

**Payment Policy for Transmission Facility Upgrades Requested to Serve Wholesale Customer Load**

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| Rev No. | Date | Revisions |
| 0 | 7/1/2013 | Original Issue |
| 1 | 4/30/2014 | Clarification and Payment Method |

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| Approved By: | Initial | Date |
| G.M. Gudeman | G.M.G | 5.2014 |

Ameren’s policy (“Policy”) regarding recovery of costs from wholesale customers for transmission upgrades associated with a wholesale customer request on Ameren’s transmission system (“Transmission”), built and owned by Ameren, is summarized below.

1. Projects will be classified as Transmission or distribution system (“Distribution”) projects, based on established FERC policy and precedent (i.e. the 7-factor test), and not by voltage level alone. This Policy relates only to those facilities classified as Transmission. Ameren will be responsible for determining whether the facilities for any given project are Transmission or Distribution.
2. When a wholesale customer requests new or upgraded Ameren owned Transmission facilities, and Ameren determines that the facilities ARE necessary for Transmission reliability purposes, the associated revenue requirement will be included in the Schedule 9 NITS rate, and the costs will not be directly assigned to the individual wholesale customer.
3. When a wholesale customer requests new or upgraded Ameren owned Transmission facilities, and Ameren determines that the facilities ARE NOT necessary for Transmission reliability purposes such facilities will be classified as “Excess Facilities”. When this classifications applies, Ameren will agree to build such facilities under the following conditions and pursuant to a construction agreement to be filed at FERC:

The customer agrees by execution of a construction agreement that the requested project is to be treated as Excess Facilities, the costs of which are to be directly assigned to the requesting customer. The construction agreement will provide for recovery of Excess Facilities costs through a fixed monthly charge that recovers the capital costs of the Excess Facilities, a return, income taxes, and the related expenses.

1. In cases where Ameren determines that a Transmission project is necessary for system reliability purposes but the customer is asking for something beyond what is determined by Ameren to be necessary, that portion of the project which is beyond what is considered necessary will be treated as Excess Facilities and will be charged to the customer as specified in Section 3.
2. There may be cases that fall outside the above stated criteria and Ameren will deal with such situations on a case-by-case basis.