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Issue(s):	Capital Structure
Witness:	Darryl Sagel
Type of Exhibit:	Surrebuttal Testimony
Sponsoring Party:	Union Electric Company
File No.:	GR-2024-0369
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MISSOURI PUBLIC SERVICE COMMISSION

FILE NO. GR-2024-0369

SURREBUTTAL TESTIMONY

OF

DARRYL SAGEL

ON

BEHALF OF

UNION ELECTRIC COMPANY

D/B/A AMEREN MISSOURI

St. Louis, Missouri
May 2, 2025

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SURREBUTTAL TESTIMONY

OF

DARRYL SAGEL

FILE NO. GR-2024-0369

I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Darryl T. Sagel, Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company"). My business address is One Ameren Plaza, 1901 Chouteau Ave., St. Louis, Missouri 63103.

Q. Are you the same Darryl Sagel that submitted direct and rebuttal testimony in this case?

A. Yes, I am.

II. PURPOSE OF TESTIMONY

Q. To what testimony or issues are you responding?

A. My surrebuttal testimony in this proceeding responds to the rebuttal testimony of David Murray, submitted on behalf of the Office of Public Counsel ("OPC").

Q. Are you sponsoring any schedules in connection with your testimony?

A. Yes, I am sponsoring, and have attached to my surrebuttal testimony, the following schedule, which has been prepared under my direction:

- Schedule DTS-S1 – Common Equity Ratios – Integrated and Gas Proxy Group Utility Holding Companies

III. RESPONSE TO OPC WITNESS DAVID MURRAY'S REBUTTAL TESTIMONY REGARDING RECOMMENDED ALLOWED CAPITAL STRUCTURE

Q. In recommending that the Missouri Public Service Commission (the "Commission") utilize Ameren Corporation's parent company capital structure for ratemaking purposes, Mr. Murray states that Ameren Corporation has been able to sustain additional corporate leverage without negative credit implications due to Moody's Investors Service ("Moody's") having lowered its Funds From Operation ("FFO") to debt ratio[1] downgrade threshold in March 2019 from 19% to 17%. He further indicates that "[a] primary reason Moody's provided for allowing less stringent financial metrics was the "improved regulatory construct in Missouri facilitating meaningful rate base growth and reducing regulatory lag [PISA].'"[2] Do you agree that Ameren Corporation's "flexibility to incur more leverage at the holding company level without jeopardizing its credit rating"[3] increased as a result of Moody's action to reduce the FFO to debt ratio downgrade threshold?

A. Yes. As I stated in my rebuttal testimony, "[t]his change has permitted Ameren Corporation more flexibility to take on additional leverage or better absorb negative changes to the operating cash flow profile of its utility subsidiaries without negatively impacting its credit rating at Moody's."[4]

[1] Moody's evaluates the FFO to debt ratio utilizing a similar metric – cash flow from operations pre-working capital to debt ratio.
[2] File No. GR-2024-0369, David Murray Rebuttal Testimony, p. 6, l. 25 to p.7, l. 2
[3] File No. GR-2024-0369, David Murray Rebuttal Testimony, p. 6, ll. 24-25.
[4] File No. GR-2024-0369, Darryl Sagel Rebuttal Testimony, p. 38, ll. 5-8.

Q. Do you agree with Mr. Murray that one of the primary reasons Moody's cited for allowing less stringent financial metrics was the improved regulatory construct in Missouri?

A. I do not agree with Mr. Murray's statement, because in its March 29, 2019 credit opinion, Moody's does not explicitly state that it made this change due to any one factor. Mr. Murray is simply speculating, based on a Credit Strength mentioned elsewhere in Moody's report – "Improved regulatory construct in Missouri facilitating meaningful rate base growth and reducing regulatory lag," which Moody's in no way ties to its FFO to debt ratio downgrade threshold change. In fact, there are other Credit Strengths highlighted in the report, which Mr. Murray ignores, that could just as easily have contributed to Moody's action, and there are also counterbalancing Missouri-related Credit Challenges indicated in the report that might have otherwise impeded Moody's action, including "Negative cash flow implications from both tax reform and Missouri rate freeze until April 2020 will lead to a 500 bps reduction in CFO pre-working capital to debt," and "Transitioning its predominantly coal generation fleet in Missouri." In summary, Mr. Murray' s speculation does not provide a factual basis to support the cause and effect he claims to exist.

