

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

In the Matter of the Application of Union Electric)	
Company d/b/a Ameren Missouri for Permission and)	
Approval and a Certificate of Public Convenience and)	File No. EA-2019-0371
Necessity Authorizing it to Construct Three Solar)	
Generation Facilities.)	

APPLICATION

COMES NOW Union Electric Company d/b/a Ameren Missouri ("Company," "Ameren Missouri," or "Applicant"), pursuant to Section 393.170.1, RSMo. (2018), 20 CSR 4240-2.060, and 20 CSR 4240-20.045,¹ and hereby submits to the Missouri Public Service Commission ("Commission") its Application requesting three Certificates of Convenience and Necessity ("CCNs") under subsection 1 of Section 393.170 RSMo. (2018) to construct three electric generating assets (construction certificates). More specifically, the Company seeks:

- A CCN under subsection 1 of Section 393.170 (a construction certificate) authorizing Ameren Missouri to construct, install, own, operate, maintain, and otherwise control and manage a solar generating asset to be constructed near Green City, Missouri in Sullivan County as part of the "Green City Project;"
- A CCN under subsection 1 of Section 393.170 (a construction certificate) authorizing Ameren Missouri to construct, install, own, operate, maintain, and

¹ 20 CSR 4240-20.045 (effective November 30, 2018), referred to as the "CCN Rule," describes the requirements for CCN applications, and sets out separate requirements for the different types of CCNs: service area certificates in subsection 4; operation of assets certificates in subsection 5; and construction certificates in subsection 6. While the CCN Rule has been held unlawful by a reviewing court, the CCN Rule is technically still in effect at the time of this filing as further review is pending. *In re Matter of Amendment of Commission's Rule Regarding Applications for Certificates of Convenience and Necessity*, ___ S.W.3d ___, (Mo.App. W.D. June 28, 2019). Accordingly, this Application describes its compliance with the CCN Rule currently in effect.

otherwise control and manage a solar generating asset to be constructed near Richwoods, Missouri in Washington County as part of the "Richwoods Project;" and

- A CCN under subsection 1 of Section 393.170 (a construction certificate) authorizing Ameren Missouri to construct, install, own, operate, maintain, and otherwise control and manage a solar generating asset to be constructed near Utica, Missouri in Livingston County as part of the "Utica Project."

Each of the electric generating assets for which Applicant seeks a CCN will be paired with battery storage as part of an innovative solution to address reliability concerns and an alternative to a traditional "wires only" solution. The battery storage to be paired with the solar generating assets for each project is not an "asset" as defined in 20 CSR 4240-20.045(1)(A), and therefore, Applicant does not seek a CCN for any of the battery storage components of the respective projects.

In support of these requests, Applicant states as follows:

I. APPLICANT

1. Union Electric Company is a Missouri corporation doing business under the fictitious name of "Ameren Missouri," in good standing in all respects, with its principal office and place of business located at One Ameren Plaza, 1901 Chouteau Ave., St. Louis, Missouri 63103. Applicant is engaged in providing electric and gas utility services in portions of Missouri as a public utility under the jurisdiction of the Commission. There is already on file with the Commission a certified copy of Applicant's Articles of Incorporation (See Case No. EA-87-105), and Applicant's Fictitious Name Registrations as filed with the Missouri Secretary of State's Office (See Case Nos. EN-2011-0069 and GN-2011-0070). Said documents are incorporated

herein by reference and made a part hereof for all purposes. A Certificate of Corporate Good Standing for Applicant is attached as Schedule A.

2. Filings, notices, orders, and other correspondence and communications concerning this Application should be addressed to undersigned counsel and to:

Thomas M. Byrne
Senior Director Regulatory Affairs
Ameren Missouri
1901 Chouteau Avenue
P.O. Box 66149
St. Louis, MO 63166-6149
314-554-2514
tbyrne@ameren.com

3. Ameren Missouri has no pending action or final unsatisfied judgment or decision against it from any state or federal agency or court that involves customer service or rates, which action, judgment, or decision has occurred within three years of the date of this Application.

4. Applicant has no overdue annual report or assessment fees.

5. A 60-day notice with respect to the authority sought under section 393.170.1 was filed on May 28, 2019, and assigned the above-captioned file number.

