

Exhibit No.:  
Issue(s): Rate of Review  
Witness: Darryl T. Sagel  
Type of Exhibit: Direct Testimony  
Sponsoring Party: Union Electric Company  
File No.: GR-2024-0369  
Date Testimony Prepared: September 30, 2024

**MISSOURI PUBLIC SERVICE COMMISSION**

**FILE NO. GR-2024-0369**

**DIRECT TESTIMONY**

**OF**

**DARRYL T. SAGEL**

**ON**

**BEHALF OF**

**UNION ELECTRIC COMPANY**

**D/B/A AMEREN MISSOURI**

**St. Louis, Missouri  
September 2024**

## TABLE OF CONTENTS

I.	INTRODUCTION .....	1
II.	PURPOSE AND SUMMARY OF TESTIMONY .....	2
III.	RATE OF RETURN AND COST OF CAPITAL CONSIDERATIONS .....	3
IV.	CAPITAL STRUCTURE AND CREDIT RATINGS, GENERALLY .....	5
V.	AMEREN MISSOURI'S ACTUAL & FORECASTED CAPITAL STRUCTURE.....	10
VI.	BALANCE AND EMBEDDED COST OF LONG-TERM DEBT .....	13
VII.	BALANCE OF SHORT-TERM DEBT.....	14
VIII.	BALANCE AND EMBEDDED COST OF PREFERRED STOCK.....	14
IX.	BALANCE AND COST OF COMMON EQUITY .....	15
X.	FAIR RATE OF RETURN.....	16

**DIRECT TESTIMONY**

**OF**

**DARRYL T. SAGEL**

**FILE NO. GR-2024-0369**

**I. INTRODUCTION**

1

2 **Q. Please state your name and business address.**

3 A. My name is Darryl T. Sagel. My business address is One Ameren Plaza,  
4 1901 Chouteau Avenue, St. Louis, Missouri 63103.

5 **Q. By whom and in what capacity are you employed?**

6 A. I am employed by Ameren Services Company ("Ameren Services"), a  
7 wholly-owned subsidiary of Ameren Corporation ("Ameren"), as Vice President and  
8 Treasurer. I also serve as Vice President and Treasurer of Union Electric Company d/b/a  
9 Ameren Missouri ("Ameren Missouri" or "Company"). Ameren Services provides various  
10 corporate support services to Ameren's subsidiaries, including Ameren Missouri, such as  
11 accounting, legal, financial, and treasury services.

12 **Q. What are your current job duties and responsibilities?**

13 A. As Treasurer, I am responsible for all areas of the treasury functional area,  
14 including corporate finance, cash and investment management, credit risk management,  
15 investor relations, investor services, and corporate development. Within the areas of  
16 corporate finance, I am responsible for, among other things, managing Ameren's and its  
17 subsidiaries' capital raising and capital structures, including their short-term and long-term  
18 financing activities, such as debt and equity issuances and credit facility arrangements. I

1 am also responsible for monitoring and managing Ameren's and its subsidiaries' liquidity  
2 positions, key credit metrics, and debt agreement compliance, overseeing relationships  
3 with credit rating agencies and banks, and monitoring capital markets for key  
4 developments, and emerging risks and opportunities, among other corporate finance-  
5 related activities.

6 **Q. Please describe your educational and professional background.**

7 A. See my Statement of Qualifications, which is attached as Appendix A to my  
8 direct testimony.

9 **II. PURPOSE AND SUMMARY OF TESTIMONY**

10 **Q. What is the purpose of your direct testimony?**

11 A. The purpose of my direct testimony is to recommend a reasonable capital  
12 structure for Ameren Missouri for ratemaking purposes and an appropriate overall fair rate of  
13 return for the Company's gas utility business. The capital structure that I recommend is based  
14 on Ameren Missouri's forecasted debt, preferred stock, and common stock balances as of  
15 December 31, 2024. The actual balances as of that date will be provided with the true-up data.  
16 My direct testimony reflects, for informational purposes, Ameren Missouri's actual capital  
17 structure as of March 31, 2024, the end of the proposed test year. In recommending a fair overall  
18 rate of return, I consider Ameren Missouri's embedded cost of long-term debt, its embedded  
19 cost of preferred stock, and the fair return on equity recommended by Ameren Missouri witness  
20 Ann Bulkley in her direct testimony in this case.

