

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of)	
Union Electric Company for Authority)	
To Continue the Transfer of)	Case No. EO-2011-0128
Functional Control of Its Transmission)	
System to the Midwest Independent)	
Transmission System Operator, Inc.)	

**MOTION FOR LEAVE TO AMEND VERIFIED APPLICATION
TO EXTEND PERMISSION AND AUTHORITY
FOR PARTICIPATION IN REGIONAL TRANSMISSION ORGANIZATION**

COMES NOW Union Electric Company d/b/a Ameren Missouri (“Ameren Missouri”), pursuant to 4 CSR 240-2.080(18), and hereby requests leave to amend the Verified Application to Extend Permission and Authority for Participation in Regional Transmission Organization, which it filed on November 1, 2010 (the “Original Application”). In support of its request, Ameren Missouri states as follows:

1. On November 1, 2010, Ameren Missouri filed the Original Application, which sought to extend the permission and authority given it by the Commission since 2004 relating to its participation in the Midwest Independent Transmission System Operator, Inc. (“Midwest ISO”). The Original Application requested that such permission and authority be extended to December 31, 2013. Underlying the Original Application were the results of a cost-benefit analysis that indicated that Ameren Missouri’s continued participation in the Midwest ISO through December 31, 2013 (for the three-year period 2011 – 2013) produced a net present value benefit to Ameren Missouri and its customers of approximately \$70 million versus the next best option. An earlier cost-benefit analysis, submitted as of the resolution of Case No. EO-2008-0134 had indicated a three-year net present value of approximately \$17 million for the three-year period ending April 30, 2012.

2. On July 29, 2011, pursuant to the procedural schedule adopted by the Commission in this case, Ameren Missouri filed the Direct Testimony of Ajay K. Arora, Director of Corporate Planning for Ameren Services Company. Mr. Arora was responsible for the cost-benefit analysis in Case No. EO-2008-0134, the cost-benefit analysis submitted when the present case was filed on November 1, 2010, and for an update to that cost-benefit analysis (using data as of July 2011) submitted with his Direct Testimony filed on July 29, 2011. The updated analysis described in Mr. Arora's July 29, 2011 Direct Testimony shows a three-year (2012 – 2014) net present value of continuing the Company's Midwest ISO participation of approximately \$105 million compared to the next best alternative, that is, compared to the case where Ameren Missouri would operate as an Independent Coordinator of Transmission ("ICT").¹ Consequently, the best available information as of this time suggests a material increase in the benefit of Ameren Missouri's continued participation in the Midwest ISO versus its operation as an ICT since permission and authority for participation was last granted in Case No. ER-2008-0134, and also since the present case was filed on November 1, 2010.

3. As discussed in Mr. Arora's Direct Testimony, for several reasons Ameren Missouri believes that it is prudent to continue its Midwest ISO participation until at least May 31, 2015 (the "Initial Term"), instead of through December 31, 2013, as requested in the Original Application. Ameren Missouri also believes it is prudent for its permission and authority to continue for successive one-year periods thereafter (each one-year period being referred to herein as an "Extended Term"). Consequently, Ameren Missouri requests leave to amend the Original Application filed on November 1, 2010. Attached hereto and incorporated herein by this reference as Exhibit A is the Amended Application for which Ameren Missouri requests leave to file.

¹ The analysis filed on November 1, 2010 and the updated analysis filed with Mr. Arora's Direct Testimony on July 29, 2011 did not examine participation in the Midwest ISO versus in the Southwest Power Pool ("SPP") given that it is clear that one of the most significant benefits from Regional Transmission Organization participation for Ameren Missouri is the ability to trade power in Day 2 energy markets. SPP has no such markets and does not plan to implement one until 2014, at the earliest.

