

# **ANNUAL DISCLOSURE REPORT**

**YEAR ENDING JUNE 30, 2013**

## **CITY OF RIVERSIDE ELECTRIC PUBLIC UTILITIES**

**2004 ELECTRIC REVENUE BONDS, SERIES A  
BONDS DATED JUNE 3, 2004**

**CUSIP NUMBERS 768874PE3 through 768874PF0**

Prepared by  
City of Riverside

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RIVERSIDE PUBLIC UTILITIES  
CONTINUING DISCLOSURE INFORMATION – 2004A ELECTRIC BONDS \$27,500,000  
FISCAL YEAR ENDED JUNE 30, 2013

CONTINUING DISCLOSURE CERTIFICATE - SECTION 4 - Contents of Annual Report.

1. Enclosed is the City of Riverside CAFR and Electric Utility 2012/13 Audited Financial Statements
2. The principal amount of the 2004 Bonds outstanding at June 30, 2013 was \$6,340,000.
3. The reserve requirement of the 2004 Electric bonds is fully funded.

The reserve is funded by cash in the amount of \$4,030,475 as of June 30, 2013.

4. Electric System Facilities

Utility Plant (less accumulated depreciation)	\$ 625,545,000
Construction in Progress	53,502,000

Distribution

Overhead Circuit Miles	513
Underground Circuit Miles	810
Street Light Circuit Miles	1,042

5. Annual Electricity Supply

<u>Resource</u>	<u>MWh</u>	<u>Percentage</u>
IPP Generating Station	754,900	32%
Firm Contracts (Deseret, BPA, and others)	937,500	40%
SONGS	0	0%
PVNGS	102,300	4%
Hoover Upgrading Project	32,500	1%
RERC/Springs/Clearwater Generating Project	107,200	5%
Renewable Resources	444,300	19%
Net Exchange In/(Out)	(39,100)	(1%)
Total	<u>2,339,600</u>	<u>100%</u>

6. Total Energy Generated and Purchased and Peak Demand

From Own Generation (MWh)	108,700
From Other Sources (MWh)	2,230,900
System Total (MWh)	<u>2,339,600</u>
System Native Load (MWh)	2,179,000
System Peak Demand (MW)	591.69

7. Number of Meters

Residential	96,207
Commercial	10,337
Industrial	894
Other	87
Total - All Classes	<u>107,525</u>

8. Energy Sold (millions of kWh)

Residential	726
Commercial	419
Industrial	1,003
Wholesale	14
Other	31
Total kWh sold	<u>2,193</u>

9. City Council approved a 4-year rate increase on December 1, 2006, and December 4, 2007, respectively as follows:

<u>Effective Date</u>	<u>Overall System</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>
January 1, 2007	3.5%	2.1%	5.2%	4.7%
January 1, 2008	10.0%	13.5%	10.5%	8.9%
January 1, 2009	3.6%	3.7%	5.2%	2.8%
January 1, 2010	5.8%	8.6%	4.8%	5.4%

10. Revenues From Sales of Electricity (in thousands)

Residential	\$ 118,173
Commercial	66,632
Industrial	110,680
Other sales	5,712
Wholesale	638
Transmission	32,688
Total	<u>\$ 334,523</u>

11. Average Billing Price (Cents Per Kilowatt-Hour)

Residential	16.3
Commercial	15.9
Industrial	11.0
Other	18.4
Average - All Classes Combined	13.8

12. Summary of Operations and Debt Service Coverage (in thousands)

Operating revenues	
Residential	\$ 118,173
Commercial	66,632
Industrial	110,680
Other sales	5,712
Wholesale	638
Transmission	32,688
Other operating revenue	4,486
Total operating revenues, before (reserve)/recovery	<u>339,009</u>
Reserve for uncollectible, net of recovery	(959)
Total operating revenues, net of (reserve)/recovery	<u>\$ 338,050</u>
Investment income	3,060
Contributions in aid	3,557
Non-Operating revenues	3,520
Total revenues	<u><u>\$ 348,187</u></u>
Operating expenses	
Nuclear production (excludes nuclear fuel burn)	\$ 15,987
Purchased power (excludes amortization of prepaid power)	115,472
Transmission expense	45,957
Distribution expenses	13,730
Customer account expenses	6,978
Customer service expenses	2,089
Administration & general expenses	15,180
Clearing & Miscellaneous expenses	11,604
Total expenses	<u><u>\$ 226,997</u></u>
Net Operating Revenues Available for Debt Service and Depreciation	<u><u>\$ 121,190</u></u>
Debt Service Requirements on bonds	\$ 44,426
Debt Service Coverage	2.73

13. Outstanding Debt of Joint Powers Agencies (In Thousands)

	Principal Amount of <u>Outstanding Debt</u>	<u>%</u>	City of Riverside Electric Public Utilities <u>Share</u>
IPA			
Intermountain Power Project <sup>(1)</sup>	\$ 1,848,701	7.617%	\$ 140,816
SCPPA <sup>(1)</sup>			
Palo Verde	58,440	5.4%	3,156
STS	757,645	10.2%	77,280
Hoover Dam	9,685	31.9%	3,090
Mead-Phoenix	44,895	4.0%	1,796
Mead-Adelanto	143,990	13.5%	19,439
	<u>\$ 2,863,356</u>		<u>\$ 245,577</u>

<sup>(1)</sup> Total before unamortized bond discount/premium and refunding charge.

## CONTINUING DISCLOSURE CERTIFICATE - SECTION 5 - Reporting of Significant Events

There has been no occurrence of the following significant events with respect to the 2004 ELECTRIC REVENUE BONDS, SERIES A \$27,500,000, except that relative to item 6 as described below.

1. Principal and interest payment delinquencies.
2. Non-payment related defaults.
3. Modification to rights of Bondholders.
4. Optional, contingent or unscheduled Bond calls
5. Defeasances.
6. Rating changes -

Payment of principal and interest on the bonds is guaranteed by National Public Finance Guarantee Corp (NPFGC). On February 28, 2013, Standard & Poor's lowered its rating of NPFGC from "BBB" to "BB". On May 8, 2013 and May 10, 2013, Standard & Poor's upgraded the rating of (NPFGC) from "BB" to "BBB" and "BBB" to "A", respectively. On May 21, 2013, Moody's upgraded the rating of NPFGC from "Baa2" to Baa1".

7. Adverse tax opinions or events affecting the tax-exempt status of the Bonds.
8. Unscheduled draws on debt service reserves reflecting financial difficulties.
9. Unscheduled draws on credit enhancements reflecting financial difficulties.
10. Substitution of the credit or liquidity providers or their failure to perform.
11. Release, substitution or sale of property securing repayment of the Bonds.