II. REQUEST FOR THREE CCN'S

A. General Description of the Innovative Reliability Solutions

6. Ameren Missouri's Smart Energy Plan, made possible by Senate Bill 564 (2018), seeks to transform the grid to ensure customers have cleaner, reliable, and affordable energy that meets their growing needs and expectations. The Green City Project, the Richwoods Project, and the Utica Project (collectively, the "Projects") combine a cleaner (solar) generating asset with battery storage to improve reliability of the Company's distribution grid at a fraction of the long-term cost of a "wires only" alternative. The Projects are also consistent with Ameren Missouri's

Integrated Resource Plan's ("IRP") Preferred Resource Plan and the Company's three-year Implementation Plan.²

B. Description of the Projects.

7. Applicant requests three construction certificates for solar generating assets to be constructed by Ameren Missouri, to cost-effectively address reliability problems on the distribution circuit to the benefit of customers when paired with battery storage.

8. As explained in the direct testimony of Ameren Missouri witness Kevin Anders, each Project will include a solar generating asset consisting of 10 mega-watts ("MW") alternating current ("AC") of single-axis tracking photovoltaic ("PV") panels, a battery storage component consisting of 2.5 to 4 MW of batteries, and a smart solar inverter.

9. In order to qualify for the 30% investment tax credit for the solar array and batteries, PV panels have been ordered, but otherwise, construction for all projects is anticipated to commence in 2020. Construction is anticipated to be completed by the end of 2020.

C. How the Solar Generating Assets for the Projects Fit Within Ameren Missouri's Smart Energy Plan

10. Section 393.1665.2, RSMo. (2018) provides in pertinent part (emphasis added): "[a]n electrical corporation with one million or more Missouri electric customers shall invest in the aggregate **no less than** fourteen million dollars in utility-owned solar facilities located in Missouri or in an adjacent state during the period between 28, 2018 and December 31, 2023." Ameren Missouri is an "electrical corporation with one million or more Missouri electric customers."

² Missouri Public Service Commission File No. EO-2018-0038.

11. Section 393.1665.3, RSMo. (2018) announces the Commission's role: "An electrical corporation's decision to invest in utility-owned solar facilities consistent with subsection 2 [] shall be deemed prudent."

12. As indicated in a previous filing made in the Company's 2019 IRP Update, Ameren Missouri has determined that it will spend "at least \$14 million" as required by Section 393.1665.1 RSMo on Neighborhood Solar projects, which seek to develop solar projects in community and low income areas of the Company's service territory under that plan.³

13. The solar generating assets for the Green City Project, the Richwood Project, and the Utica Project will be owned by the Company, located in Missouri, and constructed before December 31, 2023. Accordingly, they are deemed prudent under subsection 3 of Section 393.1665 RSMo.

D. CCN Factors evaluated by the Commission ("Tartan Factors").⁴

14. The Tartan Factors are as follows:

- a. Need for the Project;
- b. Economic Feasibility of the Project;
- c. Ability of the Applicant to Finance the Project;
- d. Qualifications of the Applicant to Construct the Project; and
- e. Whether the Project is in the Public Interest.

An affirmative finding on the first four factors generally leads to the conclusion that the final factor, public interest, is satisfied.⁵

³ Ameren Missouri's 2019 IRP Update, pg. 14, File No. EO-2019-0314.

⁴ While a project is not required as a matter of law to meet the "Tartan Factors," the Commission has traditionally analyzed CCN applications using those factors. See *In Re Tartan Energy*, GA-94-127, 3 Mo.P.S.C.3d 173, 177 (1994).

⁵ *Id.* at 189 (citing *In re: Intercon Gas, Inc.*, 30 Mo. P.S.C. at 561).

15. Need and Economic Feasibility Factors: The Company's decision to invest in the solar generating assets for which the Company seeks CCNs is deemed prudent under subsection 3 of Section 393.1665, RSMo. This moots the requirement for Ameren Missouri to demonstrate need and economic feasibility for these projects, as they will be in service prior to December 31, 2023. In addition, Mr. Ander's direct testimony explains the projects and how the solar generating units, when paired with battery energy storage, address distribution substation reliability problems.

16. Finance Ability Factor: As explained in Tom Byrne's direct testimony, Ameren Missouri has the financial ability to construct the solar generating assets through the use of existing funds and indebtedness while maintaining strong financial metrics.

17. Qualified to Construct Factor: As discussed in Mr. Byrne's direct testimony, Ameren Missouri is qualified to construct the Project as it has experience owning generation of various types, including solar generation, and has selected a contractor through an RFP process who has the experience and knowledge to construct these assets.

