

**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 ) **File No. EA-2024-0212**  
Permission and Approval and a Certificate of )  
Public Convenience and Necessity )

**STAFF’S RECOMMENDATION**

**COMES NOW** Staff of the Missouri Public Service Commission (“Staff”), by and through the undersigned counsel, and respectfully states as follows:

1. In its *Order Directing Notice, Setting Intervention Deadline, and Directing Staff Recommendation* issued on May 29, 2024,<sup>1</sup> the Commission ordered Staff to file a recommendation no later than July 12. The Commission rescinded its order directing Staff to file its recommendation on July 10.<sup>2</sup> And on July 24, the Commission ordered Staff to file rebuttal testimony by July 30. In support of the Commission order, Staff hereby submits its recommendation.<sup>3</sup>

2. Previously, on January 12, the Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Applicant") filed an application with the Commission. In its application, the Applicant requested a *Certificate of Convenience and Necessity* (CCN) to construct a photovoltaic solar generation plant in Montgomery County, Missouri (“Project” or “New Florence Solar Facility”).<sup>4</sup>

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<sup>1</sup> Unless otherwise stated, all dates hereafter are in reference to 2024.

<sup>2</sup> Order Rescinding Staff Recommendation Direction

<sup>3</sup> In its *Joint Motion to Adopt Procedural Schedule*, the Parties recommended that Staff file either Rebuttal Testimony and/or Staff Recommendation on July 30, 2024. Staff has chosen to submit its response to Ameren Missouri’s application and direct testimony in the form of its recommendation.

<sup>4</sup> This CCN is part of phase II of the Applicant’s Community Solar program, File No. ET-2020-0022.

3. Staff reviewed the Applicant's application. Staff believes the Applicant met the applicable filing requirements for CCN applications for the authority to construct an asset subject to Commission rule 20 CSR 4240-20.045(6).<sup>5</sup>

4. The Applicant is currently within compliance of Section 393.170.1, RSMo.<sup>6</sup> The statute requires utilities to seek permission and obtain approval from the Commission before the utility begins construction of an electric plant unless the plant has an energy generation unit with a capacity of one megawatt (MW) or less.

5. The proposed permanent *Community Solar Project* (CSP) is an approximately seven (7) MW photovoltaic solar generation plant located in New Florence, Missouri.<sup>7</sup> The site subject to this application consists of roughly 33 acres of agricultural land that is owned by Ameren Missouri, and is adjacent to their existing Montgomery County Community Solar Center ("MCCSC"). Because of its proximity to the MCCSC the *Project* can leverage the existing interconnection point to Ameren Missouri's 34.5 kV distribution system. It is expected that the *Project* will produce 15,000 MWh annually.

The permanent CSP is different from the CSP Pilot. The main difference from the pilot is that customers will now subscribe to assign a specified percentage of their monthly usage as solar energy, rather than applying blocks of 100 kWh to reduce their monthly usage.<sup>8</sup> Accordingly, under the CSP the amount each customer subscription bills may vary monthly, where it was fixed under the CSP Pilot.

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<sup>5</sup> The Company complied with 20 CSR 4240-20.045(6) with the exception the sections that were not applicable to this case. The sections not applicable to this case are 20 CSR4240-20.045(6)(E) and (6)(K)

<sup>6</sup> Statutes are current through the end of the 2023 First Regular Session of the 102nd General Assembly.

<sup>7</sup> The Applicant also has a pilot community solar program that is currently operation as well.

<sup>8</sup> Under the CSP, a customer who replaces half of their electricity use with solar will be charged 50% by the CSP based on Solar Generation and Facilities rates per kWh and 50% by standard tariff rates.

Under the permanent CSP, a customer who replaces half of their electricity use with solar will be charged 50% by the CSP based on Solar Generation and Facilities rates per kWh and 50% by standard tariff rates. The customer's cumulative demand can vary widely from month-to-month as each subscriber's usage varies. Staff is concerned about the potential difficulties subscribers may face in accurately estimating their energy charges under the permanent CSP.

Further, the permanent CSP's intended structure is limited to paying for associated costs, which partially protects Ameren Missouri's unsubscribed ratepayers. If the project falls below 50% of program resources, the unsubscribed ratepayers may bear the costs of that shortfall, according to the Applicant's tariff.<sup>9</sup>

Staff is also concerned about the simultaneous continuation of the CSP Pilot, which could cause customer confusion and inequity among Ameren Missouri's community solar subscribers. Staff has not identified signs of urgency in transitioning pilot customers to the permanent program.

6. Staff's memorandum, attached hereto and incorporated by reference, addresses Ameren Missouri's application for a certificate using the Commission's Tartan criteria, and recommends the Commission to issue an order authorizing Ameren Missouri's request for a CCN to construct a photovoltaic solar generation plant in Montgomery County, Missouri, subject to Staff's following recommended conditions:

1. Ameren Missouri agrees to include tariff language such that in the event that the *Project* is subscribed to at least the 50% level but less than 100%, the cost to the customer shall be the same as if the *Project* was fully subscribed, leaving Ameren Missouri's shareholders to pay for any deficit;

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<sup>9</sup> Paragraph 13. Tariff Schedule 89.3

2. Develops conservative “not-to-exceed” rates that are expected to recover the entire revenue requirement associated from the facility, from participants, in each year of the program term;
3. Provides the conservative “not-to-exceed rate” to the waitlist customers, and any prospective customers, requesting feedback on the impact of the status of their expected subscription status;
4. Provides the Commission, and Staff, documentation of the calculation of the conservative “not-to-exceed” rate and the subsequent total waitlist subscription level based upon customer feedback on subscription status;
5. Demonstrates that the expected subscription level exceeds the 70%, equivalent to 4.9 MW of the expected generation capacity of the solar resource;
6. Ameren Missouri agree to use the in-service criteria contained in this memo to determine whether the facility, once constructed, is fully operational and used for service; and
7. Ameren Missouri agree that any costs associated to the CSP be well recorded and isolated from the non-subscribers in future rate cases.

**WHEREFORE,** Staff respectfully requests the Commission accepts its *Recommendation*, and issue an order authorizing Ameren Missouri’s request for a CCN to construct a photovoltaic solar generation plant in Montgomery County, Missouri, subject to Staff’s recommended conditions as described in paragraph 6.

Respectfully submitted,

**/s/ Eric Vandergriff**

Eric Vandergriff

Associate Counsel

Missouri Bar No. 73984

P.O. Box 360

Jefferson City, MO 65012

(573) 522-9524 (Telephone)

(573) 751-9285 (Fax)

eric.vandergriff@psc.mo.gov

Counsel for the Staff of the  
Missouri Public Service Commission

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed or hand-delivered, transmitted by facsimile or electronically mailed to all parties and/or counsel of record on this 30<sup>th</sup> day of July, 2024.

**/s/ Eric Vandergriff**