

**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 Certificates of)
Convenience and Necessity for Solar Facilities.) File No. EA-2023-0286

STIPULATION AND AGREEMENT

COME NOW Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or the "Company"), the Staff of the Missouri Public Service Commission ("Staff"), and the Office of the Public Counsel ("OPC") (the "Signatories"), and for their Stipulation and Agreement ("Agreement") resolving the Company's *Application*¹ in this case, state as follows:

BACKGROUND

1. On June 16, 2023, Ameren Missouri filed its *Application* which requested Certificates of Convenience and Necessity ("CCN") for four solar generation facilities.
2. Renew Missouri, the Sierra Club, MIEC, and MECG² applied for, and were granted, intervention. OPC is also a party to this docket.
3. After several discussions, the Signatories have agreed upon the terms of this Agreement, as set forth herein.

AGREEMENTS AMONG THE SIGNATORIES

4. The Signatories agree that, on the terms provided for herein, the Missouri Public Service Commission ("Commission") should, subject to the conditions provided for in paragraph 5 of this Agreement, grant Ameren Missouri certificates of convenience and necessity under subsection 1 of Section 393.170 authorizing Ameren Missouri to construct, install, own, operate, maintain, and otherwise control and manage the Split Rail Project, the Vandalia Project, and the Bowling Green

¹ EFIS Item No. 5.

² Missouri Industrial Energy Consumers and Midwest Energy Consumers Group, respectively. Each intervenor has indicated to the undersigned counsel for the Company that they either do not oppose the Agreement or that they are taking no position on it either for or in opposition.



Project³ and, in the case of the Split Rail Project, authorizing Ameren Missouri to engage in the transactions by which it will construct and finance the Split Rail Project pursuant the Build Transfer Agreement (“BTA”)⁴ with Invenergy Renewables, LLC.

5. The Signatories agree that the CCNs referenced in paragraph 4 should be subject to the following conditions:

- a. The rate making treatment of any tax credits arising from the projects⁵ will be determined in a future rate proceeding, subject to Internal Revenue Service guidance regarding normalization requirements, under the Inflation Reduction Act tracker established in File No. ER-2022-0337. If Ameren Missouri pursues tax equity financing, Ameren Missouri will file a request for authorization to utilize tax equity financing that fully explains the need, process, and likely impacts on ratepayers, and, will receive such authorization prior to entering a final contract with a tax equity partner.
- b. If the cost of a project exceeds ** _____ ** of the base capital cost relied upon in the revenue requirement modeling addressed in Company witness Matt Michels’ direct testimony, and the Company continues to pursue the project(s) at a cost above this threshold, the Company shall provide direct testimony, fully supported by workpapers and with all documentation relied upon, in its direct filing in future rate cases where such a project is initially proposed to be included in rate base that will (1) explain why it was reasonable for the Company to proceed with the project(s) at a cost above such threshold, (2) include documentation of the

³ A further description of each Project is provided for on Exhibit A hereto.

⁴ The BTA is attached to the Direct Testimony of Company witness Scott Wibbenmeyer filed in this docket.

⁵ References in this paragraph 5 to “projects” are to the Split Rail, Bowling Green, and Vandalia projects (either individually or collectively, as required by the context) and, if a CCN is later granted for the Cass County Project, to the Cass County Project.

decision making opportunities and events that resulted in the continuation of the project(s), and (3) explain why proceeding was in customers' best interest, and if it is believed by the Company that explicit harm to ratepayers would occur absent proceeding, the Company shall so state.

