

STAKEHOLDERS PROCESS AGREEMENT

1. KCP&L Greater Missouri Operations Company (“GMO”), the Staff of the Missouri Public Service Commission (“Staff”), the Office of Public Counsel (“OPC”), the Missouri Department of Natural Resources (“MDNR”), and Dogwood Energy, LLC (“Dogwood”) (collectively, the “Parties”) hereby agree to the following process for a series of stakeholder meetings, supplemental filings and a revised integrated resource plan (“revised IRP”) designed to remedy certain, but not all, alleged deficiencies and concerns expressed by the signatories of the Nonunanimous Stipulation and Agreement to which this Agreement is appended. regarding the compliance filing GMO submitted in this proceeding on August 5, 2009. Sedalia Industrial Energy Users’ Association (“SIEUA”), the City of Kansas City, Missouri (“KCMO”), and the Missouri Joint Municipal Electric Utility Commission (“MJMEUC”) intervened in this case but are not signatories to the Nonunanimous Stipulation and Agreement to which this Agreement is appended. SIEUA, KCMO, and MJMEUC are not expected to participate in the stakeholder process, but the parties hereto do not oppose their participation.

BACKGROUND

2. On August 5, 2009, GMO submitted its compliance filing with Chapter 22 of the Commission’s regulations concerning GMO’s resource planning. GMO submitted a supplemental filing on November 2, 2009 to provide additional information and clarify certain aspects of its original filing (collectively, “2009 IRP”).

3. On December 10, 2009, Staff, OPC, MDNR, and Dogwood submitted reports identifying concerns and in some cases alleging certain deficiencies regarding GMO’s 2009 IRP. Although SIEUA, KCMO, and MJMEUC intervened in the case, they did not submit any reports.

4. The Commission's resource planning regulations provide that if the Staff, Public Counsel or any intervenor finds deficiencies, they shall work with the electric utility and the other parties in an attempt to reach a joint agreement on a plan to remedy the identified deficiencies. 4 CSR 240-22.080(8). The Parties have worked together to develop a joint agreement on a plan. The Parties agree that a stakeholder process will serve as a productive means of planning and implementing remedies for certain identified deficiencies. This Stakeholder Process Agreement Appendix represents the fruits of those efforts.

5. The terms of this agreement provide unequivocally for GMO to make supplemental filings and to file a revised IRP, and GMO agrees to file supplements and a revised IRP consistent with the terms of and schedule outlined in this agreement. The parties agree that one of the objectives of the meetings described and scheduled herein is to discuss and attempt to come to terms regarding specific action items and elements to be addressed in the supplements and revised IRP to be filed by GMO.

6. The parties reserve the right to take any disputes concerning implementation or action items related to GMO's IRP, revised IRP or supplemental filings to the Commission for resolution, and parties do not otherwise waive their rights under 4 CSR 240-22.

SCOPE, TERMS AND TIMELINE OF STAKEHOLDERS PROCESS

TO REMEDY CONCERNS AND ALLEGED DEFICIENCIES

4 CSR 240-22.030 Load Analysis and Forecasting:

7. GMO commits to provide in a presentation to a stakeholder meeting a comparison of the new budget forecast and the forecast underlying the 2009 IRP on a total company basis (i.e. roll up both forecasts to the total company in order to see and

compare differences). GMO further commits to use the work that examined the critical uncertain factors in the 2009 IRP to determine if the change in the load forecast is significant enough to warrant using the budget forecast for a revised IRP filing. This determination will take into account the interaction of the revised load forecast with revision of other demand- and supply-side resources and uncertain factors that are included in integrated analysis. If production of a new load forecast is warranted, the new load forecast will be included in the revised IRP scheduled to be filed on December 17, 2010.

8. GMO will include in a supplemental filing this presentation with the comparison and the resulting action to be taken, if any.

Timeline: Stakeholder meeting and presentation: April, 2010

Supplemental filing: 30 days after meeting

Revised IRP filing: December 17, 2010

4 CSR 240-22.040 Supply-Side Resource Analysis:

Retirements, Wind Integration and Contingency Planning

9. GMO commits that retirement of specific units will be discussed at a Stakeholder meeting. The Parties agree that this discussion will include consideration of Sibley 3 and will extend over at least two meetings beginning May 2010.

