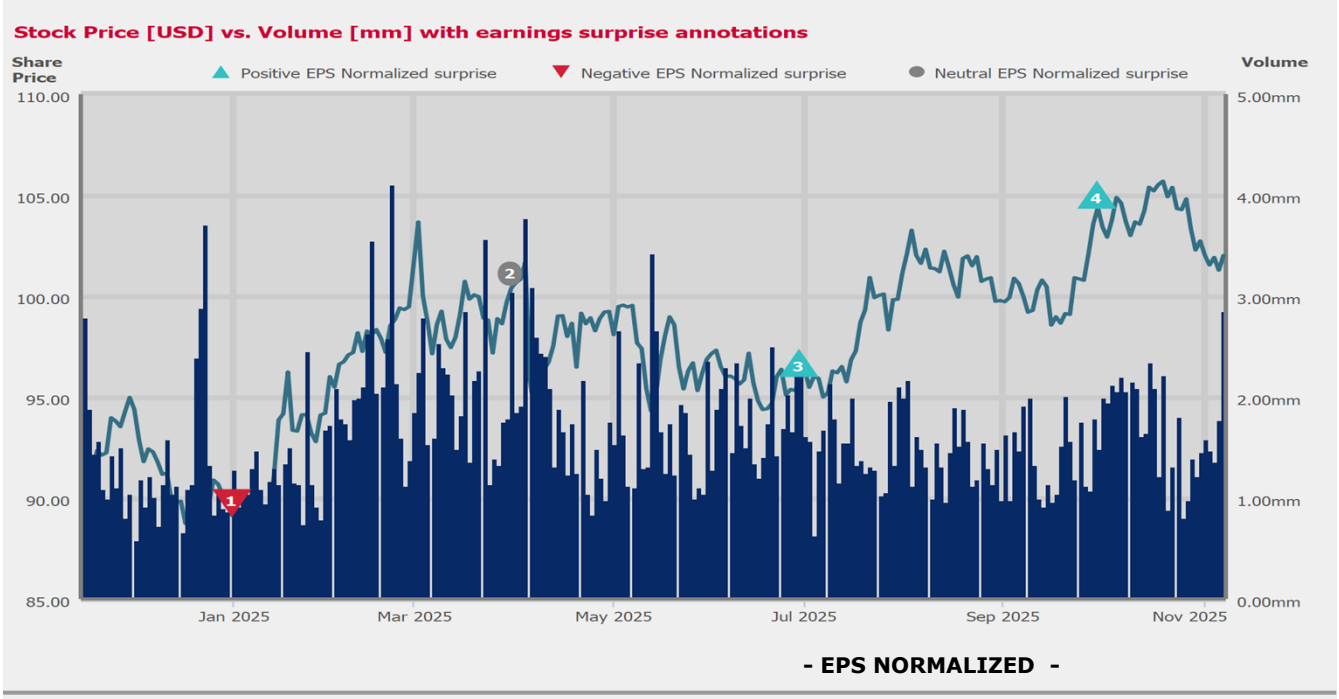
FQ3 2025 Earnings Call Transcripts

Thursday, November 6, 2025 3:00 PM GMT

S&P Global Market Intelligence Estimates

	-FQ3 2025-			-FQ4 2025-	-FY 2025-	-FY 2026-
	CONSENSUS	ACTUAL	SURPRISE	CONSENSUS	CONSENSUS	CONSENSUS
EPS Normalized	2.11	2.17	2.84	0.80	4.99	5.33
Revenue (mm)	2519.55	2699.00	7.12	1682.08	8494.38	9016.33

Currency: USD
Consensus as of Oct-28-2025 6:01 AM GMT



- EPS NORMALIZED -

	CONSENSUS	ACTUAL	SURPRISE
FQ4 2024	0.78	0.77	(1.28 %)
FQ1 2025	1.07	1.07	0.00 %
FQ2 2025	0.99	1.01	2.02 %
FQ3 2025	2.11	2.17	2.84 %

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Presentation

Operator

Greetings. Welcome to Ameren's Third Quarter 2025 Earnings Call.

[Operator Instructions] Please note, this conference is being recorded. At this time, I'll now turn the conference over to Andrew Kirk, Senior Director of Investor Relations and Corporate Modeling. Thank you. You may now begin.

Andrew Kirk
Senior Director of Investor Relations & Corporate Modeling

Thank you, and good morning. On the call with me today are Marty Lyons, our Chairman, President, Chief Executive Officer; and Michael Moehn, our Senior Executive Vice President and Chief Financial Officer, along with other members of the Ameren Management Team.

This call contains time-sensitive data that is accurate only as of the date of today's live broadcast and redistribution of this broadcast is prohibited. We have posted a presentation on the amereninvestors.com homepage that will be referenced by our speakers.

As noted on Page 2 of the presentation, comments made during this conference call may contain statements about future expectations, plans, projections, financial performance and similar matters, which are commonly referred to as forward-looking statements. Please refer to the forward-looking statements section in the news release we issued yesterday as well as our SEC filings for more information about the various factors that could cause actual results to differ materially from those anticipated.

Now here's Marty, who will start on Page 4.

Martin J. Lyons
President, CEO & Chairman of the Board

Thanks, Andrew. Good morning, everyone. Before we get into the financials, I want to highlight the strategy that drives our actions and deliver strong long-term value for our customers, communities and shareholders. Pursuant to this strategy, we've been investing in the electric and natural gas infrastructure of Missouri and Illinois to harden it and make it more reliable, resilient and safer. And we've been adding new energy generation resources to meet the needs of our communities today and in the years to come. Because we are committed to providing a strong value proposition for our 2.5 million electric and 900,000 natural gas customers, we are also laser-focused on optimizing our operations to keep customer rates affordable.