4. Under the Amended Application, the default would become continued Midwest ISO participation instead of the default being a short, fixed term of participation that requires repeated cases even where no event has occurred that materially impacts the question of whether participation in the Midwest ISO would be detrimental to the public interest. However, so that material changes that might impact that question can be addressed, the Amended Application reflects a process whereby commencing January 1, 2013, but in no event later than June 1, 2013, the Commission on its own motion, or on motion of any party to this case, can open a case regarding whether Ameren Missouri's permission and authority to participate in the Midwest ISO should extend beyond May 31, 2015. Thus, the relief requested in the Amended Application provides a mechanism to terminate the permission and authority by a date certain, if it is determined that continued participation beyond that date would be detrimental to the public interest. With respect to whether Ameren Missouri's permission and authority to participate in the Midwest ISO should be terminated as of the end of any Extended Term, the Commission on its own motion, or on motion of any party to this case, in either case made at least two years prior to the end of any Extended Term (that is, assuming permission continues beyond the Initial Term), can open a case regarding whether Ameren Missouri's permission and authority to participate in the Midwest ISO should extend beyond the end of such Extended Term.

5. Under 4 CSR 240-2.080(18), leave of the Commission to amend the Original Application is required since Ameren Missouri seeks to amend the Original Application more than 10 days after it was filed. As the Commission has recognized, while Mo. R. Civ. P. 55.33 does not directly apply in Commission cases, it provides an apt analogy to guide the Commission respecting whether leave to amend should be granted. *See, e.g., Staff v. Aspen Woods Apartment Assoc., LLC et al, Order Regarding Motion for Leave to Amend Complaint*, Case No. WC-2010-0227 (Oct. 27, 2010), 2010 WL 4391370. Under Rule 55.33, leave to amend should be freely given as justice so requires. Although the

the right to amend is not absolute, Missouri courts have held that Rule 55.33 is to be liberally applied in favor of allowing amendments. *See, e.g., Hoover. v. Brundage-Bone Concrete Plumbing*, 193 S.W.3d 867, 870 (Mo. App. S.D. 2006).

6. The amendments sought arise from Mr. Arora's Direct Testimony, which was filed just 12 days ago. In fact, Mr. Arora discussed the substance of the amendments sought in that testimony and indicated that a formal request for leave to amend would be filed. A key precipitating event that underlies Ameren Missouri's desire to amend the Original Application is that using updated data from just last month, the cost-benefit analysis of the benefits of Midwest ISO participation versus the next best alternative show more clearly than ever that participation is not only not detrimental to the public interest, but is in fact beneficial to Ameren Missouri and its customers.

7. No party should suffer undue hardship or prejudice because of the amendment. Under the procedural schedule, parties have until September 15, 2011 to file Rebuttal Testimony. The evidentiary hearings in this case are not scheduled to begin until November 21, 2011. As noted, the other parties were apprised of the substance of the amendments sought and of the fact that a motion for leave to amend would be filed on July 29, 2011. Under these circumstances, the other parties have ample time to evaluate and address the amended relief sought by Ameren Missouri in this case.

WHEREFORE, Ameren Missouri hereby request leave to file an Amended Application, in the form set forth in Exhibit A hereto.

Dated: August 10, 2011.

Respectfully submitted,

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**Attorneys for Union Electric Company d/b/a
Ameren Missouri**

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served via e-mail on counsel for the parties of record to this case, on this 10th day of August, 2011.

/s/James B. Lowery
James B. Lowery

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

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Union Electric Company for Authority)	
To Continue the Transfer of)	Case No. EO-2011-0128
Functional Control of Its Transmission)	
System to the Midwest Independent)	
Transmission System Operator, Inc.)	

