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For Immediate Release

**Ameren Illinois Utilities Electricity Customers to get
Immediate Rate Relief; Future Increases to be Limited
*Vast Majority of 2007 Annual Increase to be Cut by 40 Percent or More***

SPRINGFIELD, PEORIA, DECATUR (July 24, 2007) – Ameren Corporation and the Ameren Illinois utilities today announced a comprehensive \$488 million rate relief package to provide immediate relief to their Illinois electric customers. The broad-based assistance is part of a more than \$1 billion agreement that will reduce electric bills for every residential customer of the Ameren Illinois utilities.

The vast majority of residential customers – 80 percent – will realize a cut of 40 percent or more from the expected increase in their 2007 electric bill. Even residential customers using small amounts of electricity will get at least a \$100 rebate this year. A typical residential electric customer who doesn't use electric heat will get a rebate of about \$130 in 2007. Typical residential customers who heat their homes with electricity should get a credit of about \$400 this year. And residential customers who use large amounts of electricity during the winter will get more than \$1,000 returned to them this year.

"Our customers have asked for immediate rate relief and this agreement delivers it," said Scott A. Cisel, president and CEO of the Ameren Illinois utilities. "This across-the-board assistance will help trim the bills to more than one million residential customers. Millions in aid also will be available to eligible low-income customers, senior citizens, small businesses, not-for-profit organizations and customers hit hardest by last winter's electric rate increase."

Customers will begin to see credits reducing their bills starting in about two weeks and checks in about four weeks. The credits and checks will be retroactive to January. Bill-paying assistance will continue in 2008 and 2009 to limit customers' future rate increases.

This year the electric customers of the Ameren Illinois utilities – AmerenCILCO, AmerenIP and AmerenCIPS – will receive approximately \$250 million in credits and other relief. The credits will limit the average annual 2007 bill increase for all one million residential electricity customers to approximately 19 percent over 2006, down from an average of about 45 percent. With the relief, no Ameren Illinois utilities

residential customers will see their annual 2007 bills increase by more than 50 percent. All bill estimates are based on normal weather.

The four-year rate relief package was crafted after extensive discussions with Illinois legislative leaders, representatives from the Illinois attorney general's office, the Ameren Illinois utilities, Ameren's electric generating companies, Commonwealth Edison, Exelon Generation and several other electricity generators in the state.

"Thanks to the leadership and foresight of Senate President Emil Jones, House Speaker Michael Madigan and others, our Illinois electric customers will receive much-needed short-term relief and longer term stability," Cisel said. "The agreement ensures safe and reliable delivery of electricity and natural gas for the downstate economy and creates a new public policy direction for electricity procurement in the state of Illinois."

Before the assistance can reach customers throughout the state, the General Assembly must pass and Gov. Rod Blagojevich must sign enacting legislation. The Ameren Illinois utilities then will file with the Illinois Commerce Commission (ICC) plans to issue customer bill credits and other assistance.

The bill-paying aid will help offset the one-time increase -- that averaged between 40 percent and 55 percent annually for residential customers, and up to 100 percent for many all-electric customers -- implemented after rates were frozen for 10 years. The settlement is a response to those higher rates and concern for customers who asked for relief.

Highlights of the rate relief package include:

- Annual residential electric bill increases in 2008 and 2009 will be limited with additional credits. Those bills may be impacted by a future delivery service rate case and the future cost of procuring power.

(Note: Examples of the effect on sample customers are contained in an attachment to this news release.)

- Late payment charges for residential customers with current outstanding balances will be waived until October 1.
- Millions of dollars in assistance will be directed toward the special needs of eligible low-income customers, senior citizens, small businesses, not-for-profit organizations and customers with unique hardships.
- The utilities will make a strong commitment to energy conservation programs designed to reduce energy consumption through increased energy efficiency. In addition, a certain percentage of the utilities' electricity will come from renewable sources.
- Some 13,000 small business and not-for-profit customers whose 2007 rate increases exceeded 40 percent will receive credits to scale back their increases to 40 percent. Monthly credits will be based on each customer's 2006 usage. Additional credits will limit increases in 2008 and 2009.

