



Ameren Corporation

Fourth Quarter 2018 Earnings Call

February 14, 2019

FORWARD-LOOKING STATEMENTS

Statements in this transcript not based on historical facts are considered “forward-looking” and, accordingly, involve risks and uncertainties that could cause actual results to differ materially from those discussed. Although such forward-looking statements have been made in good faith and are based on reasonable assumptions, there is no assurance that the expected results will be achieved. These statements include (without limitation) statements as to future expectations, beliefs, plans, strategies, objectives, events, conditions, and financial performance. In connection with the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, we are providing this cautionary statement to identify important factors that could cause actual results to differ materially from those anticipated. The following factors, in addition to those discussed under Risk Factors in Ameren's Annual Report on Form 10-K for the year ended December 31, 2017, and elsewhere in this transcript and in our other filings with the Securities and Exchange Commission, could cause actual results to differ materially from management expectations suggested in such forward-looking statements:

- regulatory, judicial, or legislative actions, and any changes in regulatory policies and ratemaking determinations, such as those that may result from a potential change in the allowed base return on common equity under the Midcontinent Independent System Operator, Inc. (MISO) tariff from either the complaint case filed in February 2015 with the Federal Energy Regulatory Commission (FERC) or a new methodology proposed by the FERC in November 2018, Ameren Missouri's requested certificate of convenience and necessity for a wind generation facility filed with the Missouri Public Service Commission (MoPSC) in October 2018, Ameren Missouri's natural gas regulatory rate review filed with the MoPSC in December 2018, an appeal filed by the Missouri Office of Public Counsel in January 2019 in Ameren Missouri's renewable energy standard rate adjustment mechanism case, and future regulatory, judicial, or legislative actions that change regulatory recovery mechanisms;
- the effect of Ameren Illinois' participation in performance-based formula ratemaking frameworks under the Illinois Energy Infrastructure Modernization Act and the Future Energy Jobs Act (FEJA), including the direct relationship between Ameren Illinois' return on common equity and the 30-year United States Treasury bond yields, and the related financial commitments;
- the effect of Missouri Senate Bill 564 on Ameren Missouri, including as a result of Ameren Missouri's election to use plant-in-service accounting and the resulting customer rate caps;
- the effects of changes in federal, state, or local laws and other governmental actions, including monetary, fiscal, and energy policies;
- the effects of changes in federal, state, or local tax laws, regulations, interpretations, or rates, amendments or technical corrections to the TCJA, and challenges to the tax positions we have taken;
- the effects on demand for our services resulting from technological advances, including advances in customer energy efficiency, energy storage, and private generation sources, which generate electricity at the site of consumption and are becoming more cost-competitive;
- the effectiveness of Ameren Missouri's customer energy-efficiency programs and the related revenues and performance incentives earned under its Missouri Energy Efficiency Investment Act programs;
- Ameren Illinois' ability to achieve the FEJA electric customer energy-efficiency goals and the resulting impact on its allowed return on program investments;
- our ability to align overall spending, both operating and capital, with frameworks established by our regulators and to recover these costs in a timely manner in our attempt to earn our allowed returns on equity;
- the cost and availability of fuel, such as ultra-low-sulfur coal, natural gas, and enriched uranium, used to produce electricity; the cost and availability of purchased power, zero emission credits, renewable energy credits, and natural gas for distribution; and the level and volatility of future market prices for such commodities and credits, including our ability to recover the costs for such commodities and credits and our customers' tolerance for any related price increases;
- disruptions in the delivery of fuel, failure of our fuel suppliers to provide adequate quantities or quality of fuel, or lack of adequate inventories of fuel, including nuclear fuel assemblies from the one Nuclear Regulatory Commission-licensed supplier of Ameren Missouri's Callaway energy center's assemblies;
- the cost and availability of transmission capacity for the energy generated by Ameren Missouri's energy centers or required to satisfy Ameren Missouri's energy sales;
- the effectiveness of our risk management strategies and our use of financial and derivative instruments;
- the ability to obtain sufficient insurance, including insurance for Ameren Missouri's Callaway energy center, or, in the absence of insurance, the ability to recover uninsured losses from our customers;
- the impact of cyberattacks on us or our suppliers, which could, among other things, result in the loss of operational control of energy centers and electric and natural gas transmission and distribution systems and/or the loss of data, such as customer, employee, financial, and operating system information;

- business and economic conditions, including their impact on interest rates, collection of our receivable balances, and demand for our products;
- disruptions of the capital markets, deterioration in our credit metrics, including as a result of the implementation of the TCJA, or other events that may have an adverse effect on the cost or availability of capital, including short-term credit and liquidity;
- the actions of credit rating agencies and the effects of such actions;
- the inability of our counterparties to meet their obligations with respect to contracts, credit agreements, and financial instruments;
- the impact of weather conditions and other natural phenomena on us and our customers, including the impact of system outages;
- the construction, installation, performance, and cost recovery of generation, transmission, and distribution assets;
- the effects of breakdowns or failures of equipment in the operation of natural gas transmission and distribution systems and storage facilities, such as leaks, explosions, and mechanical problems, and compliance with natural gas safety regulations;
- the effects of breakdowns or failures of electric generation, transmission, or distribution equipment or facilities, which could cause unplanned liabilities or outages;
- the operation of Ameren Missouri's Callaway energy center, including planned and unplanned outages, and decommissioning costs;
- the impact of current environmental laws and new, more stringent, or changing requirements, including those related to carbon dioxide and the proposed repeal and replacement of the Clean Power Plan and potential adoption and implementation of the Affordable Clean Energy rule, other emissions and discharges, cooling water intake structures, coal combustion residuals, and energy efficiency, that could limit or terminate the operation of certain of Ameren Missouri's energy centers, increase our operating costs or investment requirements, result in an impairment of our assets, cause us to sell our assets, reduce our customers' demand for electricity or natural gas, or otherwise have a negative financial effect;
- the impact of complying with renewable energy requirements in Missouri and Illinois and with the zero emission standard in Illinois;
- Ameren Missouri's ability to acquire wind and other renewable generation facilities and recover its cost of investment and related return in a timely manner, which is affected by the ability to obtain all necessary project approvals; the availability of federal production and investment tax credits related to renewable energy and Ameren Missouri's ability to use such credits; the cost of wind and solar generation technologies; and Ameren Missouri's ability to obtain timely interconnection agreements with MISO or other regional transmission organizations, including the costs of such interconnections;
- labor disputes, work force reductions, changes in future wage and employee benefits costs, including those resulting from changes in discount rates, mortality tables, returns on benefit plan assets, and other assumptions;
- the impact of negative opinions of us or our utility services that our customers, legislators, or regulators may have or develop, which could result from a variety of factors, including failures in system reliability, failure to implement our investment plans or to protect sensitive customer information, increases in rates, or negative media coverage;
- the impact of adopting new accounting guidance;
- the effects of strategic initiatives, including mergers, acquisitions, and divestitures;
- legal and administrative proceedings; and
- acts of sabotage, war, terrorism, or other intentionally disruptive acts.

