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UNION ELECTRIC

Donald F. Schnell
Senior Vice President
Nuclear

March 16, 1992

U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
Mail Station P1-137
Washington, D.C. 20555

ULNRC-2594

Gentlemen:

CALLAWAY PLANT
DOCKET NUMBER 50-483
ANNUAL FINANCIAL REPORT

Transmitted herewith are twenty-five (25) copies of the Union Electric Company 1991 Annual Report. This information is submitted in accordance with 10CFR50.71(b).

Very truly yours,

Donald F. Schnell

Donald F. Schnell

WEK/plh

Enclosures

M004 1/25

cc: T. A. Baxter, Esq.
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Statement of Policy

We are a business enterprise — dependent for success on the high quality and fair price of our service; on the skill, courtesy, and loyalty of our employees; on the confidence of our investors; and on the ability of our management to forecast and provide for the energy requirements of our area.

In the conduct of our business, we will render service of the highest quality to our customers — promptly, courteously, and efficiently — at the lowest prices consistent with paying fair wages and affording job satisfaction and security to our employees; providing modern facilities for our customers' expanding needs for energy service; and paying a fair return to our investors who have provided the funds to make such service possible.

As a private enterprise entrusted with an essential public service, we recognize our civic responsibility in the communities we serve. We shall strive to advance the growth and welfare of these communities and shall participate in civic activities which fulfill that goal ... for we believe this is both good citizenship and good business.

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Annual Meeting

The Annual Meeting of Stockholders will convene at 10 a.m. Tuesday, April 28, 1992 at Powell Symphony Hall, 718 North Grand Boulevard, St. Louis, Missouri.

On the Cover

UE works 24 hours a day, everyday, to serve its more than one million customers. Shown (clockwise, from top right): Jeff Wiedenkeller, overhead lineman; Clarence Beeson, unit operating engineer; and Jowana Dillon, customer business telephone clerk.

Union Electric
1991 Annual Report

Statement of Policy

[illegible]

On the Cover

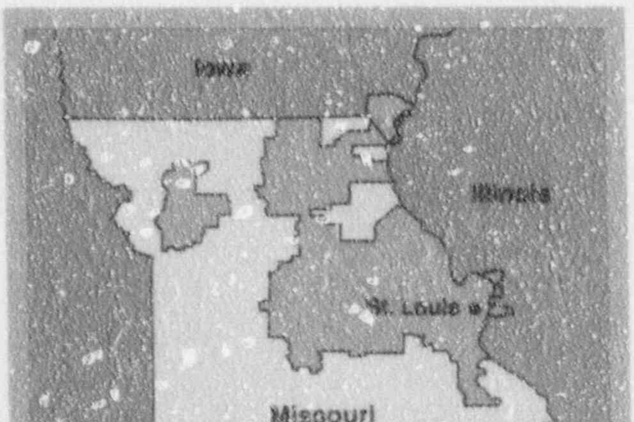
[illegible]

Highlights

	Year Ended December 31, 1991	Annual Change: Current Year	Annual Change: 10-Year Rate of Growth
Earnings per Average Common Share	**$3.0[illegible]**	9.9%	7.4%
Dividends per Common Share	**$2.18**	3.8	3.7
Common Stock Price — Year End	**$38 5/8**	29.8	13.5
Book Value per Common Share	**$20.62**	4.2	3.1
Property and Plant (gross)	**$7,752,688,000**	3.2	5.5
Total Operating Revenues	**$2,096,940,000**	3.7	6.6
Total Kilowatt-Hour Sales	**31,610,000,000**	3.8	2.7
Residential Kilowatt-Hour Sales	**10,646,000,000**	8.5	3.2
Commercial Kilowatt-Hour Sales	**10,676,000,000**	3.9	4.3
Industrial Kilowatt-Hour Sales	**8,524,000,000**	(2.1)	.9

Company Profile

Union Electric is a utility company, primarily engaged in supplying electric service to more than one million customers in the strategic center of America — a 24,000 square mile area in Missouri, Illinois, and Iowa, which includes Metropolitan St. Louis.



Service Area

At UE, we have one overriding objective: to make our customer service better today than it was yesterday and to make it better yet tomorrow.

The following pages highlight our steps toward that objective and toward our related goals.

To Our Stockholders:

1991 was an exceptional year for Union Electric. By the same token, it was an excellent year for our stockholders, customers and employees.

UE produced record earnings per share — and a total return for our stockholders that significantly exceeded the return on the year's robust Standard & Poor's 500-stock index. We expanded service hours — and convenience — for residential customers, and our Missouri commercial and industrial customers operated for a full year with new, lower electric rates.

To serve our stockholders well and reward them fairly, ensuring their continued support.

Financial Results

1991 earnings per common share increased to a record $3.01 per share, a 10 percent gain over 1990's $2.74. We took advantage of a number of converging factors to produce this record return.

- Abnormally warm spring and summer temperatures more than offset a recession-related decrease in industrial sales, resulting in an overall 4 percent increase in annual kilowatt-hour sales. For perspective, in the last decade our annual KWH sales have increased, on average, 2.7 percent.
- We decreased interest expense 11 percent, or $20 million, by taking advantage of the market's lower interest rates.
- 1991 did not include refueling expenses for the Callaway nuclear plant, a significant cost we incur two out of three years. The plant's next two-month refueling starts in mid-March 1992.

Total operating revenues for the year again exceeded $2 billion — an increase of $74 million or 4 percent over 1990. Total operating expenses were $1.6 billion, up $49 million, or 3 percent, primarily due to increases in fuel costs and taxes resulting from higher kilowatt-hour sales. Total operating income increased to $483 million, up $25 million or 6 percent.

Taking advantage of lower interest rates, we refinanced $200 million of long-term debt and $42 million in tax-exempt bonds last December. This January, we refinanced an additional $100 million of first mortgage bonds. Together, these refinancings will save UE $2 million in annual interest expense in 1992 and in future years. We will continue to watch the debt markets and take advantage of favorable rates.

The year's strong results led to another increase in our common stock dividend — from $2.16 to $2.24 per year — our sixth dividend increase in the last seven years and the 85th consecutive year UE has paid a cash dividend.

As a bottom-line measure of performance, we're proud to report that UE stockholders' total return for 1991, including stock price appreciation plus reinvested dividends, totaled 38.6 percent. UE's total return surpassed the S & P 500's 26.3 percent return.

Operations/Customer Service

UE people throughout the company made 1991 a year of positive accomplishment.

For example, Callaway operated at 98 percent capacity in 1991. And in February 1992 Callaway was named — for the fifth time — one of the country's safest nuclear plants by the Nuclear Regulatory Commission. This performance is a credit to our people.

Our coal-fired plants also continued to perform reliably and efficiently. In 1991, we began using more low-sulfur coal to reduce sulfur dioxide emissions. We also began to install special

equipment that will reduce nitrogen oxide emissions in the future.

Customers will find UE more accessible in 1992 as a result of our consolidation of 17 service centers into four. Made possible by new, sophisticated technology, this consolidation will mean our metropolitan St. Louis customers can call UE about any type of service 24 hours a day. Our regional centers also offer expanded hours. Of course, consolidation also brings cost-reducing economies of scale.

Our rate reductions for Missouri commercial and industrial customers of 3.2 and 1.5 percent, respectively, represent another highly visible improvement in service. Residential rates have remained at their present levels since 1987.

We also broadened employees' responsibilities that will result in more responsive service. These changes will mean greater flexibility and authority for UE people in a variety of roles, from service representatives to meter personnel and troublemen.

New Directors

I am pleased to report three additions to UE's Board of Directors: Paul Miller, Jr., president and chief executive officer of P.L. Miller & Associates, a management consulting firm; Janet McAfee Weakley, president of Janet McAfee, Inc., a residential real estate company; and Robert H. Quenon, retired chairman of Peabody Holding Company, Inc., the country's largest coal producer. These additions bring the number of UE directors to 12, including 10 outside directors.

Looking Forward

Realistically, we do not expect 1992 earnings to reach the record level experienced in 1991. We will refuel the Callaway plant in 1992, and this is a significant cost we incur two out of three years. Also, we cannot expect another year of unseasonably warm spring and summer weather which increases revenue because of greater air conditioning use.

This is not to say that our fortunes are entirely weather-dependent. UE will continue to manage costs and improve service by implementing new technologies and improving productivity throughout the company.

Our goals for 1992 and beyond are to be one of the country's lowest-cost energy producers and to steadily improve customers' satisfaction with UE service. This report describes the progress we made in 1991 toward those goals. It is dedicated to the UE people at all levels of the organization who made this significant progress a reality.

W.E. Cornelius

William E. Cornelius
Chairman and Chief Executive Officer

February 12, 1992
St. Louis, Missouri

Customers with medical needs that depend on electrical equipment are tracked so we can give them special attention during disruptions. For example, during an ice storm last year, a concerned man searched out a UE crew to tell them his wife's electrical medical equipment wasn't working. He was relieved to find out from project estimator Janice Signaigo, (above) that the crew was already rerouting power to his home.

Excellence in Service

To anticipate our customers' needs and answer their questions quickly and completely.

Some companies call it "continuous improvement." That, certainly, is UE's goal for service. We just state it more simply. Our goal is to serve customers better today than we did yesterday, and to serve them even better tomorrow.

In practical terms, that goal means that UE's 6,700 employees work together to keep improving service quality throughout our business. Many of our improvements are small, incremental changes. Some are dramatic. But all contribute to customer satisfaction.

In 1991, we began to implement an improvement that tens of thousands of customers will notice immediately. We started to consolidate 17 customer service centers with limited hours into four larger centers with extended hours. (Emergency calls, of course, always have been taken 24 hours a day.)

