

---

*Applications for Financing Authority*

---

## *Applications for Financing Authority*

---

Pursuant to O.C.G.A. 46-2-28:

Companies under Commission's jurisdiction must obtain Commission approval before issuing stocks, bonds, notes or other evidences of debt, payable more than 12 months after date of issuance.

- Companies must secure Commission order authorizing issue, the amount there of, and the purpose and use for which issue is authorized.
- Financing applications must include statement of amount and kind of stock, bond or note to be issued, the terms and rate of interest, and whether and how to be secured. If to be secured by mortgage, copy thereof should be included.

## *Applications for Financing Authority*

---

- Request must be for reasonable amounts necessary for proper and lawful corporate purposes, such as
  - acquisition of property
  - construction and equipment of power plants and carsheds
  - completion, extension, or improvement of facilities or properties
  - improvement or maintenance of its service
  - discharge of lawful refunding of its obligations
- Commission shall make inquiry or investigation, hold hearings, and examine witnesses, books and records as deemed necessary to determine if order should be issued.
- EMC applications do not require a hearing.
- Applications not requiring a hearing must be acted upon within 60 days.

## *Applications for Financing Authority*

---

- Typical IOU applications include:
  - Verification Statement from Company Official
  - Statement of the Use of Capital
  - Capital Program Budget Summary
  - Financial Statements
  - Listings of Capital Stock, Bonds and Other Obligations Outstanding
  - Description of Commercial Paper Program
  - Description of Credit Facilities
  
- Typical EMC request involves loan applications and includes:
  - Board of Directors' Resolution
  - Lender's Commitment Letter
  - Master Loan Agreements, Promissory Notes
  - Restated Mortgage and Security Agreement
  - Financial Statements
  - Construction Workplan
  - Stranded Costs Information