BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Ameren Missouri's	)	
Application for Authorization to Suspend	)	File No. ET-2014-0085
Payment of Certain Solar Rebates.	)	Tariff No. YE-2014-0173

NON-UNANIMOUS STIPULATION AND AGREEMENT

COME NOW Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri"), the Staff of the Missouri Public Service Commission ("Staff"), Office of the Public Counsel, Missouri Division of Energy ("MDOE"), Missouri Solar Energy Industries Association ("MOSEIA")[1], Brightergy, LLC ("Brightergy"), Earth Island Institute d/b/a Renew Missouri ("Renew Missouri")[2] and the Missouri Industrial Energy Consumers ("MIEC")[3] (collectively the "Signatories")[4] and for their Non-Unanimous Stipulation and Agreement ("Agreement"), respectfully state as follows:

I. BACKGROUND OF PROCEEDING

1. On November 4, 2008, Proposition C was adopted by the voters of Missouri and later codified as Section 393.1030 RSMo. (Cum. Supp. 2011) which mandated, *inter alia*, that the "commission shall, in consultation with the department, prescribe by rule a portfolio requirement for all electric utilities to generate or purchase electricity generated from renewable energy resources. . .. "

[1] MOSEIA is executing this agreement on behalf of itself and in a representative capacity on behalf of its members.
[2] Renew Missouri is executing this agreement on behalf of itself and in a representative capacity on behalf of its members.
[3] MIEC is executing this agreement on behalf of itself and in a representative capacity on behalf of its members.
[4] Kansas City Power & Light Company and KCP&L Greater Missouri Operations Company (collectively "KCP&L"), who are parties to this case, are not Signatories to this Agreement but have indicated that they do not object to it.

2. In compliance with Section 393.1030, the Missouri Public Service Commission ("Commission") adopted 4 CSR 240-20.100 Electric Utility Renewable Energy Standard Requirements.

3. On May 28, 2013, Ameren Missouri filed its 2013 Annual Renewable Energy Standard Compliance Plan in File No. EO-2013-0503, pursuant to 4 CSR 240-20.100.

4. On July 3, 2013, Governor Jeremiah (Jay) Nixon signed into law HB 142 which became effective on August 28, 2013 and amends Section 393.1030. HB 142 states in part (codified in Section 393.1030(3)):

> If the electric utility determines the maximum average retail rate increase provided for in subdivision (1) of subsection 2 of this section will be reached in any calendar year, the electric utility shall be entitled to cease paying rebates to the extent necessary to avoid exceeding the maximum average retail rate increase if the electrical corporation files with the commission to suspend its rebate tariff for the remainder of that calendar year at least sixty days prior to the change taking effect. The filing with the commission to suspend the electrical corporation's rebate tariff shall include the calculation reflecting that the maximum average retail rate increase will be reached and supporting documentation reflecting that the maximum average retail rate increase will be reached. The commission shall rule on the suspension filing within sixty days of the date it is filed. . .

5. In the Application filed by Ameren Missouri on October 11, 2013, Ameren Missouri requested that the Commission authorize Ameren Missouri to suspend solar rebate payments pursuant to the provisions of Section 393.1030(3).

6. The Commission granted the intervention requests of KCP&L, MDOE, Renew Missouri, MOSEIA, Brightergy, and MIEC.

II. AGREEMENTS AMONG THE SIGNATORIES

7. On several occasions, the Signatories to this case met to discuss the

Application and related matters. As a result of these discussions, the Signatories agree that:

a. Ameren Missouri will not suspend payment of solar rebates in 2013 and beyond unless the solar rebate payments reach an aggregate level of $91.9 million incurred subsequent to July 31, 2012. The $91.9 million dollars are referred to hereinafter as the "specified level." Upon approval of the Agreement, Ameren Missouri agrees to withdraw its pending tariff sheets in this matter and re-file tariff sheets that will be consistent with this Agreement. If and when the solar rebate payments are anticipated to reach the specified level, Ameren Missouri will file with the Commission an application under the 60 day process as outlined in §393.1030.3 RSMo. to cease payments beyond the specified level in the year in which the specified level is reached and for all future calendar years. The Signatories agree that they will not object to an application that is designed to cease payments beyond the specified level. The starting point for measurement of the specified level will be the current balance of all solar rebates paid to date which have been included in the deferred account from August 1, 2012. As of October 31, 2013, the balance in Ameren Missouri's account is approximately $21,950,463 attributable to paid solar rebates. This represents solar rebate payments made between August 1, 2012 and October 31, 2013. Other compliance costs[5] directly related to

