

The Long-term Debt (a) would be unsecured, (b) may be convertible into any other securities of Entergy Gulf States (except common stock), (c) would have a maturity ranging from one year to fifty years, (d) may be subject to optional and/or mandatory redemption, in whole or in part, at par or at premiums above its principal amount, (e) may be entitled to mandatory or optional sinking fund provisions, (f) may be issued at fixed or floating rates of interest, (g) may provide for reset of the coupon under a remarketing arrangement, and (h) may be called from existing investors by a third party. The maturity dates, interest rates, redemption and sinking fund provisions and conversion features, if any, with respect to Long-term Debt of a particular series, as well as any associated placement, underwriting or selling agent fees, commissions and discounts, would be established by negotiation or competitive bidding.

Entergy Gulf States proposes to use the net proceeds from the issuance and sale of Bonds, and/or MTNs and/or the Preferred Stock and/or the Preference Stock and/or the Long-term Debt and/or the Equity Interests for general corporate purposes, including (a) financing its capital expenditures, (b) repaying, redeeming, refunding or purchasing any of its securities under rule 42 and/or those issued on Entergy Gulf States' behalf under section 9(c)(1), and (c) financing its working capital requirements.

Entergy Gulf States states that it contemplates selling the Bonds and/or MTNs and/or the Preferred Stock and/or the Preference Stock and/or the Long-term Debt and/or the Equity Interests by competitive bidding, negotiated public offering or private placement.

Entergy Gulf States also proposes to enter into arrangements to finance or refinance on a tax-exempt basis certain facilities eligible to be financed with tax-exempt debt, including, but not limited to, sewage and/or solid waste disposal facilities ("Facilities"). Entergy Gulf States proposes, from time to time through March 31, 2007, to enter into one or more leases, subleases, installment sale agreements, refunding agreements or other agreements ("Agreements") and/or supplements and/or amendments to those Agreements ("Facilities Agreements") with one or more issuing governmental authorities ("Authorities"), under which the Authorities may issue one or more series of tax-exempt bonds ("Tax-exempt Bonds") in an aggregate principal amount up to \$500 million (including the possible issuance and pledge by Entergy Gulf States of up to

\$560 million in aggregate principal amount of Entergy Gulf States Collateral Securities (as defined below), which \$560 million is not included in the \$2 billion mentioned above). The net proceeds from the sale of Tax-exempt Bonds would be applied to financing, or refinancing tax-exempt bonds issued for the purpose of financing, the Facilities.

Under the terms of the Facilities Agreements, Entergy Gulf States may commit to purchase, acquire, construct, install, operate and/or maintain the Facilities. Under the Facilities Agreements, Entergy Gulf States would be obligated to make payments sufficient to pay the principal or redemption price of, premium, if any, and the interest on, and other amounts owing with respect to, the Tax-exempt Bonds, together with related expenses.

The Tax-exempt Bonds (a) would have a maturity ranging from one year to fifty years, (b) may be subject to optional and/or mandatory redemption, in whole or in part, at par or at premiums above their principal amount, (c) may be entitled to mandatory or optional sinking fund provisions, (d) may be issued at fixed or floating rates of interest, (e) may provide for reset of the coupon under a remarketing arrangement, (f) may be called from existing investors by a third party, (g) may be backed by a municipal bond insurance policy, (h) may be supported by credit support such as a bank letter of credit and reimbursement agreement, (i) may be supported by a lien subordinate to Entergy Gulf States' Indenture of Mortgage (as before and later amended and supplemented) on the Facilities related to those Tax-exempt Bonds and (j) may be supported by the issuance and pledge of Bonds issued as collateral security for those Tax-exempt Bonds ("Collateral Securities"). The maturity dates, interest rates, redemption and sinking fund provisions and conversion features, if any, with respect to Tax-exempt Bonds of a particular series, as well as any associated placement, underwriting or selling agent fees, commissions and discounts, would be established by negotiation or competitive bidding.

Entergy Gulf States also proposes to (a) acquire the equity securities of one or more financing subsidiaries and/or special-purpose subsidiaries, organized solely to facilitate financing, (b) to guarantee the securities issued by those financing subsidiaries and/or special purpose subsidiaries, and (c) to have the financing subsidiaries and/or special purpose subsidiaries pay Entergy Gulf States, either directly or indirectly, dividends out of capital.

#### **Ameren Corporation, et al. (70-10159)**

Ameren Corporation ("Ameren"), a registered holding company, Ameren Energy, Inc., and Ameren's nonutility subsidiaries Ameren Development Company ("Ameren Development"), Ameren ERC, Inc. ("Ameren ERC"), Ameren Energy Resources Company ("Ameren Energy Resources"), Ameren Energy Marketing Company, Ameren Energy Fuels and Services Company, Illinois Materials Supply Co., Missouri Central Railroad Company, Union Electric Development Company ("UEDC"), AFS Development Company, LLC, all located at 1901 Chouteau Avenue, St. Louis, Missouri 63103, and nonutility subsidiaries CIPSCO Investment Company ("CIC"), 607 East Adams Street, Springfield, Illinois 62739, CILCORP Investment Management Inc., CILCORP Ventures Inc., CILCORP Energy Services, Inc., QST Enterprises Inc., CILCO Exploration and Development Company, and CILCO Energy Corporation, all located at 300 Liberty Street, Peoria, Illinois 61602, and nonutility subsidiaries AmerenEnergy Medina Valley Cogen (No. 4), L.L.C., AmerenEnergy Medina Valley Cogen (No. 2) L.L.C., AmerenEnergy Medina Valley Cogen, L.L.C., an exempt wholesale generator ("EWG") and AmerenEnergy Medina Valley Operations, L.L.C., a nonutility subsidiary all at P.O. Box 230, Mossville, Illinois, 61552-0230 (collectively, "Applicants" and excluding Ameren "Nonutility Subsidiaries") have filed an application-declaration ("Application") under sections 6(a), 7, 9(a), 10, 12(b), 12(c) and 13(b) of the Act and rules 43, 45, 46, 90 and 91 under the Act.

By order dated July 23, 1999 (the "1999 Order"),<sup>5</sup> Ameren, Ameren Union Electric Company d/b/a AmerenUE, and certain direct and indirect non-utility subsidiaries of Ameren were authorized to engage in various transactions from time to time through December 31, 2003, relating generally to Ameren's reorganization of its nonutility subsidiary companies and the acquisition and ownership of new non-utility subsidiaries.

In this Application, the Applicants are seeking to extend and restate their current authorization under the 1999 Order for the period through December 31, 2006 (the "Authorization Period"), subject to a continuation of the Commission's reservation of jurisdiction over certain specified proposals, as described below.

<sup>5</sup> Holding Co. Act Release No. 27053.