**AMENDED VERIFIED APPLICATION TO EXTEND PERMISSION AND AUTHORITY
FOR PARTICIPATION IN REGIONAL TRANSMISSION ORGANIZATION**

COMES NOW Union Electric Company d/b/a Ameren Missouri (“Ameren Missouri”), and hereby requests that the Commission extend the permission and authority granted to Ameren Missouri pursuant to the Commission’s September 9, 2008 *Order Approving Stipulation and Agreement* in Case No. EO-2008-0134. In support of its Application, Ameren Missouri states as follows:

A. Preliminary Matters

1. Union Electric Company is a Missouri corporation doing business under the fictitious names of AmerenUE and Ameren Missouri, in good standing in all respects, with its principal place of business located at 1901 Chouteau Avenue, St. Louis, Missouri 63103. Ameren Missouri is engaged in providing electric and gas utility services in portions of Missouri as a public utility under the jurisdiction of the Commission. There is already on file a certified copy of Ameren Missouri’s Certificate of Corporate Good Standing (*see* Case No. EF-2009-0266), and Ameren Missouri’s Fictitious Name Registrations as filed with the Missouri Secretary of State’s Office (*see* Docket Nos. EN-2011-0069 and GO-98-486), and said documents are incorporated herein by reference and made a part hereof for all purposes. To the best of Ameren Missouri’s knowledge, it has no pending actions or final unsatisfied judgments or decision against it from any state or federal agency or court that involve customer service or rates, which action, judgment or decision has occurred within three (3) years of the date of this Application, except for appeals of Case No. ER-2008-0318 (SD 30865, currently pending in the

Missouri Court of Appeals, Southern District), Case No. ER-2010-0036 (10AC-CC00474, currently pending in the Circuit Court of Cole County), and Case No. EO-2010-0255 (11AC-CC00336, currently pending in the Circuit Court of Cole County). In addition, Ameren Missouri has no annual report or assessment fees that are overdue.

2. Communications with regard to this Application should be directed to:

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and

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B. Background

3. On February 26, 2004, the Commission approved a Stipulation and Agreement (the “2004 Stipulation”) in Commission Case No. EO-2003-0271, which, under the terms and conditions in the 2004 Stipulation, authorized Ameren Missouri to transfer functional control of its electric transmission system to the Midwest Independent Transmission System Operator, Inc. (“Midwest ISO”) for a term beginning on the date Ameren Missouri transferred functional control of its transmission

system to the Midwest ISO, and ending on the fifth anniversary of the date of transfer. *2004 Stipulation*, § B.I.(A). Based upon the date Ameren Missouri transferred functional control to the Midwest ISO, the initial term extended to April 30, 2009.

4. A condition of the 2004 Order was Federal Energy Regulatory Commission (“FERC”) approval of the Agreement for the Provision of Transmission Service to bundled retail load (“Service Agreement”) called for by the 2004 Stipulation. *2004 Order*, p. 2. The Service Agreement was entered into between Ameren Missouri and the Midwest ISO to codify the terms and conditions under which the Midwest ISO would provide transmission service to serve Ameren Missouri’s bundled retail load, and also to preserve the Commission’s jurisdiction to determine the transmission component of Ameren Missouri’s bundled retail rates. The Service Agreement was approved by the FERC on March 25, 2004.

5. The 2004 Stipulation required Ameren Missouri to conduct a cost-benefit analysis respecting its Midwest ISO participation versus either participation in another viable regional transmission organization (“RTO”) or not participating in an RTO, with input from stakeholders, and to file the cost-benefit analysis respecting those alternatives on or before a date that is 18 months prior to the date the authority granted in Case No. EO-2003-0271 expires. *2004 Stipulation*, § B.III.(B). Under the 2004 Stipulation, that authority expired five years after Ameren Missouri transferred control to the Midwest ISO, or on April 30, 2009, which established a date for the cost-benefit analysis filing of November 1, 2007. *2004 Stipulation*, § B.I.(A). The 2004 Stipulation also required that Ameren Missouri file a pleading at that same time that addresses whether a service agreement would remain in place in connection with any further Ameren Missouri participation in an RTO and that addresses any need for independence in control area functions not being performed by the RTO in which Ameren Missouri may participate. *2004 Stipulation*, § B.III.(A). Ameren Missouri timely filed that pleading,

together with the required cost-benefit analysis, on November 1, 2007, thus initiating Case No. EO-2008-0134.

