

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

In the Matter of Ameren Missouri’s Request to Sell,)
Assign, Lease or Transfer Assets.) File No. EM-2022-

**APPLICATION FOR APPROVAL OF SALE OF ASSETS TO
WABASH VALLEY POWER ASSOCIATION
AND REQUEST FOR VARIANCE**

COMES NOW Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "the Company"), and pursuant to 20 CSR 4240-2.060(4) and 20 CSR 10.105, submits this *Application for Approval of Sale of Assets to Wabash Valley Power Association and Request for Variance* ("*Application*"), which would facilitate the Company's proposal to sell certain transmission-voltage assets to Wabash Valley Power Association ("Wabash Valley") related to the Limestone Ridge Project. In support of its position, Ameren Missouri states as follows:

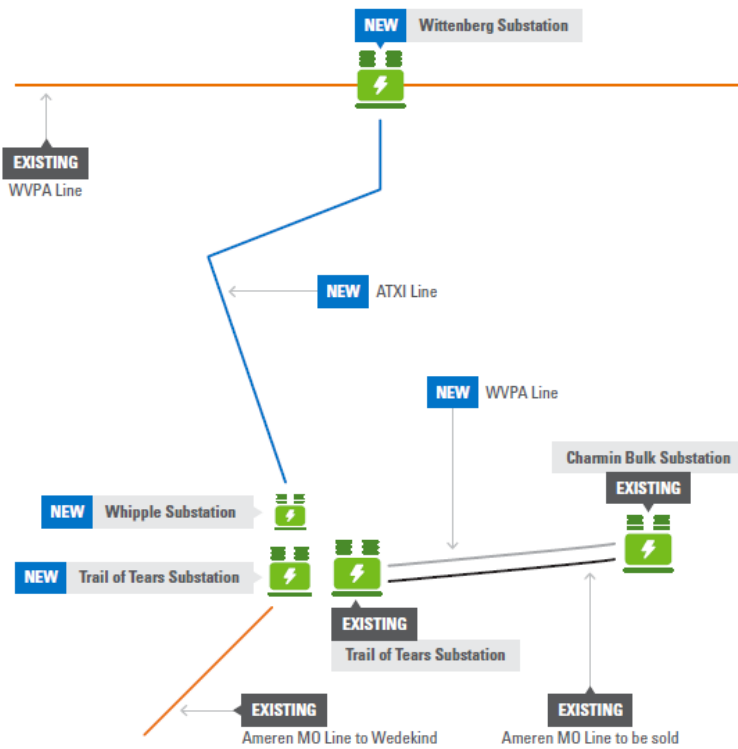
INTRODUCTION

1. In August 2020, Ameren Transmission Company of Illinois ("ATXI"), an Ameren Missouri affiliate, in collaboration with Wabash Valley, Citizens Electric Corporation ("CEC"), and Ameren Missouri began public engagement in Southeast Missouri to discuss investments intended to improve the energy reliability for local communities. That public engagement continued in October 2020 and January 2021, through a series of virtual open houses and engagement opportunities and the Commission held public hearings on August 17, 2021. The combined efforts of these collaborators in the proposed Limestone Ridge Project will result in the construction of an estimated 15 miles of transmission line and several new and expanded state-of-the-art substations designed to support continued growth for the communities in and around Perry and Cape Girardeau counties. This project is the subject of File No. EA-2021-0087, already on file with the Commission. Ameren Missouri's request in this case is dependent upon ATXI's

application being granted by the Commission. If ATXI's application is granted and the ATXI-Wabash Valley Development is constructed, there will be no continued need for the line in question in this docket to be owned, operated and maintained by Ameren Missouri.

2. A key factor in the Limestone Ridge Project (the full scope of which is generally referred to in ATXI's application as "the ATXI-Wabash Development") is the build, by Wabash Valley, of a second transmission source from Wabash Valley's expanded Trail of Tears substation ("New TOT") to its Charmin Bulk substation. Figure 1 below is a diagram that shows, in grey, a portion of the build Wabash Valley is anticipating. Figure 1 also shows, via the line in black, a small portion of line near the Charmin and Trail of Tears substations currently owned by Ameren Missouri. The portion of the line Ameren Missouri wishes to sell to Wabash Valley upon approval of the Limestone Ridge Project in File No. EA-2021-0087 is marked in Figure 1 below with the phrase "Ameren MO Line to be sold."

Figure 1



3. The sale contemplated under this arrangement involves approximately 1.5 miles of radial 161 kV line from Wabash Valley's Trail of Tears substation to its Charmin Bulk substation. Sale of this radial line will provide Wabash Valley with a necessary link between its two substations without the need to use Ameren Missouri as an intermediary. Ameren Missouri will retain ownership of the remainder of its line in that area (which, once the Limestone Ridge Project is complete, will be a networked source of transmission supply and provide reliability benefits to Ameren Missouri's system).

II. APPLICATION REQUIREMENTS

A. 20 CSR 4240-2.060(1), (A) through (M)

Paragraph (A) – Applicant

4. 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. The Company is a subsidiary of Ameren Corporation.

Paragraph (B) – Articles of Incorporation; Paragraph (E) – Fictitious Name; Paragraph (G) – Information Previously Submitted; Paragraph (H) – Character of Business¹

5. Ameren Missouri previously submitted to the Commission a certified copy of its Articles of Incorporation (See Case No. EA-87-105), as well as its Fictitious Name Registrations as filed with the Missouri Secretary of State's Office (See Case Nos. EA-2019-0181). The Company

¹ Paragraphs (C), (D), and (F) do not apply to Ameren Missouri.

also provided a copy of a recent certified copy of its Certificate of Good Corporate Standing in File No. EF-2021-0176. These documents are incorporated by reference and made a part of this *Application* for all purposes.

