

**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 Variance from the Provisions of )  
Commission Rule 4 CSR 240-14 to Meet ) EE-2019-  
Unregulated Competition in a Subdivision )  
in St. Charles County, Missouri. )

**APPLICATION, REQUEST FOR WAIVER,  
AND MOTION FOR EXPEDITED TREATMENT**

Comes now Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "the Company") and, pursuant to and in accordance with 4 CSR 240-2.060, 4 CSR 240-14.010(2), and the Company's tariff entitled "Unregulated Competition Waivers and Other Variances," Pilots, Variances and Promotional Practices, Schedule No. 6, Sheet No. 161, and hereby submits this *Application, Request for Waiver, and Motion for Expedited Treatment* ("*Application*"), which asks the Missouri Public Service Commission ("Commission") to grant a variance from its Promotional Practices Rule 4 CSR 240-14 for good cause. Ameren Missouri also requests a variance from the Notice requirement of 4 CSR 240-4.017 which requires 60 days' notice of case filings. Finally, in accordance with 4 CSR 240-2.080(14), Ameren Missouri requests expedited treatment of this *Application* and the simultaneously submitted tariff so that they can both be approved no later than July 12, 2019. In support of its *Application*, Ameren Missouri states as follows:

**INTRODUCTION**

1. Ameren Missouri has been in discussions with Flint Hills Associates, LLC. ("Developer"), who is building a 22-lot subdivision known as Grantham Estates in Flint Hill, Missouri off of Mette Road. The developer has engaged in discussions with both Ameren Missouri and Cuivre River Electric Cooperative, Inc. ("CREC") for the provision of electric service to the subdivision. CREC has proposed certain incentives in order to provide service to the subdivision.

Ameren Missouri and the cooperative both have facilities in the vicinity of the proposed subdivision and the territory is not subject to an existing service territory agreement. In order to effectively compete with CREC for the provision of electric service to the subdivision, Ameren Missouri is submitting this *Application* pursuant to 4 CSR 240-2.060, which governs applications generally, as well as 4 CSR 240-14.010(2), which allows the Commission to grant variances from the utility promotional practices rules for good cause, and Tariff Sheet No. 161, which anticipates applications to enable competition with unregulated electric service providers. In order to effectuate the requested variances in a timely manner, the Company also requests a variance from 4 CSR 240-4.017, which requires 60 days' notice of case filings, and expedited treatment of this *Application*, and the simultaneously filed tariff, pursuant to 4 CSR 240-2.080(14). Accordingly, this *Application* is divided into the following sections:

- I. 4 CSR 240-4.017
- II. 4 CSR 240-2.060(1), (A) through (M)
- III. 4 CSR 240-14.010(2), 4 CSR 240-14.020(1), and Tariff Sheet No. 161
- IV. 4 CSR 240-2.080(14)

**I. 4 CSR 240-4.017**

2. Ameren Missouri requests a variance from the 60-day notice requirement of 4 CSR 240-4.017, which states, in relevant part:

Any person that intends to file a case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to filing such case...

Pursuant to 4 CSR 240-4.017(1)(D), waivers of the 60-day notice requirement may be granted for good cause shown. The rule further provides that good cause includes "a verified declaration from the filing party that it has had no communication with the office of the commission within the prior

one hundred fifty (150) days regarding any substantive issue likely to be in the case..."<sup>1</sup> As indicated in the Affidavit attached as Appendix 1 to this *Application*, Ameren Missouri has had no communications with the office of the Commission (as defined by 4 CSR 240-4.015(10)) regarding any substantive issue likely to be in this case during the preceding 150 days. Accordingly, Ameren Missouri has established good cause for a waiver from the 60-day requirement of 4 CSR 240-4.017(1). No other public utility will be affected by granting the Company a waiver from this requirement.