As we look ahead, the region and communities we serve are poised for significant economic growth, bringing investment, jobs and tax revenue as well as necessitating incremental investment in utility infrastructure. To support this growth, we are actively engaging with stakeholders on economic development opportunities and to advance constructive regulatory frameworks designed to serve new large load customers and maintain just and reasonable rates for all customers. We're excited about the opportunities in front of us and believe the future is bright for Ameren and the communities we serve. Michael and I will dive into more details on the pages ahead.

Now let's turn to Page 5 for a summary of our third quarter results. Yesterday, we announced third quarter 2025 adjusted earnings of $2.17 per share compared to adjusted earnings of $1.87 per share in the third quarter of 2024. Our recent FERC order provided guidance on ratemaking for net operating loss carryforwards. And as a result, we recorded a tax benefit of $0.18 in the third quarter of 2025. Given the nature of the tax benefit, we have excluded it from our adjusted third quarter 2025 earnings.

The key drivers of our strong third quarter results are outlined on this page. As we move to Page 6, I'll cover how execution of our strategy has translated into tangible results for our stakeholders throughout this year. During the first 3 quarters of 2025, Ameren delivered on its commitments, deploying more than

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$3 billion in critical infrastructure upgrades for customers. For example, as part of our Ameren Missouri 2025 Smart Energy Plan, 11,300 electric distribution poles were replaced, 600 of which were upgraded to stronger composite poles. 300 smart switches were installed to reduce outages and speed restoration. 32 miles of subtransmission lines were hardened. 5 new or upgraded substations were energized and 55 miles of underground cable were replaced to strengthen system reliability.

In Illinois, our customers are benefiting from the replacement of more than 8,500 stronger electric distribution poles, 8 miles of coupled steel gas distribution pipelines and 13 miles of gas transmission pipelines for safety. Further, our transmission business placed in service 11 new or upgraded transmission substations and 40 miles of new or upgraded transmission lines to deliver energy more efficiently. These are just a few of the many projects completed through September.

We also continue to execute on Ameren Missouri's preferred resource plan. As you know, we updated this plan in February to reflect the growing energy needs of our customers and communities, including during extreme weather conditions. The plan calls for the addition of approximately 10 gigawatts of generation capacity by 2035, including 3.7 gigawatts of natural gas generation, 4.2 gigawatts of renewables and 1.4 gigawatts of battery storage. Through September, we've invested more than $825 million in new or existing generation resources and have requested CCNs from the Missouri Public Service Commission for 1.45 gigawatts of additional resources.

In 2025, we also made the decision to spend more on operating and maintenance by accelerating certain tree trimming and energy center maintenance activities. All of these efforts underscore our commitment to delivering reliable energy for the long term. And as you know, our electric rates remain below both national and Midwest averages, a testament to our unwavering focus on continuous improvement and affordability.

Now let's turn to Page 7. We have a long track record of strong and consistent earnings per share growth. As we look ahead, we expect this to continue. In February of this year, we updated our long-term earnings growth guidance, which included our expectation to grow earnings at a 6% to 8% compound annual rate from '25 through 2029 based off of our 2025 original guidance midpoint of $4.95. For 2025, we expect adjusted diluted earnings per share to be in the range of $4.90 to $5.10, up from our original guidance range of $4.85 to $5.05. We're well positioned to continue our long history of delivering above the midpoint of our original earnings guidance range.

For 2026, we now expect diluted earnings per share to be in the range of $5.25 to $5.45. And we expect consistent earnings growth near the upper end of our 6% to 8% EPS compound annual growth rate range in 2027 through 2029. Consistent with prior years, we plan to update our long-term earnings growth guidance on our fourth quarter call in February 2026, including our 5-year capital and financing plans, which will reflect, among other things, firmed up capital estimates related to Ameren Missouri's preferred resource plan.

Turning to Page 8. I'll provide an update on economic development activities in our region and associated sales growth expectations. We remain closely engaged with potential data center customers and are building a robust pipeline of large load opportunities that extend into the next decade. Data centers represent significant private investment opportunity for our states, bringing in thousands of jobs in fields such as construction, plumbing, electrical work and technology as well as substantial tax revenue.

As we discussed on our earnings call in August, data center developers continue to evaluate opportunities in Missouri, given the numerous desirable construction sites in our territory, available transmission capacity and our ability to deliver power when needed at competitive rates. As a result of this engagement, Ameren Missouri's executed construction agreements with data center developers have expanded to 3 gigawatts, up from the previous total of 2.3 gigawatts. The developers of the data center sites with construction agreements in place have now made nonrefundable payments to us totaling $38 million to cover the necessary transmission upgrades and which demonstrates their confidence in and commitment to the proposed projects.

We also continue to actively engage with potential data center customers to negotiate electric service agreements that are aligned with our proposed Missouri large load rate structure and, among other things,

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would establish anticipated minimum ramp schedules. I'll talk more about progress on that large load rate structure in a few minutes.

As outlined in Ameren Missouri's preferred resource plan, we expect 1 gigawatt of new load from data center customers by the end of 2029 and a total of 1.5 gigawatts of new data center demand by the end of 2032. To give you a sense of the proportions, 1 gigawatt of new data center load by 2029 would represent approximately 5.5% compound annual Missouri sales growth from 2025. In addition, we're seeing notable expansion in the region's defense and geospatial intelligence ecosystem which is stimulating growth across multiple sectors, including advanced manufacturing.

