

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

In the Matter of Union Electric Company d/b/a)	
Ameren Missouri's Request for Deferral and)	
Amortization Authority Relating to Certain)	File No. EU-2020-
Callaway Energy Center Operations and Maintenance)	
Expenses.)	

**APPLICATION FOR DEFERRAL AND AMORTIZATION AUTHORITY
AND FOR WAIVER OF 20 CSR 4240-4.017(1)**

COMES NOW Union Electric Company d/b/a Ameren Missouri ("Company" or "Ameren Missouri"), pursuant to 20 CSR 4240-2.060 and Section 393.140(8), RSMo.¹, and hereby submits to the Missouri Public Service Commission ("Commission") its Application requesting authority to defer certain Callaway Energy Center refueling outage costs to Federal Energy Regulatory Commission ("FERC") Account No. 174 in the Uniform System of Accounts and to amortize such costs as outlined herein, and for a waiver of the prior notice requirements of 20 CSR 4240-4.017(1). In support of its requests, the Company 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. GN-2011-0070 and EN-2011-0069). Said documents are

¹ All statutory references are to the Revised Statutes of Missouri (2016), unless otherwise stated.

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:

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Senior Director Regulatory Affairs
Ameren Missouri
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St. Louis, MO 63166-6149
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3. Ameren Missouri has no pending action or final unsatisfied judgment or decision against it from any state or federal agency or court which 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.

II. REQUEST FOR DEFERRAL AUTHORITY

5. Since 1984, the Callaway Energy Center (“Callaway”), which is an approximately 1,190 megawatt (“MW”) nuclear energy facility owned and operated by Ameren Missouri, has completed what are generally referred to as “refueling outages” at intervals of approximately every 18 months. Callaway must be shut down during these refueling outages. During a refueling outage, approximately one-third of the nuclear fuel assemblies used to generate power at Callaway are replaced and significant additional maintenance work is also completed while Callaway is shut down.

6. The Company incurs various capital and operations and maintenance (“O&M”) costs during each refueling outage. These additional O&M expenses are recorded in the appropriate FERC O&M accounts. This Application concerns all refueling outage O&M costs

except base internal labor but does include overtime costs (hereinafter, collectively referred to as “Refuel O&M”). This Application does not concern any capital costs or nuclear fuel costs incurred during a refueling outage.

7. Historically, the Refuel O&M has been expensed on the Company’s financial statements as and when incurred. However, for ratemaking purposes, it has been a well-established practice at the Commission, for both Callaway and Evergy Metro, Inc.’s (“Evergy”)² Wolf Creek nuclear facility to include two-thirds of the Refuel O&M costs (with or without a normalization adjustment) in the utility’s revenue requirement as a proxy for an annual amount since refueling outages occur approximately every 18 months and since revenue requirements reflect an annual number. While this ratemaking treatment is appropriate, it causes a mismatch between the Company’s accounting books -- which must be kept in accordance with Generally Accepted Accounting Principles (“GAAP”) -- and the Company’s regulatory accounting for ratemaking purposes, which for some items reflects different approaches than dictated by GAAP (such as including only two-thirds of these costs in the revenue requirement). This mismatch also makes periodic surveillance reporting less useful because that surveillance reporting, by its nature, is based on the Company’s GAAP accounting records and does not reflect this ratemaking normalization approach.³

8. While the authority sought hereunder would not impact customer rates since only an annual amount of Refuel O&M costs would be included in the revenue requirement used to set base rates, if granted it would allow the Company to align its regulatory accounting with its GAAP accounting thus, as noted, making surveillance reporting more useful.

² Evergy owns a portion of the Wolf Creek plant.

³ The Company does not make regulatory accounting adjustments needed for ratemaking purposes on an ongoing basis but rather, only makes such adjustments in connection with rate filings.

