



AMP Credit Upgraded, Refinancing Approved

In July, the City of Alameda Public Utilities Board, City Council, and the Alameda Public Financing Authority approved a refinancing of the two existing AMP revenue bond series. The refinancing is an outcome of a comprehensive, 6-month review of AMP's financial planning goals and bond coverage requirements by AMP staff, the Public Utilities Board, and an independent financial advisor. The refinancing is expected to reduce AMP's financial risk by converting existing variable interest-rate bonds to a fixed interest rate.

Board President Greg Hamm stated, "Council's affirmation of this component of AMP's Ten-Year Financial Plan is extremely rewarding."

Ten years ago, AMP issued certificates of participation in two series to fund the expansion and improvement of the electric system, refinance then-outstanding debt, and partially defease certain power project financial obligations. Early this year, AMP staff, the Board, and an independent financial advisor

initiated the review of AMP financial goals, reserve requirements, certificates of participation, and bond coverage targets. Additionally, staff developed a series of assumptions and scenarios with the financial advisor to develop the Ten-Year Financial Plan used to balance revenue with expenses while maintaining adequate reserves.

As part of the refinancing effort, Fitch Ratings assigned an 'A+' rating and Stable Outlook to the new \$8,620,000 series 2010A and \$23,115,000 series 2010B bonds. The rating represents an upgrade from the previous 'A-' rating with a Positive Outlook.

Standard & Poor's also assigned an 'A+' rating and affirmed a Stable Outlook to the bonds. The Standard & Poor's rating is an upgrade from the previous 'A' rating with a Stable Outlook.

These upgrades reflect a com-

plete restructuring of AMP's debt profile, a competitive power supply mix that already exceeds the State's renewable portfolio standards, the recent rate adjustment, strong financial projections, and management's adoption and implementation of financial policies that better reflect credit characteristics of the rating level. The upgrades also recognize the sale of the telecom system and AMP's more traditional public power business model as a result of the divestiture.

The rating rationales included consideration of the Board's recent rate adjustment and longer-term rate philosophy. The 3.7% increase is one of a series of minor rate adjustments, each expected to be less than 5%, which will be recommended to the Board over the next 4 years to address growing purchased power projections, escalating transmission costs, and needed capital improvements. 



AMP to Celebrate Public Power

AMP will join in the national celebration of Public Power Week, October 3 through 9, along with more than 2,000 other municipal utilities across the nation. Collectively, these utilities provide electric power on a not-for-profit basis to 43 million Americans.

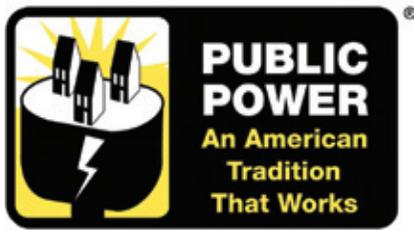
"Public Power Week honors community ownership, which results in reliable, affordable electricity for citizens and businesses. It also recognizes the economic, social, and environmental contributions of a community-owned power system," said Greg Hamm, President of the City's Public Utilities Board.

Public Power Week is a national, annual event sponsored in conjunction with the American Public Power Association (APPA) in Washington, D.C. APPA is the service organization for community- and state-owned electric utilities.

Mr. Hamm explained, "Having a community-owned system to provide our power also makes our lives better because we can make decisions locally and use our resources in ways that best suit Alameda's needs."

"We at AMP are committed to providing the best services possible to our customers and, in doing so, enrich their lives," he added.

For more on Alameda's Public Power Week celebrations, check the AMP web site, www.alamedamp.com. 



Public Power Week • October 3-9, 2010

PUB Elects Officers

At its July meeting, the City of Alameda Public Utilities Board elected its officers for the 2011 Fiscal Year. Mr. Gregory Hamm, Ph.D., P.E., was reelected President for a second term, and elected as the Board's Vice President was Mr. Peter Holmes. The Board elected Mr. Girish Balachandran, General Manager of the City of Alameda's municipal utility, Alameda Municipal Power, as its Secretary.

Also serving on the Board is Commissioner John McCahan and Alameda's Interim City Manager Ann Marie Gallant, as an ex officio Commissioner. The selection of a new commissioner to assume the seat of outgoing Commissioner Ann McCormick is underway. Ms. McCormick recently was honored by both the Board and the American Public Power Association for her decade of voluntary service to the citizens of Alameda.

