

**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 Authority to Sell or Transfer a Portion     )  
of Its Franchise, Works, or System to     )  
SSM HEALTH, INC. d/b/a SSM Health     )  
Saint Louis University Hospital.     )

File No. EO-2019-0391

**SECOND AMENDED APPLICATION AND REQUEST FOR WAIVER  
AND MOTION FOR EXPEDITED TREATMENT**

Comes now Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "the Company") and submits this *Second Amended Application and Request for Waiver and Motion for Expedited Treatment* ("*Second Amended Application*").<sup>1</sup> This *Second Amended Application* contains corrected Paragraphs 9 and 10, which included an incorrect sales price (i.e., the previous *Application* and *Amended Application* included an incorrect calculation of income taxes for the sales price) for the sale of the subject transformer.<sup>2</sup> The *Application and Request for Waiver and Motion for Expedited Treatment* ("*Application*") submitted on June 13, 2019, seeks authority from the Missouri Public Service Commission ("Commission") to sell, transfer, and otherwise dispose of a portion of the Company's franchise, works, or system to SSM HEALTH, INC., a Missouri nonprofit corporation, d/b/a SSM Health Saint Louis University Hospital ("SSM Health"). Further, the *Application*, as with this *Second Amended Application*, requested expedited treatment in

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<sup>1</sup> The Commission's Staff informed Ameren Missouri on July 16, 2018, that the Bill of Sale amount did not match the amount stated in Paragraphs 9 and 10 of the *Application*. Ameren Missouri submitted an *Amended Application* to correct the matter, but did not realize that the income tax added to the sales price had been calculated incorrectly. Ameren Missouri is submitting this *Second Amended Application*, which corrects the sale price and updates references to the original *Application*, *Amended Application*, and *Second Amended Application*, as appropriate. The amended verification included in Attachment 1 to this *Second Amended Application* continues to support the request for a waiver of the 60-day notice as it did before, and affirms signature authority for the Bill of Sale. The revised Appendix 4 is comprised of a corrected Bill of Sale with the correct sales price, including the correctly calculated income tax. All remaining appendices remain unchanged, but are included once again with this *Second Amended Application* for ease of reference.

accordance with 4 CSR 240-2.080(14), so that the sale can proceed to SSM Health as soon as practicable. In support of this *Second Amended Application*, Ameren Missouri states as follows:

## **INTRODUCTION**

1. Ameren Missouri and SSM Health have concluded discussions regarding SSM Health's purchase of a transformer from Ameren Missouri. The sale of this transformer may be considered the sale of an asset subject to Commission jurisdiction. Accordingly, Ameren Missouri submitted its request to sell the transformer pursuant to 4 CSR 240-2.060, which governs applications generally, as well as 4 CSR 240-10.105, which governs the filing requirements necessary to request approval for the authority to sell, assign, lease or transfer assets. Additionally, in order to avoid delays in completing the sale, Ameren Missouri requests the Commission grant a waiver from the 60-day notice requirement of 4 CSR 240-4.017. Accordingly, this *Second Amended Application*, like the previous *Application*, is divided into the following sections:

- I. 4 CSR 240-4.017
- II. 4 CSR 240-2.060(1), (A) through (M)
- III. 4 CSR 240-10.105(1), (A) through (F)
- IV. 4 CSR 240-2.080(14)

The information required by these rules are discussed in more detail below.

### **I. 4 CSR 240-4.017**

2. Ameren Missouri requests a variance from the 60-day notice requirement of 4 CSR 240-4.017, which states, in relevant part:

Any person that intends to file a case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to filing such case...

Pursuant to 4 CSR 240-4.017(1)(D), waivers of the 60-day notice requirement may be granted for good cause shown. The rule further provides that good cause includes "a verified declaration from

the filing party that it has had no communication with the office of the commission within the prior one hundred fifty (150) days regarding any substantive issue likely to be in the case..."<sup>3</sup> As indicated in the Affidavit attached as Appendix 1 to the June 13 *Application*, Ameren Missouri has had no communications with the office of the Commission (as defined by 4 CSR 240-4.015(10)) regarding any substantive issue likely to be in this case during the preceding 150 days. Accordingly, Ameren Missouri has established good cause for a waiver from the 60-day requirement of 4 CSR 240-4.017(1). No other public utility will be affected by granting the Company a waiver from this requirement.

