

or forgo sales of capacity into the MISO capacity auction. Either way, the LSE's cost to serve its retail customers would increase.

Question No. 2:

Assuming MISO moves to a long-term capacity market (3 to 5 years), what qualifications or prerequisites will MISO place on Load Serving Entities (LSEs) in order for them to be able to fully "self-schedule" or "opt-out" of Resource Adequacy requirements in the forthcoming MISO Resource Adequacy Enhancements Proposal?

Response:

As of June 16, 2011, MISO's proposal would allow an LSE to opt out of the capacity auction up to the forecasted load of the LSE (plus any requirement planning reserve margin). It is not currently known to MIEC whether MISO under a long-term market proposal (3 to 5 years) would retain these opt out provisions. As of June 16, 2011, the MISO proposal would only conduct a single year auction a few months before the affected planning year begins.

Question No. 3:

Are MISO, Ameren Missouri and the other parties in this proceeding willing to make Ameren Missouri's continued participation in MISO contingent on Ameren Missouri's continued participation and compliance with the Missouri Public Service Commission's Electricity Utility Resource Planning Process or any succeeding rules?

Response:

MIEC is willing to have the Commission make Ameren Missouri's continued participation in MISO contingent on Ameren Missouri's continued participation and compliance with the Missouri Public Service Commission's Electric Utility Resource Planning Process or any succeeding rules.

Question No. 4:

Would it be appropriate for the Commission to make Ameren Missouri's participation in MISO expressly contingent on MISO's willingness to waive any exit fees as a result of the Missouri Public Service Commission making a determination that Ameren Missouri or any successor's compliance with the Electric Utility Resource Planning Process and the Missouri

Public Service Commission has been abrogated, changed or made irrelevant in any way or for any reason related to Ameren Missouri's compliance with the Electric Utility Resource Planning Process?

Response:

It would be appropriate to do so for any exit fees associated with capital cost expenditures of the MISO and its transmission owners that were not approved by the MISO Board of Directors prior to the date of the event which led to the Commission's determination that Ameren Missouri compliance with the Electric Utility Resource Planning Process and Commission has been abrogated, changed or made irrelevant in any way or for any reason related to Ameren Missouri's compliance with the Electric Utility Resource Planning Process.

Question No. 5:

Will Ameren Missouri and MISO guarantee that Ameren Missouri's ratepayers and other Load Serving Entities (LSEs) located inside the Ameren Missouri transmission footprint will be held harmless if LSEs in MISO are not able to fully "self schedule" or "opt out" in order to meet their Resource Adequacy requirements in the forthcoming MISO Resource Adequacy Enhancements Proposal? See Attachment #1.

Response:

MIEC has no response as MIEC does not know whether Ameren Missouri and MISO would agree to the stated guarantee.

Question No. 6:

If Ameren Missouri and MISO cannot make the foregoing guarantee, would it be appropriate for the Commission to make its approval of Ameren Missouri's continued participation in MISO contingent on MISO's willingness to waive exit fees if Ameren Missouri loses the ability to self-schedule and opt out of the capacity market?

Response:

Please see MIEC's response to Question No. 4.

Question No. 7:

When MISO determines that new transmission needs to be built in Ameren Missouri's territory (such as the multi-value projects or MVPs), who has the right of first refusal to build that project? Would Ameren Transmission Company (ATC) have any right to construct transmission projects in Missouri "but for" Ameren Missouri's membership in MISO?

Response:

MIEC is not yet prepared to answer to this question but will supplement its response as its legal position on this issue is developed.

Question No. 8:

What criteria, if any, does Ameren Missouri use to determine whether or not it will build a transmission project itself or allow ATC to construct it? Please describe and provide the statutory/regulatory support for Ameren Missouri's authority to transfer or waive its right to construct MISO transmission projects and then allow ATC construct those projects. Where Ameren Missouri either implicitly or explicitly consents to ATC constructing a transmission project in Missouri, do the Missouri Public Service Commission's affiliate transaction rules found in 4 CSR 240-20.15 apply? How can Ameren Missouri and MISO guarantee that Missouri consumers are best served by allowing ATC to construct the projects in Missouri and not bidding the projects out?

Response:

MIEC is not prepared to answer this question but will supplement its response as its legal position on this issue is developed. Some of these questions are specifically addressed to Ameren Missouri and/or MISO.