The first of the four centralized customer service centers opened in July 1991, bringing our 850,000 metropolitan St. Louis customers 24-hour service. Early in January 1992, centers in middle and southeast Missouri opened, more than doubling the time those customers could reach us with questions about their bills or service.

One key to this new ability is "state of the art technology, a voice-response computer system that queues calls and channels them to the right department," says Phil Roush, general manager of customer service. And the result, Roush says, is a steadily increasing volume of customer calls that we handle — proof that we're realizing our objective to make it easier for customers to contact us and get answers.

But as with any customer service, the real key isn't technology but the people who actually take customer calls. To improve our responsiveness to customers, "We've given UE people more responsibility and authority to resolve customer questions. It means service representatives now can handle most requests on the first contact," says Jim Beisman, vice president of customer service.

Expanded training that goes along with increased authority and flexibility will mean continuing service improvement, Beisman says. And consolidating service centers translates into economies of scale that will reduce annual expenses substantially.

Through this mixture of technology, empowerment, training and cost efficiencies, we believe we've added significant new meaning to our slogan "Just ask UE."

Operations most customers never see or think about have a big influence on our costs.

For example, the way machinist-repairman Dillard London (shown above at Rush Island Plant) blends coal determines the efficiency of the "burn" and, therefore, its cost. That's important to UE because 70 percent of our electricity is generated from coal.

To control costs.

Another critical area of quality service is cost control, even though UE performs as well or better than most similarly sized U.S. utilities in this respect.

To maintain that position and improve upon it, our key companywide goals relate directly to cost control: to carefully limit operating expense, hold down production cost per kilowatt-hour, and contain construction expenditures.

Of course, the importance of a goal is the way you work to achieve it — the way you make a goal reality.

Through our quality improvement process, we constantly review processes to keep challenging — and changing — long-standing operating procedures. For example, a new method of controlling tools in the field has resulted in estimated annual savings of $400,000; an end to duplicate record checks at one plant has saved 2,600 hours of employee time each year; and a new work order system has eliminated seven paper-handling steps to save thousands of dollars in employee time.

Decisions on new facilities also have been subjected to new processes and reviews. Each capital investment receives multi-disciplinary reviews, with one department testing financial assumptions and setting objectives and another group checking underlying data and doing a post-mortem to make sure each investment actually realizes its goals.

One result of our capital review program is evident in our project to computerize the tracking of construction projects on our vast Missouri distribution system. This new computer system will mean that each construction job involving distribution lines on UE's complex interconnected system can be monitored and managed throughout the entire job, from initial customer contact through construction and billing.

For a capital-intensive business like ours, interest expense is an important component of cost control. We took advantage of 1991's lower interest rates by refinancing more than $240 million of long-term debt. As a result of our refinancings and our variable rate debt program, UE's annual interest costs decreased 11 percent, or $20 million, from 1990 to 1991.

"You always have to keep looking for ways to control costs. The opportunities are always there, we just have to discover them. And that's our job," sums up Glen Thebeau, manager of internal audit.

To help our customers and the communities we serve.

"From customer research, we know that people expect more from UE than reliable, low-cost energy. They also expect us to be a positive force in the community, helping our customers and helping the region grow," says Patricia Barrett, vice president of corporate communications.

That's not an unrealistic expectation, because being a good neighbor is good business. It can't be otherwise when a company's success depends on the economic and social health of the region it serves.

UE plays a positive role in the community in a variety of ways.

For example, in one of the country's oldest partnerships between a utility and its customers, UE's Dollar More program helps about 5,000 families a year pay their heating and cooling bills. In 1991, UE customers gave Dollar More a record half-million dollars. The company contributed an additional $150,000, and social service agencies identified the families that most needed aid and distributed the funds.

UE's Energy Plus — an umbrella name for a wide variety of programs — also reduces energy needs through conservation measures and even helps customers with other kinds of problems. UE's Energy Aid Grant program, for example, provided heaters, blankets, energy-saving information or weatherization materials to 2,400 families in 1991.

UE customers in crisis situations can turn to the company's Customer Assistance Program. Working under contract with UE, Provident Counseling, a social service agency, helps people cope with personal or family crises, evidenced by bill-paying problems. This program's success in metropolitan St. Louis led to its expansion to UE's other Missouri service areas in 1991.

The company also sponsors a number of community programs managed by other agencies. One example is the Urban League Outreach Center that, among other activities, runs a food pantry, manages an urban garden and conducts literacy and tax-payment classes.

The common thread for all UE community programs is that they benefit customers and they benefit UE as well.

"We certainly can't do everything — we can't solve all the problems we see," says Barrett. "But we can listen to our customers' needs and problems and do what we can to address them. That's what we see as our mission."

A vacant, unused field until 1991, this 11-acre site in St. Charles County, Missouri, is now an outdoor nature classroom with more than 800 new trees, a prairie, nature trails and informal study areas. UE's forestry department donated time, equipment and materials to help develop the area for community use. UE forester John Czaicki (above) tells students from Henderson Elementary School how to identify trees and plants in this new "classroom."

To generate power safely, reliably and responsibly.

From more than one perspective, customer service starts at our power plants.

"Customers want reliable, low-cost electricity, but they also want power that's produced with respect for the environment," says Bob Schukai, vice president of power plants.

In this regard, UE began planning and started efforts to comply with many parts of the 1990 Clean Air Act Amendments even before the final regulations were published, reducing sulfur dioxide (SO_2) and nitrogen oxide (NO_x) emissions.

"We accelerated use of low-sulfur coal in 1991 to reduce emissions now," says Schukai. "Our early response to the Clean Air Act Amendments also means we can keep future costs down by earning emission credits for the late 1990s."

UE's Callaway nuclear plant, responsible for 25 percent of the company's electrical output, is a strong partner to the company's coal-fired plants, which produce 70 percent of total power output. In 1991, Callaway generated electricity at more than 98 percent of capacity while holding operations and maintenance expense below previous years.

Callaway's safety record matched its efficiency record. This year the Nuclear Regulatory Commission (NRC) again recognized Callaway as one of the safest nuclear plants in the country. Earlier, the plant received the best possible grades in its NRC evaluation.

"We have an objective at Callaway — to be a world-class performer," says Garry Randolph, vice president, nuclear operations. "There are no finish lines in that kind of objective because we can always improve."

Plant operator training goes on almost every day at Callaway's control room simulator, a facility that duplicates actual plant operation down to the color of the carpeting and the wattage in the light bulbs. UE employees shown (clockwise, from top left): Sam Henderson, operating supervisor; George Belchik, assistant superintendent - maintenance; Warren Witt, supervising engineer; Brian Price, shift technical advisor; and Mike Jennings, staff technical advisor (foreground).

To balance customers' energy needs with our responsibility to protect the environment.

Without question, customers expect UE to be a responsible caretaker of the environment. We accept that responsibility, and we try to apply it broadly.

Of course, government regulations represent threshold performance levels that must be met. And new regulations in the 1990 Clean Air Act Amendments that require reductions in sulfur dioxide (SO_x) and nitrogen oxide (NO_x) emissions call for action that UE has been quick to take. As we mentioned earlier in this report, UE began taking steps to comply with the new Clean Air Act Amendments before the Environmental Protection Agency finished writing its regulations.

"We've already installed and certified new emissions-monitoring equipment at one of our coal-fired plants. And we've started putting in low-nitrogen oxide burners at Labadie, our largest coal-fired unit. Labadie will be the first plant of its size in the country to add a low-NO_x burner in response to the new laws," says Jerrel Smith, vice president of environmental services. Low-NO_x burners reduce the amount of nitrogen oxide produced during the process of making electricity.

The company also takes pride in the way it has used its land to benefit the environment and the public at large. UE's Reform Wildlife Management Area, for example, is a 6,800-acre prairie and forest managed by the Missouri Department of Conservation. UE's Bagnell Dam at the Lake of the Ozarks provides an 86-square-mile lake enjoyed by millions of people each year for fishing, boating and swimming. And a no-cost lease agreement reached in late 1991 between the Missouri Department of Natural Resources and UE means more miles of hiking and back-packing trails on approximately 1,300 acres adjoining the company's Taum Sauk plant.

To help customers use energy more efficiently, UE has joined a new program organized by the Electric Power Research Institute to help industrial customers cut their energy consumption with state-of-the-art electrotechnology. The same goal is attacked in a more grassroots fashion by the many volunteers who give their time to weatherize low-income senior citizens' homes with UE-supplied materials. Over the course of a year, weatherization can save a residential customer $40 in addition to conserving energy.

Another UE environmental effort is the two-year-old GreenLeaf urban reforestation program. In 1991 UE purchased, planted or helped irrigate more than 2,400 trees and shrubs in communities UE serves. As the years go by, these trees will absorb increasing amounts of carbon dioxide from the atmosphere, produce shade and cool surrounding areas to reduce the need for summertime air conditioning.

Our neighbors enjoy the wildlife and the recreational opportunities at the 6,000-acre UE Reform Wildlife Management Area next to the Callaway plant. The Missouri Department of Conservation has managed the UE-owned site for almost 15 years.

In our internal operations, we recycle everything that makes both business and environmental sense. For example, paper is bundled for sale and reuse. Even used trucks, no longer suited for long-distance travel, get recycled to not-for-profit groups for hauling over short distances.

"In 1991 we reduced emissions, helped customers cut energy consumption, planted thousands of trees and recycled materials where it made business sense to do so," says Smith. "We'll look for new ways to benefit the environment in the future."

To keep improving service reliability to all customers.

Understandably, reliable service is our customers' top priority and, therefore, UE's top priority, too.

A high degree of reliability already exists. "Customers get electricity 99.98 times of every hundred they flip the switch," points out Tom Voss, transmission and distribution manager. "The key to improvement isn't to fix outages faster but to avoid them altogether by proactive, preventive maintenance."