Paragraph I – Correspondence and Communication

6. Correspondence and Communication -- Correspondence, communications, orders and decisions in regard to this *Application* should be sent to the undersigned counsel as well as:

For the Company:

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Senior Director, Regulatory Affairs
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Paragraph (K) – Actions, Judgments, and Decisions; Paragraph (L) – Fees²

7. Ameren Missouri 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 *Application*. By the nature of its business, the Company has, from time-to-time, pending actions in state and federal agencies and courts involving customer service or rates. Company has no annual report or assessment fees overdue to this Commission.

Paragraph (M) – Affidavit

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

² Paragraph (J) does not apply to Ameren Missouri.

b. 20 CSR 4240-10.105(1), (A) through (F) – Request for Approval of Sale
Paragraph (A) – Brief Description of the Property Involved in the Transaction

9. The sale contemplated under this arrangement involves approximately 1.5 miles of radial 161 kV line from Wabash Valley's Trail of Tears substation to its Charmin Bulk substation. The line is described in more detail in Paragraphs 1 and 2 above.

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

10. Contingent upon approval of the CCN requested in File No. EA-2021-0087, Wabash Valley has agreed to purchase, and Ameren Missouri has agreed to sell, the approximately 1.5 miles of 161 kV radial line described in Paragraphs 2 and 3 above for the original cost depreciated book value at the end of the month immediately preceding the closing date of the transaction (the "Purchase Price"). The specific terms of the sale and the calculation of the purchase price can be found in the Asset Purchase Agreement (APA) included in the Joint Development Agreement, attached to this *Application* as Appendix 2.

11. Ameren Missouri notes that much of the line to be sold was constructed under authority granted by the Commission in File No. EO-98-150 (approving a relocation to accommodate an expanding industrial plant). The Company notes that both the Application and Commission order in that case indicate that CEC and/or the customer for whom the line was modified would be reimbursing the Company for the costs along the modified portion of the line. Accordingly, Ameren Missouri does not believe there are costs on its books for the much of the line and so is proposing to sell the affected portions for nominal consideration. There are, however, some assets – namely several wood poles in the vicinity of the existing Trail of Tears substation – for which Ameren Missouri was not reimbursed previously that may carry some residual, though modest value (given depreciation). Upon closing of the transaction, Ameren Missouri would

propose to transfer those assets to Wabash Valley at depreciated book value, consistent with the terms of the APA.

12. This proposed transaction will also affect Ameren Missouri's tariffs in that the portion of the line that was the subject of File No. EO-98-150 is described in Ameren Missouri's tariff as a part of its certificated service territory. Once the affected assets are sold to Wabash Valley, that tariff sheet can be cancelled. Attached as Appendix 3 is an exemplar tariff and a redlined version of the exemplar tariff which reflect this change. Ameren Missouri proposes to file the exemplar tariff as a compliance tariff upon closing of the sale.

Paragraph (C) – Verification of Proper Authority

13. A verification of proper authority affirming that Ameren Missouri's signatory to the sales agreement had the authority to bind the Company to that agreement is attached to this *Application* as Appendix 1.

Paragraph (D) – Not Detrimental to the Public Interest

14. The proposed transaction is not detrimental to the interests of Ameren Missouri or its other customers since there will be no adverse financial impact resulting from the negotiated sales price of the asset, and since sale of this short piece of line will not negatively impact reliability in the area. Additionally, the Company will avoid future maintenance and/or removal costs. In fact, ultimately Ameren Missouri's customers should benefit from the sale of this asset because it is part of a larger project intended to increase transmission reliability in southeast Missouri.

Paragraph (E) – Purchaser's Balance Sheet and Income Statement

15. Because Wabash Valley is not subject to the Commission's jurisdiction for the purposes of this type of transaction, this *Application* does not include a balance sheet or income statement showing the results of the proposed purchase.

Paragraph (F) – Statement of Tax Impact

16. The tax impact will be known when the Purchase Price of the asset is determined, which will be at the end of the month immediately preceding the closing date of the transaction, and which will depend on the Commission's approval of the certificate requested in File No. EA-2021-0087. Once that approval is obtained, Ameren Missouri will calculate the resulting, if any, sales and property tax impacts to Ameren Missouri and/or Wabash Valley. Ameren Missouri anticipates the impact will be minimal.

III. REQUEST FOR WAIVER OF 60 DAY NOTICE

17. 20 CSR 4240-4.017(1)(D) allows a variance from the 60-day notice requirement for good cause shown. Under the rule, good cause exists if the request for variance is accompanied by "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..." As indicated in the Verification appearing below, Ameren Missouri has had no communications with the office of the Commission (as defined by 20 CSR 4240-4.015(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).

WHEREFORE, Ameren Missouri respectfully requests that the Commission grant the authority for it to sell the referenced 1.5 mile section of 161 kV radial line to Wabash Valley, contingent upon the approval of the CCN requested in File No. EA-2021-0087 and for an order granting a waiver under 20 CSR 4240-4.017(1)(D).

(Signature block on following page)

Respectfully submitted,

/s/ Wendy K. Tatro

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

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing was served on the Staff of the Commission and the Office of the Public Counsel on this via electronic mail (e-mail) on this 30th day of September, 2021.

/s/ Wendy Tatro _____

Wendy K Tatro