## **II. 4 CSR 240-2.060(1), (A) through (M)**

### **Paragraph (A) - Applicant**

3. The Company is a Missouri corporation doing business under the fictitious name of Ameren Missouri, organized and existing under the laws of the State of Missouri, in good standing in all respects, with its principal office and place of business located at One Ameren Plaza, 1901 Chouteau Avenue, St. Louis, Missouri 63103. The Company is engaged in providing electric and gas utility services in portions of Missouri as a public utility under the jurisdiction of the Commission. The Company is a subsidiary of Ameren Corporation.

### **Paragraph (B) – Articles of Incorporation; Paragraph (E) – Fictitious Name; Paragraph (G) – Information Previously Submitted; Paragraph (H) – Character of Business;**<sup>2</sup>

4. The Company previously submitted to the Commission a certified copy of its Articles of Incorporation (See Case No. EA-87-105). Ameren Missouri includes a recent Fictitious Name Registration as filed with the Missouri Secretary of State's Office as Appendix 2 to this *Application*. These documents are incorporated by reference and made a part of this *Application* for all

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<sup>1</sup> Pursuant to the Commission's *Order Waiving 60-Day Notice Requirement* issued on August 1, 2017, in File No. WM-2018-0023, the examples of good cause provided in the rule are not exclusive, and the Commission may find that good cause has been established by other circumstances.

<sup>2</sup> Paragraphs (C), (D), and (F) do not apply to Ameren Missouri.

purposes. The Company provides a copy of its Certificate of Corporate Good Standing as Appendix 3 to this *Application*.

**Paragraph I – Correspondence and Communication**

5. Correspondence and Communication -- Correspondence, communications, orders and decisions in regard to this *Application* should be directed to:

Paula N. Johnson  
Senior Corporate Counsel  
Ameren Missouri  
1901 Chouteau Avenue  
MC 1310  
St. Louis, MO 63103  
(314)554-3533 (phone)  
(314)554-4014 (fax)  
[AmerenMOService@ameren.com](mailto:AmerenMOService@ameren.com)

Thomas M. Byrne  
Senior Director Regulatory Affairs  
Ameren Missouri  
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MC 1450  
St. Louis, MO 63103  
(314) 554-2514  
[TByrne@ameren.com](mailto:TByrne@ameren.com)

**Paragraph (K) – Actions, Judgments, and Decisions; Paragraph (L) – Fees<sup>3</sup>**

6. The Company has no final unsatisfied judgments or decisions against it from any state or federal agency or court that involve customer service or rates that have occurred within three years of the date of this *Application*. By the nature of its business, the Company has, from time-to-time, pending actions in state and federal agencies and courts involving customer service or rates. The Company has no annual report or assessment fees overdue to this Commission.

**Paragraph (M) – Affidavit**

7. An Affidavit in support of this *Application* by an authorized individual is included as Appendix 1.

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<sup>3</sup> Paragraph (J) does not apply to Ameren Missouri.

### **III. 4 CSR 240-14.010(2), 4 CSR 240-14.020(1), and Tariff Sheet No. 161**

#### **Requirements of Regulations and Tariff**

8. 4 CSR 240-14.010(2) allows a utility, upon written application, to request a variance from the Commission's Utility Promotional Practices Rules. Among other things, the utility must serve a copy of the application on each public utility providing the same or competing utility service in the service area. Because CREC is the direct competition for the Grantham Estates subdivision, Ameren Missouri is serving a copy of this *Application* as indicated on the Certificate of Service. This regulation also allows for a variance from the Commission's Utility Promotional Practices Rules "for good cause shown."

9. Under Section III.J.2.a of the Company's General Rules and Regulations, Schedule 6, Sheet No. 118 ("Tariff Sheet No. 118"), the Developer is required to install a complete conduit system, using materials provided by the Company, in order to obtain underground electrical service within a subdivision. However, Section E. Unregulated Competition Waivers and Other Variances, of the Company's Pilots, Variances, and Promotional Practices tariffs, Schedule 6, Tariff Sheet No. 161 ("Tariff Sheet No. 161") provides:

Where the Company competes for business with unregulated competition, the Company may waive all or part of any charges associated with extensions of service and/or construction deposits, provided for in Company Schedule No. 6 – Schedule of Rates for Electricity, and any additional non-tariff charges, required in order to effectively compete with offers made to developers and/or customers by unregulated competition after notifying the [Commission] and receiving an Order granting the waiver for good cause shown.

