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MISSOURI PUBLIC SERVICE COMMISSION

File No. EA-2025-0239

DIRECT TESTIMONY

OF

STEVEN M. WILLS

ON

BEHALF OF

UNION ELECTRIC COMPANY,

d/b/a Ameren Missouri

**St. Louis, Missouri
August 2025**

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DIRECT TESTIMONY

OF

STEVEN M. WILLS

FILE NO. EA-2025-0239

I. INTRODUCTION

Q. Please state your name and business address.

A. Steven M. Wills, One Ameren Plaza, 1901 Chouteau Avenue, St. Louis, Missouri 63103.

Q. By whom and in what capacity are you employed?

A. I am employed by Union Electric Company, d/b/a Ameren Missouri (“Ameren Missouri” or “Company”), as the Senior Director of Regulatory Affairs.

Q. Please describe your professional background and qualifications.

A. I received a Bachelor of Music degree from the University of Missouri-Columbia in 1996. I subsequently earned a Master of Music degree from Rice University in 1998, then a Master of Business Administration (“M.B.A.”) degree with an emphasis in Economics from St. Louis University in 2002. While pursuing my M.B.A., I interned at Ameren Energy in the Pricing and Analysis Group. Following completion of my M.B.A. in May 2002, I was hired by Laclede Gas Company as a Senior Analyst in its Financial Services Department. In this role, I assisted the Manager of Financial Services in coordinating all financial aspects of rate cases, regulatory filings, rating agency studies, and numerous other projects.

In June 2004, I joined Ameren Services as a Forecasting Specialist. In this role, I developed forecasting models and systems that supported the Ameren operating companies’ involvement in

1 the Midwest Independent Transmission System Operator, Inc.'s ("MISO")¹ Day 2 Energy
2 Markets. In November 2005, I moved into the Corporate Analysis Department of Ameren
3 Services, where I was responsible for performing load research activities, electric and gas sales
4 forecasts, and assisting with weather normalization for rate cases. In January 2007, I accepted a
5 role I briefly held with Ameren Energy Marketing Company as an Asset and Trading Optimization
6 Specialist before returning to Ameren Services as a Senior Commercial Transactions Analyst in
7 July 2007. I was subsequently promoted to the position of Manager, Quantitative Analytics, where
8 I was responsible for overseeing load research, forecasting and weather normalization activities,
9 as well as developing prices for structured wholesale transactions.

10 In April 2015, I accepted a position with Ameren Illinois as its Director, Rates & Analysis.
11 In this role, I was responsible for the group that performed Class Cost of Service, revenue
12 allocation, and rate design activities for Ameren Illinois, as well as maintained and administered
13 that company's tariffs and riders. In December 2016, I accepted a position with the same title at
14 Ameren Missouri. In 2022, I was promoted to the position of Director of Regulatory Affairs for
15 Ameren Missouri, in which I provide oversight and direction of all state regulated activities of the
16 Company, and became Senior Director, with similar responsibilities, in January 2024.

17 II. PURPOSE OF TESTIMONY AND INTRODUCTION OF WITNESSES

18 Q. What is the purpose of your testimony?

19 A. The purpose of my testimony is to describe generally the Company's application
20 for a Certificate of Convenience and Necessity ("CCN") for the Reform Energy Center, which will
21 consist of an approximately 250-Megawatt_{AC} ("MW") solar generating plant in Callaway County,
22 Missouri and a new 345 kV switching station, also located on Ameren Missouri's property

¹ Now known as the Midcontinent Independent System Operator, Inc.

(collectively, "Reform" or "Project"). The facility is planned to be constructed and placed into service as a part of the Company's portfolio of generating resources by the fourth quarter of 2028. I will address the *Tartan* Factors that the Commission typically uses in the evaluation of CCNs and explain why granting the CCN is in the public interest. Finally, I will address certain items required by a Stipulation and Agreement entered into by the Company and certain other parties and approved by the Commission in resolution of File No. EA-2023-0286.