[5] RES Compliance costs used throughout this Agreement are defined in 4 CSR 240-20.100(1)(N).

Renewable Energy Standard compliance are also included in this account.

b. While this Agreement resolves the aggregate amount of solar rebates paid between July 31, 2012 until the specified amount is paid the Agreement has not resolved the method that will be utilized in the future to calculate the one percent (1%) cap in the retail rate impact in future RES compliance filings. The Signatories agree to work to resolve this issue in a rulemaking to implement the provisions of HB 142. Ameren Missouri, however, represents that it will utilize the Staff's methodology in future RES compliance filings until the RES rule[6] is changed. Provided, however, other Signatories reserve the right to assert any position related to Ameren Missouri's use of the Staff's methodology in future RES compliance filings, and to propose alternative methodologies.

c. All solar rebates, subject to this Agreement, will be paid according to applicable statutes, rules and tariffs. The Signatories also agree to cooperate in the development of all aspects of an orderly process to cease or conclude the solar rebate payments to solar customers, including updating Ameren Missouri's website for applied for applications, the level of solar rebate payments, and approved applications for Ameren Missouri.

d. Solar rebate amounts paid by Ameren Missouri after July 31, 2012,

[6] 4 CSR 240-2.100(5)(B).

including the additional amount provided for in the immediately following sentence, shall be included in a regulatory asset to be considered for recovery in rates after December 31, 2013, in a general rate case. Ameren Missouri shall record to the regulatory asset the actual dollar amount of solar rebates paid, not to exceed $91.9 million, from August 1, 2012 through the later of (i) the end of the test year, (ii) the end of the test year update period or (iii) the end of the true-up period in Ameren Missouri's next general rate proceeding, plus ten percent (10%) of that amount. If Ameren Missouri has not paid $91.9 million in solar rebates from August 1, 2012 through the later of (i), (ii) or (iii) above in Ameren Missouri's next general rate proceeding, then one or more additional regulatory assets shall be subsequently reflected on Ameren Missouri's books to record additional solar rebate payments made by Ameren Missouri equaling the difference between the amount of solar rebate payments deferred in the initial regulatory asset and $91.9 million, plus 10% of the amount of those additional deferred solar rebate payments. The Signatories agree not to argue that the solar rebate payments should have been suspended in 2013. Ameren Missouri agrees solar rebate payments and the additional amount provided for above will only be reflected in a general rate proceeding and recovered in a general rate case through a three-year amortization, and cannot be included in a Renewable Energy Standard

Rate Adjustment Mechanism ("RESRAM"). The regulatory asset provided for in this subparagraph d shall not include any additional sums, and no return, carrying costs or income tax mark-up shall be allowed on the unamortized balance. Upon the Commission's approval of this Agreement, the balance of the regulatory asset provided for by this subparagraph d shall be reduced by an amount equal to the cumulative interest recorded by Ameren Missouri related to solar rebates paid since August 1, 2012. The Signatories agree not to object to Ameren Missouri's recovery in retail rates of prudently paid solar rebates[7] and the additional amount provided for above. The Signatories reserve the right to raise issues related to whether the solar rebates were prudently paid in future general rate cases.

e. Because of the likely difference between the normalized billing units used to calculate rates in a general rate proceeding where some or all of the balance of the regulatory asset provided for in subparagraph d will be included in rates through the three-year amortization and actual billing units associated with cost recovery, and also because of the likely difference between the three year amortization period and the actual time interval between when rates are set in rate cases, a true-up will be required to reflect whether the sums billed to customers through

