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Issue(s):	Overview, Benefits of Project, Company's Generation Needs
Witness:	Ajay K. Arora
Type of Exhibit:	Direct Testimony
Sponsoring Party:	Union Electric Company
File No.:	EA-2026-0226
Date Testimony Prepared:	July 24, 2026

MISSOURI PUBLIC SERVICE COMMISSION

FILE NO. EA-2026-0226

DIRECT TESTIMONY

OF AJAY K. ARORA

ON

BEHALF OF

UNION ELECTRIC COMPANY

D/B/A AMEREN MISSOURI

St. Louis, Missouri
July 2026

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DIRECT TESTIMONY

OF AJAY K. ARORA

FILE NO. EA-2026-0226

I. INTRODUCTION & PURPOSE OF TESTIMONY

Q. Please state your name and business address.

A. Ajay K. Arora, Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company"), One Ameren Plaza, 1901 Chouteau Avenue, St. Louis, Missouri 63103.

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

A. I am an Executive Vice President and the Chief Growth and Generation Development Officer for Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company").

Q. Please describe your educational background and employment experience.

A. I received my Bachelor of Science Degree in Chemical Engineering from Panjab University (India) in May 1992. I received my Master of Business Administration degree from Tulane University in May 1998. I joined former Ameren Corporation subsidiary, Ameren Energy, in June 1998 and held trading and structuring positions in Ameren Energy before supervising the group that priced structured energy products for former Ameren Corporation subsidiary Ameren Energy Marketing Company's wholesale and retail customers from 2002 to 2004. From 2004 to 2007, I was responsible for the analytical group supporting Ameren Missouri's transition into the Midwest Independent Transmission System Operator, Inc. ("MISO"), including reviewing specific market design issues in MISO. In 2007, I led the Ameren Missouri Regional Transmission Organization cost-benefit study that was filed with the Missouri Public Service Commission ("Commission") in File No. EO-2008-0134, and I assumed responsibility for the Quantitative Analysis, Integrated Resource Planning, Load Analysis, and Operations Analysis groups. In January 2008, as part of my role as Director of Corporate Planning, I assumed the additional responsibility for the Asset and Trading Optimization group supporting Ameren Missouri. In November 2011, I assumed additional responsibilities for the corporate Project Management Oversight and Market Risk Management groups. These groups oversee large utility capital projects and commodity risk management. In November 2014, I assumed responsibility for the Environmental Services department as Vice President of Environmental Services and Generation Resource Planning. The Environmental Services department develops environmental policy and provides environmental compliance support, which includes the areas of energy delivery, generation, and transmission. In March 2018, I assumed leadership responsibility for Ameren Missouri's entire non-nuclear generation operations and energy management function as Vice President of Power Operations and Energy Management. I assumed the position as Chief Renewable Development Officer in late 2020 and was promoted to Senior Vice-President and Chief Renewable Development Officer in 2022. In late 2024, I was named Chief Development Officer and assumed responsibility for the planning and development of the Company's entire supply-side portfolio, including both dispatchable and intermittent resources. Earlier this year, I was promoted to Executive Vice President and Chief Growth and Generation Development Officer.

Q. Have you previously testified in a proceeding at the Commission or before any other utility regulatory agency?

A. Yes. I have offered testimony before this Commission on multiple occasions, including most recently in File Nos. EA-2025-0239, EA-2025-0238, ET-2025-0184, EA-2023-0286, EA-2022-0245, EA-20 2022-0244, EA-2019-0181, and EA-2021-0202.

Q. What is the purpose of your Direct Testimony?

A. The purpose of my Direct Testimony is to provide an overview of the Company's filing, and to update the Commission on how the Company is discharging its obligation to provide safe and adequate service to all of its customers in a time when it will be retiring aged baseload generation resources and experiencing unprecedented load growth, including load growth driven by large load customers ("LLCs") to be served under the large load tariff approved by the Commission in File No. ET-2025-0184. The primary focus of my Direct Testimony will be to update the Commission on the status of the Company's ongoing efforts to ensure that it owns and operates the appropriate generation portfolio to meet all its customers' needs. This includes the proposed West Alton natural gas combined cycle ("NGCC") facility (the "Project"), which is needed to provide baseload capacity and substantial quantities of energy across the entire year.

