

**NONPROPRIETARY**

**OUTSTANDING INDEBTEDNESS OF  
UNION ELECTRIC COMPANY SUBJECT TO  
DISCHARGE, REFUND OR RETIREMENT  
AS DESCRIBED IN THE APPLICATION**

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CERTIFIED COPY OF RESOLUTIONS ADOPTED AT THE  
MEETING OF THE BOARD OF DIRECTORS OF  
UNION ELECTRIC COMPANY  
HELD ON THURSDAY, DECEMBER 9, 1999

RESOLVED, that, in substitution of the long-term debt authorized at the July 16, 1993 meeting of the Board of Directors which remains unissued and unsold, this Board hereby declares it advisable that the Company issue and sell up to \$750 million aggregate principal amount of additional long-term debt securities ("Debt Securities") for the purpose of discharging existing debt; that such Debt Securities may be in the form of First Mortgage Bonds, or debentures (including subordinated deferrable interest debentures) or other unsecured debt, or debt to support the issuance and sale of bonds or notes by the State Environmental Improvement and Energy Resources Authority-Missouri (the "Authority"), or in a combination thereof, all with such terms and provisions as shall be later determined by the officers of the Company subject to approval or ratification by the Board; and that such Debt Securities may be issued, sold, or offered for sale in such manner, by private placement or by public offering, through negotiation or by competitive bidding or otherwise, and at such time or times, all as may be determined by the officers of the Company in their discretion or as may be required by contractual arrangement or by law; and further

RESOLVED, that, if it is determined by the officers of the Company to be in the best interests of the Company, such officers be and hereby are authorized and directed, in their discretion, to replace portions of the Company's debt deemed appropriate, all in accordance with the terms of any applicable covenants, and to do or cause to be done all such acts and things as they, with the advice of counsel, may deem necessary or advisable in order to carry into effect the purposes and intent of this resolution, including the deposit of the funds necessary for such replacement(s) and providing for requisite notifications; and further

RESOLVED, that the officers of this Company be and hereby are authorized and directed to make, with the assistance of counsel and at such time or times as they may deem advisable, applications, registration statements, or other required filings to the Public Service Commission of Missouri and the Illinois Commerce Commission, for approval of the issue and sale by this Company of up to \$750 million aggregate principal amount of Debt Securities heretofore authorized at this meeting, and for such other approvals as may be required in connection therewith; and that such officers be and hereby are authorized to execute, acknowledge and deliver all such instruments and to do all such other acts and things as they may deem necessary or desirable in connection therewith; and further

RESOLVED, that the officers of the Company be and hereby are authorized, in their discretion, to negotiate with such investment or commercial banking firm or firms and/or with the Authority as they may deem appropriate and to prepare any necessary documents and instruments required for the issuance of the Debt Securities and/or the Authority's securities and to approve or ratify the selection of trustees, law

firms and other parties required by the issuance of said debt and securities; and further

RESOLVED, that the officers of this Company be and hereby are authorized and directed to proceed, with the assistance of counsel and at such time or times as they may deem advisable, with the preparation of any registration statement and prospectus required under the Securities Act of 1933 for the issue and sale of up to \$750 million aggregate principal amount of Debt Securities heretofore authorized at this meeting; that the proper officers and directors of this Company be and hereby are authorized to execute any such registration statement and such amendments thereto as they may deem necessary or desirable; that the name of any officer or director of the Company, authorized or required to sign any such registration statement or any amendment thereto, may be signed by Charles W. Mueller and/or Donald E. Brandt and/or Steven R. Sullivan, and/or the duly appointed substitute thereof, pursuant to duly executed powers of attorney providing said named persons with, among other things, full power of substitution and revocation; that the officers of this Company be and hereby are authorized to file any such registration statement and prospectus and amendments thereto with the Securities and Exchange Commission when executed by or on behalf of the proper executive officers and the directors of the Company; and that Donald E. Brandt and Steven R. Sullivan be and hereby are designated as the persons authorized to receive notices and communications from the Securities and Exchange Commission with respect to any such registration statement; and further