Q. What other testimony is being filed to support Ameren Missouri's application?

A. Other Ameren Missouri witnesses filing testimony in this case and the subjects each testimony addresses are as follows.

1. Ajay Arora – the need for, and benefits of, the Reform Project and how the project fits into the Company's overall balanced, supply-side portfolio.
2. Matt Michels – the need for, economic impact of, and benefits of the Reform Project.
3. Mitchell Lansford – financing plans for the Reform Project.
4. Scott Wibbenmeyer – Details regarding the 250-megawatt Reform Project.
5. Leslie Tindall – Details regarding the switching station being built as part of the Project.

Q. Why is Ameren Missouri proposing construction of the Reform Energy Center?

A. As discussed in the Direct Testimonies of Company witnesses Matt Michels and Ajay Arora, the Project is needed to provide the low cost energy required to meet our customers' total energy needs in the context of our Preferred Resource Plan, which includes an appropriate and diverse mix of resources including both the renewable and dispatchable generation needed to achieve the fundamental objective of resource planning – "to provide the public with energy services that are safe, reliable, and efficient, at just and reasonable rates, in compliance with all

1 legal mandates, and in a manner that serves the public interest and is consistent with state energy
2 and environmental policies.”² Growth in demand expected from large load customers, such as
3 data centers and other advanced manufacturing customers that are seeking, or may seek in the near
4 future, retail electric service from the Company, is making the Company's prospective need for
5 energy resources increasingly acute and urgent. On February 13, 2025, the Company filed a Notice
6 of Change in Preferred Resource Plan associated with its Integrated Resource Plan ("IRP"), which
7 identified a need for the acceleration of certain generation, otherwise planned to be developed later
8 in the planning horizon, due to changes in load expectations arising from the high level of interest
9 the Company was receiving from large load customers (including over 2 gigawatts ("GW") of
10 executed construction agreements as explained by witness Arora in his Direct Testimony), as well
11 as a reduction in the level of energy efficiency program savings expected as an outcome of the
12 Company's most recent application for approval of energy efficiency programs under the Missouri
13 Energy Efficiency Investment Act. There is a high probability that the level of large load interest
14 will result in significant new load on the Company's system. As little as 500 MW of new load,
15 which is highly likely to be realized and exceeded, would result in the need for additional energy
16 resources in the same general timeframe as the Project is contemplated to come online. See the
17 Direct Testimony of Matt Michels for more details.

18 Additionally, given the load growth arising from large load customers, the Company
19 expects to need additional renewable energy either for Renewable Energy Standard ("RES")
20 compliance and/or to meet demand for renewables through large load customer voluntary
21 subscription programs. In the Company's large load tariff case, File No. ET-2025-0184, the
22 Company requested a variance from the Commission's RES rules that would remove the load of

² 20 CSR 4240-22.010(2).

1 large load customers that have procured sufficient renewable energy through a Company program
2 from determination of the Company's RES obligation. If the Company ends up serving large load
3 customers – which there is a high probability of at least 500 Megawatts and likely significantly
4 more than the Company does anticipate serving - and assuming the Commission approves the
5 requested variance in the large load tariff case, one of two things happening will be a virtual
6 certainty. Either, 1) the Company will need renewable resources like the Reform Project to provide
7 the renewable energy to meet the demand of large load customers through our programs (and
8 realize program revenues to the benefit of all customers), or 2) the large load customer load that
9 does not enroll in programs sufficient to trigger the variance will result in a need for additional
10 renewable energy for RES compliance. Either way, the Reform Project will be needed to satisfy
11 renewable legal requirements or contractual commitments to large load customers that pay for the
12 renewable energy attributes in a manner that reduces the revenue requirement responsibility of
13 existing customers.

14 Finally, as discussed in more detail in witness Arora's Direct Testimony, the Project is
15 needed for many of the reasons that the Commission found a need for the Company's Boomtown
16 Solar Energy Center in its order in File No. EA-2022-0245, including that it does have accredited
17 capacity value, particularly summer capacity value, that can help alleviate increasingly tight
18 capacity markets, that it provides economic development benefits and meets customer demand for
19 renewable energy, and that it provides valuable low cost energy year round, but especially in the
20 summer, which can mitigate exposure to volatile energy market prices.