1           **Q.     Are you sponsoring any schedules in connection with your direct**  
2 **testimony?**

3           A.     Yes, I am sponsoring and have attached to my testimony the following  
4 schedules, which have been prepared as of or for the projected twelve months ending December  
5 31, 2024, as appropriate:

- 6           •     Schedule DTS-D1 – Capital Structure/Weighted Average Cost of Capital
- 7           •     Schedule DTS-D2 – Embedded Cost of Long-Term Debt
- 8           •     Schedule DTS-D3 – Cost of Short-Term Debt
- 9           •     Schedule DTS-D4 – Embedded Cost of Preferred Stock

10           **III.     RATE OF RETURN AND COST OF CAPITAL CONSIDERATIONS**

11           **Q.     What is the relationship between allowed rate of return and cost of**  
12 **capital in the context of utility ratemaking?**

13           A.     Under a traditional regulatory model, the interests of customers and a  
14 utility's shareholders may be considered "balanced" when the Missouri Public Service  
15 Commission ("Commission") authorizes a rate of return on rate base equal to the utility's  
16 cost of capital. If the authorized rate of return is less than the utility's overall cost of capital,  
17 the financial strength and stability of the utility could degrade, making it difficult for the  
18 utility to raise necessary capital on a timely basis, at a reasonable cost, and under reasonable  
19 terms. Conversely, if the authorized rate of return exceeds the utility's cost of capital, then  
20 customers would essentially be overcompensating the utility for its provision of service.  
21 Ultimately, the utility's inability to raise sufficient capital would impair service quality, or  
22 the increased cost of capital incurred by a financially-weakened utility would result in

1 increased rates. Customer interests are best served when the Commission-authorized rate  
2 of return is set equal to the utility's overall cost of capital.

3 **Q. Please define weighted average cost of capital.**

4 A. Weighted average cost of capital equals the sum of the costs of the  
5 components of an entity's capital structure, weighted by the relative contribution of each  
6 capital source to the entity's total capitalization.

7 **Q. How did you calculate the weighted average cost of capital for Ameren**  
8 **Missouri?**

9 A. As reflected in Schedule DTS-D1, I calculated Ameren Missouri's weighted  
10 average cost of capital by: (1) multiplying the relative weighting or proportion of each  
11 component of Ameren Missouri's capital structure by the cost of that component; and then  
12 (2) summing the weighted cost of each capital component.

13 **Q. What is the primary standard for determining a fair rate of return?**

14 A. According to the landmark *Bluefield* and *Hope* U.S. Supreme Court  
15 decisions, a utility's rates must be set at a level that allows the utility to generate revenues  
16 sufficient to: (1) maintain the financial integrity of its existing invested capital;  
17 (2) maintain its creditworthiness; and (3) attract sufficient capital on competitive terms to  
18 continue to provide a source of funds for continued investment and enable the utility to  
19 meet the needs of its customers.<sup>1</sup> When a utility is allowed a reasonable opportunity to earn  
20 its cost of capital, it also generally has the opportunity to accomplish these objectives.

---

<sup>1</sup> *Bluefield Water Works & Improvement Co. v. Public Service Commission of West Virginia*, 262 U.S. 679 (1923) and *Federal Power Commission v. Hope Natural Gas Company*, 320 U.S. 591 (1944).

1           **Q.     From a finance perspective, why is it important that the Commission**  
2 **establish Ameren Missouri's rates based on its actual, overall capital structure and**  
3 **thus give it the opportunity to earn its cost of capital?**

4           A.     By earning its cost of capital, Ameren Missouri will generate sufficient cash  
5 flows and maintain the financial strength and stability necessary to, among other things,  
6 attract investment to finance the business and provide reliable, high-quality service to its  
7 customers at a reasonable cost. Sufficient cash flows and overall financial health allow the  
8 Company to offer an attractive and competitive, risk-adjusted return to equity investors and  
9 also to maintain strong credit metrics and investment grade credit ratings. Those strong  
10 metrics and ratings, as discussed further below, afford the Company ongoing access to debt  
11 capital at a reasonable cost and under reasonable terms and conditions.

12           **IV.     CAPITAL STRUCTURE AND CREDIT RATINGS, GENERALLY**

13           **Q.     What is a utility capital structure?**

14           A.     Capital structure refers to the mix of debt and equity capital that a utility,  
15 such as Ameren Missouri, uses to finance its assets. Because they must support long-lived  
16 assets, utility capital structures tend to include long-term securities, generally a  
17 combination of common equity and long-term debt. However, there are other forms of  
18 capital, such as preferred equity (which has both equity-like and debt-like elements), that  
19 may also be components of a utility's capital structure.