- c. Regardless of whether or not the cost of any one project at issue in this docket exceeds ** _____ ** of the base capital cost relied upon in the revenue requirement modeling addressed in Company witness Matt Michels' direct testimony, the Company shall provide direct testimony, fully supported by workpapers and with all documentation relied upon, in its direct filing in future rate cases where such a project is initially proposed to be included in rate base that will explain separately for each project; (1) satisfaction of the in-service criteria (addressed below) and documentation that those criteria have been met to the extent possible at the time of that direct filing; (2) an explanation of the capital costs incurred; (3) an explanation of the tax treatments to be pursued; (4) an explanation of the property tax treatment to be pursued; and (5) an explanation of all related expenses and offsetting revenues and a discussion of the factors that will impact those expenses going forward as estimated at the time of filing.
- d. The Company shall provide in the future rate cases where a given project is initially proposed to be included in rate base the analysis recommended at lines 1 to 3 on page 22 of the rebuttal testimony of Staff witness Jane Dhority.
- e. The Company shall provide the notice recommended at lines 19 to 20 on page 21 of Staff witness Dhority's rebuttal testimony.
- f. The Company shall provide the notice recommended at lines 4 to 6 on page 22 of the rebuttal testimony of Staff witness Dhority's rebuttal testimony.

- g. Ameren Missouri shall use sound engineering judgement and commercially reasonable efforts to meet the IEEE Standard P2800TM for the projects.
- h. Ameren Missouri shall retain and report curtailment information for the Vandalia Project in accordance with the recommendation at lines 20 to 23 on page 34 of the rebuttal testimony of Staff witness Shawn Lange.
- i. The in-service criteria contained in Confidential SEL-r2 to Staff witness Shawn Lange's rebuttal testimony shall be used in the future rate case where a project proposed in this docket is considered for inclusion in rate base to determine whether the project is in-service.
- j. Reporting for any of the projects that are ultimately determined to be resources to be used for a future Renewable Solutions Program phase shall be as ordered by the Commission's *Report and Order* in File No. EA-2022-0245. The Company shall notify Staff via a notice filed in this docket within seven (7) days after a decision to utilize such a project for the Renewable Solutions Program is made.
- k. Ameren Missouri shall file with the Commission the final version of the plans for restoration of safe and adequate service no later than 60 days after each project at issue in this docket becomes commercially operational.
- l. Ameren Missouri shall file with the Commission as-built drawings for the Project within 100 days after the "Final Completion Date or Final Acceptance Date," as defined in the, as applicable, BTA, PSA, or EPC agreement, provided that if developer/contractor is excused under the terms of the agreement from providing certain as-built drawings by that deadline, Ameren Missouri will file such as-built drawings within ten (10) days after receipt thereof. Ameren Missouri will notify the Staff of the Commission within ten (10) days after the Final Completion Deadline or

Final Acceptance Date if there are any as-built drawings for which developer/contractor was excused from delivering by that deadline;

m. The following process shall apply to Ameren Missouri’s next two triennial Integrated Resource Plan (“IRP”) filings pursuant to 20 CSR 4240-22.080(1):⁶

- i. If the Staff, within ninety (90) days after Ameren Missouri makes the subject triennial IRP filing, provides a resource addition timeline(s) alternative to the resource addition timeline reflected in Ameren Missouri’s preferred resource plan (“PRP”) adopted in its triennial IRP filing, Ameren Missouri shall, within ninety (90) days after the Staff provides timeline alternative(s), produce an alternative resource plan reflecting the timeline alternative(s) and provide the performance metrics and annual revenue requirements that result from its modeling of that alternative resource plan. For each such triennial IRP, the Staff may provide up to three (3) resource timeline alternatives and if provided, the Company shall produce up to three (3) alternative resource plans based thereon and provide the performance metrics and annual revenue requirements that result from its modeling for each such alternative resource plan. All modeling inputs and assumptions shall be held constant except as requested by Staff in its request for alternative modeling. “Performance metrics” for purposes of this item shall be the performance metrics identified by the Company in the triennial IRP filing immediately preceding the Staff’s request. All workpapers, documents,

⁶ Ameren Missouri’s next two triennial IRP filings are expected by October 1, 2026, and 2029, respectively.

reports, data, computer model documentation, analysis, letters, memoranda, notes, test results, studies, recordings, transcriptions, and any other supporting information, consistent in type and depth with information required by 20 CSR 4240-22.080(11), relating to the alternative resource plans within the electric utility's or its contractors' possession, custody, or control shall be obtained, preserved, and provided for the alternative resource plans within two (2) business days of that plans' submission to Staff and all spreadsheets shall have all formulas intact. Such information shall include at a minimum (1) the calculation of the annual revenue requirement separately for each year of the planning horizon, (2) the annual load by hour for each year modeled, and (3) generation by unit by hour for each year modeled. For purposes of this provision, the information to be provided shall be understood to mean that information produced in conjunction with the analysis performed in satisfaction of the requirements of this provision, and not the specific information required by 4 CSR 4240-22.080(11). Ameren Missouri agrees to comply with reasonable discovery related to the modeling of alternative plans.