6. On June 30, 2008, Ameren Missouri filed another Stipulation and Agreement (the 2008 Stipulation) between Ameren Missouri, the Staff of the Commission (“Staff”), the Office of the Public Counsel (“Public Counsel”), the Midwest ISO, and the Missouri Industrial Energy Consumers (“MIEC”). While not signatories to the 2008 Stipulation, all of the other parties to Case No. EO-2008-0134 indicated that they did not oppose it, and as noted above, the Commission approved it on September 9, 2008.

7. The 2008 Stipulation was similar in several respects to the 2004 Stipulation in that it prescribed a defined term for Ameren Missouri’s participation in the Midwest ISO, and called for additional analysis in the future of the costs and benefits of Midwest ISO participation versus other options (e.g., operation as an independent coordinator of transmission (“ICT”). The 2008 Stipulation conditionally approved, on an interim basis, Ameren Missouri’s continued participation in the Midwest ISO for an additional three years beyond the original five-year term approved in the 2004 Stipulation (to April 30, 2012, or later upon an extension of that term by the Commission), and contemplated an additional filing on or before November 1, 2010 respecting Ameren Missouri’s participation beyond April 30, 2012. The Original Application was that additional filing. The 2008 Stipulation also continued the effectiveness of the Service Agreement, and contemplated a process by which Ameren Missouri would consult with Stakeholders (as defined in the 2008 Stipulation) regarding additional analysis of the costs and benefits of participation, as referred to above.

8. As provided for in the 2008 Stipulation, extending Ameren Missouri’s permission at that time for an additional three years was designed to “provide an opportunity to gain further information and experience that will tend to reduce uncertainties associated with . . .” certain risks that had been

identified in Ameren Missouri's Application filed to initiate Case No. EO-2008-0134. The principal uncertainties at issue at that time were listed in ¶ 12 of the Application that initiated Case No. EO-2008-0134 and included, among other things, uncertainty regarding cost allocations for transmission projects throughout the Midwest ISO's footprint, Midwest ISO exit fee uncertainties, and uncertainties regarding the implementation of a Day Two market in the Southwest Power Pool ("SPP").

9. At the time the 2008 Stipulation was agreed-upon, the then-current cost-benefit analysis indicated that continued participation in the Midwest ISO had a positive net present value over the next best alternative of approximately \$17 million through April 30, 2012. *See* ¶ 12 of the 2008 Stipulation. Paragraph 16 of the 2008 Stipulation outlined a process whereby Ameren Missouri would consult with the Stakeholders regarding an additional cost-benefit analysis to be associated with its November 1, 2010 filing. In summary, the process that was outlined called for Ameren Missouri to advise the Stakeholders of the "Tentative Analysis" it proposed to use for its November 1, 2010 filing, to consult with the Stakeholders about it, to advise the Stakeholders about the "Actual Analysis" Ameren Missouri proposed to use for its November 1, 2010 filing and to receive input on the same from the Stakeholders, and to ultimately make this filing together with its Actual Analysis, having taken into account the input of the Stakeholders. Ameren Missouri followed the process outlined in ¶ 16 of the 2008 Stipulation by timely providing the Stakeholders its "Tentative Analysis." Ameren Missouri followed-up on providing its Tentative Analysis by consulting with the Stakeholders in meetings/conference calls and by providing workpapers that underlie the Tentative Analysis, as requested. On April 26, 2010, Ameren Missouri notified the Stakeholders in accordance with the 2008 Stipulation that Ameren Missouri intended for its Tentative Analysis to be used as its Actual Analysis for purposes of this filing. That notification was followed by an additional meeting/conference call in August 2010, which has been followed by additional communications with the Stakeholders.

10. On July 29, 2011, Ameren Missouri filed the Direct Testimony of Ajay K. Arora, Director, Corporate Planning for Ameren Services Company. Mr. Arora directed the original cost-benefit analysis filed in Case No. EO-2008-0134, the “Actual Analysis” filed with the Commission on November 1, 2010, and an update to that analysis submitted with his July 29, 2011 Direct Testimony using data as of July 2011.