10. As the starting point of the discussion, GMO will provide (a) its load and capacity table; and (b) a tabulation of all supply-side and demand-side resources that were considered in developing alternative resource plans for the August 2009 filing.

11. GMO and the other Parties agree to discuss combinations of demand and supply side resources that would be sufficient to replace the energy and capacity

currently provided by the Sibley 3 unit and that would be sufficient to replace the energy and capacity that Sibley 3 is projected to provide in future years if the unit undergoes the program of environmental retrofits that is proposed by the company. This discussion may include resources that do not appear on the tabulation of resources provided by GMO. The expected impact of proposed retrofits on the unit's heat rate and capacity factor will also be discussed. Through this discussion, GMO and the other Parties will work to define one or several combinations of resources that appear most likely to provide the least cost replacement for the Sibley 3 unit if that unit is retired. Based on this discussion, GMO agrees to develop at least one alternative resource plan that includes retirement of Sibley 3 and to include this alternative resource plan in the revised integration analysis for the filing due December 17, 2010.

12. In addition to retirements, these meetings will also include discussions regarding reliable wind integration and contingency supply planning.

Cost of Wind Generation

13. GMO commits to present the results of the most recent request for proposal responses received in February, 2010 for new wind construction compared to the wind resource cost utilized in the IRP. GMO also commits that the change in costing to the newest information will be examined in light of the construction cost critical uncertainty factor. Should the change in construction cost for wind resources including associated transmission costs exceed the threshold for reconsideration due to the critical uncertainty factor, GMO will incorporate the new wind cost in a revised IRP filing. GMO

will include in a supplemental filing this presentation and comparison and the resulting action taken if any.

Distribution of Future Values of Uncertain Factors that Affect Supply Side Resource Costs

14. At the May 2010 stakeholder meeting, GMO and the parties will discuss factors that should be considered and methodologies that should be used to estimate the range of values for uncertain factors affecting supply side resources - specifically, future natural gas prices and the future cost of complying with regulatory requirements related to NOx and SO2 emissions. MDNR notes that by the end of May 2010, EPA is expected to publicly announce its proposal for replacing the CAIR rule.

15. If Monte-Carlo analysis of future SO2 and NOx allowance prices is determined to be appropriate, GMO will determine "low", "mid" and "high" forecast values for NOx and SO2 allowances using this method.

16. If a revised analysis of these uncertain factors is determined to be appropriate, GMO will include the results of a revised analysis in its identification of critical uncertain factors and its integration analysis due December 17, 2010.

17. GMO commits to include discussions regarding reliable wind integration and contingency supply planning.

Timeline: Stakeholder meetings and presentation: May, 2010 and June, 2010

Supplemental filing: 30 days after last meeting

Revised IRP filing: December 17, 2010

4 CSR 240-22.050 Demand-Side Resource Analysis:

Menu of End Uses:

18. GMO commits to discussion of the appropriate menu of DSM end-use measures at stakeholder meetings in April and May. The other Parties will provide their proposed list of additional end-uses measures to be included in GMO's next IRP filing. In addition to the lists, the same Parties will provide a methodology to identify and estimate the technical potential, cost, and energy/demand impact of those measures not currently in the 2009 IRP and the economic and achievable potential of programs containing those measures that would be acceptable to them. The proposal needs to consider any new measures in terms of weather-sensitivity. Parties may also propose methods for ongoing identification of "pockets of opportunity" for new DSM measures and programs that may not be evident or achievable at this time. GMO commits to work with the other Parties to reach agreement on the end-use issue.

19. Upon agreement to the list of end-uses to be evaluated and agreement with the methodology to estimate technical potential, cost, and energy/demand impact, GMO will include in a supplemental filing the agreed to end-use list and agreed-to methodology to be used. The supplemental filing will identify which of the agreed-to additional end-use measures will be included in GMO's next IRP filing. The Supplemental Filing will include a schedule for any specific studies needed and reporting back to the parties.