Question No. 9:

Please describe ATC's right to use eminent domain in Missouri and provide both statutes and case law in support of your position. Are the parties willing to make Ameren Missouri's MISO membership contingent on Ameren and MISO agreeing to allow the Commission to approve any transmission projects to be constructed in Ameren Missouri's service territory prior to their being built? If the answer to the preceding question is no, why not?

Response:

In regard to the eminent domain question, MIEC is not prepared at this time to answer this question but will supplement its response as its legal position is developed. MIEC is willing

to make Ameren Missouri's MISO membership contingent on Ameren and MISO agreeing to allow the Commission to approve any transmission projects to be constructed in Ameren Missouri's service territory prior to their being built.

Question No. 10:

Under MISO's interpretation of their Joint Operating Agreements, are The Empire District Electric Company, Kansas City Power & Light Company, KCPL-Greater Missouri Operations, and Associated Electric Cooperatives, Inc. (AECI) entitled to compensation for the use of their facilities? If so, how much estimated compensation are each entitled to receive?

Response:

MIEC has no response because these questions were solely directed to MISO and Ameren Missouri.

Question No. 11:

To the extent that Entergy's proposal to become a member of MISO requires the construction of new facilities or upgrades in Missouri, what facilities and upgrades will need to be built? What will be their size and cost? What will be the cost recovery method for those facilities? Who will pay for those facilities and upgrades? What will be the total cost to Missouri ratepayers for those facilities and upgrades?

Response:

MIEC has no response because these questions were solely directed to MISO and Ameren Missouri.

Question No. 12:

Why are each of the MISO Multi-Value Projects (MVP) proposed for mid-year 2011 and for MTEP 2012 necessary? Assuming the MVP costs can be passed through to ratepayers under a FERC tariff through Ameren's FAC tariff, as Construction Work in Progress (CWIP) or through some other mechanism, how much will the MVP projects cost Ameren Missouri's customers on an annualized basis and in total?

Response:

MIEC has no response because these questions were solely directed to MISO and Ameren Missouri.

Question No. 13:

Wisconsin Public Power, Inc. (WPPI) paid for transmission upgrades from a new coal plant and thought they would be receiving a corresponding amount of financial transmission rights to transmit baseload generation to their customers. Please describe what happened, whether WPPI received any financial transmission rights and what MISO did to fairly compensate WPPI? How is MISO remedying these problems going forward in similar situations? What assurances can MISO offer the Missouri Joint Municipal Electric Utility Commission (MJMEUC) that it will not have a similar problem when they start transmitting electricity from their Prairie State coal plant in Illinois and that MJMEUC will not be forced to buy capacity to meet their Resource Adequacy requirement? Also, please describe what steps have been taken to upgrade the transmission system from Illinois to Missouri to facilitate the movement of capacity and energy from Prairie State to LSEs in Missouri, and what additional transmission upgrades, if any, would be necessary under the RAR Enhancement Proposal?

Response:

MIEC has no response because these questions were solely directed to MISO and Ameren Missouri.

Question No. 14:

What assurances can MISO make to Citizen's Electric Cooperative that its current contract to take service from Wabash Valley Power Association will be honored – will Citizens receive financial transmission rights for that contract?

Response:

MIEC has no response because these questions were solely directed to MISO and Ameren Missouri.

Question No. 15:

Are there any MISO employees who would receive a bonus or have a portion of their compensation tied to successful implementation of the capacity market MISO is now proposing? If so, who, and how much? If so, who authorized the compensation plan? If it was a particular board at MISO, please identify the board, the members of the board, and

which board members voted in favor of the proposed capacity market, and which members voted in opposition to the capacity market.

Response:

MIEC has no response because these questions were solely directed to MISO and Ameren Missouri.

Question No. 16:

Are there any other questions the Commission should be asking, but has failed to ask?

Response:

The MIEC has no questions to suggest at this time, but may supplement its response in the event the MIEC thinks of any additional questions to suggest.

Respectfully submitted,

BRYAN CAVE, LLP

By: /s/ Diana Vuylsteke

Diana M. Vuylsteke, # 42419

211 N. Broadway, Suite 3600

St. Louis, Missouri 63102

Telephone: (314) 259-2543

Facsimile: (314) 259-2020

E-mail: dmvuylsteke@bryancave.com

Attorney for The Missouri Industrial
Energy Consumers

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been emailed this 27th day of June, 2011, to all parties on the Commission's service list in this case.

/s/ Diana Vuysteke