CASE NO. 00007068

SIENERGY, LP'S APPLICATION FOR CUSTOMER RATE RELIEF AND RELATED REGULATORY ASSET DETERMINATION	**§ § § §**	**BEFORE THE RAILROAD COMMISSION OF TEXAS**

APPLICATION OF SIENERGY, LP FOR CUSTOMER RATE RELIEF AND RELATED REGULATORY ASSET DETERMINATION

SiEnergy, LP ("SiEnergy" or the "Company") files this Application for Customer Rate Relief and a Related Regulatory Asset Determination ("Application"). SiEnergy operates in Texas as a "gas utility" under Texas Utilities Code § 101.003(7) and § 104.362(12) and files this Application pursuant to customer rate relief provisions contained in H.B. 1520, Texas Utilities Code, chapter 104, subchapter I, and the Railroad Commission of Texas ("Commission") Notice to Gas Utilities issued on June 17, 2021 ("Notice to Gas Utilities"). This Application is timely filed on July 30, 2021, as required by the Commission's Notice to Gas Utilities and Gas Utility Regulatory Act ("GURA") § 104.365(a). In support of the Application, the Company respectfully shows the following:

I. INTRODUCTION

Winter Storm Uri was a major weather event that affected a large portion of the United States, including Texas, for several days in February 2021 ("2021 Winter Weather Event"). Governor Greg Abbott issued a Disaster Declaration on February 12, 2021, for all 254 counties in Texas and the Commission issued an Emergency Order temporarily modifying natural gas utility curtailment priorities to ensure the protection of human-needs customers throughout the storm.[1] In the days that followed, the 2021 Winter Weather Event would go on to set records for sub-freezing temperatures and windchills across the state. Like every utility operating in Texas, the

[1] Governor Abbott Issues Disaster Declaration In Response To Severe Winter Weather In Texas (Feb. 12, 2021) *available* at https://gov.texas.gov/news/post/governor-abbott-issues-disaster-declaration-in-response-to-severe-winter-weather-in-texas.

entirety of the Company's gas system was affected by the 2021 Winter Weather Event and the Company experienced severe winter weather in all its service areas across Texas. The Company initiated service in 1998 and in that time the Company has never experienced an event, storm, or set of circumstances that parallels the situation the Company faced during the 2021 Winter Weather Event.

Compared to prior years, the 2021 Winter Weather Event led to substantially higher demand for natural gas to heat homes and businesses. Consumption per average customer increased more than 50%, from 8 Mcf per customer in February 2020 to 12 Mcf per customer in February 2021. In fact, the average consumption per customer in February 2021 was 81% greater than in 2019 and 100% greater than in 2018. Further, despite the Company's preparedness for the storm, the sudden increases in the market price of natural gas experienced during the storm were unpredictable. Price increases of the magnitude experienced has never occurred since SiEnergy started business in 1998.

Throughout the event, the Commission coordinated with utilities and other state agencies to ensure the protection of human needs customers. In addition to its February 12 Emergency Order, on February 13 the Commission issued a *Notice of Authorization for Regulatory Asset Accounting for Local Distribution Companies Affected by the February 2021 Winter Weather Event* ("Regulatory Asset NTO") authorizing each natural gas utility local distribution company ("LDC") to record in a regulatory asset account ("Regulatory Asset") "the extraordinary expenses associated with the 2021 Winter Weather Event, including but not limited to gas cost and other costs related to the procurement and transportation of gas supply" ("Extraordinary Costs"). The Regulatory Asset NTO provided support for utilities facing record setting gas costs[2] and to give

[2] The Commission's Regulatory Asset NTO authorized SiEnergy "to record in a regulatory asset account the extraordinary expenses associated with the 2021 Winter Weather Event, including but not limited to gas cost and other costs related to the procurement and transportation of gas supply."

clear direction to LDCs that their task during the storm was to ensure, through all necessary means, the protection of human life through safe and reliable provision of natural gas to Texans. Likewise, through the passing of H.B. 1520, the Texas Legislature would later recognize the generational nature of the February 2021 Winter Weather Event and provide a solution intended to grant relief to customers from those Extraordinary Costs compared to traditional gas cost recovery.

Through this application, SiEnergy supports the customer rate relief objectives of H.B. 1520 that authorize this Commission to approve securitization of Extraordinary Costs incurred as a result of the 2021 Winter Weather Event.[3]

II. JURISDICTION

SiEnergy is an LDC that operates as a gas utility under Texas Utilities Code §§ 101.003(7) and 104.362(12). The Commission has exclusive, original jurisdiction over this filing because of new provisions in subchapter I of chapter 104 of the Texas Utilities Code and the Commission's jurisdiction to prescribe the manner and form of the books, records, and accounts for gas utilities under Texas Utilities Code § 102.101(a), (b) and (d). In addition, Texas Utilities Code § 104.365 gives the Commission jurisdiction to determine the regulatory asset amount to be recovered by a utility related to its extraordinary costs incurred for the 2021 Winter Weather Event. After making a regulatory asset determination, the Commission has exclusive, original jurisdiction based on Texas Utilities Code § 104.364(c) to issue a financing order to authorize recovery of Extraordinary Costs through securitization by creating customer rate relief property. The Commission's actions under these statutory provisions further the purpose of new subchapter I in chapter 104 of the Texas Utilities Code, which is to provide customers with rate relief and support the financial strength and stability of gas utilities.

[3] Consistent with the Commission's Notice to Gas Utilities, the context for this filing is related to the unprecedented cold winter weather event that began in Texas on Thursday, February 11, 2021.

III. SUMMARY OF REQUESTED RELIEF

Through this Application, SiEnergy seeks to provide rate relief to customers by extending the time over which it will recover extraordinary costs incurred to provide natural gas service to customers during the 2021 Winter Weather Event in February 2021. To achieve those rate relief goals, SiEnergy requests issuance of appropriate orders authorizing the securitization of the Extraordinary Costs as reflected on Schedule A to Attachment A to the Application. Specifically, SiEnergy requests a Commission determination that the Extraordinary Costs included in the Regulatory Asset are reasonable, necessary, and prudent because (1) they are costs SiEnergy was required to incur to provide safe and reliable service to customers and would not have incurred but for the 2021 Winter Weather Event and (2) the costs include only those costs authorized under H.B. 1520 and the Commission's Notice to Gas Utilities.[4] In addition, the Company requests that the Commission authorize recovery of its Extraordinary Costs through securitization financing, if the Commission determines the statutory requirements for doing so have been met.

