Q3 2021 Earnings Call

Company Participants

- Andrew Kirk, Director, Investor Relations
- Martin J. Lyons, Chairman and President, Ameren Missouri
- Michael L. Moehn, Executive Vice President, Chief Financial Officer and President, Ameren Services
- Warner L. Baxter, Chairman, President and Chief Executive Officer

Other Participants

- Dariusz Lozny, Analyst, Bank of America Merrill Lynch
- David Paz, Analyst, Wolfe Research
- Durgesh Chopra, Analyst, Evercore ISI
- Insoo Kim, Analyst, Goldman Sachs
- Jeremy Tonet, Analyst, JP Morgan
- Paul Patterson, Analyst, Glenrock Associates

Presentation

Operator

Greetings and welcome to Ameren Corporation's Third Quarter 2021 Earnings Call. At this time, all participants are in a listen-only mode. A question-and-answer session will follow the formal presentation. (Operator Instructions) Please note that this conference is being recorded. It is now my pleasure to introduce our host, Andrew Kirk, Director of Investor Relations for Ameren Corporation. Thank you, Mr. Kirk, you may begin.

Andrew Kirk {BIO 20578297 <GO>}

Thank you and good morning. On the call with me today are Warner Baxter, our Chairman, President and Chief Executive Officer; Michael Moehn, our Executive Vice President and Chief Financial Officer; and Marty Lyons, President of Ameren Missouri, as well as other members of Ameren -- of the Ameren management team joining us remotely. Warner and Michael will discuss our earnings results and guidance as well as provide a business update. Then we will open the call for questions.

Before we begin, let me cover a few administrative details. This call contains time-sensitive data that is accurate only as of the date of today's live broadcast and redistribution of this broadcast is prohibited. To assist with our call this morning, we have posted a presentation on the amereninvestors.com homepage that will be referenced by our speakers.

As noted on Page 2 of the presentation, comments made during this conference call may contain statements that are commonly referred to as forward-looking statements. Such statements include those about future expectations, beliefs, plans, projections, strategies, targets, estimates, objectives, events, conditions and financial performance. We caution you that various factors could cause actual results to differ materially from those anticipated. For additional information concerning these factors, please read the forward-looking statements section in our news release we issued yesterday and the Forward-Looking Statements and Risk Factors sections in our filings with the SEC. Lastly, all per share earnings amounts discussed during today's presentation, including earnings guidance are presented on a diluted basis unless otherwise noted.

Now here's Warner, who will start on Page 4 of our presentation.

Warner L. Baxter {BIO 1858001 <GO>}

Thanks, Andrew. Good morning everyone and thank you for joining us. To begin, I am pleased to report that our team continues to effectively execute our strategic plan across all of our businesses, which includes making significant investments in our energy infrastructure to enhance the reliability and resiliency of the energy grid, as well as transition to a cleaner energy future in a responsible fashion. These investments, coupled with our continued focus on disciplined cost management, are delivering significant value to our customers, communities and shareholders.

Moving now to our third quarter earnings results. Yesterday, we announced third quarter 2021 earnings of $1.65 per share. Our earnings were up $0.18 per share from the same time period in 2020. This slide highlights the key drivers of our strong performance. Michael will discuss the key drivers of our third quarter earnings results a bit later.

Due to the continued strong execution of our strategy, I'm also pleased to report that we raised our 2021 earnings guidance. Our 2021 earnings guidance range is now $3.75 per share to $3.95 per share, compared to our original guidance range of $3.65 per share to $3.85 per share.

Turning now to Page 5 where we reiterate our strategic plan. The first pillar of our strategy stresses investing in and operating our utilities in a manner consistent with existing regulatory frameworks. This has driven our multi-year focus on investing in energy infrastructure for the long-term benefit of our customers. As a result, and as you can see on the right side of this page, during the first nine months of this year, we've invested significant capital in each of our business segments. These investments are delivering value to our customers.

As I said before, our energy grid is stronger, more resilient and more secure because of the investments we are making in all four business segments. As we head into the winter months, I'd like to highlight some of the value these investments have created in our Ameren Illinois and Ameren Missouri natural gas businesses. Our natural gas transmission and distribution investments are focused on upgrading and modernizing gasoline and equipment infrastructure. All the strength in safety and reliability of our system for our customers.

Being mindful of the gas distribution issues experienced in the industry in the past, I will note that our Ameren Illinois and Ameren Missouri natural gas distribution systems are comprised almost entirely of plastic and protected coated steel pipelines. There is no cast-iron pipe in our systems, and we expect to eliminate all unprotected steel pipe by the end of this year. These investments are just another example how we are putting our customers at the center of our strategy.

Moving now to regulatory matters. In late March, Ameren Missouri filed a request for a $299 million increase in annual electric service revenues and a $9 million increase in annual natural gas service revenues with the Missouri Public Service Commission. In our Illinois Electric business, we've requested a $59 million base rate increase in our required annual electric distribution rate filing. These proceedings are moving along on schedule. Michael will provide more information on these proceedings a bit later. Finally, we have remained relentlessly focused on continuous improvement and disciplined cost management, including retaining many of the cost savings that we realized in 2020 due to the actions we took to mitigate the impacts of COVID-19.

Moving to Page 6, and the second pillar of our strategy. Enhancing regulatory frameworks and advocating for responsible energy and economic policies. Over the years, we have been successful in executing this element of our strategy and delivering value to our customers through our investments in energy infrastructure and through extensive collaboration with key stakeholders and all of our regulatory jurisdictions. I'm very pleased to report that these efforts paid off again in the third quarter with Illinois legislature passed the Climate and Equitable Jobs Act procedure, which was later signed by Governor Pritzker.

CEJA is a constructive piece of legislation that addresses the key objectives that we felt were important for our customers and the communities we serve. It will enable us to continue to make important infrastructure investments to enhance the reliability and resiliency of the energy grid for a new forward-thinking regulatory framework. It will also give us the ability to earn fair returns on those investments as well as enable us to invest in two solar and/or battery storage pilot projects. CEJA allows for an electric utility to opt-in to a multi-year rate plan effective for four years beginning in 2024. We are currently working with key stakeholders and will continue to over the course of 2022 to establish specific procedures, including performance metrics to implement this legislation. Subject to finalizing key aspects of this rate-making framework, we anticipate filing a multi-year rate plan in mid-January 2023. Mike will discuss this constructive piece of legislation in more detail in a moment.

Shifting now to the federal level where important energy legislation continues to be discussed. It was to say, the situation around federal legislation remains fluid and ever-changing. One thing that remains constant is our strong support for clean energy transition tax incentives, including wind and solar production tax credits, transmission and storage investment tax credits, as well as direct pay and normalization opt-out provisions.