E. 20 CSR 4240-20.045(6)

18. In compliance with 20 CSR 4240-20.045(6)(A), confidential Schedule B depicts each of the sites of construction for the solar generating assets in the Projects.

19. In compliance with 20 CSR 4240-20.045(6)(B), the list of regulated and non-regulated utilities, railroad tracks, and underground facilities the Projects will cross is set out in Schedule C.

20. In compliance with 20 CSR 4240-20.045(6)(C), confidential Project specifications can be found in Schedule D.

- a. The estimated total cost of the initial construction of the Green City Project is approximately \$22.7 million, but the solar generating asset construction is estimated to be \$16 million.
- b. The estimated total cost of the initial construction of the Richwoods Project is approximately \$26 million, but the solar generating asset construction is estimated to be \$16.5 million.
- c. The estimated total cost of the initial construction of the Utica Project is approximately \$21.6 million, but the solar generating asset construction is estimated to only be \$15.8 million.

21. In compliance with 20 CSR 4240-20.045(6)(D), and explained above, the Company plans to begin construction of the solar generating assets in 2020, and anticipates the solar generating assets to be fully operational by December 31, 2020.

22. 20 CSR 4240-20.045(6)(E) is not applicable.

23. In compliance with 20 CSR 4240-20.045(6)(F), and as explained above, the Company plans to finance the construction of the solar generating assets using existing funds and indebtedness.

24. In compliance with 20 CSR 4240-20.045(6)(G), and as explained in Schedule E, the Projects are not inconsistent with Ameren Missouri's IRP Preferred Resource Plan and the Company's three-year Implementation Plan.

25. In compliance with 20 CSR 4240-20.045(6)(H), and as described in Mr. Anders' direct testimony, Ameren Missouri has selected a contractor to construct the solar generating assets through a competitive bidding process. Schedule F also describes the plan for competitive bidding.

26. In compliance with 20 CSR 4240-20.045(6)(I) & (J), Schedule G provides a confidential draft operating procedure for the solar generating assets, which includes restoration of service of the assets.

27. 20 CSR 4240-20.045(6)(K) is not applicable.

F. Timing

28. In order for the Company to flow back the full value of available investment tax credits for customers' benefit and resolve distribution substation problems as soon as practicable, the Company request the Commission issue its order to be effective on or before January 15, 2010.

29. In addition, filed concurrently herewith are Ameren Missouri direct, pre-filed testimonies in support of the Application. Ameren Missouri will also be providing all its workpapers to Staff and Public Counsel in the next few business days to expedite their review, and has discussed with Staff and Public Counsel about the Application in advance of its filing.

WHEREFORE, Ameren Missouri respectfully requests that the Commission issue a final order on or before January 15, 2020:

- Granting a CCN under subsection 1 of Section 393.170 (a construction certificate) authorizing Ameren Missouri to construct, install, own, operate, maintain, and otherwise control and manage a solar generating asset to be constructed near Green City, Missouri in Sullivan County as part of the Green City Project;
- Granting a CCN under subsection 1 of Section 393.170 (a construction certificate) authorizing Ameren Missouri to construct, install, own, operate, maintain, and otherwise control and manage a solar generating asset to be constructed near Richwoods, Missouri in Washington County as part of the Richwoods Project; and

- A CCN under subsection 1 of Section 393.170 (a construction certificate) authorizing Ameren Missouri to construct, install, own, operate, maintain, and otherwise control and manage a solar generating asset to be constructed near Utica, Missouri in Livingston County as part of the Utica Project.

Respectfully submitted,

/s/ Wendy K. Tatro

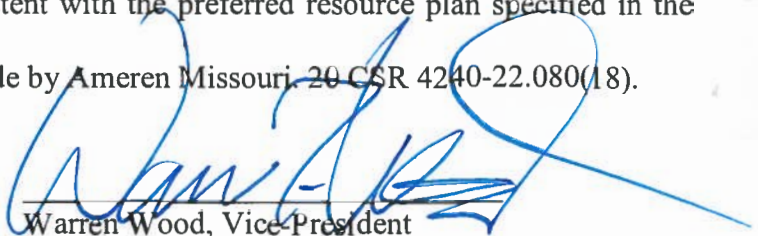
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**ATTORNEYS FOR UNION ELECTRIC
COMPANY d/b/a AMEREN MISSOURI**


VERIFICATION

The undersigned, being first duly sworn and upon his oath, hereby states that the foregoing *Application* is true and correct to the best of his knowledge, information, and belief.