The Company's Application shows that these costs have been recorded in the Regulatory Asset in the books and records of the Company in accordance with the Uniform System of Accounts prescribed for natural gas companies subject to the provisions of the Natural Gas Act (15 U.S.C. Section 717 et seq) by the Federal Energy Regulatory Commission and generally accepted accounting principles; thus, the Extraordinary Costs are entitled to the presumption of reasonableness pursuant to 16 Texas Administrative Code § 7.503. In addition, the Application, and specifically the supporting testimony of Dr. Bruce H. Fairchild, shows that: (1) securitization provides tangible and quantifiable benefits for customers greater than would be achieved absent

[4] *Notice of Authorization for Regulatory Asset Accounting for Local Distribution Companies Affected by the February 2021 Winter Weather Event*, Railroad Commission of Texas (Feb. 2021); *Notice to Gas Utilities regarding Procedure for Gas Utilities to File an Application for Regulatory Asset Determination Pursuant to H.B. No. 1520, Texas Utilities Code, chapter 104, subchapter I, and Participate in Securitization of Extraordinary Costs Incurred as a Result of the February 2021 Winter Weather Event*, Railroad Commission of Texas (Jun. 2021).

the issuance of customer rate relief bonds (Texas Utilities Code § 104.361); (2) securitization financing is the most cost-effective method of funding the regulatory asset balance for SiEnergy based on customer affordability considerations and comparisons of conventional forms of recovery and securitization recovery (Texas Utilities Code § 104.366(a)); and (3) securitization is in the public interest and consistent with the purposes of subchapter I, chapter 104 of the Texas Utilities Code (Texas Utilities Code § 104.366(c)(1)).

Finally, SiEnergy requests that the Commission establish a financing order proceeding, to run concurrently with consideration of this Application, to authorize the Texas Public Finance Authority ("TPFA") to issue customer rate relief bonds and authorize the imposition, collection, and adjustment of customer rate relief charges to ensure repayment of customer rate relief bonds. The prompt commencement of a financing order proceeding will reduce the amount of time between issuance of a Commission order on the regulatory asset balances to be securitized and the actual securitization of those costs, which will mitigate the amount of carrying costs included in the Regulatory Asset balance on the Company's books. SiEnergy requests that it receive the proceeds of customer rate relief bonds in the amount identified in Attachment A to the Application as soon as possible but not later than September 23, 2022.

If the Commission determines that securitization financing should not be used to reimburse SiEnergy for its Regulatory Asset balance, SiEnergy requests approval to recover the balance through its existing Purchased Gas Adjustment tariff ("PGA"). Recovery through the PGA will minimize future carrying costs and ameliorate the negative impact on the Company's capital structure of carrying the related extraordinary debt balance. The Company's PGA, however, provides for a maximum recovery period of 12 months after the end of the annual period in which the costs are incurred. Accordingly, SiEnergy requests that the Commission authorize a recovery over three years to mitigate bill impacts to customers. Otherwise, the Company will recover these costs pursuant to the terms of its tariffs. At the end of the recovery period, SiEnergy will true-up collections and, if necessary, implement a one-time surcharge or refund to ensure SiEnergy collects only the authorized Regulatory Asset balance amount.

Whether SiEnergy's Regulatory Asset balance is recovered through securitization or its PGA, SiEnergy expects the charge will be included with its cost of gas charged to customers. For this reason, there should be no change or impact on SiEnergy's base rates.

IV. DETAILS OF THE APPLICATION

A. Regulatory Asset Balance

SiEnergy requests a Commission determination that the Extraordinary Costs included in its Regulatory Asset balance in the amount of $18,741,670 are reasonable, necessary, and prudent because SiEnergy was required to incur these costs to provide safe and reliable service to its customers and it would not have incurred the costs but for the 2021 Winter Weather Event. The balance consists of extraordinary gas procurement costs incurred during February 2021, financing and other costs incurred to secure and pay for natural gas volumes as well as carrying costs estimated to be incurred through September 23, 2022, and legal and consulting expenses relating to its gas procurement costs and this proceeding.[5]

B. Class and Number of Customers Affected

The Company's request for a Regulatory Asset determination and related cost recovery will affect all customers SiEnergy serves in the State of Texas. The table below shows the approximate number of customers who will be affected by recovery of the balance and normalized volumes by customer class, both as of December 31, 2020:

[5] Other extraordinary costs associated with the 2021 Winter Weather Event have been recorded in a separate regulatory asset and SiEnergy will seek review of these costs for reasonableness in a subsequent rate proceeding, as applicable.

Customer Class	Number of Customers	Normalized Volumes
Residential	31,531	1,475,688
Commercial	183	68,989
Public School	16	12,344
Total	31,730	1,557,021

C. Effect of Proposed Recovery on Customers

Texas Utilities Code § 104.366 requires the Commission to determine that securitization financing is the most cost-effective method of recovery considering issues of customer affordability. The statute directs the Commission to compare recovery through securitization and recovery through conventional methods. The following comparison shows the monthly bill impact of the recovery of SiEnergy's Regulatory Asset balance through its PGA tariffs:

Customer Class	PGA Reconciliation	Three-Year Recovery Through PGA
Residential	$583.75	$209.76
Commercial	$4,702.17	$1,689.65
Public School	$9,622.69	$3,457.76

The direct testimony of Dr. Fairchild shows that securitization significantly reduces the monthly bill to customers from what would result from using the Company's PGA tariffs. The impact on residential customer bills through securitization would be less than $6 per month and the impact on commercial customers and public schools would be less than $35 per month. Therefore, securitization is the most cost-effective method of recovery compared to conventional recovery through SiEnergy's PGA tariffs.

D. Description of the Filing Package

SiEnergy submits this filing consistent with the requirements set forth in the Notice to Gas Utilities issued on June 17, 2021. **Attachment A** to this Application includes schedules that calculate and support the Extraordinary Costs at issue in this proceeding.

Attachment D to this Application includes the direct testimony of June M. Dively, who provides an overview of SiEnergy's operations and the service area, the Company's gas cost procurement process and impacts of the 2021 Winter Weather Event. Ms. Dively also explains the Company's response to the 2021 Winter Weather Event, identifies the Extraordinary Costs SiEnergy incurred in relation to the storm and supports the securitization of the Commission-authorized regulatory asset balance. Attached to Ms. Dively's testimony are copies of gas contracts, invoices, and other support for the Extraordinary Costs identified in **Attachment A**.

