

CENTRAL ILLINOIS LIGHT CO  
 Form 10-Q  
 May 10, 2007

UNITED STATES  
 SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

FORM 10-Q

(X) Quarterly report pursuant to Section 13 or 15(d)  
 of the Securities Exchange Act of 1934  
 for the Quarterly Period Ended March 31, 2007

OR

( ) Transition report pursuant to Section 13 or 15(d)  
 of the Securities Exchange Act of 1934  
 for the transition period from \_\_\_ to \_\_\_.

<u>Commission File Number</u>	Exact name of registrant as specified in its charter; State of Incorporation; <u>Address and Telephone Number</u>	<u>IRS Employer Identification No.</u>
1-14756	<b>Ameren Corporation</b> (Missouri Corporation) 1901 Chouteau Avenue St. Louis, Missouri 63103 (314) 621-3222	43-1723446
1-2967	<b>Union Electric Company</b> (Missouri Corporation) 1901 Chouteau Avenue St. Louis, Missouri 63103 (314) 621-3222	43-0559760
1-3672	<b>Central Illinois Public Service Company</b> (Illinois Corporation) 607 East Adams Street Springfield, Illinois 62739 (888) 789-2477	37-0211380
333-56594	<b>Ameren Energy Generating Company</b> (Illinois Corporation) 1901 Chouteau Avenue St. Louis, Missouri 63103 (314) 621-3222	37-1395586
2-95569	<b>CILCORP Inc.</b> (Illinois Corporation) 300 Liberty Street	37-1169387

Edgar Filing: CENTRAL ILLINOIS LIGHT CO - Form 10-Q

Peoria, Illinois 61602  
(309) 677-5271

1-2732      **Central Illinois Light Company**      37-0211050  
(Illinois Corporation)  
300 Liberty Street  
Peoria, Illinois 61602  
(309) 677-5271

1-3004      **Illinois Power Company**      37-0344645  
(Illinois Corporation)  
370 South Main Street  
Decatur, Illinois 62523  
(217) 424-6600

---

Edgar Filing: CENTRAL ILLINOIS LIGHT CO - Form 10-Q

Indicate by check mark whether the registrants: (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) have been subject to such filing requirements for the past 90 days. Yes (X) No ( )

Indicate by check mark whether each registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definitions of accelerated filer and large accelerated filer in Rule 12b-2 of the Securities Exchange Act of 1934.

	Large Accelerated Filer	Accelerated Filer	Non-Accelerated Filer
Ameren Corporation	(X)	( )	( )
Union Electric Company	( )	( )	(X)
Central Illinois Public Service Company	( )	( )	(X)
Ameren Energy Generating Company	( )	( )	(X)
CILCORP Inc.	( )	( )	(X)
Central Illinois Light Company	( )	( )	(X)
Illinois Power Company	( )	( )	(X)

Indicate by check mark whether each registrant is a shell company (as defined in Rule 12b-2 of the Securities Exchange Act of 1934).

Ameren Corporation	Yes ( )	No (X)
Union Electric Company	Yes ( )	No (X)
Central Illinois Public Service Company	Yes ( )	No (X)
Ameren Energy Generating Company	Yes ( )	No (X)
CILCORP Inc.	Yes ( )	No (X)
Central Illinois Light Company	Yes ( )	No (X)
Illinois Power Company	Yes ( )	No (X)

The number of shares outstanding of each registrant's classes of common stock as of April 30, 2007, was as follows:

Ameren Corporation	Common stock, \$.01 par value per share - 207,021,691
Union Electric Company	Common stock, \$5 par value per share, held by Ameren Corporation (parent company of the registrant) - 102,123,834
Central Illinois Public Service Company	Common stock, no par value, held by Ameren Corporation (parent company of the registrant) - 25,452,373
Ameren Energy Generating Company	Common stock, no par value, held by Ameren Energy Development Company (parent company of the

Edgar Filing: CENTRAL ILLINOIS LIGHT CO - Form 10-Q

	registrant and indirect subsidiary of Ameren Corporation) - 2,000
CILCORP Inc.	Common stock, no par value, held by Ameren Corporation (parent company of the registrant) - 1,000
Central Illinois Light Company	Common stock, no par value, held by CILCORP Inc. (parent company of the registrant and subsidiary of Ameren Corporation) - 13,563,871
Illinois Power Company	Common stock, no par value, held by Ameren Corporation (parent company of the registrant) - 23,000,000

---

**OMISSION OF CERTAIN INFORMATION**

Ameren Energy Generating Company and CILCORP Inc. meet the conditions set forth in General Instruction H(1)(a) and (b) of Form 10-Q and are therefore filing this form with the reduced disclosure format allowed under that General Instruction.

---

This combined Form 10-Q is separately filed by Ameren Corporation, Union Electric Company, Central Illinois Public Service Company, Ameren Energy Generating Company, CILCORP Inc., Central Illinois Light Company, and Illinois Power Company. Each registrant hereto is filing on its own behalf all of the information contained in this quarterly report that relates to such registrant. Each registrant hereto is not filing any information that does not relate to such registrant, and therefore makes no representation as to any such information.

---

**TABLE OF CONTENTS**

Glossary of Terms and Abbreviations.....

Forward-looking Statements.....

**PART I Financial Information**

Item 1. Financial Statements (Unaudited)

**Ameren Corporation**

Consolidated Statement of Income.....

Consolidated Balance Sheet.....

Consolidated Statement of Cash Flows.....

**Union Electric Company**

Consolidated Statement of Income.....

Consolidated Balance Sheet.....

Consolidated Statement of Cash Flows.....

**Central Illinois Public Service Company**

Statement of Income.....

Balance Sheet.....

Statement of Cash Flows.....

**Ameren Energy Generating Company**

Consolidated Statement of Income.....

Consolidated Balance Sheet.....

Consolidated Statement of Cash Flows.....

**CILCORP Inc.**

Consolidated Statement of Income.....

Consolidated Balance Sheet.....

Consolidated Statement of Cash Flows.....

**Central Illinois Light Company**

Consolidated Statement of Income.....

Consolidated Balance Sheet.....

Consolidated Statement of Cash Flows.....

**Illinois Power Company**

Consolidated Statement of Income.....

Consolidated Balance Sheet.....

Consolidated Statement of Cash Flows.....

Combined Notes to Financial Statements.....

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.....

Item 3. Quantitative and Qualitative Disclosures About Market Risk.....

Item 4. Controls and Procedures.....

**PART II Other Information**

Item 1. Legal Proceedings.....

Item 1A. Risk Factors.....

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.....

Item 6. Exhibits.....

Signatures.....

This Form 10-Q contains “forward-looking” statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are all statements other than statements of historical fact, including those statements that are identified by the use of the words “anticipates,” “estimates,” “expects,” “intends,” “plans,” “predicts,” “projects,” and similar expressions. Forward-looking statements should be read with the cautionary statements and important factors included on page 6 of this Form 10-Q under the heading “Forward-looking Statements.”





## GLOSSARY OF TERMS AND ABBREVIATIONS

We use the words “our,” “we” or “us” with respect to certain information that relates to all Ameren Companies, as defined below. When appropriate, subsidiaries of Ameren are named specifically as we discuss their various business activities.

