

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 21st day of
August, 2019.

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 GRANTING APPLICATION TO SELL ASSET

Issue Date: August 21, 2019

Effective Date: August 31, 2019

On June 13, 2019,¹ Union Electric Company d/b/a Ameren Missouri asked the Commission to allow it to sell a transformer to SSM HEALTH, INC., d/b/a SSM Health Saint Louis University Hospital. SSM Health wants to purchase the transformer that enables electric service to its West Pavilion Radiation Oncology facility in St. Louis so that building can be incorporated into the electrical distribution system SSM Health owns to serve the rest of its campus. Because SSM Health is planning construction involving the transformer, Ameren Missouri asked the Commission to expedite its approval of the sale and asked for a waiver of the 60-day notice requirement of Commission Rule 4 CSR 240-4.017(1).

On June 14, the Commission issued an order giving notice of the application to the Clerk of the City of St. Louis. No party has asked to intervene. The Commission also directed its Staff to file a recommendation regarding the application.

¹ All references to dates are in 2019 unless otherwise indicated.

Staff's review of the application revealed that Ameren Missouri had incorrectly calculated the impact of income taxes on the sale price for the transformer. Consequently, Ameren Missouri filed an amended application on July 17, and a second amended application on August 2. On August 2, the Commission directed Staff to file a recommendation by August 13 and ordered that any other party wishing to file a recommendation do so by two business days after Staff filed its recommendation. Staff filed its recommendation on August 13, advising the Commission to approve the sale as it is described in the second amended application. No other party has filed a recommendation.

Ameren Missouri proposes to sell the transformer and related manhole for \$15,346.96, representing the property's reproduction cost depreciated (\$14,002.55), plus state and federal income taxes (\$1,344.41). Staff explained that the proposed transaction is not detrimental to the public interest because SSM Health is the only customer served by the transformer. As a result, the sale will not have an impact on Ameren Missouri's other customers. In fact, Ameren Missouri's other customers benefit from the proposed transaction because the sale of the transformer will enable Ameren Missouri to recover a fair price for the transformer, while forgoing future maintenance expenses. Further, the impact on tax revenues, if any, resulting from the proposed transaction will be negligible.

Section 393.190 RSMo 2016 requires an electrical corporation to obtain Commission approval before selling its assets. The Commission may not withhold approval of the sale unless the sale would be detrimental to the public interest.²

The Commission has reviewed the verified application and Staff's verified recommendation. Based upon those pleadings, the Commission finds that the proposed transaction is not detrimental to the interests of Ameren Missouri, SSM Health, or Ameren

² See *State ex rel. Fee Fee Trunk Sewer, Inc. v. Litz*, 596 S.W.2d 466, 468 (Mo.App.E.D. 1980).

Missouri's other ratepayers. Thus, the Commission finds that the proposed transaction is not detrimental to the public interest and should be approved.

Ameren Missouri also requested a waiver of the Commission Rule – 4 CSR 240-4.017(1) - that requires an applicant to file notice with the Commission of its intent to file an application sixty days before filing the application. Ameren Missouri requests such a waiver under Commission Rule 4 CSR 240-4.017(1)(D). Ameren Missouri represents that it had no communication with the Office of the Commission, as defined by the rule, within the 150 days prior to filing its initial application. The Commission finds that Ameren Missouri has demonstrated good cause for the waiver of the sixty-day notice requirement.

The Commission will make this order effective in ten days in recognition of the need for prompt approval of the transaction to allow SSM Health to proceed with its construction plans.

THE COMMISSION ORDERS THAT:

1. Union Electric Company d/b/a Ameren Missouri is granted a waiver of the sixty-day notice requirement of Commission Rule 4 CSR 240-4.017(1).
2. The Commission grants the second amended application of Union Electric Company d/b/a Ameren Missouri for authority to sell to SSM HEALTH, INC. a Missouri nonprofit corporation, d/b/a SSM Health Saint Louis University Hospital, the asset described in the Bill of Sale affixed to the second amended application filed by Union Electric Company d/b/a Ameren Missouri on August 2, 2019.
3. This order shall be effective on August 31, 2019.

4. This file shall be closed on September 1, 2019.



BY THE COMMISSION

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

Morris L. Woodruff
Secretary

Silvey, Chm., Kenney, Hall, Rupp, and
Coleman, concur.

Woodruff, Chief Regulatory Law Judge

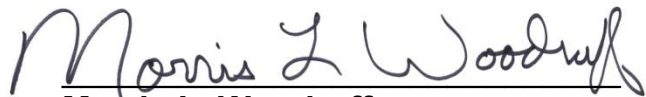
STATE OF MISSOURI

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 21st day of August 2019.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

August 21, 2019

File/Case No. EO-2019-0391

**Missouri Public Service
Commission**

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Union Electric Company

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

Sincerely,



**Morris L. Woodruff
Secretary**

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