Also included as **Attachment D** to this Application is the direct testimony of Dr. Fairchild, who provides testimony that describes the proposed structuring, expected pricing, and proposed financing costs of customer rate relief bonds. He explains that customer rate relief bond financing for extraordinary costs is the most cost-effective method of funding regulatory asset reimbursements to the gas utility, will provide expected benefits to customers in terms of affordability and, accordingly, serves the public interest, consistent with the purposes of Texas Utilities Code, chapter 104, subchapter I. SiEnergy adopts Dr. Fairchild's testimony in support of SiEnergy's request to recover its Extraordinary Costs through customer rate relief bond proceeds. Further, SiEnergy reserves the right to adopt portions of other participating gas utilities' testimony, as necessary to support recovery of its regulatory asset balance and the use of securitization financing as the method through which these costs will be recovered from customers.

V. PROPOSED NOTICE

SiEnergy will promptly undertake to notify customers of this Application based on the proposed form of notice attached as **Attachment B** to this Application. SiEnergy will provide notice by direct mail or bill insert to each affected customer. SiEnergy will also notify each city within which it provides service that it has made this filing with the Commission pursuant to the Notice to Gas Utilities. A non-confidential version of the Company's Application will be posted on the SiEnergy website as well, and a copy of the Application will be made available upon request to the Company. SiEnergy will provide proof of notice to the Commission upon completion of notice.

VI. PROPOSED PROCEDURAL SCHEDULE

Consistent with the Notice to Gas Utilities, SiEnergy has included a proposed procedural schedule as **Attachment C** to this Application. The proposed schedule will allow the Commission to make a regulatory asset determination within the 150-day time frame for Regulatory Asset determinations set forth in Texas Utilities Code § 104.365(d).

VII. REQUEST FOR APPROVAL OF PROTECTIVE ORDER

The Company requests approval of the proposed Protective Order jointly filed by SiEnergy and other affected gas utilities on July 30, 2021. A copy of the proposed Protective Order is attached as **Attachment E** to this Application. Protected material will be provided to parties upon execution of a protective order certification, which is included as Exhibit A to the proposed Protective Order.

VIII. AUTHORIZED REPRESENTATIVES

SiEnergy's authorized representatives are:

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Bee Cave, Texas 78738
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and

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Please serve all pleadings, motions, orders, and other documents filed in this proceeding upon SiEnergy's authorized representatives at the above-stated addresses.

IX. CONCLUSION

SiEnergy requests that the Commission (1) determine that its regulatory asset balance in the amount of $18,741,670 is reasonable, necessary and prudent; (2) authorize recovery of the regulatory asset balance through securitization financing, if the Commission determines the statutory requirements for doing so have been met; and (3) authorize recovery of the regulatory asset balance over a three-year period through the Company's approved gas cost recovery tariffs if the statutory requirements for securitization financing are not met. Finally, SiEnergy requests such further relief to which the Company may be entitled.

Respectfully submitted,

By: ______________________

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ATTORNEYS FOR SIENERGY, LP

Attachment A - Schedules

The schedules are being provided electronically.

**NOTICE OF CUSTOMER RATE RELIEF AND
RELATED REGULATORY ASSET DETERMINATION APPLICATION**

On July 30, 2021, SiEnergy, LP ("SiEnergy" or the "Company") on behalf of its Texas local distribution systems filed an Application for Customer Rate Relief and Related Regulatory Asset Determination ("Application") with the Railroad Commission of Texas ("Commission"). The Application was filed pursuant to the Commission's authority to provide customer rate relief based on provisions under H.B. 1520, Texas Utilities Code, Chapter 104, Subchapter I, and the Commission Notice to Gas Utilities issued on June 17, 2021.

SiEnergy's Application seeks a determination as to the reasonableness and necessity of the Company's extraordinary costs incurred to provide service during Winter Storm Uri, which occurred in February 2021. The Application also requests a Commission determination to utilize securitization financing to recover the extraordinary costs it incurred to provide service during Winter Storm Uri. The use of securitization financing is expected to provide the most cost effective and affordable method of recovering these costs and will thereby provide customers with rate relief. SiEnergy is also requesting that the Commission establish a financing order proceeding and, if securitization financing is not approved, to authorize recovery of the extraordinary costs through SiEnergy's approved gas cost recovery tariffs over a three-year period.

The extraordinary costs SiEnergy seeks to recover include gas procurement costs incurred during Winter Storm Uri; carrying costs, financing and other costs incurred to secure and pay for natural gas volumes purchased during the storm; and SiEnergy's extraordinary legal and consulting expenses relating to that event and this proceeding. Other extraordinary costs associated with Winter Storm Uri have been recorded in a separate regulatory asset and SiEnergy will seek review of these costs for reasonableness in a subsequent rate proceeding, as applicable.

Recovery of the extraordinary costs SiEnergy incurred to provide service during Winter Storm Uri will affect all rate-regulated customers the Company serves in Texas. If securitization financing is approved, it is expected that customer bills will begin to reflect the recovery of Winter Storm Uri costs upon the issuance of customer rate relief bonds, which, if approved, are expected to be issued in September 2022. In the absence of securitization financing, gas procurement expenses are passed through to customers through SiEnergy's Purchased Gas Adjustment ("PGA") rate schedule. The estimated monthly impact to gas costs for the average residential customer if the Winter Storm Uri extraordinary costs were recovered pursuant to SiEnergy currently approved PGA is estimated to be $12.47/Mcf per month for twelve months. The estimated monthly customer rate relief charge to recover Winter Storm Uri's extraordinary costs pursuant to the securitization process is expected to be less than this amount.

Persons with specific questions or desiring additional information about this filing may contact SiEnergy at 1-888-468-7007. Complete copies of the Application for Customer Rate Relief and Related Regulatory Asset Determination is available for inspection at the Company's offices located at 13215 Bee Cave Pkwy., Suite B-250, Bee Cave, Texas 78738 and on our website at http://www.sienergy.com/information/regulatory/. In addition, any affected person may file in writing comments or a protest concerning the application with Docket Services Section of the Office of the Hearings Division, Railroad Commission of Texas, P.O. Box 12967, Austin, Texas 78711-2967, at any time within 60 days following the receipt of this notice. Please reference Case No. 00007068.

Las personas con preguntas específicas o que deseen información adicional sobre esta presentación pueden comunicarse con SiEnergy al 1-888-468-7007. Copias completas de la Solicitud de alivio de tarifas para clientes y determinaciones regulatorias de activos relacionados están disponibles para su inspección en las oficinas de la Compañía ubicadas en 13215 Bee Cave Pkwy., Suite B-250, Bee Cave, Texas 78738 y en nuestro sitio web en http://www.sienergy.com/information/regulatory/. Además, cualquier persona afectada puede presentar comentarios por escrito o una protesta con respecto a la solicitud con la Sección de Servicios de Expediente de la Oficina de la División de Audiencias, Comisión de Ferrocarriles de Texas, P.O. Box 12967, Austin, Texas 78711-2967, en cualquier momento dentro de los 60 días después de recibir este aviso. Por favor haga referencia al Caso No. 00007068.