Proactive, preventive maintenance is the primary mission for UE's year-old, multi-functional Reliability Team. Last year the team identified 25 areas that influence reliability and then focused on improving each area.

The 25 areas range from the familiar to the sophisticated. For example, something as ordinary as tree-trimming significantly influences reliability in an area — like UE's service territory — that has heavy tree growth and is subject to storms.

And tree-trimming is expensive. To hold down costs and still meet the team's recommendations, UE broadened its already extensive list of bidders and the number of procedures that are bid separately.

On the more sophisticated end of the scale, UE's new, more powerful Supervisory Control and Data Acquisition (SCADA) computer system will go on line within the year, giving central dispatchers more control over switches and power routing in the field. SCADA's real-time, computer-generated mapping will help dispatchers pinpoint problems as soon as they occur and switch power accordingly.

As further support to SCADA and fast service restoration, UE set up a new, single companywide radio system to replace the multiple systems it had been using. "The new system is more powerful and more efficient," says Voss. Now UE employees in the field can communicate to the home office, their base station or each other without relying on telephone lines.

And a new data transmission radio service linking substations and the home office is being installed. "We'll save money on line charges, and we'll have better control during storms," Voss explains.

Backing up new technology are changes in work procedures that give people more flexibility and broader control over field work. For example, meter personnel now handle more aspects of connecting a new customer's service. And troublemen also do more on-site work than ever before. "More flexibility for people in the field means more work gets done faster for customers. And that's what we're all about," says Voss.

Journeymen linemen Patrick Lorenson (top left), Rodney Garcia (center) and Kevin Kuper (on ground) brave rain, snow, ice and wind to insure reliable electric service to UE's one million electric customers.

Responsibility for Financial Statements

The management of Union Electric Company is responsible for the information and representations contained in the financial statements and in other sections of this Annual Report. The financial statements have been prepared in conformity with generally accepted accounting principles. Other information included in this report is consistent, where applicable, with the financial statements.

The Company maintains a system of internal accounting controls designed to provide reasonable assurance as to the integrity of the financial records and the protection of assets. Qualified personnel are selected and an organization structure is maintained that provides for appropriate functional responsibility.

Written policies and procedures have been developed and are revised as necessary. The Company maintains and supports an extensive program of internal audits with appropriate management follow up.

The Board of Directors, through its Auditing Committee comprised of outside directors, is responsible for ensuring that both management and the independent accountants fulfill their respective responsibilities relative to the financial statements. Moreover, the independent accountants have full and free access to meet with the Auditing Committee, with or without management present, to discuss auditing or financial reporting matters.

Report of Independent Accountants

One Boatmen's Plaza
St. Louis, MO 63101
Telephone 314-425-0500

Price Waterhouse

To the Stockholders and Board of Directors
of Union Electric Company

February 3, 1992

In our opinion, the accompanying balance sheet and the related statements of income, long-term debt, preferred stock, retained earnings, other paid-in capital, and cash flows present fairly, in all material respects, the financial position of Union Electric Company at December 31, 1991 and 1990, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 1991, in conformity with generally accepted accounting principles. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

Price Waterhouse

Statement of Income

Union Electric Company

(Thousands Dollars Except Shares and Per Share Amounts)

	Year 1991	Year 1990	Year 1989
Operating Revenues (*):			
Electric	$2,006,258	$1,939,171	$1,929,881
Gas	86,877	80,310	76,840
Other	3,805	3,536	3,582
Total operating revenues	2,096,940	2,023,017	2,010,306
Operating Expenses:			
Operations			
Fuel and purchased power	411,739	402,453	403,840
Other	374,997	367,365	354,215
	786,736	769,818	758,055
Maintenance	170,454	176,309	156,220
Depreciation and nuclear decommissioning	204,152	200,475	195,908
Amortization of phase-in plans deferred costs	32,459	32,461	34,397
Income taxes	222,700	192,206	203,4[illegible]1
Other taxes (*)	197,626	194,148	195,817
Total operating expenses	1,614,127	1,565,477	1,545,838
Operating Income	482,813	457,540	466,468
Other Income and Deductions:			
Callaway Unit No. 2 costs disallowed	—	—	(50,351)
Income tax benefits related to Callaway Unit No. 2 costs disallowed	—	—	20,155
Allowance for equity funds used during construction	2,156	2,188	2,656
Miscellaneous, net	(2,611)	10,118	7,996
Total other income and deductions, net	(455)	12,306	(19,544)
Income Before Interest Charges	482,358	469,846	446,924
Interest Charges:			
Interest	167,209	187,584	176,571
Allowance for borrowed funds used during construction	(6,363)	(11,957)	(15,252)
Net interest charges	160,846	175,627	161,319
Net Income	321,512	294,219	285,605
Preferred Stock Dividends	14,059	14,693	19,134
Earnings on Common Stock	$ 307,453	$ 279,526	$ 266,471

(*) Includes license and franchise taxes of $96,802,000, $94,200,000, and $95,276,000 for the years 1991, 1990, and 1989, respectively.

	Year 1991	Year 1990	Year 1989
Earnings per Share of Common Stock (based on average shares outstanding)	$3.01	$2.74	$2.61
Dividends per Share of Common Stock	$2.18	$2.10	$2.02
Average Number of Common Shares Outstanding	102,123,834	102,123,834	102,123,834

See Notes to Financial Statements on pages 25 through 29.

(Thousands of Dollars)

Assets	December 31, 1991	December 31, 1990
Property and Plant, at original cost:		
Electric	$7,387,765	$7,238,325
Gas	130,053	122,632
Other	18,805	18,268
	7,536,623	7,379,225
Less accumulated depreciation and amortization	2,634,136	2,391,514
	4,902,487	4,987,711
Construction work in progress:		
Nuclear fuel in process	90,258	61,636
Other	125,807	71,385
Total property and plant, net	5,118,552	5,120,732
Deferred Charges and Other Assets:		
Callaway rate phase-in plans	33,048	66,976
Unamortized debt expense	23,855	23,555
Nuclear decommissioning trust fund	27,810	22,594
Other	19,684	17,636
Total deferred charges and other assets	104,397	130,761
Current Assets:		
Cash and special deposits	4,917	3,525
Accounts receivable – trade (less allowance for doubtful accounts of $6,233 and $5,484, at respective dates)	168,587	161,516
Unbilled revenue	92,871	95,407
Other accounts and notes receivable	14,217	15,089
Materials and supplies, at average cost –		
Fossil fuel	82,227	72,165
Construction and maintenance	95,149	90,029
Environmental bond redemption fund	42,585	—
Other	9,977	13,117
Total current assets	510,530	450,848
Total Assets	$5,733,479	$5,702,341

See Notes to Financial Statements on pages 25 through 29.

Capital and Liabilities	December 31, 1991	December 31, 1990
Capitalization:		
Common stock, $5 par value, authorized 150,000,000 shares – outstanding 102,123,834 shares (excluding 42,990 shares at par value in treasury)	$ 510,619	$ 510,619
Other paid-in capital, principally premium on common stock (see accompanying statement)	718,507	718,473
Retained earnings (see accompanying statement)	877,029	792,207
Total common stockholders' equity	2,106,155	2,021,299
Preference stock, $1 par value, authorized 7,500,000 shares – none outstanding		
Preferred stock not subject to mandatory redemption (see accompanying statement)	217,784	218,004
Preferred stock subject to mandatory redemption (see accompanying statement)	754	780
Long-term debt (see accompanying statement)	1,737,320	1,954,944
Unamortized discount and premium on debt	(7,043)	(6,920)
Total capitalization	4,054,970	4,188,107
Accumulated Deferred Taxes on Income	796,994	746,361
Accumulated Deferred Investment Tax Credits	193,927	200,934
Accumulated Provision for Nuclear Decommissioning	28,680	23,465
Construction Commitments and Contingencies (Notes 9, 10, and 11)		
Current Liabilities:		
Current maturity of long-term debt	230,921	106,618
Accounts payable	154,192	144,064
Wages payable	32,659	36,441
Bank loans	56,500	45,500
Commercial paper	—	45,000
Income taxes accrued	41,195	33,288
Other taxes accrued	18,250	18,821
Interest accrued	42,941	37,347
Dividends declared	3,503	3,504
Other	78,747	72,891
Total current liabilities	658,908	543,474
Total Capital and Liabilities	$5,733,479	$5,702,341

(Thousands of Dollars)

		December 31, 1991	December 31, 1990
First Mortgage Bonds – note (a)			
4 1/2%	Series due 1992	$ —	$ 6,000
4 1/2%	Series due 1993	30,000	30,000
10 3/4%	Series due 1994 – note (b)	—	1,960
4 1/2%	Series due 1995	35,000	35,000
4 3/4%	Series due 1995	3,000	3,000
5 1/2%	Series due 1996	30,000	30,000
5 5/8%	Series due 1996	5,000	5,000
8 1/4%	Series due 1996	10,000	10,000
8 7/8%	Series due 1996 – note (l)	30,000	100,000
5 1/2%	Series due 1997	40,000	40,000
5 5/8%	Series due 1997	5,000	5,000
7%	Series due 1998	50,000	50,000
7.95%	Series due 1998	4,000	4,000
7 3/8%	Series due 1999	35,000	35,000
8%	Series due 1999	5,000	5,000
8 1/4%	Series due 1999	40,000	40,000
9.95%	Series due 1999 – note (l)	—	57,160
9%	Series due 2000 – note (m)	60,000	60,000
7 7/8%	Series due 2001	50,000	50,000
7 5/8%	Series due 2001	50,000	50,000
8 1/8%	Series due 2001	60,000	60,000
9 1/4%	Series due 2001 – note (k)	—	3,000
9 3/8%	Series due 2001 – note (k)	—	1,738
9 3/8%	Series due 2001 – note (k)	—	6,000
8.33%	Series due 2002	75,000	—
8 1/2%	Series due 2002 – note (m)	3,000	3,300
7 3/4%	Series due 2003	7,000	7,000
8 3/8%	Series due 2004	70,000	70,000
10%	Series due 2004 – note (b)	—	6,500
10 1/2%	Series due 2005	70,000	70,000
5.80%	Series due 2005 – note (n)	—	27,085
8 7/8%	Series due 2006	70,000	70,000
8 5/8%	Series due 2007	60,000	60,000
9.35%	Series due 2008 – note (k)	—	46,750
9 7/8%	Series due 2016	100,000	100,000
7.40%	Series due 2020 – note (c)	60,000	60,000
8 3/4%	Series due 2021	125,000	—

