



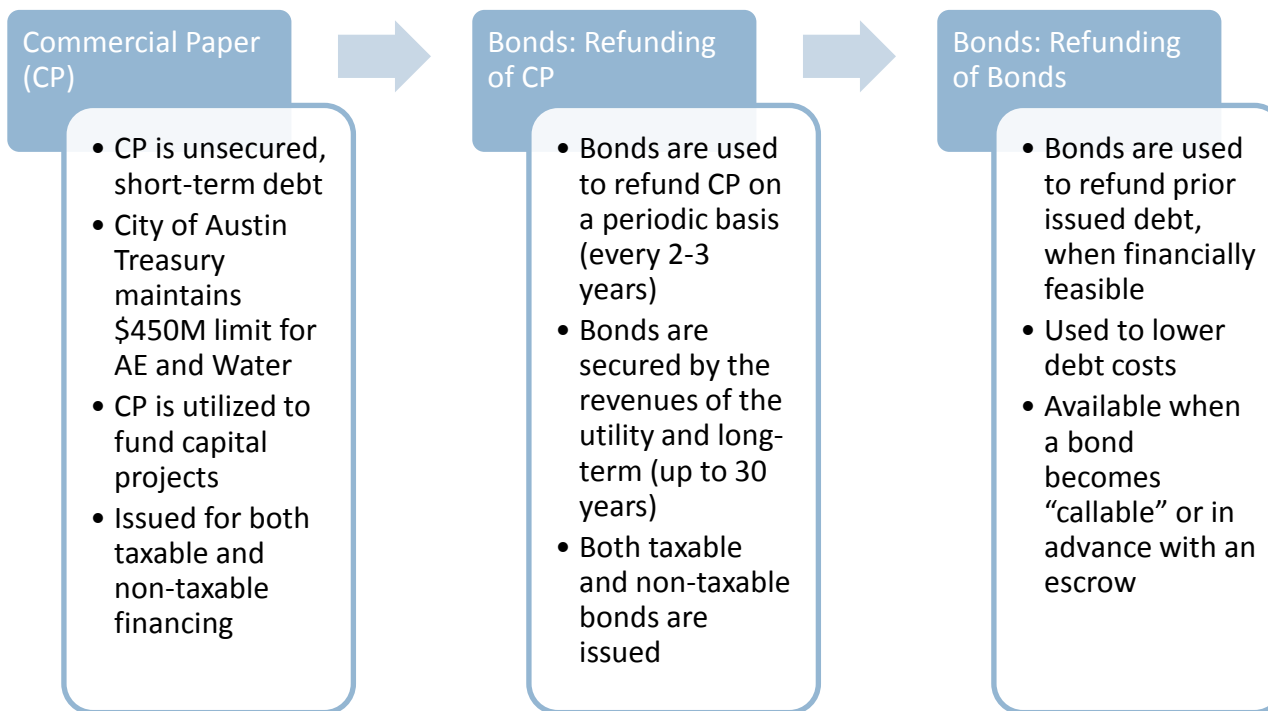
Austin Energy Revenue Bond Advance Refunding