We also continue to strongly support significant funding for research, design and development for new clean-energy technologies, electrification of the transportation sector and grid resiliency. We support these important legislative initiatives because we strongly believe we will deliver significant long-term benefits to our customers, communities and country. We will continue to work with key stakeholders along with our industry colleagues to advance constructive federal energy and economic policies to help us transition to a cleaner energy future in a responsible fashion.

Speaking of our transition to a cleaner energy future, please turn to Page 7 and the discussion of future transmission investment needs. As we have discussed with you in the past, MISO completed a study outlining the potential roadmap of transmission projects through 2039, taking into consideration, the rapidly evolving generation mix that includes significant additions of renewable generation based on announced utility integrated resource plans, state mandates and goals for clean energy or carbon emission reductions, among other things.

Under MISO's Future 1 scenario, which is the scenario that resulted in an approximate 60% carbon emissions reduction, below 2005 levels by 2039, MISO estimates approximately $30 billion, the future transmission investment will be necessary in the MISO footprint. Under its Future 3 scenario, which resulted in an 80% reduction in carbon emissions below 2005 levels by 2039, MISO estimates approximately $100 billion of transmission investment in the MISO footprint will be needed. It is clear that investment in transmission is going to play a critical role in the clean energy transition and we are well-positioned to plan and execute the potential projects in the future for the benefit of our customers and country.

We continue to work with MISO and other key stakeholders and believe certain projects outlined in Future 1 are likely going to be included in this year's MISO transmission planning process, which is expected to be completed in early 2022.

Moving now to Page 8, and an update on litigation regarding Ameren Missouri's past compliance with the New Source Review provisions of the Clean Air Act. As you may recall, this litigation dates back to 2011 from the Department of Justice on behalf of the EPA filed a complaint against Ameren Missouri alleging that in performing certain projects at the Rush Island Energy Center, we have violated the New Source Review provisions of the Clean Air Act.

In 2017, the district court issued a liability ruling, and in September 2019, ordered the installation of pollution control equipment at the Rush Island Energy Center as well as at the Labadie Energy Center. The September of this year, US Court of Appeals affirmed the District Court's 2019 order requires us to install a scrubber at our Rush Island Energy Center but denied the order to install additional pollution control equipment at Labadie.

Last month, we thought of a request for rehearing with US Court of Appeals. While we wait for a final decision from the courts, we continue to assess several alternatives to effectively address the Court of Appeals' decision, including legal, operational and regulatory measures. Reviewing these options, we are also carefully assessing the impact on customer costs as well as generation or transmission investments needed to maintain system reliability. And we are certainly mindful of the policies that are being considered at the federal level to help address climate change. Should our decision result in a material change to our integrated resource plan, we will file an updated plan with the Missouri PSC.

Turning to Page 9. We remain focused on delivering a sustainable energy future for our customers, communities and our country. This page summarizes our strong sustainability value proposition for environmental, social and governance matters and is consistent with our vision leading the way to a sustainable energy future.

Beginning with environmental stewardship, last September, Ameren announced its transformational plan to achieve net-zero carbon emissions by 2050 across all of our operations in Missouri and Illinois. This plan includes interim carbon emission reduction targets of 50% and 85% below 2005 levels in 2030 and 2040, respectively, and is consistent with the objectives of the Paris Agreement in limiting global temperature rise to 1.5 Celsius. We also have a strong long-term commitment to our customers and communities to be socially responsible and economically impactful.

This slide highlights the main things we are doing for our customers and communities, including being an industry leader in diversity, equity and inclusion. Further, our strong corporate governance is led by a diverse Board of Directors focused on strong oversight that's aligned with the ESG matters. And our executive compensation practices include performance metrics that are tied to sustainable long-term performance, diversity, equity and inclusion, and progress towards a cleaner sustainable energy future.

Finally, this slide highlights our very strong sustainable growth proposition, which is among the best in the industry.

Turning to Page 10, we will drill down further on this key element. Our strong sustainable growth proposition is driven by a robust pipeline of investment opportunities of over $40 billion over the next decade, that will deliver significant value to all of our stakeholders and making our energy grid stronger, smarter and cleaner. Importantly, these investment opportunities exclude any new regionally beneficial transmission projects, including the potential roadmap of MISO transmission projects I discussed earlier. All of which will increase the reliability and resiliency of the energy grid, as well as help to enable our country's transition to a cleaner energy future.

In addition, we expect to see greater focus on infrastructure investments to support the electrification of the transportation sector in the future. Our outlook through 2030 does not include significant infrastructure investments for electrification at this time. Maintaining constructive energy policies to support robust investment and energy infrastructure and a transition to a cleaner energy future in a safe, reliable and affordable fashion will be critical to meeting our country's future energy needs and delivering on our customers' expectations.

Moving to Page 11. Another key element of our sustainable growth proposition is the five-year earnings per share growth guidance we issued in February, which included a 6% to 8% compound annual earnings per share growth rate from 2021 to 2025. This earnings growth is primarily driven by strong rate base growth and compares very favorably with our regulated utility peers. Importantly, our five-year earnings and rate base growth projections do not include 1,200 megawatts of incremental, renewable investment opportunities outlined at the Ameren Missouri's Integrated Resource Plan.

Our team continues to assess several renewable generation proposals from developers. We expect to file with the Missouri PSC for approval of a portion of these plan renewable investments this year. I am confident in our ability to execute our investment plans and strategies across all four of our business segments. That fact coupled with our sustained past execution of our strategy on many fronts has positioned us well for future success. Further, our shares continue to offer investors a strong dividend, which we expect to grow in line with our long-term earnings per share growth guidance. Simply put, we believe our strong earnings and dividend growth outlooks, results and a very attractive total return opportunity for shareholders.

Finally, turning to Page 12. I will wrap up with few comments about the organizational changes we announced a few weeks ago. Over the past eight years, I have had the great privilege to serve as Chairman, President and Chief Executive Officer of Ameren. During this time, I've been very fortunate to lead a team that has done an excellent job in executing our strategy and delivering strong value to our customers, communities and shareholders.

Last month, I was humbled and honored that the Board of Directors elected me to serve as Executive Chairman effective January 1, 2022. At the same time, and consistent with our robust succession planning process, I was very pleased that the Board of Directors also elected Marty Lyons to serve as President and Chief Executive Officer as well as to join the Board of Directors on January 1. Marty is an outstanding leader and he's exceptionally qualified to lead our company as CEO during this transformational time in our industry. Of course, many of you know Marty very well as he spent a decade as the Company's Chief Financial Officer. And during the past 20 years, Marty has demonstrated strong operational, financial, regulatory and strategic acumen.

