

Ameren Missouri: Advancing West Alton Amid Large-Load Uncertainty

Internal ID: S&F-STR-046

Topic: Customer Strategy, Risk Management, Operations Strategy

Industry: Multi-Utilities

Source: Strategy & Finance

Publication date: 5 October 2026

License: Not specified

A strategy case for MBA students and working professionals

Information cutoff: October 2, 2026, 4:00 p.m. Eastern Time

Company: Union Electric Company, doing business as Ameren Missouri, a subsidiary of Ameren Corporation

A proposed plant, a revised forecast

On September 28, 2026, Ameren Missouri filed a new Integrated Resource Plan (IRP). The 20-year plan responded to a sharply higher forecast of electricity demand from large customers. It also called for a large portfolio of gas-fired generation, solar, storage and nuclear resources, alongside continued demand-side programs and planned coal retirements. The IRP identified Plan M as its preferred resource plan, but stated that the filing was non-binding. Individual projects still required separate regulatory approvals and later decisions about prudence and cost recovery. [Ameren Missouri 2026 Form 8-K, Item 8.01, pp. 1-2; 2026 IRP, Ch. 10, pp. 16-21](#)

One project sat at the center of the near-term implementation question: West Alton Energy Center, a proposed 2,100 MW-AC combined-cycle gas plant on the Mississippi River in St. Charles County. Ameren Missouri had filed a certificate-of-convenience-and-necessity (CCN) application in July. Its testimony described three units, with the first expected in service in the second quarter of 2031 and all three by the fourth quarter. As of the cutoff, the application had not been approved. The docket had reopened and its latest pre-cutoff entry concerned local public hearings. [EA-2026-0226 docket; Ameren witness Steven Wills, direct testimony, pp. 2-4](#)

For this classroom exercise, assume you are advising a hypothetical Ameren Missouri leadership team on its implementation and regulatory approach as the new IRP is filed. The public record does not establish that Ameren's board or management had an imminent vote on October 2. Your assignment is to decide how the company should approach West Alton and sequence related resources while customer load, reliability requirements, project costs and cost allocation remain uncertain.

What the utility knew about load

Ameren reported that it had executed electric service agreements (ESAs) in 2026 representing 2.8 GW of large-load demand. Its second-quarter filing said demand was expected to begin materializing in the second half of 2027 and reach full capacity by the end of 2029. The same filing described 3.4 GW of construction agreements, including-not in addition to-the 2.8 GW covered by ESAs. The documents did not disclose customer identities, hourly usage, contract-specific ramp schedules or confidential terms. [Ameren 2026 Q2 Form 10-Q, Note 2, Missouri regulatory matters, printed p. 44](#)

The IRP forecast the large-load class separately from other Missouri customers. In Chapter 3, Ameren projected a 20.0% annual growth rate for large-load energy and 13.1% for large-load peak demand in its base case. For other customers, the corresponding planning-case rates were 1.2% for energy and 0.6% for peak demand. The planning case was a weighted average of separately modeled low, base and high scenarios, using subjective weights of 20%, 60% and 20%. Historical billed sales available to the forecasting process ran only through March 2025. [2026 IRP, Ch. 3, pp. 1-3, 30-32](#)

For the large-load class, the IRP showed a wide range of long-term possibilities:

Forecast year and scenario	Annual energy (GWh)	Annual peak demand (MW)
2027 starting point	1,400	591
2046 low	30,000	4,112
2046 base	44,676	6,168
2046 high	67,000	9,252

These are company forecasts. The 2.8 GW of signed ESA demand was included in the scenario context; it should not be added on top of the IRP's 2.9 GW preferred / 3.9 GW high large-load forecast by 2030. Annual energy (GWh), forecast peak demand (MW), signed ESA demand (GW) and additional customer opportunities measure different things. The SEC filing and the IRP also use different stated endpoints: 2045 in the 8-K and 2046 in the IRP. [Ameren Missouri, 2026 IRP filed Sept. 28, 2026, Ch. 1, pp. 1, 3; 2026 IRP, Ch. 3, pp. 62-65; Form 8-K, Item 8.01](#)

A portfolio under construction and a portfolio still proposed

Ameren Missouri reported 9,714 MW of existing supply-side resources: 3,355 MW of coal, 1,194 MW of nuclear, 2,742 MW of gas and oil, and 2,424 MW of renewables and storage. The company used seasonal accreditation assumptions in its planning; nameplate capacity did not equal capacity available to meet every seasonal peak. [2026 IRP, Ch. 4, pp. 1-3](#)

Some additions were already moving through construction or approval. Big Hollow included 800 MW-AC of simple-cycle gas and a 400 MW-AC battery with four-hour duration; the company reported regulatory approval in February 2026 and construction underway. Castle Bluff's 800 MW-AC simple-cycle gas facility was also under construction, while its separate 95 MW-AC four-hour battery application remained pending. Two other proposed batteries-Huck Finn at 200 MW-AC and Millcreek at 250 MW-AC-were also before regulators. [2026 IRP, Ch. 6, pp. 11-13, 18-19](#)

West Alton had a different role and status. The IRP treated it as a major source of both dispatchable capacity and baseload energy. The preferred plan included the project; its certificate application remained pending. Ameren's witness argued that the plant would serve rising demand, help address retiring resources and reduce reliance on market purchases. The applicant's testimony is an advocacy record, not a finding by the Missouri Public Service Commission (PSC). [2026 IRP, Ch. 6, pp. 18-19; Ch. 10, pp. 18-23; Wills direct testimony, pp. 2-4; EA-2026-0226 docket](#)