Q. Did Moody's action in March 2019 to reduce Ameren Corporation's FFO to debt ratio downgrade threshold have any practical implications on Ameren Missouri's access to debt capital, its cost of capital or its debt capacity?

A. No, it did not. Since the March 2019 report was published, Moody's has not taken any action on Ameren Missouri's credit rating or its rating outlook, and only recently (in its May 13, 2024 credit opinion) reduced Ameren Missouri's FFO to debt ratio downgrade threshold to 18% from 19% identified in previous credit opinions. There is no specific discussion in the May 13, 2024 credit opinion that supported Moody's downgrade threshold reduction, but the agency did mention that Ameren Missouri has been operating recently with little to no cushion above its downgrade threshold. As Ameren Missouri's FFO to debt ratios were at or below the previous 19% downgrade threshold in three of the four years between 2020 and 2023 without the agency taking any action, it appears that Moody's is now willing to give the Company a bit more flexibility on this metric prospectively, though its credit outlook indicates that the Company**______________

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______** Consequently, it cannot be reasonably inferred that the Company has enhanced access to capital, or a lower cost of capital, since Ameren Missouri issues its own debt (with Ameren Missouri investors looking exclusively at Ameren Missouri's credit profile) and does not rely upon Ameren Corporation for balance sheet support of the Company's financial obligations. In addition, with Ameren Missouri having financially performed with FFO to debt ratios at or below established downgrade thresholds in recent years, it is important to recognize that the Company cannot incur incremental debt capacity without facing significant risk of a ratings downgrade at Moody's.

Mr. Murray seems to take issue with the fact that Ameren Missouri has maintained a fairly consistent common equity ratio over time even as his perception of an improved regulatory environment (as a result of the passage of Plant-in-Service Accounting and securitization legislation) leads him to believe that the Company can operate with additional financial leverage. I address these considerations at length in my rebuttal testimony and support the fact that Ameren Missouri's actual common equity ratio appropriately balances its stand-alone financial health and current risk profile, while ensuring timely access to both equity and debt capital at reasonable costs.

Q. Mr. Murray indicates that the purposes for which Ameren Corporation issued holding company debt should not matter in the Commission's deliberation of what capital structure to utilize for ratemaking purposes. How do you respond?

A. I disagree, but perhaps more importantly, regulatory experts disagree. I would call attention to a citation from Charles Phillips', The Regulation of Public Utilities – Theory and Practice,[5] which recommends that "a hypothetical capital structure is used only where a utility's actual capitalization is clearly out of line with those of other utilities in its industry or where a utility is diversified." Mr. Phillips clearly draws a distinction that the use of parent company debt proceeds matter, but only to the extent they are earmarked for non-regulatory purposes. In my rebuttal testimony, I clearly supported Ameren Missouri's actual common equity ratio of 51.957% as of December 31, 2024, and the fact that Ameren Missouri's common equity ratio is consistent with those authorized, on balance, by the fully-regulated gas operating subsidiaries for publicly-traded utilities in an identified peer group. In addition, and though not really pertinent to these proceedings, I would highlight the fact that Ameren Corporation's common equity ratio as of December 31, 2024 is also very much in line with the average and median common equity ratios of peer integrated utility and gas utility parent companies, as supported by Schedule DTS-S1. Finally, neither the Company nor its parent company, Ameren Corporation, is

[5] Charles F. Phillips, Jr., The Regulation of Public Utilities – Theory and Practice, 1993, Public Utility Reports, Inc., Arlington VA, at 391.

meaningfully diversified into non-regulated activities or businesses, so the proceeds of parent company debt offerings are almost entirely supporting regulated activities.

Q. In responding to the direct testimony of Commission Staff witness Seoung Joun Won, Mr. Murray states that Ameren Missouri does not operate as an independent entity as it relates to the procurement of financing. What is your response?

A. I addressed the issue of financial independence of Ameren Missouri at length in my rebuttal testimony. Specifically, Ameren Missouri finances itself through its own public issuances, maintains its own credit ratings and produces separate filings for the Securities and Exchange Commission. Ameren Missouri's capital structure is managed over time to ensure continued financial strength as well as to maintain a credit profile that provides the Company timely access to required capital in order to fund Ameren Missouri operations and to support its obligations to provide safe and adequate service to all customers in its service territory, at a competitive cost for the benefit of Ameren Missouri customers. In addition, Ameren Missouri's Board of Directors exerts governance oversight of key regulatory, legal, managerial and financial matters, including approval of capital budgets, financings and cash distributions (i.e., dividends) to Ameren Corporation. The fact that Ameren Services Company provides various corporate support services to Ameren's subsidiaries, including the Company, in practice does not impinge on Ameren Missouri's financial independence. This services structure was put in place to take advantage of economies of scale available through centralized functions – with such efficiencies passed on to Ameren Missouri and other subsidiaries' customers in the form of lower costs that, in turn, result in lower customer rates.