This request is substantially consistent with the preferred resource plan specified in the most recent triennial compliance filing made by Ameren Missouri, 20 CSR 4240-22.080(18).

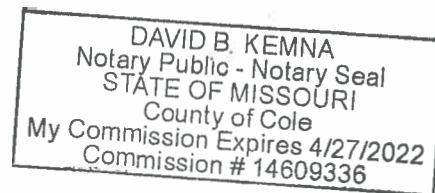

Warren Wood, Vice President
External Affairs & Communications
Union Electric Company d/b/a Ameren Missouri

Subscribed and sworn to before me this 30th day of August, 2019.


Notary Public

My commission expires:

04.27.2022



CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the public version of the foregoing Application has been e-mailed, this 3rd day of September, 2019, to the Missouri Public Service Commission Staff and to the Office of the Public Counsel.

/s/ *Wendy K. Tatro*

Wendy K. Tatro

STATE OF MISSOURI



John R. Ashcroft
Secretary of State

CORPORATION DIVISION
CERTIFICATE OF GOOD STANDING

I, JOHN R. ASHCROFT, Secretary of State of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

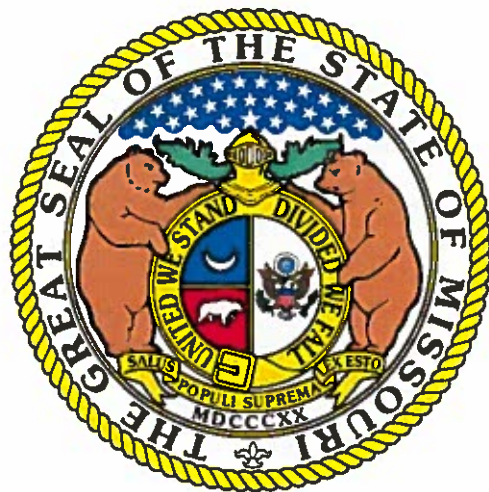
AMEREN CORPORATION
00414845

was created under the laws of this State on the 7th day of August, 1995, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I hereunto set my hand and cause to be affixed the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this 19th day of August, 2019.


Secretary of State

Certification Number: CERT-08192019-0115



SCHEDULE B
IS CONFIDENTIAL
CONFIDENTIAL IN
ITS ENTIRETY

- Green City Solar + Storage
 - Underground Sewer (marked "S" on ALTA survey)
 - Fence and gravel, access road will cross over sewer pipe
 - Underground Telephone Line (marked "UGT" on ALTA survey)
 - Owned by Northeast Missouri Rural Telephone
 - Abandoned in-place
 - Overhead Electric Line (marked "OE" on ALTA survey)
 - Owned by Ameren Missouri
- Utica Solar + Storage
 - No underground or overhead utilities within planned construction area
- Richwood Solar + Storage
 - No underground or overhead utilities within planned construction area

SCHEDULE D
IS CONFIDENTIAL
CONFIDENTIAL IN
ITS ENTIRETY

Schedule E

These projects are not being constructed to fill an energy or capacity need, nor are they necessary for Renewable Energy Standard ("RES") compliance, as would usually be addressed through integrated resource planning. Instead, the Solar + Storage projects are consistent with Ameren Missouri's Smart Energy Plan, and each of the projects solve an electric subtransmission system reliability problem. More specifically, each of the projects solves the single-supply substation reliability problem. While historically the Company would have only been able to solve those problems through a wires solution, due to the recent availability and cost competitiveness of solar generation combined with battery storage, solar generation paired with battery storage has become a potential option for solving such electric subtransmission system reliability problems. The Solar + Storage projects are not inconsistent with Ameren Missouri's most recently adopted preferred plan under 20 CSR 4240-22.

Ameren Missouri uses a Contract Development Team (CDT) that consists of Project Management, Strategic Sourcing and Legal Counsel Stakeholders to evaluate all contracts above \$5,000,000. The Contract Development Team decided to use a full turnkey Engineer-Procure-Construction (EPC) procurement strategy.

Engineer-Procure-Construction services for this project were bid as lump sum contracts to minimize risk to Ameren. Compensation for the direct purchase material and construction packages will be based upon milestone payments determined during contract negotiations. Ameren's Strategic Sourcing department will coordinate the procurement of direct material purchase and construction services associated with this project. Evaluation of bids will be run through the CDT prior to issuing purchase orders.

SCHEDULE G
IS CONFIDENTIAL
CONFIDENTIAL IN
ITS ENTIRETY