<u>Regulatory Asset Filing: Proposed Procedural Schedule</u>

Event	150-Day Timeline*
Application Filed	July 30, 2021
Conference, if necessary	TBD
Intervention Deadline	TBD
Deadline for Propounding Discovery Requests on Applicants' Direct Testimony	August 20
Intervenor Direct Testimony	August 30
• *Deadline for Propounding Discovery Requests on Intervenor Direct*	September 15
Settlement Conference	September 9
Staff Direct Testimony	September 21
• *Deadline for Propounding Discovery Requests on Staff Direct*	September 24
Applicants' Rebuttal Testimony	September 30
• *Deadline for Propounding Discovery Requests on Applicants' Rebuttal*	October 4
Trial Briefs due	October 5
Prehearing Conference	October 6
Hearing on the Merits	October 7-8
Initial Briefs	October 14
Reply Briefs	October 21
Draft Order Issued	October 25
Exceptions to Draft Order	October 28
Replies to Exceptions to Draft Order	November 2
RCT Conference - Regulatory Asset Determination	November 10
RCT Conference – Financing Order Issuance	December 7
Statutory Deadline for Regulatory Asset Determination	**December 28**

* Condensed from the full 240-day timeline for the Commission in the new statute (150 days for Regulatory Asset determination, followed by 90 days for issuance of Financing Order). **A 240-day statutory deadline would be March 28, 2022.** Following the Commission's issuance of a Financing Order, the TPFA has approximately 180 days to cause the issuance of bonds.

- Discovery responses due:
  - within 7 working days for Applicant Direct
  - within 3 working days for Intervenor and Staff Direct
  - within 3 working days for Applicant Rebuttal

- Discovery received after 1pm on the last working day of a work week is deemed received on the first working day of the following work week.

- Discovery limitations:
  - For aligned municipal parties, by Applicant: no more than 50 RFIs, including subparts, per week
  - For any party that is not aligned, by Applicant: no more than 25 RFIs, including subparts, per week
  - Not applicable to Commission Staff or Presiding Officers

CASE NO. 00007068

SIENERGY, LP'S APPLICATION FOR CUSTOMER RATE RELIEF AND RELATED REGULATORY ASSET DETERMINATION	**§ § § §**	**BEFORE THE RAILROAD COMMISSION OF TEXAS**

DIRECT TESTIMONY

OF

JUNE M. DIVELY, CPA, CFF, CRFAC, FABFA

ON BEHALF OF

SIENERGY, LP

July 30, 2021

INDEX TO THE DIRECT TESTIMONY

OF JUNE M. DIVELY, CPA, CFF, CRFAC, FABFA,

WITNESS FOR SIENERGY, LP

LIST OF EXHIBITS

DIRECT TESTIMONY OF JUNE M. DIVELY, CPA, CFF, CRFAC, FABFA

I. POSITION AND QUALIFICATIONS

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is June M. Dively. My business address is 13215 Bee Cave Pkwy., Suite B-250, Bee Cave, Texas 78738.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am the Chief Executive Officer for SiEnergy, LP ("SiEnergy" or the "Company"). I am responsible for overseeing the growth and operations of this fast-growing natural gas distribution company.

Q. PLEASE DESCRIBE YOUR EDUCATION AND PROFESSIONAL CREDENTIALS.

A. I am a Certified Public Accountant, Certified in Financial Forensics by the American Institute of Certified Public Accountants, and a Certified Forensic Accountant. I obtained my Bachelor of Business Administration in Accounting from the University of Texas at San Antonio in 1982. My experience in the utility industry began in 1994 when I was employed by Southern Union Company ("SUCo") where, until 1996, I served as the Accounting Manager. In 1996, I left SUCo to form a consulting firm, Dively Energy Services, LLC, to provide services to the natural gas industry, including the preparation and review of utility rate change requests.

In 2003, I formed Dively & Associates, PLLC, a public accounting firm that provided services to the energy industry and began providing accounting, compliance, and rate-related services to SiEnergy. In 2007, I became the Chief Financial Officer of SiEnergy and in 2011, I became its Chief Executive Officer.

Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE UTILITY REGULATORY BODIES?

A. Yes. I have testified before the Railroad Commission of Texas ("Commission"), the Public Utility Commission of Texas, the Missouri Public Service Commission, and the Pennsylvania Public Utility Commission. My curriculum vitae is attached as Exhibit JMD-1.

Q. WAS THIS TESTIMONY PREPARED BY YOU OR UNDER YOUR DIRECTION?

A. Yes.

Q. ARE YOU SPONSORING ANY EXHIBITS IN CONNECTION WITH YOUR TESTIMONY?

A. Yes, I am sponsoring all exhibits listed in the table of contents.

Q. WERE YOUR EXHIBITS PREPARED BY YOU OR UNDER YOUR DIRECTION?

A. Yes.

II. PURPOSE OF TESTIMONY

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. The purpose of my testimony is to support the securitization of extraordinary costs associated with the significant 2021 Winter Weather Event ("Extraordinary Costs"), as reflected on Schedule A to Attachment A to the Application, which have been captured in a regulatory asset pursuant to the *Notice of Authorization for Regulatory Asset Accounting for Local Distribution Companies Affected by the February 2021 Winter Weather Event* ("Regulatory Asset NTO") issued by the

Commission on February 13, 2021. These costs include SiEnergy's extraordinary gas procurement costs incurred during February 2021 ("Extraordinary Gas Procurement Costs"), financing and other costs incurred to secure and pay for natural gas volumes as well as actual and estimated carrying costs incurred through September 23, 2022 ("Extraordinary Financing and Carrying Costs"), and actual and estimated legal and consulting expenses relating to its gas procurement costs and this proceeding ("Extraordinary Legal and Consulting Expenses"). In support of this request, my testimony:

- provides an overview of SiEnergy's operations and the service area;
- describes the Company's gas cost procurement process;
- describes the weather event that occurred from February 11 to February 19, ("2021 Winter Weather Event");
- summarizes the directives and authorizations made by the Commission in response to the 2021 Winter Weather Event and the Company's response to the Commission's actions;
- describes the Company's actions during the 2021 Winter Weather Event;
- provides the balance of Extraordinary Costs incurred by the Company during the 2021 Winter Weather Event that the Company seeks to securitize pursuant to newly enacted Texas Utilities Code §§ 104.365 and 104.366;
- identifies the Commission-authorized regulatory asset ("Regulatory Asset") and SiEnergy's regulatory asset balance through September 23, 2022;
- supports the securitization of the Commission-authorized regulatory asset balance; and
- explains, at a high-level, the benefits to customers associated with securitizing a portion of its Extraordinary Costs rather than capturing those through the Company's purchased gas adjustment tariff ("PGA").