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Energy Star® Refrigerator Rebate and Recycle Program

Save \$300 on a New Refrigerator

New additions to the California Cash for Appliances program

AMP reminds customers that, if they're thinking about getting a new refrigerator, the time to buy is now.

AMP's standard \$100 rebate, when combined with a rebate under the State's Cash for Appliances program, can result in \$300 savings to you. But the State Cash for Appliances program is limited, and half of its funding has been exhausted.

Customers who take advantage of the rebates also will see savings every month on their electric bill!

Through AMP's ongoing "ENERGY STAR® Refrigerator Rebate and Recycle Program," customers can get a \$100 rebate for replacing an old refrigerator with an ENERGY STAR labeled refrigerator and recycling the old unit with our recycler. Certain conditions apply, and before buying, customers should check out the details on the AMP web site, www.alamedamp.com, or call (866) 964-7346

AMP also offers a \$35 rebate for your old second refrigerator that is picked up by our recycler.

In addition to rebates for refrigerators, clothes washers, and room air-conditioners, the State now



offers rebates for dishwashers, freezers, water heaters, and space-conditioning systems.

In April, the State received over \$35 million in federal American Recovery and Reinvestment Act funds to offer an energy-efficient appliance rebate program. The Cash for Appliances Program provides rebates to consumers who buy eligible refrigerators and certain other home appliances during the rebate period. Rebates will be available from the State until these funds are exhausted. Certain conditions apply, and before buying, customers should check out the

details on California Cash for Appliances web site, www.cash4appliances.ca.gov.

In addition to stimulating the State's economy, the rebate programs save energy and help the environment. In Alameda, the refrigerator is often the costliest source of energy consumption in a home and may cost \$480 or more per year to operate. The purchase of a more energy-efficient refrigerator can help you to reduce your monthly electric bill now and for many years into the future. 💡

The Queue for 2011 AMP Solar Rebates Is Open!

Regular FLASH readers know that AMP offers substantial rebates that, in combination with tax credits, could pay well over half the cost of a residential solar installation. Although several months remain in 2010, virtually all of the funds budgeted for this calendar year already are committed! That's why AMP is encouraging customers considering the solar solution to get in the queue now for funding in 2011. Visit the AMP web site, www.alamedamp.com, to learn more. 💡



Four Easy Steps to Safe Generator Operation

- Call a Customer Service Representative at 748-3900 to notify Alameda Municipal Power if you have or use an electrical generator of any type.
- Open your main electrical service switch before you start a portable generator.
- Use only a generator that is permanently connected to your system by means of a manual double-throw switch or an automatic transfer switch.
- Have the installation properly inspected and approved so that it will not be severely damaged when normal electric service is restored. 💡

Officers from page 1

The five-commissioner Board is established to control and manage the City-owned electric enterprise. It is responsible for setting policies, approving major expenditures, and ensuring the supply of safe and reliable power at competitive prices, all while maintaining a sound financial position. Meetings of the Board are held regularly on the third Monday of the month at 7:00 p.m. in City Council Chambers, City Hall, and are open to the public. 💡

Commissioner McCahan Appointed NCPA Vice Chair

Alameda Public Utilities Board Commissioner John R. McCahan has been appointed Vice Chairman of the Northern California Power Agency (NCPA) Commission. NCPA is a joint powers agency consisting of 17 public power entities, including Alameda, and provides electric power development, acquisition, and dispatching services to its members. Commissioner McCahan has been asked to continue representing Alameda's interests and ensuring the security of NCPA's \$700 million in assets. Commissioner McCahan also will chair the NCPA Legislative and Regulatory Committee that monitors and contributes to the development of State energy and utility policies. 💡

CLIP and KEEP!

Important AMP contact numbers:
 Customer Service..... 748-3900
 After Hours/Emergency 748-3902
 TDD (hearing impaired) 522-7538
 E-mail..... info@alamedamp.com
 Internet www.alamedamp.com

The FLASH is published as a service to the customer-owners of Alameda Municipal Power. Readers are invited to submit ideas, suggestions, comments, or questions by writing to the editor at Alameda Municipal Power, P.O. Box H Alameda, CA, 94501-0263 or by email to mcclabe@alamedamp.com.

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 Gregory Hamm, Ph.D., PE., President
 Peter W. Holmes, Vice President
 John R. McCahan, Commissioner
 Ann Marie Gallant, Interim City Manager

ALAMEDA MUNICIPAL POWER
 Girish Balachandran,
 General Manager