

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

In the Matter of Union Electric Company                         )  
d/b/a Ameren Missouri's Tariffs to Adjust                     )         **File No. ER-2022-0337**  
its Revenues for Electric Service                             )

**AMEREN MISSOURI'S MOTION FOR LEAVE TO  
FILE SUPPLEMENTAL DIRECT TESTIMONY**

**COMES NOW** Union Electric Company d/b/a Ameren Missouri ("Company" or "Ameren Missouri"), and for its motion for leave to file supplemental direct testimony, states as follows:

1. Approximately two weeks after the Company filed this case, President Biden signed into law the Inflation Reduction Act of 2022 (the "IRA"), which significantly amends the federal Internal Revenue Code ("IRC").<sup>1</sup> The IRA reflects a significant overhaul of federal tax policy, providing significant and expanded federal tax credits associated with zero-emission energy production and imposing a new corporate minimum tax to fund those tax credits. The IRA takes effect on January 1, 2023, one day after the true-up period in this case.

2. Shortly after the IRA became law, the Company proceeded to analyze the 273-page bill, including to determine its impact on this case. While certain aspects of the IRA remain under analysis, the Company has been able to determine that its tax credit provisions will likely produce significant tax benefits and that Ameren Corporation and Ameren Missouri will be subject to the corporate minimum tax provisions. While these figures are necessarily estimates at this time, based on the renewable development plans reflected in the Company's current preferred resource plan, the Company estimates that the tax credits provided by the IRA will total approximately \$1.3 billion over the next 10 years, and that the corporate minimum tax payments over that same period would total approximately \$270 million. After accounting for federal, state, and local tax effects,

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<sup>1</sup> Pub. L. No. 117-169 (2022).

from a revenue requirement perspective the Company currently estimates that the IRA will produce a net reduction in the present value of the Company's revenue requirements over the next 10 years of approximately \$800 million. These estimates conservatively assume no nuclear tax credits arising from the Callaway Energy Center's operation, but such tax credits could be significant over the next 10 years.

3. The above-referenced revenue requirement benefit assumes "perfect ratemaking", that is, it does not account for the regulatory lag inherent in traditional ratemaking. Among other things, this means that tax credits received between rate reviews, including increases in tax credits due to the built-in inflation adjustments to the credits reflected in the IRA, will not benefit customers. Similarly, changes in income tax expense caused by the corporate minimum tax would not be reflected in customer rates. Consequently, the Company is proposing the implementation of a tracker to fairly reflect all the effects of the IRA, as discussed in detail in Mr. Lansford's supplemental direct testimony.

4. The Company seeks leave to file Mr. Lansford's supplemental direct testimony at this time so that the parties to this case will have sufficient time to conduct discovery or otherwise address the impacts of the IRA, well in advance of the date by which direct testimony is due (a date that does not occur until approximately three months from now). The Company has prepared and is seeking leave to file such testimony as soon as it reasonably could after the IRA became law, especially given its significance, length, and complexity, which required significant time and effort to analyze sufficiently to support this filing.

5. Concurrently with this filing, Ameren Missouri has provided to all parties workpapers detailing the figures reflected in Mr. Lansford's supplemental direct testimony.

**WHEREFORE**, the Company respectfully requests leave to file the Supplemental Direct Testimony of Mitchell Lansford, which is attached hereto as Exhibit A, and for such other and further relief as the Commission deems appropriate under the circumstances.

Respectfully Submitted,

/s/ James B. Lowery, MO Bar #40503

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**ATTORNEYS FOR UNION ELECTRIC  
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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record as reflected on the certified service list maintained by the Commission in its Electronic Filing Information System on this 12th day of October 2022.

**/s/ James B. Lowery**