One such example is the opening of the National Geospatial-Intelligence Agency's new nearly $2 billion campus in St. Louis this September. The campus, which employs more than 3,000 people, represents the largest federal investment in St. Louis' history. Private sector participation is also strong with companies like Scale AI choosing to locate their headquarters downtown. The presence in St. Louis of federal and private sector geospatial operations, including advanced mapping, satellite imagery and spatial analytics, strategically aligns with our region's strength in defense and defense tech industries.

Looking ahead, Boeing has begun construction of new facilities to build the F-47 fighter approved earlier this year. Production of the F-47 is scheduled to start in 2026. These developments further strengthen St. Louis' position as a national hub for innovation and strategic investment.

In Downstate Illinois, developers are also advancing data center projects with expected incremental energy demand totaling 850 megawatts. We have signed construction agreements with these developers and received payments to support the necessary transmission interconnections. Energy supply for these projects is expected to be provided through third-party supply agreements. We expect to provide an update on our Missouri and Illinois 5-year sales growth expectations in February.

Moving now to Page 9. We provide an update on generation resources currently in progress at Ameren Missouri. We have procured long lead time components such as turbines and transformers for our planned energy centers with expected in-service dates through 2029. And we have secured production slots for the 3 turbines for our combined cycle energy center expected to be in service in 2031, remaining on track to deliver the dispatchable resources called for in our preferred resource plan.

In August, we requested a certificate of convenience and necessity for the Reform Solar Energy Center, a planned 250-megawatt solar facility to be located adjacent to our existing Callaway Nuclear Energy Center. Generation projects with CCN requests pending before the Missouri Public Service Commission will support progress toward our goal of maintaining a balanced energy mix. We're targeting approximately 70% generation from on-demand resources and 30% from intermittent resources by 2040.

Ameren Missouri's planned generation portfolio is expected to provide an estimated $1.5 billion in customer savings from tax credits through 2029, of which approximately $270 million has been realized so far in 2025. Building, maintaining and operating a sufficient and optimal mix of energy centers to meet our customers' needs in an affordable manner is critical for our stakeholders, and I'm proud of the work our team is doing in those regards.

On Page 10, we outline Ameren Missouri's proposed large load rate structure, which was filed with the Missouri PSC in May and updated in surrebuttal testimony earlier this week. In accordance with Missouri State law, any future large load data center customers would be required to pay for cost to connect them to our system and for their share of ongoing cost of service. Under the proposed large load rate structure, we would deliver service under our existing large primary service base rate, which is currently approximately $0.06 per kilowatt hour, and customers would agree to additional terms and conditions as part of an electric service agreement.

The additional terms would include a service commitment of 12 years after ramp, a minimum demand charge of 80% of contracted capacity, exit provisions and credit and collateral requirements, all designed to protect existing customers. In addition, new customer programs would be available that would allow qualifying customers to advance their clean energy goals by supporting the carbon-free energy resource of their choice through incremental payments, which would help offset costs for other customers. This

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structure would offer a fair and competitive rate to large customers and maintain just and reasonable rates for all customers. While no deadline exists for Missouri PSC approval of our proposed large load rate structure, based on the existing procedural schedule, we would expect a decision by February of 2026.

Moving now to Page 11 for an update on the long-range transmission planning process at MISO. Our focus remains on building the LRTP Tranche 1 and Tranche 2.1 projects that were assigned to us and developing strong proposals for Tranche 2.1 competitive projects. We are carefully evaluating each bidding opportunity, and we'll submit bids for projects when we believe we offer a clear advantage on project design, cost and execution. As we have successfully done in the past, when it enhances the strength and competitiveness of our proposals, we expect to partner with other entities.

For example, in August, we submitted a joint proposal with 3 other partners on a Tranche 2.1 competitive project in Wisconsin. We expect MISO to select the developer for this project in early 2026. The bidding and selection process for the 4 remaining Tranche 2.1 competitive projects will continue to take place over the remainder of this year and next. As a reminder, we do not include investment related to competitive projects in our 5-year plan until projects have been awarded to us.

Further, MISO continues to analyze increasing energy demand and updated resource mix assumptions across the region as part of the futures redesign process. We expect this analysis will show the need for significant incremental transmission investments that would benefit the wider MISO region over time. MISO is expected to issue its report in early 2026.

Moving now to Page 12. Looking ahead over the next decade, our pipeline of investment opportunities continues to grow, standing today at more than $68 billion. We will provide further details in February as to the planned capital investments expected for the period of 2026 through 2030 and the associated financing plan. These investments will deliver significant value to all of our stakeholders by making our energy grid stronger, smarter and cleaner and by powering economic growth in our communities.

Turning to Page 13. In February, we updated our 5-year growth plan, which included our expectation of 6% to 8% compound annual earnings growth from 2025 through 2029. This earnings growth expectation is primarily driven by strong anticipated compound annual rate base growth of 9.2%, reflecting strategic allocation of infrastructure investment to strengthen the grid in each of our business segments and to build new energy resources to meet increased demand. We expect to deliver strong long-term earnings and dividend growth, resulting in an attractive total return. I'm confident in our ability to execute our investment plan and our broader strategy across all 4 of our business segments as we have a skilled and experienced team dedicated to achieving our growth objectives while keeping customers at the center of everything we do.

Now before turning the call over to Michael, I'd like to briefly share a leadership update. Effective January 1, Michael will assume the role of Group President of Ameren Utilities, overseeing the operations of each of our business segments. Michael is an experienced leader, bringing to this newly created position, deep financial and broad operational expertise, qualities that will continue to support our focus on delivering value for customers and shareholders.