## **II. 4 CSR 240-2.060(1), (A) through (M)**

### **Paragraph (A) - Applicant**

3. The Company is a Missouri corporation doing business under the fictitious name of Ameren Missouri, organized and existing under the laws of the State of Missouri, in good standing in all respects, with its principal office and place of business located at One Ameren Plaza, 1901 Chouteau Avenue, St. Louis, Missouri 63103. The Company is engaged in providing electric and gas utility services in portions of Missouri as a public utility under the jurisdiction of the Commission. Company is a subsidiary of Ameren Corporation.

4. While not a party to this proceeding, SSM Health is the purchaser of the asset. SSM Health is a Missouri nonprofit corporation whose principle place of business is located at 10101 Woodfield Lane, St. Louis, MO 63133. SSM Health is a non-profit 501(c)(3) organization established to provide health care in the state of Missouri. Because of the nature of its business, SSM Health is not subject to the regulatory jurisdiction of the Commission, and will not become

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<sup>3</sup> Pursuant to the Commission's *Order Waiving 60-Day Notice Requirement* issued on August 1, 2017, in File No. WM-2018-0023, the examples of good cause provided in the rule are not exclusive, and the Commission may find that good cause has been established by other circumstances.

subject to the Commission's regulatory jurisdiction if the transaction described in this *Second Amended Application* is approved.

**Paragraph (B) – Articles of Incorporation; Paragraph (E) – Fictitious Name; Paragraph (G) – Information Previously Submitted; Paragraph (H) – Character of Business;<sup>4</sup>**

5. Company previously submitted to the Commission a certified copy of its Articles of Incorporation (See Case No. EA-87-105), and its Fictitious Name Registrations as filed with the Missouri Secretary of State's Office (See File Nos. EN-2011-0069 and GN-2011-0070). These documents are incorporated by reference and made a part of this *Second Amended Application* for all purposes. The Company provides a copy of its Certificate of Corporate Good Standing as Appendix 2 to this *Second Amended Application*.

**Paragraph I – Correspondence and Communication**

6. Correspondence and Communication -- Correspondence, communications, orders and decisions in regard to this *Second Amended Application* should be directed 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](mailto:tbyrne@ameren.com)

**Paragraph (K) – Actions, Judgments, and Decisions; Paragraph (L) – Fees<sup>5</sup>**

7. The Company has no final unsatisfied judgments or decisions against it from any state or federal agency or court that involve customer service or rates that have occurred within three years of the date of this *Second Amended Application*. By the nature of its business, the

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<sup>4</sup> Paragraphs (C), (D), and (F) do not apply to Ameren Missouri.

<sup>5</sup> Paragraph (J) does not apply to Ameren Missouri.

Company has, from time-to-time, pending actions in state and federal agencies and courts involving customer service or rates. The Company has no annual report or assessment fees overdue to this Commission.

**Paragraph (M) – Affidavit**

8. An Affidavit in support of this *Second Amended Application* by an authorized individual is included as Appendix 1.

**III. 4 CSR 240-10.105(1), (A) through (F)**

**Paragraph (A) – Brief Description of the Property Involved in the Transaction**

9. SSM Health currently receives electric service from Ameren Missouri under the Large General Service Rate. SSM Health recently informed Ameren Missouri that it wanted to purchase the transformer enabling service to its West Pavilion Radiation Oncology facility on Vista Avenue in Saint Louis, Missouri, which is a small facility adjacent to the larger campus for which SSM Health operates its own distribution system. SSM Health wants to purchase this transformer because the broader campus is currently undergoing expansion, and if the purchase of the transformer is approved, the transformer will become an integral part of the campus' primary voltage distribution system. All maintenance to the transformer after the sale will be the financial responsibility of SSM Health. Subject to the Commission's approval of the proposed transaction, Ameren Missouri has agreed to sell the facilities to SSM Health for \$15,346.96, which represents the total installed reproduction costs less depreciation, and plus income tax. See Appendix 3 for the calculation of the transformer cost of \$14,002.55. Income tax was calculated at a 25.448% tax

rate with a gross-up factor of 1.344.41, resulting in come taxes of \$1,344.41. When added to the transformer reproduction cost (depreciated), the total sales price is \$15,346.96.

