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DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge

DANA K. JOYCE
General Counsel

January 26, 2000

FILED

JAN 26 2000

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

Missouri Public
Service Commission

RE: Case No. EF-2000-385 – In the Matter of the Application of Union Electric Company d/b/a AmerenUE for an Order Authorizing the Issue and Sale of up to \$750,000,000 Aggregate Principal Amount of Additional Long-Term Indebtedness.

Dear Mr. Roberts:

Enclosed for filing in the above captioned case are an original and fourteen (14) conformed copies of Attachments A, B and C to the Staff Recommendation of John Kiebel. Mr. Kiebel's Staff Recommendation was filed on January 21, 2000, but the enclosed Attachments A, B and C were inadvertently not included in the filing. I apologize for any delay or inconvenience that this oversight may have caused.

Copies of these attachments are being sent this date to all parties of record. Attachments A and C are one page documents and Attachment B is a two page document.

Sincerely yours,

Steven Dotheim
Chief Deputy General Counsel
(573) 751-7489
(573) 751-9285 (Fax)

Enclosure
cc: Counsel of Record

**Service List for
Case No. EF-2000-385
January 26, 2000**

Office of the Public Counsel
P.O. Box 7800
Jefferson City, MO 65102

Mr. Ronald Evans
Ameren Services Company
One Ameren Plaza, 1901 Chouteau Ave.
St. Louis, MO 63166-6149

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Missouri Public
Service Commission

**Pro Forma Capitalization as of September 30, 1999
for UtiliCorp United Inc.**

Capital Component	Percentage of Capital	Capital Dollars	Pro Forma Adjustments	Pro Forma Capital Dollars	Pro Forma Percentage of Capital
Common Equity	34.26%	\$1,508,000,000	\$191,000,000	\$1,699,000,000	35.20%
Preferred Stock	7.95%	350,000,000	0	350,000,000	7.25%
Long-Term Debt	51.20%	2,254,000,000	234,000,000	2,488,000,000	51.54%
Short-Term Debt	6.59%	290,000,000	0	290,000,000	6.01%
Total	100.00%	\$4,402,000,000	\$425,000,000	\$4,827,000,000	100.00%

**Financial Ratio Benchmarks
Total Debt / Total Capital**

Standard & Poor's Corporation's
Utilities Rating Service,
Financial Statistics
Electric Utilities
December 31, 1998

	AA	A	BBB
Range %	38.45-51.50	40.53-55.13	44.01-62.09
Median %	42.72	46.91	51.21
Mean %	44.90	48.58	52.20

Note: LT debt includes \$20 million representing the current portion of LT debt. JK

**Selected Pro Forma Financial Ratios
for Utilicorp United Inc.**

<u>RATIO ANALYSIS</u>	<u>Ratios as of 12-31-98 (1)</u>	<u>Pro-Forma Ratios</u>	<u>S&P Guidelines "AA" Rating (1)</u>	<u>S&P Guidelines "A" Rating (1)</u>	<u>S&P Guidelines "BBB" Rating (1)</u>
Pre-Tax Interest Coverage:	2.70 x	2.55 x	3.73-4.44 x	2.88-4.02 x	2.08-3.04 x
Funds From Operations Interest Coverage:	3.76 x	3.42 x	4.79-5.89 x	3.51-4.82 x	2.72-3.72 x
Funds from Operations to Total Debt:	17.40 %	14.82 %	26.49-34.53 %	19.41-29.11 %	13.24-19.87 %
Total Debt to Total Capital:	52.30 %	57.55 %	38.45-51.50 %	40.53-55.13 %	44.01-62.09 %

Notes:

(1) Standard & Poor's Utilities Rating Service, Financial Statistics, December 31, 1998

Notes and Calculations:

	<u>Actual</u>	<u>Pro-Forma</u>
1. Pre-Tax Interest Coverage		
Net Income (continuing operations):	132	159
+ Income Taxes: (Curr, Def, & ITC)	86	78
+ Income adjustments (gross)		
+ Subsid. preferred and preference div.		
+ Interest expense (net)	133	153
+ Minority Interest		
- AFUDC Equity		
	<u>351</u>	<u>390</u>
divided by Interest Expense (net) +		
Capitalized Interest + AFUDC debt	133	153
	2.64 x	2.55 x
2. Funds From Operations Interest Coverage:		
Net Income (continuing operations):	132	159
+ Depreciation:	150	150
+ Amorts:		
+ Total Interest Charges Paid:	133	153
- Deferred Income Taxes:	62	62
- Deferred Investment Tax Credits:		
- Decommissioning Fund Contributions:		
- AFUDC Debt Portion (add negative):		
- AFUDC Equity Portion (sub positive):		
	<u>477</u>	<u>524</u>
divided by Gross Interest Incurred:	133	153
	3.59 x	3.42 x
3. Funds from Operations to Total Debt:		
Funds from Operations:	411,600,000	411,600,000
Short-Term Debt:	290,000,000	290,000,000
Long-Term Debt:	<u>2,254,000,000</u>	<u>2,488,000,000</u>
Total Debt:	<u>2,544,000,000</u>	<u>2,778,000,000</u>
	16.18 %	14.82 %

CELPE

(\$ in U.S. Millions)

Proposed Structure *Based on \$1.3 B Purchase Price*