Alternative Levels of DSM Program Implementation

20. At the April 2010 stakeholder meeting, GMO will present its estimate of market potential for DSM savings based on the programs included in the "All-DSM"

portfolio. This information will be included in a supplemental filing. The presentation and supplemental filing are intended to resolve inconsistencies in the estimates included in the August, 2009 IRP filing.

21. GMO agrees to include one or more portfolios of new DSM programs in addition to the all-DSM portfolio in the revised IRP scheduled to be filed December 17, 2010. At least one of these additional portfolio(s) of DSM programs will incorporate a more aggressive level of DSM implementation than the "all-DSM" portfolio. These additional portfolios will be treated as resources that are available for selection of alternative resource plans that are included in the integrated analysis. Agreement on criteria to be met by the additional, alternative portfolio will be discussed at the April and May 2010 stakeholder meetings and decided prior to the June 2010 stakeholder meeting.

DSM Programs/20 Year Plan

22. GMO states that it modeled DSM programs for the entire 20 year planning horizon. However, GMO's DSM programs in this IRP filing:

1. Were developed under the assumptions that there will be no future impact from: 1) smart grid technology, and/or 2) legislation to impose a federal or state EERS; and
2. Take credit for energy and demand reductions annually over the measure life, but takes no credit for energy and demand reductions annually as a result of either market transformation and/or replacement of measures with more efficient measures as a result of DSM program enhancements.

23. At the April 2010 stakeholder meeting, GMO will respond to the following two questions with respect to the 20-year DSM planning that is presented in Tables 73

through 147 in Appendix A of GMO's February 5 response to parties. For the programs that are shown in these tables to have impacts that extend over a 20-year time horizon:

- a. Did the integrated resource modeling for the filing include more than five years of implementation budget?
- b. Do the implementation plans in GMO's officially adopted resource acquisition strategy include expenditure of funds to acquire new demand-side resources for more than the first five years of the planning horizon?

24. It is noted that the uncertain factors of high carbon costs and high development of smart grid technology, when taken together, creates a scenario which is similar to the "High Infrastructure Costs" scenario in the AmerenUE DSM Market Potential Study. GMO is not aware of DSM resource planning best practices to deal with these uncertain factors, but will evaluate information in the AmerenUE DSM Market Potential Study. GMO agrees that its next compliance filing will include completion and use of a GMO service territory demand-side market potential study. GMO agrees to provide updates on the progress of performing the GMO service territory demand-side market potential study as part of at all stakeholder meetings beginning with the September 2010 stakeholder meeting.

25. The Parties recognize that GMO will likely have to take a "top-down and bottom-up" approach to developing DSM resources for its next IRP filing. The Parties agree that should a "top-down and bottom-up" approach be necessary and desired by GMO, that the other Parties will support approval of such a waiver request by GMO for use in the revised IRP.

Timeline: Stakeholder meetings and presentation: April and May, 2010

Supplemental filing: 30 days after last meeting

Revised IRP filing: December 17, 2010

4 CSR 240-22.070 Risk Analysis and Strategy Selection:

26. GMO agrees to add smart grid technology and EERS legislation to its list of uncertain factors and to screen these uncertain factors to determine whether each is a critical uncertain factor. GMO agrees to do the screening of the smart grid and EERS uncertain factors taking into account the results of the stakeholder meetings and supplemental filings described in this document regarding:

1. Load forecast;
2. End-use measures;
3. DSM programs/20-year plan;
4. Retirements, wind integration and contingency planning; and
5. Cost of wind generation

27. GMO believes it is appropriate to use the results of the Risk Analysis to examine any change that would impact a critical uncertain factor to evaluate the need to conduct further analysis. To the extent any fact, condition, cost, or forecast mentioned previously causes a critical uncertain factor to be exceeded, GMO commits to produce a revised IRP with the critical uncertain factor modified.

28. GMO commits that the stakeholder meetings will include discussion and evaluation of best practices for integration analysis and risk analysis, including practices for addressing covariant risks. The involved group would consist of the four IOUs

(AmerenUE, Empire District, KCP&L, GMO), Staff, OPC, MDNR and Dogwood Energy, to the extent such entities are willing to participate.