**Paragraph (B) – Copy of the Contract or Agreement of Sale**

10. SSM Health has agreed to purchase, and Ameren Missouri has agreed to sell, the transformer located at SSM Health's Vista Avenue facilities for \$15,346.96, which represents the total installed reproduction costs less depreciation and plus income tax, as of the date of the parties' transaction. A Bill of Sale between the parties, which provides, *inter alia*, that Ameren Missouri will sell the facilities to SSM Health on an "as is" basis without any warranties whatsoever with respect to those facilities, is attached to this *Second Amended Application* as Appendix 4.

**Paragraph (C) – Verification of Property Authority**

11. A verification of property authority affirming that Ameren Missouri's signatory to the Bill of Sale had the authority to bind the Company to that agreement is attached to this *Second Amended Application*, included as Appendix 1.

**Paragraph (D) – Not Detrimental to the Public Interest**

12. The proposed transaction is not detrimental to the interests of Ameren Missouri, SSM Health, or the Company's other ratepayers. SSM Health benefits because it will directly control this asset intended for its direct benefit and at its own expense, as well as because it can purchase the existing transformer at a cost that is comparable to what SSM Health would incur to acquire and install a new transformer. Ameren Missouri and its customers benefit because the sale of the transformer will enable the Company to recover a fair price for the transformer, while foregoing future maintenance expenses for the asset.

**Paragraph (E) – Balance Sheet and Income Statement**

13. Because SSM Health is not subject to the Commission's regulatory jurisdiction, this *Second Amended Application* does not include a balance sheet or income statement showing the impact of the proposed purchase on SSM Health.

**Paragraph (F) – Statement of Tax Impact**

14. Because the value of the asset being sold to SSM Health is less than \$50,000, the property tax impact of the proposed transaction should be minimal. Sales taxes are not applicable. SSM Health has been granted a Limited Exemption from Missouri Sales and Use Tax on Purchases and Sales by the State of Missouri. Additionally, since the transformer is installed, it is considered real property for sales tax purposes; therefore, there is no sales tax applicable to the transaction.

**IV. 4 CSR 240-2.080(14)**

15. Finally, Ameren Missouri requests expedited treatment of this *Second Amended Application*. The Company requests approval as soon as practicable, because SSM Health has plans for construction on or around its property that will involve the transformer. Granting this *Second Amended Application* approval as quickly as possible will avoid potential construction issues regarding the transformer's ownership. The *Application* submitted on June 13, 2019, could not be completed more quickly because the Company was unable to finalize the particulars of this deal sooner. This *Second Amended Application* was submitted as quickly as possible after the error in the sales price was noted.

**WHEREFORE**, having shown that the proposed transaction is not detrimental to the public interest, and for all other reasons stated in this *Second Amended Application*, the Company respectfully requests the Commission issue an order as soon as practicable, finding and determining that:

(i) The proposed sale of the assets from Ameren Missouri to SSM Health, as set forth in the Bill of Sale and described in this *Second Amended Application*, is approved;

(ii) Ameren Missouri and SSM Health are authorized to do such other acts and things, including making, executing, and delivering any and all documents that may be necessary, advisable, or proper to consummate the transaction reflected in the Bill of Sale, and to implement the authority granted by the Commission in this case; and

(iii) Any other relief deemed appropriate by the Commission under the circumstances is granted.

Respectfully submitted,

By: /s/ Paula N. Johnson-----

Paula N. Johnson, #68963  
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1901 Chouteau Ave.  
P. O. Box 149 (MC 1310)  
St. Louis, MO 63166  
(314) 554-3533 (telephone)  
(314) 554-4014 (facsimile)  
[AmerenMOService@ameren.com](mailto:AmerenMOService@ameren.com)

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



**CERTIFICATE OF SERVICE**

The undersigned certifies that true and correct copies of the foregoing have been e-mailed or mailed, via first-class United States Mail, postage pre-paid, to the service list of record this 2<sup>nd</sup> day of August, 2019.