**AERG** - AmerenEnergy Resources Generating Company, a CILCO subsidiary that operates a non-rate-regulated electric generation business in Illinois.

**AFS** - Ameren Energy Fuels and Services Company, a Development Company subsidiary that procures fuel and natural gas and manages the related risks for the Ameren Companies.

**Ameren** - Ameren Corporation and its subsidiaries on a consolidated basis. In references to financing activities, acquisition activities, or liquidity arrangements, Ameren is defined as Ameren Corporation, the parent.

**Ameren Companies** - The individual registrants within the Ameren consolidated group.

**Ameren Energy** - Ameren Energy, Inc., an Ameren Corporation subsidiary that is a power marketing and risk management agent for UE.

**Ameren Illinois Utilities** - CIPS, IP and the rate-regulated electric and gas utility operations of CILCO.

**Ameren Services** - Ameren Services Company, an Ameren Corporation subsidiary that provides support services to Ameren and its subsidiaries.

**ARO** - Asset retirement obligations.

**Baseload** - The minimum amount of electric power delivered or required over a given period of time at a steady rate.

**Capacity factor** - A percentage measure that indicates how much of an electric power generating unit’s capacity was used during a specific period.

**CILCO** - Central Illinois Light Company, a CILCORP subsidiary that operates a rate-regulated electric and natural gas transmission and distribution business and a non-rate-regulated electric generation business through AERG, all in Illinois, as AmerenCILCO. CILCO owns all of the common stock of AERG.

**CILCORP** - CILCORP Inc., an Ameren Corporation subsidiary that operates as a holding company for CILCO and various non-rate-regulated subsidiaries.

**CIPS** - Central Illinois Public Service Company, an Ameren Corporation subsidiary that operates a rate-regulated electric and natural gas transmission and distribution business in Illinois as AmerenCIPS.

**CIPSCO** - CIPSCO Inc., the former parent of CIPS.

**CT** - Combustion turbine electric generation equipment used primarily for peaking capacity.

**CUB** - Citizens Utility Board.

**Development Company** - Ameren Energy Development Company, which is a Resources Company subsidiary and Genco, Marketing Company and AFS parent.

**DOE** - Department of Energy, a U.S. government agency.

**DRPlus** - Ameren Corporation’s dividend reinvestment and direct stock purchase plan.

**Dynegy** - Dynegy Inc.

**EEL** - Electric Energy, Inc., an 80%-owned Ameren Corporation subsidiary (40% owned by UE and 40% owned by Development Company) that operates non-rate-regulated electric generation facilities and FERC-regulated transmission facilities in Illinois. The remaining 20% is owned by Kentucky Utilities Company.

**ELPC** - Environmental Law and Policy Center.

**EPA** - Environmental Protection Agency, a U.S. government agency.

**Exchange Act** - Securities Exchange Act of 1934, as amended.

**FASB** - Financial Accounting Standards Board, a rulemaking organization that establishes financial accounting and reporting standards in the United States.

**FERC** - The Federal Energy Regulatory Commission, a U.S. government agency.

**FIN** - FASB Interpretation. A FIN statement is an explanation intended to clarify accounting pronouncements previously issued by the FASB.

**Fitch** - Fitch Ratings, a credit rating agency.

**GAAP** - Generally accepted accounting principles in the United States.

**Genco** - Ameren Energy Generating Company, a Development Company subsidiary that operates a non-rate-regulated electric generation business in Illinois and Missouri.

**Gigawatthour** - One thousand megawatthours.

**Heating degree-days** - The summation of negative differences between the mean daily temperature and a 65- degree Fahrenheit base. This statistic is useful as an indicator of demand for electricity and natural gas for winter space heating for residential and commercial customers.

**ICC** - Illinois Commerce Commission, a state agency that regulates the Illinois utility businesses and the rate-regulated operations of CIPS, CILCO and IP.

**Illinois Customer Choice Law** - Illinois Electric Service Customer Choice and Rate Relief Law of 1997, which provided for electric utility restructuring and introduced competition into the retail supply of electric energy in Illinois.

**Illinois EPA** - Illinois Environmental Protection Agency, a state government agency.

**Illinois Regulated** - A financial reporting segment consisting of the regulated electric and gas transmission and distribution businesses of CIPS, CILCO and IP.

**IP** - Illinois Power Company, an Ameren Corporation subsidiary. IP operates a rate-regulated electric and natural gas transmission and distribution business in Illinois as AmerenIP.

**IP LLC** - Illinois Power Securitization Limited Liability Company, which is a special-purpose Delaware limited-liability company. Under FIN 46R, Consolidation of Variable-interest

Entities, IP LLC was no longer consolidated within IP's financial statements as of December 31, 2003.

**IP SPT** - Illinois Power Special Purpose Trust, which was created as a subsidiary of IP LLC to issue TFNs as allowed under the Illinois Customer Choice Law. Pursuant to FIN 46R, IP SPT is a variable-interest entity, as the equity investment is not sufficient to permit IP SPT to finance its activities without additional subordinated debt.

**JDA** - The joint dispatch agreement among UE, CIPS, and Genco under which UE and Genco jointly dispatched electric generation prior to its termination on December 31, 2006.

**Kilowatthour** - A measure of electricity consumption equivalent to the use of 1,000 watts of power over a period of one hour.

**Marketing Company** - Ameren Energy Marketing Company, a Development Company subsidiary that markets power for Genco, AERG and EEI.

**Medina Valley** - AmerenEnergy Medina Valley Cogen (No. 4) LLC and its subsidiaries, all Development Company subsidiaries, which indirectly own a 40-megawatt gas-fired electric generation plant.

**Megawatthour** - One thousand kilowatthours.

**MGP** - Manufactured gas plant.

**MISO** - Midwest Independent Transmission System Operator, Inc.

**MISO Day Two Energy Market** - A market that uses market-based pricing, incorporating transmission congestion and line losses, to compensate market participants for power. **Missouri Regulated** - A financial reporting segment consisting of all the operations of UE's business, except for UE's 40% interest in EEI and other non-rate-regulated activities.

**Money pool** - Borrowing agreements among Ameren and its subsidiaries to coordinate and provide for certain short-term cash and working capital requirements. Separate money pools are maintained between rate-regulated and non-rate-regulated businesses. These are referred to as the utility money pool and the non-state-regulated subsidiary money pool, respectively.

**Moody's** - Moody's Investors Service Inc., a credit rating agency.

**MoPSC** - Missouri Public Service Commission, a state agency that regulates the Missouri utility business and operations of UE.

**Non-rate-regulated Generation** - A financial reporting segment consisting of the operations or activities of Genco, CILCORP holding company, AERG, EEI and Marketing Company.

**NO<sub>x</sub>** - Nitrogen oxide.

**NRC** - Nuclear Regulatory Commission, a U.S. government agency.

**NYMEX** - New York Mercantile Exchange.

**OCI** - Other comprehensive income (loss) as defined by GAAP.

**PGA** - Purchased Gas Adjustment tariffs, which allow the passing through of the actual cost of natural gas to utility customers.

**PUHCA 1935** - The Public Utility Holding Company Act of 1935, which was repealed effective February 8, 2006, by the Energy Policy Act of 2005 that was enacted on August 8, 2005.