11. The “Actual Analysis” filed on November 1, 2010 showed a three-year (2011 – 2013) net present value benefit of continuing the Company’s Midwest ISO participation of approximately \$70 million. The updated analysis described in Mr. Arora’s July 29, 2011 Direct Testimony shows a three-year (2012 – 2014) net present value of continuing the Company’s Midwest ISO participation of approximately \$105 million.

C. Basis for Application

12. Included as Attachment A to this Application are the results of Ameren Missouri’s “Actual Analysis,” (sometimes hereinafter called the “Fall 2010 Analysis”) which, together with the work papers that underlie that analysis, has previously been provided to all Stakeholders. Included as Attachment B are the results of the updated analysis described in Mr. Arora’s Direct Testimony. The workpapers that underlie this updated analysis have been provided to all parties to this case.

13. The Fall 2010 Analysis is essentially an update of the assumptions used in the analysis submitted with the 2008 Stipulation, using data as of approximately October 1, 2010 to examine the key remaining uncertainties respecting Ameren Missouri’s continued participation in the Midwest ISO. As noted, the updated analysis (sometimes hereinafter called the “July 2011 Analysis”) is also an update using July 2011 data.

14. Based upon the best information available at this time, the July 2011 analysis indicates that continued participation in the Midwest ISO versus operation as an ICT provides a net present value

benefit to Ameren Missouri of approximately \$105 million (through December 31, 2014) compared to the case where Ameren Missouri would operate as an ICT.¹ This compares to an anticipated net present value benefit over the three-year period ending April 30, 2012 (as of the time of the 2008 Stipulation) of approximately \$17 million. Consequently, the best available information as of this time suggests a material increase in the benefit of Ameren Missouri's continued participation in the Midwest ISO versus its operation as an ICT.

15. For several reasons, Ameren Missouri believes that it is prudent to continue its Midwest ISO participation until at least May 31, 2015. Ameren Missouri has participated in the Midwest ISO for more than seven years. It and its customers have benefitted from the participation throughout this entire time period. Moreover, three successive cost-benefit studies have consistently indicated that Midwest ISO participation is beneficial versus other alternatives, with the expected benefit in the most recent study showing incremental benefits greater than the benefits indicated when the last case was resolved and greater than the expected benefits as of the time this case was filed.

16. Ameren Missouri requests continued permission until at least May 31, 2015 in order to synchronize its permission with the Midwest ISO planning year, which runs from June 1 to May 31. This synchronization is warranted for several reasons including because of how Auction Revenue Rights ("ARRs") and Financial Transmission Rights ("FTRs") are allocated to market participants in the Midwest ISO's energy markets. Because ARR and FTR are allocated on a planning year basis should Ameren Missouri seek to exit the Midwest ISO in the middle of the planning year, the underlying value of these ARR and FTR would be impacted, and would represent a disruption to market participants – including municipal utilities and cooperatives which hold such rights in the Ameren Missouri region – with currently unknown consequences.

¹ The Tentative Analysis, the Fall 2010 Analysis, and the July 2011 did not examine the Midwest ISO versus SPP case given that it is clear that one of the most significant benefits from RTO participation for AmerenUE is the ability to trade power in Day 2 energy markets and, as noted, SPP has no such market and does not plan to implement one until 2014, at the earliest.

D. Relief Requested

17. Ameren Missouri hereby requests that the Commission extend its prior approval of Ameren Missouri's continued RTO participation in the Midwest ISO on the terms and conditions listed in subparagraphs a through f of this paragraph, and also requests that the Commission find that such continued participation is prudent, reasonable, and not detrimental to the public interest.