II. OVERVIEW OF FILING

Q. In addition to your Direct Testimony, what other witnesses will be supporting the Company's Application for a Certificate of Convenience and Necessity ("CCN") for the Project?

A. The Company is also submitting Direct Testimony in support of its CCN Application from the following witnesses:

- <u>Steven Wills</u>. Mr. Wills' Direct Testimony will address the *Tartan Factors* that the Commission utilizes as guidelines when evaluating requests for CCNs to construct, own, and operate new facilities,[1] with specific focus on the <u>economic feasibility</u> and <u>public interest</u> factors – the fourth and fifth *Tartan* Factors. Mr. Wills also describes the Company's request that the Commission establish the costs eligible for Construction Work in Progress ("CWIP") recovery in accordance with Senate Bill 4, passed by the General Assembly in 2025. Mr. Wills' Direct Testimony also addresses the Company's fulfillment of conditions adopted by the Commission in other recent CCN orders relating to analysis and information the Company is to provide in CCN cases such as this one.
- <u>Matt Michels</u>. Mr. Michels' Direct Testimony will provide the details relating to the <u>needs</u> being addressed by the Project – the first *Tartan* Factor – demonstrating that an NGCC plant, in this case the Project, is necessary to meet those needs. Mr. Michels' Direct Testimony also addresses economics of the Project and provides certain other analyses in compliance with prior CCN case stipulation requirements.

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[1] The *Tartan* Factors are need, qualification to operate, financial ability, economic feasibility, and public interest.

- Mitchell Lansford. Mr. Lansford's Direct Testimony provides evidence demonstrating that the Company has the financial ability to finance the Project – the third *Tartan* Factor.
- Christopher Stump. Mr. Stumpf's Direct Testimony demonstrates that the Company is qualified to construct and operate the Project (the fourth *Tartan* Factor), and details its procurement, construction, and operation.
- Andrew Meyer. Mr. Meyer's Direct Testimony addresses how the Project supports the Company's resource adequacy responsibilities and outlines the Company's firm fuel supply plans to ensure the NGCC units have a reliable source of fuel to generate electricity throughout the year.

Q. Please provide a brief summary of the Project.

A. The Project will consist of three, 700-megawatt ("MW") NGCC units. Each unit will consist of a 1x1, single-shaft advanced-class gas turbine, an electrical generator, a steam turbine, heat recovery steam generator ("HRSG") equipment, and a wet-cooled forced draft cooling tower. The units are capable of high efficiency baseload operations and are expected to operate at a capacity factor of 85% or more.

Q. Please summarize the key reasons the Commission should grant a CCN for the Project.

A. There are several reasons the Commission should grant Ameren Missouri the requested CCN, including:

- The Project is needed to meet winter and summer capacity needs, provide baseload energy for all customers, and replace retiring baseload capacity. While a large, baseload plant placed in service in the early 2030s-timeframe has been called for by the Company's preferred resource plan ("PRP") since at least 2022,[2] as contemplated by the Company's current 2025 PRP, the Company has realized significant LLC load growth as evidenced by signed Electric Service Agreements ("ESAs") executed in the first and second quarters of this year that make this need for baseload generation even more acute at this time. These ESAs obligate the Company to provide service to customers whose contract capacity will total approximately 2,800 MW when they reach full load, which is expected to occur by ***_________________ ***.

- The Project is needed whether or not the Company gains any additional LLC load beyond the 2.8 gigawatts ("GW") of LLCs for which it has already signed ESAs.
- The Project will be part of the Company's balanced supply-side portfolio that meets the needs of all its customers in a reliable and resilient manner. The Company expects the ownership and operation of dispatchable resources will ultimately provide at least 70% of the energy our customers need, with renewables to provide the remaining energy of up to 30%. The Project is a key component of implementing this balanced portfolio.

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[2] As of 2022 the Company had planned to construct a 1,200 MW NGCC plant to go into service concurrently with the retirement of the Sioux Energy Center and additional dispatchable generation (which could have been additional NGCC capacity) after the then-planned closure of two Labadie units in 2036. Sizing the West Alton NGCC Project as 2,100 MW reflects an acceleration of a portion of that additional capacity given large load customer and other load growth not anticipated at the time of the Company's June 2022 Notice of Change in PRP nor at the time of the Company's 2023 PRP.