Mr. Murray further states that "Ameren Missouri's record shows that it relies more heavily on long-term capital (i.e., retained earnings and long-term debt) than short-term debt to fund its liquidity needs… illustrates Ameren Missouri is not being managed independent of Ameren Corp."[6] Mr. Murray does not effectively explain why that is the case and I certainly do not follow his logic. Because Ameren Missouri has finite available liquidity through available borrowings under the Missouri revolving credit facility, which it shares with Ameren Corporation, and through potential borrowings via Ameren's utility money pool, the Company needs to be thoughtful about how much short-term debt (e.g., commercial paper) it carries over time. Outstanding commercial paper reduces available borrowing capacity under the Missouri revolving credit facility dollar for dollar. To the extent Ameren Missouri holds higher levels of short-term debt over time, its prospective liquidity position could be constrained, particularly in the event long-term capital was not available on attractive terms. Both rating agencies evaluate how Ameren Corporation and its issuing subsidiaries, including Ameren Missouri, manage their liquidity profiles over time, with such evaluation factored into each of the entities' credit ratings. Consequently, it has been Ameren Missouri's historic practice to term-out (i.e., issue long-term debt to repay short-term debt) its commercial paper exposure when the Company has in the area of $300 million to $600 million of commercial paper outstanding, allowing the Company to issue index-eligible, and therefore less-expensive, long-term debt. Given the seasonality of Ameren Missouri's cash flow profile, the Company's commercial paper balances typically increase in the first and fourth quarters of each calendar year, resulting in optimal strategic long-term debt issuances in the March / April / May timeframe within the calendar

[6] File No. GR-2024-0369, David Murray Rebuttal Testimony, p. 11, l. 28 to p. 12, l. 2.

year. I would also mention that with the relatively elevated level of short-term interest rates over the past several years, as exemplified by the Federal Funds Rate and the Secured Overnight Financing Rate (SOFR), which largely dictates the commercial paper rates the Company pays, there has been limited term premium – meaning that the Company really does not meaningfully reduce its cost of capital by holding short-term debt versus long-term debt.

Mr. Murray also references the fact that Ameren Missouri does not possess a stand-alone revolving credit facility, suggesting that Ameren parent benefits through the arrangement and even indicating that Ameren Corporation uses its access to commercial paper (as a result of being a borrower under its shared credit facilities) to fund common dividends to shareholders. First, I do not know how Mr. Murray can come to that conclusion that Ameren Corporation commercial paper funds common stock dividends as commercial paper is not a permanent source of capital and therefore Ameren Corporation ultimately relies on long-term capital (debt and equity, as well as any cash distributions from its subsidiaries) to ultimately fund its common dividend. I would also mention that the scale benefit of the shared revolving credit facility actually inures both to Ameren Corporation and Ameren Missouri. If Ameren Missouri were instead to utilize a stand-alone credit facility, the Company and its customers would be required to pay for 100% of that arrangement, an amount that is likely materially greater than its proportionate percentage of fees associated with a shared credit facility sized to address the Company's and Ameren parent's contemporaneous cash needs.

Q. In disputing the application of Ameren Missouri's stand-alone capital structure for purposes of this proceeding and attempting to counter another element of Dr. Won's Direct Testimony, Mr. Murray makes a point of highlighting that Standard & Poor's Ratings Services ("S&P") does not issue credit ratings for Ameren Missouri based on the stand-alone credit quality of the Company. Do you agree?

A. Not entirely. S&P does issue individual credit ratings for Ameren Missouri based on credit considerations distinct to the Company and publishes separate credit opinions for Ameren Missouri. However, S&P's methodology for rating issuer entities that are part of a corporate group (as is the case with Ameren Missouri) takes into consideration the creditworthiness of the group, the stand-alone credit profiles of individual group members, and the status of the issuing entity relative to other group entities. In assigning an issuer credit rating to individual group members, such as Ameren Missouri, <u>the issuer credit rating is based on the entity's stand-alone credit profile</u> and the potential for extraordinary support or extraordinary negative intervention available to the issuer, and any degree of insulation that an individual group member has from potential negative influence by other weaker group entities. So, to state that "S&P assigns a BBB+ rating to Ameren Missouri because Ameren Corp.'s rating is BBB+"[7] is an oversimplification. Yet, in Ameren Missouri's case, S&P perceives the Company as "Core" – that is, integral to the group's (i.e., Ameren Corporation's) identity and future strategy – which necessitates that Ameren Missouri's issuer credit rating (BBB+) be equivalent to Ameren Corporation's group credit profile (bbb+).