Applying this standard, the Commission concluded that the peaking plants at South Harper would "promote the public interest."⁵ In sum, the primary question before the Commission in this case is whether the Reform Project is in the public interest.

Q. Does the Commission generally use guidelines in making the determination you just described?

A. Yes, for many years the Commission has used the so-called "*Tartan* Factors" as a guideline.

Q. What are the *Tartan* Factors?

A. The "*Tartan* Factors" were adopted by the Commission as guidelines for evaluation of CCN applications in its decision in *In Re Tartan Energy Co., L.C.*, No. GA-94-127, 1994 WL 762882 (Sept. 16, 1994). The factors are as follows:

1. Is there a need for the resource?
2. Is the applicant qualified to operate the proposed resource?
3. Does the applicant have the financial ability to develop or acquire the resource?
4. Is the resource economically feasible; and
5. Does granting the CCN for the resource promote the public interest?

I will discuss these factors and how consideration of each of them supports the conclusion that the Project is in the public interest, thereby supporting the Company's request that the Commission grant the CCN.

***Tartan* Factor 1: The Project is Needed**

Q. How does the Missouri Public Service Commission define necessity for purposes of CCN applications such as this case?

⁵ *Id.*, p. 56.

1 A. First, as a threshold matter, it is instructive to consider what the Commission had
2 to say about this factor in the *Tartan* case itself. In *Tartan*, the Commission made clear that “[t]he
3 term ‘necessity’ does not mean ‘essential’ or ‘absolutely indispensable,’ but that an additional
4 service would be “an improvement justifying its cost.” *Tartan* involved a request for an area
5 certificate covering new natural gas service to several communities in southern Missouri, for which
6 new gas distribution infrastructure would need to be built to provide the service. The communities
7 in question were relying on propane or other sources of fuel at the time, and the Commission
8 engaged in a fairly robust discussion of factors that support issuance of a CCN. The Commission
9 determined that need was satisfied in the case and considered the following factors: the
10 communities’ “preference” for natural gas, the positive economic development impacts that
11 granting the CCN would promote, and the potential for lower energy costs for consumers. By
12 doing so, it did not anchor itself to one criterion in deciding whether a need existed but considered
13 the totality of the evidence based on a broad view of the benefits of the project.

14 **Q. Would you please elaborate further on why the Project satisfies the *Tartan***
15 **Factor of need?**

16 A. Yes. As I noted earlier, the need for the Project arises from the Company's analysis
17 in its 2025 Notification of Change in Preferred Resource Plan ("PRP"), including analysis of the
18 large load customers actively seeking service, and/or expected to seek service, within the
19 Company's service territory.

20 Mr. Michels' direct testimony details the need for the Company to fill out its portfolio with
21 cost-effective energy resources like the Reform project to fill expected short energy positions.
22 Additionally, the Project will be needed to either comply with the Company's RES obligation or
23 to meet large load customers' subscription demand to renewable energy programs. And the Project

1 also achieves a number of other important objectives around enhancing economic development in
2 the state, meeting customer demand for renewable energy, and adding some capacity, largely
3 summer, as well as significant energy capabilities to reduce the Company's exposure to tight and
4 volatile wholesale power markets.

5 ***Tartan Factor 2: The Company is Qualified to Operate the Project.***

6 **Q. How does the Company satisfy Tartan Factor 2?**

7 A. The Company has safely and reliably operated thousands of MW of generation,
8 including generation associated with a wide variety of fuel sources and technologies, for decades.
9 With respect to solar generation specifically, witness Scott Wibbenmeyer's Direct Testimony
10 explains that the Company currently owns and operates 3 other large scale solar facilities, is in the
11 process of constructing or developing 3 more, and also has numerous other smaller solar facilities
12 in operation across its service territory. Company witness Leslie Tindall's Direct Testimony
13 similarly explains the Company's qualifications to own and operate the new switching station. The
14 Company is clearly qualified to operate the Reform Solar Project.

