

**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-2008-0134
Functional Control of Its Transmission)	
System to the Midwest Independent)	
Transmission System Operator, Inc.)	

STIPULATION AND AGREEMENT

As a result of discussions among the Staff of the Missouri Public Service Commission (“Staff”), the Office of the Public Counsel (“Public Counsel”), Union Electric Company d/b/a AmerenUE (“AmerenUE”), the Midwest Independent Transmission System Operator, Inc. (the “Midwest ISO”), and the Missouri Industrial Energy Consumers (“MIEC”) (collectively, the “Signatories,” and individually, a “Signatory”), the Signatories hereby submit to the Missouri Public Service Commission (“MoPSC”) for its consideration and approval this Stipulation and Agreement (the “2008 Stipulation”), in resolution of Case No. EO-2008-0134. The Empire District Electric Company (“Empire”), Aquila, Inc. (“Aquila”), the Southwest Power Pool, Inc. (“SPP”) and Kansas City Power & Light Company (“KCPL”), the four non-Signatory parties (together with Signatories are collectively referred to as “Stakeholders”), to this case, have also participated in the above-referenced discussions. While they have not signed this 2008 Stipulation, it is the Signatories’ understanding that Empire, Aquila, SPP and KCPL do not oppose this 2008 Stipulation, and that they will each file pleadings indicating as such, waiving any objection to this Stipulation and waiving their right to a hearing thereon pursuant to 4 CSR 240-2.115(2)(E).

With regard to this 2008 Stipulation, the Signatories state as follows:

A. Background

1. On February 26, 2004, the MoPSC approved a Stipulation and Agreement (the “2004 Stipulation”) in MoPSC Case No. EO-2003-0271 authorizing AmerenUE, with conditions, to transfer functional control of its electric transmission system to the Midwest ISO, via participation in GridAmerica, LLC (“GridAmerica”), an independent transmission company (“ITC”) then operating within the footprint of the Midwest ISO. *See Order Approving Stipulation and Agreement*, effective March 7, 2004 (the “2004 Order”). The authorization granted by the MoPSC was for a term beginning on the date AmerenUE 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).

2. 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 AmerenUE and the Midwest ISO to codify the terms and conditions under which the Midwest ISO would provide transmission service to serve AmerenUE’s bundled retail load, and also to preserve the MoPSC’s jurisdiction to determine the transmission component of AmerenUE’s bundled retail rates. AmerenUE and the Midwest ISO filed the Service Agreement with the FERC on February 19, 2004.

3. On March 25, 2004, the FERC approved the Service Agreement. *See FERC Docket No. ER04-571-000*. Thereafter, on May 1, 2004, AmerenUE transferred functional control of its transmission system as contemplated by the 2004 Stipulation and 2004 Order.

4. The 2004 Stipulation contains a provision allowing AmerenUE to withdraw from the GridAmerica ITC, while continuing its participation in the Midwest ISO without seeking further permission from the MoPSC. *2004 Stipulation*, § X. AmerenUE exercised that right by notice given to the GridAmerica ITC on April 6, 2005, with its withdrawal from the GridAmerica ITC becoming effective on November 1, 2005. Since that time, AmerenUE has continued to participate in the Midwest ISO directly and not through a contractual relationship with the GridAmerica ITC.¹

5. The 2004 Stipulation also required AmerenUE 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 expires five years after AmerenUE transferred control to the Midwest ISO, or on April 30, 2009, which established a due date for the cost-benefit analysis of November 1, 2007. *2004 Stipulation*, § B.I.(A). The 2004 Stipulation also required that AmerenUE file a pleading at that same time that addresses whether a service agreement would remain in place in connection with any further AmerenUE participation in an RTO and that addresses any need for independence in control area functions not being performed by the RTO in which AmerenUE may participate. *2004 Stipulation*, § B.III(A). AmerenUE timely filed that pleading, together with the required cost-benefit analysis, on November 1, 2007, thus initiating this case.