New factors emerge from time to time, and it is not possible for management to predict all of such factors, nor can it assess the impact of each such factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained or implied in any forward-looking statement. Given these uncertainties, undue reliance should not be placed on these forward-looking statements. Except to the extent required by the federal securities laws, we undertake no obligation to update or revise publicly any forward-looking statements to reflect new information or future events.

C O R P O R A T E P A R T I C I P A N T S

Andrew Kirk, *Director, Investor Relations*

Warner Baxter, *Chairman, President and Chief Executive Officer*

Marty Lyons, *Executive Vice President and Chief Financial Officer*

Michael Moehn, *Ameren Missouri President*

Richard Mark, *Ameren Illinois President*

C O N F E R E N C E C A L L P A R T I C I P A N T S

Nick Campanella, *Bank of America Merrill Lynch*

Ali Agha, *SunTrust Robinson Humphrey*

Insoo Kim, *Goldman Sachs*

Stephen Byrd, *Morgan Stanley*

Kevin Fallon, *Citadel*

P R E S E N T A T I O N

Operator:

Greetings and welcome to the Ameren Corporation Fourth Quarter 2018 Earnings Call. At this time, all participants are in a listen-only mode. A question-and-answer session will follow the formal presentation. If anyone should require Operator assistance during the conference, please press star, zero on your telephone keypad. As a reminder, this conference is being recorded.

It is now my pleasure to introduce your host, Andrew Kirk, Director of Investor Relations for Ameren Corporation. Thank you, Mr. Kirk. You may begin.

Andrew Kirk:

Thank you and good morning. On the call with me today are Warner Baxter, our Chairman, President and Chief Executive Officer, and Marty Lyons, our Executive Vice President and Chief Financial Officer, as well as other members of the Ameren Management Team. Warner and Marty will discuss our earnings results and guidance, as well as provide a business update. Then we will open the call for questions.

Before we begin, let me cover a few administrative details. This call contains time-sensitive data that is accurate only as of today's live broadcast, and redistribution of this broadcast is prohibited.

To assist with our call this morning, 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 that are commonly referred to as forward-looking statements. Such statements include those about future expectations, beliefs, plans, strategies, objectives, events, conditions, and financial performance. We caution you that various factors could cause actual results to differ materially from those anticipated. For additional information concerning these factors, please read the Forward-Looking Statements section in the news release we issued today and the Forward-looking Statements and Risk Factors sections in our filings with the SEC.

Lastly, all per share earnings amounts discussed during today's presentation, including earnings guidance, are presented on a diluted basis unless otherwise noted.

Now, here's Warner, who will start on Page 4 of the presentation.

Warner Baxter:

Thanks, Andrew. Good morning, everyone and thank you for joining us. Earlier today we announced 2018 core earnings of \$3.37 per share compared to \$2.83 per share earned in 2017. While Marty will discuss the drivers of our 2018 results in a few minutes, I would like to highlight some key accomplishments that are indicative of our team's strong performance in 2018 and, importantly, that will position Ameren for success in the years ahead.

As you can see from this slide, we were very busy in 2018. Two-thousand-eighteen marked another year of solid earnings growth driven by the successful execution of our strategy across all of our businesses. Our strategy is to invest in regulated energy infrastructure, continuously improve operating performance, and advocate responsible energy policies to deliver superior customer and shareholder value. Our customers are at the center of our strategy. Simply put, we are focused on meeting our customers' energy needs and exceeding their expectations, and in so doing, delivering superior shareholder value.

With these objectives in mind, we made \$2.3 billion of investments in 2018 that resulted in a more reliable, resilient, and secure energy grid, as well as strong rate base growth. We were pleased to be able to pass onto customers in a very timely fashion, the savings from the lower Federal income tax rate. In 2018, we also achieved constructive outcomes in many regulatory proceedings that will help drive additional investments for the benefit of customers and shareholders. I was also pleased by the fact that many of these constructive regulatory outcomes were supported by strong collaboration with key stakeholders, which ultimately resulted in agreements on key issues.

In our Illinois businesses, we received approval from the Illinois Commerce Commission on our electric delivery and natural gas rate reviews, consistent with our requests. In addition, we were pleased with the FERC's decision to allow for a 50 basis point ROE incentive adder for Mark Twain, due to the unique nature of the risks involved in that project. We also received approvals for several Ameren Missouri customer-focus programs, including a third energy efficiency plan, as well as the renewable choice and community solar programs, both of which will allow customers to work with Ameren Missouri to procure greater levels of renewable energy in a cost-effective manner. We see these achievements as a big win for our customers and the environment.

Yet, our biggest achievements in 2018 related to the significant progress we made in advancing energy policy to support significant and incremental electric grid modernization investments in Missouri, as well as the progress we made in responsibly transitioning to a cleaner, more diverse generation portfolio with the announcement of significant wind investments in Missouri. The enactment of Senate Bill 564 marks a step change in Missouri's energy policy to enable investment to modernize the energy grid and drive economic development in the state. Our planned acquisition of at least 700 megawatts of wind generation

consistent with Missouri's renewable energy standard would drive significant incremental investments in renewable energy. I will cover both of these important strategic opportunities in more detail shortly.

The bottom line is we now have constructive regulatory frameworks in all of our jurisdictions which allows us to allocate significant amounts of much-needed investment to each of our business segments for the benefit of our customers, the communities we serve, and our shareholders. As I said a few minutes ago, we accomplished a great deal in the execution of our strategy in 2018 which will drive significant long-term value for all of our stakeholders.

I think it is important to note that our team's strong execution of our strategy in 2018 was not an aberration. As you can see on Page 5 of our presentation, we've been laser focused on executing this same strategy for the last five years. Our successful execution of this strategy has transformed our business mix and leveraged significant value to our customers and shareholders and positioned the Company for success in the years ahead. In particular, consistent with regulatory frameworks that supported investment in energy infrastructure, we invested approximately \$10 billion over the last five years.