RESOLVED, that the officers of this Company be and hereby are authorized to file, in their discretion and with the assistance of counsel, any application to the New York Stock Exchange, Inc., that may be required for listing any Debt Securities and any agreements required by the Exchange in connection with any such listing; and that Charles W. Mueller, Donald E. Brandt, and Steven R. Sullivan, or any of them, be and hereby is designated by the Company to appear before said Exchange, with authority to make, with the assistance of counsel, such changes in any such application, or in any agreements relative thereto, as may be necessary to conform with the requirements for listing; and further

RESOLVED, that the officers of this Company be and hereby are authorized to file, in their discretion and with the assistance of counsel, with the Securities and Exchange Commission under the Securities Exchange Act of 1934, any application that may be required for registration on the New York Stock Exchange, Inc. of the Debt Securities; and that Donald E. Brandt and Steven R. Sullivan be and hereby are designated as the persons authorized to receive notices and communications from the Securities and Exchange Commission in connection with any such application; and further

RESOLVED, that it is desirable and in the best interest of this Company that its securities be qualified or registered for sale in various states; that the Chairman or the President or any Senior Vice President or any Vice President and the Secretary or an Assistant Secretary hereby are authorized to determine the states in which appro-

priate action shall be taken to qualify or register for sale all or such part of the securities of this Company as said officers may deem advisable; that said officers are hereby authorized to perform on behalf of this Company any and all such acts as they may deem necessary or advisable in order to comply with the applicable laws of any such states, and in connection therewith to execute and file all requisite papers and documents, including, but not limited to, applications, reports, surety bonds, irrevocable consents and appointments of attorneys for service or process; and the execution by such officers of any such paper or document or the doing by them of any act in connection with the foregoing matters shall conclusively establish their authority therefor from this Company and the approval and ratification by this Company of the papers and documents so executed and the action so taken; and further

RESOLVED, that the officers of the Company be and hereby are authorized to negotiate with such parties as they deem appropriate and to prepare any necessary documents or instruments required in connection with the issue and sale of the Debt Securities; and further

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RESOLVED, that the officers of this Company be and hereby are authorized and directed to do or cause to be done all such other acts and things as they may deem necessary or desirable in order to carry into effect the purposes and intent of the foregoing resolutions.

I hereby certify that the foregoing is a true and correct copy of resolutions adopted at the meeting of the Board of Directors of Union Electric Company, held on Thursday, December 9, 1999 at the General Office Building of the Company, St. Louis, Missouri, and that such resolutions are still in full force and effect.



Assistant Secretary

UNION ELECTRIC COMPANY  
BALANCE SHEET  
SEPTEMBER 30, 1999  
(Thousands of Dollars)