15 ***Tartan Factor 3: The Company has the Financial Ability to Develop the Project***

16 **Q. Please address Ameren Missouri's financial ability to develop the resource.**

17 A. As discussed further in the Direct Testimony of Company witness Mitchell
18 Lansford, Ameren Missouri has the financial capability to generate and raise the capital needed to
19 develop the resource in question. The upfront base case capital cost of the Reform Project is
20 estimated to be approximately *** _____ *** with a risk-adjusted capital cost estimate of
21 approximately *** _____ ***. The Company's existing rate base – financed by an
22 appropriate balance of debt and equity – exceeds \$13 billion, and its planned capital additions over
23 the coming five years (not including the Project) also exceeds \$16 billion. The Company has

1 sufficient access to capital markets based on, among other things, its stable issuer credit ratings of
2 Baa1 and BBB+, per Moody's and Standard & Poor's credit rating agencies respectively. I expect
3 there to be little question regarding the Company's financial wherewithal to undertake the Reform
4 Project.

5 ***Tartan* Factor 4: The Project is Economically Feasible.**

6 **Q. Please address the economic feasibility of the Projects.**

7 A. The Reform Project represents an improvement justifying its cost. This is because
8 the Project is a needed resource to reliably and cost effectively meet customers' energy needs,
9 including the growing needs of expected large load customers, to meet renewable mandates or
10 contractual commitments, and to mitigate certain risks. The Commission has recognized that when
11 a project is needed, the economic feasibility question largely turns on whether the utility can
12 finance the project which, as discussed earlier, is not an issue with respect to the Project. The
13 economic feasibility of the Project is also supported by other facts.

14 The Company's IRP is used to establish the Company's PRP. In selecting the PRP, the
15 primary selection criterion is minimization of the net present value of revenue requirement –
16 essentially, this means that the PRP is selected based on an assessment of the "least cost" portfolio
17 available to meet customers' energy and capacity needs, consistent with other secondary planning
18 objectives and risk assessments. The IRP analysis underlying the Company's Notification of
19 Change in Preferred Resource Plan demonstrates that the Company's PRP, which includes the
20 proposed Reform Project, is a cost-effective means of providing the energy and capacity resources
21 needed to reliably serve customers over time, supporting the conclusion that the Project is
22 economically feasible.

1 **Q. Are there other characteristics of the Project that also support a finding of**
2 **economic feasibility?**

3 A. Yes, consistent with items that the Commission has relied on in past CCN cases in
4 its analysis of economic feasibility, the Project will create jobs and tax revenues within the state
5 and within the Company's service territory and will lessen the Company's reliance on the MISO
6 energy and capacity market. Moreover, the Project's contracting for equipment and construction
7 activities is largely the product of competitive bidding and otherwise followed the Company's well-
8 established procurement policies and procedures to ensure the project is built at a competitive
9 market-based cost. Further, the project takes advantage of significant tax credits that exist today,
10 which substantially lower the overall costs. In addition, the site's proximity to existing transmission
11 infrastructure enhances interconnection potential, while its location within a designated energy
12 community provides an additional tax credit benefit under existing federal incentives.

13 ***Tartan* Factor 5: The Project is in the Public Interest.**

14 **Q. Finally, turning to the last *Tartan* factor, does granting the CCN for the**
15 **Reform Project promote the public interest?**

16 A. Yes. It is often said that the public interest test is generally satisfied if each of the
17 first four *Tartan* factors are satisfied. Given that each of the first four *Tartan* Factors strongly
18 support the issuance of the CCN, as discussed above, it is a logical extension to conclude that the
19 Project is in the public interest. But just to put a finer point on the public interest question, I will
20 reiterate the perspective that I first shared in the Boomtown case on the public interest here.

21 Generally, the public interest is served if the Company is able to effectively balance the
22 three priorities that should be considered the pillars of the generation transition that the Company

1 is undertaking and which is otherwise happening broadly across our industry: reliability,
2 affordability, and sustainability.