Slide 5 highlights some of the investments we have made during this period. Since 2013 we've improved the safety and reliability of our electric and natural gas systems, improved the efficiency of our energy centers, enhanced our environmental footprint, and strengthened our cyber security posture. At the same time, our relentless focus on disciplined cost management has kept our electric rates affordable and very competitive, as they remain well below the Midwest and national averages.

We've also been very active and successful in working collaboratively with key stakeholders in Missouri and Illinois on implementing constructive energy policies in all of our jurisdictions to support ongoing and future investment in energy infrastructure. We have been capitalizing on new opportunities for investment, most notably those associated with transmission projects and planned wind generation in Missouri. All of these actions, when taken together, have resulted in the successful execution of our strategy which has delivered significant value to our customers and shareholders.

Our investments over the last five years have driven robust compound annual rate base growth of approximately 8%. That growth, coupled with improved earned returns, drove a strong compound annual earnings per share growth of more than 7% over the same period. We also grew our common dividend during this time period and improved our overall business risk profile. Combined, these actions also resulted in strong total shareholder returns over the same five-year period. I want to be clear: we do not take these results for granted.

Achieving these results required a great deal of hard work, persistence, and team effort. While I'm pleased with what we have accomplished, I'm even more excited about the fact that the execution of our strategy has positioned us very well to continue to deliver superior customer and shareholder value in the future, which brings me to Page 6 of our presentation and a discussion of our earnings growth expectations for the next five years.

We expect our 2019 earnings per share to be in a range of \$3.15 to \$3.35 per share. Earnings within this range would deliver strong growth again in 2019, as the midpoint of this guidance represents nearly 7% earnings per share growth compared to 2018 weather-normalized core results. Marty will provide you with more details on our 2019 guidance a bit later.

Building on our robust earnings growth over the past several years, I'm also pleased to announce that we have rolled forward our long-term guidance. Last February we guided to a 5% to 7% compound annual earnings per share growth rate for the 2017 to 2022 period. For the 2018 to 2023 period, we've increased that range and now expect strong 6% to 8% compound annual earnings per share growth using 2018

weather-normalized core earnings of \$3.05 per share as the base. This base excludes Ameren Missouri's estimated favorable weather impact of \$0.32 per share from 2018 core earnings per share of \$3.37. This long-term earnings growth outlook is driven by continued execution of our strategy, including investing in infrastructure for the benefit of customers while keeping rates affordable.

This outlook also accommodates a range of treasury rates, sales growth, spending levels, and regulatory developments. Of course, earnings growth in any individual year will be impacted by the timing of capital expenditures, regulatory rate reviews, Callaway refueling and maintenance outages, and weather, among other factors. I would also note that a Callaway refueling outage is scheduled for 2023. In contrast, we did not have a Callaway refueling outage in 2018. We believe the best way to assess our long-term earnings growth is to normalize for the timing of Callaway refueling costs, as well as weather impacts. That said, our earnings guidance range accommodates the inclusion or exclusion of 2023 Callaway reviewing outage costs.

Turning now to Page 7, we expect to grow our rate base in an approximately 8% compound annual rate for the 2018 to 2023 period. Our plan includes allocating significant capital to all four of our operating jurisdictions with constructive regulatory frameworks for investments. This is reflected in the expected rate base growth for each of these businesses, as noted in the graph on the right side of this page. Importantly, our five-year earnings and rate-based growth projections include significant investments to modernize the electric grid as set forth in Ameren Missouri's Smart Energy Plan which we filed with the Missouri PSC earlier this morning.

Enabled by the enactment of Senate Bill 564, the Smart Energy Plan includes \$6.3 billion of investment over the next five years, with a specific focus on modernizing the grid and acquiring renewable wind generation. Specifically, it includes approximately \$1 billion for Ameren Missouri's wind generation investment related to the announced build transfer agreements for up to 557 megawatts. The incremental grid modernization and announced wind generation investments increase Ameren Missouri's compound annual rate base growth from 3.5% in last year's five-year plan to 7.8% in our five-year plan announced today. It is important to note that any additional wind generation investments would be incremental to this capital plan, and our plan continues to call for investment in at least 700 megawatts of wind generation.

Finally, we remain relentlessly focused on continuous improvement and disciplined cost management to keep rates affordable and keep Ameren's earned returns close to the allowed returns in all of our jurisdictions.

Moving now to Page 8, as previously noted, today Ameren Missouri filed its Smart Energy Plan with the Missouri Public Service Commission. Driven by the enactment of constructive legislation in 2018, this five-year plan includes significant investments to modernize the energy grid and enhance how customers receive and consume electricity, while at the same time keeping electric rates stable and predictable. Constructive energy policies have driven similar investments at our Ameren Illinois Electric Distribution and Natural Gas businesses, delivering significant customer benefits and adding thousands of new jobs to the state's economy, while also keeping customer rates affordable.

Ameren Missouri's Smart Energy Plan filing includes a five-year capital investment overview with a detailed one-year plan for 2019 and sets forth the improvements and upgrades to modernize the energy grid infrastructure to benefit customers and offer more tools to manage their energy usage. Upgrades and reliability, resilience, and service throughout Ameren Missouri's 24,000 square mile service territory are the foundation of the plan that includes more than 2,000 electric infrastructure improvement projects across the state.

This plan also includes major renewable energy projects to continue the transition to a cleaner generation portfolio and responsible fashion for our customers. This slide highlights several key elements for the five-

year Smart Energy Plan. The Smart Energy Plan meets our customers' desire for stable and predictable rates; a smarter energy grid that is even more reliable, resilient, and secure; new sources of clean energy, and greater tools to manage their energy usage. In addition to the 6.1% rate decrease last August for the lower Federal income tax rate, customers will also benefit from a rate freeze until April 2020 and a 2.85% compound annual cap on electric rate increases from April 1, 2017 to December 31, 2023.

Several cost reduction opportunities are expected to provide headroom to stay under this rate cap, including the benefit of Tax Reform, lower fuel and transportation costs, refinancing of long-term debt at lower rates, and expected O&M savings for technological improvements and disciplined cost control. In addition, we will seek to drive greater economic development in Missouri with a meaningful incentive rate enabled by Senate Bill 564 for new or expanding large energy users.

We look forward to working with the Commission and other key stakeholders to implement the benefits of the Smart Energy Plan, as we transform the energy grid of today to power the quality of life and build a brighter energy future for generations to come.