I must say that I'm very excited about our new forward-thinking leadership structure. Working closely with Marty and our strong leadership team, I will remain actively engaged in overseeing important strategic matters impacting the Company, including our transition to a cleaner energy future. I will also remain focused on key energy and economic policy matters, especially in my leadership roles at the Edison Electric Institute and the Electric Power Research Institute, as well as engaging with key stakeholders. Marty will take on the significant duties of the CEO, which includes leading all aspects of Ameren's strategy development and execution, throughout the day-to-day operational, financial, regulatory, legal and workforce matters impacting the Company. I, along with our Board of Directors, are very confident that Marty is clearly ready to leave Ameren as its new CEO.

With that, I'll congratulate Marty once again for his promotion to CEO and turn it over to him to say a few words.

Martin J. Lyons {BIO 4938648 <GO>}

Thank you, Warner. I am truly grateful for and humbled by the opportunity to lead Ameren during this exciting time for our company and for our industry. I'm also honored to follow in your footsteps, Warner. You've led our team to execute on a strategy that has delivered significant value to our customers and shareholders. Working with this outstanding leadership team and my dedicated co-workers of Ameren, we will remain focused on successfully executing this strategy in the future. I look forward to engaging with all of you joining us on the call today and in the weeks and months ahead.

With that, I'll turn it back over to you, Warner.

Warner L. Baxter {BIO 1858001 <GO>}

Thank you, Marty. I look forward to continuing to work closely with you in your new role. Together, we remain firmly convinced that the continued execution of our strategy in the future will deliver superior value to our customers, communities, shareholders and the environment.

Thank you all for joining us today. I'll now turn the call over to Michael.

Michael L. Moehn {BIO 5263599 <GO>}

Thanks, Warner and good morning everyone. Turning now to Page 14 of our presentation. Yesterday, we reported third quarter 2021 earnings of $1.65 per share compared to $1.47 per share for the year-ago quarter. Earnings at Ameren Missouri, our largest segment, increased $0.27 per share, driven primarily by a change in seasonal electric rate design resulting from the March 2020 rate order, which provided for lower winter rates in May and higher summer rates in September, rather than the blended rates used in both months in 2020.

Higher electric retail sales also increased earnings by approximately $0.10 per share, largely due to continued economic recovery and this year's third quarter compared to the unfavorable impacts of COVID-19 in the year-ago period, as well as higher electric retail sales driven by warmer than normal summer temperatures in the period compared to near normal summer temperatures in the year-ago period. We've included on this page the year-over-year weather normalized sales variances for the quarter.

Total weather normalized sales year-to-date shown on Page 27 of our presentation are largely consistent with our expectations outlined on our call in February as we still expect total sales to be up approximately 2% in 2021 compared to 2020. That said, we've seen a net benefit in margins due to residential and commercial sales coming in higher than expected in industrial sales, slightly lower than expected. Increased investments in infrastructure and wind generation eligible for plant-in-service accounting and the Renewable Energy Standard Rate Adjustment Mechanism or RESRAM positively impacted earnings by $0.07 per share.

The timing of tax expense, which is not expected to materially impact full-year results increased earnings by $0.03 per share. Higher operations and maintenance expense decreased earnings by $0.04 per share in 2021 compared to the third quarter of 2020, which was affected by COVID-19 and remained flat year-to-date driven by disciplined cost management. Finally, the amortization of deferred income taxes related to the fall 2021 -- 2020 Callaway Energy Center's scheduled refueling and maintenance outage also decreased earnings $0.02 per share.

Moving to other segments. Ameren Transmission earnings increased $0.03 per share year-over-year reflecting increased infrastructure investment. Ameren Illinois Electric Distribution earnings per share were comparable, which reflected increased infrastructure and energy efficiency investments and a higher allowed ROE under performance-based rate-making, partially offset by dilution. Earnings for Ameren Illinois natural gas decreased $0.04 per share.

Increased delivery service rates that begin effective in late January 2021 were more than offset by a change in rate design during the quarter, which is not expected to impact full year results. Ameren Parent and Other results decreased $0.08 per share compared to the third quarter of 2020, primarily due to the timing of income tax expense, which is not expected to materially impact full-year results. Finally, 2021 earnings per share reflected higher weighted average shares outstanding.

Before moving on, I'll touch on year-to-date sales trends for Ameren Illinois Electric Distribution. Weather normalized kilowatt-hour sales to Illinois residential customers decreased 0.5% and weather normalized kilowatt-hour sales to Illinois commercial and industrial customers increased 2.5% and 1.5% respectively. Recall that changes in electric sales in Illinois, no matter the cause do not affect our earnings since we have full revenue decoupling.

Turning to Page 15. Now we'd like to briefly touch on key drivers impacting our 2021 earnings guidance. We have remained very focused on maintaining disciplined cost management and we'll continue that focus. As Warner noted, it is the solid execution of our strategy, we now expect 2021 diluted earnings to be in the range of $3.75 per share to $3.95 per share, an increase from our original guidance range of $3.65 per share to $3.85 per share.

Select earnings considerations for the balance of the year are listed on this page and our supplemental of the key drivers and assumptions discussed on our earnings call on February.

Moving to Page 16 for an update on regulatory matters. On March 31, we filed for a $299 million electric revenue increase with the Missouri Public Service Commission. The request includes a 9.9% return on equity, a 51.9% equity ratio and a September 30, 2021 estimated rate base of $10 billion.

In October, Missouri Public Service Commission staff and other interveners filed rebuttal testimony. Missouri PSC staff recommended $188 million revenue increase, including a return on equity range of 9.25% to 9.75% and an equity ratio of 50% based on Ameren Missouri's capital structure at June 30, 2021, which will be updated to [ph] use the capital structure as of September 30, 2021. The October staff recognition was lower, primarily due to lower recommend depreciation expense, which would not be expected to impact earnings.

Turning to Page 17. In addition to the electric filing on March 31, we filed for a $9 million natural gas revenue increase with the Missouri PSC. The request includes a 9.8% return on equity, a 51.9% equity ratio and a September 30, 2021 estimated rate base of $310 million. Missouri PSC staff recommended a $4 million revenue increase, including return on equity range of 9.25%, to 9.75% and an equity ratio of 50.32% based on Ameren Missouri's capital structure at June 30, 2021, which will be updated to [ph] use the capital structure as of September 30, 2021. Other parties including the Missouri Office of Public Counsel have also made recommended adjustments to our Missouri electric and gas rate request. Evidentiary hearings are scheduled to begin in late November, and the Missouri PSC decisions from both rate reviews are expected by early February with new rates expected to be effective by late February.

