

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 29th day
of May, 2008.

In the Matter of the Application of Union Electric)	
Company, d/b/a AmerenUE, for an Order Authorizing)	<u>Case No. EF-2008-0349</u>
the Issue and Sale of up to \$314,000,000 Aggregate)	
Principal Amount of Additional Long-term Indebtedness)	

**ORDER GRANTING AUTHORITY TO ISSUE AND SELL
ADDITIONAL LONG-TERM INDEBTEDNESS**

Issue Date: May 29, 2008

Effective Date: June 8, 2008

On April 23, 2008, Union Electric Company d/b/a AmerenUE, filed an application with the Missouri Public Service Commission seeking authority to issue and sell up to \$314 million aggregate principal amount of additional long-term indebtedness. AmerenUE asked the Commission to expedite consideration of its application in order to provide AmerenUE flexibility with respect to the issuance of the indebtedness given dynamic and rapidly changing market conditions. To that end, AmerenUE asked the Commission to issue an order approving its application by May 31, 2008.

On May 22, 2008, the Staff of the Commission filed a Recommendation and Memorandum regarding AmerenUE's application. Staff recommends that the Commission approve the application subject to seven specified conditions. AmerenUE has indicated that it accepts the conditions specified by Staff. No other party responded to AmerenUE's application or Staff's recommendation.

The Commission has reviewed and considered AmerenUE's application and the Recommendation and Memorandum of Staff and concludes that the application should be granted. The Commission will require AmerenUE to comply with the conditions requested by Staff.

As required by Section 393.200.1 RSMo 2000, the Commission finds that the money, property or labor to be procured or paid for by the issuance of the indebtedness proposed in AmerenUE's application 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.

IT IS ORDERED THAT:

1. Union Electric Company, d/b/a AmerenUE, is authorized to issue and sell from time to time, at any time after the effective date of this order, in one or more transactions, up to \$314,000,000 aggregate principal amount of New Indebtedness in one or more combinations of the following forms, with such terms and provisions as described in its Application: first mortgage bonds or other forms of secured indebtedness, and promissory notes or other forms of unsecured indebtedness (including subordinate deferrable interest debentures).

2. Union Electric Company, d/b/a AmerenUE, is authorized to enter into, execute, deliver, and perform the necessary agreements, indentures, notes, and other documents relative to the New Indebtedness.

3. Union Electric Company, d/b/a AmerenUE, is authorized to do any and all other things not contrary to law or the rules and regulations of the Commission, incidental, necessary or appropriate to the performance of any and all acts specifically authorized in this order.

4. The authority granted in this order is subject to the following conditions:

A. Before issuance, AmerenUE shall submit to the Financial Analysis Office of the Commission any information concerning deviations from the stated use of the funds or any information that would materially change the pro-forma capitalization and financial ratios associated with this Application;

B. The interest rate for any debt issuance covered by the Application shall not exceed the greater of nine percent (9.00%), or a rate that is consistent with similar securities of comparable credit quality and maturities issued by other issuers;

C. AmerenUE shall provide to the Financial Analysis Department of the Commission any information that it provides to a credit rating agency concerning the issuances in this Application that may impact AmerenUE's credit rating and each response AmerenUE receives from the credit rating agency as part of the report it filed pursuant to condition F hereof;

D. The Application is approved solely for the purposes stated in the Application and not for operating expenses;

E. At no time will AmerenUE's total borrowings, including instruments, exceed its regulated rate base;

F. AmerenUE shall file with the Commission within (10) ten days of the issuance of any debt securities authorized pursuant to a Commission order in this proceeding, a report including the amount of debt securities issued, date of issuance, interest rate (initial rate if variable), maturity date, redemption schedules or special terms, if any, use of proceeds, estimated

expenses, portion subject to the fee schedule and loan or indenture agreement concerning each issuance;

G. Nothing in this order is to 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 these financing transactions and their results in cost of capital, in any later proceeding.

5. This order shall remain effective for three (3) years from the effective date of the order. Union Electric Company, d/b/a AmerenUE, is authorized to request an extension of such terms by filing an application at least ninety days prior to the expiration of the three-year term. This condition shall only apply to the term of the authorization. If Union Electric Company, d/b/a AmerenUE, seeks a further increase in the authorized amount of financing, it shall file a new application.

6. This order shall become effective on June 8, 2008.

7. This case shall be closed on June 9, 2008.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', is written over a horizontal line.

Colleen M. Dale
Secretary

(S E A L)

Davis, Chm., Murray, Clayton,
Jarrett, and Gunn, CC., concur.

Jones, Senior Regulatory Law Judge