

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 13th day of February, 2020.

In the Matter of Union Electric Company d/b/a)
Ameren Missouri's Request for Deferral and)
Authorization Authority Relating to Certain) **File No. EU-2020-0114**
Callaway Energy Center Operations and)
Maintenance Expenses)

ORDER APPROVING STIPULATION AND AGREEMENT

Issue Date: February 13, 2020

Effective Date: March 14, 2020

Background

On October 28, 2019, Union Electric Company d/b/a Ameren Missouri (Ameren Missouri) filed an application for an Accounting Authority Order (AAO) that would allow it to defer certain Callaway Energy Center refueling outage costs to Federal Energy Regulatory Commission Account No. 174 of the Uniform System of Accounts and to amortize those costs. Ameren Missouri also requested a waiver of the prior notice requirements of 20 CSR 4240-4.017(1).

The Commission granted intervention to Missouri Industrial Energy Consumers (MIEC) and Midwest Energy Consumers Group (MECG) on November 14, 2019.

On January 29, 2020, Ameren Missouri, the Staff of the Missouri Public Service Commission (Staff), the Office of the Public Counsel (OPC), and MIEC (collectively "Signatories") filed a Stipulation and Agreement purporting to resolve the issues between the Signatories. MECG was not a signatory to the Stipulation and Agreement, but

authorized the Signatories to represent that it does not oppose approval of the Stipulation and Agreement.

The Stipulation

The Signatories agree that the Commission should issue an order authorizing Ameren Missouri, to defer costs, starting with “Refuel O & M costs” incurred and to be incurred for Callaway refueling outage number 24 (which will commence in the fall of 2020), and for subsequent refueling outages, to Federal Energy Regulatory Commission (“FERC”) Uniform System of Account No. 174, and to amortize the deferred costs as follows:

- a. Ameren Missouri will track the deferred costs within Account No. 174 to allow direct assignment of the costs, via an amortization of the costs to FERC Account No. 524 (miscellaneous nuclear power expenses) and FERC Account No. 530 (maintenance of reactor plant equipment), as appropriate. The amortization will begin in the month Callaway is brought back online after completion of each refueling outage if such date occurs on or before the 15th day of the month in which Callaway is brought back online; otherwise, the amortization will begin in the month following the month in which Callaway is brought back online; and
- b. The deferral shall be on straight line basis starting in the month described above and ending the month prior to the month in which amortization of the next refueling outage is scheduled to begin.

The Signatories also agree that the Stipulation and Agreement does not bind the Commission for ratemaking purposes, that the deferral balance is not to be included in Ameren Missouri’s rate base for ratemaking purposes, and that the deferral and amortization treatment specified above is based upon unique factors regarding the accounting and ratemaking treatment of these particular costs. The Signatories state that the terms of this Stipulation and Agreement are not based the “extraordinary” standard the Commission normally uses in determining whether an AAO is appropriate.

Additionally, the terms of the Stipulation and Agreement apply only to this transaction and set no precedent or alternative treatment for other costs.

Under Commission Rule 20 CSR 4240-2-115(2) parties have seven days to object to a non-unanimous stipulation and agreement. If no party files a timely objection to a stipulation and agreement, the Commission may treat it as a unanimous stipulation and agreement. More than seven days have passed since the Stipulation and Agreement was filed, and no party has objected. Therefore, the Commission will treat the non-unanimous stipulation and agreement as a unanimous stipulations and agreement.

After reviewing the Stipulation and Agreement, the Commission finds that the Stipulation and Agreement is a reasonable resolution of the issues and that the Stipulation and Agreement should be approved.

THE COMMISSION ORDERS THAT:

1. The Stipulation and Agreement filed on January 29, 2020, is approved. The parties are ordered to comply with the terms of the Stipulation and Agreement. A copy of the Stipulation and Agreement is attached to this order and incorporated by reference.

2. Ameren Missouri is authorized to defer Callaway refueling outage operations and maintenance costs on and after refueling outage number 24, to Federal Energy Regulatory Commission Uniform System of Account No. 174, subject to the specific terms of the Stipulation and Agreement.

3. This order shall be effective on March 14, 2020.



BY THE COMMISSION

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

Morris L. Woodruff
Secretary

Silvey, Chm., Kenney, Rupp, Coleman, and
Holsman CC., concur.

Clark, Senior Regulatory Law Judge

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Union Electric Company d/b/a)
Ameren Missouri’s Request for Deferral and)
Amortization Authority Relating to Certain) File No. EU-2020-0114
Callaway Energy Center Operations and Maintenance)
Expenses.)