In other words, Ameren Missouri's tariff allows it to waive costs otherwise attributable to developers or customers in order to compete with unregulated competition such as electric cooperatives. This waiver is possible when the Company has notified the Commission and

receives an order granting that waiver, as with the Promotional Practices Rules waiver, "for good cause shown."

10. 4 CSR 240-14.020(1)(B) prohibits a utility from, in relevant part, "[t]he furnishing of consideration to any ... developer ... for work done or to be done on property not owned or otherwise possessed by the utility ..." 4 CSR 240-14.020(1)(E) prohibits a utility from, in relevant part, "[t]he provision of free, or less than cost of value, wiring, piping, appliances or equipment..." Ameren Missouri requests a variance from this regulation so that it may provide the Developer with certain incentives, including work and materials the Company would not typically provide, so that it may provide electric service to the new subdivision.

11. Given the provision above which allows Ameren Missouri the opportunity to compete with unregulated electric suppliers, the Company presents the discussion below demonstrating why it has good cause to obtain the requested waivers.

#### **Good Cause for the Waiver**

12. The Developer has platted a new subdivision in Flint Hill, Missouri, at the intersection of Mette Road and Highway P, to be known as Grantham Estates. A Subdivision Layout of Grantham Estates is attached hereto at Appendix 4 and is incorporated herein by reference. The development will consist of 22 single-family residences that average approximately 3,000 square feet and up, and on lots ranging from about 9,000 to 16,500 square feet. Ameren Missouri has estimated the revenue stream that will arise from providing service to the Grantham Estates at approximately \*\* \_\_\_\_\_ \*\* or more per year.

13. The Developer and Ameren Missouri have been discussing this subdivision over the last two years. About three months ago, the Developer indicated that zoning has been approved; consequently, the Developer requested that Ameren Missouri provide a layout of its

facilities and begin preparing for the provision of service. On June 10, 2019, the Developer approached the Company and indicated that CREC offered to provide \*\*\_\_\_\_\_

\_\_\_\_\_. CREC is an electric cooperative organized pursuant to Chapter 394 RSMo. As an electric cooperative, CREC is not regulated by the Commission as to its rates, charges, or terms and conditions of service. More specifically, it is not regulated regarding the service it may offer as an inducement for potential customers to choose its service and is in a position to provide free labor to the Developer so that its service will be chosen. The Developer has provided a letter stating that it wishes to take services from Ameren Missouri, and requesting a similar incentive to that offered by CREC. This letter is attached to this *Application* as **CONFIDENTIAL** Appendix 5.

14. While both CREC's and Ameren Missouri's facilities are adjacent to the Grantham Estates, the Company will also be providing natural gas service to the new subdivision. Under Tariff Section III.J.2.a of the Company's General Rules and Regulations, Schedule 6, Sheet No. 118 ("Tariff Sheet No. 118"), \*\*\_\_\_\_\_

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\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_\*\*.

15. Ameren Missouri can demonstrate good cause for incurring this expenditure from several perspectives. From a very basic perspective, if the Company can gain new customers, then existing fixed costs can be spread among billing units associated with a larger customer base, which generally creates a downward pressure on rates. More specific to this project:

- In incurring even the atypical \*\*\_\_\_\_\_\*\* cost to provide the service to this subdivision, Ameren Missouri would gain an approximate annual revenue stream of \*\*\_\_\_\_\_\*\* or

more. The annual revenue stream gained from serving the Grantham Estates should quickly outweigh the cost necessary to gain the load.