- ii. If the Staff, within ninety (90) days after Ameren Missouri makes the subject triennial IRP filing, provides a resource sizing alternative(s) to the size of resource additions reflected in Ameren Missouri's PRP adopted in its triennial IRP filing, Ameren Missouri shall, within 90 days after the Staff provides such sizing alternative(s), produce alternative resource plans reflecting the sizing alternative(s) and provide the

performance metrics and annual revenue requirements that result from its modeling of that alternative resource plan. For each such triennial IRP, the Staff may provide up to three (3) resource additional sizing alternatives and if provided, the Company shall produce up to three alternative resource plans based thereon and provide the performance metrics and annual revenue requirements that result from its modeling for each such alternative resource plan. “Performance metrics” for purposes of this item shall be the performance metrics identified by the Company in the triennial IRP filing immediately preceding the Staff’s request. The information required by 20 CSR 4240-22.080(11) shall be preserved and provided for the alternative resource plans within two (2) business days of that plans’ submission to Staff and with respect to any spreadsheets included in such information, with spreadsheet formulas intact.

iii. If the Staff, within ninety (90) days after Ameren Missouri makes the subject triennial IRP filing, provides varied assumption values on the items listed below, which are to be provided in a format that can be used in the Company’s IRP models, the Company shall use the varied assumptions for its PRP and for the alternative resource plans produced under sub-paragraphs 5.k.i and 5.k.ii, provided that the combinations of the below four (4) assumptions shall result in no more than six (6) additional analysis endpoints. The items for which assumption values may be varied are as follows:

- Market price changes for key components by resource type,
- Energy pricing, capacity pricing, load assumption, fuel assumption scenarios,

- Changes to tax incentives, and
- Ongoing litigation regarding existing resources.

- iv. The Company shall include an alternative plan that complies with the bare minimum of legal mandates and Midcontinent Independent Operator System, Inc. requirements.
- n. By March 15, 2024, Staff shall provide input to Ameren Missouri necessary to allow Ameren Missouri to produce three alternative resource plans to the PRP adopted in its 2023 triennial IRP filing that will vary the resources, size of resources, and/or timing of resource additions based on the Staff’s designation of how each such variable should be varied. Ameren Missouri shall produce such three alternative resource plans in response to Staff’s input and will provide the same to the Staff (including the workpapers underlying them) prior to Ameren Missouri’s next request for a certificate of convenience and necessity (“CCN”) for a generation resource, other than an additional Community Solar Program resource, or within 90 days whichever comes sooner.
- o. Ameren Missouri shall include in any future generation CCN filing (except for generation CCNs related to Community solar or any other resource that Staff and Company mutually agree are exempt) that occurs prior to 2030; or if the contemplated 2029 triennial IRP filing is for any reason delayed, filed prior to the date of its filing, the following:
 - i. A re-run of its then-existing PRP using project-specific characteristics of the project(s) at issue in the applicable CCN case, in replacement of generic assumptions contained in the then-existing PRP for the project(s).

- ii. An alternative plan to model as though the CCN is not granted, in which the Company “does nothing,” i.e., includes no such project, during the same specific horizon in which such a project would become operational. Such a project-specific model and the alternative “do nothing” model shall be fully explained, including the modeled year-by-year revenue requirement and projected energy and capacity values.
- iii. Testimony regarding what needs are being addressed, whether qualitative or quantitative, as well as the timing of the needs identified.
- iv. Testimony explaining what regulatory treatments are implicated by the CCN filing.
- v. Testimony that addresses the following questions:
 1. Does the Commission have jurisdiction over the Applicant?
 2. Very specifically, what authority is requested, and does the Commission have jurisdiction to grant the authority requested?
 3. Has the Applicant met all CCN rule requirements?
 4. Has the Applicant met all other filing requirements of an applicable Commission order or rule?
 5. Does the Applicant have the financial ability to construct (or purchase), own, operate, and maintain each project?
 6. Does the Applicant have the operational capability to construct (or purchase), own, operate, and maintain each project?
 7. Separately for each project, is the project both important to the public convenience and desirable for the public welfare? Or, is the project

effectively a necessity because the lack of the service is such an inconvenience?

