

# 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 Authority to )  
Sell or Transfer a Portion of its Franchise, Works, )  
Or System to SSM HEALTH, INC. d/b/a SSM )  
Health Saint Louis University Hospital )

**File No. EO-2019-0391**

## **ORDER PROVIDING NOTICE AND DIRECTING STAFF RECOMMENDATION**

Issue Date: June 14, 2019

Effective Date: June 14, 2019

On June 13, 2019, Union Electric Company d/b/a Ameren Missouri filed an Application and Request for Waiver, requesting that the Commission authorize it to sell an electric transformer to SSM HEALTH, INC. d/b/a SSM Health Saint Louis University Hospital. The transformer is located on the hospital's campus and is used to provide electric service to the West Pavilion Radiation Oncology facility on Vista Avenue in the City of St. Louis. SSM Health has agreed to purchase the transformer for \$14,002.55, and intends to integrate the transformer into the hospital campus' existing primary voltage distribution system. Because SSM Health is planning construction involving the transformer, Ameren Missouri asks the Commission to approve the transfer by July 12, 2019.

Section 393.190.1, RSMo 2016, which is the statute granting the Commission authority to approve the sale of the transformer, requires the Commission to:

send a copy of all information obtained by it as to what, if any, impact such sale, assignment, lease, transfer, merger, consolidation or other disposition will have on the tax revenues of various political subdivisions to the county clerk of each county in which any portion of a political subdivision which will be affected by such disposition is located.

Because the transformer is located in the City of St. Louis, the Commission will provide notice to the Clerk for the City of St. Louis.

In an effort to comply with Ameren Missouri's request for expedited consideration of this application, the Commission will direct its Staff to file an expedited recommendation.

**THE COMMISSION ORDERS THAT:**

1. The Commission's data center shall provide a copy of this order and a copy of Ameren Missouri's Application and Request for Waiver to the Clerk for the City of St. Louis.
2. Staff shall file a recommendation regarding Ameren Missouri's Application and Request for Waiver no later than July 3, 2019. If Staff finds that it cannot reasonably file a recommendation by that date, it may file a request for additional time, indicating when it can file a recommendation.
3. Any other party wishing to file a recommendation regarding Ameren Missouri's Application and Request for Waiver shall do so no later than July 3, 2019. If any other party finds that it cannot reasonably file a recommendation by that date, it may file a request for additional time, indicating when it can file a recommendation.
4. This order shall be effective when issued.

**BY THE COMMISSION**



A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff  
Secretary

Morris L. Woodruff, Chief Regulatory  
Law Judge, by delegation of authority  
pursuant to Section 386.240, RSMo 2016.

Dated at Jefferson City, Missouri,  
on this 14<sup>th</sup> day of June, 2019.

**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 Authority to Sell or Transfer a Portion     )  
of Its Franchise, Works, or System to     )  
SSM HEALTH, INC. d/b/a SSM Health     )  
Saint Louis University Hospital.     )

File No. EO-2019-\_\_\_\_\_

**APPLICATION AND REQUEST FOR WAIVER  
AND MOTION FOR EXPEDITED TREATMENT**

Comes now Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "the Company") and, pursuant to and in accordance with Section 393.190.1, RSMo, 4 CSR 240-2.060, and 4 CSR 240-10.105, hereby submits this *Application and Request for Waiver and Motion for Expedited Treatment* ("Application"), which seeks authority from the Missouri Public Service Commission ("Commission") to sell, transfer, and otherwise dispose of a portion of the Company's franchise, works, or system to SSM HEALTH, INC., a Missouri nonprofit corporation, d/b/a SSM Health Saint Louis University Hospital ("SSM Health"). Further, in accordance with 4 CSR 240-2.080(14), Ameren Missouri requests expedited treatment of this pleading so that this *Application* can be approved no later than July 12, 2019. In support of its *Application*, Ameren Missouri states as follows:

**INTRODUCTION**

1. Ameren Missouri and SSM Health have concluded discussions regarding SSM Health's purchase of a transformer from Ameren Missouri. The sale of this transformer may be considered the sale of an asset subject to Commission jurisdiction. Accordingly, Ameren Missouri is submitting its *Application* pursuant to 4 CSR 240-2.060, which governs applications generally, as well as 4 CSR 240-10.105, which governs the filing requirements necessary to request approval

for the authority to sell, assign, lease or transfer assets. Additionally, in order to avoid delays in completing the sale, Ameren Missouri requests the Commission grant a waiver from the 60-day notice requirement of 4 CSR 240-4.017. Accordingly, this *Application* is divided into the following sections:

- I. 4 CSR 240-4.017
- II. 4 CSR 240-2.060(1), (A) through (M)
- III. 4 CSR 240-10.105(1), (A) through (F)
- IV. 4 CSR 240-2.080(14)

The information required by these rules are discussed in more detail below.