20           **Q.     How should the reasonableness of a public utility's capital structure be**  
21 **evaluated?**

22           A.     In evaluating the reasonableness of a public utility's capital structure, one  
23 should determine whether the capital structure is consistent with the financial strength

1 necessary for the utility to access the capital markets under reasonable terms under most  
2 economic conditions and, if so, whether the cost of capital resulting from such a structure  
3 is reasonable. While debt, relative to equity, is generally a less expensive form of capital  
4 due in part to the tax deductibility of interest expense, heightened leverage can increase a  
5 company's probability of default and the related costs of financial distress. Beyond a certain  
6 point, dependence on debt as a source of capital increases the risk associated with a utility's  
7 cash flow, which correspondingly increases a utility's overall cost of capital.

8 **Q. Does Ameren Missouri seek to maintain a certain capital structure?**

9 A. Yes. Ameren Missouri's capital structure is composed of debt, preferred  
10 stock, and common equity. Ameren Missouri specifically and continuously maintains the  
11 balance of debt and equity in its capital structure to minimize its overall cost of capital and,  
12 at the same time, maintain financial strength and stability. Maintaining financial strength  
13 and stability includes supporting strong credit metrics and securing investment grade credit  
14 ratings that will allow the Company to attract new capital at a reasonable cost and on  
15 reasonable terms and ensure that Ameren Missouri has access to the capital markets under  
16 varying economic conditions.

17 **Q. Why is it necessary for Ameren Missouri to attract new capital?**

18 A. As a public utility, Ameren Missouri is required to continuously provide  
19 safe and adequate service to its customers. It is essential that Ameren Missouri be able to  
20 access this new capital on a timely basis, at a reasonable cost, and under reasonable terms  
21 and conditions in order to meet these significant service and investment commitments.



1           **Q.     Why is it necessary that Ameren Missouri be able to access the capital**  
2 **markets during all economic conditions?**

3           A.     Ameren Missouri's service commitments to its customers and its  
4 infrastructure investment obligations do not cease in an economic downturn. Ameren  
5 Missouri, therefore, must be able to attract the capital necessary to meet those commitments  
6 and obligations under varying economic conditions, including periods of market distress,  
7 when access to the capital markets may be severely limited for weaker-rated issuers.

8           **Q.     How does a balanced capital structure help ensure Ameren Missouri's**  
9 **access to the capital it needs at a reasonable cost and during market fluctuations?**

10          A.     Capital structure is one metric that credit rating agencies evaluate when  
11 assessing an issuer's credit profile and assigning a credit rating. A healthy capital structure  
12 is one that results in a reasonable balance between the overall cost of capital and the  
13 expected cost of financial distress. The capital structure recommended in my testimony  
14 reflects a reasonable balance between the cost of capital and financial strength and stability.  
15 It allows Ameren Missouri to take advantage of the lower cost of debt financing without  
16 elevating the risk of default and the related costs of financial distress to an unreasonable  
17 level that would impair the creditworthiness and financial integrity of Ameren Missouri.  
18 The actual capital structure also influences other credit metrics on which credit ratings are  
19 based. Credit ratings, in turn, are used by investors to evaluate the creditworthiness of an  
20 issuer and make investment decisions.

21          **Q.     What is a credit rating?**

22          A.     A credit rating is an evaluation by a credit rating agency of a company's  
23 ability to meet its financial obligations in a timely manner. It reflects the opinion of the

1 rating agency of the overall creditworthiness of the company based on the company's  
2 relevant business and financial risks. A credit rating can be specific to a particular security  
3 or to a particular securities issuer.

4 **Q. Why do credit ratings matter?**

5 A. Credit ratings have a significant effect on a company's ability to attract debt  
6 capital, and in extreme cases, whether the company can access debt capital at all. Credit  
7 ratings also impact the pricing and contractual terms at which a company may issue debt  
8 securities. This affects the cost of capital, and in Ameren Missouri's case, the rates  
9 customers must pay for utility service. In general, a stronger credit rating typically enables  
10 a utility to obtain debt capital at a lower cost, to the benefit of customers.