Q. IS ANY OTHER WITNESS PROVIDING TESTIMONY IN SUPPORT OF THE COMPANY'S REQUESTED RELIEF IN THIS PROCEEDING?

A. Yes. Dr. Bruce H. Fairchild is providing testimony for all utilities participating in the securitization process that describes the proposed structuring, expected pricing, and proposed financing costs of customer rate relief bonds. He explains that customer rate relief bond financing for extraordinary costs is the most cost-effective method of funding regulatory asset reimbursements to the gas utility, will provide expected benefits to customers in terms of affordability and, accordingly, serves the public interest, consistent with the purposes of Texas Utilities Code, chapter 104, subchapter I. SiEnergy hereby adopts Dr. Fairchild's testimony to support the recovery of SiEnergy's Extraordinary Costs through customer rate relief bond proceeds.

In addition, SiEnergy reserves its right to adopt portions of other participating gas utilities' testimony, as necessary to support recovery of its regulatory asset balancing and the use of securitization financing as the method through which these costs will be recovered from customers.

Q. WHAT SPECIFIC RELIEF IS THE COMPANY SEEKING?

A. The Company requests that the Commission (1) determine that its Extraordinary Costs are reasonable, necessary, and prudent and (2) authorize recovery of its Extraordinary Costs through securitization financing, if the Commission determines the statutory requirements for doing so have been met.

Q. DOES SIENERGY SEEK ANY ADDITIONAL RELIEF WITH RESPECT TO ITS EXTRAORDINARY EXPENSE?

A. Yes. In order to facilitate the securitization of the Company's Securitized Extraordinary Expense pursuant to House Bill ("H.B.") 1520, SiEnergy requests that the Commission establish a financing order proceeding, to run concurrently with consideration of this Application, to authorize the Texas Public Finance Authority ("TPFA") to issue customer rate relief bonds and authorize the imposition, collection, and adjustment of customer rate relief charges to ensure repayment of customer rate relief bonds ("Financing Order"). The prompt commencement of a financing order proceeding will reduce the amount of time between issuance of a Commission order on the regulatory asset balances to be securitized and the actual securitization of those costs, which will mitigate the amount of carrying costs included in the Regulatory Asset balance on the Company's books. SiEnergy requests that it receive the proceeds of customer rate relief bonds in the amount identified in Attachment A to the Application as soon as possible but not later than September 23, 2022.

Q. IS THE COMPANY'S APPLICATION CONSISTENT WITH THE REQUIREMENTS OF H.B. 1520 AND THE COMMISSION'S GUIDANCE REGARDING THE FILING REQUIREMENTS FOR THIS PROCEEDING?

A. Yes. On June 17, 2021, the Commission issued a Notice to Gas Utilities ("Notice to Gas Utilities") that describes the filing requirements and other procedures associated with this proceeding. The Company's application is consistent with the filing requirements included in the Notice to Gas Utilities and H.B. 1520. The gas purchase review period encompasses the month of February 2021 as required by the Notice to Gas Utilities issued on June 17, 2021.

III. <u>BOOKS AND RECORDS</u>

Q. PLEASE SUMMARIZE HOW THE BOOKS AND RECORDS OF THE COMPANY ARE MAINTAINED AND UTILIZED IN THE REGULAR COURSE OF BUSINESS.

A SiEnergy maintains its books and records in accordance with 16 Texas Administrative Code ("TAC") § 7.310 that requires the Company to keep its books in accordance with the Federal Energy Regulatory Commission ("FERC") Uniform System of Accounts ("USOA"). To ensure that transactions are properly recorded and reported, the Company is audited by an independent public accounting firm. Therefore, the Company complies with 16 TAC § 7.503 and is entitled to the presumption that costs contained within the books and records have been reasonably and necessarily incurred.

Q. HAVE YOU REVIEWED THE SCHEDULES PROVIDED IN ATTACHMENT A TO THE APPLICATION?

A. Yes. Attachment A to the Application calculates the total amount of Extraordinary Costs that have been deferred to a regulatory asset for SiEnergy. This set of schedules summarizes each of the individual categories of Extraordinary Costs, including the following:

a. Extraordinary Gas Procurement Costs, Schedules B and C to Attachment A to the Application, which capture the detailed calculation of the gas cost included in the Regulatory Asset;

b. Extraordinary Legal and Consulting Expenses, Schedule D to Attachment A to the Application, details the legal and consulting fees associated with procurement of gas during the storm and this proceeding, including costs for outside counsel for legal services performed during this proceeding as well as consultant and expert witness fees, which will be updated throughout this proceeding and prior to issuance of the Financing Order, as supported by my Exhibit JMD-2;

c. Taxes, Schedule E to Attachment A to the Application;

d. Extraordinary Financing and Carrying Costs, Schedule F to Attachment A to the Application, including actual carrying costs incurred through May 27, 2021, and estimated carrying costs to be incurred through September 23, 2022; and

e. other support, Schedules G and H.

Q. ARE THE SCHEDULES INCLUDED IN THE COMPANY'S FILING TRUE AND CORRECT SUMMARIES OF THE COMPANY'S BOOKS AND RECORDS?

A. Yes. Because these costs are derived directly from the Company's books and records, which are kept in accordance with the FERC USOA, as appropriate, the Extraordinary Costs are entitled to the presumption of reasonableness pursuant to 16 TAC § 7.503.

Q. IS THE COMPANY MAKING ITS BOOKS AND RECORDS AVAILABLE FOR REVIEW?

A. Yes. The Company is making its books and records as they relate to its Extraordinary Costs available for review at the Company's office located in Bee Cave, Texas.

