

ANNUAL DISCLOSURE REPORT

YEAR ENDING JUNE 30, 2016

CITY OF RIVERSIDE ELECTRIC PUBLIC UTILITIES

**2009A ELECTRIC REVENUE REFUNDING BONDS
BONDS DATED DECEMBER 22, 2009**

CUSIP NUMBERS 768874RU5 Through 768874RW1

Prepared by
City of Riverside

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RIVERSIDE PUBLIC UTILITIES
CONTINUING DISCLOSURE INFORMATION – 2009A ELECTRIC BONDS \$34,920,000
FISCAL YEAR ENDED JUNE 30, 2016

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

(a) Enclosed is the City of Riverside CAFR and Electric Utility 2015/16 Audited Financial Statements

(b) Below is financial information and operating data with respect to the Electric Utility:

(i) The principal amount of the 2009A Bonds outstanding at June 30, 2016 was \$3,640,000.

(ii) Electric System Facilities

Utility Plant (less accumulated depreciation)	\$ 709,368,000
Construction in Progress	45,326,000
Distribution - Overhead Circuit Miles	513
Underground Circuit Miles	817
Street Light Circuit Miles	1,052

(iii) Annual Electricity Supply

Resource	MWh	Percentage
IPP Generating Station	560,000	24.1%
Firm Contracts and Open Market Purchases	1,084,700	46.6%
SONGS	0	0.0%
PVNGS	103,300	4.4%
Hoover Upgrading Project	30,900	1.3%
RERC/Springs/Clearwater	67,600	2.9%
Renewable Resources	585,800	25.2%
Net Exchange In/(Out)	(104,900)	(4.5%)
Total	2,327,400	100.0%

(iv) Total Energy Generated and Purchased and Peak Demand

From Own Generation (MWh)	76,400
From Other Sources (MWh)	2,251,000
System Total (MWh)	2,327,400
System Native Load (MWh)	2,169,000
System Peak Demand (MW)	598.60

(v) Number of Meters

Residential	96,934
Commercial	10,898
Industrial	891
Other	53
Total - All Classes	<u>108,776</u>

(vi) Energy Sold (millions of kWh)

Residential	726
Commercial	438
Industrial	982
Wholesale ⁽¹⁾	-
Other	23
Total kWh sold	<u>2,169</u>

⁽¹⁾ Wholesale kWh was less than 1 million kWh

(vii) 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%

(viii) Revenues From Sales of Electricity (in thousands)

Residential	\$ 116,997
Commercial	69,759
Industrial	113,756
Other sales	4,737
Wholesale	3
Transmission	32,924
Total	<u>\$ 338,176</u>

(ix) Average Billing Price (Cents Per Kilowatt-Hour)

Residential	16.1
Commercial	16.0
Industrial	11.6
Other	20.9
Average - All Classes Combined	14.1

(x) Summary of Operations and Debt Service Coverage (in thousands)

Operating revenues	
Residential	\$ 116,997
Commercial	69,759
Industrial	113,756
Other sales	4,737
Wholesale	3
Transmission	32,924
Other operating revenue	7,425
Total operating revenues, before (reserve)/recovery	345,601
Reserve for uncollectible, net of recovery	(763)
Total operating revenues, net of (reserve)/recovery	<u>\$ 344,838</u>
Investment income	5,143
Capital Contributions	2,434
Non-Operating revenues	18,615
Total revenues	<u><u>\$ 371,030</u></u>
Operating expenses	
Nuclear production	\$ 1,209
Purchased/produced power	135,873
Transmission expense	58,144
Distribution expenses	16,147
Customer account expenses	6,179
Customer service expenses	2,402
Administration & general expenses	9,503
Clearing & Miscellaneous expenses	15,115
Total expenses	<u><u>\$ 244,572</u></u>
Net Operating Revenues Available for Debt Service and Depreciation	<u><u>\$ 126,458</u></u>
Debt Service Requirements on bonds	\$ 42,240
Debt Service Coverage	2.99

(xi) Outstanding Debt of Joint Powers Agencies (In Thousands)

	Principal Amount of Outstanding Debt	%	City of Riverside Electric Public Utilities Share
IPA			
Intermountain Power Project ⁽¹⁾	\$ 1,248,699	7.617%	\$ 95,113
SCPPA ⁽¹⁾			
Palo Verde	24,440	5.4%	1,320
STS	605,495	10.2%	61,761
Hoover Dam	4,167	31.9%	1,329
Mead-Phoenix	27,695	4.0%	1,108
Mead-Adelanto	91,074	13.5%	12,295
	<u>\$ 2,001,570</u>		<u>\$ 172,926</u>

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

(xii) No Additional Bonds and Parity Debt were incurred by the City with respect to the Electric System during fiscal year ended June 30, 2016.

CONTINUING DISCLOSURE CERTIFICATE - SECTION 5 - Reporting of Significant Events

There has been no occurrence during the reporting period of the following significant events with respect to the 2009 ELECTRIC REVENUE REFUNDING BONDS, SERIES A \$34,920,000.

1. Principal and interest payment delinquencies.
2. Non-payment related defaults.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of the credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions or events affecting the tax-exempt status of the security.
7. Modification to rights of security holders.
8. Contingent or unscheduled bond calls
9. Defeasances.
10. Release, substitution, or sale of property securing repayment of the securities.
11. Rating changes.