September 19, 2016





Austin Energy Debt Funding

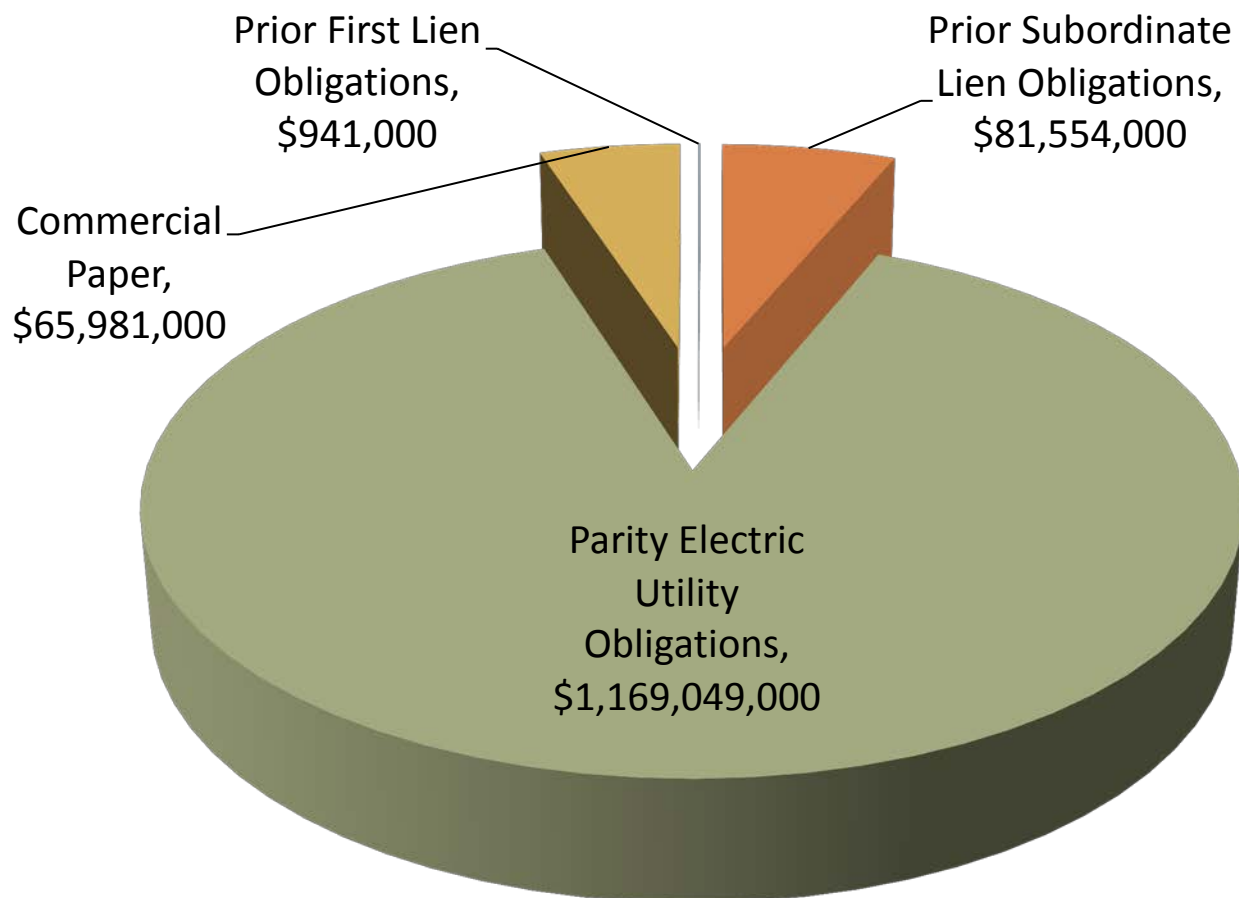


Credit Rating Agency	Rate Range	Austin Energy's Rating
	Default/Highest Risk-----Highest Credit Quality	
Fitch Inc.	D, C, CC, CCC, B, BB, BBB, A, AA , AAA + or – indicates strength or weakness in the assigned rating	AA-
Moody's	B3, B2, B1, Ba3, Ba2, Ba1, Baa3, Baa2, Baa1, A3, A2, A1 , Aa3, Aa2, Aa1, Aaa	A1
Standard & Poor's	D, C, CC, CCC, B, BB, BBB, A, AA , AAA + or – indicates strength or weakness in the assigned rating	AA-



Austin Energy Current Debt Levels

Austin Energy currently has \$1.252 Billion of principal in long-term debt and \$66 Million in short-term Commercial Paper debt.