Moving to Page 18, and Ameren Illinois regulatory matters. In April, we made our required annual electric distribution rate update filing. Under Illinois performance-based rate making, these annual rate updates systematically adjust cash flows over time for changes in cost of service and true up any prior period over or under recovery of such costs. In August, the ICC staff recommended a $58 million base rate increase compared to our request of $59 million base rate increase. An ICC decision is expected in December with new rates expected to be effective in January 2022.

Turning now to Page 19. As Warner mentioned, in September, constructive energy legislation was enacted in the State of Illinois. This allows Ameren Illinois the option to file a four-year rate plan in January 2023 for rates effective beginning in 2024. The return on equity, which will be determined by the Illinois Commerce Commission, may impacted by plus or minus 20 to 60 basis points based on the utility's ability to meet certain performance metrics related to items such as reliability, customer service and supplier diversity. The plan also allows for the use of year-end rate base and an equity ratio up to 50% with a higher equity ratio subject to approval by the ICC.

In addition, it calls revenue decoupling and an annual reconciliation of cost and revenues for each annual period approved in the multi-year rate plan. There's a cap on the true-up, which may not exceed 105% of the revenue requirement and excludes variation from certain forecasted costs. The exclusions include costs associated with major storms, changing in timing of expenditure and investment that move the expenditure and investment into or out of the applicable calendar year and changes in income taxes, among other things.

The true-up cap also excludes costs recovered through riders such as purchase power, transmission and bad debts. Rate impact to customers may also be mitigated through the ability to phase-in rates. The legislation also allows for two utility-owned solar and/or battery storage pilot projects to be located near Peoria and East St. Louis at a cost not to exceed $20 million each. It also provides for programs that encourage transportation electrification in the state. We believe this framework will improve our ability to make significant investments in the State of Illinois and earn a fair return on equity.

Looking ahead, we have the ability to opt into the multi-year rate plan or use the future test year traditional rate-making framework, both of which include a return on equity determined by the ICC and revenue decoupling. Should we choose to opt-in to the new multi-year rate plan, our four-year plan must be filed by January 20, 2023. We anticipate continuing to use the performance-based rate-making until we proceed with a multi-year replan filing or choose to move ahead with using the traditional framework.

Moving to Page 20 for a financing update. We continue to feel very good about our financial position. We were able to successfully execute on several debt issuances earlier this year, which we had outlined on this page. In order for us to maintain our credit ratings and a strong balance sheet while we fund our robust infrastructure plan and consistent with prior guidance as of August 15, we have completed the issuance of approximately $150 million of common equity through our at-the-market or ATM program that was established in May. Further, approximately $30 million of equity outlined for 2022 has been sold year-to-date under the program forward sales agreement. Together with the issuance under our 401(k) and DRIP-plus program, our $750 million ATM equity program is expected to support equity needs through 2023.

Moving now to Page 21. I'd like to briefly touch on the recent increase in natural gas prices around the country and the potential impact it may have on customer bills this coming winter. Beginning with our natural gas business, heading into the winter season, Ameren Illinois is approximately 75% hedged, and Ameren Missouri is approximately 85% hedged based on normal seasonal sales.

Approximately 60% of Illinois and winter supply of natural gas was bought this summer at lower prices and is being stored in the Company's 12 underground storage fields. Both companies are 100% volumetrically hedged based on maximum seasonal sales.

Regarding the electric business in Missouri, we are currently long generation and any margin made through off-systems sales flows back to customers as a benefit on their bills through the Fuel Adjustment Clause. Given our low cost of generation, rising natural gas and power prices have the potential to benefit our electric customers in Missouri.

Turning to Page 22. We plan to provide 2022 earnings guidance when we release fourth quarter results in February next year. Using our 2021 guidance as the reference point, we have listed on this page select items to consider as you think about our earnings outlook for next year. Beginning with Missouri, we expect the new electric service rates to be effective in 2022 as a result of our pending rate review. These rates are expected to reflect recovery off and return on new infrastructure and wind generation investments, which are expected to increase earnings when compared to 2021. Prior to new electric service rates taking effect in late February, we expect increased investments in infrastructure and wind generation eligible for plant-in-service accounting and the RESRAM to positively impact earnings.

Next, I would note, we expect to recognize earnings related to energy efficiency performance incentives from both 2021 and 2022 plan years [ph] and 2022. As a result, we expect energy efficiency performance incentives to be approximately $0.04 per share higher than 2021. Further, our return to normal weather in 2022 would decrease Ameren Missouri earnings by approximately $0.04 compared to 2021 results to date, assuming warm weather in the last quarter of the year.

Next, earnings from our FERC-related electric transition entities [ph] are expected to benefit from additional investments in the Ameren Illinois projects made under forward-looking formula ratemaking. For Ameren Illinois Electric Distribution, earnings are expected to benefit in 2022 compared to 2021 from additional infrastructure investments made under Illinois formula ratemaking. The allowed ROE under (inaudible) will be the average 2022 30-year treasury yield plus 5.8%. For Ameren Illinois Natural Gas, earnings are expected to benefit from new delivery service rates effective late January 2021 as well as an increase in infrastructure investments qualifying for rider treatment that were in the current allowed ROE of 9.67%.

Lastly, turning to Page 23, we're well-positioned to continue executing our plan. continue to expect to deliver strong earnings growth in 2021 as we successfully execute our strategy. As we look to the longer term, we expect strong earnings per share growth, driven by robust rate base growth and disciplined cost management. Further, we believe this growth will compare favorably with the growth of our regulated utility peers. And Ameren shares continue to offer investors an attractive dividend.

In summary, we have a total shareholder return story that compares very favorably to our peers. That concludes our prepared remarks. We now invite your questions.

Questions And Answers

Operator

Thank you. And ladies and gentlemen, at this time, we'll be conducting our question-and-answer session. (Operator Instructions) Our first question comes from Jeremy Tonet with JP Morgan. Please state your question.

A - Warner L. Baxter {BIO 1858001 <GO>}

Good morning, Jeremy.

Q - Jeremy Tonet {BIO 15946844 <GO>}

Hi, good morning.

A - Warner L. Baxter {BIO 1858001 <GO>}

Good morning.