11 **Q. How are credit ratings determined?**

12 A. The two primary credit rating agencies are Standard and Poor's Ratings  
13 Services ("S&P") and Moody's Investor Services ("Moody's"). In assessing a company's  
14 ability to meet its financial obligations, S&P and Moody's generally - but each to varying  
15 degrees - consider both qualitative factors affecting the company's business risk and  
16 quantitative factors affecting its financial risk.

17 **Q. How do a company's credit metrics affect its credit ratings?**

18 A. Credit metrics factor significantly into the credit rating agencies'  
19 evaluations of a company's credit profile and the rating agencies' assignment of credit  
20 ratings. The credit rating agencies generally deem strong credit metrics necessary to  
21 maintain investment grade credit ratings.

1           **Q.     What is an "investment grade" credit rating?**

2           A.     An investment grade credit rating is a rating of BBB- or stronger from S&P  
3 or a rating of Baa3 or stronger from Moody's. An investment grade credit rating implies a  
4 certain degree of financial strength, stability, and reasonable assurance of an issuer's ability  
5 to satisfy its debt obligations. Investment grade credit ratings, therefore, tend to support  
6 enhanced access to debt capital for a company, even when market conditions are weak.  
7 For Ameren Missouri, investment grade credit ratings provide reasonable assurance that it  
8 will be able to access the capital markets on a timely basis, at a reasonable cost, and under  
9 reasonable terms and conditions. Again, for Ameren Missouri, ongoing access to the debt  
10 capital markets benefits its customers by supporting its service obligations, and lower debt  
11 costs achievable with investment grade credit ratings contribute to lower utility rates.

12           **Q.     Does Ameren Missouri target investment grade issuer credit ratings**  
13 **when it maintains its capital structure?**

14           A.     Yes. As previously explained, access to sufficient capital is critical to  
15 Ameren Missouri's financial health and stability and, in turn, to the service that its  
16 customers receive and the rates customers pay for that service. Therefore, in my opinion,  
17 Ameren Missouri's issuer credit ratings should be securely investment grade (at least two  
18 notches stronger than the various rating agencies' weakest investment grade issuer credit  
19 rating) to continue to support the financial integrity of the utility and ensure its access to  
20 necessary capital at a reasonable cost and on reasonable terms in both strong and weak  
21 markets.

1           **Q.     What are Ameren Missouri’s current issuer credit ratings?**

2           A.     Currently, Ameren Missouri’s issuer credit ratings at Moody’s and S&P are  
3     Baa1 and BBB+, respectively. Both credit rating agencies report stable outlooks for  
4     Ameren Missouri’s credit ratings.

5           **Q.     Do you consider Ameren Missouri’s current issuer credit ratings to be**  
6     **securely investment grade?**

7           A.     Yes.

8     **V. AMEREN MISSOURI’S ACTUAL & FORECASTED CAPITAL STRUCTURE**

9           **Q.     What was Ameren Missouri’s capital structure as of March 31, 2024,**  
10    **the end of the proposed test year in this case?**

11          A.     Table 1 shows Ameren Missouri’s actual capital structure as of March 31,  
12    2024:

13   **Table 1**

	<b>As of March 31, 2024</b>	
	<b>Balance</b>	<b>%</b>
Long-term debt	\$ 6,644,092,827	48.73%
Short-term debt	\$ -	0.00%
Preferred stock	\$ 81,827,509	0.60%
Common equity	\$ 6,907,534,880	50.67%
Total	<u>\$ 13,633,455,216</u>	<u>100.00%</u>

14           **Q.     What capital structure are you recommending in this case?**

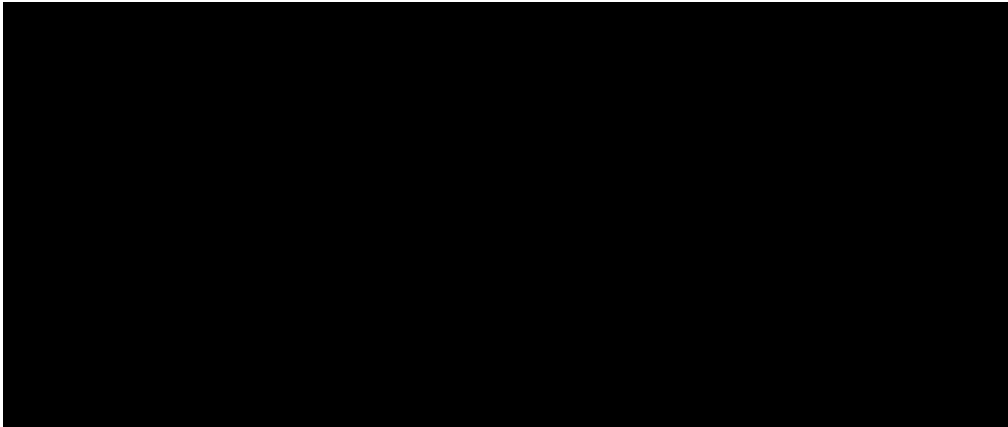
15          A.     I recommend that Ameren Missouri’s actual capital structure as of the  
16    recommended true-up date of December 31, 2024, be used in this case.  
17