IV. <u>OVERVIEW OF SIENERGY'S BUSINESS AND OPERATIONS</u>

Q. PLEASE DESCRIBE THE COMPANY AND ITS SERVICE AREA AND CUSTOMERS.

A. SiEnergy serves customers in and around the Houston Metropolitan area, the Austin Metropolitan area, and the Dallas/Fort Worth Metropolitan area. As of June 30, 2020, the company served customers in the following municipalities:

- Brookshire
- Conroe
- Cypress
- Fort Worth
- Fulshear
- Katy
- Mansfield
- Manor
- Missouri City
- Pflugerville
- Sugar Land
- Richmond
- Rosenberg
- Forney
- Baytown
- Tomball
- Crowley
- Grand Prairie
- Houston
- Rosharon
- Austin

As of December 31, 2020, the Company served 31,730 customers in 21 different municipalities and their environs with more than 725 miles of pipe and 34,531 gas meters.

Q. WHICH SPECIFIC AREAS OF THE COMPANY'S GAS SYSTEM WERE AFFECTED BY THE 2021 WINTER WEATHER EVENT?

A. The entirety of the Company's gas system was affected by the 2021 Winter Weather Event. Due to rolling electrical outages throughout the State of Texas, extreme drops in pressure were experienced when power was restored. This situation created a continuous need for monitoring and bypass operations at the Company's meter stations. In addition, customers required assistance with restoring gas supply and restarting furnaces. Lastly, it was necessary for the company to monitor and remediate ice accumulations at its meter stations that could impact the proper functioning of equipment.

Q. DOES THE COMPANY HAVE AN OBLIGATION TO PROVIDE ITS CUSTOMERS WITH SAFE AND RELIABLE NATURAL GAS SERVICE, INCLUDING DURING EXTREME WEATHER OR OTHER UNANTICIPATED EVENTS?

A. Yes. The Company is obligated to provide safe and reliable service to all customers within its service area pursuant to the Gas Utility Regulatory Act ("GURA") and this Commission's rules.[1] As I explain below, the Company was able to meet these obligations but incurred Extraordinary Costs in order to ensure service to its customers during the 2021 Winter Weather Event.

[1] Tex. Util. Code § 104.251; 16 Tex. Admin. Code § 7.45.

Q. HAS THE COMPANY RECOVERED ANY OF ITS EXTRAORDINARY EXPENSES FROM ITS CUSTOMERS?

A. No. The Company charged its customers a normal cost of gas during the month of February.

V. SIENERGY'S NATURAL GAS PROCUREMENT PROCESS

Q. WHAT ARE THE COMPANY'S PRIMARY GOALS WHEN PURCHASING GAS FOR ITS CUSTOMERS AND HOW DOES IT ACHIEVE THESE GOALS?

A. The Company's primary goal is to secure sufficient gas at a cost-effective price in order to ensure safe and reliable service to all customers at a reasonable cost. This includes maintaining sufficient supply on the system to ensure delivery of gas that is demanded by customers.

Q. HOW DOES THE COMPANY SECURE NATURAL GAS TO SERVE ITS CUSTOMERS?

A. SiEnergy purchases its natural gas from fewer than 10 gas suppliers. Forty percent of the Company's gas supply during the month of February 2021 was under a full-requirements, first-of-the-month index-based contract, which was not affected by the extraordinary spike in prices from February 11, 2021, through February 19, 2021.

Q. DID THE COMPANY TAKE ANY ACTION TO SECURE ADDITIONAL GAS SUPPLY IN ANTICIPATION OF THE ARRIVAL OF THE 2021 WINTER WEATHER EVENT?

A. Yes. In anticipation of the 2021 Winter Weather Event, we reviewed our gas supply nominations for the remaining 60% of the Company's gas supply and increased the nominations where contractually possible to ensure adequate capacity during the event.

Q. DOES THE COMPANY CURRENTLY EMPLOY ANY HEDGING TRANSACTIONS FOR ITS GAS PURCHASES?

A. No. Due to historically low gas prices over the past several years, the Company's current procedures do not include hedging. Historically, hedging has increased the cost of gas to customers; therefore, hedging has been discouraged by the Company's regulators, and related costs are often not considered prudent and recoverable. However, the Company evaluates its procedures with respect to hedging annually based upon market prices and trends.

Q. PLEASE IDENTIFY THE NATURAL GAS PROVIDERS THAT CONTRACT WITH SIENERGY TO SUPPLY GAS.

A. The Company procured its gas supplies from Kinder Morgan, Kinder Morgan-Copano, DOW, Texla, Energy Transfer, Monument Pipeline, and Symmetry. Confidential Exhibit JMD-4 includes copies of the Company's gas supply invoices. Confidential Exhibit JMD-5 provides a summary of the Company's gas supply contracts terms. Confidential Exhibit JMD-6 provides copies of the Company's gas supply contracts.

Q. PLEASE DESCRIBE THE TYPE OF GAS PURCHASES MADE DURING FEBRUARY 2021.

A. The Company's gas purchases fall under contracts with three basic commodity pricing structures:

1. Full-requirements, First-of-Month index-based. Once pricing is set using the First-of-Month index, it does not change during the month. As noted before, during the month of February 2021, 40% of the Company's gas supply was under this type of commodity pricing structure and was not affected by the 2021 Winter Weather Event.
2. First-of-the-Month Nominations. 40% of the Company's gas supply was under various contracts that require volume nominations at the first of the month. The nominated volumes are an estimate of the amount of gas to be consumed at the various gas delivery points on the Company's system. These volumes are priced at a First-of-Month index with any overages being priced at a Gas Daily index. The First-of-Month index has historically been the most common fixed-priced index used in the U.S. natural gas trading market, with pricing for the entire month fixed at the first of the month. The Gas Daily index represents the midpoint price for next day's physical natural gas deliveries and can be volatile based upon market conditions.
3. Gas Daily. The remaining 20% of the Company's gas supply was priced at a Gas Daily index. These contracts are for newer delivery points with very few customers. As the Company experiences customer growth and deliveries increase, these contracts will be renegotiated.

Q. WHAT TYPES OF COSTS ARE INCLUDED IN THE COMPANY'S GAS PROCUREMENT COSTS?

A. SiEnergy's gas procurement costs include:

- the cost of purchasing natural gas from its suppliers,
- the cost of transporting that gas to the city gate,

- o other related fees, such as fixed demand fees, and
- o taxes.

Q. WHO REGULATES THE PRICE OF WHOLESALE NATURAL GAS THAT SIENERGY'S SUPPLIERS CHARGE?

A The wholesale price of natural gas is unregulated and fluctuates based upon market conditions and contract pricing. For example, during the 2021 Winter Weather Event, the wholesale natural gas price spiked to as high as $400/MMBtu. By comparison, the price of wholesale natural gas to the Company before the 2021 Winter Weather Event was only $2.70/MMBtu based upon the First-of-Month index, which I would consider a far more "normal" price of gas at that time of the year.