When Michael transitions to this new role, Lenny Singh, currently Chairman and President of Ameren Illinois, will transition into the role of Executive Vice President and Chief Financial Officer. Lenny has nearly 35 years of utility leadership experience with substantial operational, regulatory and profit and loss responsibilities. These experiences will ensure we continue to practice financial discipline aligned with our regulatory frameworks and deliver value for our customers and shareholders. I'm pleased with the strength and alignment of our leadership team and believe these changes position us well for continued execution of our strategy and strong performance.

With that, I'll hand the call over to Michael.

Michael L. Moehn
Senior EVP, CFO, President of Ameren Services and Interim Chairman & President of Ameren Missouri

Thanks, Marty, and good morning, everyone. Turning now to Page 15 of our presentation. Yesterday, we reported third quarter 2025 GAAP earnings of $2.35 per share, which included a tax benefit related to

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our Ameren Transmission segment. This tax benefit was recorded due to IRS guidance and a FERC order issued to another taxpayer regarding treatment of net operating loss carryforwards. Pursuant to this guidance, this quarter, we decreased income tax expense by $48 million or $0.18 per share. Excluding this benefit, third quarter 2025 adjusted earnings were $2.17 per share compared to adjusted earnings of $1.87 per share for the third quarter of 2024.

The key factors that drove the $0.30 increase in adjusted earnings per share are highlighted by segment on Page 16 and reflect the important investments we've made to strengthen the energy grid across our service territory. In addition to benefiting from new electric service rates in Missouri and warmer-than-normal weather in July, we continue to experience strong sales growth within Ameren Missouri's service territory. In fact, total normalized Ameren Missouri retail sales over the trailing 12 months through September increased across all customer classes with an overall increase of approximately 1.5%. Further, in light of the benefit from weather this year and to support stronger reliability, we've increased energy center and discretionary tree trimming expenditures, the latter in targeted areas to address vegetation growth near our power lines.

Moving to Page 17. Since 2013, we've delivered strong, consistent normalized adjusted earnings per share growth of greater than 7.5% compound annually. Yesterday, we increased our 2025 earnings per share guidance range of $4.90 to $5.10. The midpoint of the new range represents approximately 8% growth compared to both our original 2024 earnings guidance range midpoint and our 2024 results. Outlined on the page are select earnings considerations for the fourth quarter of 2025, which I encourage you to take into consideration as you develop your expectations for the balance of the year.

And moving to Page 18, we provide detail on our 2026 earnings per share expectations, which we also announced yesterday. We expect our 2026 earnings per share to be in the range of $5.25 to $5.45, the midpoint of which represents 8.2% growth compared to our original 2025 earnings guidance midpoint of $4.95. Expected 2026 earnings details by segment compared to our 2025 expectations are highlighted on this page. Robust planned infrastructure investment, strong expected sales and economic growth and strategic business process optimization opportunities give us confidence in our ability to grow earnings in 2026 and the years ahead.

Now turning to our financing plan on Page 19. To support our strong credit ratings and maintain our balance sheet while we fund our investment plan, in February, we outlined a plan to issue approximately $600 million of common equity each year through 2029. We have fulfilled our equity needs for 2025 and 2026 through forward sales agreements that we expect to physically settle near the end of these years. Having utilized most of the capacity available under our existing equity sales distribution agreement, in August, we increased the program capacity by $1.25 billion to enable additional sales to support equity needs in 2027 and beyond. And in September, Ameren Illinois issued $350 million of 5.625% first mortgage bonds due 2055, completing our planned debt issuances for this year. We feel great about our financial position and the progress we've made in our financing plan.

Turning to Page 20. I'll provide a brief update on ongoing regulatory proceedings in Illinois. Our Ameren Illinois natural gas distribution rate review is pending with the Illinois Commerce Commission, or ICC, and we expect a decision this month. As a reminder, we have requested $135 million annual base rate increase. In October, the Administrative Law Judge, or ALJ, recommended an annual base rate increase of $91 million based on a 9.93% return on equity and a 50% common equity ratio. The difference is primarily driven by allowed ROE, the common equity ratio and the treatment of other post-employment benefits. Following the ICC's decision, we expect rates to be effective in December.

Turning to Page 21. Our 2024 annual reconciliation proceeding under the electric multiyear rate plan continues to progress. In September, the ICC staff revised its reconciliation adjustment recommendation to a $47 million increase compared to our updated request of $60 million, with the variance primarily driven by treatment of other post-employment benefits. The ALJ recommendation and the reconciliation proceeding is expected later today. An ICC decision is expected by mid-December and rates reflecting the approved reconciliation adjustment will be effective by January 2026.

Turning now to Page 22. Our strong performance so far this year has positioned us well to continue executing our strategic plan, which will drive superior value for all of our stakeholders. We continue

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to expect strong earnings per share growth to be driven by robust rate base growth, disciplined cost management and a strong customer growth pipeline. Our strategy and team are well aligned and focused to ensure we capitalize on these opportunities for our customers and shareholders. We believe our growth will compare favorably with the growth of our peers. And further, Ameren shares continue to offer investors an attractive dividend. In total, we have an attractive total shareholder return story.
That concludes our prepared remarks. We now invite your questions.

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Question and Answer

Operator

Our first question is from the line of Jeremy Tonet with JPMorgan.

Diana Niles
JPMorgan Chase & Co, Research Division

This is Diana Niles, actually on the call for Jeremy. So I was wondering with 3 gigawatts of signed data center construction agreements, would you foresee a need for future revisions to generation plans?