1           **Q. How do you expect Ameren Missouri’s capital structure to change**  
2 **when the balances are true-up through December 31, 2024?**

3           A. Based on current projections, I expect Ameren Missouri’s capital structure  
4 as of the December 31, 2024 true-up date to be as follows in Table 2S:

5                               **Table 2 Confidential**

\*\*



\*\*

6  
7           **Q. Can you highlight the key activities, both completed and projected, that**  
8 **drive the changes to the balance sheet calculations between March 31, 2024 and December**  
9 **31, 2024?**

10           A. There are several activities worth highlighting that are expected to drive the  
11 balance sheet differences between March 31, 2024 and December 31, 2024. First, in April 2024,  
12 Ameren Missouri issued \$500 million of 5.20% first mortgage bonds due in April 2034, with  
13 net proceeds of \$495 million used for capital expenditures, to repay short term debt, and to  
14 refinance \$350 million of Ameren Missouri 3.50% bonds that matured in April 2024. \*\* \_\_\_\_\_

15 \_\_\_\_\_  
16 \_\_\_\_\_  
17 \_\_\_\_\_

1 \_\_\_\_\_  
2 \_\_\_\_\_  
3 \_\_\_\_\_  
4 \_\_\_\_\_  
5 \_\_\_\_\_  
6 \_\_\_\_\_  
7 \_\_\_\_\_  
8 \_\_\_\_\_  
9 \_\_\_\_\_

10 \_\_\_\_\_ \*\* Finally, it is worth  
11 noting that the Company's December 31, 2024, balance sheet forecast assumes Ameren  
12 Missouri successfully executes the securitization of Rush Island Energy Center energy transition  
13 costs in the fourth quarter of 2024 in the amount authorized by the Commission (i.e., \$468  
14 million),<sup>2</sup> with such financing treated as an off-balance sheet obligation for purposes of  
15 ratemaking. To the extent the Company is unable to place the securitization bonds in the fourth  
16 quarter of 2024, then Ameren Missouri may be required to fund all or a portion of such future  
17 Ameren Missouri investments with on-balance sheet capital, which could impact the actual  
18 capital structure of the Company as of December 31, 2024.

18 **Q. How does the recommended capital structure compare to the**  
19 **Company's capital structure in recent years?**

20 A. Ameren Missouri's proposed capital structure is consistent with recent  
21 years, as its expected common equity ratio as of December 31, 2024 of \*\* \_\_\_\_\_ \*\* is  
22 squarely within the 51.81% - 52.51% range of such ratios between the years ended 2016

---

<sup>2</sup> The balance sheet reflects the amount authorized for securitization, including estimated financing costs, in the Commission's Report & Order in File No. EF-2024-0021, June 20, 2024.

1 through 2019, as well as the years ended 2021 through 2023. The common equity  
2 component of Ameren Missouri's year-end 2020 capital structure (at 51.26%) was  
3 modestly below the range indicated above due to the timing of the financing associated  
4 with the then-recent acquisition of two wind generation facilities.<sup>3</sup>

5 **Q. Has Ameren Missouri's business outlook or financial position**  
6 **meaningfully changed since the Commission reviewed the Company's capital**  
7 **structure in the most recent gas rate review?**

8 A. No. There has been no significant change in the Company's business and  
9 operational strategy, its outlook, or its financial position since the last gas rate review  
10 proceeding that would justify a modification to how Ameren Missouri's capital structure  
11 used for ratemaking purposes is determined.

