

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Union Electric Company)	
d/b/a AmerenUE's Tariffs To Increase its)	Case No. ER-2010-0036
Revenues For Electric Service.)	

SECOND NONUNANIMOUS STIPULATION AND AGREEMENT

As a result of discussions among the Staff of the Commission ("Staff"), the Office of Public Counsel ("Public Counsel"), Union Electric Company d/b/a AmerenUE ("AmerenUE"), and the Missouri Industrial Energy Consumers¹ ("MIEC"), they (collectively "the signatories") hereby submit to the Missouri Public Service Commission ("Commission") for its consideration and approval this Second Nonunanimous Stipulation and Agreement ("Stipulation"), resolving certain issues in this case. The signatories agree:

AEP AND WABASH CONTRACTS

1. The capacity (MW) and energy (kWh) from AmerenUE's contracts with AEP and Wabash² shall be included in neither the wholesale load nor the retail load for the jurisdictional allocation of costs between the Missouri retail jurisdiction and wholesale jurisdiction. The jurisdictional allocation factors as calculated in the true-up using the methodology described in Staff's Revenue Requirement Cost of Service Report shall be used.

2. The capacity and energy requirements of the AEP and Wabash contracts shall be available for off-system sales in the production cost modeling true-up run referenced in paragraph 3 of the First Non-Unanimous Stipulation and Agreement filed in this case on March 10, 2010 (First Stipulation). As provided for in the First Stipulation, it is understood and agreed

¹ The members of MIEC are: Anheuser-Busch Companies, Inc., BioKyowa, Inc., The Boeing Company, Doe Run, Enbridge, General Motors Corporation, GKN Aerospace, Hussmann Corporation, JW Aluminum, MEMC Electronic Materials, Monsanto, Pfizer, Precoat Metals, Procter & Gamble Company, Nestlé Purina PetCare, Noranda Aluminum, Inc., Saint Gobain, Solutia and U.S. Silica Company.

² The AEP and Wabash contracts consist of the following: Confirmation Letter between AmerenUE and the American Electric Power Service Corporation as agent for the AEP Operating Companies dated February 27, 2009, and the Electric Service Agreement between AmerenUE and the Wabash Valley Power Association, Inc. dated April 28, 2009.

that the inputs that will be used in the Staff's run will consist of those inputs used by the Staff in the run underlying its December 18, 2009 Revenue Requirement Cost of Service Report, adjusted to account for 1) the reduced Callaway outage proposed by MIEC and adopted by AmerenUE in its Statement of Position, 2) trued-up items as part of the true-up in this case, 3) removal of the AEP and Wabash contracts loads from the hourly load inputs, and 4) the Commission's resolution (or the parties' later agreement) of any disputed fuel model-related inputs.

3. The results of the production cost modeling referenced in paragraph 2 of this Stipulation, using the allocation factors referenced in paragraph 1, shall be used in determining AmerenUE's final trued-up revenue requirement in this case.

4. If the Commission authorizes AmerenUE to continue to use a fuel adjustment clause, fixed capacity payments and energy sales under bilateral contracts (Contract Sale Revenues) shall be included as off-system sales (in the OSSR Factor) in AmerenUE's fuel adjustment clause; provided, however, that Contract Sale Revenues shall not include revenues from bilateral full or partial requirements contracts between AmerenUE and Missouri municipalities.

OSSR = Revenues from Off-System Sales allocated to Missouri electric operations.

Off-System Sales shall include all sales transactions (including MISO revenues in FERC Account Number 447), excluding Missouri retail sales and long-term full and partial requirements sales to Missouri municipalities, that are associated with (1) AmerenUE Missouri jurisdictional generating units, (2) power purchases made to serve Missouri retail load, and (3) any related transmission.

5. The fuel adjustment clause tariff sheets shall also be revised to include an additional reduction in the numerator of the FPA factor in the amount of \$300,000 per month during a twelve-month period commencing with the first full month for which new rates from this case are effective, which shall be accomplished in accordance with the following two

highlighted changes to AmerenUE's fuel adjustment clause, which are in addition to changes agreed to in the First Nonunanimous Stipulation and Agreement:

$$FPA_{(RP)} = \frac{[(CF + CPP - OSSR - TS - S - W) - (NBFC \times S_{AP})] \times _\% + I + R - N}{S_{RP}}$$

W = \$300,000 per month for the months, _____, 2010 through, _____, 2011. This factor "W" expires on _____, 2011.