- Although the developers are prepared for the Company to provide service, the Company believes that without the ability to effectively waive the Tariff Sheet No. 118 requirement \*\* \_\_\_\_\_ \*\*, the Developer will acquire service from CREC.
- Ameren Missouri will already be providing natural gas service to the subdivision, and therefore, performing work and installing additional facilities in the immediate vicinity. As such, providing the \*\* \_\_\_\_\_ \*\* over what it would otherwise spend to extend electric service to the Grantham Estates.
- Ameren Missouri recently installed a new Flint Hills substation, which can easily accommodate the capacity needed to serve the new load. Extending Company electric service to the subdivision will promote more efficient use of the existing distribution system.

#### **IV. 4 CSR 240-2.080(14)**

16. Finally, Ameren Missouri requests expedited treatment of this *Application*. The Company requests approval by July 12, 2019, so that the Developer can stay on schedule for the construction of the subdivision. This *Application* could not be completed more quickly because the Company did not know that it had competition for this load until June 10, 2019.

**WHEREFORE**, having shown good cause for the requested waiver of the Promotional Practice Rules and portions of the company's tariffs, Ameren Missouri respectfully requests the Commission:

- (i) Approve both this *Application* and the simultaneously filed tariff in an expedited manner so that Ameren Missouri may accommodate the Developer's schedule;

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- (ii) Approve Ameren Missouri's request to waive the relevant requirements of Tariff Sheet No. 118 as requested;
- (iii) Waive the 60-day notice requirement of 4 CSR 240-4.017, and allow this *Application*, which is being served upon the competing electric cooperative, to serve as notice of the case filing; and
- (iv) Grant any other relief deemed appropriate by the Commission under the circumstances.

Respectfully submitted,

By: /s/ Paula N. Johnson-----

Paula N. Johnson, #68963

Senior Corporate Counsel

Ameren Missouri

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[AmerenMOService@ameren.com](mailto:AmerenMOService@ameren.com)

**ATTORNEY FOR UNION ELECTRIC  
COMPANY d/b/a AMEREN MISSOURI**

**CERTIFICATE OF SERVICE**

The undersigned certifies that true and correct copies of the foregoing have been e-mailed or mailed, via first-class United States Mail, postage pre-paid, to the service list of record this

14<sup>th</sup> day of June, 2019.

General Counsel's Office  
Missouri Public Service Commission  
P.O. Box 360  
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200 Madison Street, Suite 650  
Jefferson City, MO 65102-2230  
[opcservice@ded.mo.gov](mailto:opcservice@ded.mo.gov)

Cuivre River Electric Cooperative, Inc.  
1112 E Cherry Street  
PO Box 160  
Troy, MO 63379

*/s/ Paula N. Johnson*

\_\_\_\_\_  
Paula N. Johnson

**APPENDICES TO APPLICATION**  
**Appendix Number and Description**

Appendix 1 – Company's Affidavit in Support of *Application* and Verification of Proper Authority

Appendix 2 – Fictitious Name Registration

Appendix 3 – Certificate of Good Standing

Appendix 4 – Subdivision Layout

Appendix 5 – Grantham Estates Letter – Confidential





# STATE OF MISSOURI



**John R. Ashcroft**  
**Secretary of State**

CORPORATION DIVISION  
CERTIFICATE OF GOOD STANDING

I, JOHN R. ASHCROFT, Secretary of State of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

***UNION ELECTRIC COMPANY***  
***00040441***

was created under the laws of this State on the 21st day of November, 1922, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I hereunto set my hand and cause to be affixed the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this 14th day of May, 2019.