¹ AmerenUE has advised the parties that it elected to withdraw from participation through the GridAmerica ITC because it determined that continued participation in the Midwest ISO through the GridAmerica ITC would not provide it with significant added value over participating directly in the Midwest ISO.

6. The 2004 Stipulation (in particular, Attachment B thereto) prescribed the parameters under which the cost-benefit analysis was to be performed. The 2004 Stipulation also specifically contemplated that Staff, Public Counsel and any other interested signatory to the 2004 Stipulation (the “2004 Stakeholders”) would have the opportunity to participate in the development of the inputs, outputs and other features to be included in the cost-benefit analysis. The 2004 Stipulation also required that Staff and OPC be given meaningful and substantial access to data, and that interested 2004 Stakeholders be given regular progress reports, have access to the consultants engaged by AmerenUE to perform the cost-benefit analysis, and be given the opportunity to have meaningful input in the preparation of the analysis. *2004 Stipulation*, § B.III.(B). The process described above took place over a period of approximately eight months preceding the filing of this case, as contemplated by the 2004 Stipulation. The following 2004 Stakeholders participated in that process: Staff, Public Counsel, and MIEC.

7. AmerenUE issued a request for proposal for the cost-benefit analysis, and the responses were evaluated by AmerenUE, Staff, Public Counsel and MIEC. The cost-benefit analysis was conducted by CRA International (“CRA”), an international energy consulting firm with knowledge and experience relating to the implementation of RTOs and competitive wholesale and retail electricity markets. CRA was chosen, in consultation with the interested 2004 Stakeholders identified above, to perform the cost-benefit analyses through a collaborative process with those 2004 Stakeholders (as contemplated by the 2004 Stipulation). CRA has previously conducted a series of cost-benefit studies relating to RTO participation, including studies for the Southeast Regulatory Utility Commission’s Conference in 2002, Dominion Virginia Power’s PJM Study in 2003, a study for the United States Department of Energy, also in 2003, an ERCOT Stakeholders Cost Benefit Study in 2005, a SPP Cost Benefit Study for the

SPP Regional State Committee and a study for Aquila respecting its RTO participation in 2006-2007. As provided for in Attachment B to the 2004 Stipulation, AmerenUE identified and examined three alternative scenarios for the purpose of the cost-benefit analysis, as follows: continued participation by AmerenUE in the Midwest ISO; participation by AmerenUE in the SPP RTO; and a contractual relationship between AmerenUE and an Independent Coordinator of Transmission (“ICT”) with the ICT to coordinate operation of the AmerenUE transmission system. Each scenario was analyzed over a 10-year study period (2009 to 2018).

8. Because RTOs are continuing to develop, CRA examined not only a 10-year period starting in 2009, but also the three-year period from 2009 to 2011. Several areas of RTO operations are expected to become more fully developed by the end of this three-year period, including the possible implementation of SPP’s Day Ahead and Ancillary Services Markets, the Midwest ISO’s implementation of an Ancillary Services Market, the Midwest ISO’s development of “Module F”, developments relating to the allocation of transmission expansion costs (so-called “RECB” charges, where RECB is the Midwest ISO’s Regional Expansion Criteria and Benefits mechanism), and efforts to redesign the Midwest ISO’s Revenue Sufficiency Guarantee (RSG) and Revenue Neutrality (RNU) payments.

9. The results of the CRA cost-benefit analysis filed with the MoPSC on November 1, 2007 indicated that continued participation in the Midwest ISO during the three-year period 2009 to 2011 versus the ICT case favored continued Midwest ISO participation by approximately \$153 million, which is the net present value of the benefit over the three-year period in 2008 dollars. For the 10-year period 2009 to 2018, continued participation in the Midwest ISO was expected to be approximately \$346 million more favorable than the ICT case. The cost-benefit analysis as filed on November 1, 2007 indicated that the SPP case is the least

desirable option both during the three-year period (\$203 million less favorable than continued participation in the Midwest ISO) and during the 10-year period (\$563 million less favorable than continued participation in the Midwest ISO).

