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December 18, 2001

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
450 Fifth Street, N.W.
Washington, D.C. 20549

Public Avail. Date: 1/14/02 0122200219
Act Section Rule
1934 14(a) 14a-8

Re: Rule 14a-3(i) Under Securities Exchange act of 1934; Proposed Omission
of Shareholder Proposal Relating to Scope of Auditor Services

Gentlemen:

This letter is submitted on behalf of Ameren Corporation (the "Company") pursuant to Rule 14a-3(i) under the Securities Exchange Act of 1934 in regard to the Company's intention to omit from its proxy statement and related form of proxy for its 2002 Annual Meeting of Stockholders a proposal and accompanying Statement of Support (together, the "Proposal") submitted on behalf of the Board of Trustees of the International Brotherhood of Electrical Workers Pension Benefit Fund ("IBEW PBF"). The Proposal (without the Statement of Support) reads as follows.

Resolved, that the shareholders of Ameren Corporation ("Company") request that the Board of Directors adopt a policy stating that the public accounting firm retained by our Company to provide audit services, or any affiliated company, should not also be retained to provide non-audit services to our Company.

The company believes that the Proposal may be excluded under Rule 14a-3(i)(7) on the ground that it deals with a matter relating to the ordinary business operations of the Company.

The Proposal, as explained in the accompanying Statement of Support, is intended to preserve auditor independence, an issue that has been exhaustively examined in recent years. The Commission's examination of this issue culminated in its release entitled "Revision of the Commission's Auditor Independence Requirements" (Exchange Act Release No. 43602, November 21, 2000; the "Auditor Independence Release"), adopting rule changes which, among other things, specify principles that the Commission will consider in making auditor independence determinations under Rule 2-01 of Regulation S-X, identify certain relationships that render an accountant not independent of an audit client under Rule 2-01, and require proxy statement disclosure of the audit and non-audit fees paid to a company's auditors and of whether the company's audit committee has considered whether the provision of non-audit services is compatible with maintaining the auditor's independence. The Commission also addressed auditor independence in its earlier release entitled "Audit



Committee Disclosure" (Exchange Act Release No. 42266, December 22, 1995; the "Audit Committee Release"), adopting rule changes which include a requirement that proxy statements include an audit committee report stating whether the audit committee has received from the auditors disclosures regarding the auditors' independence required by Independence Standards Board Standard No. 1, and discussed with the auditors the auditors' independence, and a requirement that companies disclose in their proxy statements whether their audit committee members are independent as defined in applicable listing standards.

Both the Auditor Independence Release and the Audit Committee Release have as a goal enhancing the reliability and credibility of financial statements. These releases bolster the role and accountability of, and disclosure requirements regarding, the audit committee, provide detailed guidance regarding permissible relationships between a company and its auditors and specifically bar certain non-audit services. The Commission specifically elected not to prohibit auditors from providing non-audit services to audit clients. It explained as follows:

The greatest assurance of auditor independence would come from prohibiting auditors from providing any non-audit services to audit clients. We solicited comment on this approach, and some commenters strongly urged that we adopt such an exclusionary ban. That way, the auditor would never be placed in a conflict-of-interest position, nor would the auditor have any economic incentive, beyond continuation of the audit relationship, that might give rise to a biased attitude. We believe, however, that the better course is for us to eschew a single bright line and instead to draw a series of lines, based on our assessment of particular factual circumstances, understanding that **identifying dangerous circumstances in this area is more a matter of informed judgment than measurement.** We believe that the two-pronged approach we are taking in the final rules requiring disclosure of the fees billed by the auditor for the audit, financial information systems design and implementation services, and other non-audit services, and identifying particular services that are compatible with independence—best protects the audit process. Our approach also permits us to restrict non-audit services only to the extent necessary to protect the integrity and independence of the audit function. Accountants will continue to be able to provide a wide variety of non-audit services to their clients. They also will be able to provide any non-audit service to non-audit clients. (Emphasis added.)

* * *

Investors will be able to evaluate for themselves whether the proportion of fees for audit and non-audit services causes them to question the auditor's independence.

The Commission's analysis and conclusions in the Auditor Independence Release indicate that, in determining not to bar the provision of non-audit services by auditors, it was

The size of the fee(s) for the non-audit service(s).

The Company's Audit Committee, its Board of Directors and its management have frequently considered the foregoing factors and others in contracting for non-audit services. It is a task for which they, and particularly the Audit Committee, are better-informed, more experienced and better-suited than the Company's shareholders, and which should accordingly be considered to be a management function and within the ordinary business operations of the Company. As the Commission stated in the Auditor Independence Release:

Audit committees bring business judgment to bear on the financial matters within their purview ... [W]e believe that the final rule facilitates the work of audit committees by establishing clear legal standards that audit committees can use as benchmarks against which to exercise business judgment.