The IRP tested other plans, but the comparison did not settle every possible alternative. Ameren evaluated 29 plans and 135 probability branches over selected assumptions for load, gas prices, environmental regulation, project cost and non-large-load growth. Three additional plans tested alternatives to West Alton, limited to dispatchable resources the company viewed as

reasonably available in the early 2030s. The comparison did not represent an unconstrained choice among all technologies. The company selected Plan M from the top tier after considering reliability, cost, customer programs and other criteria. Plan Q, which omitted new nuclear, showed levelized rates about 5% below Plan M, with the annual-rate difference not appearing until 2040. [2026 IRP, Ch. 9, pp. 11-12, 27-30; Ch. 10, pp. 15-17](#)

Ameren's reliability analysis was conditional on Plan M's resources and base large-load forecast. The company reported 4,574 MWh of expected unserved energy and four loss-of-load hours in 2029; both measures became negligible in 2032 after West Alton was fully in service, and loss-of-load expectation fell below its 0.1 target in 2032 and later. The public reliability table was partly redacted, so readers could not independently reproduce all model inputs or results. These were modeled outcomes, not observed outages or an external reliability determination. [2026 IRP, Ch. 10, p. 9](#)

Other projects, other proceedings

West Alton was not the only proposed investment under review. In docket EA-2026-0183, Ameren sought CCNs for three four-hour batteries totaling 545 MW-AC and two solar facilities totaling 400 MW-AC. The application proposed resources with different reliability and energy attributes. A September 25 proposed non-unanimous stipulation among Ameren, PSC Staff and Renew Missouri asked the Commission to issue certain certificates. It did not decide prudence, cost allocation to large-load customers, PISA or RESRAM eligibility, rate-base treatment, or final recovery. It was a proposed stipulation, not an order. [EA-2026-0183 docket; Sep. 25 proposed stipulation, pp. 1-2, 8-9](#)

The parties had advanced different views before that stipulation. PSC Staff said the need for the solar and battery projects depended on whether the forecast large loads were sufficiently likely to materialize and whether those customers supplied enough renewable attributes for their own usage. Staff noted that four-hour batteries have limited stored energy and recharge opportunities during prolonged winter events, while solar provides comparatively little accredited winter capacity. It also presented illustrative rate-allocation modeling based on Ameren workpapers. Staff said the modeled residential and other customer classes could bear material costs even if 2.8 GW of load arrived. The values were redacted; Staff said the modeling was not a prediction of future rates. [PSC Staff rebuttal, EA-2026-0183, printed pp. 4-7, 9-10, 80-86](#)

Renew Missouri supported the proposed solar and storage projects, citing portfolio, policy and tax-credit considerations. That was an advocacy position, not a Commission finding or an independent project-cost analysis. The EA-2026-0183 docket remained open at the cutoff; no certificate result was available. [Renew Missouri rebuttal, EA-2026-0183, pp. 3-5, 8-9; docket status](#)

The affordability question was also live in Ameren Missouri's general rate case, ER-2026-0291. The company had requested about \$343 million in net annual electric base-rate revenue. The PSC's July notice described a pending request, not an approved increase or a forecast of any customer's total bill. Project-level prudence, allocation and recovery would involve separate questions. [Missouri PSC rate-case notice, July 1, 2026](#)

The company and regulators had not publicly resolved every question about the large-load tariff, the statutory protections or confidential ESA terms. This case therefore does not assume that large customers were guaranteed to cover all costs, nor that existing customers necessarily would pay them. It asks how decision makers should evaluate allocation while the public terms, later rate treatment and project-specific costs remain incomplete.

Three approaches

You may recommend one approach or combine them. Each puts a different weight on execution, flexibility and exposure to changing information.

1. **Advance West Alton on the filed path.** Continue the CCN effort and prepare for the IRP's in-service timeline, while coordinating pending storage and solar projects. This approach emphasizes the company's load and reliability forecasts, lead times and the value of baseload energy. It leaves open what conditions would change the schedule or scale.
2. **Stage later commitments against milestones.** Continue work needed to preserve options or address near-term system needs, while identifying observable load, reliability, project-readiness and cost-allocation conditions for later commitments. This approach gives weight to learning and downside protection; delay could affect schedules, interconnection, equipment availability or reliability.
3. **Use more flexible resources while updating the forecast.** Consider the role of existing generation, purchases, demand response, efficiency, storage and other shorter-lead resources alongside longer-lived additions. This approach limits some near-term commitment to a single forecast; those alternatives may not provide the same seasonal accredited capacity, duration or baseload energy as West Alton.

The September IRP described an additional portfolio of resources and contingencies; these approaches are classroom choices, not formal alternatives announced by Ameren management. They may be combined by project type and timing.

Assignment

Assume the hypothetical leadership team must define its approach to West Alton and the related portfolio after the September IRP filing. Prepare a short decision memo that:

- states whether and how the team should continue the West Alton CCN and implementation path;
- identifies which related resources should move, remain contingent or be reconsidered;
- names observable milestones or information that would trigger the next commitment;
- explains how the team would evaluate reliability, affordability and allocation between new and existing customers; and
- identifies the strongest fact or assumption that could change its recommendation.

Do not assume that signed ESA capacity is metered load, that a planning forecast is a contract, or that a proposed certificate or stipulation has been approved.

Source note

This historical case uses information public by October 2, 2026, 4:00 p.m. ET. Company statements and models are attributed; regulatory applications, testimony and proposed stipulations are distinguished from Commission decisions. The source register, evidence extraction, and literature review provide additional locators, version/access limits and research context. No event after the cutoff is used.