Moving now to Page 9, for an update on our wind generation investment plans to achieve compliance with Missouri's renewable energy standard and continue to transition our generation portfolio. Today I am pleased with the progress we have made to pursue ownership of at least 700 megawatts of wind generation by 2020. Specifically, Ameren Missouri has reached agreements with two developers to acquire, after construction, up to 557 megawatts of wind generation, representing about 80% for our compliance needs. The proposed 400-megawatt facility to be located in Northeastern Missouri was approved by the Missouri PSC last October, and when built, will be the largest ever in the state.

The next key milestone is a MISO transmission interconnection agreement which is expected in the fall of 2019. For the proposed 157-megawatt facility to be located in Northwestern Missouri, a non-unanimous stipulation and agreement was reached earlier this month with the Missouri PSC staff and other parties on our CCN request. A Missouri PSC decision is expected by May 1, of this year and we expect a decision on the MISO interconnection agreement in early 2020. These two wind generation facilities collectively represent an approximately \$1 billion investment and are expected to be in service by the end of 2020.

Of course, we are not done. Our team continues to actively negotiate with several developers for additional wind generation. As I noted earlier, any additional investments in wind generation will be incremental to the capital and rate base growth plan I discussed previously. We remain confident in our ability to complete these negotiations, obtain necessary regulatory approvals, and have these facilities constructed in a timely fashion. We believe these investments will deliver clear, long-term benefits to our customers, the environment, and the communities we serve.

Turning now to Page 10, as we look to the future, the successful execution of our five-year plan is not only focused on delivering strong results through 2023, but it is also designed to position Ameren for success over the next decade and beyond. We believe that the energy grid will be increasingly important as we expect Ameren and our industry to be critical enablers of advancing technologies that will bring even greater value to our customers, the communities we serve, and our shareholders. With this long-term view in mind, we're making investments that will position Ameren to meet our customers' future energy needs and rising expectations, support increased electrification of the transportation sector and other industrial processes, and provide safe and reliable natural gas services. The right side of this page shows that our allocation of capital is expected to grow our energy delivery businesses to approximately three-quarters of our rate base by the end of 2023.

In addition to focusing on investment in the energy grid, we're also committed to transitioning Ameren Missouri's generation to a cleaner, more diverse portfolio in a responsible fashion. Ameren Missouri's pursuit of at least 700 megawatts of wind by 2020, combined with the scheduled retirement of the Meramec coal-fired energy center in 2022, reflects this continued commitment. As a result, our investment in coal and gas-fire generation is expected to be a combined 11% of rate base by year-end 2023. The bottom line is that we are taking steps today across the board to position Ameren for success in 2019, the next five years, the next decade, and beyond.

Moving to Page 11, to sum up our value proposition, we remain firmly convinced that the execution of our strategy in 2019 and beyond will deliver superior value to our customers and shareholders. We believe the rate base and related earnings per share growth rates I just discussed compare very favorably with those of our regulated utility peers. I'm confident in our ability to execute our investment plans and strategies because we now have all four of our business segments operating with constructive regulatory frameworks to support investment. That fact, coupled with our sustained past execution of our strategy on many fronts has positioned us well for future success.

Further, our shares continue to offer investors a solid dividend. In the fourth quarter of last year, Ameren's Board of Directors expressed its confidence in our long-term growth plan by increasing the dividend by approximately 4%, the fifth consecutive year of a dividend increase. For 2018, our dividend payout based on weather-normalized earnings was in the lower half of our expected payout range of between 55% and 70% of annual earnings. Our strong earnings growth expectation outlined today positions us well for future dividend growth. Of course, future dividend decisions will be driven by earnings growth in addition to cash flows and other business conditions. Together we believe our strong earnings growth outlook, combined with our solid dividend which currently provides a yield of approximately 3%, results in a very attractive total return opportunity for shareholders.

Again, thank you all for joining us today, and I'll now turn the call over to Marty.

Marty Lyons:

Thanks, Warner. Good morning, everyone. Turning now to Page 13 of our presentation, today we reported 2018 GAAP earnings of \$3.32 per share compared to GAAP earnings of \$2.14 per share for the prior year. As outlined in the table on this page, excluding the 2018 and 2017 non-core, non-cash charges for the revaluation of deferred taxes of \$0.05 and \$0.69 per share, respectively, Ameren reported core earnings of \$3.37 per share for 2018 compared to core earnings of \$2.83 per share for 2017.

Turning to Page 14, we highlight by segment the key factors that drove the overall \$0.54 per share increase in 2018 core earnings compared to 2017 results. Ameren Missouri, our largest segment and also the largest driver of the year-over-year earnings increase, experienced an increase of \$0.50 per share from \$1.48 per share in 2017 to \$1.98 per share in 2018. This earnings improvement was largely driven by higher electric retail sales which contributed approximately \$0.42 per share. The higher electric sales were primarily due to warmer summer and colder winter temperatures in 2018 compared to near-normal summer and milder winter temperatures in the year-ago period.

In addition, the earnings improvement was driven by higher electric service rates effective April 1, 2017, as well as the absence in 2018 of a Callaway energy center nuclear refueling and maintenance outage. Each contributed approximately \$0.09 per share to 2018 compared to 2017. These favorable earnings drivers were partially offset by a planned increase in other operations and maintenance expenses primarily reflecting higher-than-normal scheduled non-nuclear plant outages, increased routine maintenance work, and additional distribution reliability projects.

Turning to the other segments, earnings for Ameren Transmission and Ameren Illinois Electric Distribution were up \$0.09 and \$0.03, respectively, reflecting increased infrastructure investments. In addition, Ameren Illinois Electric Distribution's earnings benefited from a higher allowed return on equity under formulaic rate making of 8.9% compared to 8.7% for the prior year. The 2018 allowed ROE was based on the 2018 average 30-year treasury yield of 3.1%, up from the 2017 average of 2.9%.

Earnings for Ameren Illinois Natural Gas were up \$0.04, reflecting increased infrastructure investments and higher rates effective in early November 2018. Finally, Ameren Parent and Other results reflected higher charitable donations, lower net state and federal tax benefits, and dilution.

Before moving on, let me briefly cover electric sales trends for Ameren Missouri and Ameren Illinois Electric Distribution for 2018 compared to 2017. Weather-normalized kilowatt hour sales to Missouri residential and commercial customers on a combined basis were up 1%, excluding the effects of our Missouri energy efficiency plan under MEEIA. Kilowatt hour sales to Missouri industrial customers also increased about 1% after excluding the effects of our energy efficiency plan. We exclude MEEIA effects because the plan provides rate recovery to ensure that earnings are not affected by reduced electric sales resulting from our energy efficiency efforts.