**PUHCA 2005** - The Public Utility Holding Company Act of 2005, enacted as part of the Energy Policy Act of 2005, effective February 8, 2006.

**Resources Company** - Ameren Energy Resources Company, an Ameren Corporation subsidiary that consists of non-rate-regulated operations, including Development Company, Genco, Marketing Company, AFS, and Medina Valley.

**S&P** - Standard & Poor's Ratings Services, a credit rating agency that is a division of The McGraw-Hill Companies, Inc.

**SEC** - Securities and Exchange Commission, a U.S. government agency.

**SFAS** - Statement of Financial Accounting Standards, the accounting and financial reporting rules issued by the FASB.

**SO<sub>2</sub>** - Sulfur dioxide.

**TFN** - Transitional Funding Trust Notes issued by IP SPT as allowed under the Illinois Customer Choice Law. IP must designate a portion of cash received from customer billings to pay the TFNs. The proceeds received by IP are remitted to IP SPT. The proceeds are restricted for the sole purpose of making payments of principal and interest on, and paying other fees and expenses related to, the TFNs. Since the application of FIN 46R, IP does not consolidate IP

SPT. Therefore, the obligation to IP SPT appears on IP's balance sheet.

*TVA* - Tennessee Valley Authority, a public power authority.

*UE* - Union Electric Company, an Ameren Corporation subsidiary that operates a rate-regulated electric generation, transmission and distribution business, and a rate-regulated natural gas transmission and distribution business in Missouri as AmerenUE.

---

## **FORWARD-LOOKING STATEMENTS**

Statements in this report 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 and elsewhere in this report and in our other filings with the SEC, could cause actual results to differ materially from management expectations suggested in such forward-looking statements:

- regulatory or legislative actions, including changes in regulatory policies and ratemaking determinations, such as in UE's pending electric rate case and the outcome of CIPS, CILCO and IP rate rehearing proceedings, or the enactment of legislation rolling back and freezing electric rates at 2006 levels or similar actions that impair the full and timely recovery of costs in Illinois;
- the contribution by the Ameren Illinois Utilities, Genco or AERG to an electric rate increase phase-in plan, customer credits or energy efficiency and assistance programs to avoid electric rate rollback and freeze, generation tax or similar legislation in Illinois;
  - the impact of the termination of the JDA;
  - changes in laws and other governmental actions, including monetary and fiscal policies;
- the effects of increased competition in the future due to, among other things, deregulation of certain aspects of our business at both the state and federal levels, and the implementation of deregulation, such as occurred when the electric rate freeze and power supply contracts expired in Illinois at the end of 2006;
  - the effects of participation in the MISO;
- the availability of fuel such as coal, natural gas, and enriched uranium used to produce electricity; the availability of purchased power and natural gas for distribution; and the level and volatility of future market prices for such commodities, including the ability to recover the costs for such commodities;
  - the effectiveness of our risk management strategies and the use of financial and derivative instruments;
    - prices for power in the Midwest;
    - business and economic conditions, including their impact on interest rates;
- disruptions of the capital markets or other events that make the Ameren Companies' access to necessary capital more difficult or costly;
- the impact of the adoption of new accounting standards and the application of appropriate technical accounting rules and guidance;
  - actions of credit rating agencies and the effects of such actions;
    - weather conditions and other natural phenomena;
    - the impact of system outages caused by severe weather conditions or other events;
- generation plant construction, installation and performance, including costs associated with UE's Taum Sauk pumped-storage hydroelectric plant incident and the plant's future operation;
- recoverability through insurance of costs associated with UE's Taum Sauk pumped-storage hydroelectric plant incident;
- operation of UE's nuclear power facility, including planned and unplanned outages, and decommissioning costs;
  - the effects of strategic initiatives, including acquisitions and divestitures;
- the impact of current environmental regulations on utilities and power generating companies and the expectation that more stringent requirements, including those related to greenhouse gases, will be introduced over time, which could have a negative financial effect;
  - labor disputes, future wage and employee benefits costs, including changes in returns on benefit plan assets;
- the inability of our counterparties and affiliates to meet their obligations with respect to contracts and financial instruments;
- the cost and availability of transmission capacity for the energy generated by the Ameren Companies' facilities or required to satisfy energy sales made by the Ameren Companies;
  - legal and administrative proceedings; and
  - acts of sabotage, war, terrorism or intentionally disruptive acts.

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.



**PART I. FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS**

**AMEREN CORPORATION**  
**CONSOLIDATED STATEMENT OF INCOME**  
(Unaudited) (In millions, except per share amounts)

	<b>Three Months Ended March 31,</b>	
	<b>2007</b>	<b>2006</b>
<b>Operating Revenues:</b>		
Electric	\$ 1,458	\$ 1,211
Gas	561	589
Total operating revenues	2,019	1,800
<b>Operating Expenses:</b>		
Fuel	263	252
Purchased power	373	273
Gas purchased for resale	421	453
Other operations and maintenance	396	352
Depreciation and amortization	176	161
Taxes other than income taxes	102	113
Total operating expenses	1,731	1,604
<b>Operating Income</b>	<b>288</b>	<b>196</b>
<b>Other Income and Expenses:</b>		
Miscellaneous income	16	4
Total other income	16	4
<b>Interest Charges</b>	<b>100</b>	<b>76</b>
<b>Income Before Income Taxes, Minority Interest and Preferred Dividends of</b>		
<b>Subsidiaries</b>	<b>204</b>	<b>124</b>
<b>Income Taxes</b>	<b>71</b>	<b>44</b>
<b>Income Before Minority Interest and Preferred Dividends of Subsidiaries</b>	<b>133</b>	<b>80</b>
<b>Minority Interest and Preferred Dividends of Subsidiaries</b>	<b>10</b>	<b>10</b>
<b>Net Income</b>	<b>\$ 123</b>	<b>\$ 70</b>
<b>Earnings per Common Share – Basic and Diluted</b>	<b>\$ 0.59</b>	<b>\$ 0.34</b>
<b>Dividends per Common Share</b>	<b>\$ 0.635</b>	<b>\$ 0.635</b>
<b>Average Common Shares Outstanding</b>	<b>206.6</b>	<b>204.8</b>

The accompanying notes are an integral part of these consolidated financial statements.