  
Secretary of State



Certification Number: CERT-05142019-0093



FLINT HILL ASSOCIATION  
IN CO OF ALEX DAKE  
6614 CLAYTON RD #401  
ST LOUIS, MO 63117  
314.366.0894

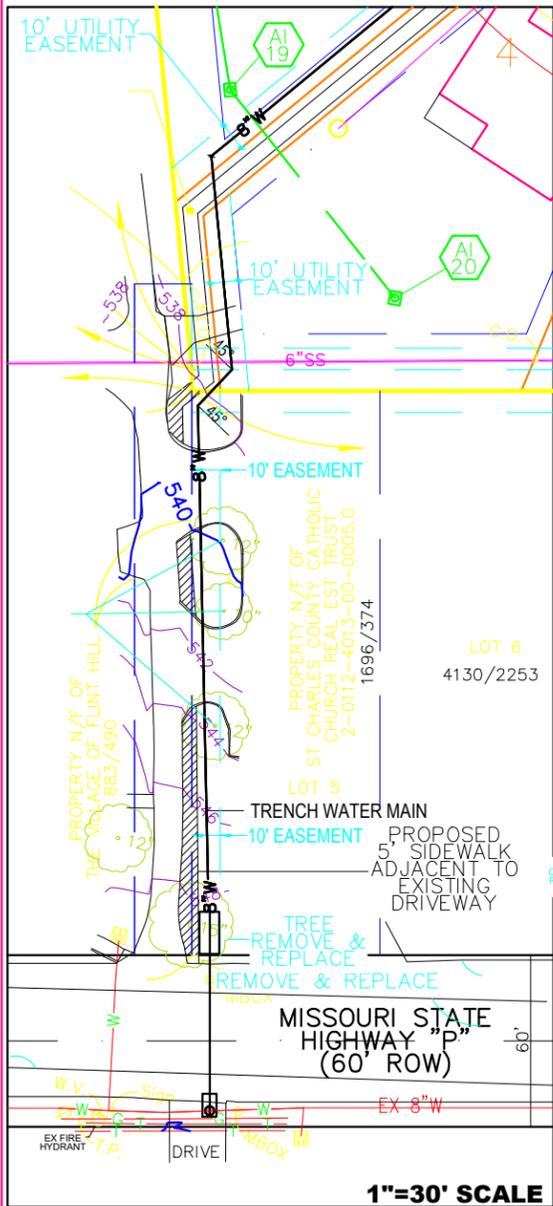
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TIMOTHY J. MEYER, P.E.  
PROFESSIONAL ENGINEER  
E-24665