Q - Jeremy Tonet {BIO 15946844 <GO>}

Good morning. Thanks. Thanks for all the detail there. And I just want to pick up on the MISO MTEP side. I was just wondering if you might be able to provide any more color for your expectations there in the process and what could this specifically mean for Ameren over time, realizing might be getting a little bit ahead of ourselves here, but just want to know if there's any way you could frame, I guess, what you think could be possible for Ameren CapEx here?

A - Warner L. Baxter {BIO 1858001 <GO>}

Yeah. Thanks, Jeremy, for the question. Number one, let me just start with this. We're very excited about the opportunity that we have for the transmission investment. Number one, we're absolutely convinced that transmission is going to play an integral role. And that's a fair company for our country and really executing this clean energy transition.

And we're right in the middle of it. We have been before, and we are going to continue to be. And so look, it's premature to put, I would say, a specific number. As you heard us in our prepared remarks, MISO has identified $30 billion to $100 billion of investment opportunities of potential projects. And I will tell you, where the country is going is closer to that scenario three, which is closer to the $100 billion number.

So what we're doing, what MISO is doing, what stakeholders are doing. Look, we're working together to try and make sure that we put together a good set of projects coming out of this first NTAP that will start us on this path towards this clean energy transition. And as we look at it, if you look at that scenario one that's highlighted out there, we really think the focus will be on more no regrets types of projects as we start putting our toes in the water, if you will, maybe getting up to our knees. And then from there, I think we'll see it continue to get progressively bigger over time. We think there'll be some no regress [ph] projects. And in terms of timing, look, I think the group -- our group and many stakeholders are working collaboratively to try and figure out the best projects as well as cost allocation things. These things are all things that you typically go through in this process.

And so at the end of the day, we think that MISO will propose early in 2022, these projects to their Board of Directors, it will be well informed. And then what we believe will be -- hopefully, will be an approval process that will get them in early 2022. So when you look at them in our overall plans, as we've said before, you might see some of these projects in our current five-year plan start coming into play towards the back end of our five-year plan. But certainly, in the second half of this decade, I think you're going to see a significant emphasis and need for transmission projects.

So that's really what I can tell you today. But as I'll finish the way I started there, we're excited about the opportunity because we think it's significant and important.

Q - Jeremy Tonet {BIO 15946844 <GO>}

Got it. That's helpful. We eagerly await there.

A - Warner L. Baxter {BIO 1858001 <GO>}

We do as well.

Q - Jeremy Tonet {BIO 15946844 <GO>}

Maybe just pivoting over to the Missouri IRP here. Just wondering if you could share with us thoughts on next steps and I guess how Rush Island plays into it? What we should be thinking about there?

A - Warner L. Baxter {BIO 1858001 <GO>}

Yeah. Thanks, Jeremy. Marty Lyons has been in the middle of all those things. I'm going to turn it over to him to respond to your questions. Marty, go ahead.

A - Martin J. Lyons {BIO 4938648 <GO>}

Yeah. Thanks, Jeremy. Hey, how are you today? Appreciate the question. As it relates to the Integrated Resource Plan, obviously, we filed last fall and as Warner said earlier in the prepared remarks, we continue to work with multiple developers with respect to several projects that would fit within that 1,200 megawatts of clean energy that we plan to deliver over the next several years, consistent with that integrated resource plan. So we're continuing to work on those, and we still expect to file with the commission still this year for approval of a portion of those projects. So that work is going on.

And then you mentioned the Rush Island Energy Center. And so as you saw in our slides today, in August, the Court Of Appeals affirmed District Court's September 19 order. As we said in our slides and prepared remarks, we did file for a rehearing of that decision on October 18. So we do expect to hear back from the court and quite likely by the end of this year, we expect in terms of that rehearing. So it's really premature to say what action we will take with respect to Rush Island at this point. We'll wait to see whether there's a rehearing. But that rehearing is denied and ultimately, we're faced with that decision. Obviously, it may entail scrubbers at Rush Island or the accelerated retirement of that plant, which might also include the utilization, the securitization, legislation was passed earlier this year.

So those are some of the things we're looking at, considerations as we think about those alternatives or things like customer rate impacts, replacement generation needs and importantly, reliability in investments that may be required in terms of transmission to the extent that Rush Island were to be prematurely retired. So those are some of the considerations. I'll tell you this. If ultimately a decision is made to retire Rush Island prematurely versus the date we had in our prior Integrated Resource Plan that will require them that we file an updated Integrated Resource Plan with Missouri Public Service Commission.

So stay tuned on that. Like I said, it's premature to say how all of that will turn out, but that gives you a little bit of color on the potential path forward.

Q - Jeremy Tonet {BIO 15946844 <GO>}

Got it. That's helpful. Thank you for that. And just one last quick one, if I could. Just wondering if you might be able to comment on your generation position and do you see any potential customer benefits under current market conditions right now?

A - Michael L. Moehn {BIO 5263599 <GO>}

Hey, Jeremy. It's Michael. Yeah, I think we indicated in the prepared remarks in the slide that we historically have been long in the Missouri side. And so obviously, to the extent that we're able to take advantage of that in the marketplace, its off-systems sales rate flow back to customers through the Fuel Adjustment Clause. So certainly, given where natural gas prices are, which is what the impact it's having on power prices, it's definitely a bit of a tailwind from a customer affordability standpoint.

Q - Jeremy Tonet {BIO 15946844 <GO>}

Got it. I'll leave it there. Thank you.

A - Warner L. Baxter {BIO 1858001 <GO>}

Thanks, Jeremy. See you next week.

Q - Jeremy Tonet {BIO 15946844 <GO>}

See you then.

Operator

Our next question comes from Julien Dumoulin-Smith with Bank of America. Please state your question.

A - Warner L. Baxter {BIO 1858001 <GO>}

Good morning, Julien. How are you doing?

Q - Dariusz Lozny {BIO 21087999 <GO>}

Hey, good morning. This is Dariusz on for Julien actually. Thank you for taking my question. First one is, can you just clarify, it was a little unclear from the opening remarks. Do you intend -- or are you still evaluating whether or not you'll file under a multi-year rate plan in Illinois in or before January '23?

A - Warner L. Baxter {BIO 1858001 <GO>}

Yeah. So, this is Warner. So let me just summarize what we've said. Clearly, as I said and as Michael said, we think this is a forward-thinking, constructive regulatory structure. And not only is it constructive that enables us to make investments that we think are important for customers, but also gives us the opportunity to earn a fair return on those investments.

Now what we said, too, is that the structure is out there, but there's still some work to be done, meaning that there are workshops that have to be taken care of next year, as you might have with any specific and comprehensive piece of legislation and we're going to work through those workshops.