General Counsel's Office  
Missouri Public Service Commission  
P.O. Box 360  
200 Madison Street, Suite 800  
Jefferson City, Missouri 65102  
[gencounsel@psc.mo.gov](mailto:gencounsel@psc.mo.gov)

Office of the Public Counsel  
P.O. Box 2230  
200 Madison Street, Suite 650  
Jefferson City, MO 65102-2230  
[opcservice@ded.mo.gov](mailto:opcservice@ded.mo.gov)

*/s/ Paula N. Johnson*

Paula N. Johnson

## **APPENDICES TO SECOND AMENDED APPLICATION**

### **Appendix Number and Description**

- Appendix 1 – Company's Affidavit in Support of *Second Amended Application* and Verification of Proper Authority
- Appendix 2 – Certificate of Good Standing
- Appendix 3 – Calculation of Cost
- Appendix 4 – Bill of Sale

**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 Authority to )  
Sell or Transfer a Portion of Its Franchise, Works, ) File No. EO-2019-0391  
or System to SSM HEALTH, INC. d/b/a )  
SSM Health Saint Louis University Hospital. )

**AFFIDAVIT OF MARK C. BIRK**

**STATE OF MISSOURI** )  
 ) ss  
**CITY OF ST. LOUIS** )

Mark C. Birk, being first duly sworn on his oath, states:

1. My name is Mark C. Birk. I work in the City of St. Louis, Missouri, and I am employed by Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri") as Senior Vice President, Customer and Power Operations. Among other things, I direct personnel who are responsible and accountable for the design, construction, and maintenance of Ameren Missouri's electric energy distribution systems.

2. Neither Ameren Missouri nor any person on its behalf has had any communications with the office of the Commission regarding any substantive issue likely to be an issue in the case initiated by this filing during the preceding 150 days from the submission of the original *Application and Request for Waiver and Motion for Expedited Treatment* ("*Application*") submitted on June 13, 2019.

3. I affirm that as an officer of Ameren Missouri, I have the proper authority to sign the Bill of Sale attached to and incorporated as part of the *Second Amended Application and Request for Waiver and Motion for Expedited Treatment*, and to bind Ameren Missouri to that agreement.

4. I hereby swear and affirm that, to the best of my information and belief, the statements contained herein and in the *Second Amended Application and Request for Waiver and Motion for Expedited Treatment* are true and correct.

  
Mark C. Birk

Subscribed and sworn to before me this 1st day of August, 2019.

  
Notary Public

My commission expires:

GERI A. BEST  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for St. Louis County  
My Commission Expires: February 15, 2022  
Commission Number: 14839811

# STATE OF MISSOURI



**John R. Ashcroft**  
**Secretary of State**

CORPORATION DIVISION  
CERTIFICATE OF GOOD STANDING

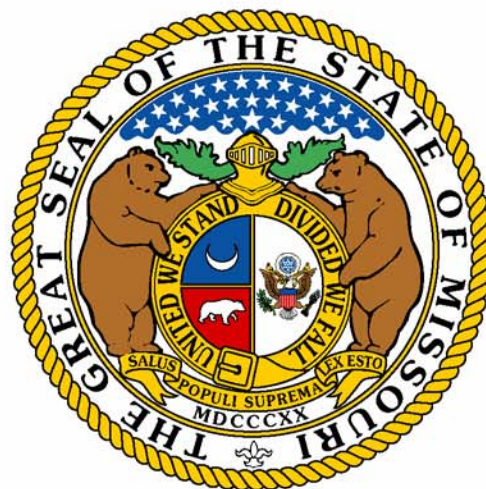
I, JOHN R. ASHCROFT, Secretary of State of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

***UNION ELECTRIC COMPANY***  
***00040441***

was created under the laws of this State on the 21st day of November, 1922, 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 14th day of May, 2019.

  
Secretary of State



Certification Number: CERT-05142019-0093

THIS QUOTATION IS FIRM ONLY IF ACCEPTED BEFORE     /    /     AND IF CUSTOMER HAS FULFILLED NECESSARY REQUIREMENTS FOR UE TO COMMENCE WORK BEFORE     /    /    

WORK REQUEST NO.

