

EXHIBIT II

**Ameren Energy Communications, Inc.
Power Line Communications
Experimental License WC2XXK
File No. 0093-EX-PL-2002**

**First Six Month Report
December 5, 2002**

Ameren Energy Communications, Inc. ("AEC") respectfully submits its first six month report pursuant to its Experimental License WC2XXK, File No. 0093-EX-PL-2002 for power line communications ("PLC") granted on June 5, 2002.

I. Description of Test Installations and Procedures

Equipment selected for testing:

During this first six month period AEC has commenced testing of PLC equipment from one vendor, Main.net. Main.net has provided the PLC modems for in-home use and the PLC modems for external use on the electric distribution system. Main.net also has provided the software for network management.

Others involved in the tests:

AEC entered into an arrangement with Big River Telephone Company ("Big River") which has acted as the network operations manager for the tests. Big River has arranged for interconnection of the PLC test system to the internet backbone via wireline connections ("T1's") and has acted as the Internet Service Provider ("ISP") for purposes of the testing, including providing technical support to test users via Internet and telephone technical support.

AEC has entered into a research arrangement with the University of Illinois at Carbondale which has at AEC's request worked on PLC equipment, including performance issues.

Ameren affiliates have provided technical support for the tests, including testing the PLC equipment for electrical safety issues and developing installation and operational protocols.

Description of test installation

AEC and its test partners have installed a PLC system in Cape Girardeau, Missouri that passes approximately 300 homes. The PLC network consists of five "cells." A cell is a group of homes served by a backhaul connection point. In this case, the backhaul connection points are wireline T1 type connections. Thus, to the extent that the term "installation" in Section 15.31(d) refers to a network configuration, the five "cells" provide five representative installations. In addition, the facilities allow the testing of a multi-cell network. Approximately one-third of the facilities are deployed overhead and two-thirds underground.

Each cell consists of a PLC modem at the backhaul connection point, PLC modems acting as repeaters at points between the backhaul connection point and the end user, and a PLC modem within the premises of the end user plugged into a wall outlet and connected to their personal computer generally with an Ethernet cable. Network management is done via software provided by Main.net and operated by Big River.

The test network has been installed and is being operated in basically the same manner, from a technical and operations standpoint, as a commercial PLC network. Upon completion of FCC compliance testing of the Main.net equipment, the same system could be converted for commercial service. The purpose of this deployment configuration is to test installations that are “representative” of the “typical installation” that will be deployed upon commencement of commercial operations, as set forth in Section 15.31(d).

As the test network was being installed, AEC notified households within the service area that they could participate in the tests. AEC stopped accepting test participants after acquiring between 50 and 60 participants. Each participant signs an agreement that acknowledges that the service is experimental in nature and can be cancelled at any time, as required under the conditions of the experimental license. Participants do not pay for the service; however, they agree to cooperate with AEC in gathering data for the tests.

II. Description of Tests

As set forth in the AEC application, the purpose of testing is two-fold, testing for customer acceptability and testing for FCC compliance.

Customer Acceptability Testing

The customer acceptability testing is two-fold, testing the acceptability of the Main.net equipment to AEC as a potential customer of Main.net, and testing of the acceptability of the equipment and service to the end users as potential PLC customers of AEC.

AEC Customer Acceptability Testing

AEC is testing the Main.net equipment for electrical safety, installation, performance and cost issues. For example, AEC is testing to determine how many repeater units it may need to purchase to serve various numbers of homes in various cell configurations. AEC also is testing the reliability and performance of the network, the ease of management of the network, and the amount of technical support required by end users. AEC is obtaining feedback on the latter issues from Big River.

AEC is able to report to the Commission that after completion of installation of the network, activation, and operation for approximately six months, the network has had few technical or operational problems. After a minimal amount of initial technical support to end users, technical support needed by end users appears minimal. AEC and Big River generally are pleased with the operation of the network. Since the network is deployed in a cellular manner, new or

additional issues generally are not expected in a commercial roll-out. Further deployment simply may consist of adding successive cells of basically the same configuration as those already deployed.

End User Customer Acceptability Testing

AEC has conducted three test surveys to date, two being questionnaires that can be filled out on-line and one being a “focus group” meeting. Most users participated in the on-line surveys. A smaller, but representative, number of users attended the focus groups. The surveys cover the users’ experience with operational issues, the amount and kind of use of the service, changes in users’ behavior after switching to the service, such as use of more or different Internet resources, and economic and marketing issues. Testing and research are on-going. AEC’s preliminary conclusion is that the PLC product is superior to dial-up and is competitive with DSL and cable modem service as perceived by the end users. Therefore, the end user customer acceptability test results to date support AEC’s possible interest in commercial deployment of the service.

FCC Compliance Testing

FCC compliance testing is being done by Main.net, the equipment vendor, in conjunction with one or more Telecommunication Certification Bodies (“TCBs”). AEC can report the following status.

Interference Complaints

AEC and Big River have not received any complaints of interference from test participants or third parties during the tests. As noted, the test facility passes approximately 300 homes in a five cell configuration that is representative of the typical network configuration that may occur in a commercial deployment. As further noted, approximately one-third of the test facility is overhead and two-thirds underground. The lack of interference complaints appears to indicate that commercial deployment of the service is unlikely to cause interference to users or third parties.

Vendor FCC Compliance Testing

AEC has kept in close touch with the vendor whose equipment is the subject of testing to date (Main.net) regarding the FCC compliance testing. This includes reporting to AEC at a weekly status meeting of the personnel involved in the AEC PLC project. AEC understands the following to be the status of Main.net compliance testing.

Low Voltage Units

Low voltage units consist of units that do not physically connect to a medium voltage power line either directly or with an inductive coupler. Main.net has advised AEC that Main.net has been granted Certification by a TCB of the low voltage units and that its Certification report is on file with the Commission under Grantee Code QM3. The test report on file with the Commission is dated May, 2002. The low voltage units delivered and installed from May 2002 forward are in

compliance. Main.net and AEC are in the process of replacing the low voltage units that were delivered and installed prior to that time.

Medium Voltage Units

Medium voltage units are those that have contact with a medium voltage power line via an inductive coupler. Main.net is not currently using the AEC facilities for testing of medium voltage units since the site is less convenient to Main.net's testing service than an alternative site. Main.net advises AEC that testing of medium voltage units is in process with particular focus on the methodology for measuring radiated emissions under Part 15 and an alternative conducted emissions measurement method under CISPR 22 and proposed CISPR 44. This testing is scheduled to be completed in December, 2002.