12 **Q. Why do you believe that the capital structure recommended in your**  
13 **testimony is appropriate?**

14 A. The capital structure recommended in my testimony reflects a reasonable  
15 balance between the cost of capital and financial strength and stability. It allows Ameren  
16 Missouri to take advantage of the lower costs of debt financing without elevating the risk  
17 of default and the related costs of financial distress to an unreasonable level that would  
18 impair the creditworthiness and financial integrity of the Company.

19 **VI. BALANCE AND EMBEDDED COST OF LONG-TERM DEBT**

20 **Q. How was the balance of long-term debt determined?**

21 A. The long-term debt balance of **\*\* \_\_\_\_\_ \*\*** reflected in the  
22 proposed Ameren Missouri capital structure represents the projected total carrying value

---

<sup>3</sup> Please see the direct testimony of Darryl Sagel from Docket ER-2021-0240 for additional information.

1 of the Company's long-term debt as of December 31, 2024. As detailed in Schedule DTS-  
2 D2, the carrying value of long-term debt was computed using the net proceeds method,  
3 which adjusts the face amount of long-term debt to properly account for unamortized  
4 discounts and premiums, long-term debt issuance expenses, and any gains or losses  
5 incurred in connection with long-term debt redemptions.

6 **Q. How was the embedded cost of long-term debt determined?**

7 A. As reflected in Schedule DTS-D2, the embedded cost of long-term debt of  
8 **\*\* \_\_\_\_\_ \*\*** was computed by dividing the forecasted annualized interest expense as of  
9 December 31, 2024, by the forecasted long-term debt carrying value as of such date.

10 **VII. BALANCE OF SHORT-TERM DEBT**

11 **Q. How was the balance of short-term debt determined?**

12 A. The balance of short-term debt of **\*\* \_\_\_\_\_ \*\*** reflected in the proposed  
13 Ameren Missouri capital structure represents the forecasted average short-term debt  
14 balance for the twelve months ending December 31, 2024, net of cash and construction  
15 work in progress balances. As reflected in Schedule DTS-D3, the Company expects to have  
16 no net short-term borrowings during the period.

17 **VIII. BALANCE AND EMBEDDED COST OF PREFERRED STOCK**

18 **Q. How was the balance of preferred stock determined?**

19 A. The preferred stock balance of **\*\* \_\_\_\_\_ \*\*** reflected in Ameren  
20 Missouri's proposed capital structure reflects the expected carrying value of, and the net  
21 proceeds received for, Ameren Missouri's projected preferred stock outstanding as of  
22 December 31, 2024. The calculation of the preferred stock balance is shown in Schedule  
23 DTS-D4.



1           **Q.     How was the embedded cost of Ameren Missouri’s preferred stock**  
2 **determined?**

3           A.     As reflected in Schedule DTS-D4, the embedded cost of preferred stock of  
4 **\*\* \_\_\_\_\_\*\*** was computed by dividing forecasted annualized dividends by the net proceeds  
5 received for forecasted preferred stock outstanding as of December 31, 2024.

6           **Q.     Did you consider expenses incurred in connection with Ameren**  
7 **Missouri’s issuance of preferred stock in calculating the embedded cost of this**  
8 **component of the Company’s capital structure?**

9           A.     Yes. As reflected in Schedule DTS-D4, considered in the embedded cost of  
10 preferred stock is not only the cost of dividends, but also the cost of preferred stock  
11 issuance, including discounts, premiums, expenses, and any losses incurred in connection  
12 with redeeming prior preferred stock series. Unlike similar costs incurred in connection  
13 with the issuance and redemption of long-term debt, these expenses are not amortized over  
14 the life of the security due to the perpetual nature of preferred stock. Nonetheless, it is  
15 important and appropriate to consider these costs in order to accurately quantify the true  
16 economic cost of Ameren Missouri’s preferred stock and establish a fair overall rate of  
17 return for the Company.

18                   **IX.     BALANCE AND COST OF COMMON EQUITY**

19           **Q.     How was the balance of Ameren Missouri’s common equity**  
20 **determined?**

21           A.     The common equity balance of **\*\* \_\_\_\_\_\*\*** reflected in Ameren  
22 Missouri’s proposed capital structure reflects Ameren Missouri’s forecasted book value of  
23 common equity as of December 31, 2024. Common equity is generally reflected net of

1 accumulated other comprehensive income ("AOCI"), but AOCI is projected to be  
2 **\*\* \_\_\_\_\_ \*\*** as of December 31, 2024.