Weather-normalized kilowatt hour sales to Illinois residential and commercial customers on a combined basis increased 0.5% and kilowatt hour sales to Illinois industrial customers increased 2%. Recall the changes in electric sales in Illinois, no matter the cause, did not affect our earnings since we have full revenue decoupling.

Moving to Page 15 of the presentation, here we provide an overview of our approximately \$13.3 billion of planned capital expenditures for the 2019 through 2023 period by business segment that underlies the 8% projected rate base growth Warner discussed earlier. Note the capital expenditures and rate base shown on this page include Ameren Missouri's approximately \$1 billion wind generation investment for up to 557 megawatts related to its announced build transfer agreements. The additional wind generation investments would be incremental to this investment plan.

Turning to Page 16, looking ahead we will remain focused on maintaining a strong balance sheet. We're comfortable with the current capitalization levels at each legal entity and expect our capitalization levels over the coming five-year period to remain in line with those at the end of 2018. Consistent with that expectation, here we outline the expected funding sources for the infrastructure investments noted on the prior page. We expect continued growth in cash from operations as investments are reflected in customer rates. We also expect to generate significant tax deferrals. The tax deferrals are driven primarily by timing differences between financial statement depreciation reflected in customer rates and accelerated depreciation for tax purposes under MACRS.

I should note that over the five-year time horizon of our plan we do not expect to be a material federal or state cash tax payer. In addition to the benefits of accelerated tax depreciation, because of our expected \$1 billion investment in up to 557 megawatts of wind generation, we also expect to generate production tax credits beginning in the 2020 timeframe. From a financing perspective, we expect to continue to issue long-term debt to refinance maturing obligations and to fund a portion of our cash requirements. We also plan to continue to use newly issued shares for our dividend reinvestment and employee benefit plans over the five-year guidance period. We expect this to provide equity funding of approximately \$100 million annually. Our plans also include incremental common equity to fund a portion of Ameren Missouri's expected wind generation investment. We believe these actions should enable us to maintain the strong balance sheet and credit ratings that we have worked hard to achieve over time.

Moving to Page 17 of our presentation, I would now like to discuss key drivers impacting our 2019 earnings guidance. As Warner stated, we expect 2019 diluted earnings to be in the range of \$3.15 to

\$3.35 per share. The midpoint of this range represents nearly 7% EPS growth versus 2018 weather-normalized core results. On this page and the next, we have listed key earnings drivers of and assumptions behind our 2019 earnings guidance broken down by segment and as compared to 2018 results.

Beginning with Ameren Missouri, earnings are expected to be lower in 2019 largely due to an approximately \$0.32 per share benefit from favorable weather in 2018. We also expect expenses for the spring 2019 scheduled Callaway refueling and maintenance outage to decrease earnings by approximately \$0.09 per share. Recall that there was no refueling outage for Callaway in 2018 given that these scheduled outages occur on an 18-month cycle.

Further, higher depreciation expense will decrease earnings approximately \$0.03, which reflects the full-year application of plant and service accounting, or PISA, to a higher level of infrastructure investments. Partially offsetting these unfavorable earnings drivers, we expect lower interest expense of approximately \$0.05 per share, including the PISA benefit. We also expect lower other operations and maintenance expenses to benefit 2019 earnings by approximately \$0.05. This reduction is primarily driven by higher-than-normal scheduled non-nuclear plant outages and increased maintenance work experienced in 2018.

Finally, in Ameren Missouri, we expect higher electric margins, including benefits under MEEIA. For Ameren Illinois Electric Distribution, we anticipate increased earnings in 2019 compared to 2018 from additional infrastructure investments made under Illinois' formula ratemaking. Our guidance incorporates a formula-based allowed ROE of 8.9% using a forecasted 3.1% 2019 average yield for the 30-year Treasury bond, which is comparable to an allowed ROE of 8.9% in 2018. We have provided the earnings sensitivity to changes in the allowed ROE of the Ameren Illinois Electric Distribution segment on this page.

For Ameren Illinois Natural Gas Distribution earnings, we expect to benefit from a full year of increased delivery rates, as well as qualified investments that are included in rates on a timely basis under the state's gas infrastructure rider.

Turning to Page 18, Ameren Transmission earnings are expected to benefit from additional investments in Ameren Illinois and ATXI projects made under FERC's formula ratemaking. Our guidance assumes continuation of the current 10.82% allowed ROE for the full year of 2019, which includes a 50 basis point adder for MISO participation, except for the Mark Twain project which assumes an allowed ROE of 11.32%. We have provided the earnings sensitivity to changes in the allowed ROE of the Ameren Transmission segment on this page.

Moving now to Ameren-wide drivers and assumptions, we expect an effective income tax rate of approximately 19% this year, a decrease from last year's core effective income tax rate of 21%. This reflects the full-year impact of excess deferred tax flow back in customer rates that began during 2018. Additionally, we expect lower donations at the Parent Company of about \$0.03 per share. Finally, the issuance of common shares for our dividend reinvestment and employee benefit plans are expected to unfavorably impact earnings by \$0.02 per share.

I would also like to take a moment to discuss our electric sales outlook. We expect weather-normalized Missouri kilowatt hour sales to residential and commercial customers to be up approximately 0.5% to 1% compounded annually over the five-year plan, excluding the effects of our MEEIA energy efficiency plans. We expect sales to our Missouri industrial customers to be relatively flat over our five-year plan after excluding the effects of our energy efficiency plan. Again, we exclude MEEIA effects because the plan provides rate recovery to ensure that earnings are not affected by reduced electric sales resulting from our energy efficiency efforts.

Turning to Illinois, we expect our weather-normalized kilowatt hour sales to residential, commercial, and industrial customers, including energy efficiency, to be flat over our five-year plan.

Moving now to Page 19 for a discussion of select regulatory matters. For Ameren Transmission, there have been recent developments that may impact the base allowed ROE from MISO transmission owners. In November 2018, the FERC issued an order in the MISO ROE complaint cases, proposing a new methodology for determining the base allowed ROE and to soliciting feedback from participants. The MISO transmission owners, including Ameren Illinois and ATXI, filed initial briefs yesterday regarding the MISO complaint cases. In summary, we believe the FERC proposed methodology is an improvement over the existing approach with certain recommended modifications. We're unable to predict the timing and ultimate impact of the complaint cases at this time.

Turning to Page 20 for an update on cash flow guidance. For 2019 we anticipate negative free cash flow of approximately \$950 million. On the right side of this page, we provide a breakdown of our \$2.4 billion of planned 2019 capital expenditures by business. We expect to fund this year's negative free cash flow and debt maturities primarily through a combination of short and long-term debt borrowings and issuances, as well as the previously mentioned issuances of common shares for our dividend reinvestment and employee benefit plans.