DATE \_\_\_\_\_

## PRICE ESTIMATE AND AUTHORIZATION SALE OR RENTAL OF EXISTING FACILITIES

CUSTOMER'S NAME SSM Health St. Louis SLU ADDRESS 3635 Vista Ave, St. Louis MO 63110

FACILITIES LOCATED AT

INQUIRY BY B. Dole DEPT. Geraldine O'Grady DATE \_\_\_\_\_ MAIL CODE \_\_\_\_\_ EXTENSION \_\_\_\_\_

RECOMMENDED BY \_\_\_\_\_ DATE \_\_\_\_\_ REMARKS \_\_\_\_\_  
DISTRICT ENGINEER

ITEMS	RENTAL DATA	SALE DATA			
		ORIGINAL COST	ORIG COST DEP	REPROD COST	REPROD COST DEP
See attached					
		13,232. <sup>19</sup>	12,567. <sup>10</sup>	14,758. <sup>41</sup>	14,002. <sup>55</sup>
Sales tax N/A					
TOTAL		13,232. <sup>19</sup>	12,567. <sup>10</sup>	14,758. <sup>41</sup>	14,002. <sup>55</sup>

[illegible]

REMARKS: \_\_\_\_\_

[illegible]

~~SUGGESTED SELLING PRICE \$~~

PLANT &amp; REGULATORY ACCOUNTING DEPARTMENT

FINAL SELLING PRICE \$ \_\_\_\_\_ ☐ PAID IN ADVANCE      DATE \_\_\_\_\_

ANNUAL RENTAL AUTHORIZED BY CUSTOMER \$ \_\_\_\_\_ ☐ TO BE BILLED

DATE \_\_\_\_\_ VIA \_\_\_\_\_ CREDIT \_\_\_\_\_ NO. \_\_\_\_\_

REMARKS:

**SALES**

## APPENDIX 3

PRICED AS OF April 23, 2019

[illegible]

## BILL OF SALE

UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI ("Seller") and

SSM HEALTH, INC. d/b/a SSM HEALTH ST LOUIS UNIVERSITY HOSPITAL ("Buyer")  
agree as follows:

Effective as of the 15<sup>th</sup> day of August, 2019, for the payment of the sum of Fifteen Thousand Three Hundred Forty-Six Dollars and Ninety-Six Cents (\$15,346.96) by Buyer and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller does hereby sell, transfer, and convey to Buyer and his heirs, executors, administrators, and assigns all right title and interest in and to the following described property (hereafter the "Property"):

**One pad mounted transformer, 500 KVA, 4160-480Y/277V, 3-PHASE (serial  
#15JC620450027)**

**One Manhole (top half and bottom half)**

**Buyer accepts the Property "AS-IS/WHERE IS" with all faults and with no guarantees or warranties.**

Seller hereby warrants that it is the lawful owner of said property and that it has full legal right, power, and authority to sell said Property except for the requirement that the Missouri Public Service Commission must approve this sale. Ameren Missouri will seek the required approval. Seller expressly disclaims all other representations or warranties. **THIS WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES WHETHER EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

Buyer does hereby release Seller, Seller's officers, directors, employees and agents and agrees to indemnify, save harmless and defend Seller, its employees and agents from and against any and all liabilities, claims, penalties, demands, fines, forfeitures, suits, causes of action and the costs and expenses incident thereto (including, without limitation, costs of defense, settlement and reasonable attorneys' fees) which Seller, its employees or its agents may incur, become responsible for, or pay out as a result of death or bodily injury to any person, damage to any property, adverse effects on the environment or any violation of law arising directly or indirectly out of or in connection with Buyer's use of or disposition of the Property.

IN WITNESS WHEREOF, the Parties have executed this Bill of Sale as of the year first above written.

Seller: Union Electric Company d/b/a Ameren Missouri

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

1901 Chouteau

St. Louis, MO 63103

Buyer: SSM HEALTH, INC. d/b/a SSM Health St Louis University Hospital

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: 3635 VISTA AVENUE SAINT LOUIS, MO 63110