6. The signatories expressly agree this Stipulation does not, and is not intended to, preclude any party from taking any position in this or in any subsequent Commission case including the position that these AEP and Wabash contracts, for periods prior to the effective date of new rates from this case, should be treated as off-system sales for purposes of AmerenUE's current fuel adjustment clause.

OTHER ISSUES

7. AmerenUE's revenue requirement³ shall be reduced by \$13.3 million in resolution of the following issues in this case: (i) flotation costs, (ii) rate case expense; and (iii) executive compensation. With regard to flotation costs, there shall be a \$2.74 million per annum amortization of the same over five (5) years; however, the unamortized balance shall not be included in rate base.

8. As AmerenUE previously announced to the Commission on the record in this case, AmerenUE shall not pursue recovery of \$352,000 of Venice Plant removal costs in this case; however, this Stipulation does not bar AmerenUE from seeking recovery of Venice Plant removal costs in any future rate case; nor does it bar any Signatory or other party from opposing recovery of those Venice Plant removal costs.

³ References to reductions or additions to AmerenUE's revenue requirement in this Stipulation are adjustments in addition to other adjustments to AmerenUE's filed revenue requirement as of July 24, 2009 reflected in AmerenUE's prefiled testimony and in addition to adjustments due to the First Nonunanimous Stipulation and Agreement. Other parties' revenue requirements, when applicable, will also be adjusted to reflect the agreements in this Stipulation.

GENERAL PROVISIONS

a. This Stipulation is being entered into for the purpose of disposing of the issues that are specifically addressed in this Stipulation. In presenting this Stipulation, none of the signatories shall be deemed to have approved, accepted, agreed, consented or acquiesced to any ratemaking principle or procedural principle, including, without limitation, any method of cost or revenue determination or cost allocation or revenue related methodology, and none of the signatories shall be prejudiced or bound in any manner by the terms of this Stipulation (whether it is approved or not) in this or any other proceeding, other than a proceeding limited to enforce the terms of this Stipulation, except as otherwise expressly specified herein.

b. This Stipulation has resulted from extensive negotiations and the terms hereof are interdependent. If the Commission does not approve this Stipulation without modification, then the Stipulation shall be void and no signatory shall be bound by any of the agreements or provisions herein.

c. If the Commission does not unconditionally approve this Stipulation without modification, and notwithstanding its provision that it shall become void, neither this Stipulation, 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 Section 536.080 RSMo 2000 or Article V, Section 18 of the Missouri Constitution, and the signatories shall retain all procedural and due process rights as fully as though this 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 Stipulation 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 further purpose whatsoever.

d. If the Commission unconditionally accepts the specific terms of this Stipulation without modification, the signatories waive, with respect to the issues resolved herein: their respective rights (1) to call, examine and cross-examine witnesses pursuant to Section 536.070(2), RSMo 2000; (2) their respective rights to present oral argument and/or written briefs pursuant to Section 536.080.1, RSMo 2000; (3) their respective rights to seek rehearing pursuant to Section 386.500, RSMo 2000 and (4) their respective rights to judicial review pursuant to Section 386.510, RSMo 2000. These waivers apply only to a Commission order respecting this Stipulation issued in this above-captioned proceeding, and do not apply to any matters raised in any prior or subsequent Commission proceeding, or any matters not explicitly addressed by this Stipulation. This Stipulation contains the entire agreement of the Parties concerning the issues addressed herein.

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

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

WHEREFORE, on this 22nd day of March, 2010, the signatories respectfully request the Commission to issue an Order in this case approving this Second Nonunanimous Stipulation and Agreement.

/s/ Nathan C. Williams

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Certificate of Service

I hereby certify that copies of the foregoing Second Nonunanimous Stipulation and Agreement have been mailed, hand-delivered, transmitted by facsimile or emailed to all counsel of record this 22nd day of March 2010.

/s/ Nathan Williams