9. The authority sought hereunder is identical to authority granted to Kansas City Power & Light Company (n/k/a Evergy) in File No. ER-2007-0291. To the best of the Company's knowledge, Evergy has employed the approach reflected by the authority the Commission gave it since that time for each of the refueling outages at the Wolf Creek nuclear facility and in each subsequent Evergy rate case. To the best of the Company's knowledge, there have been no adverse issues raised by any party in any Evergy proceeding during that time respecting Evergy's use of this approach, save issues initially raised by the Staff in File No. ER-2007-0291, which were resolved in that case via a Commission-approved Stipulation and Agreement. As noted, the Company seeks the same authority granted to Evergy pursuant to approval of that Stipulation and Agreement.

10. The specific authority sought is as follows: Authority, starting with Refuel O&M costs incurred and to be incurred for Callaway Refuel Outage No. 24 (which commenced on September 30, 2019) and for subsequent refueling outages, to defer such costs to FERC Account No. 174 and to amortize the same, on and subject to the following conditions:

- The Company will track the deferred costs within Account No. 174 to allow direct assignment of the costs, via an amortization of the costs to FERC Account No. 524 (miscellaneous nuclear power expenses) and FERC Account No. 530 (maintenance of reactor plant equipment), as appropriate. The amortization will begin in the month Callaway is brought back online after completion of each refueling outage if such date occurs on or before the 15th day of the month in which Callaway is brought back online; otherwise, the amortization will begin in the month following the month in which Callaway is brought back online; and

- The deferral shall be on straight line basis starting in the month described above and ending the month prior to the month in which amortization of the next refueling outage is scheduled to begin.

III. ACCOMPANYING WAIVER REQUEST

11. 20 CSR 4240-4.017(1) generally requires that a notice be filed with the Commission at least 60-days prior to the filing of a case. The subject rule also provides for, and contemplates, that the Commission may waive the 60-day notice requirement for good cause shown and expressly provides that good cause is established if the filing party provides “a verified declaration . . . that it has had no communication with the office of the commission within the prior one hundred fifty (150) days regarding any substantive issued likely to be in the case . . .” Such a declaration is included with this Application, below. Consequently, good cause exists to waive the 60-day notice requirement.

WHEREFORE, Ameren Missouri respectfully requests that the Commission (a) waive the requirement of 20 CSR 4240-40.017(1) for good cause shown; (b) direct its Staff to provide its recommendation on this Application; and (c) grant the deferral and amortization authority sought hereunder.

Respectfully submitted,

SMITH LEWIS, LLP

/s/ James B. Lowery

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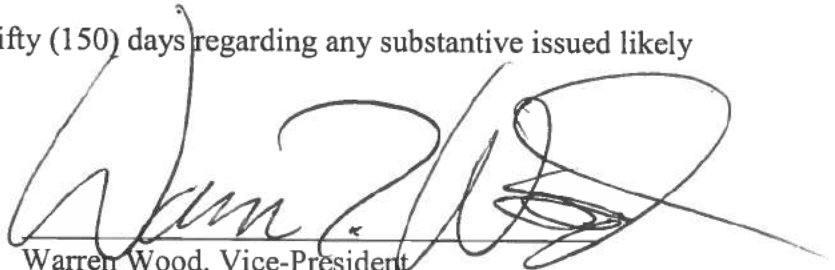
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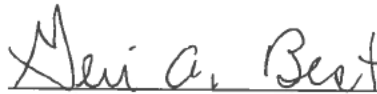
VERIFICATION AND DECLARATION

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, that the actions requested of the Commission in this docket are substantially consistent with the Company's preferred resource plan specified in its most recent triennial compliance filing and annual update report, and further declares that Ameren Missouri has had no communication with the office of the commission within the prior one hundred fifty (150) days regarding any substantive issued likely to be in this case.



Warren Wood, Vice-President
Regulatory and Legislative Affairs
Union Electric Company d/b/a Ameren Missouri

Subscribed and sworn before me this 28th day of October, 2019.



Notary Public



CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing Application has been e-mailed, this 28th day of October, 2019, to the Missouri Public Service Commission Staff and to the Office of the Public Counsel.

/s/ James B. Lowery

James B. Lowery

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