**I. 4 CSR 240-4.017**

2. Ameren Missouri requests a variance from the 60-day notice requirement of 4 CSR 240-4.017, which states, in relevant part:

Any person that intends to file a case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to filing such case...

Pursuant to 4 CSR 240-4.017(1)(D), waivers of the 60-day notice requirement may be granted for good cause shown. The rule further provides that good cause includes "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..."<sup>1</sup>

As indicated in the Affidavit attached as Appendix 1 to this *Application*, Ameren Missouri has had no communications with the office of the Commission (as defined by 4 CSR 240-4.015(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

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<sup>1</sup> Pursuant to the Commission's *Order Waiving 60-Day Notice Requirement* issued on August 1, 2017, in File No. WM-2018-0023, the examples of good cause provided in the rule are not exclusive, and the Commission may find that good cause has been established by other circumstances.

requirement of 4 CSR 240-4.017(1). No other public utility will be affected by granting the Company a waiver from this requirement.

## **II. 4 CSR 240-2.060(1), (A) through (M)**

### **Paragraph (A) - Applicant**

3. 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. Company is a subsidiary of Ameren Corporation.

4. While not a party to this proceeding, SSM Health is the purchaser of the asset. SSM Health is a Missouri nonprofit corporation whose principle place of business is located at 10101 Woodfield Lane, St. Louis, MO 63133. SSM Health is a non-profit 501(c)(3) organization established to provide health care in the state of Missouri. Because of the nature of its business, SSM Health is not subject to the regulatory jurisdiction of the Commission, and will not become subject to the Commission's regulatory jurisdiction if the transaction described in this application is approved.

### **Paragraph (B) – Articles of Incorporation; Paragraph (E) – Fictitious Name; Paragraph (G) – Information Previously Submitted; Paragraph (H) – Character of Business; <sup>2</sup>**

5. Company previously submitted to the Commission a certified copy of its Articles of Incorporation (See Case No. EA-87-105), and its Fictitious Name Registrations as filed with the Missouri Secretary of State's Office (See File Nos. EN-2011-0069 and GN-2011-0070). These documents are incorporated by reference and made a part of this *Application* for all purposes.

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<sup>2</sup> Paragraphs (C), (D), and (F) do not apply to Ameren Missouri.

The Company provides a copy of its Certificate of Corporate Good Standing as Appendix 2 to this *Application*.

**Paragraph I – Correspondence and Communication**

6. Correspondence and Communication -- Correspondence, communications, orders and decisions in regard to this *Application* should be directed to:

Paula N. Johnson  
Senior Corporate Counsel  
Ameren Missouri  
1901 Chouteau Avenue  
MC 1310  
St. Louis, MO 63103  
(314)554-3533 (phone)  
(314)554-4014 (fax)  
[pjohnson4@ameren.com](mailto:pjohnson4@ameren.com)

**Paragraph (K) – Actions, Judgments, and Decisions; Paragraph (L) – Fees<sup>3</sup>**

7. The Company 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. The 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.

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<sup>3</sup> Paragraph (J) does not apply to Ameren Missouri.

### **III. 4 CSR 240-10.105(1), (A) through (F)**

#### **Paragraph (A) – Brief Description of the Property Involved in the Transaction**

9. SSM Health currently receives electric service from Ameren Missouri under the Large General Service Rate. SSM Health recently informed Ameren Missouri that it wanted to purchase the transformer enabling service to its West Pavilion Radiation Oncology facility on Vista Avenue in Saint Louis, Missouri, which is a small facility adjacent to the larger campus for which SSM Health operates its own distribution system. SSM Health wants to purchase this transformer because the broader campus is currently undergoing expansion, and if the purchase of the transformer is approved, the transformer will become an integral part of the campus' primary voltage distribution system. All maintenance to the transformer after the sale will be the financial responsibility of SSM Health. Subject to the Commission's approval of the proposed transaction, Ameren Missouri has agreed to sell the facilities to SSM Health for \$14,002.55, which represents the total installed reproduction costs less depreciation. See Appendix 3 for the calculation of the transformer cost.

