



Hydroelectric Revenue Refunding Bonds

2022 Series A (tax-exempt)
2022 Series B (taxable)

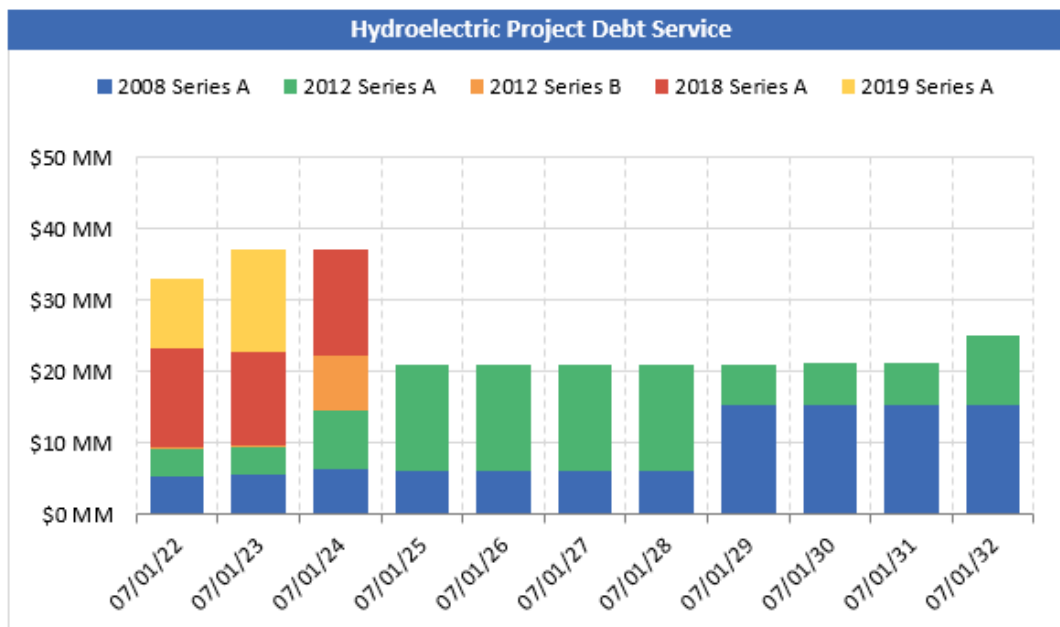
Monty Hanks
February 2022

Background

- 2008 Hydro bonds, Series A
 - Original issue amount of \$85,160,000
 - Purpose to refund a portion of the 1998 Series A bonds and pay COI fees
 - Added a forward starting swap in 2004 in anticipation of refunding
- 2012 Hydro bonds, Series A
 - Original issue amount of \$77 million
 - Purpose was to refund a portion of the 1998 Series A, fund a d/s reserve and pay COI fees
 - Estimated NPV savings ~20% or \$16.1m (Oct '21 rates)
- Issued RFP in October 2021
 - 6 investment banks responded
 - 11/16 - Finance Committee gave staff direction to move forward with Citi as lead UW
 - Also consider terminating swap and fixing out 2008 VRDO bonds
 - If rates support, add BofA as co-manager

Hydroelectric Project Debt Overview

Hydroelectric 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



Summary of Outstanding Hydroelectric Project Debt							
Ratings (M/S/F): Aa3/A+/AA-, Stable Outlooks							
Series	Tax Status	Coupon Type	Issue Size	Outstanding Par	Coupon Range	Call Date	Final Maturity
2008 Series A	Tax-Exempt	Variable-Rate	\$85,160,000	\$79,220,000	Var. (3.819%) ⁽⁵⁾	Current	7/1/2032
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
2018 Series A	Tax-Exempt	Fixed-Rate	\$68,875,000	\$37,950,000	5.000%	Non-Callable	7/1/2024
2019 Series A	Tax-Exempt	Fixed-Rate	\$39,250,000	\$22,295,000	4.000%-5.000%	Non-Callable	7/1/2023

