

Docket No.: 05-0009
Bench Date: 01-20-05
Deadline: 01-20-05

MEMORANDUM

TO: The Commission
FROM: John D. Albers, Administrative Law Judge
DATE: January 10, 2005
SUBJECT: Union Electric Company d/b/a AmerenUE

Request pursuant to Section 6-102 of the Illinois Public Utilities Act for an order authorizing AmerenUE to incur an indebtedness by undertaking the obligation to pay the principal, interest and redemption premium, if any, on up to \$85,000,000 principal amount of Senior Secured Notes for the purpose of refunding, redeeming and/or refinancing outstanding evidences of indebtedness.

RECOMMENDATION: Enter the attached Order granting the requested relief.

Union Electric Company d/b/a AmerenUE ("UE") seeks authority, pursuant to Section 6-102(d) of the Act, to issue Senior Secured Notes ("Notes") in an aggregate principal amount not to exceed \$85,000,000. UE states that it will use the net proceeds from the sale of the Notes, after deduction of fees paid to underwriters in connection with this offering, to repay short-term debt temporarily required for the retirement and refinancing of its \$85,000,000 7.375% first mortgage bonds. These bonds matured on December 15, 2004 and were previously approved by the Commission in Docket No. 92-0360. UE is contemplating issuing Notes with terms of up to 35 years. UE expects that the interest rate on the Notes will not exceed 6.75%. The actual interest rate(s) will be determined at the time of the offering or periodically during the term of the Notes.

Staff reviewed UE's filing and recommends approval of the proposed issuance of the Notes. The attached Order approves the proposed issuance. The deadline for Commission action is January 20, 2005.

JDA