3 These are the areas that will impact the Company's customers and communities, which are
4 key interests the Commission's regulation of public utilities is designed to promote and protect.
5 Consequently, they are the areas that the Company has focused on in developing its PRP. The
6 Reform Project is a part of the Company's PRP, which is the Company's solution to optimizing
7 across those priorities. Specifically, the Project in this case is a key component of the PRP to help
8 ensure an adequate overall supply of low-cost energy in the context of a system designed to provide
9 the reliability our customers depend on.

10 **IV. EA-2023-0286 Stipulation and Agreement Compliance**

11 **Q. In the Company's most recent CCN case for renewable energy facilities (File**
12 **No. EA-2023-0286) in which it received CCNs for three solar facilities and potential approval**
13 **of a fourth subject to certain conditions being met,⁶ the Company committed in a Stipulation**
14 **and Agreement ("Solar Stipulation") to provide certain information supporting future CCN**
15 **applications filed prior to 2030. Can you please describe the information that is required of**
16 **that Solar Stipulation provision as well as how the Company's filing satisfies those**
17 **requirements?**

18 A. Yes. The Solar Stipulation, filed with the Commission on March 5, 2024, and
19 approved by the Commission on March 21, 2024, required the Company to provide several
20 categories of information, including:

- 21 1. Provide to Staff prior to the filing of a future CCN application analysis of three
22 alternative resource plans of Staff's choosing based on the Company's 2023 IRP,

⁶ Those conditions were met, and the Commission granted a CCN for the fourth facility.

- 1 2. Analysis of its PRP using project specific assumptions replacing generic
- 2 resource assumptions used in its IRP,
- 3 3. Analysis of a "do nothing" plan that assumes the requested CCN is not granted
- 4 and the Company does not pursue the project that is the subject of the
- 5 application,
- 6 4. Testimony regarding the needs being addressed by the resource for which the
- 7 CCN is being sought,
- 8 5. Testimony regarding any regulatory treatments implicated by the filing, and
- 9 6. Answers to ten specific questions that Staff identified in File No. EA-2023-
- 10 0286 as being relevant to the approval of a CCN application.

11 **Q. Has the Company provided all the information required by its agreement to**
12 **the Solar Stipulation in support of its CCN application for the Reform Project in this case?**

13 A. Yes. The Company provided the analysis required in Item 1 above in advance of its
14 Castle Bluff CCN filing in File No. EA-2024-0237 on June 6, 2024, to Staff members Busch,
15 Luebbert, Fortson, and Graham. Consequently, that item is fully satisfied. The analyses required
16 in Items 2 and 3 above are addressed in the Direct Testimony of witness Michels at pages 28
17 through 30. In response to Item 4, I have described the need for the resource at a high level in my
18 testimony above, but the detailed description required by the Solar Stipulation is addressed in the
19 Direct Testimonies of witnesses Ajay Arora and Matt Michels. For Item 5, Plant in Service
20 Accounting ("PISA") will apply to the Projects. Beyond PISA, the Company may also decide in
21 the future to seek inclusion of the costs and benefits of the Project in its Renewable Energy
22 Standard Rate Adjustment Mechanism ("RESRAM") to the extent it is determined that the primary
23 purpose of the Project is that the output of the Project is needed to satisfy, and that it will be is

1 dedicated to meeting, the Company's Renewable Energy Standard compliance, which may depend
2 on the amount and nature of large load service that the Company ultimately serves. I will address
3 the ten questions identified by Staff in Item 6 of the list above in the remainder of this section of
4 my testimony.

5 **Q. 1. Does the Commission have jurisdiction over the Applicant?**

6 A. Yes. Ameren Missouri acknowledges that it is an electrical corporation and public
7 utility subject to the Commission's jurisdiction.

