

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

In the Matter of the Application of)	
Union Electric Company d/b/a AmerenUE)	
For Permission and Approval and a Certificate)	
of Public Convenience and Necessity Authorizing)	Case No. EA-2010-_____
it to Acquire, Construct, Install, Own, Operate,)	
Maintain and Otherwise Control and Manage)	
Electrical Production and Related Facilities)	
In or Near the Village of Champ, and the)	
City of Maryland Heights, Missouri.)	

**APPLICATION OF UNION ELECTRIC COMPANY d/b/a AMERENUE
FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

COMES NOW Union Electric Company, d/b/a AmerenUE ("Applicant" or "AmerenUE"), pursuant to 4 CSR 240-2.060, 4 CSR 240-3.105, and Section 393.170, RSMo., and hereby submits its Application for permission and approval and a certificate of public convenience and necessity ("CCN") authorizing it to acquire, construct, install, own, operate, maintain and otherwise control and manage electrical production and related facilities in or near the Village of Champ and the City of Maryland Heights, Missouri. In support of this Application AmerenUE states as follows:

Applicant's Information

1. Applicant is a Missouri corporation doing business under the fictitious name of AmerenUE, in good standing in all respects, with its principal office and place of business located at 1901 Chouteau Avenue, 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), Applicant's Fictitious Name Registration as filed with the Missouri Secretary of State's Office (See Case No. GO-98-486), and a current

Certificate of Good Standing for the Company (See Case No. EO-2010-0149), and said documents are incorporated herein by reference and made a part hereof for all purposes.

2. AmerenUE has no pending actions or final unsatisfied judgments or decisions against it involving customer service or rates having occurred within three (3) years from the date of this Application, but has a general rate increase case now pending before the Commission. AmerenUE has no annual report or assessment fees that are overdue.

3. Communications with regard to this Application should be directed to:

Steven R. Sullivan
Sr. Vice President, General Counsel & Secretary
Thomas M. Byrne
Managing Associate General Counsel
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and

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Project Description

4. This Application is for a CCN for a new electrical production facility to be built in the Village of Champ, Missouri (together with a related substation to be built adjacent to the electrical production facility, but which is located in the City of Maryland Heights, Missouri), and which will be fueled with a renewable source of energy, specifically, landfill gas from the

Fred Weber Landfill (the “Landfill”) located at 5000 Earth City Expressway, St. Louis County, Missouri. The Landfill is owned by Fred Weber Inc. (“FWI”).

5. The proposed electrical production facility and the substation will be located on an approximately 5.6 acre tract of land (the “Project Site”) adjacent to the Landfill pursuant to a Ground Lease with FWI. A true and correct copy of the Ground Lease is attached hereto and incorporated herein by this reference as Exhibit A.¹ The legal description of the Project Site (and an appurtenant easement providing access to Creve Couer Mill Road) is attached hereto and incorporated herein by this reference as Exhibit B.

6. The proposed electrical production facility will consist of three gas-fired combustion turbine generator units, each with a nameplate capacity of approximately 5 megawatts (“MW”), for total plant capacity of approximately 15 MWs. A distribution substation required to tie the proposed electrical production facility into AmerenUE’s 34.5 kilovolt (“kV”) distribution system will also be constructed adjacent to the electrical production facility. The proposed electrical production facility and the substation, together with all appurtenant easements, facilities and equipment necessary for their construction and operation, are hereinafter referred to as the “Project.”

7. A cost estimate for the Project cannot currently be provided as construction plans and specifications for the Project are currently being prepared. The plans and specifications and a definitive estimate of the cost of construction of the Project are expected to be available in approximately 90 days, on or about March 29, 2010. Pursuant to 4 CSR 240-3.105(2), AmerenUE will submit such plans and specifications and a definitive cost estimate as soon as the same are available.

¹ Pursuant to 4 CSR 240-3.105(2), AmerenUE will supplement this Application with an executed copy of the Ground Lease when the same is available, which AmerenUE expects to occur in the near future.

8. The gas (hereinafter “Landfill Gas”) necessary to fuel the facility will be purchased by AmerenUE from a wholly owned subsidiary of FWI, Weber Gas Energy, LLC (“Weber Gas”), which owns the Landfill Gas pursuant to a Landfill Gas Lease with FWI. A true and correct copy of the Landfill Gas Lease is attached hereto and incorporated herein by this reference as Exhibit C. AmerenUE’s purchase of the Landfill Gas from Weber Gas is to be governed by a Landfill Gas Purchase Agreement, a true and correct copy of which is attached hereto and incorporated herein by this reference as Exhibit D.