Exhibit 3  
Page 1 of 4

ASSETS	Property and plant, at original cost:	Pro Forma Adjustments		Per Books	Pro Forma Adjustments		As Adjusted
		As	Adjusted		(See Pages 3 & 4)	(See Pages 3 & 4)	
Electric		\$9,146,149	\$ -	\$9,146,149			\$510,619
Gas		219,275	219,275	219,275			701,896
Other		35,784	35,784	35,784			1,336,756
		9,401,208	9,401,208	9,401,208		(24,686) (G)	1,339,320
		4,286,088	4,286,088	4,286,088		27,250 (H)	
		5,115,120	5,115,120	5,115,120	2,564		2,551,835
	Less accumulated depreciation and amortization						
	Construction work in progress:						
	Nuclear fuel in process	134,394	134,394	134,394		(41,438) (B)	113,759
	Other	73,289	73,289	73,289			1,769,385
	Total property and plant, net	5,322,803	5,322,803	5,322,803		(575,500) (B)	
	Investments and other assets:					3,338 (C)	(2,714)
	Nuclear decommissioning trust fund	172,477	172,477	172,477			
	Other	35,565	6,641 (D)	38,603			
	Total investments and other assets	208,042	(3,603) (C)	211,080	3,900		1,725,233
			3,038		6,464		4,432,265
Current assets:							
Cash and cash equivalents		276,728	617,500 (A)	276,728			119,312
Accounts receivable - trade (less allowance for doubtful accounts of \$7,945)			(616,938) (B)				-
Unbilled revenue		249,999	(19,943) (D)	249,999			200,777
Other accounts and notes receivable		58,804	514 (E)	58,804			47,392
Intercompany notes receivable		87,956		87,956		(18,456) (G)	272,978
Materials and supplies, at average cost - Fossil fuel		78,800		78,800		17,035 (H)	
Other		64,509		64,509		41,856 (G)	213,776
		95,348		95,348		(44,285) (H)	
		20,541		20,541		(2,050)	854,235
Total current assets		932,685	(18,867)	913,818			
Regulatory assets:							
Deferred income taxes		605,797		605,797			1,254,053
Other		151,595	13,302 (D)	171,838			140,017
Total regulatory assets		757,392	6,941 (C)	777,835			149,111
TOTAL ASSETS		\$7,220,922	\$ 4,414	\$7,225,336			395,655
							\$7,225,336
CAPITAL AND LIABILITIES							
Capitalization:							
Common stock, \$5 par value, authorized 150,000,000 shares - outstanding 102,123,834 shares		\$9,146,149		\$9,146,149			\$510,619
Other paid-in capital, principally premium on common stock		219,275		219,275			701,896
Retained earnings		35,784		35,784			1,336,756
		9,401,208		9,401,208			
		4,286,088		4,286,088			
		5,115,120		5,115,120			
Total common stockholders' equity							2,551,835
Preferred stock not subject to mandatory redemption		134,394		134,394			113,759
Long-term debt		73,289		73,289			1,769,385
		5,322,803		5,322,803			
Unamortized discount and premium on debt		172,477		172,477			(2,714)
Total long-term debt							1,725,233
Total capitalization		38,603		38,603			4,432,265
Current liabilities:							
Current maturity of long-term debt		276,728		276,728			119,312
Short-term debt							-
Accounts and wages payable		249,999		249,999			200,777
Accumulated deferred income taxes		58,804		58,804			47,392
Taxes accrued		87,956		87,956			272,978
Other		78,800		78,800			213,776
Total current liabilities		64,509		64,509			854,235
Accumulated deferred income taxes		95,348		95,348			1,254,053
Accumulated deferred investment tax credits		20,541		20,541			140,017
Regulatory liability		605,797		605,797			149,111
Other deferred credits and liabilities		151,595		171,838			395,655
TOTAL CAPITAL AND LIABILITIES		\$7,220,922	\$ 4,414	\$7,225,336			\$7,225,336

This balance sheet reflects the accepted accounting practices of the Company. It does not include the notes usually accompanying the published financial statements of the Company. However, this balance sheet reflects all adjustments which are, in the opinion of management, necessary to a fair statement of financial position as of September 30, 1999 and should be considered in conjunction with the notes to financial statements included in the Company's annual report to the commission.

UNION ELECTRIC COMPANY  
STATEMENT OF INCOME  
Twelve Months Ended SEPTEMBER 30, 1999  
(Thousands of Dollars)

	Per Books	Pro Forma Adjustments (See Pages 3 & 4)	As Adjusted
<b>OPERATING REVENUES:</b>			
Electric	\$ 2,407,220	\$ -	\$ 2,407,220
Gas	94,242		94,242
Steam	199		199
Total operating revenues	<u>2,501,661</u>		<u>2,501,661</u>
<b>OPERATING EXPENSES:</b>			
Operations			
Fuel and purchased power	620,826		620,826
Gas	52,721		52,721
Other	454,562	(514) (E)	454,048
	<u>1,128,109</u>		<u>1,128,109</u>
Maintenance	232,562		232,562
Depreciation and amortization	262,591		262,591
Income taxes	232,522	(16,456) (E)	233,101
		17,035 (F)	
Other taxes	205,493		205,493
Total operating expenses	<u>2,061,277</u>	<u>579</u>	<u>2,061,856</u>
<b>OPERATING INCOME</b>	<b>440,384</b>	<b>(579)</b>	<b>439,805</b>
<b>OTHER INCOME AND DEDUCTIONS:</b>			
Allowance for equity funds used during construction	7,652		7,652
Miscellaneous, net	11,510		11,510
Total other income and deductions	<u>19,162</u>		<u>19,162</u>
<b>INCOME BEFORE INTEREST CHARGES</b>	<b>459,546</b>	<b>(579)</b>	<b>458,967</b>
<b>INTEREST CHARGES:</b>			
Interest	126,135	41,656 (E)	123,506
		(44,285) (F)	
Allowance for borrowed funds used during construction	(6,694)		(6,694)
Net interest charges	<u>119,441</u>	<u>(2,629)</u>	<u>116,812</u>
<b>INCOME BEFORE EXTRAORDINARY CHARGE</b>	<b>340,105</b>	<b>2,050</b>	<b>342,155</b>
<b>EXTRAORDINARY CHARGE (NET OF INCOME TAXES)</b>	<b>-</b>	<b>(24,686) (E)</b>	<b>0</b>
		27,250 (F)	
<b>NET INCOME</b>	<b>340,105</b>		<b>342,669</b>
<b>PREFERRED STOCK DIVIDENDS</b>	<b>8,817</b>	<b>(729)</b>	<b>8,088</b>
<b>NET INCOME AFTER PREFERRED STOCK DIVIDENDS</b>	<b>\$ 331,288</b>	<b>\$ 2,564</b>	<b>\$ 333,852</b>

