



Hydroelectric Revenue Refunding Bonds

2018 Series A (tax-exempt)
2018 Series B (taxable)

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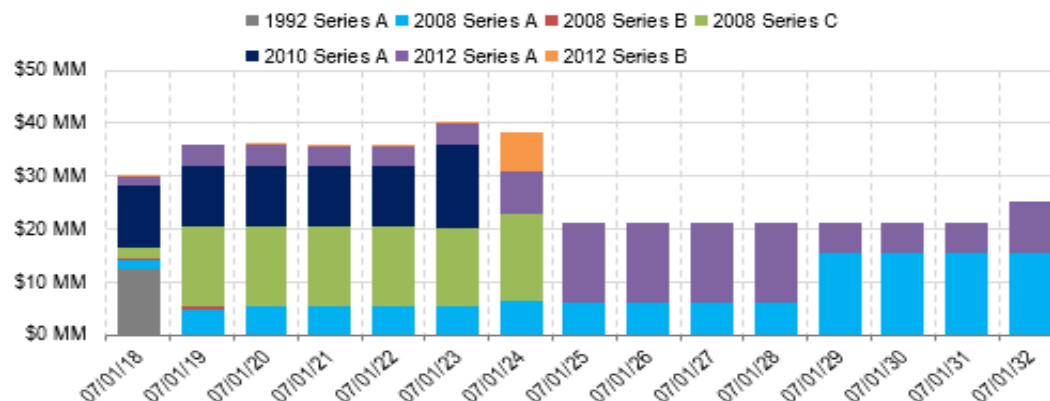
HYDROELECTRIC PROJECT UPDATE

HYDROELECTRIC PROJECT DEBT OVERVIEW

NCPA Hydro. Project Participation Percentages

Member	Entitlement Share (%)
Alameda	10.000
Biggs	0.100
Gridley	1.060
Healdsburg	1.660
Lodi	10.370
Lompoc	2.300
Palo Alto	22.920
Roseville	12.000
Santa Clara	35.860
Ukiah	2.040
Plumas-Sierra	1.690

NCPA Hydroelectric Project Debt Service



Summary of Outstanding NCPA Hydroelectric Project Debt – as of 1/31/2018

Series	Tax Status	Coupon Type	Issue Size	Outstanding Par	Outstanding Coupon Range	Call Date	Final Maturity
1992 Series A	Tax-Exempt	Fixed-Rate	\$195,610,000	\$12,155,000	6.300%	Non-Callable	7/1/2018
2008 Series A	Tax-Exempt	Variable-Rate	\$85,160,000	\$85,160,000	Var. (3.819%) ^(S)	Current	7/1/2032
2008 Series B	Taxable	Variable-Rate	\$3,165,000	\$1,235,000	Variable ^(V)	Current	7/1/2020
2008 Series C	Tax-Exempt	Fixed-Rate	\$128,005,000	\$77,130,000	5.000%	7/1/2018	7/1/2024
2010 Series A	Tax-Exempt	Fixed-Rate	\$101,260,000	\$62,975,000	5.000%	7/1/2019	7/1/2023
2012 Series A	Tax-Exempt	Fixed-Rate	\$76,665,000	\$76,665,000	5.000%	7/1/2022	7/1/2032
2012 Series B	Taxable	Fixed-Rate	\$7,120,000	\$7,120,000	4.320%	Make-Whole	7/1/2024

^(S) Swapped; Please see next page for details, ^(V) 4% variable rate assumed for debt service chart

NCPA Hydroelectric Project Ratings

Moody's	S&P	Fitch
A1	A+	A+
Stable	Stable	Stable

- Project debt drops substantially in 2025

Background

- 2008 Series C Bonds
 - Original issue amount of \$128 million
 - Purpose was to refund: 2002 Series A & B and 2003 Series A & B
 - Subject to proceeds-to-proceeds restriction
 - \$77,130,000 remain outstanding, callable 7/1/2018
- Issued RFP in October 2017
 - 11 investment banks responded
 - 11/8 - Finance Committee gave staff direction to move forward
 - Citi was selected as the lead UW, Goldman Sachs as the co-manager

Schedule

- December 20th: Kick-Off Call
- January 5th: First draft of documents
- January – February: Revised documents
- Remaining Tasks
 - ASAP – All participant related information/disclosures
 - February 13th: Ratings Call with Fitch
 - February 15th: Ratings Call with Moody's
 - February 22nd: Commission Approval
 - March – April: Price the bonds and close the transaction

Estimated Savings

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 04/03/2018 @ 2.1529859%
07/01/2018	1,928,250.00	1,617,046.30	311,203.70	309,578.89
07/01/2019	15,066,500.00	13,787,798.50	1,278,701.50	1,246,980.90
07/01/2020	15,101,000.00	13,817,750.00	1,283,250.00	1,224,457.64
07/01/2021	15,140,750.00	13,852,750.00	1,288,000.00	1,202,693.76
07/01/2022	15,119,000.00	13,834,000.00	1,285,000.00	1,174,212.30
07/01/2023	14,527,250.00	13,242,750.00	1,284,500.00	1,148,620.23
07/01/2024	16,327,500.00	15,041,250.00	1,286,250.00	1,125,540.94
	93,210,250.00	85,193,344.80	8,016,905.20	7,432,084.66

Savings Summary

Dated Date	04/03/2018
Delivery Date	04/03/2018
PV of savings from cash flow	7,432,084.66
Plus: Refunding funds on hand	4,880.09
Net PV Savings	7,436,964.75
Percentage savings of refunded bonds	9.642117%

Estimated Savings by Participant

Participant	Entitlement Percentage	Estimated NPV Savings	Est. Annual Debt Service Savings ^[1]
Alameda	10.00%	\$ 743,697	\$ 128,425
Biggs	0.10%	\$ 7,437	\$ 1,284
Gridley	1.06%	\$ 78,832	\$ 13,613
Healdsburg	1.66%	\$ 123,454	\$ 21,319
Lodi	10.37%	\$ 771,213	\$ 133,177
Lompoc	2.30%	\$ 171,050	\$ 29,538
Palo Alto	22.92%	\$ 1,704,552	\$ 294,350
Roseville	12.00%	\$ 892,436	\$ 154,110
Santa Clara	35.86%	\$ 2,666,896	\$ 460,532
Ukiah	2.04%	\$ 151,714	\$ 26,199
Plumas-Sierra	1.69%	\$ 125,685	\$ 21,704
Total	100.00%	\$ 7,436,965	\$ 1,284,250
^[1] Based on full bond year. Estimated savings through 7/1/2018 is approx. \$311,000			

Finance Committee Recommendation

- Staff requests the Finance Committee recommend to the Commission for approval of the issuance of up to \$80 million fixed rate Hydroelectric Project Number One Revenue Bonds, 2018 Refunding Series A (tax-exempt) and up to \$4 million fixed rate Hydroelectric Project Number One Revenue Bonds, 2018 Refunding Series B (taxable) Documents include:
 - 1. Preliminary Official Statement (POS);
 - 2. Twenty-Fourth Supplemental Indenture (tax-exempt);
 - 3. Twenty-Fifth Supplemental Indenture (taxable);
 - 4. Escrow Deposit Agreement;
 - 5. Bond Purchase Contract; and
 - 6. And other related documents

Questions?