10. As outlined in detail in AmerenUE's Notice of Material Filing at the Federal Energy Regulatory Commission and Request to Suspend Further Proceedings in this Case, filed on December 17, 2007, subsequent to the filing of the Company's Application and the cost-benefit analysis, certain Midwest ISO transmission owners and the Midwest ISO² filed a pleading with the Federal Energy Regulatory Commission ("FERC") seeking to change relevant Midwest ISO agreements in a manner that would change (i.e., substantially reduce) the distribution of revenues payable to AmerenUE after the end of the Midwest ISO's "transition period," which ended on February 1, 2008. This potential change in revenue distribution and the resulting revenue reduction was identified by AmerenUE as a risk in its November 1, 2007 Application. AmerenUE protested the proposed changes at the FERC, but its protest was denied by the FERC in an order issued February 1, 2008, which has resulted in an approximately \$60 million (on an annual basis) reduction in the incremental revenues forecast to accrue to AmerenUE as reflected in the cost-benefit analysis. AmerenUE has filed with the FERC a Motion for Rehearing of its order denying AmerenUE's protest. The Motion for Rehearing is pending.

11. In response to AmerenUE's December 17, 2007 request to suspend further proceedings in this case until June 30, 2008, the MoPSC held a prehearing conference on February 6, 2008, during which the MoPSC inquired of the parties respecting the parties'

² The Midwest ISO has indicated that it joined in the subject FERC filing solely in its capacity as the tariff administrator for the Midwest ISO's Open Access Transmission and Energy Markets Tariff ("EMT").

expectations for a possible resolution of the FERC matter and, ultimately, the processing and resolution of this case. During the conference, the regulatory law judge directed the parties to file a status report by February 13, 2008, which status report could, but was not required to, include a proposed procedural schedule. At the end of the prehearing conference, the parties in attendance met to discuss the regulatory law judge's directive, agreed that a procedural schedule was not necessary at that time, and agreed to hold a series of technical conferences to discuss, among other things, the post-transition revenue distribution change and other risks identified in AmerenUE's Application.

12. As previously reported by the Staff in its March 31 and May 5, 2008 Status Reports, the parties have now held a series of technical workshops and, as a result, have reached the agreements reflected in this Stipulation respecting AmerenUE's continued Midwest ISO participation. Those discussions have included an examination of certain updates to the cost-benefit analysis filed on November 1, 2007, most notably as follows: (a) to account for the revenue distribution change during the post-transition period, as discussed in further detail in Paragraph 10, above; (b) to account for a very minor reduction to the original cost-benefit analysis estimate (approximately negative \$0.4 million for a 3-year NPV) for RECB charges; and (c) to account for a somewhat higher share of transmission revenues (approximately \$4 million annually and \$10.7 million for a 3-year NPV) to AmerenUE. With these updates, the cost-benefit analysis continues to indicate that participation in the Midwest ISO vis-à-vis the alternative of operating as an ICT or joining the SPP remains favorable for an additional three years (through April 30, 2012). More specifically, the updated study indicates that continued participation in the Midwest ISO has a positive net present value over the next best alternative (operation as an ITC) of approximately \$17 million for the approximately three year period.

13. As outlined in AmerenUE's Application, there remain several potentially significant uncertainties relating to RTO development that could impact the future economics of AmerenUE's participation in the Midwest ISO, including RECB cost allocations, the costs and benefits of the Midwest ISO's Ancillary Services Market (which is expected to commence in September 2008), other changes in the market, and the structure and operation of Module F to the Midwest ISO's Energy Markets Tariff ("EMT"). At the present time the potential for materially higher RECB cost allocations to AmerenUE presents the most significant potential risk for AmerenUE and its decision regarding continued Midwest ISO participation through April 30, 2012.