Martin J. Lyons
President, CEO & Chairman of the Board

Yes, it's a great question. Yes, we're very excited to have expanded the data centers that we have subject to construction agreements. As you know, last quarter, we were at about 2.3 gigawatts, and now we're up to about 3 gigawatts. And I'll tell you, it's great because it gives us even greater confidence in the sales projections that we put forward earlier this year. You'll recall that embedded in the integrated resource plan was about 1 gigawatt of sales increase by 2029 out to 1.5 gig by 2032.

And as you can see on the slide that we presented in our materials, Slide 8, the current generation plans that we have in place would allow us to serve up to 2 gigawatts of increased sales out through 2032. So number one, the 3 gigawatts of construction agreements gives us greater confidence that we'll be able to achieve the sales growth expectations that we've got. And over time, we'll see what -- how these translate into actual ramp rates for the hyperscalers that would utilize these data centers.

So as you know, we're working to get a tariff across the finish line with the Missouri Public Service Commission. Then we'll sign energy services agreements with hyperscalers pursuant to that tariff. Those energy services agreements will lay out what the hyperscalers expect to be their minimum ramp rates over time. And with that, we'll see where we land within these projections that we show on Page 8. Now I will say that the current generation plans that we do have allow us to serve greater than 2 gigawatts beyond 2032. So we'll really have to see what those ramp rates look like over time and what that means for added generation capacity over time. But again, the current plans that we have in place, the current plans that we're executing for generation expansion, it would allow us to serve up to that 2 gigawatts by 2032.

Michael L. Moehn
Senior EVP, CFO, President of Ameren Services and Interim Chairman & President of Ameren Missouri

Yes. The only thing I might add to that is that as we go through '26, as Marty indicated, we'll have another opportunity to look at this IRP. We'll have an IRP filing probably in the fall, around September '26. So that's something to keep an eye on as well.

Operator

The next question is from the line of Nick Campanella with Barclays.

Nicholas Joseph Campanella
Barclays Bank PLC, Research Division

Congrats to Michael and Lenny on the new roles. Yes, absolutely. So I just wanted to ask, you're delivering on an 8% year-over-year growth off of '25. And I hear you on the communication upper half of the earnings range. But just given you've had some companies kind of moving out to 7% to 9%, what's your view on just what puts you lower in that 6% range now? And could that be up for kind of consideration as we look towards fourth quarter?

Martin J. Lyons
President, CEO & Chairman of the Board

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Nick, this is Marty. I'll start, and then Michael can certainly tag on. But you're right, the guidance we gave today, obviously, we're delivering earnings this year and projecting earnings next year that are in the top end of that range. As we look to '27 to '29, continue to expect to be in the top end of that 6% to 8% earnings growth range. So we feel really good about the growth that we've been achieving and the growth that we project over the next several years.

I think as we look ahead, we've got some important things that will really solidify our plans. The most notable one we just talked about in response to the last question, which is really getting the tariff approved by the Missouri Public Service Commission and getting these energy services agreements signed with the hyperscalers and really getting some better firmness, if you will, to the ramp rates and to the sales projections that we see between now and 2030.

So when we roll around to February, obviously, we're going to update our sales growth expectations. We'll update our CapEx, our rate base growth expectations as well as our financing plans and update our growth guidance. So right now, I feel real good about the 6% to 8%, feel real good about delivering near the upper end of that growth range. And look, we won't constrain the growth. We're looking for economic development in all of the regions, the communities that we serve in Missouri and Illinois and certainly don't want to constrain that. And if that translates into greater investment opportunities and greater growth opportunities for us, certainly, we'll pivot with that.

Michael L. Moehn
Senior EVP, CFO, President of Ameren Services and Interim Chairman & President of Ameren Missouri

Yes, not much to add there. I mean, as Marty said, I mean, you look at what we did here for '25, I mean, it's again, 8% off of '24. What we introduced for '26 is, again, 8.1% off of that $4.95 midpoint. And I think it's a fair question. As Marty said, we'll continue to evaluate it. I mean I think all of this is just consistent with the track record that we've had now for, what is it, 12, 13 years, 7.5% growth, and we'll continue to focus on delivering the upper half of that.

Nicholas Joseph Campanella
Barclays Bank PLC, Research Division

Understood. Not going to constrain the growth rate. All right. And then maybe just as we prepare for the fourth quarter update, maybe how are you framing balance sheet capacity to serve some of the load in CapEx? And just you've always kind of operated at an FFO level that is north of your peers. But I'm just curious, one, is the increased sales forecast a net benefit to cash flow and thus should equity needs to be lower? And then two, just any interest in using some balance sheet capacity relative to your minimums?

Michael L. Moehn
Senior EVP, CFO, President of Ameren Services and Interim Chairman & President of Ameren Missouri

Yes, absolutely. And look, I mean, obviously, all the sales growth is accretive over time. I think we get -- you have to get these ramp schedules and get all that timing nailed down, but certainly look forward to that. And I think we've talked about these tax credits that we're flowing back to customers. There's a brief period of time where those are helpful as well.

But look, Nick, I mean, we start this from a position of strength, as you know. I mean, we're sitting at Baa1, BBB+. Moody's is really that threshold metric for us. It is a 17% downgrade threshold today. I mean we're operating above that here in '25. So we got good margin above that. We continue to guard this balance sheet. I mean we've been very disciplined about the equity that we needed over time and been very good about getting it out there. And again, as you know, we've taken care of all of our '25 and '26 needs.

We continue to have very constructive conversations with the rating agencies about sort of where that downgrade threshold will be. We'll see over time where those conversations continue to go. We have been leaning into the balance sheet, as you know, but it's a balancing act. But we do like our position where we are today and feel good about what we have, and we'll continue to give you the updates as we move into that February call.