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

10. SSM Health has agreed to purchase, and Ameren Missouri has agreed to sell, the transformer located at SSM Health's Vista Avenue facilities for \$14,002.55, which represents the total installed reproduction costs less depreciation, as of the date of the parties' transaction. A Bill of Sale between the parties, which provides, *inter alia*, that Ameren Missouri will sell the facilities to SSM Health on an "as is" basis without any warranties whatsoever with respect to those facilities, is attached to this *Application* as Appendix 4.

**Paragraph (C) – Verification of Property Authority**

11. A verification of property authority affirming that Ameren Missouri's signatory to the Bill of Sale had the authority to bind the Company to that agreement is attached to this *Application*, included as Appendix 1.

**Paragraph (D) – Not Detrimental to the Public Interest**

12. The proposed transaction is not detrimental to the interests of Ameren Missouri, SSM Health, or the Company's other ratepayers. SSM Health benefits because it will directly control this asset intended for its direct benefit and at its own expense, as well as because it can purchase the existing transformer at a cost that is comparable to what SSM Health would incur to acquire and install a new transformer. Ameren Missouri and its customers benefit because the sale of the transformer will enable the Company to recover a fair price for the transformer, while foregoing future maintenance expenses for the asset.

**Paragraph (E) – Balance Sheet and Income Statement**

13. Because SSM Health is not subject to the Commission's regulatory jurisdiction, this *Application* does not include a balance sheet or income statement showing the impact of the proposed purchase on SSM Health.

**Paragraph (F) – Statement of Tax Impact**

14. Because the value of the asset being sold to SSM Health is less than \$50,000, the property tax impact of the proposed transaction should be minimal. Sales taxes are not applicable. SSM Health has been granted a Limited Exemption from Missouri Sales and Use Tax on Purchases and Sales by the State of Missouri. Additionally, since the transformer is installed, it is considered real property for sales tax purposes; therefore, there is no sales tax applicable to the transaction.



#### **IV. 4 CSR 240-2.080(14)**

15. Finally, Ameren Missouri requests expedited treatment of this *Application*. The Company requests approval by July 12, 2019, because SSM Health has plans for construction on or around its property that will involve the transformer. Granting this application approval in advance of that date will avoid potential construction issues regarding the transformer's ownership. This *Application* could not be completed more quickly because the Company was unable to finalize the particulars of this deal sooner.

**WHEREFORE**, having shown that the proposed transaction is not detrimental to the public interest, and for all other reasons stated in this *Application*, the Company respectfully requests the Commission issue an order by July 12, 2019, finding and determining that:

(i) The proposed sale of the assets from Ameren Missouri to SSM Health, as set forth in the Bill of Sale and described in this *Application*, is approved;

(ii) Ameren Missouri and SSM Health are authorized to do such other acts and things, including making, executing, and delivering any and all documents that may be necessary, advisable, or proper to consummate the transaction reflected in the Bill of Sale, and to implement the authority granted by the Commission in this case; and

(iii) Any other relief deemed appropriate by the Commission under the circumstances is granted.

Respectfully submitted,

By: /s/ Paula N. Johnson-----

Paula N. Johnson, #68963

Senior Corporate Counsel

Ameren Missouri

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

**STATE OF MISSOURI**

**OFFICE OF THE PUBLIC SERVICE COMMISSION**

**I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.**

**WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 14<sup>th</sup> day of June 2019.**



  
**Morris L. Woodruff**  
**Secretary**

**MISSOURI PUBLIC SERVICE COMMISSION**

**June 14, 2019**

**File/Case No. EO-2019-0391**

**Missouri Public Service  
Commission**

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**City of St. Louis, Missouri**

Board Of Alderman  
City Hall  
1200 Market St  
St. Louis, MO 63103

**Union Electric Company**

Paula Johnson  
1901 Chouteau Avenue  
St Louis, MO 63103  
AmenMOS@ameren.com

***Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).***

***Sincerely,***



**Morris L. Woodruff  
Secretary**

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Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.