

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 27<sup>th</sup> day of  
August, 2014.

Application of Union Electric Company d/b/a	)	
Ameren Missouri for Approval of Decommissioning	)	<b><u>File No. EE-2015-0046</u></b>
Cost Estimate for Callaway Energy Center and	)	
Funding Level of Nuclear Decommissioning Trust Fund.	)	

**ORDER GRANTING VARIANCE**

Issue Date: August 27, 2014

Effective Date: August 27, 2014

On August 15, 2014, Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri") submitted a request for variance from the September 1, 2014 deadline for filing costs estimates for decommissioning the Callaway Energy Center ("Callaway"). Commission Rule 4 CSR 240-3.185(3) requires all utilities with decommissioning trust funds for nuclear plants to file triennial cost studies of cost estimates for decommissioning nuclear generating units along with appropriate tariffs. Ameren Missouri requests a seven month extension to permit the filing of the cost estimate no later than April 1, 2015. Ameren Missouri also requests the Commission issue an order in this matter by August 29, 2014.<sup>1</sup>

Ameren Missouri currently has pending before the Nuclear Regulatory Commission ("NRC") a request to extend the life of its Callaway from 2024 to 2044.<sup>2</sup> Ameren Missouri expects a decision by the NRC within the next six months.

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<sup>1</sup> Commission Rule 4 CSR 240-2.080(14) list the requirements for a request for expedited treatment, including a request in the title of the pleading and what the pleading shall set out with particularity.

<sup>2</sup> As a result of a decision by the U.S. Court of Appeal for the DC Circuit in *New York v. NRC*, 681 F.3d 471 (D.C. Cir. 2012), that vacated certain NRC rulemaking, NRC suspended certain licensing activities, including the Callaway Energy Center's License Renewal.

On August 20, 2014, the Commission issued an order directing notice be provided to all parties of Ameren Missouri's last rate case (File No. ER-2012-0166) and directing the Staff of the Missouri Public Service Commission to file a recommendation. The Missouri Industrial Energy Consumers ("MIEC") filed a timely application to intervene, which the Commission granted on August 22, 2014.

On August 22, 2014, Staff filed a recommendation that the Commission grant Ameren Missouri's requests for a variance and for expedited treatment. Staff points out that a decommissioning cost analysis would vary based on the remaining lifespan of Callaway. If Ameren Missouri is not granted a waiver of the Commission's reporting requirements before September 1, 2014, it must submit a cost estimate for decommissioning that is based on Callaway's currently licensed 40-year life. Staff states that if the decommissioning cost estimate is instead based on a 60-year operating license, the Callaway decommissioning charges authorized under § 393.292, RSMo 2000, may not increase or the magnitude of any required increase would be significantly less.

Based on Ameren Missouri's belief that it will receive a 20-year operating extension, Staff thinks granting the variance will be more efficient. Since the decommissioning charges authorized under § 393.292 permits single issue ratemaking, a pending general rate case is not required before the Commission can direct a change to the rate. Therefore, no harm to the ratepayers is expected to result if the requested variance is granted.

On August 22, 2014, the Commission issued an order setting an August 25, 2014 deadline for responses to Staff's recommendation. No responses or requests for a hearing were received.

Commission Rule 4 CSR 240-3.185(5) permits the granting of the requested variance after due notice and hearing and upon a showing of good cause.<sup>3</sup> Good cause exists when a substantial reason or cause would justify the neglect of a duty.<sup>4</sup> The reason provided must be real, substantial and reasonable.<sup>5</sup> After reviewing Ameren Missouri's request and Staff's recommendation, the Commission finds good cause exists to grant the requests for a variance and expedited treatment.

**THE COMMISSION ORDERS THAT:**

1. The request for expedited treatment is granted.
2. Ameren Missouri is granted a variance from the deadline in Commission Rule 4 CSR 240-3.185(3) and must file its cost estimate for decommissioning the Callaway Energy Center no later than April 1, 2015.
3. This order shall become effective upon issuance.
4. This file shall be closed on September 2, 2014.

**BY THE COMMISSION**



A handwritten signature in cursive script that reads "Morris L. Woodruff".

Morris L. Woodruff  
Secretary

R. Kenney, Chm., Stoll, W. Kenney,  
Hall, and Rupp, CC., concur.

Burton, Regulatory Law Judge.

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<sup>3</sup> The requirement for a hearing is met when the opportunity for hearing has been provided and no proper party has requested the opportunity to present evidence. *State ex rel. Rex Deffenderfer enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494, 496 (Mo. App. 1989).

<sup>4</sup> *Cent. Mo. Paving Co. v. Labor & Indus. Relations Comm'n*, 575 S.W.2d 889, 8902 (Mo. App. W.D. 1978).

<sup>5</sup> *Belle State Bank v. Indus. Comm'n*, 547 S.W.2d 841, 846 (Mo. App. S.D. 1977).