Now we believe those workshops were at the table, and we expect them to be constructive outcomes. And so as a result, as we said, too, we anticipate filing for a multi-year rate plan in 2023. But there's still some work to be done. And so we're not trying to hedge or be cute [ph] with this, sort of telling it like it is. But at the same time, as I said, we think it's a constructive piece of legislation that we think will bring benefits to our customers in state of Illinois and certainly to our shareholders.

Michael, do you have anything you want to add?

A - Michael L. Moehn {BIO 5263599 <GO>}

Look, you said it all correctly. I mean these workshops will continue on through '22. And I think we'll have a conclusion of them by the fall. So we'll have even better clarity. But as Warner said, the benefits clearly seem to be pretty significant here in terms of just the overall framework itself and so.

A - Warner L. Baxter {BIO 1858001 <GO>}

Yeah. And just to give you a perspective, these workshops as you know, we talk about performance metrics. There's a performance-based ratemaking perspective and concept incorporated in this legislation. So the performance metrics have to be determined, how you work through some of the details of the multiyear rate plan. These are things that stakeholders have to come to the table. And we look forward to working collaboratively with all of them next year.

Q - Dariusz Lozny {BIO 21087999 <GO>}

Okay. Thank you. That's very helpful color. And if I could pivot maybe to federal legislation, if I can. Have you quantified at all or thought about the potential upside impact on your credit metrics from direct pay, if that were included in final legislation?

A - Warner L. Baxter {BIO 1858001 <GO>}

Yeah, Thanks. Needless to say, that is a very fluid situation just in the bigger picture. And so to say that we've quantified, in particular, the specific impacts that would be premature. I will say there are elements of the clean energy tax incentives, which I think are very good, very good for customers and could be good for cash flows, especially when you look at the direct pay portions around, certainly, the ITCs and the PTCs that you have for wind and solar (inaudible) entire tax incentives. So Michael, I know that you and your team have been looking at it, but we don't -- we haven't put a specific finger on it, but do you want to add a little more color than that?

A - Michael L. Moehn {BIO 5263599 <GO>}

Yeah, I mean, at a high level, that's correct, Warner. I mean we are -- they get into it. I think there are some positive aspects. There are also some things that we got to just get our hands around -- head around with respect to like this minimum tax liability, which seems to run counter to some those credits as well. So those are just some different aspects that we're really trying to balance at the end of the day. But hopefully, over the course of the next quarter or so, we'll have a much better feel for where this is going.

A - Warner L. Baxter {BIO 1858001 <GO>}

One thing you can rest assured is that me and my industry colleagues, we're at the table to try and make sure that we get a constructive piece of federal legislation down across the Board that will enable us to continue to move forward thoughtfully and effectively with the clean energy transition.

Q - Dariusz Lozny {BIO 21087999 <GO>}

Great. Thank you very much. I'll pass it on from there.

A - Warner L. Baxter {BIO 1858001 <GO>}

You bet. Thank you.

Operator

Our next question comes from Insoo Kim with Goldman Sachs. Please state your question.

A - Warner L. Baxter {BIO 1858001 <GO>}

Good morning, Insoo. How are you doing?

Q - Insoo Kim {BIO 19660313 <GO>}

Good morning, Warner. How are you? My first question is on -- the question on the Rush Island and the long-term generation plan if the appeal process is unsuccessful. First of all, is it by the end of '23 that you need to either put those scrubbers on or retire? Or is it '24? And then my -- the related question to that is, as you think about potential changes to the plan if this had to shut early, given that long generation position, how do we think about some of the opportunities on the replacement side of things?

A - Warner L. Baxter {BIO 1858001 <GO>}

Hey, Marty, why don't you jump on in and then address that one, please?

A - Martin J. Lyons {BIO 4938648 <GO>}

Yeah. Thanks, Insoo. And hey, good to talk to you again. With respect to moving forward with scrubber, I think there, the expectation is that we would -- if we went that route, move as expeditiously as possible to put the scrubbers in place at Rush Island. So not sure that there's an exact timeline. Obviously, the acquisition design, construction would take some time to get that put in place.

And then with respect to the other route that you described, the retirement route, I think there, we'd be looking at how long Rush Island would continue to operate, obviously, given the things I talked about before, replacement generation needs, importantly, reliability issues around the system in the event of a premature retirement, which again may necessitate some transmission investments in order to maintain reliability.

So all of those things would be taken into consideration. And ultimately, to the extent that incremental generation was required or some acceleration of the clean energy transition that we've got laid out in our IRP, that would all be laid out in that updated Integrated Resource Plan. So again, if we don't move forward with the scrubber, if we do decide that the Rush Island needs to be shut down earlier than the date in our IRP, which was 2039, then we would move forward with an update to the Integrated Resource Plan. And again, and so that would assess all of the potential adjustments to generation need and timing that were laid out in that prior September Integrated Resource Plan filing.

Q - Insoo Kim {BIO 19660313 <GO>}

Got it. Thanks for the color, Marty. The second question is on the grid 2021 guidance raising that by $0.10 and as we think about the '22, I know some of the weather benefit helped this year as well. But how do we think about some of the moving pieces that help '21 that could potentially carry into '22? And in that consideration slide, I didn't see a specific mention to year-over-year low [ph] growth just curious on your base assumption there.

A - Warner L. Baxter {BIO 1858001 <GO>}

Hey. Yeah, look, there's a lot in that question there. Let me give you a couple of pieces in just in terms of the growth itself. I mean year-to-date, we've put in there from a residential standpoint, we're up 1.5%, commercial 3.5% and industrial 1%. So about 2%, and that's really what we guided to at the beginning of the year in February. Now the mix is a little bit different. So we're seeing some improvement in margin there, which is a driver of that increase in the midpoint that you talked about in addition to weather.

So we -- the plan remains on track with respect to that sales piece, that 2%, we see that sort of guiding in at the same point towards the end of the year. As we talked about at the beginning of the year, that will get us close to being back to 2019, but not quite. So I think the recovery continues, and we're optimistic about how we continue to see things open up here in both of our service territories in Missouri and Illinois.

With respect to the guidance itself, I just remind you again, we released in February of last year, that 6% to 8% guidance was off of that midpoint. Obviously, at $375 million, that original midpoint of $375 million. We certainly have given you some select items to think about here in '22. And then obviously, in February, we'll roll all this forward to give you another look at capital as well as give you just more specifics about obviously, where our range will be in our earnings guidance for '22 at that point in time. So hopefully, that gives you a little bit of color you're looking for.

Q - Insoo Kim {BIO 19660313 <GO>}

Got it. Thank you and congrats Marty and Warner both of you and see you soon.

