

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City, Missouri on the 21st day of December, 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-2024-0099

ORDER APPROVING FINANCE AUTHORITY

Issue Date: December 21, 2023

Effective Date: January 3, 2024

On November 13, 2023, Union Electric Company d/b/a Ameren Missouri filed an application (Application) for permission and authority to issue and sell additional long-term indebtedness (New Indebtedness) in an amount up to \$900 million.¹ Ameren Missouri also requested a waiver of the 60-day notice requirement, and a motion for expedited treatment.

On December 8, 2023, the Staff of the Commission (Staff) filed a recommendation regarding Ameren Missouri's application. Staff recommended approval of the Application subject to its recommended conditions, as Staff determined the Application is not detrimental to the public interest. Ameren Missouri filed a response on December 15, 2023 stating it does not object to Staff's conditions. No other responses were filed.

¹ Ameren Missouri's application was filed pursuant to Section 393.180, 393.190, and 393.200 RSMo (2016), and Commission Rules 20 CSR 4240-2.060, 20 CSR 4240-2.080(14), and 20 CSR 4240-4.017, and 20 CSR 4240-10.125. Unless otherwise stated, all statutory citations are to the Revised Statutes of Missouri, as codified in the year 2016.

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.² If Ameren Missouri's request falls within the enumerated purposes and is necessary or reasonably required, the Commission may grant the request.³

The Application stated that the proceeds will be used to fund capital expenditures and/or refinance short-term debt. The Commission finds these purposes to conform to the requirements of Section 393.200, RSMo.

After review of Ameren Missouri's Application and Staff's recommendations, the Commission concludes that granting Ameren Missouri's request accords with its stated purposes, that the financing authorization 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. The Commission, accordingly, finds that the request satisfies Section 393.200, RSMo. Ameren Missouri's unopposed request for financing authorization will be granted subject to the unopposed recommended conditions of Staff. The Commission also finds that approving the Application will not be detrimental to the public interest.

The Commission will grant Ameren Missouri's request for waiver of the 60-day case filing notice requirement under 20 CSR 4240-4.017. The Commission finds good

² "The power of gas corporations, electrical corporations, water corporation, or sewer corporations to issue stocks, bond, 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." Section 393.180 RSMo.

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

cause exists for waiver based on Ameren Missouri's verified declaration that it had no communication with the Commission regarding substantive issues likely to arise in this file within 150 days before filing its application.

Lastly, due to changing financial market conditions and forecasted financial needs Ameren Missouri requested expedited treatment of its Application, so that the Commission's order becomes effective on or before January 3, 2024. The Commission finds the request reasonable. The Commission will grant the motion for expedited treatment and make this order effective in less than 30 days.

THE COMMISSION ORDERS THAT:

1. The 60-day notice of case filing requirement is waived for this application pursuant to 20 CSR 4240-4.017(1)(D).

2. Ameren Missouri is authorized to issue and sell up to \$900 million aggregate principal amount of New Indebtedness subject to the following conditions, as recommended by Staff:

- a) Nothing in the Commission's 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 30 days of issuance of any financing authorized pursuant to this Commission 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 authorized 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 Indebtedness;
- d) Ameren Missouri shall file with the Commission any information concerning communication with credit rating agencies concerning any such issuance;
- 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) 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 will pay appropriate fees pursuant to Section 386.300, RSMo, to the Commission; and
- i) The Commission's grant of authority shall expire three years from the effective date of this.

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 January 3, 2024.



BY THE COMMISSION

Nancy Dippell

Nancy Dippell
Secretary

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

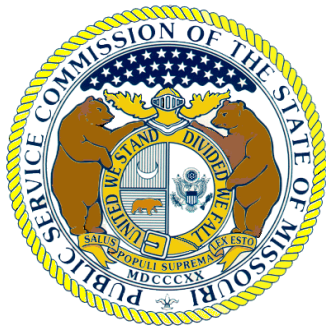
Dippell, Chief Regulatory Law Judge

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 21st day of December 2023.



Nancy Dippell

Nancy Dippell
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

December 21, 2023

File/Case No. EF-2024-0099

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

Sincerely,



**Nancy Dippell
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.