III. LARGE LOAD GROWTH

Q. You've used the phrase "large load customers." How are you defining that phrase?

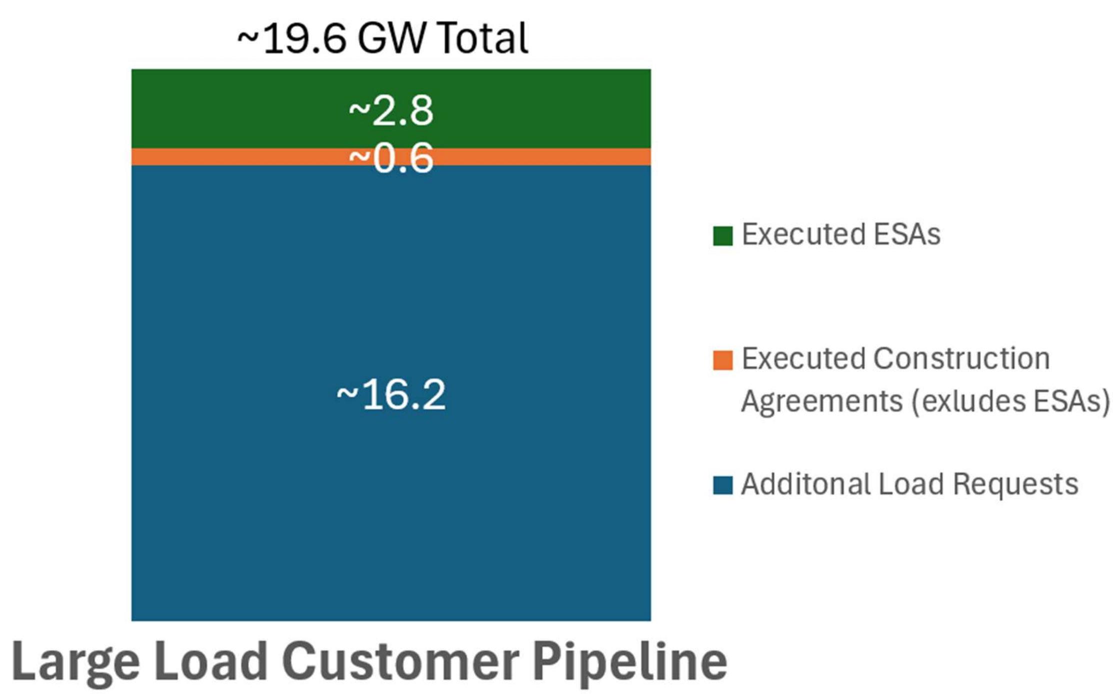
A. I am defining that phrase as a customer whose load is expected to be 75 MW or more that will be served at a transmission level voltage of at least 115 kV as defined in the Company's Large Load Customer tariff approved in File No. ET-2025-0184.

Q. Please describe the Company's recent LLC developments in more detail.

A. In November 2025, the Commission issued an order approving a stipulation and agreement authorizing the Company to establish and implement an LLC rate plan with the conforming tariffs to take effect in January 2026. Within the first two quarters of 2026, the Company executed ESAs totaling approximately 2,800 MW at full load. ***________ ____ ______________________________.***

Inclusive of the approximate 2,800 MW of signed ESAs, the Company has executed construction agreements for completion of the transmission-level infrastructure necessary to serve approximately 3.4 GW of new LLC demand within its service territory. Also, we have received additional transmission study requests representing approximately 16.2 GW of new additional load from other potential customers, bringing the total new load for which we either have construction agreements, or are studying additional load additions, to approximately 19.6 GW. These values are shown in Table 1 below. Moreover, there is a significant pipeline of additional potential LLCs beyond the approximately 19.6 GW of potential load I just discussed. While it is very likely that not all of this additional load will in fact locate and materialize in Ameren Missouri's service territory, it is easy to see that even if a small fraction does materialize, including the load already subject to existing ESAs, the Company will need additional and timely dispatchable generation solutions to provide the capacity and energy to serve it. This is true both for customers to whom the Company's LLC rate plan would apply as well as more traditional economic development opportunities, including manufacturing and other commercial and industrial sectors.