a. Term. Ameren Missouri will be given permission and authority to continue its participation in the Midwest ISO through May 31, 2015 (the "Initial Term"). Ameren Missouri shall also be given permission and authority to continue its Midwest ISO participation for successive periods of one-year each (each such one year period to end May 31 of each successive year, and to be referred to hereinafter as an "Extended Term") unless such permission and authority is terminated by the Commission as described below. With respect to the Initial Term, commencing January 1, 2013, but in no event later than June 1, 2013, the Commission on its own motion, or on motion of any party to this case, can open a case regarding whether Ameren Missouri's permission and authority to participate in the Midwest ISO should extend beyond May 31, 2015. With respect to whether Ameren Missouri's participation and authority to participate in the Midwest ISO should be terminated as of the end of any Extended Term, the Commission on its own motion, or on motion of any party to this case, in either case made at least two years prior to the end of any Extended Term, can open a case regarding whether Ameren Missouri's permission and authority to participate in the Midwest ISO should extend beyond the end of such Extended Term.

b. Incentive Adders. Ameren Missouri acknowledges that the Service Agreement's primary function is to ensure that the Commission continues to set the transmission component of Ameren Missouri's rates to serve its bundled retail load. Consistent with Section 3.1 of the Service Agreement and its primary function, to the extent that the FERC offers incentive "adders" for participation in an

RTO or in an ICT to the rate of return allowed for providing Transmission Service² to wholesale customers within the Ameren Missouri zone, such incentive adders shall not apply to the transmission component of rates set for bundled retail load by the Commission.

c. Network Transmission Service. Currently, FERC requires bundled retail load served by Midwest ISO Transmission Owners to take Transmission Service under the Midwest ISO's Energy Markets Tariff ("EMT"). If Ameren Missouri is at some point not required to take Transmission Service for bundled retail load under the EMT, then, and in such event, the Service Agreement will terminate concurrently with the point in time when Ameren Missouri is no longer required to take Transmission Service for bundled retail load under the EMT, but such termination of the Service Agreement under this subparagraph c will not affect Ameren Missouri's membership participation status in the Midwest ISO and the Commission shall continue to have jurisdiction over the transmission component of the rates set for bundled retail load. As a participant in the Midwest ISO, Ameren Missouri may remain subject to charges from the Midwest ISO for bundled retail load under the EMT that are assessed ratably to all load-serving utilities who are participants in the Midwest ISO, but who are not taking Transmission Service for their bundled retail load under the EMT. No ratemaking treatment has been adopted for these charges.

d. Continued Effectiveness of the Service Agreement. The Service Agreement (unless it is terminated pursuant to its terms) will continue in its current form; provided, that the Commission will have the right to rescind its approval of Ameren Missouri's participation in the Midwest ISO and to require Ameren Missouri to withdraw on any of the following bases:

- (i) The issuance by the FERC of an order or the adoption by the FERC of a final rule or regulation, binding on Ameren Missouri, that has the effect of precluding the Commission from

² As that term is defined in the Service Agreement.

continuing to set the transmission component of Ameren Missouri's rates to serve its bundled retail load; or

(ii) The issuance by the FERC of an order or the adoption by the FERC of a final rule or regulation, binding on Ameren Missouri, that has the effect of amending, modifying, changing, or abrogating in any material respect any term or condition of the Service Agreement previously approved by the Commission and by the FERC.

Ameren Missouri will immediately notify the parties to this case if Ameren Missouri becomes aware of the issuance of any order, rule or regulation amending, modifying, changing, or abrogating any term or condition of the Service Agreement. Any such party is free to make a filing with the Commission as a result of an action by FERC as described in subsections (i) or (ii) above, but must do so within ninety (90) days after Ameren Missouri has provided notification under this Paragraph of such FERC action. Any such party not making a filing with the Commission within the 90-day time frame provided for above shall be deemed to have waived its right to make a filing with the Commission in response to such FERC action.