29. GMO will work with the stakeholders to understand and evaluate the creation of future scenarios for use in its integration analysis of alternative resource plans.

4 CSR 240-22.080 Filing Schedule and Requirements:

DSM Cost Recovery Modeling

30. Some aspects of DSM cost recovery (cost, lost revenue and incentives) can not be treated as an uncertain factor as part of modeling required by the IRP rule and modeled using the MIDAS model by GMO. However, GMO and the other Parties agree that at the completion of the revised integration analysis (through MIDAS modeling) GMO will use a spreadsheet analysis approach to quantify the impact on company revenues and earnings resulting from the preferred resource plan selected by GMO in its revised IRP filing, both with and without the non-traditional accounting procedures requested in GMO's 2010 revised IRP filing and any associated ratemaking treatment to be sought by GMO for demand-side resources. GMO's revised filing will include discussion and identification of an alternative resource plan as a contingency option should GMO determine there to be inadequate DSM cost recovery available to it and an alternative resource acquisition strategy is thus preferred. This stakeholder process agreement does not limit the rights of stakeholders to respond to GMO's assessment of the adequacy of DSM cost recovery or to GMO's proposals for contingency options related to DSM cost recovery that are made in its revised IRP filing.

Timeline: Stakeholder meeting and presentation: June, 2010

Supplemental filing: 30 days after last meeting

Revised IRP filing: December 17, 2010

31. GMO agrees to continue working with the Parties to develop appropriate methodologies to calculate the financial impacts of DSM cost recovery, including GMO's proposals for recovering its DSM expenditures and receiving any additional revenues associated with DSM programs related to financial incentives, or decoupling, or recovery of lost revenues. The results of GMO's work to develop these appropriate methodologies will be shared with stakeholders in order to obtain their feedback prior to finalizing these methodologies and using them as described above in the revised IRP filing.

Workpapers

32. GMO commits that the filing of workpapers in a supplemental filing will be discussed at a Stakeholder meeting. Workpapers were provided to the other Parties, but were not filed due to the volume of files and information. Should the Parties decide that they all want all workpapers previously provided via CD filed, GMO will begin filing all workpapers beginning with the next IRP.

33. Regarding the 2009 IRP filing, GMO will provide a complete copy of all workpaper CDs to any and all other Parties upon request. If there is a need to discuss the content and organization of the CDs and files, GMO will make itself available to any and all other Parties upon request to provide guidance and assistance.

Summary Schedule of Meetings and Actions

1. April 2010 stakeholder meeting

- a. Load Forecasting
 - b. DSM Programs/20-year plan
 - c. Menu of End-Use Measures
 - d. Alternative Levels of DSM Program Implementation
2. May 2010 stakeholder meeting
 - a. Cost of Wind Generation
 - b. Menu of End-Use Measures
 - c. Alternative Levels of DSM Program Implementation
 - d. Alternative Rate Structures
 - e. DSM cost recovery proposals and modeling
 - f. Retirements, Wind Integration and Contingency Planning
 - g. Distribution of Future Values of Uncertain Factors
3. May 2010 Supplemental Filing (within 30 days of April meeting)
 - a. Load Forecasting
 - b. Cost of Wind Generation
4. June 2010 Stakeholder Meeting
 - a. Integration Analysis discussion of inputs and process
 - b. Distribution of Future Values of Uncertain Factors
 - c. Risk Analysis
5. June 2010 Supplemental Filing – Supply/Retirements and Menu of End-Use Measures (within 30 days of May meeting)
6. July 2010 Supplemental Filing – Integration and Risk Analysis (within 30 days of June meeting)
7. September 2010 Stakeholder Meeting
 - a. Market Potential Study Update
8. October, 2010 Stakeholder Meeting
 - a. Review DSM Cost Recovery Analysis (early November)
 - b. Review of results prior to drafting revised IRP documents for filing by December 17, 2010
 - c. Market Potential Study Update
9. Additional Supplemental Filings within 30 days of agreement on specific topics:
 - a. Menu of End Uses
 - b. Alternative Levels of DSM Program Implementation
10. Revised IRP Filing December 17, 2010

Dated: April 12, 2010