

**WHEREAS:**

Coal-dependent electric utilities face numerous challenges and uncertainty from coal price volatility, competition from alternative generating sources, and costs for environmental compliance and carbon capture and storage. Ameren's electricity generation capacity is 85% coal; 77% in its regulated fleet, and 98% in its merchant fleet.

Industry analysts predict increasing coal prices with more erratic price swings. Ameren sources 97% of its coal from Powder River Basin. Between December 2009 and October 2011, PRB coal prices increased 78%. PRB coal demand is projected to rise, placing further pressure on prices.

Deutsche Bank calculates that it is more economical to burn natural gas than coal to generate electricity when natural gas costs \$4-6/mmBtu. The Henry Hub price for natural gas is projected to be \$6 in 2025. Lazard Ltd. calculated the levelized cost of electricity from wind, in most cases, is less than that for coal, and thin-film solar, biomass, and geothermal costs are often less than that for coal.

Coal dependent utilities face increased capital cost for coal plant emissions controls. While EPA has agreed to ease or delay some of the new regulations for power plant pollution, it is moving, pursuant to court order, to adopt new rules that will reduce mercury emissions from coal by 91%. Analysts estimate that compliance costs for mercury regulations could cause the retirement of 61-75 GW of U.S. coal-fired generation capacity.

Analysts agree that older, smaller plants without control technology are uneconomical. The average age of Ameren's 14 unit utility fleet is 44 years; average age of its 19 unit merchant fleet is 50 years. All units at Ameren's Joppa Steam are older than 55 years, generate less than 200 MW, and lack sulfur dioxide controls.

Ameren expects to invest up to \$3.6 billion by 2020 to retrofit its coal fleet to comply with environmental laws and regulations. Ameren announced retirement of two plants in lieu of complying with the Cross State Air Pollution Rule. According to Bernstein Research, Ameren's fleet is still among those most at risk due to its age and necessary retrofits.

Carbon capture and storage puts Ameren at further financial risk. Through FutureGen 2.0, Ameren is retrofitting one unit at its Meredosia plant with CCS technology. The General Accounting Office found that CCS technology within the U.S. is 10-15 years from wide-scale commercial deployment and will increase coal-fired electricity costs by 30% to 80% above current levels.

THEREFORE BE IT RESOLVED:

Shareowners request that Ameren Board of Directors report to shareholders by November 2012, at reasonable cost and omitting proprietary information, on plans to reduce our company's exposure to coal-related costs and risks, including progress toward achieving specific goals to minimize commodity risks, emissions other than greenhouse gases, costs of environmental compliance, and construction risks.