Any subsequent order issued by the Commission that, on a basis provided for in subsections (i) or (ii) of this subparagraph d, terminates the Commission's approval of Ameren Missouri's participation in the Midwest ISO shall be effective when Ameren Missouri has re-established functional control of its transmission system as a transmission provider (or transfers functional control to another entity depending on further orders of the Commission and the FERC).

e. Securitization. Ameren Missouri acknowledges and agrees that in the event Ameren Missouri desires to securitize the revenues associated with its transmission system, Ameren Missouri is

required to obtain additional permission and approval from the Commission prior to securitizing the revenues associated with its transmission system.³

f. Fundamental Change in Participant Status. If Ameren Missouri decides to seek any fundamental change in its membership participation or membership status in the Midwest ISO, it shall seek prior approval from the Commission no later than five (5) business days after the date of its filing with the FERC for FERC authorization of this change.

WHEREFORE, Ameren Missouri hereby requests that the Commission make and enter its order extending the permission and authority previously granted to Ameren Missouri to transfer functional control of its transmission system to the Midwest ISO on the terms and conditions listed in subparagraphs a through f of ¶17 hereof, and also request that the Commission find that such continued participation is prudent, reasonable, and not detrimental to the public interest.

Dated: August 10, 2011.

Respectfully submitted,

³ “Securitization,” as used herein, does not include a grant by Ameren Missouri of a security interest in its transmission assets as security for a loan made to Ameren Missouri in the ordinary course of Ameren Missouri’s business. “Securitization,” as used herein, refers to the situation where Ameren Missouri might choose to sell, in exchange for an upfront payment, the revenue stream that would otherwise flow to Ameren Missouri from Ameren Missouri’s transmission system.

SMITH LEWIS, LLP

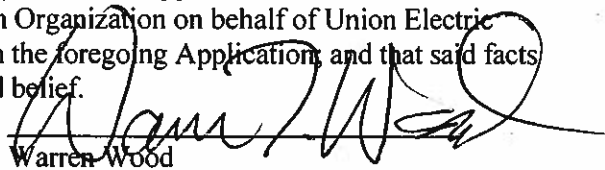
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**Attorneys for Union Electric Company d/b/a
Ameren Missouri**

VERIFICATION

I, Warren Wood, of lawful age, being duly sworn, deposes and says that: I am the Vice-President, Regulatory and Legislative Affairs, for Union Electric Company d/b/a Ameren Missouri; that I am duly authorized to and did sign the foregoing Amended Application to Extend Permission and Authority to Participate in Regional Transmission Organization on behalf of Union Electric Company; that I have knowledge of the facts stated in the foregoing Application, and that said facts are true to the best of my knowledge, information and belief.



Warren Wood
Vice-President, Regulatory and Legislative
Affairs

Subscribed and sworn to before me this 10th day of August, 2011.



Notary Public



CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served via e-mail on counsel of record for all parties in this case, on this 10th day of August, 2011.

/s/James B. Lowery
James B. Lowery

**Annual Costs and Benefits of ICT Case Relative to Midwest ISO Case
(in millions of dollars, positive numbers are benefits)**

	2011	2012	2013
Ameren Missouri in ICT			
+ Production Cost Savings\1	\$ 12.79	\$ 6.39	\$ 5.5
+ Generator Revenue Increases\2	\$ (59.06)	\$ (66.88)	\$ (62.10)
+ Load Withdrawal Savings\3			
+ FTR Value Increases\4			
+ Net Operating Reserve Savings\5	\$ (2.18)	\$ (2.18)	\$ (2.18)
+ Marginal Loss Credit Increases\6	\$ 14.64	\$ 12.01	\$ 11.43
+ Net Wheeling Rev Increases			
= Trade Benefits	<hr/> \$ (33.81)	<hr/> \$ (50.65)	<hr/> \$ (47.32)
+ Admin Charge Savings\7	\$ 5.70	\$ 6.00	\$ 6.10
+ RSG and RNU Cost Savings	\$ 9.20	\$ 9.30	\$ 9.40
+ 1-Time Reconfiguration\8	\$ (1.00)		
+ Transm Cost Allocation Savings\9	\$ 1.70	\$ 1.50	\$ 2.70
+ Capacity Sales\10	\$ -	\$ (1.89)	\$ (5.42)
+ Addtl Transm Reservations			
+ FERC Charge Savings\11	\$ 1.50	\$ 1.60	\$ 1.60
= Subtotal Other Charges	<hr/> \$ 17.10	<hr/> \$ 16.51	<hr/> \$ 14.38
Total (Trade Benefits + Subtotal Other Charges)	<hr/> <hr/> \$ (16.71)	<hr/> <hr/> \$ (34.14)	<hr/> <hr/> \$ (32.94)
 Net Present Value	 \$ (70.19)		