**AMEREN CORPORATION**  
**CONSOLIDATED BALANCE SHEET**  
(Unaudited) (In millions, except per share amounts)

	March 31, 2007	December 31, 2006
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 161	\$ 137
Accounts receivables – trade (less allowance for doubtful accounts of \$25 and \$11, respectively)	687	418
Unbilled revenue	216	309
Miscellaneous accounts and notes receivable	177	160
Materials and supplies	489	647
Other current assets	130	203
Total current assets	1,860	1,874
<b>Property and Plant, Net</b>	<b>14,353</b>	<b>14,286</b>
<b>Investments and Other Assets:</b>		
Investments in leveraged leases	13	13
Nuclear decommissioning trust fund	288	285
Goodwill	831	831
Intangible assets	210	217
Other assets	650	641
Regulatory assets	1,421	1,431
Total investments and other assets	3,413	3,418
<b>TOTAL ASSETS</b>	<b>\$ 19,626</b>	<b>\$ 19,578</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities:</b>		
Current maturities of long-term debt	\$ 303	\$ 456
Short-term debt	953	612
Accounts and wages payable	454	671
Taxes accrued	137	58
Other current liabilities	402	405
Total current liabilities	2,249	2,202
<b>Long-term Debt, Net</b>	<b>5,260</b>	<b>5,285</b>
<b>Preferred Stock of Subsidiary Subject to Mandatory Redemption</b>	<b>18</b>	<b>18</b>
<b>Deferred Credits and Other Liabilities:</b>		
Accumulated deferred income taxes, net	2,000	2,144
Accumulated deferred investment tax credits	116	118
Regulatory liabilities	1,185	1,234
Asset retirement obligations	557	549
Accrued pension and other postretirement benefits	1,086	1,065
Other deferred credits and liabilities	385	169
Total deferred credits and other liabilities	5,329	5,279
<b>Preferred Stock of Subsidiaries Not Subject to Mandatory Redemption</b>	<b>195</b>	<b>195</b>

<b>Minority Interest in Consolidated Subsidiaries</b>	<b>18</b>	16
<b>Commitments and Contingencies (Notes 2, 8, and 9)</b>		
<b>Stockholders' Equity:</b>		
Common stock, \$.01 par value, 400.0 shares authorized –		
shares outstanding of 207.0 and 206.6, respectively	<b>2</b>	2
Other paid-in capital, principally premium on common stock	<b>4,521</b>	4,495
Retained earnings	<b>2,011</b>	2,024
Accumulated other comprehensive income	<b>23</b>	62
Total stockholders' equity	<b>6,557</b>	6,583
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 19,626</b>	<b>\$ 19,578</b>

The accompanying notes are an integral part of these consolidated financial statements.

**AMEREN CORPORATION**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
(Unaudited) (In millions)

	Three Months Ended March 31,	
	2007	2006
<b>Cash Flows From Operating Activities:</b>		
Net income	\$ 123	\$ 70
Adjustments to reconcile net income to net cash provided by operating activities:		
Gains on sale of emission allowances	(4)	(4)
Depreciation and amortization	182	169
Amortization of nuclear fuel	9	9
Amortization of debt issuance costs and premium/discounts	5	4
Deferred income taxes and investment tax credits, net	(12)	8
Minority interest	7	7
Other	6	7
Changes in assets and liabilities:		
Receivables, net	(193)	104
Materials and supplies	158	151
Accounts and wages payable	(81)	(282)
Taxes accrued	77	(1)
Assets, other	24	44
Liabilities, other	36	40
Pension and other postretirement benefit obligations, net	21	47
Net cash provided by operating activities	358	373
<b>Cash Flows From Investing Activities:</b>		
Capital expenditures	(357)	(220)
CT acquisitions	-	(292)
Nuclear fuel expenditures	(23)	(24)
Purchases of securities – Nuclear Decommissioning Trust Fund	(47)	(30)
Sales of securities – Nuclear Decommissioning Trust Fund	43	27
Purchases of emission allowances	(5)	(38)
Sales of emission allowances	2	4
Other	1	-
Net cash used in investing activities	(386)	(573)
<b>Cash Flows From Financing Activities:</b>		
Dividends on common stock	(131)	(130)
Short-term debt, net	341	274
Dividends paid to minority interest	(5)	(7)
Redemptions, repurchases, and maturities of long-term debt	(174)	(31)
Issuances of common stock	21	27
Net cash provided by financing activities	52	133
Net change in cash and cash equivalents	24	(67)

Cash and cash equivalents at beginning of year		<b>137</b>		96
Cash and cash equivalents at end of period	\$	<b>161</b>	\$	29

The accompanying notes are an integral part of these consolidated financial statements.

10

---

**UNION ELECTRIC COMPANY**  
**CONSOLIDATED STATEMENT OF INCOME**  
(Unaudited) (In millions)

	Three Months Ended March 31,	
	2007	2006
<b>Operating Revenues:</b>		
Electric - excluding off-system	\$ 451	\$ 501
Electric - off-system	122	66
Gas	76	69
Other	1	-
Total operating revenues	650	636
<b>Operating Expenses:</b>		
Fuel	125	125
Purchased power	33	67
Gas purchased for resale	49	44
Other operations and maintenance	224	171
Depreciation and amortization	87	80
Taxes other than income taxes	57	59
Total operating expenses	575	546
<b>Operating Income</b>	<b>75</b>	<b>90</b>
<b>Other Income and Expenses:</b>		
Miscellaneous income	10	3
Miscellaneous expense	(2)	(2)
Total other income	8	1
<b>Interest Charges</b>	<b>48</b>	<b>35</b>
<b>Income Before Income Taxes and Equity in Income of Unconsolidated Investment</b>	<b>35</b>	<b>56</b>
<b>Income Taxes</b>	<b>11</b>	<b>19</b>
<b>Income Before Equity in Income of Unconsolidated Investment</b>	<b>24</b>	<b>37</b>
<b>Equity in Income of Unconsolidated Investment, Net of Taxes</b>	<b>14</b>	<b>14</b>
<b>Net Income</b>	<b>38</b>	<b>51</b>
<b>Preferred Stock Dividends</b>	<b>1</b>	<b>1</b>
<b>Net Income Available to Common Stockholder</b>	<b>\$ 37</b>	<b>\$ 50</b>

The accompanying notes as they relate to UE are an integral part of these consolidated financial statements.

**UNION ELECTRIC COMPANY**  
**CONSOLIDATED BALANCE SHEET**  
(Unaudited) (In millions, except per share amounts)

	March 31, 2007	December 31 2006
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ -	\$ 1
Accounts receivable – trade (less allowance for doubtful accounts of \$8 and \$6, respectively)	164	145
Unbilled revenue	96	120
Miscellaneous accounts and notes receivable	110	128
Advances to money pool	14	18
Accounts receivable – affiliates	106	33
Materials and supplies	234	236
Other current assets	47	45
Total current assets	771	726
<b>Property and Plant, Net</b>	<b>7,931</b>	<b>7,882</b>
<b>Investments and Other Assets:</b>		
Nuclear decommissioning trust fund	288	285
Intangible assets	57	58
Other assets	472	526
Regulatory assets	801	810
Total investments and other assets	1,618	1,679
<b>TOTAL ASSETS</b>	<b>\$ 10,320</b>	<b>\$ 10,287</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities:</b>		
Current maturities of long-term debt	\$ 4	\$ 5
Short-term debt	448	234
Intercompany note payable – Ameren	214	77
Accounts and wages payable	120	313
Accounts payable – affiliates	102	185
Taxes accrued	97	66
Other current liabilities	174	191
Total current liabilities	1,159	1,071
<b>Long-term Debt, Net</b>	<b>2,935</b>	<b>2,934</b>
<b>Deferred Credits and Other Liabilities:</b>		
Accumulated deferred income taxes, net	1,250	1,293
Accumulated deferred investment tax credits	88	89
Regulatory liabilities	825	827
Asset retirement obligations	498	491
Accrued pension and other postretirement benefits	381	374
Other deferred credits and liabilities	80	55
Total deferred credits and other liabilities	3,122	3,129
<b>Commitments and Contingencies (Notes 2, 8 and 9)</b>		
<b>Stockholders' Equity:</b>		
	511	511

Common stock, \$5 par value, 150.0 shares authorized –  
102.1 shares outstanding

Preferred stock not subject to mandatory redemption	<b>113</b>	113
Other paid-in capital, principally premium on common stock	<b>739</b>	739
Retained earnings	<b>1,742</b>	1,783
Accumulated other comprehensive income (loss)	<b>(1)</b>	7
Total stockholders' equity	<b>3,104</b>	3,153
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 10,320</b>	\$ 10,287

The accompanying notes as they relate to UE are an integral part of these consolidated financial statements.