3 **Q. How was the cost of common equity determined?**

4 A. In her testimony in this case, Ms. Bulkley states that the cost of common  
5 equity capital for Ameren Missouri's gas operations is currently within the range of 10.25%  
6 to 11.25% and recommends that the Commission allow Ameren Missouri the opportunity  
7 to earn a return on common equity of 10.25%. As a consequence, in forecasting Ameren  
8 Missouri's overall weighted average cost of capital for its gas business, I have assumed a  
9 cost of common equity of 10.25%, and Ameren Missouri requests that the Commission  
10 approve a return on common equity of 10.25% in this case.

11 **X. FAIR RATE OF RETURN**

12 **Q. What do you propose is a fair overall rate of return for Ameren**  
13 **Missouri in this case?**

14 A. A return of 7.40%, which is equivalent to Ameren Missouri's forecasted  
15 weighted average cost of capital as of December 31, 2024, is fair and reasonable. The  
16 calculation of the Company's forecasted weighted average cost of capital, considering the  
17 debt, preferred stock, and common equity balances and costs set forth above, is reflected  
18 in Schedule DTS-D1.

19 **Q. Does this conclude your direct testimony?**

20 A. Yes, it does.

## **APPENDIX A**

### **STATEMENT OF QUALIFICATIONS**

#### **DARRYL T. SAGEL**

1           My name is Darryl T. Sagel. My business address is One Ameren Plaza, 1901  
2 Chouteau Avenue, St. Louis, Missouri, 63103. I am employed by Ameren Services  
3 Company as Vice President and Treasurer. As Treasurer, I am responsible for all areas of  
4 the treasury functional area of Ameren Corporation and its subsidiaries, including  
5 corporate finance, cash and investment management, insurance, credit risk management,  
6 investor relations, investor services and corporate development. Within the areas of  
7 corporate finance, I am responsible for, among other things, managing Ameren  
8 Corporation's and its subsidiaries' capital raising initiatives and capital structure, including  
9 their short-term and long-term financing activities, such as debt and equity issuances and  
10 credit facility arrangements. I am also responsible for monitoring and managing Ameren's  
11 and its subsidiaries' liquidity positions, key credit metrics, and debt agreement compliance,  
12 overseeing relationships with credit rating agencies and banks, and monitoring capital  
13 markets for key developments, emerging risks, and opportunities, among other corporate  
14 finance-related activities.

15           I received my Bachelor of Arts degree in Quantitative Economics in 1994 from  
16 Stanford University.

17           I have more than 30 years of experience in various finance and strategy roles. Upon  
18 graduating from college in 1994, I joined the Investment Research Department at Goldman  
19 Sachs, & Co. based in New York City, where I aided in the research coverage of  
20 approximately 100 domestic and international electric and gas utility companies. In 1996,

1 I transferred to Goldman Sachs' Investment Banking Division, within which I advised  
2 energy and utility clients in the U.S. and internationally in raising capital and structuring  
3 merger and acquisition (M&A) transactions. In 2000, I took a position at Morgan Stanley  
4 & Co., working within the company's Mergers & Acquisitions group and focusing  
5 predominantly on assisting global power and utilities clients on M&A-related matters.  
6 After over three years on the Morgan Stanley investment banking platform, in 2003, I  
7 moved to Lazard Freres & Co. (Lazard), where I continued to originate and execute  
8 financial advisory assignments for a broad range of domestic and international power and  
9 utility companies and alternative energy companies. For several years during my tenure, I  
10 was a Partner and co-head of Lazard's North American Power & Utilities practice. In 2010,  
11 I left Lazard to join Rothschild Inc. to head its North American Power & Utilities group.  
12 In total, I amassed over 18 years of experience as an investment banker covering the broad  
13 power and utilities sector, working on a wide array of transformative and incremental  
14 M&A transactions, corporate restructurings and capital raising initiatives. In mid-2012, I  
15 joined Ameren Services as Director of Corporate Development, overseeing the company's  
16 M&A functional area, as well as originating and executing direct investment and corporate  
17 partnership opportunities. I was promoted to Assistant Vice President, Corporate  
18 Development in 2016 and again promoted to Vice President, Corporate Development in  
19 2017. In July 2018, I inherited oversight of all of Ameren's treasury functions and my title  
20 changed to Vice President and Treasurer.

**GR-2024-0369**

**Schedules  
DTS-D1 through  
DTS-D4 are  
Confidential in  
there Entirety**

**P**