8 **Q. 2. Very specifically, what authority is requested, and does the Commission**
9 **have jurisdiction to grant the authority requested?**

10 A. The Company is requesting that the Commission grant it a Certificate of
11 Convenience and Necessity under its authority pursuant to subsection 1 of § 393.170, RSMo., to
12 construct, own, and operate the Reform Energy Center solar generating plant and the associated
13 switching station in Callaway County, and requests that the Commission grant the CCN by end of
14 March 2026. The Company is also requesting variances from: 20 CSR 4240-20.045(3)(C) so that
15 as-built drawings for the Reform Solar Project can be supplied after exercise of authority under
16 the CCN consistent with the condition related to as-built drawings adopted by the Commission in
17 File No. EA-2023-0286; and 20 CSR 4240-20.045(6)(J) with respect to the solar facility, so that
18 the Company's plans for restoration of safe and adequate service can be provided closer to the time
19 when the Reform Solar Project will commence commercial operations also consistent with the
20 condition relating to this requirement adopted by the Commission in File No. EA-2022-0244, EA-
21 2022-0245, and EA-2023-0286.

1 **Q. 3. Has the Applicant met all CCN rule requirements?**

2 A. Yes. The Company's Application and supporting testimony demonstrate that
3 Ameren Missouri has met all CCN rule requirements for the Project.

4 **Q. 4. Has the Applicant met all other filing requirements of an applicable**
5 **Commission order or rule?**

6 A. Yes. The only requirements are those in 20 CSR 4240-20.045, the applicable
7 provisions of which are addressed in the Company's Application, and the terms of the above-
8 referenced approved stipulation from File No. EA-2023-0286, which are addressed herein.

9 **Q. 5. Does the Applicant have the financial ability to construct (or purchase), own,**
10 **operate, and maintain each project?**

11 A. Yes. See my discussion above and the Direct Testimony of Company witness
12 Mitchell Lansford.

13 **Q. 6. Does the Applicant have the operational capability to construct (or**
14 **purchase), own, operate, and maintain each project?**

15 A. Yes. See my discussion above and the Direct Testimony of Company witnesses
16 Scott Wibbenmeyer and Leslie Tindall.

17 **Q. 7. Separately for each project, is the project both important to the public**
18 **convenience and desirable for the public welfare? Or, is the project effectively a necessity**
19 **because the lack of the service is such an inconvenience?**

20 A. With respect to the Reform Project, the answers to these questions are "yes," as
21 discussed in my testimony above respecting *Tartan* Factors 1, 4 and 5, and for the reasons
22 discussed by Company witnesses Arora and Michels in their Direct Testimonies.

1 **Q. 8. Separately for each project, is the project of sufficient importance to**
2 **warrant the expense of making it? Or, is the project such an improvement as to justify or**
3 **warrant the expense of making the improvement?**

4 A. With respect to the Reform Project, the answers to these questions are "yes," as
5 discussed in my testimony above respecting *Tartan* Factors 1, 4 and 5, and for the reasons
6 discussed by Company witnesses Arora and Michels in their Direct Testimonies.

7 **Q. 9. If applicable, are there conditions or mechanisms that can be imposed to**
8 **overcome any deficits in the answers to the prior questions?**

9 A. There are no deficiencies in the answers the Company has provided which need to
10 be overcome.

11 **Q. 10. Has the Applicant presented an adequate direct case to demonstrate each**
12 **question enumerated?**

13 A. Yes, as demonstrated by the totality of the Company's application and supporting
14 testimony.

15 **Q. Does this conclude your Direct Testimony?**

16 A. Yes.

**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 Permission and)
Approval and Certificates of Public Convenience and) File No.: EA-2025-0239
Necessity Authorizing it to Construct Renewable)
Generation Facilities.)

AFFIDAVIT OF STEVEN M. WILLS

STATE OF MISSOURI)
) ss
CITY OF ST. LOUIS)

Steven M. Wills, being first duly sworn on his oath, states:

My name is Steven M. Wills and hereby declare on oath that I am of sound mind and lawful age; that I have prepared the foregoing *Direct Testimony*; and further, under the penalty of perjury, that the same is true and correct to the best of my knowledge and belief.

/s/ Steven M. Wills
Steven M. Wills

Sworn to me this 29th day of August, 2025.