As of July 31, 2016

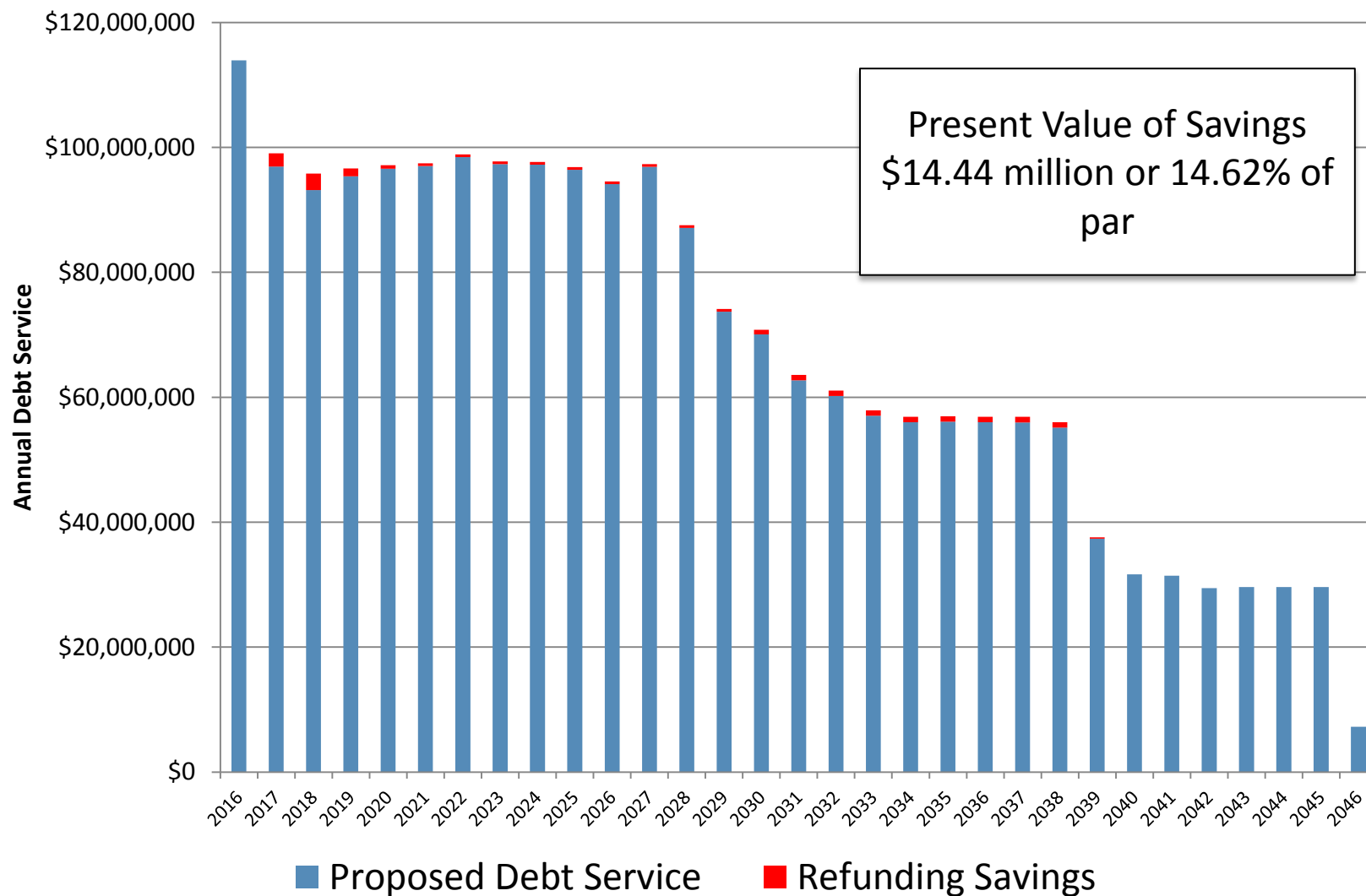


Revenue Bond Advanced Refunding

- Austin Energy can reduce its debt service requirements by taking advantage of lower interest rates and advance refund its 2008A Revenue Refund Bonds of **\$100.43** million in principal
- City of Austin's *General Financial Policy 16 Debt Refinancing*, requires that an "advance refunding of outstanding debt shall only be considered when present value savings of at least **4.25%** of the principal amount of the refunded bonds are produced"
- Current savings estimates from a potential refunding of the 2008A bonds would produce a **14.62%** present value savings of the principal amount (par)



Potential Savings in Debt Service





- Proposed Timeline

- Week of October 3rd – Submit ratings package to rating agencies
- October 6th – Request for City Council to approve Parameter Ordinance
- Week of October 10th – Meet with rating agencies
- October 25th – Receive ratings
- Week of November 9th – Meet with investors
- November 16th – Price bonds
- December 6th – Closing and delivery