

**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 a Certificate of Convenience and) File No. EA-2023-0226
Necessity to Construct, Own, Operate and)
Maintain a Transmission Switchyard in)
Callaway County, Missouri.

AMEREN MISSOURI’S RESPONSE TO STAFF RECOMMENDATION

COMES NOW Union Electric Company d/b/a Ameren Missouri (“Ameren Missouri” or “Company”), and for its response to Staff’s Recommendation filed May 1, 2023, states as follows:

1. Ameren Missouri appreciates Staff’s recommendation to both approve the requested certificate of convenience and necessity (“CCN”) for the Burns Switchyard and to grant a waiver of the 60-day notice requirement of 20 CSR 4240-40.017 for good cause shown. The Company also has no objection to certain Staff-recommended conditions. However, there is an aspect of Staff’s Recommendation with which the Company has concerns.¹

2. One of Staff’s five recommended conditions, Condition D,² indicates that Staff’s recommendation is “limited to the description of the size, operation, and uses of the CCN described in this docket.” While that does not seem to be a requested “condition” but instead is a declaration, Staff goes on to request that the Commission order Ameren Missouri to provide “notice prior to any additional investment and/or expansion of the Burns Switchyard” and appears to ask that such an order include a requirement that “Ameren Missouri will provide all signed agreements and/or contracts related to said investment and/or expansion.” Staff then makes another declarative statement that “[a]ny additional investment in or expansion of the Burns

¹ As discussed below, the aspect of concern is Staff Condition D and, as also discussed below, Staff Condition E is inapplicable and thus unnecessary.

² See Page 3 of the “Staff Recommendation” signed by Staff counsel.

Switchyard is subject to applicable law and may require further applications for authority.”

3. Stepping back, the Company assumes Condition D arises from the fact that Grain Belt Express has pending at MISO³ generator interconnection requests, that is, MISO Project Nos. JI488 and JI490, which the Company’s Application called out in Footnote 1. Those MISO Project numbers call for an interconnection with Ameren Missouri’s transmission system at the location where Burns is to be built and it is correct that Burns is designed such that Grain Belt could interconnect to Ameren Missouri’s transmission system there without expanding or otherwise reconfiguring the switchyard. In fact, the Plans and Specifications attached to the Company’s Application as Confidential Appendix D (specifically the first page of Appendix D, Drawing No. BURN-Q-000004-001) specifically show three open but initially unused positions being built as part of Burns’ initial construction,⁴ along with three positions to be used initially. One of those positions (as shown on the drawing) will connect the Show-Me State Solar, LLC project discussed in the application, while the other two to be initially used positions will connect Burns to existing Ameren Missouri transmission lines.

4. If the Commission approves Grain Belt’s pending application (in File No. EA-2023-0017) and if in fact Grain Belt is built and a generator interconnection agreement is entered into between Ameren Missouri, MISO, and Grain Belt, the depicted three open but unused positions will be used to interconnect Grain Belt to Ameren Missouri’s transmission system. Just as Show-Me State Solar, LLC was required to do, Grain Belt will be required to pay for any new equipment in the switchyard needed to interconnect and will be responsible (per MISO’s tariff) for 90% of other anticipated network upgrades on Ameren Missouri’s transmission system. Some of these network upgrades will involve new transmission construction by Ameren Missouri

³ Midcontinent Independent System Operator.

⁴ Application Footnote 1 also noted the existence of those open but initially unused positions.

outside its service territory, meaning Ameren Missouri will seek a CCN for such new transmission assets.⁵

5. However, the improvements to Burns itself, i.e., adding equipment at those open but unused positions to make the interconnection -- will not constitute “construction” as the term is defined in 20 CSR 4240-20.045(1)(B) because Burns will not be a new asset – it will already exist – and certainly the equipment added at Burns to make the interconnection will not result in a 10% increase in Ameren Missouri’s rate base.

6. As noted, Condition D indicates that “further applications for authority” “may” be required. 20 CSR 4240-20.045 tells us when such authority would and would not be required. There is no need to include a declaration to that effect as a “condition” on the CCN. If Staff’s concern is rooted in the Grain Belt project, the Company will require, and would intend to pursue, additional authority to construct the above-referenced network upgrades that are outside its service territory as a matter of course. There is no need to expand the requirement further.

7. In summary, the Application proposes a switchyard of the size and of the design specified on page 1 of Confidential Appendix D. It will include open positions that would be used to allow the interconnection of Grain Belt, assuming it is built, or if Grain Belt were not built that could be used for other interconnections, e.g., another solar facility in the area. The work in the substation to make those interconnections is not “construction” under 20 CSR 4240-20.045(1)(B). It is therefore inappropriate to essentially treat it as though it is by imposing conditions relating to notice or the provision of contracts. The Staff is of course free in a rate review to request information in discovery related to investments made, including equipment in a switchyard/substation to accomplish interconnections. And if in a future CCN case, for other out

⁵ Two new Ameren Missouri 345 kV circuits that at least in part would be located outside Ameren Missouri’s service territory, and thus require a CCN, would use the second and third open positions at Burns.

of the service territory transmission that must be built if Grain Belt is built, Staff asks for contracts relating to adding equipment to interconnect Grain Belt to Burns, Ameren Missouri would have no objection to providing them. Condition D, however, should not be imposed on the CCN for Burns.

8. The Company has no objection to Conditions A, B, C and E, but it should be noted that Condition E is unnecessary because it can have no application to Burns at all since the adjustment from File No. EO-2011-0128, by its express terms, is only made if the transmission is constructed by an *affiliate* of Ameren Missouri. Burns is being constructed and will be owned by *Ameren Missouri*, not its affiliate.

WHEREFORE, Ameren Missouri respectfully requests that the Commission grant it, subject only to Staff recommended conditions A, B, and C,⁶ a Certificate of Convenience and Necessity to construct, own, operate and maintain the Burns Switchyard, pursuant to Section 393.170.1, RSMo, and a waiver of the 60-day notice requirement for good cause shown.

Respectfully submitted,

/s/ James B. Lowery

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**ATTORNEYS FOR UNION ELECTRIC
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⁶ As noted, Condition E is unnecessary but if it were imposed would have no practical impact on the CCN for Burns.

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 via electronic mail (email) on this 11th day of May, 2023.

/s/ James B. Lowery _____
James B. Lowery