[7] File No. GR-2024-0369, Rebuttal Testimony of David Murray, p. 13, l. 28 to p. 14, l. 1.

It is important to note that when Ameren Missouri raises long-term debt, it does so via the offering of first mortgage bonds, secured debt under which holders have primary liens on the property that secures the mortgage and priority claims on the underlying property in the event of default. Because of the secured nature of the debt, both S&P and Moody's rate the first mortgage bonds of Ameren Missouri – the true cost of capital to Ameren Missouri customers – two notches higher (i.e., A+ / A2) than their respective issuer credit ratings of Ameren Missouri. Therefore, it is accurate to state that Ameren Missouri debt rated by the rating agencies is based on the stand-alone credit quality, including the underlying assets, of Ameren Missouri.

One additional point that should not be neglected, though, is that Mr. Murray does not dispute the fact that Moody's issuer credit rating for Ameren Missouri is based on Ameren Missouri's stand-alone credit quality, including its stand-alone capital structure, so it is still factually correct to state, as Dr. Won posits, that Ameren Missouri's stand-alone capital structure supports its own issuer credit ratings.

Q. Can you explain how Ameren Corporation sources the capital that it ultimately contributes to Ameren Missouri and other utility subsidiaries?

A. As indicated in my rebuttal testimony, the capital that Ameren Missouri receives from Ameren Corporation is sourced exclusively from common equity raised by Ameren Corporation from third-party investors, not from holding company debt that has been issued. For instance, between year-end 2021 and year-end 2024, Ameren Missouri received $470 million of equity infusions from Ameren Corporation (all during calendar 2024), but during that same period, Ameren Corporation issued $942 million of common stock to third party investors in order to directly support the planned capital infusions into the Company. Furthermore, during that same timeframe, Ameren Illinois Company received $65 million of capital infusions from Ameren Corporation and Ameren Transmission Company of Illinois (ATXI) received $25 million of capital infusions from Ameren Corporation, in each case excluding modest contributions to both subsidiaries related to Ameren's enterprise tax-sharing agreement. So, over that three-year period through December 31, 2024, all investments into Ameren subsidiaries, including the Company, were more than covered by the amount of common stock issued by Ameren Corporation during that timeframe. While Ameren Corporation also issued holding company long-term debt during that period – specifically $1,300 million raised through two separate offerings in 2023 – the proceeds were used predominantly for a couple of purposes:

- Refinancing a $450 million Ameren Corporation debt maturity in September 2024.
- Paying dividends to Ameren Corporation's common shareholders at levels that were well in excess of dividend distributions received from its regulated subsidiaries, including Ameren Missouri. This is a function of the regulated subsidiaries reinvesting significant operating cash flow and retained earnings into their long-term regulated assets.
- Paying debt service on Ameren parent long-term debt

While this holding company debt in theory was issued in support of the regulated activities of the subsidiaries (i.e., paying common dividends to shareholders impacts the relative cost of equity of common stock issued to fund subsidiary investments), it really was not used as a direct contributor of investments at those subsidiaries. Rather, each subsidiary was able to independently manage its capital structure through their respective operating cash flows, subsidiary debt issuances and net dividend policy.

Q. Mr. Murray claims that "Ameren Corp. recently issued short-term debt to fund an equity contribution into Ameren Missouri. Ameren Corp. contributed $350 million of equity capital to Ameren Missouri during the second quarter of 2024. However, Ameren Corp. only received $36 million in common equity during the second quarter of 2024."[8] How do you respond?