9. The terms of the Ground Lease, the Landfill Gas Lease and the Landfill Gas Purchase Agreement are all 20 years,² with the 20-year terms to commence when the electrical production is declared by AmerenUE to be capable of generating electricity in amounts and with the consistency and other characteristics suitable for consistent delivery to AmerenUE’s electric delivery system.

10. That part of the Project Site encompassing the electrical production facility is located in the Village of Champ, Missouri in zoning district M-1 (Industrial). The construction and operation of the proposed electrical generating facility requires no approval from the Village of Champ because an electrical generating facility is a permitted use in that zoning district. Moreover, under the rationale of *StopAquila.Org v. Aquila, Inc.*, 180 S.W.3d 24 (Mo. App. W.D. 2005), utilities are exempt from local zoning regulations if the public utility at issue holds a contemporaneous site-specific certificate of public convenience and necessity from the Commission, which CCN is sought hereby. In any event, that part of the Project Site encompassing the substation and an associated parking lot is located in the City of Maryland Heights, Missouri in zoning district M-1 (Office, Service and Light Manufacturing), which makes an electrical substation facility a conditional use. While the requested CCN from this

² The term of the Ground Lease is 20 years plus 120 days.

Commission will exempt AmerenUE from the need to comply with the zoning regulations, including the need for a conditional use permit, AmerenUE has nonetheless applied with the City of Maryland Heights for a conditional use permit. It is expected that the process of obtaining the conditional use permit will be complete in early February, 2010.

11. There is an unregulated underground landfill gas line owned by FWI located within the Project Site and the access road will cross telephone lines owned by AT&T. Whether the gas line will be disturbed as part of the construction is unknown at this time, pending completion of the plans and specifications for the project. It is not expected that the telephone lines will be disturbed. The Project will be financed using general AmerenUE funds.

Public Convenience and Necessity

12. The permission sought by AmerenUE is to be granted if the proposed construction is “necessary or convenient for the public service.” § 393.170.3, RSMo. Necessity, as used in the Public Service Commission Law, means the improvement is “highly important to the public convenience and desirable for the public welfare. . . .” *State ex rel. Missouri, Kansas & Oklahoma Coach Lines, Inc. et al. v. Public Serv. Comm’n*, 179 S.W.2d 132, 136 (Mo. App. K.C. 1944). Necessity does not require that the improvement be “essential or absolutely indispensable.” *Id.* “If the granting of the authorization subserves a genuine and reasonable public interest in promptness and economy of service, then the public ‘convenience and necessity’ or ‘public need’ is served.” *In the Matter of Applications of: Churchill Truck Lines, Inc. et al.*, 27 Mo. P.S.C. (N.S.) 430 (June 20, 1985), (citing *State ex rel. Beaufort Transfer Co. v. Clark*, 504 S.W.2d 216, 219 (Mo. App. K.C. 1973)).

13. AmerenUE is committed to developing renewable sources of power where reasonable and desirable for the public, including its customers. Of the options for renewable

sources of power available to AmerenUE, landfill gas-fired generation is among the most economic. The preferred resource plan in AmerenUE's most-recently filed Integrated Resource Plan ("IRP"), as well as the contingency plans in that IRP, called for up to 30 MWs of landfill gas-fired generation as early as 2010. The Project Site is uniquely suited for a landfill gas-fired power plant for AmerenUE because it is located squarely within the middle of AmerenUE's main load center, and is near AmerenUE's existing 34.5 kV distribution system. The Project is within AmerenUE's existing certificated service territory. See Order, Case No. 324 (April 28, 1914) (Mo. PSC). The proximity of the Project Site to the existing distribution system allows AmerenUE to inject the power from the proposed plant directly into the distribution system without the need to construct transmission and to otherwise comply with the very lengthy transmission planning processes prescribed by the Midwest Independent Transmission System Operator, Inc. Moreover, good landfill gas options are limited. The Project Site is adjacent to the largest landfill in the state of Missouri. The quantity of the gas from the Landfill recently became sufficient to make a project of this type economic. Had AmerenUE not timely taken advantage of this opportunity, FWI would have had other options for use of this gas which would have likely precluded AmerenUE from being able to construct this project at a later date.

