

**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)	File No. EO-2011-0128
Functional Control of Its Transmission)	
System to the Midwest Independent)	
Transmission System Operator, Inc.)	

SECOND PROGRESS REPORT

COMES NOW Union Electric Company d/b/a Ameren Missouri (“Ameren Missouri” or the “Company”), on behalf of itself and all but one of the other parties to this docket,¹ and hereby submits this Second Progress Report as contemplated by the Ordered Paragraph 3 of the Commission’s December 22, 2014 *Order Modifying 2012 Report and Order* (“Modification Order”), as follows:

1. The Modification Order adopted the provisions of a joint motion filed by Ameren Missouri, the Commission’s Staff, the Office of the Public Counsel and the Missouri Industrial Energy Consumers (“Joint Movants”), by which the Joint Movants had recommended, *inter alia*, that a new Ameren Missouri case respecting continued regional transmission organization participation or operation of its transmission system as an independent coordinator of transmission (“ICT”) be delayed for a period of two years, to November 15, 2017. The Joint Motion was filed so that a more accurate comparison could be made of various options given changes taking place in the industry that were expected to become more clear between 2014 and 2017. Among those were material changes in the Southwest Power Pool’s (“SPP”) footprint, the

¹ Ameren Missouri inquired of the Office of the Public Counsel first on April 11, 2016 and again on April 27, 2016 but has not received either an agreement or disagreement with this Report. Ameren Missouri has no reason to believe there is any disagreement, but assumes that the press of other business has simply precluded confirmation. All other parties affirmatively indicated their agreement with this Report.

start-up of SPP's energy markets, the integration of the Entergy Companies in MISO² and the finalization of the federal Clean Power Plan.

2. The Modification Order required that Ameren Missouri convene a stakeholder meeting to discuss any developments that may be pertinent to its continued MISO participation versus participation in another RTO³ or as an ICT. Ameren Missouri convened that meeting on September 29, 2015, where any such developments were discussed. The consensus of the meeting was that the primary drivers of moving the filing of the next case to November 15, 2017 had not materially changed as compared to the parties' expectation about those drivers at the time the joint motion was filed.

3. Ameren Missouri reiterated that it plans to engage a third-party consultant to conduct a robust cost-benefit study and to develop the same using the process reflected in the Commission's April 19, 2012 *Report and Order* and December 22, 2014 Modification Order in this docket, including following the parameters (e.g., length of study period) specified in that *Report and Order* and Modification Order. As indicated in the First Report filed in this docket on October 30, 2015,⁴ the parties currently believe the modeling, with the appropriate updating of inputs to account for changes in the factors and data relevant to such an analysis, remains the appropriate modeling to determine whether Ameren Missouri's continued MISO participation after May 31, 2018 is in the public interest, and is similar to, and will be more detailed and robust than, the modeling used in File No. EO-2011-0128 in 2011-2012.⁵

² Midcontinent Independent System Operator, Inc.

³ Regional Transmission Organization.

⁴ The Modification Order requires that progress reports be submitted every six months (by October 31 and April 30), until such time as the November 2017 filing is made.

⁵ The modeling used at that time was an update performed by Ameren Missouri in 2011, of an initial, third-party modeling project performed by Charles Rivers Associates for use in File No. EO-2008-0134, which was resolved in 2008. As noted in the Commission's April 19, 2012 *Report and Order* and December 22, 2014 Modification Order

WHEREFORE, Ameren Missouri, on behalf of the parties,⁶ submits this Second Progress Report.

Dated: May 2, 2016⁷

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in this docket, Ameren Missouri intends to commission an entirely new, third-party modeling study for use in its 2017 filing.

⁶ But subject to footnote 1.

⁷ The due day of this report fell on Saturday, April 30, so it is being filed today.

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 2nd day of May, 2016.

/s/James B. Lowery

James B. Lowery