**UNION ELECTRIC COMPANY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
(Unaudited) (In millions)

	2007	March 31, 2006
<b>Cash Flows From Operating Activities:</b>		
Net income	\$ 38	\$ 51
Adjustments to reconcile net income to net cash provided by operating activities:		
Gain on sales of emission allowances	(3)	(2)
Depreciation and amortization	87	80
Amortization of nuclear fuel	9	9
Amortization of debt issuance costs and premium/discounts	1	1
Deferred income taxes and investment tax credits, net	9	-
Coal contract settlement	-	11
Other	2	(1)
Changes in assets and liabilities:		
Receivables, net	(50)	55
Materials and supplies	2	11
Accounts and wages payable	(195)	(177)
Taxes accrued	31	17
Assets, other	54	13
Liabilities, other	(42)	(1)
Pension and other postretirement obligations, net	7	19
Net cash provided by (used in) operating activities	(50)	86
<b>Cash Flows From Investing Activities:</b>		
Capital expenditures	(200)	(113)
CT acquisitions	-	(292)
Nuclear fuel expenditures	(23)	(24)
Changes in money pool advances	4	-
Proceeds from intercompany note receivable – CIPS	-	1
Purchases of securities – Nuclear Decommissioning Trust Fund	(47)	(30)
Sales of securities – Nuclear Decommissioning Trust Fund	43	27
Sales of emission allowances	2	2
Net cash used in investing activities	(221)	(429)
<b>Cash Flows From Financing Activities:</b>		
Dividends on common stock	(80)	(42)
Dividends on preferred stock	(1)	(1)
Short-term debt, net	214	365
Changes in money pool borrowings	-	1
Intercompany note payable - Ameren	137	-
Capital contribution from parent	-	1
Net cash provided by financing activities	270	324
Net change in cash and cash equivalents	(1)	(19)
Cash and cash equivalents at beginning of year	1	20
Cash and cash equivalents at end of period	\$ -	\$ 1

The accompanying notes as they relate to UE are an integral part of these consolidated financial statements.

13

---

**CENTRAL ILLINOIS PUBLIC SERVICE COMPANY**  
**STATEMENT OF INCOME**  
(Unaudited) (In millions)

	Three Months Ended March 31,	
	2007	2006
<b>Operating Revenues:</b>		
Electric	\$ 211	\$ 160
Gas	101	97
Other	2	-
Total operating revenues	314	257
<b>Operating Expenses:</b>		
Purchased power	150	117
Gas purchased for resale	74	72
Other operations and maintenance	43	38
Depreciation and amortization	17	16
Taxes other than income taxes	9	12
Total operating expenses	293	255
<b>Operating Income</b>	<b>21</b>	<b>2</b>
<b>Other Income and Expenses:</b>		
Miscellaneous income	3	5
Miscellaneous expense	-	(1)
Total other income	3	4
<b>Interest Charges</b>	<b>8</b>	<b>7</b>
<b>Income (Loss) Before Income Taxes</b>	<b>16</b>	<b>(1)</b>
<b>Income Taxes</b>	<b>5</b>	<b>-</b>
<b>Net Income (Loss)</b>	<b>11</b>	<b>(1)</b>
<b>Preferred Stock Dividends</b>	<b>1</b>	<b>1</b>
<b>Net Income (Loss) Available to Common Stockholder</b>	<b>\$ 10</b>	<b>\$ (2)</b>

The accompanying notes as they relate to CIPS are an integral part of these consolidated financial statements.

**CENTRAL ILLINOIS PUBLIC SERVICE COMPANY**  
**BALANCE SHEET**  
(Unaudited) (In millions)

	March 31, 2007	December 31, 2006
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 46	\$ 6
Accounts receivable – trade (less allowance for doubtful accounts of \$6 and \$2, respectively)	104	55
Unbilled revenue	31	43
Accounts receivable – affiliates	12	10
Current portion of intercompany note receivable – Genco	37	37
Current portion of intercompany tax receivable – Genco	9	9
Advances to money pool	15	1
Materials and supplies	33	71
Other current assets	45	46
Total current assets	332	278
<b>Property and Plant, Net</b>	<b>1,157</b>	<b>1,155</b>
<b>Investments and Other Assets:</b>		
Intercompany note receivable – Genco	126	126
Intercompany tax receivable – Genco	113	115
Other assets	25	27
Regulatory assets	144	146
Total investments and other assets	408	414
<b>TOTAL ASSETS</b>	<b>\$ 1,897</b>	<b>\$ 1,847</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities:</b>		
Short-term debt	\$ 100	\$ 35
Accounts and wages payable	50	36
Accounts payable – affiliates	33	81
Taxes accrued	14	10
Other current liabilities	39	36
Total current liabilities	236	198
<b>Long-term Debt, Net</b>	<b>471</b>	<b>471</b>
<b>Deferred Credits and Other Liabilities:</b>		
Accumulated deferred income taxes and investment tax credits, net	282	297
Regulatory liabilities	218	224
Accrued pension and other postretirement benefits	90	90
Other deferred credits and liabilities	46	24
Total deferred credits and other liabilities	636	635
<b>Commitments and Contingencies (Notes 2 and 8)</b>		
<b>Stockholders' Equity:</b>		
Common stock, no par value, 45.0 shares authorized – 25.5 shares outstanding	-	-

Edgar Filing: CENTRAL ILLINOIS LIGHT CO - Form 10-Q

Other paid-in capital	<b>190</b>	190
Preferred stock not subject to mandatory redemption	<b>50</b>	50
Retained earnings	<b>312</b>	302
Accumulated other comprehensive income	<b>2</b>	1
Total stockholders' equity	<b>554</b>	543
<b>TOTAL LIABILITIES AND STOCKHOLDERS'</b>		
<b>EQUITY</b>	<b>\$ 1,897</b>	\$ 1,847

The accompanying notes as they relate to CIPS are an integral part of these consolidated financial statements.

15

---

**CENTRAL ILLINOIS PUBLIC SERVICE COMPANY**  
**STATEMENT OF CASH FLOWS**  
(Unaudited) (In millions)

	Three Months Ended March 31,	
	2007	2006
<b>Cash Flows From Operating Activities:</b>		
Net income (loss)	\$ 11	\$ (1)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	17	16
Deferred income taxes and investment tax credits, net	(3)	(2)
Other	(1)	(1)
Changes in assets and liabilities:		
Receivables, net	(37)	26
Materials and supplies	38	36
Accounts and wages payable	(31)	(21)
Taxes accrued	4	(10)
Assets, other	9	22
Liabilities, other	3	2
Net cash provided by operating activities	10	67
<b>Cash Flows From Investing Activities:</b>		
Capital expenditures	(20)	(17)
Changes in money pool advances	(14)	(47)
Net cash used in investing activities	(34)	(64)
<b>Cash Flows From Financing Activities:</b>		
Dividends on preferred stock	(1)	(1)
Short-term debt, net	65	-
Changes in money pool borrowings	-	(2)
Net cash provided by (used in) financing activities	64	(3)
Net change in cash and cash equivalents	40	-
Cash and cash equivalents at beginning of year	6	-
Cash and cash equivalents at end of period	\$ 46	\$ -

The accompanying notes as they relate to CIPS are an integral part of these consolidated financial statements.