14. AmerenUE requests that the permission and approval sought herein be granted before May 1, 2010 in order to allow AmerenUE to timely provide a contractually required notice to Weber Gas, and also to allow AmerenUE to commence construction by May 1, 2010 so that AmerenUE can meet the targeted commercial operation date of the Project, which is October 1, 2011. Under the Landfill Gas Agreement, it is contemplated that AmerenUE will have all required authorizations (including the CCN sought by this Application) for the Project no later than May 31, 2010. If AmerenUE does not notify Weber Gas that it has all such authorizations

by that date, Weber Gas has the right to terminate the applicable agreements, subject to certain conditions. Generally, the conditions AmerenUE would have to meet to avoid Weber Gas's termination rights involve agreeing to pay liquidated damages (calculated by reference to the minimum quantity of gas AmerenUE would have taken effective October 1, 2011) if the Project is not in commercial operation by October 1, 2011. Because it is expected to take approximately 17 months from the time construction commences to complete the Project and to put it into commercial operation, it is critical that AmerenUE be able to meet the May 31, 2010 notice deadline so that it can commence construction as planned and avoid the choice of having to accept a possible termination of the applicable agreements by Weber Gas, or avoiding the termination by creating the likelihood of owing liquidated damages due to the inability to put the Project into commercial operation by October 1, 2011.

Relief Requested

WHEREFORE, AmerenUE respectfully requests that the Commission issue its order:

- a. Granting the Company permission and approval and a certificate of public convenience and necessity authorizing it to acquire, construct, install, own, operate, maintain and otherwise control and manage electrical power production and related facilities at the Project Site, as well as all facilities, structures, fixtures, lines, transformers, breakers, installations, and equipment related thereto now existing or to be construction for the production, distribution of power at and from the Project Site;
- b. Finding that the granting of the permission and authority sought by this Application is required by the public convenience and necessity; and
- c. Making such other orders and findings as are appropriate in the circumstances.

Respectfully Submitted:

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Sr. Vice President, General
Counsel and Secretary
Thomas M. Byrne, # 33340
Managing Assoc. General Counsel
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SMITH LEWIS, LLP

/s/James B. Lowery

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**Attorneys for Union Electric Company
d/b/a AmerenUE**

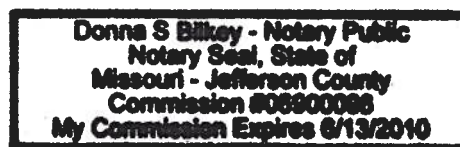
VERIFICATION

I, Stephen M. Kidwell, of lawful age, being duly sworn, deposes and says that: I am the Vice President of Regulatory Affairs for Union Electric Company d/b/a AmerenUE; that I am duly authorized to and did sign the foregoing Application on behalf of Union Electric Company; that I have knowledge of the facts stated in the foregoing Application; and that said facts are true to the best of my knowledge, information and belief.


Stephen M. Kidwell

Subscribed and sworn to before me this 19th day of January, 2010.


Notary Public



CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served via e-mail, to the following parties on the 19th day of January, 2010.

Office of the General Counsel
Missouri Public Service Commission
Governor Office Building
200 Madison Street, Suite 100
Jefferson City, MO 65101
gencounsel@psc.mo.gov

Office of the Public Counsel
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200 Madison Street, Suite 650
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opcservice@ded.mo.gov

/s/**James B. Lowery**

James B. Lowery

List of Exhibits

Exhibit A – Ground Lease

Exhibit B – Legal Description

Exhibit C – Landfill Gas Lease

Exhibit D – Landfill Gas Purchase Agreement

**Exhibit A has been Deemed
Highly Confidential
In its Entirety**

Exhibit B to CCN Application

Legal Descriptions

Leased Area:

PARCEL 1:

A TRACT OF LAND BEING PART OF U.S. SURVEY 992 AND SAID TRACT BEING PART OF A TRACT OF LAND CONVEYED TO FRED WEBER INC. IN DEED BOOK 7206, PAGE 420 AND PART OF A TRACT OF LAND CONVEYED TO FRED WEBER INC. IN DEED BOOK 7698, PAGE 435, ALL BEING IN TOWNSHIP 46 NORTH, RANGE 5 EAST OF THE FIFTH PRINCIPAL MERIDIAN, VILLAGE OF CHAMP, CITY OF MARYLAND HEIGHTS, ST LOUIS COUNTY MISSOURI BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS; COMMENCING AT AN IRON PIPE BEING THE SOUTHEAST CORNER OF LOT 11 OF SAID "MCNEAL PLACE" ALSO BEING THE INTERSECTION OF THE NORTH RIGHT OF WAY OF CREVE COEUR MILL ROAD, VARIABLE WIDTH, WITH THE EAST LINE OF U.S. SURVEY 992; THENCE ALONG THE EAST LINE OF SAID LOT 11 AND U.S. SURVEY LINE 992, NORTH 23 DEGREES 12 MINUTES 43 SECONDS WEST, 350.12 FEET TO THE NORTHEAST CORNER OF SAID LOT 11; THENCE CONTINUING ALONG THE EAST LINE OF SAID U.S. SURVEY 992, NORTH 23 DEGREES 12 MINUTES 43 SECONDS WEST, 84.01 FEET TO A POINT; THENCE DEPARTING THE EAST LINE OF SAID U.S. SURVEY 992, SOUTH 65 DEGREES 55 MINUTES 55 SECONDS WEST, 39.82 FEET TO THE POINT OF BEGINNING; THENCE, SOUTH 65 DEGREES 55 MINUTES 55 SECONDS WEST, 916.88 FEET; THENCE, NORTH 23 DEGREES 09 MINUTES 25 SECONDS WEST, 146.80 FEET; THENCE, NORTH 43 DEGREES 44 MINUTES 44 SECONDS EAST, 394.68 FEET; THENCE, NORTH 65 DEGREES 55 MINUTES 55 SECONDS EAST, 554.15 FEET; THENCE, SOUTH 23 DEGREES 05 MINUTES 11 SECONDS EAST, 295.87 FEET TO THE POINT OF BEGINNING.

Easement Area

PARCEL 2:

A TRACT OF LAND BEING PART OF U.S. SURVEY 992 AND BEING PART OF LOT 11 OF "MCNEAL PLACE" SUBDIVISION ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 80, PAGE 33 OF THE ST LOUIS COUNTY RECORDS, SAID TRACT BEING PART OF A

TRACT OF LAND CONVEYED TO FRED WEBER INC. IN DEED BOOK 7698, PAGE 435 ALL BEING IN TOWNSHIP 46 NORTH, RANGE 5 EAST OF THE FIFTH PRINCIPAL MERIDIAN, CITY OF MARYLAND HEIGHTS, ST LOUIS COUNTY MISSOURI BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS; BEGINNING AT AN IRON PIPE BEING THE SOUTHEAST CORNER OF LOT 11 OF SAID "MCNEAL PLACE" SAID BEGINNING POINT ALSO ON THE NORTH RIGHT OF WAY LINE OF CREVE COEUR MILL ROAD, VARIABLE WIDTH, SAID BEGINNING POINT ALSO A POINT ON THE EAST LINE OF U.S. SURVEY 992; THENCE ALONG THE NORTH RIGHT OF WAY LINE OF CREVE COEUR MILL ROAD, VARIABLE WIDTH, SOUTH 64 DEGREES 49 MINUTES 45 SECONDS WEST, 121.32 FEET; THENCE, NORTH 23 DEGREES 12 MINUTES 43 SECONDS WEST, 352.46 FEET; THENCE, SOUTH 65 DEGREES 55 MINUTES 55 SECONDS WEST, 27.10 FEET; THENCE, SOUTH 88 DEGREES 25 MINUTES 55 SECONDS WEST, 219.50 FEET; THENCE, NORTH 65 DEGREES 55 MINUTES 55 SECONDS EAST, 352.41 FEET TO A POINT IN THE EAST LINE OF U.S. SURVEY 992; THENCE, ALONG THE EAST LINE OF SAID U.S. SURVEY 992, SOUTH 23 DEGREES 12 MINUTES 43 SECONDS EAST, 434.13 FEET TO THE POINT OF BEGINNING.

**Exhibit C has been Deemed
Highly Confidential
In its Entirety**

**Exhibit D has been Deemed
Highly Confidential
In its Entirety**