B. Stipulations

14. Approval/Term. The Signatories agree that the MoPSC should conditionally approve, on an interim basis, AmerenUE's continued RTO participation in the Midwest ISO substantially as described in AmerenUE's filing dated November 1, 2007 on the basis of finding that, subject to the conditions and modifications set forth below, said participation is not detrimental to the public interest. The Signatories agree that AmerenUE's decision to continue its participation in the Midwest ISO on an interim and conditional basis under the terms provided for in this 2008 Stipulation is prudent and reasonable. The Signatories further agree that the approval is interim and conditional during a term ending April 30, 2012, as said term may be extended by MoPSC order. The permission to be granted as contemplated herein shall terminate as of April 30, 2012, unless it is extended or unless it is earlier withdrawn on Application of AmerenUE, as discussed in Paragraph 15, below. The Signatories agree that extending AmerenUE's authorization to participate in the Midwest ISO through April 30, 2012 provides an opportunity to gain further information and experience that will tend to reduce uncertainties

associated with those risks noted above during the three-year period when the CRA cost-benefit analysis (as reviewed in Paragraph 9, above), as updated, indicates that continued participation in the Midwest ISO is expected to be favorable. This three-year period will also give AmerenUE, the Stakeholders, and the MoPSC an opportunity to further scrutinize the expected future costs and benefits of the Midwest ISO versus other options once RTOs in the region or other options become more fully developed.

15. AmerenUE Report/Early Withdrawal. AmerenUE is engaged in discussions with the Midwest ISO in order to mitigate some of the risks identified in its Application, most notably the risks associated with RECB allocations, as noted in Paragraph 13, above. AmerenUE commits to provide to the MoPSC and the Stakeholders by December 1, 2008 a report detailing the status of those discussions. The Midwest ISO is currently engaged in a process (that includes an examination of issues relating to RECB) with a number of Midwest ISO stakeholders which may not be complete by December 1, 2008. If AmerenUE does not believe sufficient and timely progress is being made (through its own discussions with the Midwest ISO or through the Midwest ISO's stakeholder process) toward mitigating those risks, including the risks associated with RECB allocations, vis-à-vis the costs and benefits of continued Midwest ISO participation, notwithstanding the anticipated approval of this 2008 Stipulation, AmerenUE may elect to return to the MoPSC and seek permission to withdraw from the Midwest ISO prior to April 30, 2012.

16. Continued Participation. In recognition of the fact that under this 2008 Stipulation AmerenUE's participation in the Midwest ISO beyond April 30, 2012 would require further authority from the MoPSC, and assuming that AmerenUE has not earlier requested permission to withdraw as outlined above in Paragraph 15, AmerenUE agrees, by December 31, 2009, to contact and consult with the Stakeholders to review with the Stakeholders what

additional analysis (the “Tentative Analysis”) AmerenUE believes is appropriate and necessary respecting AmerenUE’s post-April 30, 2012 RTO participation or its operation as an ITC. After taking into consideration in good faith the comments and input from the Stakeholders respecting the Tentative Analysis, AmerenUE will, by May 1, 2010, advise the Stakeholders of the specific parameters of the analysis AmerenUE intends to conduct (the “Actual Analysis”) and, by November 1, 2010, shall file a pleading, along with the Actual Analysis AmerenUE proposes to submit, regarding the matter of AmerenUE’s continued RTO participation beyond April 30, 2012. AmerenUE’s November 1, 2010 filing will also address, among other things, whether the Service Agreement or similar mechanism for the provision of transmission service to Missouri Bundled Retail Load should continue to remain in effect between AmerenUE and any RTO in which AmerenUE may participate beyond April 30, 2012. Without limiting the Stakeholders’ ability to comment and provide input on the Tentative Analysis, the following shall also apply to the Actual Analysis to be submitted in connection with AmerenUE’s November 1, 2010 filing:

(a) AmerenUE shall work with the Staff, Public Counsel, and MIEC and give them substantive input regarding the development of the specific methodology, inputs, outputs and other features to be included in the Actual Analysis, provided, however, AmerenUE shall advise and update the Midwest ISO regarding the same; (b) to maintain its independence and control of the Actual Analysis, AmerenUE will act as the project manager with respect to such analysis and will engage and direct the work of AmerenUE employees or consultants assigned or retained to perform the Actual Analysis; and (c) subject to any applicable privilege recognized by law and the provisions of the MoPSC’s rule respecting confidential information, AmerenUE agrees that (i) Staff, Public Counsel, and MIEC will be given meaningful and substantial access to data necessary for, and used in, preparing the Actual Analysis, will have access to employees or

consultants utilized by AmerenUE to perform the Actual Analysis, and will be given the opportunity to have meaningful input in the preparation of the Actual Analysis, provided, however, AmerenUE shall advise and consult with the Midwest ISO regarding the same, and (ii) that AmerenUE will provide regular reports respecting the progress and, if requested, reasonable details of the Actual Analysis to any party to this docket requesting such updates and/or information. The Signatories recognize that: (1) there may arise a difference of opinion regarding the scope, particular details or preliminary assumptions that are necessary to and part of any supporting analysis to be performed by AmerenUE; and (2) that AmerenUE would ultimately have the responsibility for and burden of presenting an analysis in support of whatever position it deems appropriate and necessary at the time of its November 1, 2010 filing.

Accordingly, AmerenUE must be able to maintain a level of independence and control of any such analysis, while the other parties retain their right to oppose or provide alternative positions.

17. Incentive Adders. The Signatories agree that the Service Agreement's primary function is to ensure that the MoPSC continues to set the transmission component of AmerenUE's rates to serve its Bundled Retail Load. Consistent with Section 3.1 of the Service Agreement and its primary function, the Signatories agree that to the extent that the FERC offers incentive "adders" for participation in an RTO or in an ITC to the rate of return allowed for providing Transmission Service³ to wholesale customers within the Ameren zone, such incentive adders shall not apply to the transmission component of rates set for Bundled Retail Load by the MoPSC.

18. Network Transmission Service. Currently, FERC requires Bundled Retail Load served by Midwest ISO Transmission Owners to take Transmission Service under the EMT. If

³ As that term is defined in the Service Agreement.

AmerenUE 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 AmerenUE is no longer required to take Transmission Service for Bundled Retail Load under the EMT, but such termination of the Service Agreement under this paragraph 18 will not affect AmerenUE's membership participation status in the Midwest ISO and the MoPSC shall continue to have jurisdiction over the transmission component of the rates set for Bundled Retail Load. The Signatories further acknowledge, however, that as a participant in the Midwest ISO as contemplated herein, AmerenUE 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. As provided for in paragraph 23 of this 2008 Stipulation, the Signatories also acknowledge that no ratemaking treatment has been adopted for these charges.

19. Continued Effectiveness of the Service Agreement. The Signatories acknowledge and agree that the continued effectiveness of the Service Agreement (unless it is terminated pursuant to its terms), is an integral part of this 2008 Stipulation, including the Service Agreement's primary function to ensure that the MoPSC continues to set the transmission component of AmerenUE's rates to serve its Bundled Retail Load. Therefore, the Signatories agree that the MoPSC will have the right to rescind its approval of AmerenUE's participation in the Midwest ISO and to require AmerenUE 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 AmerenUE, that has the effect of precluding the MoPSC from

continuing to set the transmission component of AmerenUE'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 AmerenUE, 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 MoPSC and by the FERC.

AmerenUE agrees to immediately notify the Stakeholders if AmerenUE becomes aware of the issuance of any order, rule or regulation amending, modifying, changing, or abrogating any term or condition of the Service Agreement. If any Stakeholder in this docket desires to make a filing with the MoPSC as a result of an action by FERC as described in subsections (i) or (ii) above, the Stakeholder wishing to make a filing must do so within ninety (90) days after AmerenUE has provided notification under this Paragraph of such FERC action. Any Stakeholder not making a filing with the MoPSC within the 90-day time frame provided for above shall be deemed to have waived its right to make a filing with the MoPSC in response to such FERC action.