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Operator

The next question is from the line of Carly Davenport with Goldman Sachs.

Carly S. Davenport
Goldman Sachs Group, Inc., Research Division

Maybe on the data center front, just with the construction agreements now at the 3 gigawatt level, is there anything you can share on that delta just in terms of how many customers that change is attributed to? And then I think there previously was an indication on the slides that you expected the ramp to begin in late 2026. Has that view changed at all? Just curious how we should think about that.

Martin J. Lyons
President, CEO & Chairman of the Board

Yes. Carly, we're really expecting the ramps to begin in 2027 at this point. So not so much in 2026. So as we've worked through this, a bit of delay there. But nothing discouraging overall as we talked about up to the 3 gigs of construction agreements. Carly, I don't have it in front of me, but I think that's one additional site. I mean these are big sites that folks are looking at.

I'll tell you that overall, when you look at the development pipeline we have, we talked about this last year, just still a large number of sites being looked at and data center developers, I'd say, at a minimum kicking the tires, we've got across the 2 states, about 36 gigawatts of economic development opportunities broadly, and it breaks down about half and half. So think about 18 gigawatts in each state, Illinois and Missouri. Now -- and about 80% to 90% of those are data centers, by the way. But -- and most of those are in the early stages of looking at the various sites.

But I will tell you in Missouri, in addition to the 3 gigawatts of signed construction agreements, there's another 2 gigawatts of considerations that are in, I'd say, advanced stages of discussion. So there are folks still looking very seriously at sites and considering entering into construction agreements there as well. Over in Illinois, by the way, I think I mentioned in the prepared remarks, we've got some construction agreements as well, about 850 megawatts of large load with construction agreements. So some good progress really in both states.

Did I answer all your questions, Carly? Or was there something else there?

Carly S. Davenport
Goldman Sachs Group, Inc., Research Division

No, that covered it. That's really helpful. And then maybe just a follow-up on Illinois, just with the Omnibus Energy bill passing over the last couple of weeks here. Just kind of curious your early views on any sort of implications for the business there.

Martin J. Lyons
President, CEO & Chairman of the Board

Yes. Overall, we were neutral on Senate Bill 25 that passed in the veto session, although I think that I'd probably highlight 3 things, and there were a number of things in this bill that go beyond the 3 things I'd cite. But one of them was that it does call now for an integrated resource planning process to be done at the ICC. I think it's the first time that we've really had integrated resource planning in states since 1997. So I think that is a positive thing that the state is going to be looking at integrated resource planning holistically. And my expectation is sort of utility by utility region by region. But I think that's a good thing. And certainly, we'll look to engage there as the ICC gets that process underway in 2026.

The other thing, I think, driving this is that certainly, there's been concern as folks think about resource adequacy across the state and also want to be mindful of the clean energy goals that the state has. And so a couple of other things that I'd mention is that it does establish an energy storage procurement process across the state and also gives the Illinois Power Authority the ability to enter into long-term contracts for renewables. And all of those things are going to be subject -- they'll occur over time, and they'll all be subject to consumer protections that are built into the legislation. But again, processes that lawmakers

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believe over time will reduce the price of capacity and help to keep volatility and cost under control for customers as it relates to energy and capacity.

And then the third thing I'd mention is increased investment in energy efficiency, which is something we -- does involve us that we partake in. Over time, we'd expect our investment in energy efficiency on behalf of our customers to double to about $250 million a year. All of that would continue to be subject to treatment as a regulatory asset recovery over time with a return. I will tell you that the return there is being reduced down to the return that was granted as part of the multiyear rate plan. However, we have the opportunity to earn up to 200 basis points of incentives. And we believe with the spending that's called for as well as the metrics to be achieved that we have a very good opportunity to earn incentives that would be additive to that ROE. So those are the 3 things that I'd really call out. There were some other provisions to the bill, but those are the things I'd highlight.

Operator

The next question is from the line of Julien Dumoulin-Smith with Jefferies.

Brian J. Russo
Jefferies LLC, Research Division

It's Brian Russo, on for Julian. Just a follow-up on the Clean and Grid Reliability Affordability Act in Illinois. Do you -- are there anything in that bill that could lead to incremental investments for the Ameren utilities, whether it's indirectly through transmission and distribution, maybe lesser so on the storage opportunities. Just wondering if you could provide more specifics there.

Martin J. Lyons
President, CEO & Chairman of the Board

Yes. Brian, good question. I think the -- really, probably the biggest opportunity, if you will, is in that energy efficiency space where, again, we do treat that as a regulatory asset. So it does get sort of rate base treatment in there. We do expect the investments in energy efficiency, as I said a moment ago, to double over time to about $250 million a year. But I'd say that's the only notable thing from a real investment opportunity standpoint.

Brian J. Russo
Jefferies LLC, Research Division

Okay. Understood. And then also on the last earnings call, you had mentioned existing data center customers requesting more studies to pursue possible expansions. And I think there was about 1.7 gigawatts of existing customer expansion cited in some of the large tariff testimony. That's incremental to the 3 gigawatts. Is that correct?

Martin J. Lyons
President, CEO & Chairman of the Board

Yes, it is. I think that, again, with respect to the 3 gigawatts of construction agreements, we still don't know what the ramp rates are going to be with respect to the hyperscalers there. So again, some of that growth could be between now and, say, 2030 or it could be beyond. We'll just have to wait and see.