Table 1.



Q. What role do the ESAs play in determining the Company's need for new system resources?

A. The executed ESAs along with upcoming retirements of baseload capacity are primary drivers of the Company's near-term incremental capacity and energy needs as outlined in Company witness Michels' Direct Testimony. The ESAs establish binding demand commitments with defined ramp schedules. The contracted customers do not introduce system load instantaneously; rather, demand increases in staged increments over specified milestone dates over a small number of years tied to facility build-out and operational phases. These ramp schedules are incorporated directly into the Company's load forecast and resource adequacy modeling. As each ramp milestone is reached, incremental peak demand and annual energy requirements increase correspondingly.

Q. What steps is Ameren Missouri taking to ensure that it has the generation needed to ensure adequate and timely capacity and energy are available to meet its obligation to serve existing and new customers that elect to take service under its approved tariffs?

A. In the short term, the Company has increased, and will continue to increase, its system capacity through enhancements to existing generation facilities, while also utilizing both the MISO market and bilateral agreements for purchases of capacity to cover any additional short-term needs. The Company is also implementing other generation resources recently approved by the Commission, including the Castle Bluff and Big Hollow simple cycle gas units, battery energy storage at the Big Hollow site, the Reform solar facility, and other solar facilities approved by the Commission in 2023.[3] Per the terms of the LLC tariff, should an interim capacity purchase be needed to serve an LLC, these costs are borne entirely by the LLC and not passed on to other customers.

With respect to longer-term resource planning, the Company's PRP outlines the Company's plan to meet its resource adequacy needs based on expectations for large loads at the time it was filed. Details of the Company's PRP are described in Mr. Michels' Direct

[3] We also have additional certificate of convenience and necessity cases pending before the Commission, seeking approval to add additional solar and energy storage assets.

Testimony. Overall, the PRP addresses the Company's plan to ultimately produce at least 70% of the energy its customers need from a mix of baseload and peaking generation comprised of nuclear, coal, natural gas, and hydro, with the remaining up to 30% to be provided by renewable generation and battery storage to ensure the Company has a balanced generation portfolio to reliably and cost-effectively serve all its customers. The Company will file an updated Integrated Resource Plan later this year.

Q. Does the state of Missouri and the Commission recognize the need for economic development from LLCs?

A. Yes. As I noted in the Company's LLC tariff filing (File No. ET-2025-0184), even prior to the passage last year of Senate Bill 4, the state of Missouri had numerous supportive public policies that have been and continue to be in place to help attract and expand large businesses in our state. These programs have been supported by state leaders including multiple Governors, cabinet-level agency heads, and the Missouri General Assembly, who collectively recognize the importance of economic development, including that driven by LLCs. In April 2025, the General Assembly passed Senate Bill 4 mandating the filing of a new LLC tariff by all electrical corporations in the state serving more than 250,000 customers that would also institute customer protections related to cost allocation and risk mitigation associated with serving such significant new load. The Company and Evergy filed their tariffs in May and February of 2025, respectively.[4] Senate Bill 4 went into effect on August 28, 2025. The Commission approved LLC tariffs for both the Company and Evergy in November 2025.[5]

4 Ameren Missouri's LLC tariff was assigned File No. ET-2025-0194, Evergy's LLC tariff was assigned File No. EO-2025-0154.
5 The Commission approved the Company's LLC tariff via *Order Regarding Ameren Missouri's Request*

Q. How does the Commission's decision regarding the generation resources in this case align with both the broader context of economic development in the state of Missouri and the approval of the LLC tariff filing?

A. The General Assembly's passage of Senate Bill 4 and the Commission's swift action in approving the LLC tariffs for the Company and Evergy signaled that Missouri is "open for business." As a result, just a few months after the Commission's approval of the Company's LLC tariff, the Company executed its initial ESAs with LLCs. The Company is acting on its obligation to serve all customers by seeking approval of the Project because it is needed to reliably serve the Company's system load, including the LLC load, the LLC tariff was designed to allow the Company to serve.

Q. Aside from allowing Ameren Missouri's fixed costs to be spread across substantially more billing units creating benefits for all customers, will the 2.8 GW of new LLC load provide economic benefits to Missouri and its communities?