	December 31, 1991	December 31, 1990
Unsecured Loans – note (d)		
Commercial paper – note (e)	$ 121,513	$ 300,000
Unsecured Notes –		
6% due 1992	—	1,190
Missouri Environmental Improvement –		
Revenue bonds, 5.8-6.2% Series due 2004 – note (n)	—	15,500
1984 Series A due 2014 – note (f)	80,000	80,000
1984 Series B due 2014 – note (g)	80,000	80,000
1984 Series C due 2014 – note (h)	47,500	47,500
1985 Series A due 2015 – note (i)	70,000	70,000
1985 Series B due 2015 – note (i)	56,500	56,500
1991 Series due 2020 – note (i)	42,585	—
Nuclear Fuel Lease – note (j)	57,[illegible]2	95,761
Long-Term Debt – note (o)	$1,737,320	$1,954,944

(a) At December 31, 1991, substantially all of the property and plant was mortgaged under, and subject to liens of, the respective indentures pursuant to which the bonds were issued.
(b) Redeemed in 1991.
(c) Environmental Improvement Series.
(d) In November 1991, the Company entered into a new two-year credit agreement with certain banks which permits the Company to borrow up to $200 million. Interest rates will vary depending on market conditions and the Company's selection of various options under the agreement. At December 31, 1991, no such borrowings were outstanding.
(e) The Company has a bank credit agreement due 1995 which is utilized to support commercial paper borrowings up to $300 million on a long-term basis. At December 31, 1991, the outstanding commercial paper was at an average annualized interest rate of 5.07%.
(f) Adjustable-fixed rate, interest rate at 4.63% per annum through May 31, 1992; thereafter, interest rates will depend on market conditions and the Company's selection of an adjusted rate for each annual period or a fixed rate until maturity.
(g) Adjustable-fixed rate, interest rate at 4.25% per annum through May 31, 1992; thereafter, interest rates will depend on market conditions and the Company's selection of an adjusted rate for each annual period or a fixed rate until maturity.
(h) Adjustable-fixed rate, interest rate at 4.95% per annum through February 29, 1992; thereafter, interest rates will depend on market conditions and the Company's selection of an adjusted rate for each annual period or a fixed rate until maturity.
(i) Interest rates, and the periods during which such rates apply, vary depending on the Company's selection of certain defined rate modes. The average interest rates at December 31, 1991, for 1985 Series A, 1985 Series B, and 1991 Series bonds were 4.08%, 4.15%, and 4.90%, respectively.
(j) At December 31, 1991 and 1990, $53 million and $58 million, respectively, are included under current maturity of long-term debt.
(k) Redeemed in January 1992.
(l) The Company redeemed $70 million in January 1992 and plans to redeem the balance of this series in March 1992.
(m) The Company plans to redeem these series in March 1992.
(n) Proceeds from the sale of the 1991 Series Revenue Bonds will be utilized to redeem these series in March 1992.
(o) On January 28, 1992, the Company issued $100 million of first mortgage bonds, 7.65% Series due 2003.

See Notes to Financial Statements on pages 25 through 29.

(Thousands of Dollars)

	December 31, 1991	December 31, 1990
Preferred Stock Not Subject to Mandatory Redemption:		
Preferred stock outstanding without par value (entitled to cumulative dividends) – note (a)		
Stated value of $100 per share –		
$7.44 Series – 330,001 and 332,201 shares at respective dates – note (b)	$ 33,000	$ 33,220
$6.40 Series – 300,000 shares	30,000	30,000
$5.50 Series A – 14,000 shares	1,400	1,400
$5.50 Series B – 3,000 shares	300	300
$4.75 Series – 20,000 shares	2,000	2,000
$4.56 Series – 200,000 shares	20,000	20,000
$4.50 Series – 213,595 shares	21,359	21,359
$4.30 Series – 40,000 shares	4,000	4,000
$4.00 Series – 150,000 shares	15,000	15,000
$3.70 Series – 40,000 shares	4,000	4,000
$3.50 Series – 130,000 shares	13,000	13,000
Stated value of $97.50 per share –		
$8.00 Series of 1971 – 425,000 shares	41,437	41,437
Stated value of $92.25 per share –		
$8.00 Series – 350,000 shares	32,288	32,288
Total Preferred Stock Not Subject to Mandatory Redemption	$217,784	$218,004
Preferred Stock Subject to Mandatory Redemption:		
Preferred stock outstanding without par value (entitled to cumulative dividends) – note (a)		
Stated value of $100 per share –		
$6.30 Series – 7,540 and 7,800 shares at respective dates, due 2020 – note (c)	$754	$780
Total Preferred Stock Subject to Mandatory Redemption	$754	$780

(a) Authorized Union Electric Company total preferred stock – 25,000,000 shares.
(b) In 1991 and 1990, the Company retired 2,200 and 95,776 shares of the $7.44 Series.
(c) The Company is required to retire 260 shares at $100 per share on June 1 of each year.

See Notes to Financial Statements on pages 25 through 29.

Statement of Retained Earnings

(Thousands of Dollars)

	Year 1991	Year 1990	Year 1989
Balance at Beginning of Period	$ 792,207	$ 726,905	$668,670
Add:			
Net income	321,512	294,219	285,605
	1,113,719	1,021,124	954,275
Deduct:			
Preferred stock dividends*	14,060	14,457	18,066
Common stock cash dividends – $2.18, $2.10, and $2.02 per share, respectively	222,630	214,460	206,290
Premium paid on preferred stock reacquired	—	—	3,014
	236,690	228,917	227,370
(Under mortgage indentures as amended, free and unrestricted retained earnings at December 31, 1991 amounted to $819,914)			
Balance at Close of Period	$ 877,029	$ 792,207	$726,905

*Preferred stock dividends include dividends declared, applicable to subsequent periods.

Statement of Other Paid-In Capital

(Thousands of Dollars)

	Year 1991	Year 1990	Year 1989
Balance at Beginning of Period	$718,473	$716,957	$716,071
Premium paid on preferred stock reacquired	—	—	(999)
Excess of stated value over purchase price of 2,200; 95,776, and 122,023 shares $7.44 Series preferred stock retired during 1991, 1990, and 1989, respectively	34	1,516	1,885
Balance at Close of Period	$718,507	$718,473	$716,957

See Notes to Financial Statements on pages 25 through 29.

(Thousands of Dollars)

	Year 1991	Year 1990	Year 1989
Cash Flows From Operations:			
Net income	$ 321,512	$ 294,219	$ 285,605
Items not requiring cash –			
Depreciation and amortization	227,684	225,760	223,290
Callaway Unit No. 2 costs disallowed	—	—	50,351
Amortization of nuclear fuel	71,964	58,518	59,691
Allowance for funds used during construction	(8,519)	(14,145)	(17,908)
Deferred taxes on income, net	50,633	42,213	46,183
Deferred investment tax credits, net	(7,007)	(7,017)	(7,013)
Changes in assets and liabilities:			
Receivables, net	(3,663)	15,181	(27,607)
Materials and supplies	(15,182)	14,485	(23,684)
Accounts and wages payable	6,346	(3,740)	(6,670)
Taxes accrued	7,336	(8,430)	2,092
Interest and dividends accrued or declared	5,593	(3,512)	(31,928)
Other, net	5,486	(2,384)	19,073
Net cash provided by operations	662,183	611,148	571,475
Cash Flows From Investing:			
Construction expenditures	(237,159)	(212,932)	(192,853)
Allowance for funds used during construction	8,519	14,145	17,908
Nuclear fuel expenditures	(25,344)	(43,332)	(20,446)
Net cash used in investing activities	(253,984)	(242,119)	(195,391)
Cash Flows From Financing:			
Dividends on preferred and common stock	(236,690)	(228,917)	(224,356)
Environmental bond redemption fund	(42,585)	—	—
Redemptions –			
Nuclear fuel lease	(60,178)	(68,884)	(59,374)
Short-term debt	(34,000)	—	(17,500)
Long-term debt	(262,396)	(222,535)	(337,539)
Preferred stock	(212)	(8,987)	(114,356)
Issuances –			
Nuclear fuel lease	16,669	49,943	76,956
Short-term debt	—	49,500	—
Long-term debt	242,585	60,000	300,000
Net cash used in financing activities	(406,807)	(368,984)	(376,169)
Net Change in Cash and Cash Equivalents	1,392	45	(85)
Cash and Cash Equivalents at beginning of year	3,525	3,480	3,565
Cash and Cash Equivalents at end of year	$ 4,917	$ 3,525	$ 3,480

Cash and cash equivalents include cash on hand and temporary investments purchased with a maturity of three months or less.

See Notes to Financial Statements on pages 25 through 29.

Note 1 – Summary of Accounting Policies
The Company is regulated by the Missouri Public Service Commission, Illinois Commerce Commission, Iowa State Utilities Board, and the Federal Energy Regulatory Commission. The accounting policies of the Company are in accordance with the rate-making practices of the regulatory authorities having jurisdiction and, as such, conform to generally accepted accounting principles as applied to regulated public utilities. Following is a description of the Company's significant accounting policies:

Property and Plant
The cost of additions to and betterments of units of property and plant is capitalized. Cost includes labor, material, applicable taxes, and overheads, plus an allowance for funds used during construction. Maintenance expenditures and the renewal of items not considered units of property are charged to income as incurred. When units of depreciable property are retired, the original cost and removal cost, less salvage, are charged to accumulated depreciation.