[7] Given the Signatories' agreement that the specified amount should be paid, the only questions in future general rate proceedings regarding the recovery of solar rebate payments is whether the claimed solar rebate payments have been made and whether they were prudently paid under the Commission's RES rules and Ameren Missouri's tariff. "Prudently paid" relates only to whether Ameren Missouri paid the proper amount due to an applicant for a rebate, paid it to the proper person

the amortization are greater or less than the sums that it was assumed would be billed to customers based on the billing units and amortization period used to calculate rates in the general rate proceeding. Because of this, Ameren Missouri shall track such differences. In the first general rate case occurring after the general rate case when the last dollar of the balance of the regulatory asset provided for in subparagraph d was included in rates, the difference shall be included as either a positive or negative amortization in rates over a three-year period. It is the intent of the Signatories that Ameren Missouri shall ultimately bill customers for an amount as close as reasonably practicable (separately for the residential and non-residential customer classes) to the total solar rebates paid plus the additional amount provided for in subparagraph d above.

f. Other RES compliance costs ("Non-Rebate RES Costs") paid by Ameren Missouri for which recovery is not otherwise provided through base rates shall be included in a regulatory asset to be considered for recovery in rates after December 31, 2013 either in a general rate case or through a Commission-approved RESRAM. Subject to the carryover provision in subparagraph g below, the Signatories agree not to object to Ameren Missouri's recovery in retail rates of prudently incurred Non-Rebate RES Costs. The Signatories reserve the right to raise prudence issues relating to Non-Rebate RES Costs in future

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or entity, and paid it in accordance with the Commission's RES rules and Ameren Missouri's tariffs.

general rate cases, RESRAM cases, or other proceedings in which recovery of these costs is considered by the Commission. Ameren Missouri agrees to propose a cost recovery approach in a future general rate case or other proceedings involving the implementation of a RESRAM mechanism which is consistent with the provisions of 4 CSR 240-20.100.

g. With respect to Non-Rebate RES Costs, Ameren Missouri shall include monthly carrying costs for prudently-incurred cumulative unrecovered Non-Rebate RES Costs from the period when the costs were incurred to the period when the costs are recovered. Carrying costs will be based on Ameren Missouri's monthly short-term borrowing rate. Ameren Missouri agrees that any cost recovery of the Non-Rebate RES Costs in future general rate proceedings or RESRAM proceedings will be consistent with 4 CSR 240-20.100(6). The Signatories agree that following carryover provision should be implemented: For each actual compliance year, the actual RES compliance costs eligible for inclusion in the RRI calculation and incurred in that year will be compared to 1% of the revenue requirement for the non-renewable portfolio for that year as determined in the Company's RRI calculation for that year. Any difference shall be carried forward and applied as an adjustment to the RES compliance budget for subsequent RRI calculations. The differences calculated for future years in this manner will be accumulated along with all prior

differences to be used as an adjustment to the RES compliance budget for subsequent RRI calculations. This provision will remain in effect until the recovery of rebate costs is complete or until the RES rules are revised to include a carryover provision. An illustration of the operation of this carryover provision is attached hereto as Exhibit A. If the cumulative differences from all prior years are negative (i.e., reflect a cumulative "underspend"), and if Ameren Missouri can meet the RES portfolio requirements without exceeding the 1% retail rate impact limitation, then Ameren Missouri will not incur excess RES compliance costs in order to offset the prior underspend. To the extent the foregoing provision requires a waiver from existing Rule 4 CSR 240-20.100(5)(B) or (5)(D), the Signatories agree that good cause exists to grant Ameren Missouri such a waiver.

h. When adjusting downward the proportion of renewable energy resources pursuant to rule 4 CSR 240-20.100(5)(D), Ameren Missouri agrees to give first priority to reducing or eliminating the amount of renewable energy credits ("RECs")[8] unassociated with electricity delivered to Missouri customers. Furthermore, in support of the immediately preceding sentence, Ameren Missouri agrees to cooperate in implementing a rule establishing priority for reduction or elimination of RECs and SRECs unassociated with electricity delivered to Missouri customers when a utility has reached the 1% retail rate limit

