

**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 an Order Authorizing Applicant to)
Convey to and Lease Back from Audrain)
County, Missouri, Certain Real Property)
and Improvements and to Execute and)
Perform the Necessary Agreements Under)
Section 100.010 Through 100.200, RSMo,)
for the Purpose of Constructing Applicant's)
Electric Generating Facility in Audrain)
County, Missouri)

File No. EF-2025-0246

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"),
by and through counsel, and for its *Staff Recommendation* states as follows:

1. On March 10, 2025, Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri") filed an application seeking authority to convey to and lease back from Audrain County, Missouri, certain real property known as the Vandalia Project site, as well as authority to execute and perform the necessary agreements to the conveyance (the "Application"). Also on March 10, 2025, Ameren Missouri filed a Motion for Protective Order, which was granted by the Commission on March 25, 2025.

2. On March 12, 2025, the Commission issued its *Order Directing Notice, Staff to File Recommendation, and Setting Deadline for Responses* (the "Order"), which set a March 26, 2025, deadline for applications to intervene and which set an April 10, 2025, deadline for Staff to file a Recommendation regarding the Application or a status report indicating when it expects to file its recommendation.

3. No applications to intervene were filed on or by March 26, 2025.

4. On April 10, 2025, Staff indicated that it could submit its recommendation or a status report no later than May 10, 2025. On April 11, 2025, the Commission entered its *Order Granting Extension*, which directed Staff to file its recommendation or a status report regarding the Application on or before May 12, 2025.

5. Ameren Missouri's Application was filed pursuant to Sections 393.180, 393.190, and 393.200, RSMo, and 20 CSR 4240-2.060, 20 CSR 4240-10.125, and 20 CSR 4240-4.017. Ameren Missouri requested variances from 20 CSR 4240-10.125(1)(E) and (1)(G) and a waiver from 20 CSR 4240-4.017 for good cause shown. Staff is not opposed to these requests.

6. The Application seeks the Commission's authorization of Ameren Missouri Agreement(s) with Audrain County to (a) convey the Vandalia Project site and improvements thereon to Audrain County in exchange for Audrain County's issuance of taxable industrial development revenue bonds, in an amount up to \$60,000,000, and a trust indenture between Audrain County and a corporate trustee and to (b) lease the Vandalia Project site from Audrain County to Ameren Missouri for a term of approximately 25 years. The proposed conveyance and lease arrangement of the Vandalia Project site is being used to provide economic incentives to Audrain County, and Audrain County's ownership of the Vandalia Project during the term of the bonds and lease is expected to result in property tax savings to Ameren Missouri as compared to property taxes that would otherwise be due under state law, offset by annual payments in lieu of taxes as provided in the Grant Agreement.¹

¹ As used herein and in the Staff memorandum, Grant Agreement refers to those documents contained in Applicant's Application, Schedule E.

7. In the attached Staff memorandum, marked as Appendix A, Staff recommends the Commission approve the Application as it is not detrimental to the public interest, subject to Staff's recommended conditions.

WHEREFORE, Staff respectfully submits this Staff Recommendation, and recommends that the Commission issue an order approving the Application, and for such other and further relief as the Commission considers just and reasonable under the circumstances.

Respectfully Submitted,

/s/ Alexandra Klaus

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**Attorneys for the Staff of the
Missouri Public Service Commission**

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing were mailed, electronically mailed, or hand-delivered to all counsel of record on this 12th day of May, 2025.

/s/ Alexandra Klaus