

ANNUAL DISCLOSURE REPORT

YEAR ENDING JUNE 30, 2017

CITY OF RIVERSIDE ELECTRIC PUBLIC UTILITIES

2013 SERIES A ELECTRIC REFUNDING REVENUE BONDS \$79,080,000

BONDS DATED July 25, 2013

CUSIP NUMBERS 768874SW0 Through 768874TP4

Prepared by
City of Riverside

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RIVERSIDE PUBLIC UTILITIES
CONTINUING DISCLOSURE INFORMATION – 2013 A ELECTRIC BONDS \$79,080,000
FISCAL YEAR ENDED JUNE 30, 2017

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

- (i). Enclosed is the City of Riverside CAFR and Electric Utility 2016/17 Audited Financial Statements
- (ii). The principal amount of the 2013 A Bonds outstanding at June 30, 2017 was \$46,560,000.
- (iii) Annual Electricity Supply

Resource	Cost in cents/kWh	MWh	Percentage
IPP Generating Station	6.2	619,500	27.3%
Firm Contracts and Open Market Purchases	4.1	653,000	28.8%
PVNGS	3.9	102,400	4.5%
RERC/Springs/Clearwater	13.0	110,700	4.9%
Renewable Resources (including Hoover)	6.4	781,400	34.5%
Total		<u>2,267,000</u>	<u>100.0%</u>

(iv) Total Energy Generated and Purchased and Peak Demand

From Own Generation (MWh)	119,000
From Other Sources (MWh)	2,148,000
System Total (MWh)	<u>2,267,000</u>
System Native Load (MWh)	2,197,000
System Peak Demand (MW)	581.70

(v) Electric System Facilities

Utility Plant (less accumulated depreciation)	\$ 717,156,000
Construction in Progress	51,636,000
Distribution - Overhead Circuit Miles	513
Underground Circuit Miles	826
Street Light Circuit Miles	1,055

(vi) Number of Metered Customers

Residential	97,372
Commercial	11,016
Industrial	833
Other	53
Total - All Classes	<u>109,274</u>

(vii) Energy Sold (millions of kWh)

Residential	730
Commercial	448
Industrial	996
Wholesale	1
Other	23
Total kWh sold	<u>2,198</u>

(viii) 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%

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

Residential	\$ 117,662
Commercial	71,456
Industrial	115,432
Other sales	4,782
Wholesale	9
Transmission	35,497
Total	<u>\$ 344,838</u>

(x) Average Billing Price (Cents Per kWh)

Residential	16.1
Commercial	16.0
Industrial	11.6
Other	21.3
Average - All Classes Combined	14.1

(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⁾	\$ 1,139,726	7.617%	\$ 86,813
SCPPA ⁽¹⁾			
Palo Verde	12,410	5.4%	670
STS	538,812	10.2%	54,959
Hoover Dam	2,136	31.9%	681
Mead-Phoenix	22,180	4.0%	887
Mead-Adelanto	73,093	13.5%	9,868
	<u>\$ 1,788,357</u>		<u>\$ 153,878</u>

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

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

Operating revenues	
Residential	\$ 117,662
Commercial	71,456
Industrial	115,432
Other sales	4,782
Wholesale	9
Transmission	35,497
Other operating revenue	12,899
Total operating revenues before uncollectibles	<u>357,737</u>
Estimated uncollectibles, net of bad debt recovery	(551)
Total operating revenues, net of uncollectibles	<u>\$ 357,186</u>
Investment income	1,809
Capital Contributions	2,367
Non-Operating revenues	7,594
Total revenues	<u><u>\$ 368,956</u></u>
Operating expenses	
Nuclear production	\$ (45) ⁽²⁾
Purchased/produced power	132,394
Transmission expense	59,497
Distribution expenses	16,053
Customer account expenses	6,888
Customer service expenses	1,847
Administration & general expenses	18,962
Clearing & Miscellaneous expenses	16,156
Total expenses	<u><u>\$ 251,752</u></u>
Net Operating Revenues Available for Debt Service and Depreciation	<u><u>\$ 117,204</u></u>
Debt Service Requirements on bonds	\$ 39,585
Debt Service Coverage	2.96

⁽²⁾ Subsequent to the shutdown of SONGS in June 2013, Nuclear Production reflects non-decommissioning expenses and changes to decommissioning liability, which resulted in a credit balance in fiscal year 2016-17.

CONTINUING DISCLOSURE CERTIFICATE - SECTION 5 - Reporting of Notice Events

There has been no occurrence during the reporting period of the following notice events with respect to the 2013 ELECTRIC REVENUE BONDS, SERIES A \$79,080,000.

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
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, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
7. Modification to rights of security holders, if material.
8. Bond calls, if material, and tender offers.
9. Defeasances.
10. Release, substitution, or sale of property securing repayment of the securities, if material.
11. Rating changes.
12. Bankruptcy, insolvency, receivership or similar event of the City or other obligated person.
13. The consummation of a merger, consolidation, or acquisition involving the City or an obligated person, or the sale of all or substantially all of the assets of the City or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.