

LEGISLATIVE DIGEST

[Power Revenue Bonds Issuance – Public Utilities Commission – Not to Exceed \$111,326,843]

Ordinance **approving the issuance and sale of power revenue bonds by the Public Utilities Commission (PUC) (the Commission) in an aggregate principal amount not to exceed \$111,326,843 to finance the costs of various power capital projects benefitting the PUC Power Enterprise, pursuant to City Charter, Section 9.107(8); declaring the official intent of the Commission to reimburse itself with one or more issues of tax-exempt bonds; and ratifying previous actions taken in connection therewith.**

Existing Law

This is new legislation.

Background Information

The proposed Ordinance authorizes the issuance by the SFPUC of its power revenue bonds (the “Power Revenue Bonds”) in an amount not to exceed \$111,326,843 to finance a portion of the costs of the design, acquisition and construction of various capital projects benefitting the SFPUC Power Enterprise. The Power Revenue Bonds will be issued pursuant to Charter Section 9.107(8), at a maximum rate of 12% per annum. The Ordinance delegates to the SFPUC the authority to determine the timing, amount and manner of sale (i.e., competitive or negotiated), subject to the SFPUC approving the form of a substantially final offering document.

The Ordinance also authorizes declares the Official Intent of the City, on behalf of the SFPUC, to reimburse itself with a portion of the proceeds of the Power Revenue Bonds in accordance with Treasury Regulation Section 1.150-2.