UNION ELECTRIC COMPANY  
PRO FORMA ADJUSTING ENTRIES  
SEPTEMBER 30, 1999

Exhibit 3  
Page 3 of 4

	<u>Debit</u> (thousands of dollars)	<u>Credit</u>
<u>Entry A</u>		
Cash	617,500	
Other Long-Term Debt		617,500
To reflect new indebtedness by Union Electric Company of proposed New Series,		
<u>Entry B</u>		
Other Long-Term Debt	575,500	
Preferred Stock	41,438	
Cash		616,938
To reflect repayment on outstanding Series		
<u>Entry C</u>		
Unamortized Loss on Reacquired Debt	6,941	
Unamortized Discount and Premium on Debt		3,338
Unamortized Debt Expense		3,603
To reflect transfer of the remaining balance of net unamortized discount and related debt expense on issue to be reacquired		
<u>Entry D</u>		
Unamortized Debt Expense	6,641	
Unamortized Loss on Reacquired Debt	13,302	
Cash		19,943
To reflect payment of debt issuance and underwriting fees on proposed Series and call premium on early redeemed Series		
<u>Entry E</u>		
Interest Charges	41,656	
Other operations expense		514
Operating expenses - Income taxes		16,456
Reduction of net income		24,686
To reflect the effects of annualized interest and amortization of debt issuance and underwriting fees on proposed Series, call premium on reacquired Series and amortization of prior unamortized expenses and losses on reacquired debt		
<u>Entry F</u>		
Operating expenses - Income taxes	17,035	
Increase of net income	27,250	
Interest Charges		41,409
Preferred Dividends of Subsidiaries		2,876
To reflect the elimination of annualized interest and amortization expenses and losses on proposed reacquired Series		

UNION ELECTRIC COMPANY  
PRO FORMA ADJUSTING ENTRIES  
SEPTEMBER 30, 1999

Exhibit 3  
Page 4 of 4

	<u>Debit</u> (thousands of dollars)	<u>Credit</u>
<u>Entry G</u>		
Retained earnings	24,686	
Income taxes accrued	16,456	
Cash	514	
Interest accrued		41,656

To reflect the annual effect on retained earnings, as indicated by new issue (Entry E) and the resulting accruals for interest charges and applicable income taxes

<u>Entry H</u>		
Interest accrued	41,409	
Dividends accrued	2,876	
Retained earnings		27,250
Income taxes accrued		17,035

To reflect the annual effect on retained earnings, as indicated refunding (Entry F) and the resulting reductions of accruals for interest charges and applicable effect on income taxes

Footnotes:

- Applicant is seeking authority to refinance up to \$100,000,000 in short-term debt with long-term indebtedness sometime in the future. The pro forma effect of such refinancing is as follows:

DR Short-term debt	100,000	
CR Cash		100,000

To reflect repayment of outstanding debt.

DR Cash	100,000	
CR Long-term debt		100,000

To reflect new indebtedness of proposed Series.

- On October 15, 1999, the Applicant funded the maturity of its \$100,000,000 Series 6.75% First Mortgage Bonds with cash. The effect of such funding is as follows:

DR Current maturity of long-term debt	100,000	
CR Cash		100,000

To reflect repayment of outstanding Series

DR Operating expenses - Income taxes	2,771	
DR Net income	4,156	
CR Interest charges		6,927

To reflect the elimination of interest expense and amortization of debt expense and discount on Series that matured.