STIPULATION AND AGREEMENT

COMES NOW Union Electric Company d/b/a Ameren Missouri ("Company" or "Ameren Missouri"), the Staff of the Missouri Public Service Commission ("Staff"), the Office of the Public Counsel ("OPC"), and the Missouri Industrial Energy Consumers ("MIEC") (collectively referred to hereinafter as the "Signatories"),¹ and hereby submit this Stipulation and Agreement ("Stipulation"), as follows:

I. BACKGROUND

1. On October 28, 2019, the Company filed its Application for Deferral and Amortization Authority and for Waiver of 20 CSR 4240-4.017(1) (the "Application"). The Application sought authority to defer and amortize certain costs related to Callaway Energy Center ("Callaway") refueling outages.

2. MIEC and MECG timely filed applications to intervene, which were granted by order dated November 14, 2019.

3. In accordance with the Commission’s October 29, 2019 *Amended Order Directing Notice, Setting Intervention Deadline and Directing Staff Recommendation*, the Staff filed a Staff Recommendation on December 27, 2019 in which Staff recommended approval of the Application (including the waiver request).

¹ The remaining party to this case, Midwest Energy Consumers Group ("MECG"), has authorized the Signatories to indicate that MECG does not oppose approval of this Stipulation and Agreement.

4. In the interim between the October 29, 2019 and the filing of the Staff Recommendation on December 27, 2019, OPC, MIEC, and MECG jointly raised potential issues with the Application and requested a procedural conference be held to discuss them. The Commission initially scheduled a procedural conference for December 30, 2019, but by agreement among the Signatories the procedural conference was postponed and ultimately cancelled. Instead, the parties have conferred among themselves to discuss the concerns that were raised, which have been resolved according to the terms of this Stipulation.

II. STIPULATIONS AMONG THE SIGNATORIES

5. The Signatories agree (on and subject to the conditions specified below) that the Commission should issue its order authorizing Ameren Missouri, starting with “Refuel O & M costs”² incurred and to be incurred for Callaway refueling outage number 24 (which will commence in the fall of 2020),³ and for subsequent refueling outages, to defer such costs to Federal Energy Regulatory Commission (“FERC”) Uniform System of Account No. 174 and to amortize the deferred costs as follows:

- a. Ameren Missouri will track the deferred costs within Account No. 174 to allow direct assignment of the costs, via an amortization of the costs to FERC Account No. 524 (miscellaneous nuclear power expenses) and FERC Account No. 530 (maintenance of reactor plant equipment), as appropriate. The amortization will begin in the month Callaway is brought back online after completion of each refueling outage if such date occurs on or before the 15th day of the month in which Callaway is brought back online; otherwise, the amortization will begin in the month following the month in which Callaway is brought back online; and
- b. The deferral shall be on straight line basis starting in the month described above and ending the month prior to the month in which amortization of the next refueling outage is scheduled to begin.

² “Refuel O & M costs” consist of Callaway refueling outage operations and maintenance costs, except base internal labor, and includes overtime costs.

³ The Company’s Application mistakenly indicated that refueling outage No. 24 started in September 2019. The correct commencement date for outage No. 24 is the fall of 2020.

6. This agreement does not bind the Commission to any particular ratemaking treatment of the Refuel O & M costs and will not preclude any party from proposing any ratemaking treatment for refueling costs in future rate proceedings; provided, that the deferral balance shall not be included in the Company's rate base for ratemaking purposes.

7. The agreement of the Signatories to the deferral and amortization treatment specified in paragraph 5 is based upon unique factors regarding the accounting and ratemaking treatment of these particular costs. The Signatories expressly state that the terms of this Stipulation are not based in any way on application of the "extraordinary" standard the Commission has employed in the past to determine whether utility requests for accounting authority orders should be granted. The terms of this Stipulation are not to be interpreted as establishing any precedent for future utility requests for accounting authority orders or other alternative accounting treatments involving other costs.

WHEREFORE, the Signatories request that the Commission make and enter its order approving the foregoing Stipulation and Agreement granting the Company the deferral and amortization authority set forth herein, on and subject to the terms and conditions set forth herein.

Respectfully submitted,

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/s/ James B. Lowery

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**Attorneys for the Missouri Industrial Energy
Consumers**

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing Stipulation and Agreement has been e-mailed, this 29th day of January, 2020, to counsel for all parties of record.

/s/ James B. Lowery

James B. Lowery

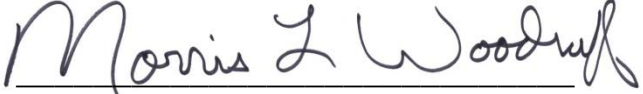
STATE OF MISSOURI

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 13th day of February 2020.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

February 13, 2020

File/Case No. EU-2020-0114

**Missouri Public Service
Commission**

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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.