

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 16th day of February, 2023.

In the Matter of the Application of Union)
Electric Company d/b/a Ameren Missouri for)
an Order Authorizing the Issue and Sale of)
Additional Long-Term Indebtedness) **File No. EF-2023-0151**

ORDER APPROVING APPLICATION FOR FINANCING AUTHORITY

Issue Date: February 16, 2023

Effective Date: February 26, 2023

On January 5, 2023, Union Electric Company d/b/a Ameren Missouri, pursuant to Sections 393.180 and 393.200, RSMo, filed an application requesting authority to issue and sell up to \$500 million aggregate principal amount of additional long-term indebtedness (“New Indebtedness”) to fund capital expenditures and/or refinance short-term debt.

In addition, Ameren Missouri requested expedited treatment of its application under 20 CSR 4240-2.080(14) such that an order approving the financing would become effective no later than February 26, 2023.

On January 25, 2023, the Staff of the Commission (Staff) filed its recommendation that the Commission approve Ameren Missouri’s application for authority to issue and sell the New Indebtedness, subject to certain conditions. Staff stated that approval of the application would not be detrimental to the public interest. On February 8, 2023, Ameren Missouri filed a response to Staff’s recommendation in which it agreed to Staff’s recommended conditions.

Section 393.200, RSMo, and Commission Rule 20 CSR 4240-10.125 require Ameren Missouri to obtain the Commission’s authority to issue debt securities.

Sections 393.180 and 393.200, RSMo, authorize public utilities to issue long-term financing when necessary for the purposes enumerated in the statute.¹ If the utility's request falls within the enumerated purposes and is necessary or reasonably required, the Commission may grant the request.²

After review of Ameren Missouri's application and of Staff's recommendations, the Commission concludes that granting Ameren Missouri's request accords with Ameren Missouri's stated purposes, that the issuance of the debt securities proposed in the application is or will be reasonably required for those stated purposes, and that such purposes are not in whole, or in part, reasonably chargeable to operating expenses or to income. Accordingly, the Commission finds that the request satisfies Section 393.200, RSMo. Ameren Missouri's application for authority to issue and sell the New Indebtedness will be approved, subject to the conditions recommended by Staff.

The Commission also finds it reasonable to make this order effective in less than 30 days to allow the order to be effective on the date requested by Ameren Missouri.

THE COMMISSION ORDERS THAT:

1. Ameren Missouri is authorized to issue and sell up to \$500 million aggregate principal amount of additional long-term indebtedness ("New Indebtedness") at any time during the one-year period after the effective date of this order.

2. Ameren Missouri's application filed on January 5, 2023, is approved, subject to the following conditions:

¹ Section 393.180, RSMo 2016, states:

The power of gas corporations, electrical corporations, water corporations, or sewer corporations to issue stocks, bonds, notes and other evidences of indebtedness and to create liens upon their property situated in this state is a special privilege, the right of supervision, regulation, restriction and control of which is and shall continue to be vested in the state, and such power shall be exercised as provided by law and under such rules and regulations as the commission may prescribe.

² *In re Laclede Gas Co.v. Mo. Pub. Serv. Com'n.* 526 S.W.3d 245 (Mo. App. 2017).

- a. Nothing in this Order shall be considered a finding by the Commission of the value of this transaction for rate making purposes, and the Commission reserves the right to consider the rate making treatment to be afforded to the financing transaction and its impact on cost of capital in a later rate proceeding;
- b. Ameren Missouri shall file with the Commission, within 30 days of issuance of any financing authorized pursuant to this order, a report including the amount of secured indebtedness issued, date of issuance, interest rate (initial rate, if variable), maturity date, redemption schedules or special terms, if any, use of proceeds, estimated expenses, and loan or indenture agreement concerning each issuance. In addition, Ameren Missouri shall also provide the analysis, to include but not be limited to, indicative pricing information provided by investment banks it performed to determine that the terms for the debt it decided to issue were the most reasonable at the time;
- c. Ameren Missouri is given authority to enter into agreements in order to use, at its discretion, derivative instruments such as interest rate swaps, treasury locks, forward-starting swaps, caps, collars or other derivatives, to manage the risk associated with interest rate fluctuations and other financial exposures that may occur before the issuance of the New Long-Term Debt;
- d. Ameren Missouri shall file with the Commission any information concerning communication with credit rating agencies concerning any issuance of financing authorized pursuant to this order;
- e. Ameren Missouri shall file a five-year capitalization expenditure schedule in future finance cases;

- f. Ameren Missouri shall file in future finance cases whereby the use of proceeds includes the repayment of short-term debt that cannot be linked to the repayment of long-term debt, a schedule that reconciles short-term debt incurred for purposes of long-term capital projects specifically and individually disclosed in quarterly and annual filings with the Securities and Exchange Commission. For those capital expenditures not categorized in Securities and Exchange Commission filings, Ameren Missouri shall provide an aggregate sum of the miscellaneous expenditures;
 - g. Ameren Missouri shall provide a certified copy of the resolutions of its Board of Directors prior to financing;
 - h. Should any proceeds from the issuance and sale of the New Indebtedness exceed Ameren Missouri's short-term debt balance on the date prior to issuance and be used to fund near-term capital expenditures, Ameren Missouri shall pay appropriate fees to the Commission; and
 - i. The Commission's grant of authority shall expire three years from the effective date of this order.
3. Ameren Missouri is authorized to execute all documents and take all actions necessary for the above-described transactions.
4. This order shall become effective on February 26, 2023.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Rupp, Chm., Coleman, Holsman, and
Kolkmeier CC., concur.

Woodruff, Chief Regulatory Law Judge


STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission,
at Jefferson City, Missouri, this 16th day of February, 2023.





Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

February 16, 2023

File/Case No. EF-2023-0151

**Missouri Public Service
Commission**

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Morris L. Woodruff
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.