But again, to your question, and I said a few minutes ago, besides that 3 gigawatts of signed construction agreements, another -- we got another 2 gigawatts that are in very advanced stages of discussion in Missouri, which would bring it to 5 overall. And again, the overall sort of funnel, if you will, of data center opportunities is much more significant because, again, we're looking at about 18 gigawatts of overall economic development opportunities in the pipeline. So there's a lot of other sites for data center developers to consider and to pursue.

And as we talked about on the last call, the conversations with the hyperscalers are progressing very well with respect to the energy services agreements that would be pursuant to this tariff. And it's those hyperscalers that are also inquiring about these expansion opportunities that would be available to them

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after we sign these ESAs and serve their initial needs, they're certainly looking at expansion opportunities beyond that. And again, we've got plenty of sites in our part of Missouri to accommodate.

Operator

Our next question is from the line of Paul Patterson with Glenrock Associates.

Paul Patterson
Glenrock Associates LLC

It sounds to me -- and I apologize, I got slightly distracted when you were talking to Nick. But just to sort of summarize his question about the earnings, it sounds like you guys are sort of being conservative now. And when you guys refresh the numbers and everything, there's a potential for upside. Is that sort of a -- is that a good summary? Does that summary make sense or...

Martin J. Lyons
President, CEO & Chairman of the Board

I would -- I'll start out. This is Marty. Paul, I think that there's certainly upside. We do agree with that. In terms of conservative, maybe we're always a bit conservative, but I think what we really try to do is be accurate with you in terms of our expectations based on sort of what we know today. And again, what our plan has been based on is, as it relates to sales growth, you look at that Page 8 and you look at that 1 gigawatt by 2029, 1.5 gigs by 2032, which is sort of the demand expectations that are at the heart of our preferred resource plan, those are also the sales expectations that we've got built into our plan.

But there's -- we still got to get the ESAs across the finish line. We've still got to get the ramp rates spelled out. But we also can serve, as we've talked about, as you see there, up to that 2 gigawatts by 2032, you see in the lighter green shape. And we've got construction agreements for up to 3 gigawatts of sites. So certainly upside in the plan. But again, I think what we're providing to you today is what we believe is sort of the best guidance given the facts that we've got today.

Michael?

Michael L. Moehn
Senior EVP, CFO, President of Ameren Services and Interim Chairman & President of Ameren Missouri

Yes. And look, we are providing, obviously, quite a bit of clarity today. I mean I think the thing that's really missing is what Marty said, it's getting this large load tariff across the finish line, getting these ESA executed. And I think we can put a bit finer point in terms of the overall guidance. But we pointed to today is somewhere close to the upper end of that 6% to 8% off of this '26 that we just put out there at $5.35. So hopefully, that gives you a decent amount of visibility.

Paul Patterson
Glenrock Associates LLC

No, I think it does. And then with respect to the tax gain, it sounds to me like it might be related to -- you guys did mention it was related to, I guess, a FERC order. And I'm just wondering, without getting into great detail on it, is there a potential for any rate base change as a result of the IRS and the FERC order that you're referring to?

Michael L. Moehn
Senior EVP, CFO, President of Ameren Services and Interim Chairman & President of Ameren Missouri

Yes, Paul, this is Michael. A small amount. I mean what you're effectively doing is taking some net operating losses and putting those -- setting those up as some tax assets. So you'll have some opportunity over time with a little bit of rate base. I wouldn't say that it's a material number. And again, that's really why we ended up excluding it from the GAAP earnings.

Paul Patterson
Glenrock Associates LLC

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Okay. And then just with Carly's question on the legislation. I was just wondering, it does seem like there's -- the ROE change that you referenced seems like an improvement. Of course, there's some execution issues there. I was wondering like -- am I right in thinking that? I mean, like -- I mean, just -- it sounds like that could be kind of a boost potentially. Obviously, there's execution, but you guys have been executing pretty well. So any elaboration on that?

Martin J. Lyons
President, CEO & Chairman of the Board

Yes. I'd go into it looking at it more as a neutral. I do think that there is some -- from an ROE perspective, I do think that over time, as I said before, there's opportunity for incremental investment. And you're absolutely right. We have a good track record of execution overall as a company, and we're going to look to execute well on these energy efficiency programs for the benefit of our customers. I think that's what is expected of us. And if we do that well, then we'll have the opportunity to earn the incentives that are in there. But you're right. I mean, we're -- there's some opportunity in there. I think about the overall ROE effect as being more neutral, some good investment opportunities. And certainly, we're going to try to maximize the impact for the benefit of our customers.

Operator

The next questions are from the line of David Paz with Wolfe Research.

David Alexander Paz
Wolfe Research, LLC

Yes. Just a couple of quick questions and clarifications here. First, how should we think of the $5 billion increase in your 10-year capital plan pipeline as we sit here today, is that back-end loaded? Or could we see the bulk of that in the '26 to '30 update?

Michael L. Moehn
Senior EVP, CFO, President of Ameren Services and Interim Chairman & President of Ameren Missouri

David, it's Michael. Yes. Look, we'll obviously give you some more visibility on that here in the February time frame. As you noted, I mean, there is a $5 billion increase there. I think Marty alluded to some of that -- I mean, I wouldn't say it's one thing. It's a number of things in terms of kind of firming up some of this generation, which you know is a bit back-end loaded. But there are other things in terms of just investing in the grid and continue to build out reliability and making sure that -- we're making investments that are benefiting customers, et cetera. I mean we have a massive service territory, 64,000 square miles, 1 million poles, thousands of substations, et cetera.

And so as we continue to go through time and look at those opportunities, those are all things that are being accretive to the capital plan. Technology is also an opportunity here. As we continue to invest in systems, those are also leading to some increases as well. So not one thing I can point to, but we'll certainly give you visibility on the years as we roll forward into February. But some great opportunities in terms of the overall pipeline.