Any subsequent order issued by the MoPSC that, on a basis provided for in subsections (i) or (ii) of this paragraph 19, terminates the MoPSC's approval of AmerenUE's participation in the Midwest ISO shall be effective when AmerenUE 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 MoPSC and the FERC).

Notwithstanding any term or condition provided for in this paragraph 19, the Signatories agree that any termination of the Service Agreement that might occur under Section 2.4 of the

Service Agreement shall not constitute an action of the FERC described in subsections (i) or (ii) above of this paragraph 19, and shall therefore not trigger the MoPSC's right to require withdrawal as provided for in paragraph 20.

20. Withdrawal. If withdrawal from the Midwest ISO occurs under paragraphs 15 or 19 of this 2008 Stipulation, or if the permission contemplated hereby is not extended beyond April 30, 2012, AmerenUE will have to re-establish functional control of its transmission system as a transmission provider or, depending upon further orders of the MoPSC and the FERC, may have to transfer functional control of its transmission system to another entity. In either case, AmerenUE would have to give notice to the Midwest ISO of its withdrawal. Under Article Five of the Service Agreement, such notice shall not be effective before December 31 of the calendar year following the calendar year in which notice is given by AmerenUE to the Midwest ISO. In order for possible withdrawal from the Midwest ISO to occur no later than April 30, 2012, the Signatories agree that a decision with respect to AmerenUE's continued Midwest ISO participation would need to be issued by the MoPSC no later than October 31, 2011.

21. Securitization. By becoming a Signatory, AmerenUE acknowledges and agrees that in the event AmerenUE desires to securitize the revenues associated with its transmission system, AmerenUE is required to obtain additional permission and approval from the MoPSC prior to securitizing the revenues associated with its transmission system.⁴

22. Fundamental Change in Participant Status. If AmerenUE decides to seek any fundamental change in its membership participation or membership status in the Midwest ISO, it

⁴ "Securitization," as used herein, does not include a grant by AmerenUE of a security interest in its transmission assets as security for a loan made to AmerenUE in the ordinary course of AmerenUE's business. "Securitization," as used herein, refers to the situation where AmerenUE might choose to sell, in exchange for an upfront payment, the revenue stream that would otherwise flow to AmerenUE from AmerenUE's transmission system.

shall seek prior approval from the MoPSC no later than five (5) business days after the date of its filing with the FERC for FERC authorization of this change.

C. Effect of 2008 Stipulation

23. None of the Signatories shall be deemed to have approved or acquiesced in any question of MoPSC authority, accounting authority order principle, cost of capital methodology, capital structure, decommissioning methodology, ratemaking or procedural principle, valuation methodology, cost of service methodology or determination, depreciation principle or method, rate design methodology, jurisdictional allocation methodology, cost allocation, cost recovery, or question of prudence⁵, that may underlie this 2008 Stipulation, or for which provision is made in this 2008 Stipulation.

24. This 2008 Stipulation represents a negotiated settlement. Except as specified herein, the Signatories to this 2008 Stipulation shall not be prejudiced, bound by, or in any way affected by the terms of this 2008 Stipulation: (i) in any future proceeding; (ii) in any proceeding currently pending under a separate docket; and/or (iii) in this proceeding should the MoPSC decide not to approve this 2008 Stipulation, or in any way condition its approval of same.

25. The provisions of this 2008 Stipulation have resulted from extensive negotiations among the Signatories and the provisions are interdependent.

26. In the event that the MoPSC does not approve and adopt the terms of this 2008 Stipulation in total, or approves this 2008 Stipulation with modifications or conditions that a

⁵ Except as provided for in paragraph 14.