**AMEREN ENERGY GENERATING COMPANY**  
**CONSOLIDATED STATEMENT OF INCOME**  
(Unaudited) (In millions)

	Three Months Ended March 31,	
	2007	2006
<b>Operating Revenues</b>	\$ 243	\$ 247
<b>Operating Expenses:</b>		
Fuel	81	69
Purchased power	21	96
Other operations and maintenance	34	32
Depreciation and amortization	18	18
Taxes other than income taxes	6	6
Total operating expenses	160	221
<b>Operating Income</b>	<b>83</b>	<b>26</b>
<b>Interest Charges</b>	<b>14</b>	<b>15</b>
<b>Income Before Income Taxes</b>	<b>69</b>	<b>11</b>
<b>Income Taxes</b>	<b>26</b>	<b>5</b>
<b>Net Income</b>	<b>\$ 43</b>	<b>\$ 6</b>

The accompanying notes as they relate to Genco are an integral part of these consolidated financial statements.

**AMEREN ENERGY GENERATING COMPANY**  
**CONSOLIDATED BALANCE SHEET**  
(Unaudited) (In millions, except shares)

	March 31, 2007	December 31, 2006
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 1	\$ 1
Accounts receivable – affiliates	86	96
Accounts receivable – trade	12	19
Materials and supplies	96	96
Other current assets	6	5
Total current assets	201	217
<b>Property and Plant, Net</b>	<b>1,536</b>	<b>1,539</b>
<b>Intangible Assets</b>	<b>66</b>	<b>74</b>
<b>Other Assets</b>	<b>19</b>	<b>20</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,822</b>	<b>\$ 1,850</b>
<b>LIABILITIES AND STOCKHOLDER'S EQUITY</b>		
<b>Current Liabilities:</b>		
Current portion of intercompany notes payable – CIPS	\$ 37	\$ 37
Borrowings from money pool	130	123
Accounts and wages payable	19	52
Accounts payable – affiliates	35	66
Current portion of intercompany tax payable – CIPS	9	9
Taxes accrued	38	22
Other current liabilities	28	22
Total current liabilities	296	331
<b>Long-term Debt, Net</b>	<b>474</b>	<b>474</b>
<b>Intercompany Notes Payable – CIPS</b>	<b>126</b>	<b>126</b>
<b>Deferred Credits and Other Liabilities:</b>		
Accumulated deferred income taxes, net	144	165
Accumulated deferred investment tax credits	8	9
Intercompany tax payable – CIPS	113	115
Asset retirement obligations	31	31
Accrued pension and other postretirement benefits	35	34
Other deferred credits and liabilities	29	2
Total deferred credits and other liabilities	360	356
<b>Commitments and Contingencies (Notes 2 and 8)</b>		
<b>Stockholder's Equity:</b>		
Common stock, no par value, 10,000 shares authorized – 2,000 shares outstanding	-	-
Other paid-in capital	428	428
Retained earnings	160	156
Accumulated other comprehensive loss	(22)	(21)
Total stockholder's equity	566	563
<b>TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY</b>	<b>\$ 1,822</b>	<b>\$ 1,850</b>



The accompanying notes as they relate to Genco are an integral part of these consolidated financial statements.

**AMEREN ENERGY GENERATING COMPANY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
(Unaudited) (In millions)

	Three Months Ended March 31,	
	2007	2006
<b>Cash Flows From Operating Activities:</b>		
Net income	\$ 43	\$ 6
Adjustments to reconcile net income to net cash provided by operating activities:		
Gain on sales of emission allowances	(1)	(1)
Depreciation and amortization	26	27
Deferred income taxes and investment tax credits, net	2	(1)
Other	1	1
Changes in assets and liabilities:		
Receivables, net	18	28
Materials and supplies	-	(12)
Accounts and wages payable	(42)	18
Taxes accrued, net	16	(3)
Assets, other	(2)	1
Liabilities, other	7	6
Pension and other postretirement obligations, net	1	2
Net cash provided by operating activities	69	72
<b>Cash Flows From Investing Activities:</b>		
Capital expenditures	(37)	(17)
Purchases of emission allowances	-	(26)
Sales of emission allowances	-	1
Net cash used in investing activities	(37)	(42)
<b>Cash Flows From Financing Activities:</b>		
Dividends on common stock	(39)	(22)
Changes in money pool borrowings	7	(8)
Net cash used in financing activities	(32)	(30)
Net change in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of year	1	-
Cash and cash equivalents at end of period	\$ 1	\$ -

The accompanying notes as they relate to Genco are an integral part of these consolidated financial statements.

**CILCORP INC.**  
**CONSOLIDATED STATEMENT OF INCOME**  
(Unaudited) (In millions)

	Three Months Ended March 31,	
	2007	2006
<b>Operating Revenues:</b>		
Electric	\$ 175	\$ 92
Gas	135	150
Total operating revenues	310	242
<b>Operating Expenses:</b>		
Fuel	23	24
Purchased power	72	2
Gas purchased for resale	103	119
Other operations and maintenance	42	45
Depreciation and amortization	19	18
Taxes other than income taxes	8	9
Total operating expenses	267	217
<b>Operating Income</b>	<b>43</b>	<b>25</b>
<b>Other Income and Expenses:</b>		
Miscellaneous income	2	-
Miscellaneous expense	(1)	(1)
Total other income and expenses	1	(1)
<b>Interest Charges</b>	<b>14</b>	<b>12</b>
<b>Income Before Income Taxes and Preferred Dividends of Subsidiaries</b>		
<b>Income Before Preferred Dividends of Subsidiaries</b>	<b>20</b>	<b>9</b>
<b>Preferred Dividends of Subsidiaries</b>	<b>-</b>	<b>1</b>
<b>Net Income</b>	<b>\$ 20</b>	<b>\$ 8</b>

The accompanying notes as they relate to CILCORP are an integral part of these consolidated financial statements.