Consistent with the foregoing analysis, the Staff of the Commission has on numerous occasions allowed the exclusion from proxy statements of shareholder proposals relating to the selection of auditors on the ground that they relate to a company's ordinary business operations. See, for example: SONICblue Incorporated, March 23, 2001 (proposal mandating that stockholders annually select the company's independent auditors may be excluded); Excalibur Technologies Corporation, May 4, 1998 (proposal that appointment of company's independent auditors be subject to approval by shareholders and that a representative of the audit firm be present at annual meetings to answer questions may be excluded); The Arundel Corporation, January 2, 1987 (portion of proposal requiring that stockholders adopt a resolution requesting disclosure of auditors' fees may be excluded); Pacific Gas and Electric Company, January 18, 1991 (proposal that company have a different accounting firm every four years may be excluded); Monsanto Company, January 17, 1989 (proposal that auditor be selected by competitive bidding and establishing selection criteria may be omitted); Pacific Gas and Electric Company, December 30, 1985 (proposal requiring that auditors be selected by competitive bidding and instituting guidelines may be omitted); LTV Corporation, November 22, 1995 (proposal that auditors be required to provide a surety against negligence, malpractice or fraud may be excluded); and Occidental Petroleum Corporation, January 13, 1998 (proposal that additional information regarding auditor be disclosed in proxy statement may be excluded). In its letters to Monsanto Company, Pacific Gas and Electric Company (December 30, 1985) and LTV Corporation, referred to above, the Staff concluded that "the determination of criteria for the selection of independent auditors" appears to deal with "a matter relating to the conduct of the Company's ordinary business operations." The Proposal establishes criteria for the selection of auditors by having the effect, among others, of barring the Company from selecting as auditors those companies with which it has contracted or expects to contract for non-audit services.

We respectfully request concurrence by the Staff in the Company's determination that it may exclude the Proposal from the Company's proxy statement and its form of proxy.

Six copies of the Proposal and a letter dated November 13, 2001 transmitting the same on behalf of IBEW-PBF are enclosed.


By a copy of this letter, we are notifying IBEW-PBF that the Company does not intend to include the Proposal in its proxy materials. We are also notifying IBEW-PBF that the references to Staff Legal Bulletin #14 contained in the Statement of Support included in the Proposal should be references to the Auditor Independence Release.

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If is expected that the Company's proxy statement will be printed on or about March 1, 2002 and mailed to shareholders on or about March 14, 2002

Please acknowledge receipt of this filing by stamping a copy of the enclosed letter and returning it to me in the enclosed self-addressed envelope.

Very truly yours,



Enclosure

cc: International Brotherhood of Electrical Workers
Pension Benefit Fund
1125 Fifteenth Street N.W.
Washington, D C. 20005
Attention: Jeremiah J. O'Connor, Trustee

Resolved, that the shareholders of Ameren Corporation ("Company") request that the Board of Directors adopt a policy stating that the public accounting firm retained by our Company to provide audit services, or any affiliated company, should not also be retained to provide non-audit services to our Company

Statement of Support: The role of independent auditors in ensuring the integrity of the financial statements of public corporations is fundamentally important to the efficient and effective operation of the financial markets. The US Securities and Exchange Commission recently stated:

Independent auditors have an important public trust. Investors must be able to rely on issuers' financial statements. It is the auditor's opinion that furnishes investors with critical assurance that the financial statements have been subjected to a rigorous examination by an objective, impartial, and skilled professional, and that investors, therefore, can rely on them. If investors do not believe that an auditor is independent of a company, they will derive little confidence from the auditor's opinion and will be far less likely to invest in that public company's securities. (Division of Corporate Finance, Staff Legal Bulletin #14, 7/13/01) ("Bulletin #14")

It is critically important to the integrity of the auditing process and the confidence of investors that those firms performing audits for public corporations avoid business relationships that might compromise their independence or raise the perception of compromised judgment. At the heart of the challenge to auditor independence is the growing level of business and financial relationships developing between audit firms and their clients. Bulletin #14 identifies these growing business relationships that threaten auditor independence

Accounting firms have woven an increasingly complex web of business and financial relationships with their audit clients. The nature of the non-audit services that accounting firms provide to their audit clients has changed, and the revenues from these services have dramatically increased

The growth of non-audit revenues represents a trend that has been accelerating dramatically in the last several years, with non-audit fees for consulting or advisory services exceeding audit fees at many companies. Our Company is in the category of companies that pays its audit firm more for non-audit advisory services than it does for audit services. The Company's most recent proxy statement indicated that PricewaterhouseCoopers LLP received or billed \$446,500 for audit services, while it billed \$1,006,432 for non-audit services rendered.

We believe that this financial "web of business and financial relationships" may at a minimum create the perception of a conflict of interest that could result in a lack of owner and investor confidence in the integrity of the Company's financial statements. As long-term shareowners, we believe that the best means of addressing this issue is to prohibit any audit firm retained by our Company to perform audit services from receiving payment for any non-audit services performed by the firm. We urge your support for this resolution designed to protect the integrity of the Company's auditing and financial reporting processes.

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January 14, 2002

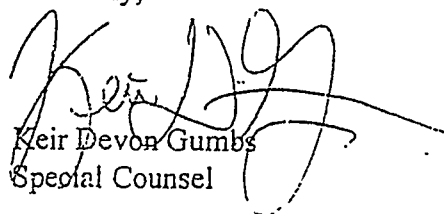
**Response of the Office of Chief Counsel
Division of Corporation Finance**

Re: Ameren Corporation
Incoming letter dated December 18, 2001

The proposal requests that the board of directors adopt a policy stating "that the public accounting firm retained by our Company to provide audit services, or any affiliated company, should not also be retained to provide non-audit-services to our Company."

We are unable to concur in your view that Ameren may exclude the proposal under rule 14a-8(i)(7). That provision permits the omission of a proposal that deals with a matter relating to the ordinary business operations of a registrant. In view of the widespread public debate concerning the impact of non-audit services on auditor independence and the increasing recognition that this issue raises significant policy issues, we do not believe that Ameren may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(7).

Sincerely,


Keir Devon Gumbs
Special Counsel