Signatory objects to, it shall be void and no Signatory shall be bound, prejudiced, or in any way affected by any of the agreements or provisions hereof.

27. When approved and adopted by the MoPSC, this 2008 Stipulation shall constitute a binding agreement between the Signatories hereto. The Signatories shall cooperate in defending the validity and enforceability of this 2008 Stipulation and the operation of this 2008 Stipulation according to its terms. Nothing in this 2008 Stipulation is intended to impinge, restrict or limit in any way Public Counsel's discovery powers, including the right to access information and investigate matters related to AmerenUE.

28. This 2008 Stipulation does not constitute a contract with the MoPSC. Acceptance of this 2008 Stipulation by the MoPSC shall not be deemed as constituting an agreement on the part of the MoPSC to forego, during the term of this 2008 Stipulation, the use of any discovery, investigative or other power which the MoPSC presently has. Thus, nothing in this 2008 Stipulation is intended to impinge or restrict in any manner the exercise by the MoPSC of any statutory right, including the right to access information, or any statutory obligation.

29. The terms, conditions, and covenants in this 2008 Stipulation shall be of no further force or effect from and after the expiration or termination of AmerenUE's authority to participate in an RTO as contemplated herein.

D. MoPSC Approval of the 2008 Stipulation

30. If requested by the MoPSC, the Staff shall submit to the MoPSC a memorandum addressing any matter requested by the MoPSC. AmerenUE and the other Stakeholders shall be served with a copy of any such memorandum and shall be entitled to submit to the MoPSC, within five (5) business days of receipt of the same, a responsive memorandum, which shall also

be served on all parties of record. The contents of any memorandum provided by any Signatory are its own and are not acquiesced in or otherwise adopted by the other Signatories to this Stipulation, whether or not the MoPSC approves and adopts this Stipulation.

31. If the Commission has questions for the Signatories, the Signatories will make available, at any on-the-record session, their witnesses and attorneys so long as all parties have had adequate notice of that session. The Signatories agree to cooperate in presenting this 2008 Stipulation to the MoPSC for approval, and will take no action, direct or indirect, in opposition to the request for approval of this 2008 Stipulation.

32. If the MoPSC does not unconditionally approve this 2008 Stipulation without modification, and notwithstanding its provision that it shall become void thereon, neither this 2008 Stipulation, nor any matters associated with its consideration by the MoPSC, shall be considered or argued to be a waiver of the rights that any party has to a hearing on the issues presented by the 2008 Stipulation, for cross-examination, or for a decision in accordance with Section 536.080 RSMo 2000 or Article V, Section 18 of the Missouri Constitution, and the parties shall retain all procedural and due process rights as fully as though this 2008 Stipulation had not been presented for approval, and any suggestions or memoranda, testimony or exhibits that have been offered or received in support of this 2008 Stipulation shall thereupon become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the MoPSC for any further purpose whatsoever.

33. In the event the MoPSC accepts the specific terms of the 2008 Stipulation, the parties waive their respective rights to call, examine and cross-examine witnesses, pursuant to

Section 536.070(2) RSMo 2000; their respective rights to present oral argument and written briefs pursuant to Section 536.080.1 RSMo 2000; their respective rights to the reading of the transcript by the MoPSC pursuant to Section 536.080.2 RSMo 2000; their respective rights to seek rehearing, pursuant to Section 386.500 RSMo 2000; and their respective rights to judicial review pursuant to Section 386.510 RSMo 2000. This waiver applies only to a MoPSC Report and Order respecting this 2008 Stipulation issued in this proceeding, and does not apply to any matters raised in any subsequent MoPSC proceeding, or any matters not explicitly addressed by this 2008 Stipulation.

E. Miscellaneous

34. Counterparts. This 2008 Stipulation may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument. The agreements of the Signatories shall be binding on and inure to the benefit of their respective successors and assigns. The paragraph and subparagraph headings and captions are for the convenience of the reader only and are not intended to be a part of this 2008 Stipulation.

