

**Docket No.:** 02-0612  
**ROM Date:** 03-04-03  
**Deadline:** N/A

**MEMORANDUM**

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**TO:** The Commission  
**FROM:** William J. Showtis, Administrative Law Judge  
**DATE:** March 3, 2003  
**SUBJECT:** Union Electric Company (AmerenUE)

Request pursuant to Section 6-012 of the Illinois Public Utilities Act for an order authorizing Union Electric Company (AmerenUE) to incur an indebtedness by undertaking the obligation to pay the principal, interest and redemption premium, if any, on up to \$185,000,000 principal amount of Senior Secured Notes for the purpose of refunding, redeeming and/or refinancing outstanding evidences of indebtedness.

**RECOMMENDATION:** Enter an amendatory order which approves a revised use of the proceeds.

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On October 1, 2002, the Commission entered an order in this proceeding which approved UE's proposed issuance of \$185,000,000 aggregate principal amount of Notes.

On February 28, 2003, UE filed a petition to reopen this docket, request for amended relief and request for expedited treatment. UE originally proposed to utilize \$75,000,000 of the proceeds of the Notes to retire and refinance its \$75,000,000 8.33% first mortgage bonds which were to mature on December 16, 2002. Due to market conditions, UE's proposed issuance of the Notes was delayed. UE issued short-term debt to retire the \$75,000,000 8.33% first mortgage bonds. UE now seeks approval to use \$75,000,000 of the proceeds of the Notes to repay this short-term debt.

Commission Staff ("Staff") recommends approval of UE's proposed revised use of the proceeds. The attached order approves the revised use of the proceeds and finds that UE is required to pay an additional fee of \$4,875.

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