MEMORANDUM

TO: Missouri Public Service Commission Official Case File,

Case No. EA-2013-0316, Ameren Missouri

FROM: Tom Solt, Tariff, Safety, Economic and Engineering Analysis

/s/ Thomas A. Solt 12/17/12 /s/ Nathan Williams 12/17/12

Energy Unit/Date Staff Counsel's Office/Date

SUBJECT: Staff Recommendation to Grant Ameren Missouri's Application for a Certificate of

Convenience and Necessity

DATE: December 17, 2012

On November 29, 2012, Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company") filed an Application for a Certificate of Convenience and Necessity ("Application") with the Missouri Public Service Commission ("Commission"). The Application requests that the Commission grant Ameren Missouri a certificate of convenience and necessity ("CCN") authorizing it to construct, install, own, operate, control, manage and maintain an electric sub-transmission line to provide electric service in Clay County, Missouri, to serve a new, large manufacturing customer in its certificated service area. The Company is currently unable to deliver the requisite amount of power to this new customer's site. The Company also requests the Commission grant the certificate by December 31, 2012, or as soon as possible thereafter, so that construction may be completed by the early summer of 2013, when Ameren Missouri's new customer will require service. The proposed line will tap into an existing Ameren 69 kilovolt (kV) line, and run approximately 855 feet through part of KCP&L Greater Missouri Operations Company's (GMO) certificated area. Once through the approximately 855 feet of GMO service territory, the line will continue to an easement for an existing N.W. Electric Cooperative 69 kV line within Ameren Missouri's service territory and run parallel with that line. A CCN is only required for the first 855 feet since the rest of the proposed line is located in Ameren Missouri's existing service territory. Staff has verified that Ameren Missouri already has authority to build lines in the sections labeled 28-52-31, 33-52-31 and 34-52-31, but not in 3-51-31 by reviewing Ameren Missouri's tariff, at Tariff Sheet No. 14. In Case No. EA-87-159 the Commission granted Ameren Missouri a certificate of convenience and necessity by section where it had existing distribution lines (34.5 kV or less) and substations and ordered they be listed in its tariff, along with maps of its certificated area. In the Matter of the Application of Union Electric Company, Case No. EA-87-159, April 27, 1990 Report and Order; June 29, 1990, Order Setting Further Hearing and Granting Motion for an Extension of Time; and March 13, 1991, Supplemental Report and Order.

On November 30, 2012, the Commission issued an *Order Directing Notice, Setting Intervention Deadline, and Directing Filing of Staff Recommendation* ("Order"). The Order states that motions to intervene were due by December 14, 2012, and that the Commission Staff shall file its recommendation

MO PSC Case No. EA-2013-0316 OFFICIAL CASE FILE MEMORANDUM PAGE 2 OF 2

no later than December 21, 2012. Additionally, the Commission ordered that GMO be provided notice of the instant Order and Application.

The Staff reviewed the Application and materials submitted by Ameren Missouri. In Staff's opinion, the Company has complied with the applicable filing requirements of Rules 4 CSR 240-2.060 and 4 CSR 3.240-105. GMO filed an application to intervene on December 14, but stated no position on Ameren Missouri's Application. No one else has filed to intervene. Staff's opinion is that the granting of the CCN is in the public interest because it will bring approximately 155 jobs to the area. Before construction begins on this project, the Company's tariff requires that there be a signed agreement, consisting of an advance deposit (a letter of credit, in this case), that could be attached if the revenue flow from LMV is insufficient or does not materialize so ratepayers should not be harmed by the transaction.

Therefore, Staff recommends that the Commission grant Ameren Missouri a CCN to build the requested approximately 855 foot portion of the proposed 69 kV line, which is outside of its service territory, in Clay County, Missouri, where Ameren Missouri proposes to locate it. Additionally, the Company did not file a 60 day notice as set forth in Rule 4 CSR 240-4.020 because it did not anticipate this case being contested. The Company requests a variance from that requirement in the event the case does become contested. Staff has no objection to the Commission granting that variance.

The Staff has verified that this Company has filed its annual report and is not delinquent on any assessment.

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 a Certificate of Convenience and)	
Necessity Authorizing it to Construct,)	Case No. EA-2013-0316
Install, Own, Operate, Control, Manage and)	Case No. EA-2013-0316
Maintain a Sub-Transmission Line to)	
Provide Electric Service in Clay County,)	
Missouri)	

AFFIDAVIT OF THOMAS A. SOLT

STATE OF MISSOURI)
COLINITY OF COLF) s
COUNTY OF COLE)

Thomas A. Solt, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.

Thomas A. Solt

Subscribed and sworn to before me this 14th day of December, 2013.

Notary Public

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: June 28, 2015
Commission Number: 11207377