Depreciation
Depreciation is provided over the estimated lives of the various classes of depreciable property by applying composite rates on a straight-line basis. The provision for depreciation in 1991, 1990, and 1989 is equivalent to approximately 3% of the average depreciable cost.

Nuclear Fuel
The cost of nuclear fuel is amortized to fuel expense on a unit-of-production basis. A provision for spent fuel disposal costs is charged to expense based on kilowatt-hours sold.

Income Taxes
Deferred income taxes are provided for timing differences between book and taxable income as permitted for rate-making purposes. Investment tax credits utilized in prior years were deferred and are being amortized over the useful lives of the properties to which they relate.

The Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 96, "Accounting for Income Taxes" (SFAS 96) in 1987. SFAS 96 requires an asset and liability approach for financial accounting and reporting. The FASB recently announced a new statement will supersede SFAS 96, and will be effective in 1993. Adoption of the new statement is not expected to have a material effect on the Company's results of operations.

Allowance for Funds Used During Construction
Allowance for funds used during construction (AFC) is a utility industry accounting practice whereby the cost of borrowed funds and the cost of equity funds (preferred and common stockholders' equity) applicable to the Company's construction program are capitalized as a cost of construction. This accounting practice is intended to offset the effect on earnings of the cost of financing current construction, and treats such financing costs in the same manner as construction charges for labor and materials.

Under accepted rate-making practice, cash recovery of AFC, as well as other construction costs, occurs when completed projects are placed in service and reflected in customer rates.

AFC rates are established by the Company consistent with the methodology prescribed by the Federal Energy Regulatory Commission. Average annual AFC rates were 7.1% in 1991, 9% in 1990, and 9.7% in 1989.

Callaway Rate Phase-In Plans
The Callaway rate phase-in plans effective in 1985 as a result of regulatory commission orders provide for the partial deferral of a cash recovery of costs related to the Callaway plant during the early years of the plans with recovery of such deferrals in the later years of the plans.

A 1987 order of the the Missouri Public Service Commission provides that $159 million of deferred costs at December 31, 1987, applicable to Missouri be recovered in rates over the five years 1988 through 1992.

Unbilled Revenue
The Company accrues on its books estimated, but unbilled, revenue and also a liability for the related taxes.

Note 2 – Debt Retirement Provisions
During the five years from December 31, 1991, the amounts of debt maturities totaling $558 million are: $324 million in 1992; $30 million in 1993; $159 million in 1995; and $45 million in 1996. Amounts for years subsequent to 1992 do not include nuclear fuel lease payments since the amounts of such payments are not currently determinable.

Debt retirement provisions contained in most mortgage bond indentures of the Company require, subject to certain alternatives, the redemption annually of 1% of the principal amount (as defined) of each series of bonds. In substantially all instances, as permitted by the indentures, the Company has been pledging property additions in lieu of such redemptions.

Note 3 – Short-Term Borrowings

Short-term borrowings of the Company consist of bank loans (maturities generally on an overnight basis) and commercial paper (maturities generally within 10-45 days). Information relative to short-term borrowings is as follows (in thousands except rates):

	1991	1990	1989
Bank loans at year end –			
Amount outstanding	**$ 56,500**	$ 45,500	$ 41,000
Composite interest rate	**4.7%**	7.7%	9.1%
Commercial paper at year end –			
Amount outstanding	**—**	$ 45,000	—
Composite interest rate	**—**	8.0%	—
Maximum aggregate short-term borrowings at any month end during the year	**$173,000**	$115,000	$204,500
Average daily short-term borrowings outstanding during the year –			
Aggregate amount	**$101,181**	$ 70,618	$ 68,626
Weighted composite interest rate	**6.2%**	8.3%	9.6%

The above weighted composite interest rates were calculated by dividing the applicable interest expense for the year by the average daily short-term borrowings shown above.

At December 31, 1991, the Company had committed bank lines of credit aggregating $183 million ($126.5 million of which were unused at such date) which make available interim financing at various rates of interest based on LIBOR, the bank certificate of deposit rate, or other options, and in support of which the Company has agreements with its lending banks to pay annual fees up to 0.125%. These lines of credit are renewable annually at various dates throughout the year.

Note 4 – Nuclear Fuel Lease

The Company has a lease agreement which provides for the financing of nuclear fuel. Effective February 1, 1992, the maximum amount which may be financed under the agreement was reduced from $150 million to $125 million. Pursuant to the terms of the lease, the Company has assigned to the lessor certain contracts for purchase of nuclear fuel. The lessor obtains, through the issuance of commercial paper or from direct loans under a committed revolving credit agreement from commercial banks, the necessary funds to purchase the fuel and make interest payments when due.

The Company is obligated to reimburse the lessor for all expenditures for nuclear fuel, interest, and related costs. Obligations under this lease become due as the nuclear fuel is utilized at the Company's Callaway nuclear plant. The Company reimbursed the lessor $68.0 million during 1991, $76.2 million during 1990, and $68.3 million during 1989.

The Company has capitalized the cost, including certain interest costs, of the leased nuclear fuel and has recorded the related lease obligation. During the years 1991, 1990, and 1989, the total interest charges under the lease were $8.5 million, $13.9 million, and $17.6 million (based on average interest rates of 6.7%, 8.6%, and 10%, respectively) of which $1.4 million, $7.3 million, and $8.3 million, respectively, were capitalized.

Note 5 – Preferred Stock

During the three years ended December 31, 1991, preferred stock, without par value, was retired or redeemed as follows: 2,200, 95,776, and 122,023 shares, $7.44 Series in 1991, 1990, and 1989, respectively; 260 shares, $6.30 Series in 1991, 1990, and 1989; 1,200,000 shares, $4.60 Series in 1989; and 1,600,000 shares, $2.125 Series in 1989.

Preferred Stock	Redemption Prices (Per Share)
$7.44 Series	$101.00
$6.40 Series	101.50
$5.50 Series A	110.00
$5.50 Series B	102.50
$4.75 Series	102.176
$4.56 Series	102.47
$4.50 Series	110.00 (a)
$4.30 Series	105.00
$4.00 Series	105.625
$3.70 Series	104.75
$3.50 Series	110.00
$8.00 Series of 1971	98.50
$6.80 Series	93.25
$6.30 Series (b)	100.00

(a) In the event of voluntary liquidation, $105.50.

(b) The Company is required to retire 260 shares at $100 per share on June 1 of each year.

Note 6 – Preferred Stock Mandatory Redemption Provisions

During each of the five years 1992 through 1996, the Company will be required to redeem $26,000 of the preferred stock outstanding at December 31, 1991.

Note 7 - Income Taxes

Total income tax expense for 1991 resulted in an effective tax rate of 41% on earnings before income taxes (39% in 1990 and 1989). The principal reasons such rates differ from the statutory Federal rate are as follows:

	1991	1990	1989
Statutory Federal income tax rate	34%	34%	34%
Increases (Decreases) from:			
Depreciation differences	2	2	2
Callaway rate phase-in plans	2	2	3
State tax	3	3	2
Miscellaneous, net	—	(2)	(2)
Effective income tax rate	41%	39%	39%

Income tax expense components for the years shown are as follows (in thousands):

	1991	1990	1989
Taxes currently payable (principally Federal):			
Included in operating expenses	$183,573	$1[illegible],186	$160,695
Included in other income – Miscellaneous, net	(8,244)	(6,964)	(8,983)
Deferred taxes (principally Federal):			
Included in operating expenses –			
Depreciation differences	41,757	40,429	60,787
Unbilled revenue	—	(4,886)	(9,089)
Other	4,377	(4,306)	(1,939)
Included in other income –			
Callaway Unit No. 2 costs disallowed	—	—	(20,155)
Depreciation differences	6,834	6,290	7,490
Other	(2,336)	—	—
Deferred investment tax credits, net			
Included in operating expenses	(7,007)	(7,017)	(7,013)
Total income tax expense	$218,954	$191,532	$181,793

Deferred income taxes are provided for differences between book and taxable income to the extent permitted for rate-making purposes. At December 31, 1991, the cumulative net amount of income tax timing differences for which deferred income taxes have not been provided was $1 billion. This amount is expected to be reflected in electric rates when the timing differences reverse.

Note 8 - Retirement Plans and Related Benefits

The Company has non-contributory, defined-benefit retirement plans covering substantially all of its employees. Benefits are based on the employees' years of service and compensation. The Company's funding policy is to contribute annually at least the minimum amount required by government funding standards, but not more than can be deducted for Federal income taxes. Plan assets consist principally of common stocks and fixed income securities (including $8.5 million of Company securities at December 31, 1991).

Pension costs for the years 1991, 1990, and 1989, were $24 million, $23 million, and $19 million, respectively, of which approximately 17% in each year was charged to construction accounts.

The plans' funded status follows (in millions):

	At December 31, 1991	1990	1989
Actuarial present value of benefit obligations:			
Vested benefit obligation	$(455)	$(414)	$(377)
Accumulated benefit obligation	$(481)	$(439)	$(404)
Projected benefit obligation for service rendered to date	$(633)	$(582)	$(538)
Plan assets at fair value	636	540	534
(Deficiency) Excess of plan assets versus projected benefit obligation	3	(42)	(4)
Unrecognized net (gain) or loss	(78)	(37)	(77)
Prior service cost not yet recognized in net periodic pension cost	89	95	100
Unrecognized net assets at transition	(12)	(13)	(14)
Prepaid pension cost	$ 2	$ 3	$ 5

Pension costs include the following components (in millions):

	1991	1990	1989
Service cost – benefits earned during the period	$ 15	$ 15	$ 15
Interest cost on projected benefit obligation	52	49	43
Actual return on plan assets	(110)	(19)	(43)
Net amortization and deferral	67	(22)	4
Pension cost	$ 24	$ 23	$ 19

For determining the actuarial present value of the projected benefit obligation in 1991, 1990, and 1989, the weighted average discount rates were 8.75%, 9%, and 8.75%, respectively. The rate of increase in future compensation was 6% and the expected long-term rate of return on plan assets was 8.5%.