A - Martin J. Lyons {BIO 4938648 <GO>}

Congrats [ph], Insoo.

A - Warner L. Baxter {BIO 1858001 <GO>}

Thanks, Insoo. See you next week.

Operator

Our next question comes from Durgesh Chopra with Evercore ISI. Please state your question.

A - Warner L. Baxter {BIO 1858001 <GO>}

Good morning, Durgesh.

Q - Durgesh Chopra {BIO 20053859 <GO>}

Hey, good morning, Warner. Congratulations and...

A - Warner L. Baxter {BIO 1858001 <GO>}

Thank you.

Q - Durgesh Chopra {BIO 20053859 <GO>}

For [ph] you as well, Marty. Look forward to working with you. Just -- maybe just can you talk about the 1.2 gigawatts in Missouri IRP? Just kind of what of that -- what -- how many -- what portion of that capacity are you going to file for with the commission or get approvals for this year or early next year? Just as you're thinking about your CapEx plan being extended another year, I'm thinking about how much of that 1.2 gigawatt might be layered in?

A - Warner L. Baxter {BIO 1858001 <GO>}

Sure. You bet. Marty, why don't you come on in and address that from an operational perspective, and maybe Michael, you can talk about how we think about guidance in terms of capital expenditures and those types of things.

A - Martin J. Lyons {BIO 4938648 <GO>}

Yeah, that sounds great, Warner. Durgesh, I appreciate the question. The -- and I think Michael will get into this and expand on it, none of that 1,200 megawatts is really included today in the rate base growth or earnings guidance we have. As I said earlier, we continue to work with multiple developers with respect to multiple projects that would go towards filling out that 1,200 megawatts. At this point, as we negotiate through those, I mean it's important to understand that those negotiations take time. There's diligence involved. There's again, multiple developers we're working with really to get the best deals we can for our customers ultimately, and there are multiple contracts that need to be negotiated with each one of the developers.

So we continue to work, again, with multiple of them on multiple projects. And at this point, I'd say again, I'd say we're expecting to file for approval for a portion of that 1,200 megawatts. I expect that will happen this year still, but also then even further into next year. So stay tuned. I think it's premature to say exactly which project or projects we'll announce this year or early next, but we're working actively on several. So that's where we stand today.

A - Michael L. Moehn {BIO 5263599 <GO>}

Thanks, Marty. And just a couple of other small points on that $17 billion plan that we have out there, as Marty pointed out, there's very, very little in there with respect to any of these renewable projects. Now we did indicate in that 10-year plan, that $40 billion-plus, there is $3 billion of potential projects, which what Marty is referring to.

So as we get more clarity on that timing, obviously, typically, what we do in February as we roll forward that capital plan, to be able to give you a bit more transparency about what the timing of that to the extent that we feel better about it and know it. So that's just a little bit more color on exactly what's there from a capital standpoint.

Q - Durgesh Chopra {BIO 20053859 <GO>}

I appreciate that detail. Then just shifting gears to Illinois, Obviously, now the -- under the new framework, the ROE goes back to the ICC and they kind of come back with an ROE number. Just any early thoughts on how might they be calculating that? I mean we and investors have talked about sort of your gas assets there and the ROEs they're getting in 9%-plus range. Just any -- from your seat, just any early color into what ROE might look like or how might that be calculated? I appreciate that. Thank you.

A - Warner L. Baxter {BIO 1858001 <GO>}

Sure, this is Warner. Look, Look, it'd certainly be premature to predict where the ROEs would be. I mean the filing is going to be sometime in 2023, and it's a multi-year filing. But what we can point to is, obviously, the 580 basis points, puts a 30-year treasury, what that yields today. What we can point to is that in our gas business that we did at the beginning of this year, put in place, say, the rate review results, that was a 9.67% return on equity for our gas business.

It's not the electric business, but it's the gas business. It is just a data point. But how that will ultimately look and what the request will be for a multiyear rate plan, and a lot of facts and circumstances will go into that. But we do see an opportunity for improvement, clearly, from our existing return on equity going forward.

A - Michael L. Moehn {BIO 5263599 <GO>}

Yeah. I mean -- and just think about that 9.67% is kind of traditional cost of capital kind of calculations. There's nothing that's sort of unique about it from a regulatory perspective. So it's obviously different than moving away from this formulaic piece that we have.

A - Warner L. Baxter {BIO 1858001 <GO>}

Exactly. And we would expect the overall process and looking at that return on equity in terms of sort of a traditional look would be very similar. But obviously, with the multi-year rate plan, there may be some other factors that have come into us. So stay tuned.

Q - Durgesh Chopra {BIO 20053859 <GO>}

All right. Will leave it there. Thanks guys.

A - Warner L. Baxter {BIO 1858001 <GO>}

You bet. Thank you.

Operator

Our next question comes from Paul Patterson with Glenrock Associates. Please state your question.

A - Warner L. Baxter {BIO 1858001 <GO>}

Good morning, Paul.

Q - Paul Patterson {BIO 1821718 <GO>}

Good morning. How are you doing?

A - Warner L. Baxter {BIO 1858001 <GO>}

I'm good. How are you?

Q - Paul Patterson {BIO 1821718 <GO>}

Okay. So what I wanted to -- first of all, I want to congratulate you guys. Is this your last call, Warner?

A - Warner L. Baxter {BIO 1858001 <GO>}

Never mind. Thank you. I'm truly excited about the new leadership structure and certainly the new roles that Marty and I are taking in. And in terms of the last call, gosh, we're taking one step at a time. We're not saying this is my last call or anything like that. We'll take that one step at a time. But you can (inaudible) maybe in the EEI next week. That's for sure.

Q - Paul Patterson {BIO 1821718 <GO>}

Okay. Well, congratulations.

A - Warner L. Baxter {BIO 1858001 <GO>}

Thank you.

Q - Paul Patterson {BIO 1821718 <GO>}

Both of you. And so just some -- most of my questions have been answered, but a couple of quick ones for you. And I apologize for not knowing this, but what are no regrets projects? I just don't get -- that grew [ph] blank. What does that mean?

A - Warner L. Baxter {BIO 1858001 <GO>}

It's probably a Warner term of art [ph], right? So really, when you look at all these projects, I mean, some you can sit there and say, gosh, when we had to get -- we're having these congestion areas when we had to get from point A to point B, we have these projects that are in the queue, there are certain of these regional projects, which really satisfy a lot of those transmission -- or excuse me, renewable energy projects that are in the queue.