Finally, turning to Page 21, I will summarize. We delivered solid core earnings growth in 2018, capping five years of outstanding compound annual earnings growth. We expect to again deliver strong earnings growth in 2019 as we continue to successfully execute our strategy. As we look ahead, we expect strong 6% to 8% compound earnings per share growth over the 2018 to 2023 period, driven by an approximately 8% compound annual rate base growth and disciplined financial management. We believe this growth will compare favorably with the growth of our regulated utility peers and Ameren shares continue to offer investors an attractive dividend.

In total, we have an attractive total shareholder return story that we believe compares very favorably to our peers. That concludes our prepared remarks. We now invite your questions.

Operator:

Thank you. At this time, we'll be conducting a question-and-answer session. If you'd like to ask a question, please press star, one on your telephone keypad. A confirmation tone will indicate your line is in the question queue. You may press star, two if you'd like to remove your question from the queue. For participants using speaker equipment, it may be necessary to pick up your handset before pressing the star keys. One moment please while we poll for questions.

Our first question comes from Julien Dumoulin-Smith with Bank of America. Please proceed with your question.

Warner Baxter:

Good morning, Julien.

Nick Campanella:

Hey, good morning. This is actually Nick Campanella on for Julien.

Warner Baxter:

No worries. How are you doing this morning?

Nick Campanella:

Very good. Congrats on the update here.

Warner Baxter:

Thank you.

Nick Campanella:

I just wanted to start quickly on the incremental equity funding for the wind. This is what's in excess of the DRIP. Can you just expand at all on in terms of the magnitude of the funding needed there or how we should think about quantifying that, whether it's from solving for an FFO to debt metric or just in terms of how you plan to finance it?

Marty Lyons:

Yes. Good morning, Nick. This is Marty. I think it's probably good to step back and look at the totality of what we said and what we said on prior calls. We feel very good about the capitalization levels that we have today, meaning the debt to equity ratios, and that's both at the Parent as well as the various legal entities that we have. We're going to seek to keep levels in line with those or approximating those levels over the five-year guidance period. We believe we can do that given the retained earnings associated with our ongoing operations and some equity financing, as we noted on the call.

The equity financing, as you know, comes in two parts. I mean, one of it that noted is through the dividend reinvestment and employee benefit programs. There we think we can generate about \$100 million a year of equity proceeds or about \$500 million over the period. Then we expect to issue some additional equity in an amount which equates to a portion of our ultimate wind investment. As we mentioned on the call, that amount being sized to achieve the capital structure objectives that we talked about earlier.

I recognize you're maybe looking for a little bit more specificity, but as we think about what we said and we think about the wind, I'd also ask you to think about how Ameren Missouri's financed overall today, which is about 52% equity, knowing that the wind ultimately is going to end up in that legal entity.

Nick Campanella:

Appreciate that. Then just the timing of the wind cap ex, that should all be realized in one year roughly; is that correct?

Marty Lyons:

Nick, I think it's a good way to think about it. The 557 megawatts that we've announced today, we're going to acquire through build transfer agreements. So, there, again, we look for those deals to close between the middle of 2020 and end of 2020. I would be thinking about the cash flows occurring during that period of time.

Nick Campanella:

Great. Then my last question, just sticking with Missouri, I think you had a net \$1.5 billion increase in the five-year program. I saw that you filed, I think, your grid mod plan. Can you just kind of talk about your expectations for grid mod versus your previous expectations for the \$1 billion and if that has shifted at all?

Marty Lyons:

Maybe I could talk a little bit about the overall investment picture, which is on Slide 15 and then see if you have some follow-up questions or we can elaborate in some way. Overall, we had previously a plan of 2018 to 2022. Obviously when you roll forward, you not only adjust spending within those periods, but also we're looking out to 2023. So, overall, it's a \$13.3 billion plan for the five-year period looking ahead.

If you compare to the prior plan, I think what you'd find is, as we've said, we have a strong pipeline of growth in each of our segments, and so as you look at the capital spend in the updated four to five-year period for Ameren Illinois Electric Distribution, Ameren Illinois Natural Gas and Transmission, those are all pretty consistent with the levels of investment that we're planning for the prior five-year plan that we'd given the real updates here. I think it should meet with generally, expectations as we've added \$1 billion for Ameren Missouri wind generation investment. This \$1 billion is really associated with the 557 megawatts that we've announced to date. Then getting to your point, the capital expenditure plan outside of that wind for Missouri's \$5.8 billion, which compares favorably to the plan we had before, which was \$4.3 billion over five years.

Again, it is up \$1.5 billion over the five-year period, as you mentioned. Of course, we're rolling forward to a future period, and so in any event, I think you are absolutely right, as you would've expected, given Senate Bill 564 and the wind generation investment, the investment in Missouri overall is up in the plan.

Nick Campanella:

Thanks. Congrats again.

Warner L. Baxter:

Thanks, Nick.

Operator:

Our next question comes from Ali Aga with SunTrust Robinson. Please proceed with your question.

Warner Baxter:

Good morning, Ali.

Ali Agha:

Good morning. First question—and I just wanted to clarify one of your remarks I think you made in your opening comments in regards to the 6% to 8% EPS CAGR that you have over the next five years. Correct me if I'm wrong, but did I hear that right that the 8% CAGR would normalize for the Callaway outage and exclude that, whereas the 6% would include that? Did I hear that right or does the 8% also contemplate including the Callaway outage?

Marty Lyons:

Ali, good morning. This is Marty. Let me answer that. I think what we meant to say there, what Warner was saying, is that 6% to 8% range, if you will, would accommodate either inclusion or exclusion of the cost of the Callaway outage in 2023. Clearly, we are planning for an outage in 2023. We had none in 2018. We think the best way to look at our earnings growth profile over time is to normalize for things like

the Callaway outage timing and weather. But we wanted folks to know that whether you were thinking about earnings in 2023, including or excluding those costs that we believe that our earnings guidance range was such that it would accommodate either.

Ali Agha:

I see. But, Marty, just to be clear, so if we include those costs and keep them in there, that could still get us to an 8% CAGR?

Marty Lyons:

Well, it would depend on other things. Again, it's a range, so what I'm saying is if you include the costs, it still gets you into that range. If you exclude the costs, you're within the range. There wasn't really commenting on whether you would get to the 8% or not. Ali, I think the way to think about it is the range accommodates a number of things. I mean, it accommodates a range of Treasury rates, allowed ROEs, earned ROEs, various spending levels, regulatory decisions, sales levels, economic conditions, financing plans, all of those things. So, when we give out the range, the range accommodates all of those variables that may occur?