David Alexander Paz
Wolfe Research, LLC

Okay. And then just on the [Audio Gap]. Can you break that down by Missouri and Illinois?

Michael L. Moehn
Senior EVP, CFO, President of Ameren Services and Interim Chairman & President of Ameren Missouri

David, you're back. We missed that question. Can you repeat it again? Sorry, we had a technical issue.

David Alexander Paz
Wolfe Research, LLC

Sure. [Audio Gap] You gave a number that was in advanced discussions. Just can you break that down between Illinois and Missouri?

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Martin J. Lyons
President, CEO & Chairman of the Board

David, I'm going to try to answer the question. I think you're asking, but you may need to ask it again. You've cut out twice. I think you're talking about sort of advanced discussions on the data centers. And when I talked about the 2 gigawatts of discussions that were sort of advanced, those were in Missouri. So we've got 3 gigawatts of signed construction agreements, another 2 gigawatts in advanced stages of discussion.

If that didn't answer your question or you have more, why don't you repeat it again?

David Alexander Paz
Wolfe Research, LLC

No, I think we're having a technical issue. Sorry about that. Noticing it elsewhere, too. But anyway, yes, that was the answer. It sounds like Missouri is the 2 gigawatts that were in advanced discussions. And then maybe just one quick one. Obviously, we've heard from some in the state of Missouri on new large load and affordability. Just maybe if you can elaborate on the regulatory and political engagement you have there and then touch on how those conversations might look in Illinois and your wires-only business.

Martin J. Lyons
President, CEO & Chairman of the Board

Yes. So in Missouri, I would say the state is very supportive and encouraging of economic development and including data center development and data center attraction. And so the state certainly wants to realize those opportunities. Certainly, there are certain communities that have expressed concern around various things, water usage, noise, electricity rates and the like, things that have to be addressed as we go through the process of getting these data centers approved and built. And I think those concerns can and are being addressed.

And of course, these data center opportunities bring with them, as we said earlier, tremendous investment, a lot of jobs, especially in construction trades as well as tax base over time, taxes for communities over time. So a lot of good economic development benefits associated with these data center opportunities. Of course, I think a concern as it relates to utility rates over time is just making sure that these data center developers, the hyperscalers pay for the cost to serve them, the cost to connect them to the system, to make sure that over time, they're paying a cost of service that reflects the cost to serve them and that there's no detriment to the rest of the utility customers that we and other service providers are serving.

And that was actually one of the focuses of Senate Bill 4 earlier this year in Missouri, where, again, they embedded in that requirement that the Missouri Public Service Commission as they think about the tariff that would be approved to serve these to make sure that, again, there was reasonable assurance that the rest of the customers were not being harmed by these data centers.

And so David, when we filed our tariff with the commission, and again, we outlined the components of that on Slide 10. It was really designed to make sure that we were designing the tariff and charging the hyperscalers a rate, which would be in accordance with Senate Bill 4 and the provisions that I just talked about. And I think that's been a concern of some of our elected officials just making sure that we weren't providing the discounted rate, that we were providing a rate that held the rest of our customers harmless that there weren't costs included in rates for our existing customers that were associated with service to these large load customers.

So I think that's sort of the balance of concerns that are out there. But back to your point, overall, the state is very supportive and very desiring of these economic development opportunities. We're certainly working in concert with the state as well as economic development organizations across the state to bring the fruition in our service territory. And we're going to try to do this the right way, where we make sure that there are rewards that are brought to the communities that we serve in terms of the economic development opportunities and that from a rates perspective, these customers pay their fair share and the rest of our customers are not harmed by their usage.

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Operator

Our final question is from the line of Stephen D'Ambrisis' with RBC Capital Markets.

Stephen James D'Ambrisi
RBC Capital Markets, Research Division

Congrats to Marty and Lenny on the new roles -- Michael and Lenny, excuse me. Just really quickly on -- there's been some questions about Illinois legislation, but I thought given we'll probably see some bills get prefiled in December in Missouri, I was wondering if there's any legislative priorities that you guys are advancing or if there's anything we should be legislative topics that you think will be pertinent or come up kind of in the bill prefiling in December?

Michael L. Moehn
Senior EVP, CFO, President of Ameren Services and Interim Chairman & President of Ameren Missouri

Yes. Nothing to comment on specifically, Steve. I mean, obviously, we've continued to improve the environment there. I appreciate what the legislature has done. I mean the commission continues to be very thoughtful and forward-looking. I mean, trying to find ways to provide the right incentive for investment, but at the same time, continue to balance that with customer impact.

So anything that would occur over the next couple of months, my sense is would be constructive and balanced, and we'll see what time brings. As you know, the prefiling is December 1. And so beyond that, it's probably a bit premature to get into the details.

Operator

This now concludes our question-and-answer session. I'd like to turn the floor back over to Marty Lyons for closing comments.

Martin J. Lyons
President, CEO & Chairman of the Board

All right. Well, thanks to everybody who joined us this morning. A lot of great questions, a lot of great dialogue. As you can tell, we remain absolutely focused on strong execution of our plan, and we will continue to do that for the remainder of this year and into next as we work to really diligently serve our customers and deliver safe, reliable and affordable energy.

So again, thank you all for joining us. I'm sure we'll see many of you at the upcoming EEI Financial Conference. And with that, have a great day and a great weekend.

Operator
Ladies and gentlemen, thank you for your participation. This does conclude today's teleconference. You may now disconnect your lines, and have a wonderful day.

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