8. Separately for each project, is the project of sufficient importance to warrant the expense of making it? Or, is the project such an improvement as to justify or warrant the expense of making the improvement?
9. If applicable, are there conditions or mechanisms that can be imposed to overcome any deficits in the answers to the prior questions?
10. Has the Applicant presented an adequate direct case to demonstrate each question enumerated?

p. The Company agrees to conduct a feasibility analysis on using grazing animals to control vegetation in and around solar farms as a means to reduce future O&M expense, increase goodwill, and improve market attractiveness for potential participants in Ameren Missouri's solar subscription offerings. The Company agrees to meet with OPC and Staff twice in 2024 on this issue. The first meeting will include a discussion on the scope of the analysis and the second will discuss the results and any actions moving forward. Ameren Missouri agrees to file the results of the analysis and expected actions (if any) by the end of calendar year 2024 in this docket.

6. The Signatories agree that a CCN for the Cass County Project should not be granted unless and until the following condition precedent is satisfied: An auction process seeking subscriptions to the Cass County Project as a Renewable Solutions Program resource and offering subscriptions to the Cass County Project at a first year Renewable Resource Rate of \$9.50 per kilowatt ("kW") and at a first year Renewable Benefits Rate of \$0.04 per kilowatt-hour ("kWh") shall be completed, resulting in Renewable Solutions Program subscriptions for the

entire capacity of the Cass County Project at a Renewable Resource Rate of no less than that stated above and at a Renewable Benefits Rate of no more than that stated above. The workpaper attached hereto as Exhibit B shall be used to determine Renewable Resource Rates and Renewable Benefit Credits after the first year by increasing the first year Renewable Resource Rate and/or decreasing the first year Renewable Benefits rate in accordance with the auction results.

7. Should the condition precedent in paragraph 6 be satisfied, the Signatories agree that the Commission should at that time grant Ameren Missouri a certificate of convenience and necessity under subsection 1 of Section 393.170 authorizing Ameren Missouri to construct, install, own, operate, maintain, and otherwise control and manage the Cass County Project, including authorizing Ameren Missouri to engage in the transactions by which it will construct and finance the Cass County Project pursuant to the Purchase and Sale Agreement (“PSA”)⁷ with Savion, LLC. The Signatories further agree that such a CCN for the Cass County Project should be made subject to the conditions provided for in paragraph 5 of this Agreement.

8. ** _____

_____ ** .

⁷ The PSA is attached to the Direct Testimony of Company witness Scott Wibbenmeyer filed in this docket.

GENERAL PROVISIONS OF AGREEMENT

9. This Agreement is being entered into solely for the purpose of settling the issues in this case explicitly set forth above. Unless otherwise explicitly provided herein, none of the Signatories to this Agreement shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any cost-of-service methodology or determination, depreciation principle or method, method of cost determination or cost allocation or revenue-related methodology.

10. This Agreement is a negotiated settlement. Except as specified herein, the Signatories to this Agreement shall not be prejudiced, bound by, or in any way affected by the terms of this Agreement: (a) in any future proceeding; (b) in any proceeding currently pending under a separate docket; and/or (c) in this proceeding should the Commission decide not to approve this Agreement, or in any way condition its approval of same. This Agreement has resulted from extensive negotiations among the Signatories, and the terms hereof are interdependent. If the Commission has questions for the Signatories' witnesses or Signatories, the Signatories will make available, at any on-the-record session, their witnesses (if any) and attorneys on the issues resolved by this Stipulation, so long as all Signatories have had adequate notice of that session. The Signatories agree to cooperate in presenting this Stipulation to the Commission for approval, and will take no action, direct or indirect, in opposition to the request for approval of this Stipulation.