Ali Agha:

Okay. Second clarification as well, Marty; so, I think as you mentioned, for the wind investments, you are looking at completing those acquisitions in mid to late 2020. I'm assuming that to the extent that the additional wind that comes in, that's also a 2020 timeframe period. When we think about additional equity, should we think all of that, if required, will be a 2020 event and all the other years we should model out \$100 million a year, or should we think differently? Also, for modeling purposes, should we assume wind will be an earnings contributor and the incremental wind will be an earnings contributor in 2020?

Marty Lyons:

Sure. Ali, let me take those. I may take those a little bit in reverse order. In terms of the wind, as I mentioned, one of the things we want to get done is to get those in in 2020, working with the developers to make sure we take maximum advantage of the production tax credit. With respect to the projects that we've announced today, the 557 megawatts as well as additional wind investments that we are pursuing that are not embedded in the current plans, in both cases we are seeking to work with the developers to acquire projects that we'll get completed, as I mentioned earlier, in the second half of 2020.

As you think about that, there would be some earnings impact in 2020, but it really would depend on when those projects went into service or when they get into rate base in 2020. You really get to, I think, a more full annualized benefit of the wind when you get into 2021, and as you get through the rate cases associated with those, even into 2022, but you're really going to get to a more full annualized benefit, again, in that 2021 timeframe.

Now, as it relates to the equity, we talked about today that we do expect incremental equity to fund a portion of the wind investment, and so, again, those cash flows, you're right, occur in the 2020 timeframe, so that's a consideration. Then I would also say that, again, we aspire to acquire additional wind beyond the 557 megawatts, and so as we complete those negotiations we'll be certainly thinking about financing that in addition to what we've talked about, the wind we've announced to date, and we'll be thinking about the sizing in a way that's consistent with what we discussed today and on prior calls.

Ali Agha:

Okay. Last question, I know in the past when you talked about the SB 564 cap ex, you had mentioned at a minimum \$1 billion over five years. I guess based on your commentary today, it looks like it's more than \$1 billion at least embedded in this five-year plan. Does that still leave you room for even additional upside to that cap ex as we think about these five years, or do you think this is pretty much what you expect to spend now going forward?

Warner Baxter:

Ali, this is Warner. Thanks for the question. I'll let Michael comment a little bit further because he just filed the Smart Energy Plan. I'll just start with this, saying that the robust infrastructure plan that we talked about over 5 years and 10 years in Missouri, as I sit here today, it still remains robust beyond just the 5 years, and, frankly, continues to grow with various needs. But, Michael, you can talk a little bit about what you've incorporated in the five-year plan and certainly some opportunities that you continue to see for Missouri.

Michael Moehn:

Well, I mean, I think Warner just adding a little bit to that, I mean, obviously we have the \$5.3 billion that we filed today on the electric side. As we get in and develop this plan and be able to show all the customer benefits, it's obvious that we're finding just more opportunities, and you described it as a robust plan. I would say that that is absolutely the case, and we look forward to continue to work through time and looking for projects that are going to provide meaningful benefits to customers.

Warner Baxter:

The bottom line, when you look back three years ago when we talked about that plan that was filed, we look at the grid modernization opportunities every bit as robust today as we looked at them back then three years ago.

Ali Agha:

Understood. Thank you.

Operator:

Our next question is from Insoo Kim with Goldman Sachs. Please proceed with your question.

Warner Baxter:

Good morning, Insoo.

Insoo Kim:

Good morning. Starting on the wind side, just to clarify, by 2020 the 700 megawatts that you guys are targeting, or at least the 700 megawatts, that implies that I guess versus the current plan that you have today, you'll have another around 150 megawatts at least announced and built and transferred by 2020; or when you're talking about negotiating with multiple developers are there opportunities beyond that 700 megawatts that you're talking about or that largely it?

Michael Moehn:

Hi. This is Michael Moehn. As we think about it today, we're obviously very focused on that 700 megawatts for the Missouri renewable standard, having that 15% by 2021. Obviously, we're keeping our mind and options open as we move through time in terms of other offerings that we have out there, but we're really focused on filling up that 700 megawatts at this point.

Insoo Kim:

Understood. Then on the cost side, I think in the past you've targeted, maybe not a formal guidance but trying to keep O&M growth flat on a year-over-year basis. Is that still part of your plan?

Warner Baxter:

Yes. Go ahead, Marty, please.

Marty Lyons:

Yes. Insoo, this is Marty. Yes, as we look ahead, that continues to be our goal. We recognize that one of our objectives is to make sure that we can carry out this \$13.3 billion infrastructure plan for the benefit of our customers and keep rates affordable along the way. We will look to keep tight control on our O&M costs as we look ahead.

Insoo Kim:

Understood. Then maybe just one more if I could. The recent electric vehicle decision, I know it's a fairly small part of your investment opportunity, but that decision for the five-year \$4 million or so, does that basically cap how much you're going to be spending in that arena at least for the medium-term?

Michael Moehn:

Again, this is Michael. I would say it's a start with respect to what we're trying to do from a transportation perspective. We're excited about having the opportunity to build out this corridor. I think we will continue to evaluate over time. I think the Commission has actually opened up a workshop to have some further conversations beyond just the charging corridor that they approved. That could ultimately end up including other types of charging as well, so we look forward to engaging in that discussion and see if we can move this discussion forward.

Warner Baxter:

Michael, I'd just add, look, I think this is clearly a step forward. Importantly, I think what Michael and his team have been able to do is just raise the level of awareness and the conversation in the state of Missouri on this. This is what we have today, but dialogue will be ongoing here in the relative near future and we look forward to continue to lean further forward in the electrification because we think there are real opportunities and benefits for our customers in the state of Missouri, and we will be looking at similar types of things, frankly, in the state of Illinois too because we see similar benefits over there as well.

Insoo Kim:

Understood. Thank you very much.

Warner Baxter:

Thanks, Insoo.

Operator:

Our next question comes from Stephen Byrd with Morgan Stanley. Please proceed with your question.

Warner Baxter:

Hello, Stephen. How are you?

Stephen Byrd:

Hey. Great. Congratulations on a constructive update.

Warner Baxter:

Thank you. Thank you.

Stephen Byrd:

I just wanted to discuss the Smart Energy Plan filed in Missouri and just better understand the regulatory process and just how we think about where procedurally it goes from here. It's obviously great that the customer bill impact is capped. It seems to all make sense, but I just wanted to understand a little bit more about what we should be looking for now that you've made that filing.