A. Given Ameren's approach to raising equity capital from third party investors and through its dividend reinvestment and employee benefit programs, the timing of the actual equity capital raise and receipt of proceeds from investors may not exactly align with the timing of contributions to Ameren Missouri. Specifically, Ameren has raised most of its common equity over the past several years through its At-The-Market ("ATM") common equity program, which allows the company to offer common equity into the market in modest volumes at times when Ameren management views its stock price to be relatively attractive. The ATM program solution also brings the lowest issuance cost among issuance alternatives as Ameren is effectively selling equity at the then-prevailing market price, rather than a discount to the market as is typically the case in traditional follow-on common equity offerings. It is also worth noting that Ameren has executed all ATM program offerings over the past several years through a forward equity sales agreement, which allows Ameren to settle the issuance at a future date (typically 12-18 months from the agreement execution date) in order to manage corporate liquidity, credit and earnings-per-share objectives. Over the past several years, Ameren has physically

[8] File No. GR-2024-0369, Rebuttal Testimony of David Murray, p. 15, ll. 2-5.

settled significant forward equity sale agreements in the fourth quarter. Such was the case in the fourth quarter of 2023, during which time Ameren physically settled approximately $300 million of common equity that it planned to use, along with other equity raised in late 2023 and early 2024 to support the second quarter 2024 equity infusion into Ameren Missouri of $350 million. Similarly, in the fourth quarter of 2024, Ameren settled approximately $230 million of common equity under forward equity sale agreements that was intended to support the fourth-quarter 2024 contribution into Ameren Missouri of $120 million. Given the volatility of Ameren's stock price, Ameren management exercises discretion in terms of the timing of equity-raising solutions. A "just-in-time" approach that Mr. Murray suggests (issuing equity exactly when it is needed) would be a less cost-effective solution that would likely result in a higher cost of equity capital to Ameren, and by extension, Ameren Missouri. That said, Ameren does attempt to issue common equity in relative close proximity to the Ameren Missouri and other operating subsidiary capital infusion dates, so as to be able to trace such equity capital direct to third party equity issuance, but it is important to reiterate that over the past several years, Ameren's common stock issuance in aggregate has been well in excess of total contributions to its operating subsidiaries.

Q. Mr. Murray, in responding to another assertion in Dr. Won's Direct Testimony, seems to suggest the lack of evidence of "double leverage" at Ameren Missouri is not compelling. What is your reaction?

A. To be clear, double leverage is a financial strategy whereby a parent company issues debt and subsequently contributes the proceeds to its operating subsidiary in the form of an equity investment. In this case, the subsidiary's operations are financed by debt raised at the subsidiary level and by debt financed at the holding company level. By definition, Ameren Missouri cannot be perceived to be deploying double leverage, because its operations are not financed by debt at the holding company level. This is supported by my rebuttal testimony as well as the earlier discussion in my surrebuttal testimony in which I compared the size of equity infusions over the past several years ($470 million since year-end 2021) versus the amount of common stock issued by Ameren Corporation during that same timeframe ($942 million) to directly support investments of the Company. Rather, Mr. Murray states that Ameren Corporation's ownership of pure-play regulated utilities allows the parent to issue significant holding company debt and carry more consolidated leverage than its operating subsidiaries, but this phenomenon is not double leverage, as he seems to suggest. Mr. Murray also seems to take issue with the fact that some of the proceeds of Ameren Corporation parent debt has been used to fund investments at Ameren Illinois Company and Ameren Transmission Company of Illinois, both companies outside of the jurisdictional purview of this Commission. The fact that Ameren Corporation may have employed this strategy at other subsidiaries many years ago, whose jurisdictional regulators have not taken any issue with the practice, does not have any practical bearing on whether double leverage has been utilized at Ameren Missouri. It has not.

Q. In a graphic in Mr. Murray's rebuttal testimony and in his Schedule DM-R-2, he tracks the Ameren Missouri and Ameren Corporation common equity ratio quarterly since December 31, 2019. In discussing the 2025 quarterly trends of the Ameren Missouri data, Mr. Murray references the increase in the Company's common equity ratio between March 31, 2024 and December 31, 2024, implying that

the Company attempts to bolster its common equity ratio just in time for regulatory ratemaking "by simply managing affiliate financing transactions"[9] and using "levers of manipulation"[10]. Are his statements accurate?

A. While Mr. Murray seems to be suggesting a more nefarious approach to Ameren Missouri's capital structure management by Ameren Corporation, in practice the improvement between Ameren Missouri's equity ratio as of March 31, 2024 (48.93%) and its actual equity ratio as of December 31, 2024 (51.957%) can be explained predominantly by the nature of the Company's seasonal cash flow and earnings profiles and the timing of Company long-term debt issuances and equity infusions. However, it is worth mentioning that on-balance and over time, the Company monitors its cash flow and earnings profiles and plans the timing of debt financings and equity infusions in order to maintain its strong financial health and its solid liquidity position at all times during the year. Over time, and given feedback from the rating agencies and a desire to achieve financial metrics supportive of Ameren Missouri's current ratings, management has held the view that managing to an approximate 52% equity ratio allows the Company to accommodate its financial health and liquidity position objectives.

