

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

<b>Illinois Power Agency</b>	)	
	)	
<b>Petition for Approval of Procurement Plan.</b>	)	<b>Docket No. 13-0546</b>
	)	<b>Rehearing</b>

**REPLY BRIEF ON EXCEPTIONS ON REHEARING OF  
AMEREN ILLINOIS COMPANY**

COMES NOW Ameren Illinois Company d/b/a Ameren Illinois (“AIC” or “Company”) and for its Reply Brief on Exceptions on Rehearing, states:

On Exceptions, there are no new arguments of fact, law, or policy that warrant a departure from the Commission's Order. The requests of the Renewable Suppliers have now been thoroughly vetted. As the fundamental issues remain the same, AIC's position has not changed. That position has been fully briefed in this docket. Accordingly, previously articulated arguments will be reiterated. With respect to the renewed advocacy of the Renewable Supplier's primary position, AIC disagrees for the reasons argued previously and for the reasons stated below. While AIC has no reply to the other party Exceptions offered, silence should not be construed as endorsement.

The Renewable Suppliers continue to assert that the primary proposal does not harm customers. (RS BOE, pp. 3-4) Simply asserting "no harm" however does not square with the clear reality inherent in that request. The proposal plainly calls for customers to pay for power that they are not contractually liable for today under the presently controlling long term purchase power agreements (“LTTPAs”). To the extent the Commission requires the purchase of energy under LTTPAs beyond the present contractual requirements, such an action inures to the benefit of the suppliers and to the detriment of customers.

Moreover, the Renewable Suppliers (“RS”) identified an alternative to their primary position, and the Commission approved the same. If the alternative did not serve the supplier's interests, they would not have included it in their Rehearing Petition. Finally it should be noted that the entire point of granting the suppliers any relief is due to their assertion that the development of renewable generation will be impaired otherwise; in their own words:

The primary proposal is in the public interest. Its adoption will restore the confidence of renewable energy developers and investors in entering into long-term supply contracts to serve the Illinois market and in developing new wind generation facilities in Illinois and in nearby states to serve the Illinois market.

(RS BOE, p. 4)

Whether or not the *confidence* noted will actually result in more renewable facilities in Illinois (or nearby) is uncertain. Once the payment is made, the use of proceeds is at the sole discretion of the supplier counterparties. Thus, given the uncertainty, it is clearly better policy to grant relief in a manner that does not impose incremental financial liability on the part of customers.

Ultimately, AIC is a delivery service company and is thus neutral with respect to the source of the power. Incentive to develop renewable power is a policy decision for the Commission to be made within the parameters of the Public Utilities Act. However, AIC has extensive experience in purchasing power and contracting for the purchase of power, and based on that experience, continues to believe it is inappropriate to renegotiate a long term contract after a competitive bidding process has been conducted and contracts signed. Further, AIC must ultimately answer to its customers for what shows up on AIC bills. Thus, to the extent there is a lesser invasive alternative to meet the policy objectives of the Commission with respect to renewable procurement, AIC favors that approach.

WHEREFORE, Ameren Illinois Company respectfully requests that the Commission deny the Renewable Suppliers' Primary Proposal and accept AIC's proposed Exception No.1 to the Proposed Order on Rehearing, as filed in its Brief on Exceptions on Rehearing.

Dated: June 2, 2014

Respectfully submitted,

AMEREN ILLINOIS COMPANY  
d/b/a Ameren Illinois

A handwritten signature in blue ink, appearing to read "Matthew R. Tomc". The signature is fluid and cursive, with a long, sweeping underline that extends to the left.

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**CERTIFICATE OF SERVICE**

I, Matthew R. Tomc, counsel for Ameren Illinois Company, hereby certify that a copy of the foregoing *Brief on Exceptions on Rehearing* was filed on the Illinois Commerce Commission's e-docket and was served electronically to all parties of record in this Docket No. 13-0546 on this 2<sup>nd</sup> day of June, 2014.

A handwritten signature in blue ink, appearing to read "Matthew R. Tomc", is written in a cursive style. The signature is positioned above the printed name.

Matthew R. Tomc