35. Notices. Any notice required or permitted under this 2008 Stipulation shall be valid only if in writing, delivered personally, by commercial carrier, sent by U.S. Mail, sent by confirmed telefacsimile transmission, or sent by e-mail, to counsel for each Signatory at the addresses, telefacsimile numbers, or e-mail addresses set forth with their signatures below, or to such other addresses, telefacsimile numbers, or e-mail addresses as a Signatory may designate by notice to the other Signatories. A validly given notice will be effective when delivered personally, by

telefacsimile, or by a commercial courier, when sent by certified mail with return receipt requested, postage prepaid, or when sent by e-mail.

Dated: June 30, 2008.

Respectfully submitted,

SMITH LEWIS, LLP

By: /s/ James B. Lowery
James B. Lowery, #40503
Suite 200, City Centre Building
111 South Ninth Street
P.O. Box 918
Columbia, MO 65205-0918
Phone (573) 443-3141
Facsimile (573) 442-6686
lowery@smithlewis.com
**Union Electric Company,
d/b/a AmerenUE**

Steven R. Sullivan, #33102
Sr. Vice President, General Counsel & Secretary
Thomas M. Byrne, #33340
Managing Associate General Counsel
1901 Chouteau Avenue, MC-1310
P.O. Box 66149, MC-131
St. Louis, Missouri 63101-6149
(314) 554-2514 (Telephone)
(314) 554-4014 (Facsimile)
tbyrne@ameren.com
**Attorneys for Union Electric Company d/b/a
AmerenUE**

By: /s/ Steven Dottheim
Steven Dottheim, #29149
Chief Deputy General Counsel
Nathan Williams, #35512
Deputy General Counsel
P.O. Box 360
Jefferson City, MO 65102
(573) 751-7489
(573) 751-9285 (facsimile)
stevedottheim@psc.mo.gov
Nathan.williams@psc.mo.gov
**Attorneys for the Staff of the Missouri
Public Service Commission**

OFFICE OF THE PUBLIC COUNSEL

/s/ Lewis Mills
Lewis Mills, #35275
Public Counsel
P.O. Box 2230
Jefferson City, MO 65102
(573) 751-5565
(573) 751-5562 (facsimile)
Lewis.Mills@ded.mo.gov
Public Counsel

/s/ Diana M. Vuylsteke

Diana M. Vuylsteke, #42419

211 N. Broadway, Suite 3600

St. Louis, MO 63102

(314) 259-2543

(314) 259-2020 (facsimile)

dmvuylsteke@bryancave.com

**Attorney for Missouri Industrial
Energy Consumers**

/s/ Karl Zobrist

Karl Zobrist, #28325

Sonnenschein Nath & Rosenthal LLP

4520 Main Street, Suite 1100

Kansas City, MO 64111

(816) 460-2545

(816) 531-7545 (facsimile)

kzobrist@sonnenschein.com

Stephen G. Kozey, Vice President and
General Counsel

Keith L. Beall, State Regulatory Attorney

720 City Center Drive

Carmel, IN 46032

(317) 249-5431

(317) 249-5912

skozey@midwestiso.org

kbeall@midwestiso.org

**Attorney for Midwest Independent
Transmission System Operator, Inc.**

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served via e-mail, to the following parties, on the 30th day of June, 2008, as follows:

Dean L. Cooper
Brydon, Swearngen & England P.C.
P.O. Box 456
Jefferson City, MO 65102
dcooper@brydonlaw.com

Paul Boudreau
312 E. Capitol Avenue
Jefferson City, MO 65101
paulb@brydonlaw.com

Curtis D. Blanc
1201 Walnut, 20th Floor
Kansas City, MO 64106
Curtis.blanc@kcpl.com

David Linton
424 Summer Top Lane
Fenton, MO 63026
djlinton@charter.net

/s/James B. Lowery
James B. Lowery