**CILCORP INC.**  
**CONSOLIDATED BALANCE SHEET**  
(Unaudited) (In millions, except shares)

	March 31, 2007	December 31, 2006
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 27	\$ 4
Accounts receivables – trade (less allowance for doubtful accounts of \$3 and \$1, respectively)	77	47
Unbilled revenue	26	45
Accounts receivables – affiliates	37	10
Advances to money pool	-	42
Materials and supplies	45	93
Other current assets	25	42
Total current assets	237	283
<b>Property and Plant, Net</b>	<b>1,291</b>	<b>1,277</b>
<b>Investments and Other Assets:</b>		
Goodwill	542	542
Intangible assets	46	48
Other assets	19	16
Regulatory assets	80	75
Total investments and other assets	687	681
<b>TOTAL ASSETS</b>	<b>\$ 2,215</b>	<b>\$ 2,241</b>
<b>LIABILITIES AND STOCKHOLDER'S EQUITY</b>		
<b>Current Liabilities:</b>		
Current maturities of long-term debt	\$ -	\$ 50
Short-term debt	289	215
Borrowings from money pool, net	31	-
Intercompany note payable – Ameren	-	73
Accounts and wages payable	42	54
Accounts payable – affiliates	30	60
Taxes accrued	8	3
Other current liabilities	61	58
Total current liabilities	461	513
<b>Long-term Debt, Net</b>	<b>541</b>	<b>542</b>
<b>Preferred Stock of Subsidiary Subject to Mandatory Redemption</b>	<b>18</b>	<b>18</b>
<b>Deferred Credits and Other Liabilities:</b>		
Accumulated deferred income taxes, net	181	201
Accumulated deferred investment tax credits	7	7
Regulatory liabilities	65	73
Accrued pension and other postretirement benefits	173	171
Other deferred credits and liabilities	59	26
Total deferred credits and other liabilities	485	478
	19	19

**Preferred Stock of Subsidiary Not Subject to  
Mandatory Redemption**

**Commitments and Contingencies (Notes 2 and 8)**

**Stockholder's Equity:**

Common stock, no par value, 10,000 shares authorized

– 1,000 shares outstanding

	-	-
--	---	---

Other paid-in capital	627	627
-----------------------	-----	-----

Retained earnings	30	11
-------------------	----	----

Accumulated other comprehensive income	34	33
--	----	----

Total stockholder's equity	691	671
----------------------------	-----	-----

**TOTAL LIABILITIES AND STOCKHOLDER'S**

<b>EQUITY</b>	<b>\$ 2,215</b>	<b>\$ 2,241</b>
---------------	-----------------	-----------------

The accompanying notes as they relate to CILCORP are an integral part of these consolidated financial statements.

**CILCORP INC.**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
(Unaudited) (In millions)

	Three Months Ended March 31,	
	2007	2006
<b>Cash Flows From Operating Activities:</b>		
Net income	\$ 20	\$ 8
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	20	26
Deferred income taxes and investment tax credits	(2)	(2)
Gain on sales of emission allowances	-	(1)
Other	(1)	2
Changes in assets and liabilities:		
Receivables, net	(38)	5
Materials and supplies	48	46
Accounts and wages payable	(30)	(43)
Taxes accrued	2	13
Assets, other	11	19
Liabilities, other	10	2
Pension and postretirement benefit obligations, net	2	3
Net cash provided by operating activities	42	78
<b>Cash Flows From Investing Activities:</b>		
Capital expenditures	(43)	(25)
Changes in money pool advances	42	-
Purchases of emission allowances	-	(12)
Sales of emission allowances	-	1
Net cash used in investing activities	(1)	(36)
<b>Cash Flows From Financing Activities:</b>		
Dividends on common stock	-	(50)
Short-term debt, net	74	-
Changes in money pool borrowings	31	6
Redemptions, repurchases, and maturities:		
Long-term debt	(50)	(3)
Intercompany note payable – Ameren	(73)	-
Issuances:		
Intercompany note payable – Ameren	-	5
Net cash used in financing activities	(18)	(42)
Net change in cash and cash equivalents	23	-
Cash and cash equivalents at beginning of year	4	3
Cash and cash equivalents at end of period	\$ 27	\$ 3

The accompanying notes as they relate to CILCORP are an integral part of these consolidated financial statements.

**CENTRAL ILLINOIS LIGHT COMPANY**  
**CONSOLIDATED STATEMENT OF INCOME**  
(Unaudited) (In millions)

	Three Months Ended March 31,	
	2007	2006
<b>Operating Revenues:</b>		
Electric	\$ 175	\$ 92
Gas	135	150
Total operating revenues	310	242
<b>Operating Expenses:</b>		
Fuel	22	23
Purchased power	72	2
Gas purchased for resale	103	119
Other operations and maintenance	41	41
Depreciation and amortization	18	17
Taxes other than income taxes	8	9
Total operating expenses	264	211
<b>Operating Income</b>	<b>46</b>	<b>31</b>
<b>Other Income and Expenses:</b>		
Miscellaneous income	1	-
Miscellaneous expense	(1)	(1)
Total other expenses	-	(1)
<b>Interest Charges</b>	<b>6</b>	<b>4</b>
<b>Income Before Income Taxes</b>	<b>40</b>	<b>26</b>
<b>Income Taxes</b>	<b>14</b>	<b>9</b>
<b>Net Income</b>	<b>\$ 26</b>	<b>\$ 17</b>

The accompanying notes as they relate to CILCO are an integral part of these consolidated financial statements.

**CENTRAL ILLINOIS LIGHT COMPANY**  
**CONSOLIDATED BALANCE SHEET**  
(Unaudited) (In millions)

March 31,  
2007

December 31  
2006

**ASSETS**

<b>Current Assets:</b>			
Cash and cash equivalents	\$	25	\$ 3
Accounts receivable – trade (less allowance for doubtful accounts of \$3 and \$1, respectively)		77	47
Unbilled revenue		26	45
Accounts receivable – affiliates		32	9
Advances to money pool		-	42
Materials and supplies		45	93
Other current assets		24	32
Total current assets		229	271
<b>Property and Plant, Net</b>		<b>1,290</b>	<b>1,275</b>
<b>Intangible Assets</b>		<b>1</b>	<b>2</b>
<b>Other Assets</b>		<b>21</b>	<b>18</b>
<b>Regulatory Assets</b>		<b>80</b>	<b>75</b>
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>1,621</b>	<b>\$ 1,641</b>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

<b>Current Liabilities:</b>			
Current maturities of long-term debt	\$	-	\$ 50
Short-term debt		135	165
Borrowings from money pool		31	-
Accounts and wages payable		42	54
Accounts payable – affiliates		30	47
Taxes accrued		17	3
Other current liabilities		44	47
Total current liabilities		299	366
<b>Long-term Debt, Net</b>		<b>148</b>	<b>148</b>
<b>Preferred Stock Subject to Mandatory Redemption</b>		<b>18</b>	<b>18</b>
<b>Deferred Credits and Other Liabilities:</b>			
Accumulated deferred income taxes, net		146	166
Accumulated deferred investment tax credits		7	7
Regulatory liabilities		197	206
Accrued pension and other postretirement benefits		173	171
Other deferred credits and liabilities		59	24
Total deferred credits and other liabilities		582	574
<b>Commitments and Contingencies (Notes 2 and 8)</b>			
<b>Stockholders' Equity:</b>			
Common stock, no par value, 20.0 shares authorized – 13.6 shares outstanding		-	-
Preferred stock not subject to mandatory redemption		19	19



Edgar Filing: CENTRAL ILLINOIS LIGHT CO - Form 10-Q

Other paid-in capital	<b>429</b>	415
Retained earnings	<b>124</b>	99
Accumulated other comprehensive income	<b>2</b>	2
Total stockholders' equity	<b>574</b>	535
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 1,621</b>	<b>\$ 1,641</b>

The accompanying notes as they relate to CILCO are an integral part of these consolidated financial statements