Q. CAN THE COMPANY CONTROL THESE NATURAL GAS PRICES?

A. No. The price of wholesale natural gas changes on a daily or even hourly basis according to market conditions, supply, and demand. The Company must purchase at least a portion of its gas daily and the Company cannot control those fluctuations.

Q. UNDER NORMAL CONDITIONS, HOW DOES SIENERGY ENSURE THAT ITS GAS PURCHASES AND THE PRICES AT WHICH GAS IS PURCHASED ARE REASONABLE?

A. At the first of the month, in accordance with its tariffs, SiEnergy must predict both the price of gas and its customer consumption to calculate the PGA that will be billed to customers. During the month, SiEnergy monitors both the price of gas and the weather on a daily basis. Where contractually possible, the Company increases its nominations to ensure adequate supply during colder than expected weather; however, the Company cannot affect the daily market prices.

As a growing company, SiEnergy strives to negotiate favorable gas supply contracts to ensure that it has a competitive, fully delivered cost to customers. SiEnergy also continually monitors the average price of gas from each of its suppliers and renegotiates pricing whenever possible. Additionally, SiEnergy regularly compares the cost of gas charged to its customers to that of its competitors.

Q. WAS IT NECESSARY FOR THE COMPANY TO PURCHASE GAS AT THE DAILY GAS INDEX PRICES DURING THE 2021 WINTER WEATHER EVENT?

A. Yes. As discussed above, 40% of SiEnergy's contracts incur charges based upon the Daily Gas index for amounts in excess of its nomination, and 20% of its contracts incur charges at the Daily Gas index. These spot market prices were the primary driver of the Company's Extraordinary Costs.

Q. IS THE COMPANY SUBJECT TO PENALTIES UNDER ITS CONTRACTS WITH ITS SUPPLIERS IF IT FAILS TO TIMELY MAKE PAYMENT FOR ITS PURCHASED GAS?

A. Notwithstanding penalties under SiEnergy's gas supply contracts, failure to make payment would create a breach of contract. Failure to cure such a breach can cause, among other things, interruptions in gas supply, demands for large security deposits, the inability to negotiate future favorable contracts, and high litigation costs.

Q. DOES THE COMPANY ADD A PROFIT OR MARKUP TO ITS GAS PROCUREMENT COSTS?

A. No. The Company does not earn a profit or include a markup on its gas procurement costs.

Q. HOW ARE GAS PROCUREMENT COSTS TYPICALLY RECOVERED FROM CUSTOMERS?

A. Gas procurement costs are recovered through the Company's PGA. The relevant PGA tariffs applicable to the Company's various service areas are attached as Exhibit JMD-7.

Q. DESCRIBE THE OPERATION OF THE COMPANY'S PGA.

A. The PGA authorizes the Company to adjust its gas costs on an annual basis to reflect the actual cost of gas to our end-use customers. The Company determines its purchase gas costs each month at the points of delivery into the Company's distribution systems. These costs include, but are not limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company then estimates its Weighted Average Cost of Gas for the period covered by the bill including a pro-rata amount to adjust for previous over- or under-estimates of the Weighted Average Cost of Gas, plus a Reconciliation Adjustment to account for any Annual Imbalance Total. The PGA is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted-for gas. The PGA charge appears on the customer's bill each month. Attached as Exhibit JMD-8 is a generic example of a customer bill.

Q. DOES THE COMMISSION MONITOR THE OPERATION OF THE COMPANY'S PGA?

A. Yes. Annually, the Company files a gas cost reconciliation report with the Commission for the twelve-month period ending June 30. This reconciliation allows the Company to adjust the PGA for any over-recovery or under-recovery of gas costs. In short, the PGA ensures that the Company's actual gas costs are recovered.

Q. HAS THE COMPANY'S RECOVERED ANY OF ITS EXTRAORDINARY COSTS THROUGH ITS PGA?

A. No. The Company charged its customers a normal cost of gas during the month of February using First-of-Month indices that preceded the market price increases resulting from the 2021 Winter Weather Event.

Q. IS THE COMPANY REQUESTING IN THIS PROCEEDING TO RECOVER ANY OF ITS EXTRAORDINARY COSTS THROUGH THE PGA?

A. No. As I explain below, recovering the total Extraordinary Costs through the PGA would have a significant and outsized impact on customers' bills. Accordingly, the Company supports recovery of the majority of its Extraordinary Costs by securitizing these costs pursuant to H.B. 1520.

VI. 2021 WINTER WEATHER EVENT

Q. PLEASE DESCRIBE THE PREPARATION EFFORTS TAKEN BY THE COMPANY IN ANTICIPATION OF THE 2021 WINTER WEATHER EVENT.

A. The Company relied upon weather broadcasts from the National Oceanic and Atmospheric Administration and other weather centers for updates on the storm. As the storm gained strength and it became clear that Texas was going to experience extreme weather, the Company undertook the following weather event preparedness activities:

- held cold-weather event planning meetings,
- discussed procedures related to cold-weather event response,
- established 24/7 monitoring of critical infrastructure,
- filled all trucks with fuel and portable fuel tanks,
- fine-tuned pressures at all meter stations (e.g., increased pressures at key stations),
- contacted gas suppliers to confirm curtailment would not impact human needs,
- modified nominations where contractually possible,
- examined all Supervisory Control and Data Acquisition ("SCADA") systems used to monitor and gather data regarding the pressures and flows at the Company's individual meter stations systems to confirm functionality,
- attended Texas Gas Association calls to discuss preparations, and
- updated gas flow models to mitigate pressure concerns in our systems.

Q. PLEASE DESCRIBE THE CONDITIONS THE COMPANY EXPERIENCED DURING THE 2021 WINTER WEATHER EVENT.

A. During the 2021 Winter Weather Event, the Company experienced severe winter weather in all its service areas across Texas. The first blast of arctic air arrived in the area on February 10th and temperatures dropped into the 20s and 30s across most of SiEnergy's service areas. On the morning of February 11th, frozen precipitation started to fall. For several days, this cold air mass remained in place across the state.

Additional record-breaking arctic air moved into Texas late on February 14th and into February 15th. As this system moved through the state, snow began to fall, and temperatures quickly fell into the teens and single digits. With the cold arctic air mass still in place and temperatures still below freezing, another cold front approached from the west. Ahead of it was freezing rain on the evening of February 16th and into the morning of the 17th. Meanwhile, yet another cold front moved into Texas the evening of the 17th from the west, bringing with it mixed precipitation in the form of freezing rain, sleet, and snow, and transitioning to all snow by the morning of February 18th.