- 1 Change in Generator Cost+Hurdle Rate Costs associated with OSS+ Change in Purchased Power Expense
- 2 Change in Off System Sales Revenue
- 3 Incorporated in first two values above
- 4 Prosym assumed no congestion between load and generation
- 5 Estimated ASM revenues net (based on TME 8/10)
- 6 Incremental cost of losses paid to MISO less Avg. LMP cost of supply transmission losses to native load
- 7 MISO Adm charges less ICT operating costs (estimated at \$5 million/year)
- 8 Year one capital expense, per original study.
- 9 Forecasted MISO MTEP allocations
- 10 Estimate based on expected AMO capacity position
- 11 Original estimate in CRA Study

Annual Costs and Benefits of ITC Case Relative to Midwest ISO Case
(in millions of dollars, positive numbers are benefits)

		2012	2013	2014
Ameren Missouri in ITC				
+ A	Production Cost Savings\1	\$ 17.08	\$ 18.47	\$ 21.57
+ B	Generator Revenue Increases\2	\$ (75.93)	\$ (76.33)	\$ (85.05)
+ C	Load Withdrawal Savings\3			
+ D	FTR Value Increases\4			
+ E	Net Operating Reserve Savings\5	\$ (3.39)	\$ (3.39)	\$ (3.39)
+ F	Marginal Loss Credit Increases\6	\$ 9.05	\$ 9.56	\$ 10.96
+ G	Net Wheeling Rev Increases			
= H	Trade Benefits	\$ (53.19)	\$ (51.68)	\$ (55.91)
+ I	Admin Charge Savings\7	\$ 5.31	\$ 5.60	\$ 4.46
+ J	RSG and RNU Cost Savings	\$ 7.74	\$ 7.84	\$ 7.12
+ K	1-Time Reconfiguration\8	\$ (1.00)		
+ L	Transm Cost Allocation Savings\9	\$ -		\$ 1.30
+ M	Capacity Sales\10	\$ (0.01)	\$ (2.19)	\$ (4.40)
+ N	Addtl Transm Reservations			
+ O	FERC Charge Savings\11	\$ 1.50	\$ 1.60	\$ 1.60
= P	Subtotal Other Charges	\$ 13.54	\$ 12.85	\$ 10.08
Q	Total (Trade Benefits + Subtotal Other Charges)	<u>\$ (39.65)</u>	<u>\$ (38.83)</u>	<u>\$ (45.82)</u>
R	Net Present Value	(\$105.41)		

Footnotes

- 1 Change in Generator Cost+Hurdle Rate Costs associated with OSS+ Change in Purchased Power Expense
- 2 Change in Off System Sales Revenue
- 3 Incorporated in first two values above
- 4 Prosym assumed no congestion between load and generation
- 5 Estimated ASM revenues net (based on TME 8/10)
- 6 Incremental cost of losses paid to MISO less Avg. LMP cost of supply transmission losses to native load
- 7 MISO Adm charges less ITC operating costs (estimated at \$5 million/year) 2012 - FE Out 2013 - FE/Duke Out 2014-15 Entergy In
- 8 Year one capital expense.
- 9 Proxy of MISO net increase in MTEP allocations which may be avoidable if Ameren Missouri exits MISO. Based upon the avg. year-on-year change 2010 - 2016 and assuming the allocation would apply 1/2 in the year following approval and 1/2 in the 2nd year following approval
- 10 Estimate based on expected Ameren Missouri capacity position
- 11 Original estimate in CRA Study