

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 10th day of July, 2019.

In the Matter of the Application of Union)
 Electric Company d/b/a Ameren Missouri)
 for a Variance from the Provisions of)
 Commission Rule 4 CSR 240-14 to Meet)
 Unregulated Competition in a Subdivision)
 in St. Charles County, Missouri)

File No. EE-2019-0395
 Tariff No. YE-2019-0223

ORDER GRANTING VARIANCE AND NOTICE REGARDING TARIFF

Issue Date: July 10, 2019

Effective Date: July 20, 2019

On June 14, 2019, Union Electric Company d/b/a Ameren Missouri filed a request for variance from Commission Rule 4 CSR 240-14.020(1) regarding prohibited promotional practices. Ameren Missouri seeks a variance to allow it to compete with Cuivre River Electric Cooperative, Inc., an unregulated entity, for business in a new subdivision.

The developer of Grantham Estates, a 22-lot subdivision in Flint Hill, Missouri, has been in discussions with both Ameren Missouri and Cuivre River to provide electric service to the subdivision. Both entities have facilities nearby, and the subdivision area is not subject to an existing territorial agreement. Cuivre River has offered the developer incentives to provide service to the subdivision. Ameren Missouri requests a variance from this regulation so that it may also provide the developer with incentives, so that it may provide electric service to the new subdivision.

Normally, a developer would provide, at its cost, all trenching and installation of a complete conduit system as its contribution to Ameren Missouri's underground

distribution system under Ameren Missouri's Tariff Sheet No. 118. Cuivre River has offered to serve the developer with an underground electric system, as an unregulated entity it does not need the Commission's approval to offer that incentive.

Commission Rule 4 CSR 240-14.010(2) allows a utility to request a variance from the Commission's Utility Promotional Practices Rules. Additionally, Ameren Missouri's Tariff Sheet No. 161 allows the utility to waive costs associated with the extension of service to compete with offers made by unregulated competition after the Commission is notified and grants a waiver for good cause. Good cause exists to grant the variance of the Commission's Utility Promotional Practices Rules and to waive Schedule No. 6 of 1st Revised Tariff Sheet No. 118 because the company will gain customers, which will spread fixed costs over a larger customer base. Additionally, the company has a new substation in the area that can easily accommodate the new load and will promote efficient use of the substation. Accordingly, if the estimated costs and potential revenues are correct, the Commission infers that the subdivision will cover its variable costs and contribute to the fixed costs.

Ameren Missouri seeks expedited treatment of its application under Commission Rule 4 CSR 240-2.080(14). Good cause to grant the request for expedited treatment exists because Ameren Missouri must accommodate the developer's construction timeline.

Ameren Missouri also filed tariff revision YE-2019-0223, a revision of Ameren Missouri's Tariff Sheet No. 161.1, that adds the subdivision to Ameren Missouri's list of unregulated competition waivers. That tariff revision has an effective date of July 14, 2019.

Ameren Missouri necessarily seeks a waiver of the Commission's 60-day notice requirement of Commission Rule 4 CSR 240-4.017(1)(D) so that it could file its variance request quickly. Ameren Missouri certifies that it has had no communication with the office of the commission regarding any substantive issue likely to be in this case during the preceding 150 days.

The Commission's Staff filed a recommendation that the Commission grant the variance, but make no ratemaking determination. The Commission received no other recommendations or comments.

Based on the application, the unopposed recommendation of its Staff, and its own finding of good cause, the Commission will grant the requested waiver and variance. The Commission also provides notice that Ameren Missouri's tariff revision YE-2019-0223 will be allowed to take effect by operation of law July 14, 2019. The Commission makes no ratemaking determination at this time concerning this transaction.

THE COMMISSION ORDERS THAT:

1. Union Electric Company d/b/a Ameren Missouri's request for waiver from the 60-day notice requirement of Commission Rule 4 CSR 240-4.017(1)(D) is granted.
2. Union Electric Company d/b/a Ameren Missouri's request for variance from Commission Rule, 4 CSR 240-14, is granted as it relates to the Grantham Estates subdivision.
3. Union Electric Company d/b/a Ameren Missouri's request for a waiver from the company's Schedule 6, of 1st Revised Tariff Sheet No. 118, is granted as it relates to the Grantham Estates subdivision.

4. This order shall become effective on July 20, 2019.



BY THE COMMISSION

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

Morris L. Woodruff
Secretary

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

Clark, Regulatory Law Judge