

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held by internet and audio conference on the 28th day of April, 2021.

In the Matter of the Application of Union)
Electric Company d/b/a Ameren Missouri for) **File No. EF-2021-0176**
an Order Authorizing the Issue and Sale of)
Additional Long-Term Indebtedness)

ORDER APPROVING APPLICATION FOR FINANCING AUTHORITY

Issue Date: April 28, 2021

Effective Date: May 12, 2021

On March 26, 2021, Union Electric Company, d/b/a Ameren Missouri, filed an application with the Missouri Public Service Commission seeking permission and authority to issue and sell up to \$650 million aggregate principal amount of additional long-term indebtedness. Ameren Missouri requests approval of this Application on an expedited basis, by April 28, 2021, so that it may implement the requested financings on or before May 12, 2021.

Ameren Missouri indicated in its application that proceeds will be used to “fund capital expenditures and/or refinance short-term debt consisting of commercial paper borrowings and potentially money pool borrowings and/or credit facility borrowings.” This includes the amount of Ameren’s short-term debt as of March 25, 2021, which is \$193,150,000.

On April 16, 2021, the Staff of the Commission (Staff) filed a Status Report. Staff stated that it met with Ameren Missouri concerning the impact of Section 386.300,

RSMo,¹ and the potential need to charge fees for any amounts over the \$193,150,000 of Ameren's short-term debt as of March 25, 2021.

Ameren Missouri filed an amended application on April 19, 2021. In the amended application, Ameren Missouri states that it expects to use most, if not all, of the proceeds from the issuance and sale of the new Indebtedness to refinance short-term debt for which no fee is required. However, any proceeds from the issuance and sale of the new Indebtedness in an amount that exceeds Ameren Missouri's short-term debt balance on the date prior to the issuance will be used to fund near-term capital expenditures and for which a fee will be required.

On April 23, 2020, Staff recommended that the Commission approve the application, subject to conditions. No other response to Staff's recommendation has been filed.

The Commission has reviewed and considered Ameren Missouri's application and Staff's recommendation. The Commission finds that it is not detrimental to the public interest to grant Ameren Missouri's application. The Commission will require Ameren Missouri to comply with the conditions requested by Staff. Consistent with Section 393.200, RSMo (2016), the Commission finds that the proposed issuance of debt securities is or will be reasonably required for the purposes specified in the application and that such purposes are not in whole, or in part, reasonably chargeable to operating expenses or to income.

As requested, the Commission finds good cause to make this order effective on May 12, 2021, to allow Ameren Missouri to act promptly on the financing authority.

¹ That statute states that any debt issuance not used for refinancing outstanding short-term debt be subject to a fee payable to the Commission.

THE COMMISSION ORDERS THAT:

1. Ameren Missouri's Application for Financing Authority is granted subject to the following conditions:

- a. Nothing in this order shall be considered a finding by the Commission of the value of this transaction for rate making purposes. The Commission reserves the right to consider the rate making treatment to be afforded the financing transaction and its impact on cost of capital in any later rate proceeding;
- b. Ameren Missouri shall file with the Commission within 10 days of issuance of any financing authorized pursuant to a Commission order in this proceeding, 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 shall file with the Commission any information concerning communication with credit rating agencies concerning any such issuance;
- d. Ameren Missouri shall file with the Commission as a non-case related submission in EFIS under "Resources" - "Non-Case Related Query" - "Ordered Submission" any credit rating agency reports published on Ameren Missouri's or Ameren's corporate credit quality or the credit quality of its securities;
- 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 which 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. The Commission's grant of authority shall expire one year from the effective date of the order in this proceeding; and
- h. Any debt issuance not used for refinancing outstanding short-term debt shall be subject to a fee payable to the Missouri Public Service Commission, per Section 386.300 RSMo.

2. Ameren Missouri is authorized to execute all documents and take all actions necessary for the above-described transactions.

- 3. This order shall become effective on May 12, 2021.
- 4. This file shall be closed on May 13, 2021.



BY THE COMMISSION

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

Morris L. Woodruff
Secretary

Silvey, Chm., Kenney, Rupp, Coleman, and
Holsman CC., concur.

Pridgin, Regulatory Law Judge