⁽⁵⁾ Swapped; Please see next page for details

Schedule

- December 8th: Kick-off conference call
- January 5th: First draft of documents delivered
- January – February: Reviewed/revised documents
- Remaining Tasks
 - Finalize legal documents
 - February:
 - Ratings calls with Moody's & Fitch
 - Due diligence calls with NCPA & significant share participants
 - Commission approval
 - March – April:
 - Price the bonds, terminate the swap and close the transaction
 - May – July:
 - Redeem 2008A (May) and 2012A bonds (July)

Estimated Savings

SAVINGS

Northern California Power Agency
Tax-Exempt Current Refunding of Series 2012A
Rates as of January 20, 2022

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 04/05/2022 @ 1.6373594%
07/01/2022	1,916,625.00	750,529.17	1,166,095.83	1,161,562.09
07/01/2023	3,833,250.00	3,141,750.00	691,500.00	680,444.13
07/01/2024	8,308,250.00	6,361,750.00	1,946,500.00	1,879,445.17
07/01/2025	14,874,500.00	12,930,750.00	1,943,750.00	1,846,193.54
07/01/2026	14,876,250.00	12,928,250.00	1,948,000.00	1,800,046.91
07/01/2027	14,879,750.00	12,936,000.00	1,943,750.00	1,746,445.95
07/01/2028	14,873,500.00	12,927,250.00	1,946,250.00	1,709,540.83
07/01/2029	5,751,500.00	3,806,500.00	1,945,000.00	1,709,692.60
07/01/2030	5,753,000.00	3,808,000.00	1,945,000.00	1,701,429.05
07/01/2031	5,753,000.00	3,807,000.00	1,946,000.00	1,674,473.33
07/01/2032	9,681,000.00	7,733,250.00	1,947,750.00	1,648,564.44
	100,500,625.00	81,131,029.17	19,369,595.83	17,687,838.04

Savings Summary

PV of savings from cash flow	17,687,838.04
Less: Prior funds on hand	-4,351,155.76
Plus: Refunding funds on hand	1,210.96
Net PV Savings	13,337,893.24

Estimated Savings by Participant

Participant	Entitlement Percentage	Estimated NPV Savings	Est. Avg. Annual Debt Service Savings
Alameda	10.00%	\$ 1,282,000	\$ 176,087
Biggs	0.10%	\$ 12,820	\$ 1,761
Gridley	1.06%	\$ 135,892	\$ 18,665
Healdsburg	1.66%	\$ 212,812	\$ 29,230
Lodi	10.37%	\$ 1,329,434	\$ 182,602
Lompoc	2.30%	\$ 294,860	\$ 40,500
Palo Alto	22.92%	\$ 2,938,343	\$ 403,592
Roseville	12.00%	\$ 1,538,400	\$ 211,305
Santa Clara	35.86%	\$ 4,597,251	\$ 631,449
Ukiah	2.04%	\$ 261,528	\$ 35,922
Plumas-Sierra	1.69%	\$ 216,658	\$ 29,759
Total	100.00%	\$ 12,819,996	\$ 1,760,872

Questions?



Finance Committee Recommendation

- Staff requests the Finance Committee recommend to the Commission for approval the issuance of up to \$173 million fixed rate Hydroelectric Project Number One Revenue Bonds, 2022 Refunding Series A (tax-exempt) and Hydroelectric Project Number One Revenue Bonds, 2022 Refunding Series B (taxable).

Documents include:

1. Resolution 22-XX
2. Preliminary Official Statement (POS)
3. Twenty-Seventh Supplemental Indenture (tax-exempt)
4. Twenty-Eighth Supplemental Indenture (taxable)
5. Escrow Deposit Agreement
6. Continuing Disclosure Agreement
7. Swap Termination Agreement
8. Bond Purchase Contract