11. If the Commission does not approve this Agreement unconditionally and without modification, then this Agreement shall be void and no Signatory shall be bound by any of the agreements or provisions hereof.

12. If approved and adopted by the Commission, this Agreement shall constitute a binding agreement among the Signatories. The Signatories shall cooperate in defending the

validity and enforceability of this Agreement and the operation of this Agreement according to its terms.

13. If the Commission does not approve this Agreement without condition or modification, and notwithstanding the provision herein that it shall become void, (a) neither this Agreement nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any Signatory has for a decision in accordance with RSMo. §536.080 or Article V, Section 18 of the Missouri Constitution, and (b) the Signatories shall retain all procedural and due process rights as fully as though this Agreement had not been presented for approval, and any suggestions, memoranda, testimony, or exhibits that have been offered or received in support of this Agreement shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any purpose whatsoever.

14. If the Commission accepts the specific terms of this Agreement without condition or modification, only as to the settled issues in these cases explicitly set forth above, the Signatories each waive their respective rights to present oral argument and written briefs pursuant to RSMo. §536.080.1, their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2, their respective rights to seek rehearing pursuant to §536.500, and their respective rights to judicial review pursuant to §386.510. This waiver applies only to a Commission order approving this Agreement without condition or modification issued in this proceeding and only to the issues that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this Agreement.

15. This Agreement embodies the entirety of the agreements between the Signatories

in this case on the issues addressed herein and may be modified by the Signatories only by a written amendment executed by all of the Signatories.

16. Contingent upon Commission approval of this Stipulation without modification, the Signatories hereby stipulate to the admission into the evidentiary record of the Signatories' pre-filed testimony (as amended, in the case of Staff witness Cunigan).

WHEREFORE, the Signatories request the Missouri Public Service Commission issue an order approving the terms and conditions of this Stipulation and Agreement and granting the CCNs for the Split Rail, Vandalia, and Bowling Green Projects.

Respectfully Submitted,

/s/ James B. Lowery

James B. Lowery, Mo. Bar #40503

JBL LAW, LLC

9020 S. Barry Rd.

Columbia, MO 65201

Telephone: 573-476-0050

E-Mail: lowery@jblawllc.com

Wendy K. Tatro, Mo Bar #60261

Director and Assistant General Counsel

Ameren Missouri

1901 Chouteau Avenue

St. Louis, MO 63103

Telephone: (314) 554-3484

Facsimile: (314) 554-4014

E-Mail: AmerenMOService@ameren.com

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

/s/ Paul T. Graham,

Senior Staff Counsel, Mo. Bar # 30416

Missouri Public Service Commission

P.O. Box 360

Jefferson City, Mo 65102-0360

(573) 52-8459

paul.graham@psc.mo.gov

**ATTORNEY FOR THE STAFF OF THE
MISSOURI PUBLIC SERVICE COMMISSION**

/s/Anna Kathryn Martin,

Anna Kathryn Martin, Mo. Bar #72010

Associate Counsel

P.O. Box 2230

Jefferson City MO 65102

(573)526-1445

(573)751-5562 FAX

anna.martin@opc.mo.gov

**ATTORNEY FOR THE OFFICE OF THE
PUBLIC COUNSEL**

CERTIFICATE OF SERVICE

The undersigned certifies that true and correct copies of the foregoing was served on the Staff of the Missouri Public Service Commission and the Office of the Public Counsel via electronic mail (e-mail) on this 23rd day of February, 2024.

/s/ James B. Lowery

Exhibit A

	Split Rail Solar Project	Cass County Solar Project	Vandalia Solar Project	Bowling Green Solar Project
Facility Size (<i>nominal</i>)	300-MW _{AC}	150-MW _{AC}	50-MW _{AC}	50-MW _{AC}
Location	Warren County, MO	Cass County, IL	Audrain County, MO	Pike County, MO
Structure	Build-Transfer Agreement	Purchase and Sale Agreement	Self-Build	Self-Build