Ameren Missouri typically generates a disproportionate amount of its electric margins in the summer and swing months, contributing to increased retained earnings in the second half of the calendar year. This is demonstrable in the graph in Mr. Murray's Rebuttal Testimony on page 16, in which Ameren Missouri's common equity ratios often trough at the end of the first quarter or second quarter of each calendar year. This phenomenon similarly occurred in 2024, contributing in part to the Company's improved

[9] File No. GR-2024-0369, Rebuttal Testimony of David Murray, p. 3, l. 15.
[10] File No. GR-2024-0369, Rebuttal Testimony of David Murray, p. 5, l. 19.

common equity ratio during the second half of the year. Also factoring into the quarterly change in the Company's common equity ratio is the timing of executed long-term debt offerings and capital infusions by Ameren Corporation. For instance, in 2024, the amount of Company long-term debt issuance and parent company capital infusions were relatively high to account for elevated levels of renewable energy investment during the year. During calendar 2024, the Company executed three separate long-term bond offerings, including one in the first quarter ($350 million), another in the second quarter ($500 million), and the final in the fourth quarter ($450 million), while receiving $470 million of aggregate equity infusions during the year ($350 million in the second quarter and $120 million in the fourth quarter). I would also note that Ameren Missouri raised approximately $476 million through issuance of securitized utility tariff bonds to support recovery of Rush Island Energy Center retirement costs, which also helped to support near-term liquidity and capital expenditures of the Company at that time, but the treatment of such securitized bonds should be ignored for rating agency and ratemaking purposes. Again, the timing of these transactions considered the Company's seasonal cash flow profile and a desire to maintain an adequate liquidity cushion over time.

Q. Does this conclude your surrebuttal testimony?

A. Yes, it does.

Schedule DTS - S1
Common Equity Ratio - Integrated and Gas Utility Proxy Group Utility Holding Companies

Integrated Utilities Holding Companies

Company	Total Consolidated Debt ($mm)	Total Capital ($mm)	Total Equity as % of Total Capital
Alliant Energy	10,406	17,410	40.2%
American Electric Power	45,167	72,110	37.4%
Avista	3,020	5,611	46.2%
CMS Energy	16,566	25,314	31.6%
DTE Energy	23,053	34,757	33.7%
Duke Energy	84,273	134,400	36.6%
Entergy	28,919	44,104	34.2%
Evergy	13,669	23,658	42.1%
IDACORP	3,074	6,412	52.0%
NextEra	82,333	142,793	35.1%
Northwestern Energy	3,101	5,958	48.0%
OGE Energy	5,523	10,164	45.7%
Pinnacle West	9,427	16,285	41.5%
Portland General Electric	4,827	8,621	44.0%
PPL Energy	16,806	30,883	45.6%
Southern Company	64,824	101,498	32.7%
Xcel Energy	29,114	48,636	40.1%
Ameren	18,722	30,965	39.1%

Peer Average	40.4%
Peer Median	40.2%

Gas Utilities Holding Companies

Company	Total Consolidated Debt ($mm)	Total Capital ($mm)	Total Equity as % of Total Capital
Atmos Energy	7,870	20,028	60.7%
NiSource	13,960	24,629	35.3%
Northwest Natural Gas	1,880	3,266	42.4%
ONE Gas	3,329	6,434	48.3%
Southwest Gas Corp	5,058	8,747	40.1%
Spire	4,693	7,926	37.7%
Ameren	18,722	30,965	39.1%

Peer Average	44.1%
Peer Median	41.2%

Data as of December 31, 2024.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a	)	
Ameren Missouri's Tariffs to Adjust Its	)	File No.: GR-2024-0369
Revenues for Natural Gas Service.	)	

AFFIDAVIT OF DARRYL T. SAGEL

STATE OF MISSOURI)
) ss
CITY OF ST. LOUIS)

Darryl T. Sagel, being first duly sworn on his oath, states:

My name is Darryl T. Sagel, and hereby declare on oath that I am of sound mind and lawful age; that I have prepared the foregoing *Surrebuttal Testimony*; and further, under the penalty of perjury, that the same is true and correct to the best of my knowledge and belief.

*/s/Darryl T. Sagel*__________________
Darryl T. Sagel

Sworn to me this 1st day of May 2025.