# GRANTHAM ESTATES FLINT HILL, MISSOURI

SITE PLAN  
REVISED 7/27/2016  
VOLZ JOB# 20496  
SFILES

02-29-2016  
03

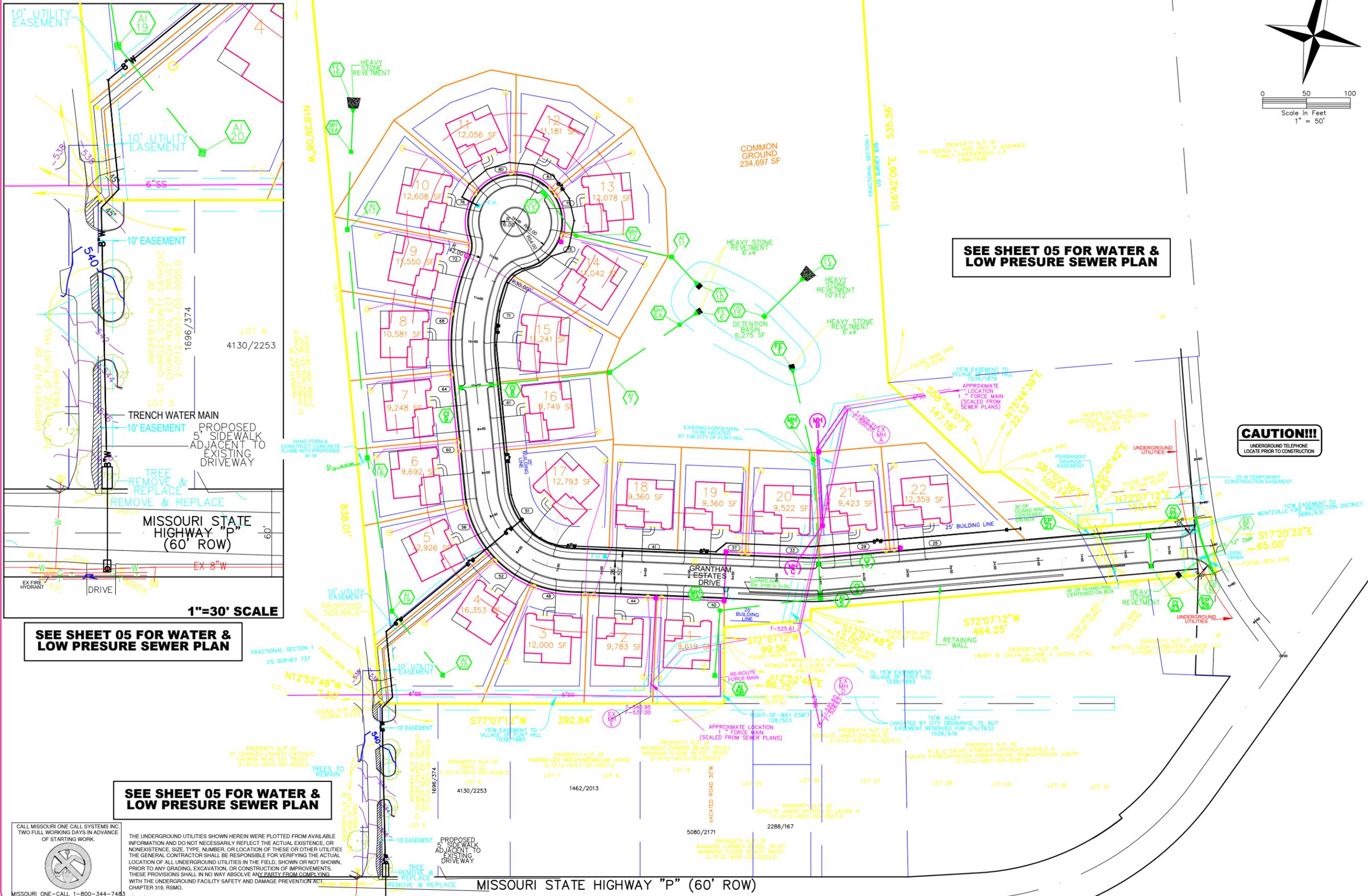


**SEE SHEET 05 FOR WATER & LOW PRESURE SEWER PLAN**

1"=30' SCALE



THE UNDERGROUND UTILITIES SHOWN HEREIN WERE PLOTTED FROM AVAILABLE INFORMATION AND DO NOT NECESSARILY REFLECT THE ACTUAL EXISTENCE, OR NONEXISTENCE, SIZE, TYPE, NUMBER, OR LOCATION OF THESE OR OTHER UTILITIES. THE GENERAL CONTRACTOR SHALL BE RESPONSIBLE FOR VERIFYING THE ACTUAL LOCATION OF ALL UNDERGROUND UTILITIES IN THE FIELD, SHOWN OR NOT SHOWN, PRIOR TO ANY GRADING, EXCAVATION, OR CONSTRUCTION OF IMPROVEMENTS. THESE PROVISIONS SHALL IN NO WAY ABSOLVE ANY PARTY FROM COMPLYING WITH THE UNDERGROUND FACILITY SAFETY AND DAMAGE PREVENTION ACT, CHAPTER 319, RSMO.



**SEE SHEET 05 FOR WATER & LOW PRESURE SEWER PLAN**

**CAUTION!!!**  
UNDERGROUND TELEPHONE  
LOCATE PRIOR TO CONSTRUCTION

MISSOURI STATE HIGHWAY "P" (60' ROW)

APPENDIX 5

IS

CONFIDENTIAL IN

ITS ENTIRETY