- The Illinois attorney general has agreed to withdraw all related litigation and proceedings initiated by the attorney general against the Ameren companies.
- The General Assembly leadership agrees not to pass legislation that would freeze or reduce electric rates, or impose a tax, special assessment or fee on electricity generators through Aug. 1, 2011.

“We are pleased that this settlement will immediately funnel much-needed relief to our customers,” Cisel said. “We are committed to providing safe, reliable service to our customers and keeping their rates down.”

The \$1-billion statewide rate relief package will be funded by contributions of \$150 million from Ameren-affiliated companies and \$800 million from Exelon-affiliated companies, with the remainder coming from other electric generating companies in the state. Ameren Corporation expects earnings per share will be reduced by approximately 26, 11, 7 and 1 cents per share in 2007, 2008, 2009 and 2010, respectively, as a result of the rate relief package.

The utilities also have endorsed legislation that creates the Illinois Power Agency (IPA). This new agency will be responsible for designing a system to procure power for the Ameren Illinois utilities and Commonwealth Edison, beginning in June 2009. This process will be subject to the approval of the ICC. The utilities will be allowed to fully recover the cost of that power from their electric customers.

In the interim, the existing auction format for power procurement will be replaced in June 2008 with an independently monitored request-for-proposal process overseen by the ICC. Furthermore, the Ameren Illinois utilities have agreed to enter into contracts to lock in the cost for a portion of their power requirements from 2008 to 2012 to minimize potential fluctuations in future price increases.

“This comprehensive solution provides for a stable, open energy market in Illinois and avoids the negative consequences a proposed generation tax would have had on Illinois jobs, local communities and our company,” said R. Alan Kelley, president and chief executive officer of Ameren Energy Resources, who is responsible for Ameren Corporation’s non-rate regulated generation subsidiaries.

Gary L. Rainwater, chairman, president and chief executive officer of Ameren Corporation, noted: “This comprehensive rate relief package provides significant benefits to our Illinois electric customers, while benefiting our shareholders by providing legislative stability. It also avoids a costly, lengthy and undesirable court battle to overturn a rate freeze and power generation tax.”

The Ameren Illinois utilities also have presented to the ICC a proposal to redesign residential and some commercial rates. Those new rates are expected to take effect in 2008. The goal of the rate redesign is to level out seasonal bill fluctuations for residential customers who use large amounts of electricity during the winter, thus reducing the winter rates for customers who were severely impacted last winter. The ICC is expected to rule on the proposal later this year.

Customers will be able to learn more about the rate relief agreement and assistance available to them by visiting the Ameren Web site (www.ameren.com).

The Ameren Corporation (NYSE: AEE) and its Illinois subsidiaries – AmerenCILCO, AmerenIP and AmerenCIPS – provide electricity to about 1.2 million customers and natural gas service to more than 800,000 customers in downstate Illinois.

Regulation G Statement

Ameren has presented certain information in this presentation on a diluted cents per share basis. These diluted per share amounts reflect certain factors that are expected to directly impact Ameren's total earnings per share. Ameren believes this information is useful because it enables readers to better understand the impact of these factors on Ameren's results of operations and earnings per share

FORWARD-LOOKING STATEMENTS

Statements in this release 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 elsewhere in this release and in our filings with the Securities and Exchange Commission, 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 the failure of the Illinois General Assembly and Illinois governor to enact legislation implementing the comprehensive rate relief package or the enactment of legislation rolling back and freezing electric rates at 2006 levels or imposing a generation "tax" on Ameren Energy Generating Company, AmerenEnergy Resources Generating Company and Electric Energy, Inc. or similar actions that impair the full and timely recovery of costs in Illinois;*
- *changes in laws and other governmental actions;*
- *disruptions of the capital markets or other events that make 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;*
- *the inability of our counterparties and affiliates to meet their obligations with respect to contracts and financial instruments; and*
- *legal and administrative proceedings.*

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.

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