And you do the analysis and you sit there and say, gosh, no one could be -- no one, we shouldn't say that. It would be hard for people to argue that this isn't a project that isn't going to be significantly beneficial to the MISO footprint, frankly, to our country. So I can't put those as no regrets, low risk, let's call them that way. Lower-risk projects relatively speaking, compared to some that may have more complications. And so when you look at that scenario one, we think from our perspective, right, beauty's in the (inaudible) holder, but from our perspective, and we think there are several of those in there that need to be -- that need to move forward.

So that's what I mean. We haven't outlined which of those that we believe are there, and this is part of the collaborative process that we go through with MISO and other key stakeholders. But that's how we think. Really lower risk is probably a better term to characterize those projects as.

Q - Paul Patterson {BIO 1821718 <GO>}

Okay. Fair enough. And then sort of a technical question. There was this discovery dispute in the Missouri rate case on the Smart Energy Plan. And it look to me like basically, they did it to address in their testimony or rebuttal or what have you. And I just wanted to make sure, has that really been resolved? It just wasn't clear to me from what they were saying, they didn't really seem to address it and the revenue requirement everything didn't seem to penalize you or anything for the recommendation. So my question is, has that issue been taken care of?

A - Martin J. Lyons {BIO 4938648 <GO>}

Paul, it's Marty. I can't say whether it's been fully taken care of everybody's satisfaction. I will tell you this, we do look to work constructively with all the parties in these rate reviews to get everybody the information they need in a timely basis to make decisions.

And to your point, do not believe it's an active issue in terms of a quantified difference between our position and the positions of others in the case. So hopefully, we have resolved that issue fully. But like you said, it's not manifesting itself today in any kind of difference between the parties.

Q - Paul Patterson {BIO 1821718 <GO>}

Okay. Great. And then finally, back to the 2024 question, I realize it's very early, but it does seem like a big opportunity with respect to the Illinois legislation. And I'm just wondering when you guys might incorporate it the potential outlook with it into your long-term guidance. I mean it doesn't sound like it will be anything immediate, but I was just wondering, could it be a year from now or so that you guys would feel more comfortable talking about its potential benefit impact to the long-term growth outlook? Or would you be basically waiting until I guess, whenever the 2023 decision was made kind of, so to speak?

A - Warner L. Baxter {BIO 1858001 <GO>}

Sure. Yeah, Paul, this is Warner. It's a fair question. We'll provide a lot more guidance, right, on that specific question and others when we come with our longer-term guidance in February. We'll give you our view, right, on how we think about the guidance that we set in and how we think about regulatory frameworks and all those types of things.

So we [ph] sit here today, obviously, nothing to change, nothing to talk about other than as we've said, we think it's a constructive piece of legislation that we anticipate assuming that things go well in the workshops, so we would file for a multi-year rate plan. How we embed that into our long-term guidance in early 2022? Stay tuned. We'll be able to provide more detail on that.

Q - Paul Patterson {BIO 1821718 <GO>}

Okay. Awesome. Well, thanks so much and congratulations again and have a great one.

A - Warner L. Baxter {BIO 1858001 <GO>}

Thanks, Paul. You do the same.

Operator

Thanks. And our next question comes from David Paz with Wolfe. Please state your question.

A - Warner L. Baxter {BIO 1858001 <GO>}

Hello, David. How are you doing?

Q - David Paz {BIO 16573191 <GO>}

Hey, Warner. How are you doing? Congratulations on both you and Marty.

A - Warner L. Baxter {BIO 1858001 <GO>}

Thank you.

A - Martin J. Lyons {BIO 4938648 <GO>}

Thanks, David.

A - Warner L. Baxter {BIO 1858001 <GO>}

Thank you.

Q - David Paz {BIO 16573191 <GO>}

I just want to follow up on a couple of quick questions. Just the following up on the 1,200 megawatt maybe lots of Missouri question. I understand the spend is not in your stated outlook, financial outlook, but is any of the equity for that investment in your financing plan?

A - Michael L. Moehn {BIO 5263599 <GO>}

Hey, David, this is Michael. No, I mean that $17 billion plan again out there. The equity that we talked about back in February really supports that $17 billion plan. And it's again sort of there by default that win is not in there, there's no equity in there for [ph].

Q - David Paz {BIO 16573191 <GO>}

Got it. And then in an earlier question, Michael, did you say that you would be going forward your growth rate off of 2022 guidance or 2021 actuals when you were talking about the February update?

A - Michael L. Moehn {BIO 5263599 <GO>}

Yeah. I was just referring to last February, David, when we gave the 6% to 8% earnings per share growth guidance, it was off of that midpoint of $375 million. And so that's where people should continue to stay focused. We obviously gave you some '22 select items here to think about in the third quarter, and then we'll obviously roll forward stuff and give you a specific guidance in February of '22.

Q - David Paz {BIO 16573191 <GO>}

I see. Okay. Great. And maybe just a last question, I guess Marty, can you provide an update maybe on just how settlement talks are going in the rate case or whether they're still going?

A - Martin J. Lyons {BIO 4938648 <GO>}

Yeah. Thanks, David. The settlement talks really get going here over the next couple of weeks. We actually have, as we laid out in the slide, Surrebuttal Testimony that's actually due Friday. So I think all the parties are focused on that. And then soon after that, the parties will be pulling together reconciliations of the differences between our case and the updated positions of the staff, in particular, but also other parties.

And then settlement discussions will get underway. As you know, again, is our -- right now, the evidence or hearings are really scheduled to begin right after Thanksgiving on November 29. So my expectation is that starting next week and all the way through that time period, there'll be settlement discussions, hopefully, to narrow the issues and if possible, to resolve the entire case. Obviously, we have been successful in settling a number of cases that we've had over the past several years, including the last rate review. So we certainly expect to work towards that goal. And like I said, those discussions will really be happening between now and likely the beginning of those evidentiary hearings.

Q - David Paz {BIO 16573191 <GO>}

Great. Thank you so much.

A - Warner L. Baxter {BIO 1858001 <GO>}

Thanks, David. See you next week.

Operator

Thank you. And we have reached the end of the question-and-answer session. So, I'll now turn the call back over to Andrew Kirk for closing remarks.

A - Andrew Kirk {BIO 20578297 <GO>}

Thank you for participating in this call. A replay of this call will be available for one year on our website. If you have questions, you may call the contacts listed on our earnings release. Financial inquiries should be directed to me, Andrew Kirk. Media should call Tony Paraino. Again, thank you for your interest in Ameren and looking forward to seeing many of you next week at EEI. Thanks.

Operator

Thank you. This concludes today's conference. All parties may disconnect. Have a good day.