Ameren Missouri's
Response to MPSC Data Request - MPSC
ER-2022-0337
In the Matter of Union Electric Company d/b/a Ameren Missouri's Tariffs to Adjust Its Revenues for Electric Service

No.: MPSC 0346

FAC proposed tariff sheet 71.19 added wording to the paragraph of non-MISO costs to state "costs for purchases of generation capacity, provided that either such capacity is acquired from a jointly owned entity whose Factors PP, OSSR, or T costs and revenues assigned by the entity to the Company are included in this Rider FAC, or is acquired for a term of one (1) year or less." Please provide a detailed explanation of who is included in the jointly owned entity, and explain what will be changing in terms of costs going forward. Please also explain why this paragraph states "only in term of one year or less," although FAC proposed tariff sheet 71.18 added the words "regardless of term." Lastly, please explain if and how this additional proposed language on sheet 71.19 correlates with the language added on 71.l8. Requested by Amanda C. Conner; (Amanda.Conner@psc.mo.gov <mailto:Amanda.Conner@psc.mo.gov>)

RESPONSE

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Date: 10.08.2022

The reference to a jointly owned entity in the FAC redline changes refer to an ownership structure for potential new renewable projects financed, at least in part, by tax equity financing. Ameren Missouri, via a special purpose subsidiary, would co-own an asset along with a tax-equity investor. The Company does not currently have a joint venture of this type in place.

Should Ameren Missouri utilize tax equity financing, any capacity costs associated with the transfer of capacity from the jointly owned venture to Ameren Missouri, would be offset with revenues received by the Company from the sale of that capacity into the MISO capacity auction.

The Company would note that their proposed language does not state "only in term of one year of less", but rather provides for an either/or. Costs for the purchase of capacity would be included in the FAC if they are **either** associated with capacity acquired from a jointly owned entity (when the Company's pro rata distribution related to net market revenues are included in the FAC), **or**, in all other situations, if the capacity is acquired for a period of one year or less. This latter provision is consistent with the current language in the Company's Rider FAC. We

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are not proposing any change in that regard for transactions other than those with a jointly owned entity.

The language on pages 71.18 and 71.19 are both intended to allow for the inclusion of the cost of capacity acquired from a jointly owned entity in the FAC, regardless of the length of the tax equity agreement, while continuing to exclude the cost of all other capacity transactions which are for a period greater that one year.