[8] RECs associated with solar energy are referred to as "SRECs".

and must adjust downward their renewable energy resources pursuant to 4 CSR 240-20.100(5)(D), and in place of such RECs or SRECs establishes a preference for utility-owned renewable energy resources, followed by RECs or SRECs associated with electricity delivered to Missouri customers, followed by RECS or SRECs not associated with electricity delivered to Missouri customers. Also in support of the first sentence of this subparagraph h, Ameren Missouri agrees, where it is prudent to do so, to make a good-faith effort to utilize only RECs or SRECs associated with electricity delivered to Missouri customers when it retires RECs or SRECs. Renew Missouri agrees to dismiss with prejudice Counts I and II of Renew Missouri's Complaints in Case Nos. EC-2013-0377 and EC-2013-0378 and, with respect to Count III of the Complaint in Case No. EC-2013-0377, Renew Missouri agrees that it will not appeal any Commission order adverse to Renew Missouri on Count III in Case No. EC-2013-0377.

III. GENERAL PROVISIONS OF AGREEMENT

8. This Agreement is being entered into solely for the purpose of settling the issues in this case explicitly set forth above. Unless otherwise explicitly provided herein, none of the Signatories to this Agreement shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any cost of service methodology or determination, depreciation principle or method, method of cost determination or cost allocation or revenue-related methodology. Except as explicitly provided herein, none of the Signatories shall be prejudiced or

bound in any manner by the terms of this Agreement in this or any other proceeding, regardless of whether this Agreement is approved.

9. This Agreement is a negotiated settlement. Except as specified herein, the Signatories to this Agreement shall not be prejudiced, bound by, or in any way affected by the terms of this Agreement: (a) in any future proceeding; (b) in any proceeding currently pending under a separate docket; and/or (c) in this proceeding should the Commission decide not to approve this Agreement, or in any way condition its approval of same.

10. This Agreement has resulted from extensive negotiations among the Signatories, and the terms hereof are interdependent. If the Commission does not approve this Agreement unconditionally and without modification, then this Agreement shall be void and no Signatory shall be bound by any of the agreements or provisions hereof.

11. If approved and adopted by the Commission, this Agreement shall constitute a binding agreement among the Signatories. The Signatories shall cooperate in defending the validity and enforceability of this Agreement and the operation of this Agreement according to its terms.

12. If the Commission does not approve this Agreement without condition or modification, and notwithstanding the provision herein that it shall become void, (a) neither this Agreement nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any Signatory has for a decision in accordance with RSMo. §536.080 or Article V, Section 18 of the Missouri Constitution, and (b) the Signatories shall retain all

procedural and due process rights as fully as though this Agreement had not been presented for approval, and any suggestions, memoranda, testimony, or exhibits that have been offered or received in support of this Agreement shall 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 Commission for any purpose whatsoever.

13. If the Commission accepts the specific terms of this Agreement without condition or modification, only as to the issues in these cases explicitly set forth above, the Signatories each waive their respective rights to present oral argument and written briefs pursuant to RSMo. §536.080.1, their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2, their respective rights to seek rehearing pursuant to §536.500, and their respective rights to judicial review pursuant to §386.510. This waiver applies only to a Commission order approving this Agreement without condition or modification issued in this proceeding and only to the issues that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this Agreement.

WHEREFORE, for the foregoing reasons, the Signatories respectfully request that the Commission issue an Order approving the terms and conditions of this Non-Unanimous Stipulation and Agreement.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document has been emailed, hand-delivered or mailed, First Class, U.S. Mail, postage prepaid this 8th day of November, 2013 to all counsel of record.

/s/ James B. Lowery
James B. Lowery

EXHIBIT A HAS BEEN DEEMED HIGHLY CONFIDENTIAL IN ITS ENTIRETY