A. Yes. We have a signed ESA covering the Amazon Data Services ("Amazon") data center facility in Montgomery County, Missouri, which will significantly increase tax revenues for the county. The land on which the project will be located, absent the data center, would have generated roughly $8,900 per year in total taxes across all jurisdictions, totaling an estimated $225,000 in tax revenue over the next 25 years. With the data center, under the approved construction plan, the project is projected to generate approximately $400 million in new revenue, including real property taxes and payments made in lieu of taxes for personal property paid over 25 years under a minimum build-out

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for Approval of a Large Load Rate Plan and Associated Variance effective December 4, 2025, in File No. ET-2025-0184. The Commission approved Evergy's LLC tariff via *Report and Order* effective December 13, 2025, in File No. EO-2025-0154.

plan. In a maximum buildout scenario, total revenues are projected to be approximately $1.8 billion over the same period.[6] In addition to these tax revenues, Amazon will provide $1.5 million in 2026 to replace Montgomery County's 911 system, including upgrades to necessary communications equipment. Amazon will provide an additional $1.5 million in 2027 for other county needs. In terms of jobs, the Amazon project is expected to maintain at least 150 full-time, permanent jobs at the facility, earning an annual wage of at least 150% more than the county's 2025 average, which will provide incremental benefits and economic activity to the county and its residents.

As Steve Etcher, the local economic development leader for Montgomery County put it:

> There are so many economic values this [the Amazon] project brings. We're talking thousands of construction jobs for multiple years. We're talking hundreds of permanent jobs for our graduating students out of the local schools. We are talking tens of millions of dollars in tax revenue. We will increase the county tax revenue for taxing jurisdictions by a factor of many multiples from a factor of two in the initial phases to a factor of ten. By the time we get full buildout, what you can do then with that revenue is create this dynamic community with excellent service education systems that are just, you know, top of the line.[7]

We also have a signed ESA covering the Google data center, also in Montgomery County, Missouri, which will also significantly increase property tax collections in the County. The land on which the Google project will be located, absent the data center, would have generated roughly $3,000 per year in total taxes across all jurisdictions, totaling approximately $57,000 in tax revenues over 20 years based on 2024 tax amounts. With the data center project, under the approved construction plan, the project is projected to generate approximately $1.4 billion in new real & personal property tax revenue. Beyond

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[6] 20251208-125511-c21-Plan Cost Benefit Analysis (Project Green).pdf
[7] Montgomery County Data Centers: Residents Oppose Proposal - News USA Today

the tax revenue, Google will make an annual payment of $5,000,000 for each completed data center building with those payments being allocated to the Greater Montgomery County Port Authority, City of New Florence, City of High Hill, Wellsville-Middletown R-1 School District, and Gasconade County R-1 School District. Google is collaborating with the Construction Laborers and Contractors Joint Training Fund of Eastern Missouri to support the Laborers and Contractors Training Center. This project will enable the center to train more than 2,300 construction laborers, including 1,500 apprentices, over the next two years. Finally, Google has committed to providing an Energy Impact Fund of $20 million to support programs that drive down monthly energy bills for Missouri households with a focus on the communities surrounding their data centers in Kansas City and this new development in New Florence.

These are transformative impacts on the local community and the state. These revenues will improve county infrastructure including roads and bridges, along with enhancement to law enforcement and the local schools.

As Missouri Governor Mike Kehoe put it with regards to the Google project:

> Beyond the significant economic impact and job creation, Google has demonstrated a true commitment to strengthening the community through local partnerships, investments, grants, and support for area businesses. This project represents more than infrastructure – it's an investment in Missouri families, communities, and long-term opportunity. We are proud to partner with companies like Google that are helping drive economic growth while making a meaningful difference in the communities they call home.[8]

Q. Does this conclude your Direct Testimony?

A. Yes.

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[8] https://governor.mo.gov/press-releases/archive/missouri-secures-15-billion-investment-google-montgomery-county

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 Necessity for A Natural Gas Electrical Generation Facility.	))))	File No.: EA-2026-0226

AFFIDAVIT OF AJAY K. ARORA

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

Ajay K. Arora, being first duly sworn on his oath, states:

My name is Ajay K. Arora, 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/ Ajay K. Arora
Ajay K. Arora

Sworn to me this 24th day of July, 2026.