24

---





**CENTRAL ILLINOIS LIGHT COMPANY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
(Unaudited) (In millions)

	Three Months Ended March 31,	
	2007	2006
<b>Cash Flows From Operating Activities:</b>		
Net income	\$ 26	\$ 17
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	19	21
Deferred income taxes and investment tax credits, net	(3)	(3)
Gain on sales of emission allowances	-	(1)
Other	(1)	1
Changes in assets and liabilities:		
Receivables, net	(34)	9
Materials and supplies	48	48
Accounts and wages payable	(17)	(43)
Taxes accrued	11	12
Assets, other	2	1
Liabilities, other	5	10
Pension and postretirement benefit obligations, net	2	6
Net cash provided by operating activities	58	78
<b>Cash Flows From Investing Activities:</b>		
Capital expenditures	(43)	(25)
Changes in money pool advances	42	-
Purchases of emission allowances	-	(12)
Sales of emission allowances	-	1
Net cash used in investing activities	(1)	(36)
<b>Cash Flows From Financing Activities:</b>		
Dividends on common stock	-	(50)
Short-term debt, net	(30)	-
Changes in money pool borrowings	31	7
Redemptions, repurchases, and maturities of long-term debt	(50)	-
Capital contribution from parent	14	-
Net cash used in financing activities	(35)	(43)
Net change in cash and cash equivalents	22	(1)
Cash and cash equivalents at beginning of year	3	2
Cash and cash equivalents at end of period	\$ 25	\$ 1

The accompanying notes as they relate to CILCO are an integral part of these consolidated financial statements.

**ILLINOIS POWER COMPANY**  
**CONSOLIDATED STATEMENT OF INCOME**  
(Unaudited) (In millions)

	Three Months Ended March 31,	
	2007	2006
<b>Operating Revenues:</b>		
Electric	\$ 272	\$ 242
Gas	241	255
Other	2	-
Total operating revenues	515	497
<b>Operating Expenses:</b>		
Purchased power	189	177
Gas purchased for resale	185	201
Other operations and maintenance	59	59
Depreciation and amortization	21	19
Amortization of regulatory assets	4	-
Taxes other than income taxes	21	22
Total operating expenses	479	478
<b>Operating Income</b>	<b>36</b>	<b>19</b>
<b>Other Income and Expenses:</b>		
Miscellaneous income	2	1
Miscellaneous expense	(1)	(1)
Total other income	1	-
<b>Interest Charges</b>	<b>16</b>	<b>12</b>
<b>Income Before Income Taxes</b>	<b>21</b>	<b>7</b>
<b>Income Taxes</b>	<b>8</b>	<b>3</b>
<b>Net Income</b>	<b>13</b>	<b>4</b>
<b>Preferred Stock Dividends</b>	<b>1</b>	<b>1</b>
<b>Net Income Available to Common Stockholder</b> \$	<b>12</b>	<b>\$ 3</b>

The accompanying notes as they relate to IP are an integral part of these consolidated financial statements.

**ILLINOIS POWER COMPANY**  
**CONSOLIDATED BALANCE SHEET**  
(Unaudited) (In millions)

	March 31, 2007	December 31, 2006
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 43	\$ -
Accounts receivable - trade (less allowance for doubtful accounts of \$8 and \$3, respectively)	177	105
Unbilled revenue	61	101
Accounts receivable – affiliates	5	1
Advances to money pool	16	-
Materials and supplies	52	122
Other current assets	20	27
Total current assets	374	356
<b>Property and Plant, Net</b>	<b>2,147</b>	<b>2,134</b>
<b>Investments and Other Assets:</b>		
Investment in IP SPT	8	8
Goodwill	214	214
Other assets	48	62
Regulatory assets	397	401
Total investments and other assets	667	685
<b>TOTAL ASSETS</b>	<b>\$ 3,188</b>	<b>\$ 3,175</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities:</b>		
Current maturities of long-term debt to IP SPT	\$ 49	\$ 51
Short-term debt	190	75
Borrowings from money pool	-	43
Accounts and wages payable	84	119
Accounts payable – affiliates	48	67
Taxes accrued	3	7
Other current liabilities	70	72
Total current liabilities	444	434
<b>Long-term Debt, Net</b>	<b>770</b>	<b>772</b>
<b>Long-term Debt to IP SPT</b>	<b>69</b>	<b>92</b>
<b>Deferred Credits and Other Liabilities:</b>		
Regulatory liabilities	77	110
Accrued pension and other postretirement benefits	232	230
Accumulated deferred income taxes		130 138
Other deferred credits and other noncurrent liabilities		108 53
Total deferred credits and other liabilities		547 531
<b>Commitments and Contingencies (Notes 2 and 8)</b>		
<b>Stockholders' Equity:</b>		
Common stock, no par value, 100.0 shares authorized – 23.0 shares outstanding		- -
Other paid-in-capital		1,194 1,194

Edgar Filing: CENTRAL ILLINOIS LIGHT CO - Form 10-Q

Preferred stock not subject to mandatory redemption	<b>46</b>	46
Retained earnings	<b>113</b>	101
Accumulated other comprehensive income	<b>5</b>	5
Total stockholders' equity	<b>1,358</b>	1,346
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 3,188</b>	<b>\$ 3,175</b>

The accompanying notes as they relate to IP are an integral part of these consolidated financial statements.

**ILLINOIS POWER COMPANY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
(Unaudited) (In millions)

	Three Months Ended March 31,	
	2007	2006
<b>Cash Flows From Operating Activities:</b>		
Net income	\$ 13	\$ 4
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	22	7
Amortization of debt issuance costs and premium/discounts	2	1
Deferred income taxes	5	7
Changes in assets and liabilities:		
Receivables, net	(36)	21
Materials and supplies	70	75
Accounts and wages payable	(40)	(46)
Assets, other	17	15
Liabilities, other	3	(23)
Pension and other postretirement benefit obligations, net	2	4
Net cash provided by operating activities	58	65
<b>Cash Flows From Investing Activities:</b>		
Capital expenditures	(46)	(38)
Changes in money pool advances	(16)	-
Net cash used in investing activities	(62)	(38)
<b>Cash Flows From Financing Activities:</b>		
Dividends on common stock	-	-
Dividends on preferred stock	(1)	(1)
Short-term debt, net	115	-
Changes in money pool borrowings, net	(43)	3
Redemptions, repurchases and maturities of long-term debt	(22)	(23)
Overfunding of transitional funding trust notes	(2)	(5)
Net cash provided by (used in) financing activities	47	(26)
Net change in cash and cash equivalents	43	1
Cash and cash equivalents at beginning of year	-	-
Cash and cash equivalents at end of period	\$ 43	\$ 1

The accompanying notes as they relate to IP are an integral part of these consolidated financial statements.



**AMEREN CORPORATION (Consolidated)**  
**UNION ELECTRIC COMPANY (Consolidated)**  
**CENTRAL ILLINOIS PUBLIC SERVICE COMPANY**  
**AMEREN ENERGY GENERATING COMPANY (Consolidated)**  
**CILCORP INC. (Consolidated)**  
**CENTRAL ILLINOIS LIGHT COMPANY (Consolidated)**  
**ILLINOIS POWER COMPANY (Consolidated)**

**COMBINED NOTES TO FINANCIAL STATEMENTS**  
**(Unaudited)**  
**March 31, 2007**