In addition to providing pension benefits, the Company provides certain health care and life insurance benefits for retired employees. Substantially all of the Company's employees may become eligible for those benefits if they reach retirement age while working for the Company. The costs of retiree health care and life insurance benefits have been recognized on the basis of claims paid. Such costs totaled $11 million in each of 1991 and 1990, and $9 million in 1989.

The FASB has issued SFAS No. 106, "Employers' Accounting for Postretirement Benefits other Than Pensions". The Company plans to adopt SFAS 106 in 1993. SFAS 106 requires accrual of the expected postretirement benefit costs during the employees' years of service. While a definitive actuarial study has not been done, the

Company's accumulated postretirement benefit obligation is expected to be in the range of $300-$[illegible] million and the 1993 accrued postretirement benefit expense is estimated to be approximately $60 million. Long established regulatory practice has permitted the Company to recover in rates postretirement benefit costs on the basis of claims paid. In addition, the Company has formally requested assurance from the Missouri Public Service Commission that such costs will continue to be recovered in rates after SFAS 106 is adopted. The Company plans to record a regulatory asset offsetting the liability recorded pursuant to the standard. Such asset would represent the future revenues expected to be realized at the time accrued benefit claims are paid. Adopting SFAS 106 is not expected to have a material adverse effect on the Company's financial position or results of operations.

Note 9 – Construction Commitments
The Company is engaged in a construction program under which expenditures averaging approximately $290 million are anticipated during each of the next five years.

Note 10 – Contingencies
The Company's insurance coverage for its Callaway plant is as follows:

Property insurance coverage of $500 million provided by American Nuclear Insurers (ANI) and Mutual Atomic Energy Liability Underwriters (MAELU).

Excess property insurance of $765 million provided by ANI and MAELU, which includes $100 million of coverage for premature decommissioning costs.

Excess property insurance of $1.05 billion provided by Nuclear Electric Insurance Limited (NEIL), a mutual insurer established by the utility industry. Under this policy, the Company could be subject to a maximum retrospective premium assessment of $5.5 million in any one policy year. The policy also provides up to an additional $200 million of coverage for premature decommissioning costs in excess of funds previously collected for decommissioning. Such coverage is limited to a premature decommissioning which results from a major accident.

A Master Worker Policy issued by ANI and MAELU with an aggregate limit of $200 million for the nuclear industry as a whole to cover claims of workers as a result of initial radiation exposure after December 31, 1987. Under this policy, the Company could be subject to a maximum retrospective premium assessment of $3.2 million.

Accidental outage replacement power cost insurance provided by NEIL. Thereunder, the Company is insured for up to $2.9 million per week for the first year, commencing 21 weeks after initiation of the outage; up to $1.9 million per week for the second year; and for up to $1 million per week for the third year. Under this policy, the Company could be subject to a maximum annual retrospective premium assessment of $3.2 million in any one policy year.

The Atomic Energy Act, as revised August 1988 by the Price-Anderson amendments, covers liability to third parties for a nuclear incident and currently limits such liability to approximately $7.8 billion for each nuclear incident. Coverage of the first $200 million of liability is provided by ANI and MAELU. The balance is provided by utility industry retrospective assessments. The Company's maximum potential assessment under this plan would be $63 million per incident payable in annual installments of not more than $10 million. Additionally, if the sum of all public liability claims and legal costs arising from a nuclear incident exceeds the amount of primary and excess coverage in force, the Company can be assessed an additional $3.2 million.

To the extent that any losses arising from a nuclear incident at Callaway plant exceed the limits of, or are not subject to, insurance, or to the extent such insurance becomes unavailable in the future, the Company may retain the risk of loss as a self-insurer. Although the Company has no reason to anticipate a serious nuclear incident at Callaway plant, if such an incident did occur, it could have a material but presently undeterminable adverse effect on the Company's financial position.

Under the Clean Air Act Amendments of 1990, the Company is required to reduce total annual emissions of sulfur dioxide by approximately two-thirds by the year 2000. Significant reductions in nitrogen oxide will also be required. With switching to low-sulfur coal and early banking of emission credits, the Company anticipates that it can comply with the requirements of the law with no significant increase in revenue needs because the related capital costs, currently estimated at about $300 million over the next decade, will be largely offset by lower fuel costs.

As of December 31, 1991, the Company was designated a potentially responsible party (PRP) by federal and state environmental protection agencies for six hazardous waste sites. Other hazardous waste sites have been identified for which the Company may be responsible but has not been designated a PRP. The Company is presently investigating the remedial costs that will be required for all of these sites.

However, such costs are not expected to have a material adverse effect on the Company's financial position.

The Company is involved in legal and administrative proceedings before various courts and agencies with respect to matters arising in the ordinary course of business, some of which involve substantial amounts. Management is of the opinion that the final disposition of these proceedings will not have a material adverse effect on the Company's financial position.

In November 1990, the Missouri Public Service Commission approved a settlement among all parties in a rate design proceeding involving the Company's Missouri electric rates. Under the terms of the settlement, rate decreases for commercial and industrial customers reduced annual revenues by approximately $30 million. The settlement also provides that no party shall file for a general increase or decrease in the Company's Missouri electric rates prior to January 1, 1993, except that the Company would be allowed to file for an increase if certain adverse events were to occur.

The Company has reached tentative agreements to sell its Iowa retail and wholesale electric distribution properties to IES Industries, Inc., and its northern Illinois retail electric distribution properties to Central Illinois Public Service Company (CIPS). The Company serves approximately 21,000 customers in the areas subject to the sales, with total annual revenues of $56 million. The net book value of the properties to be sold is $34 million. The sales proceeds are expected to total $68 million. The Company's hydroelectric generating station near Keokuk, Iowa and related transmission facilities are not included in the proposed sales. The completion of the transactions is subject to, among other things, the development of definitive agreements and to the approvals of the boards of directors of the Company, IES and CIPS and of various state and federal regulatory authorities.

Note 11 – Callaway Nuclear Plant

In 1981, the Company canceled construction of Unit No. 2 at its Callaway plant. In 1989, the Missouri Supreme Court refused to hear an appeal of a Missouri Public Service Commission order that denied recovery of Callaway Unit No. 2 costs applicable to the Missouri jurisdiction. As a result, in 1989 the Company wrote off $50 million ($30 million net of tax or $.30 per share) of the recorded asset related to the portion of Callaway Unit No. 2 applicable to the Missouri jurisdiction.

Under the Nuclear Waste Policy Act of 1982, the U. S. Department of Energy (DOE) is responsible for the permanent storage and disposal of spent nuclear fuel. DOE currently charges one mill per kilowatt-hour sold for future disposal of spent fuel. Electric rates charged to customers provide for recovery of such costs. DOE is not expected to have its permanent storage facility for spent fuel available until at least 2010. The Company has sufficient storage capacity at the Callaway plant site until 2005 and has viable storage alternatives under consideration that would provide additional storage facilities. Each alternative will likely require Nuclear Regulatory Commission approval and may require other regulatory approvals. The delayed availability of DOE's disposal facility is not expected to adversely affect the continued operation of the Callaway plant.

Callaway plant decommissioning costs are estimated to be $354 million in current year dollars. Electric rates charged to customers provide for recovery of decommissioning costs over the life of the Callaway plant. Amounts so collected from customers are deposited in a trust fund which has been established to provide for decommissioning costs.

Note 12 – Supplementary Information

(Thousands of Dollars)	1991	1990	1989
Maintenance and repairs, charged directly to:			
Operating expenses	**$170,454**	$176,369	$156,220
Other accounts (a)	**11,064**	10,890	10,863
	$181,518	$187,259	$167,083
Depreciation, depletion and amortization of fixed and intangible assets, charged directly to:			
Operating expenses	**$227,684**	$225,760	$223,290
Other accounts (a)	**5,967**	4,930	4,508
	$233,651	$230,690	$227,798
Taxes, other than payroll and income taxes, charged directly to:			
Operating expenses —			
Real estate and personal property	**$ 78,900**	$ 78,559	$ 79,889
License and franchise	**96,802**	94,200	95,276
Miscellaneous	**1,699**	1,980	1,743
	177,401	174,739	176,908
Other accounts	**4,512**	4,304	4,117
	$181,913	$179,043	$181,025

(a) A substantial portion of amounts charged to other accounts is allocated to operating expenses through clearing accounts.

(b) The amounts of payroll taxes for the years 1991, 1990, and 1989 were $20,225,000, $19,409,000, and $18,909,000, respectively.

(c) The amounts of royalties and advertising costs were not material.

(d) Total interest paid (net of amount capitalized) in 1991, 1990, and 1989 was $146 million, $168 million, and $177 million, respectively.

(e) Total income taxes paid in 1991, 1990, and 1989 were $178 million, $158 million, and $148 million, respectively.

Results of Operations

Earnings and earnings per share fluctuated due to many conditions, the primary ones being: the effect of weather variations, changes in electric rates, growth in customers' use of electricity, fluctuating operating costs, the effect of costs disallowed by regulatory authorities, changes in interest expense, and reduced preferred stock dividend requirements.

The impacts of the more significant items affecting revenues, costs, and earnings during the past several years are analyzed and discussed below.