Warner Baxter:

Sure. Michael, why don't you talk about that because I know some of this is embedded in Senate Bill 564, so why don't you give an update there?

Michael Moehn:

Perfect. Thanks for the question. Look, obviously, it was an important filing that we did today with the Commission. We're required to lay out in quite a bit of detail for 2019 where our investments are going to go, and then a little less detail for the next four years through 2023. What else is contemplated is a public meeting. That's scheduled for March 4. We'll, again, lay out the customer benefits associated with this, where our investments are going, etc., and get some feedback from that. Then, obviously, Senate Bill 564 didn't change the Commission's authority in any way, so they'll have a chance to weigh in as we go through regular rate reviews and have an opportunity to look at where we're making investments, etc. So, we look forward to engaging with them around this and getting feedback along the way.

Warner Baxter:

I would just add, Stephen, when you look at the details of the plan, I think these are the things that we've been talking about as needed in the state of Missouri, frankly, for many years. I think what we've now provided is just greater levels of detail, and as we referred to a little bit earlier, Michael and his team have put together a plan three years ago almost now that highlighted some of these things. So, a lot of the dialogue and conversations around these have been discussed before. Now we're giving a lot more detail, which I think is certainly appropriate at this time.

Michael Moehn:

Yes. That's right. I mean, I think the other thing just to note is we have been operating under this Senate Bill 564, really since September 1. I think, Stephen, you noted the 6% rate reduction that occurred as part of the tax refund. We obviously had some solar rebates that we're required to do. All of that has been taken care of. We got recently an economic development rider approved. I give you that just because there are a number of aspects that we have been executing underneath the Senate Bill 564 for some time.

Stephen Byrd:

That all makes sense. It does seem consistent with what you've talked about before. Just shifting over to Illinois, I guess there's some discussion of potential movement towards greater levels of clean energy in this state. I'm just curious, from your system perspective or just more broadly, investment opportunities, changes to the grid, anything else that you would foresee if the state did in fact move towards greater levels of clean energy?

Warner Baxter:

Yes. Sure. Stephen, this is Warner. Richard, feel free to jump in. Look, big picture, when you think about renewable generation, we're not allowed to own renewable generation in the state of Illinois, so we stay very mindful of the activities there because certainly, since we purchase energy on behalf of our customers, we want to make sure that rates continue to be good, as well as making sure that the reliability is thought through. Having said that, Richard was at the table with key stakeholders during the governor's transition period, and they talked about the transition plan around energy policy. One of the things that we pointed out very clearly is that the energy policy in the state of Illinois is working quite well. The formula rate is working quite well. When we see that, if there're investment opportunities associated with that and from a distribution business to make sure we can continue to deliver the safe, reliable service for our customers, we will do so.

If we become more broadly in terms of a renewable energy generation, certainly we will be thoughtful about transmission opportunities because we've said this before and we'll say it again, when you look at the MISO footprint, there are a lot of wind and solar projects going on in the MISO footprint and we stand ready and are able to help implement those with not just interconnection agreements but perhaps sometime down the road there'll be an opportunity for multi-value projects. Early innings, but we could see that as a potential opportunity.

Richard, I know that you've been working with your team over there. Anything that you would add to what I said?

Richard Mark:

I don't. I think you covered it perfectly. You covered it perfectly. I think that's very good observation of how it's going to work in Illinois.

Warner Baxter:

Great. Thank you.

Stephen Byrd:

Thank you very much.

Warner Baxter:

Sure. Thanks, Stephen.

Operator:

As a reminder, if you'd like to ask a question, please press star, one on your telephone keypad. One moment please while we poll for questions.

Our next question comes from Kevin Fallon with Citadel. Please proceed with your question.

Warner Baxter:

Morning, Kevin.

Kevin Fallon:

Good morning. Hey, how are you?

Warner Baxter:

I'm well. How are you doing today?

Kevin Fallon:

I'm good. Thank you. Just to clarify, is the implied cost per KW on the 557 megawatts of wind you guys have right now a reasonable proxy for what it would cost to get you up to the 700 megawatts?

Michael Moehn:

This is Michael Moehn. I think it's difficult. You've got to be a little careful with it just because so many different factors apply here in terms of there're some benefits associated with doing projects in state. There's a 1.25% credit versus out state; there's capacity factor issues. You can probably draw some conclusions, but you've got to be a little careful with it just in terms of some of the specifics.

Kevin Fallon:

Okay. Fair enough. But the actual target amount is the 700 megawatts, correct?

Michael Moehn:

That is what we're focused on.

Marty Lyons:

That's where we're focusing. Kevin, maybe I'll add to that, though, and build off of what Michael said to Insoo earlier. I mean, hitting 700 megawatts neatly is a difficult thing to do. These projects are of varying sizes. One of the things we said, if you look closely at the wording we use, we said at least 700 megawatts. It could be that the ultimate project that's selected and picked would actually get us to a number that was above 700 megawatts because, again, it's difficult to find a site that neatly gets you to 700 megawatts.

We think it's going to be at least 700 megawatts, but the target, again, is to fulfill the requirements under the renewable energy standard, which we believe would approximate about 700 megawatts.

Kevin Fallon:

Okay. That's helpful. The other thing is I think a securitization bill has been introduced in the Missouri legislator. I know you guys have said in the past that you have very low dispatch costs on your coal fleet. But if the securitization was passed, would that change the dynamic there in kind of a steal for fuel type of outlook?

Michael Moehn:

You're right, there are a couple of securitization bills floating around. Look, I would just say at a very high level, and Marty can certainly add to this as well, I mean, we're having some conversations with those stakeholders. None of those bills have been assigned a Committee yet, so they haven't had a hearing at this point, but we look forward to continuing to have some conversations around the details of these bills and what benefit there may or may not be there for us.

Kevin Fallon:

Are you guys sponsoring these bills or supporting these bills, or is that all just to be determined?

Michael Moehn:

Yes. That is all to be determined.

Kevin Fallon:

That's great. Well, thank you very much.

Warner Baxter:

Thanks, Kevin.

Operator:

Ladies and gentlemen, we've reached the end of the question-and-answer session. At this time, I'd like to turn the call back to Andrew Kirk for closing comments.

Andrew Kirk:

Thank you for participating in this call. A replay of this call will be available for one year on our website. If you have questions, you may call the contacts listed on our earnings release. Again, thank you for your interest in Ameren and have a great day.

Operator:

This concludes today's conference. You may disconnect your lines at this time. We thank you for your participation.