Electric Operating Revenues

	Variation from Prior Year		
(Millions of Dollars)	1991	1990	1989
Rate variations	$(16.4)	$(11.2)	$ (6.4)
Effect of abnormal weather	91.2	(8.4)	(64.8)
Growth and other	(7.7)	28.9	62.8
	$ 67.1	$ 9.3	$ (8.4)

The lower 1991 and 1990 electric revenues attributable to rate variations reflect the effects of the lower rates resulting from the Missouri rate design settlement effective November 26, 1990 (see Note 10 under Notes to Financial Statements). Under the terms of this settlement, rate decreases for commercial and industrial customers reduce revenues, on an annual basis, by approximately $30 million. Summer/winter rate differentials, increased by the settlement, are expected to be revenue neutral on an annual basis. The decrease in 1989 electric revenues applicable to rate variations primarily reflects decreases in wholesale electric rates.

The unusually warm spring and summer weather in 1991 resulted in a significant increase in electric revenues when compared to the weather experienced in 1990. Electric revenues in 1990 were lower due to abnormal weather, particularly the warmer than normal weather in the first and fourth quarters of 1990, as compared to overall normal weather in 1989. The lower 1989 electric revenues attributable to weather reflects the abnormally hot 1988 summer.

The variation in electric revenues attributable to growth and other factors in 1989, 1990, and 1991 primarily reflects the differences in economic growth in the Company's service territory for these periods. In 1989, economic growth added 26,000 jobs to our service area, increasing employment by 2.3% and electric kilowatt-hour sales normalized for abnormal weather by 3.1%. In 1990, the Company's service territory experienced positive but slower economic growth than in 1989, with normalized kilowatt-hour sales increasing 2% over the prior period. Area employment in 1990 increased by only 9,800 jobs or .8%. In 1991, our service area experienced the general reduction in economic growth that occurred nationally. The general decline was reflected in higher area unemployment and particularly in lower sales to industrial customers. In 1991, total normalized kilowatt-hour sales decreased .4% compared to 1990. Other less significant factors contributing to variations in electric sales are conservation, installation of energy efficient appliances, and changes to and from alternative fuels.

Operating Expenses

Fuel and Purchased Power –	Variation from Prior Year		
(Millions of Dollars)	1991	1990	1989
Fuel:			
Variation in generation	$17.3	$(6.6)	$(11.9)
Price	(19.6)	6.1	(27.7)
Amortization of uranium litigation settlement	(1.7)	1.2	2.6
Generation efficiencies	3.6	4.7	(1.7)
Net interchange sales and purchased power variation	9.7	(6.8)	20.2
	$ 9.3	$(1.4)	$(18.5)

The increase in total fuel and purchased power costs in 1991 reflects increased steam plant generation partly due to less hydro generation, reduced generation efficiencies, and increased net interchange purchased power costs, offset in part by decreased fuel prices. The decrease in total fuel and purchased power costs in 1990 reflects the replacement of steam generation (which was lower due to the 1990 Callaway refueling outage) with low-cost hydro generation and decreased purchased power, offset in part by increased fuel prices and reduced generating efficiencies. The decrease in total fuel and purchased power costs in 1989 reflects reduced generation due to the Callaway refueling outage in 1989 and lower prices, offset in part by increased purchased power costs.

Other variations in operating expenses during the years 1989 through 1991 generally reflect recurring conditions such as growth, inflation, and wage increases. In 1991, operations expenses, other than fuel and purchased power costs, increased $8 million, due primarily to a $2 million increase in employee benefit expenses, a $3 million increase in regulatory expenses, and a $2 million increase in natural gas purchased for resale. In 1990, operations expenses,

other than fuel and purchased power costs, increased $13 million, due primarily to a $12 million increase in wages and other employee benefit expenses and a $4 million increase in Callaway plant expenses, offset by a $3 million reduction in natural gas purchased for resale. In 1989, operations expenses, other than fuel and purchased power costs, increased $19 million, due primarily to a $16 million increase in wages, pensions and other employee benefit expenses and a $3 million increase in Callaway plant expenses.

In 1991, maintenance expenses decreased $6 million, primarily due to a $14 million decrease in Callaway plant maintenance expenses, reflecting the plant's fourth refueling in late 1990, partially offset by increases in tree trimming and storm-related distribution expenses, and increased maintenance at most major generating plants other than Callaway. In 1990, maintenance expenses increased $20 million, which includes $14 million at generating plants other than Callaway and $2 million associated with Callaway's fourth refueling. In 1989, maintenance expenses decreased $7 million, reflecting a $14 million decrease in maintenance expenses at generating plants other than Callaway, offset by a $7 million increase in maintenance expenses at Callaway plant, attributable to Callaway's third refueling in early 1989.

Depreciation expense increased $4 million in 1991 and $5 million in 1990 primarily due to increased depreciable property.

Amortization of phase-in plans deferred costs decreased in 1990 and 1989 by $2 million and $5 million, respectively, reflecting the conclusion of the Illinois and wholesale customer phase-in plans.

Income taxes from operations increased $30 million in 1991 due principally to higher pre-tax income. Income taxes from operations decreased $11 million in 1990 due principally to lower pre-tax income. Income taxes from operations increased $9 million in 1989, principally due to higher pre-tax income and the decreased amortization of certain Callaway-related accumulated deferred income taxes.

In 1991, other taxes charged to operating expenses increased $3 million due to a $2 million increase in license and franchise taxes and a $1 million increase in payroll taxes. In 1990, the $2 million decrease in other taxes was primarily due to decreases in real estate and license and franchise taxes partially offset by higher payroll taxes. In 1989, a $1 million increase in other taxes was primarily due to increased real estate taxes.

Interest
In 1991, interest expense decreased $20 million primarily due to the refinancing of high-cost debt with lower-cost issues, lower interest rates on variable rate debt and reduction of total debt outstanding. In 1990, interest expense increased $11 million, primarily reflecting a $27 million reduction in 1989 attributable to the favorable resolution of several tax matters, partially offset by reduced interest resulting from refinancing higher-cost debt with lower-cost issues and reduced total outstanding debt. Lower 1989 interest expense reflects the favorable resolution of the tax matters in 1989.

Callaway Rate Phase-In Plans and Costs Disallowed
See Notes 1 and 11 under Notes to Financial Statements for information relative to Callaway rate phase-in plans and the Callaway Unit No. 2 costs disallowed.

Miscellaneous Other Income and Deductions, Net
The 1991 reduction in Miscellaneous, net of $13 million primarily reflects a reduction in interest income, greater charitable contributions, the expense related to obtaining long-term power supply contracts with certain wholesale customers, and miscellaneous other nonrecurring income deductions. The 1990 increase of $2 million in Miscellaneous, net primarily reflects miscellaneous interest income. The 1989 increase of $16 million in Miscellaneous, net primarily reflects $15 million net of tax charged to expense in 1988 related to obtaining long-term power supply contracts with certain wholesale customers.

Clean Air Act Amendments
Under the Clean Air Act Amendments of 1990, the Company is required to reduce total annual emissions of sulfur dioxide by approximately two-thirds by the year 2000. Significant reductions in nitrogen oxide will also be required. With switching to low-sulfur coal and early banking of emission credits, the Company anticipates that it can comply with the requirements of the law with no significant increase in revenue needs because the related capital costs, currently estimated at about $300 million over the next decade, will be largely offset by lower fuel costs.

Contingencies
See Notes 8 and 10 under Notes to Financial Statements for issues existing at December 31, 1991 that could affect the Company.

Liquidity and Capital Resources

Construction expenditures averaging approximately $290 million are anticipated during each of the years 1992 through 1996. The Company completed the construction of its Callaway plant in late 1984. Additional electric generation capacity is not anticipated before the late 1990s. For funds required in addition to construction expenditures, see Notes 2, 5, and 6 under Notes to Financial Statements.

The Company has reached tentative agreements to sell its Iowa retail and wholesale electric distribution properties to IES Industries, Inc., and its northern Illinois retail electric distribution properties to Central Illinois Public Service Company (CIPS). The Company serves approximately 21,000 customers in the areas subject to the sales, with total annual revenues of $56 million. The net book value of the properties to be sold is $34 million. The sales proceeds are expected to total $68 million. The Company's hydroelectric generation station near Keokuk, Iowa and related transmission facilities are not included in the proposed sales. The completion of the transactions is subject to, among other things, the development of definitive agreements and to the approvals of the boards of directors of the Company, IES and CIPS and of various state and federal regulatory authorities.

The Company has an agreement with Arkansas Power and Light Company, a subsidiary of Entergy Corporation, for the purchase of their Missouri retail electric distribution properties at a price of approximately $63 million. The purchase is expected to be completed in the first quarter of 1992.

On January 28, 1992, the Company issued $100 million of first mortgage bonds. The new bonds due 2003, were issued with a coupon rate of 7.65%, and the proceeds of the issue will be used to redeem existing bonds.

A nuclear fuel lease agreement provides for the financing of the Company's nuclear fuel requirements. Effective February 1, 1992, the maximum amount which may be financed under the agreement was reduced from $150 million to $125 million. At December 31, 1991, $110 million of nuclear fuel was financed under the lease.

The Company plans to continue utilizing short-term debt as support for normal operations and other temporary requirements (see Note 3 under Notes to Financial Statements). The Company is authorized by the Federal Energy Regulatory Commission (FERC) to have outstanding at any one time up to $600 million of short-term unsecured debt instruments.

Tax Matters

See Income Taxes in Note 1 under Notes to Financial Statements regarding Statement of Financial Accounting Standards No. 96, "Accounting for Income Taxes".

Effects of Inflation and Changing Prices

The Company's financial statements reflect the historical cost of events and transactions occurring at times when the purchasing power of the dollar was different from the present. The effects of inflation and changing prices on the Company's financial statements are most significant in the areas of depreciation and property, plant, and equipment.

The current replacement cost of the Company's utility plant substantially exceeds its recorded historical cost. However, the regulatory process limits the Company to the recovery of the historical cost of utility plant through depreciation. While the regulatory process does not reflect the current cost of replacing utility plant, past practice indicates the Company will be allowed to earn on and to recover the increased cost of its net investment after facilities are replaced.

The Company, by having assets such as receivables, fuel and materials inventory, and deferred charges, incurs a loss of purchasing power during periods of inflation because, after conversion, the cash received for these items will purchase less. More than offsetting such assets, however, are significant amounts of long-term debt, deferred income taxes, and current liabilities which will be paid with dollars of reduced purchasing power.

	1991	1990	1989	1988	1987
Electric Operating Revenues (000):					
Residential	**$ 831,106**	$ 763,539	$ 757,139	$ 778,121	$ 749,786
Commercial	**685,799**	673,037	668,796	659,075	628,067
Industrial	**395,116**	411,809	411,614	403,837	393,597
Other electric utilities	**65,317**	62,167	64,262	70,133	71,160
Miscellaneous	**28,920**	28,619	28,073	27,130	26,867
Total Electric Operating Revenues	**$2,006,258**	$1,939,171	$1,929,884	$1,938,296	$1,869,477
Kilowatt-Hour Sales (000,000):					
Residential	**10,646**	9,810	9,724	9,957	9,585
Commercial	**10,678**	10,276	10,142	10,009	9,581
Industrial	**8,524**	8,706	8,605	8,417	8,217
Other electric utilities	**1,623**	1,511	1,534	1,501	1,487
Miscellaneous	**139**	142	141	139	138
Total Kilowatt-Hour Sales	**31,610**	30,445	30,146	30,023	29,008
Electric Customers (End of year):					
Residential	**962,629**	957,102	951,154	941,673	929,776
Commercial	**122,152**	121,090	119,307	117,333	114,858
Industrial	**6,778**	6,752	6,714	6,576	6,569
Electric utilities	**20**	21	21	21	21
Other	**1,599**	1,644	1,588	1,569	1,548
Total Electric Customers	**1,095,178**	1,086,609	1,078,784	1,067,172	1,052,772
Residential Customer Data (Average):					
Kilowatt-hours used	**11,106**	10,283	10,289	10,645	10,390
Annual electric bill	**$867.00**	$800.80	$801.14	$851.91	$812.73
Revenue per kilowatt-hour	**7.81¢**	7.78¢	7.79¢	7.82¢	7.82¢
Gross Instantaneous Peak Demand (Kilowatts)	**7,365,000**	7,465,000	7,210,000	7,340,000	7,255,000
Capability at Time of Peak, Including Net Purchases (Kilowatts)	**8,285,000**	8,132,000	8,255,000	8,028,000	8,236,000
Generating Capability at Time of Peak (Kilowatts)	**7,868,000**	7,760,000	7,837,000	7,791,000	8,040,000
Coal Burned (Tons)	**10,732,000**	10,643,000	10,711,000	10,876,000	10,245,000
Price per Ton of Coal	**$32.26**	$33.85	$33.12	$35.25	$37.31

(Thousands of Dollars Except Shares and Per Share Amounts and Ratios)

	1991	1990	1989	1988
Results of Operations				
Operating revenues	**$2,096,940**	$2,023,017	$2,010,306	$2,029,107
Operating expenses	**1,614,127**	1,565,477	1,543,838	1,544,953
Operating income	**482,813**	457,540	466,468	484,154
Callaway rate phase-in plans	**107**	237	227	2,408
Deferred costs disallowed	—	—	—	—
Callaway Unit No. 1 costs disallowed, net	—	—	—	—
Loss on cancellation of Callaway Unit No. 2, net	—	—	(30,196)	—
Allowance for all funds used during construction	**8,519**	14,145	17,908	14,885
Miscellaneous, net	**(2,718)**	9,881	7,769	(10,648)
Interest	**(167,209)**	(187,584)	(176,571)	(199,241)
Net income	**321,512**	294,219	285,605	291,558
Preferred stock dividends	**14,059**	14,693	19,134	30,425
Earnings on common stock	**307,453**	279,526	266,471	261,133
Average common shares outstanding	**102,123,834**	102,123,834	102,123,834	102,123,834
Assets, Obligations, and Equity Capital (Year End)				
Total assets	**$5,733,479**	$5,702,341	$5,760,322	$5,827,246
Long-term debt obligations	**1,730,277**	1,948,024	2,106,776	2,188,614
Preferred stock subject to mandatory redemption	**754**	780	806	60,832
Preferred stock not subject to mandatory redemption	**217,784**	218,004	227,582	279,784
Common equity	**2,106,155**	2,021,299	1,954,481	1,895,360
Financial Indices:				
Earnings per share of common stock (based on average shares outstanding)	**$3.01**	$2.74	$2.61	$2.56
Cash dividends per share of common stock	**$2.18**	$2.10	$2.02	$1.94
Return on average common stock equity	**14.99%**	14.16%	14.03%	14.08%
Ratio of earnings to fixed charges (a)	**4.21**	3.57	3.63	3.35
Book value per common share	**$20.62**	$19.79	$19.14	$18.56
Capitalization Ratios (Year End):				
Common equity	**51.9%**	48.3%	45.6%	42.8%
Preferred stock not subject to mandatory redemption	**5.4**	5.2	5.3	6.3
Preferred stock subject to mandatory redemption	—	—	—	1.4
Long-term debt	**42.7**	46.5	49.1	49.5
	100.0%	100.0%	100.0%	100.0%

(a) Earnings used in computing the ratio of earnings to fixed charges consist of net income plus fixed charges (interest on debt, amortization of debt discount, premium and expense, and a portion of rentals representative of the interest factor) and income taxes.

	1987	1986	1985	1984	1983	1982	1981
	$1,946,411	$1,807,182	$1,591,763	$1,412,414	$1,401,086	$1,217,705	$1,105,536
	1,457,957	1,287,572	1,173,187	1,172,128	1,160,816	1,013,054	922,647
	488,454	519,610	418,576	240,286	240,270	204,651	182,889
	92,791	59,861	74,631	—	—	—	—
	(23,169)	—	—	—	—	—	—
	—	—	(234,780)	—	—	—	—
	—	—	—	—	—	—	(28,469)
	20,477	15,812	106,7[illegible]4	329,669	251,307	198,093	155,625
	(15,714)	3,947	(1,70[illegible])	1,619	2,509	2,364	(787)
	(228,961)	(247,409)	(254,320)	(247,308)	(218,530)	(200,554)	(180,312)
	333,878	351,821	109,152	324,266	275,556	204,554	128,946
	36,522	49,245	49,836	50,185	46,118	40,344	29,863
	297,356	302,576	59,316	274,081	229,438	164,210	99,083
	102,123,834	102,123,834	100,403,016	96,574,699	86,744,282	76,251,024	67,179,275
	$5,957,811	$5,895,211	$5,738,620	$5,819,996	$5,146,666	$4,573,783	$3,992,742
	2,357,615	2,436,092	2,454,687	2,457,381	2,108,047	2,000,405	1,719,927
	64,608	165,384	173,160	178,936	180,962	182,988	110,014
	354,784	354,784	354,784	354,784	354,784	279,784	279,784
	1,837,156	1,743,189	1,630,466	1,695,239	1,526,188	1,299,814	1,135,826
	$2.91	$2.96	$0.59	$2.84	$2.64	$2.15	$1.47
	$1.92	$1.86	$1.78	$1.72	$1.66	$1.58	$1.52
	16.79%	18.16%	3.81%	17.23%	16.79%	14.17%	9.46%
	3.30	2.79	1.14	2.88	2.89	2.49	2.00
	$17.99	$17.07	$15.97	$17.10	$16.12	$15.40	$15.19
	39.8%	37.1%	35.3%	36.2%	36.6%	34.5%	35.0%
	7.7	7.6	7.7	7.6	8.5	7.4	8.6
	1.4	3.5	3.8	3.8	4.3	4.9	3.4
	51.1	51.8	53.2	52.4	50.6	53.2	53.0
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Selected Quarterly Information

(Thousands of Dollars Except Per Share Amounts)

Quarter Ended:		Operating Revenues	Operating Income	Net Income	Earnings on Common Stock	Earnings Per Share of Stock Outstanding
	March 31, 1991	**$437,528**	**$ 74,777**	**$ 35,052**	**$ 31,538**	**$ .31**
	March 31, 1990	446,853	84,898	41,170	37,362	.37
	June 30, 1991	**554,992**	**143,173**	**105,220**	**101,705**	**.99**
	June 30, 1990	500,760	125,098	82,698	79,045	.77
	September 30, 1991	**687,909**	**209,747**	**163,907**	**163,392**	**1.60**
	September 30, 1990	653,885	195,344	154,272	150,624	1.47
	December 31, 1991	**416,511**	**55,116**	**14,333**	**10,818**	**.11**
	December 31, 1990	421,519	52,200	16,079	12,495	.12

Common Stock Prices and Dividends (a)

	1991 Price Range		1991		1990 Price Range		1990
	High	Low	Dividends (b)	Quarter Ended	High	Low	Dividends
Per Share:	$31 3/8	$28 1/2	54¢	March 31	$28 7/8	$26 3/8	52¢
	31	29	54	June 30	27 3/8	24 7/8	52
	34 1/8	29 5/8	54	September 30	27 3/8	24 5/8	52
	38 5/8	33 1/2	56	December 31	30	25 3/4	54

(a) At December 31, 1991, Union Electric Company common stockholders totaled 123,951. (New York Stock Exchange symbol: UEP)
(b) At December 31, 1991, retained earnings totaled $877,029,000; under the Company's amended mortgage indentures, $57,115,000 of total retained earnings was restricted against payment of common dividends – except those payable in common stock.

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