All areas in Texas saw several consecutive days of record-breaking temperatures as well as multiple days of record-breaking snowfall. This event had catastrophic impacts on the entire state of Texas, with failed power grids, burst water pipes, and limited road travel.

Q. HAD THE COMPANY EVER EXPERIENCED SIMILAR CONDITIONS LIKE IT FACED DURING THE 2021 WINTER WEATHER EVENT?

A. No. In the history of the Company there has never been an event, storm, or set of circumstances that comes close to approximating the situation the Company faced during the 2021 Winter Weather Event. For example, consumption per average customer increased from 8 Mcf per customer in February 2020 to 12 Mcf per customer in February 2021, a 52% increase. Further, despite the Company's preparedness for the storm, the sudden increases in the market price of natural gas experienced during the storm were unpredictable. Price increases of the magnitude experienced have never occurred since SiEnergy started business in 1998.

Q. WHAT WERE THE COMPANY'S BIGGEST PRIORITIES DURING THE 2021 WINTER WEATHER EVENT AND HOW DID THE COMPANY ADDRESS THEM?

A. The biggest priorities during the storm were ensuring the availability of gas to customers; being responsive to customer questions; maintaining the availability of telephone, internet and software critical to responding to customer needs; and ensuring backup customer service support was available. The Company addressed these priorities by:

- relocating 10 operations employees to hotels closer to critical infrastructure,
- bolstering its customer service support,
- establishing round-the-clock monitoring of the Company's telephone, internet and critical software,
- emphasizing employee and customer safety, and
- avoiding interruptions in gas supply by modifying its nominations when possible and communicating with its gas suppliers.

Q. DID THE COMPANY EXPERIENCE ANY FACILITY FAILURES OR PRESSURE CONCERNS DURING THE 2021 WINTER WEATHER EVENT?

A. SiEnergy experienced pressure concerns at multiple locations; however, as explained below, SiEnergy had relocated some of its employees to locations closer to critical infrastructure. Employees monitored meter station pressures and were able to mitigate low pressure situations. The Company's SCADA system sent one alert when it experienced a sudden drop in pressure at the meter station serving one community in North Texas. SiEnergy employees mobilized immediately and found that ice accumulations had triggered the event. The ice was remediated, service was restored to the affected homes, and the meter station was monitored by personnel for the duration of the 2021 Winter Weather Event. A second pipeline heater was added immediately following the 2021 Winter Weather Event. SiEnergy currently operates the meter station with two pipeline heaters.

Q. HOW MUCH GAS WAS IT NECESSARY FOR SIENERGY TO PURCHASE IN ORDER TO PROVIDE SERVICE TO CUSTOMERS DURING THE MONTH OF FEBRUARY 2021?

A. During February 2021, SiEnergy's customers used 389,450 Mcf as shown in Schedule C-2, which is equivalent to approximately 11.9 Mcf per customer.

Q. HOW DOES THIS COMPARE TO HISTORICAL GAS REQUIREMENTS DURING THIS SAME PERIOD IN PRIOR YEARS?

A. For the same period in 2020, 2019, and 2018, respectively, SiEnergy's customers used approximately 7.9 Mcf, 6.6 Mcf, and 6.0 Mcf per customer. The average consumption per customer in February 2021 is 52% greater than in February 2020, 81% greater than in 2019, and 100% greater than in 2018.

Q. PLEASE DESCRIBE THE FACTORS THAT MADE SECURING GAS SUPPLY DURING THE 2021 WINTER WEATHER EVENT MORE CHALLENGING.

A. The primary factors that made securing gas supply a concern during the 2021 Winter Weather Event were the industry-wide lack of gas supply and upstream transportation pipeline Operational Flow Orders. However, SiEnergy was able to obtain sufficient gas supplies to meet the needs of its customers during the 2021 Winter Weather Event. Lack of space heating in SiEnergy's service areas was primarily driven by the lack of electrical power to run the equipment used to heat homes.

Q. WERE THERE ALTERNATIVE SOURCES OF SUPPLY AVAILABLE AT THE TIME THE NATURAL GAS PURCHASES WERE MADE?

A. No. At the time the natural gas purchases were made, there were no alternative sources of supply available to SiEnergy.

Q. DID SIENERGY ENCOURAGE ITS CUSTOMERS TO CONSERVE GAS USAGE DURING THE 2021 WINTER WEATHER EVENT?

A. Yes. During the storm, SiEnergy posted the following guidance on its website:

"During this unprecedented weather event SiEnergy employees are working around the clock to monitor our system and respond to emergencies. We need your help in conserving energy over the next few days. Please consider the following tips.

- Turn your heat to 68 degrees.
- Lower your water heater to 120 degrees.
- Do not use dishwashers, washing machines or clothes dryers.

- Do not use pool heaters. Instead use your pump to circulate water and prevent freezing.
- Avoid baths and minimize showers.

With your help we can all make it through this.

If you smell the odor of natural gas or suspect a gas leak, call us at (888) 468-7007 from a safe location."

Q. DID THE COMPANY TAKE ANY OTHER ACTIONS TO ENSURE ADEQUATE SUPPLIES OF NATURAL GAS OR TO OTHERWISE MITIGATE THE IMPACTS OF THE 2021 WINTER WEATHER EVENT ON CUSTOMERS?

A. Yes. As previously mentioned, SiEnergy called each of its gas suppliers in anticipation of the 2021 Winter Weather Event to discuss the availability of gas supply. Because SiEnergy experienced no interruption in gas supply and had adequate supplies available under its contracts, SiEnergy primarily focused its attention on customer needs, including maintaining system pressures and restoring customer service after interruption by power outages.

Q. PLEASE DESCRIBE THE EXTRAORDINARY GAS PROCUREMENT COSTS INCURRED BY THE COMPANY DURING FEBRUARY 2021.

A. The Company incurred Extraordinary Gas Procurement Costs in the amount shown on Schedule C to Attachment A to the Application including the cost of gas, transportation, fees and taxes.

Q. HOW DOES THIS AMOUNT COMPARE TO A NORMAL LEVEL OF GAS PROCUREMENT COST FOR THIS TIME PERIOD?

A. By comparison, SiEnergy calculated the normal level of gas costs incurred during February 2021, including any benchmarks or adders, as shown on Schedule C to Attachment A to the Application.

Q. DOES THE COMPANY HAVE DOCUMENTATION TO EVIDENCE THESE GAS PROCUREMENT COSTS?

A. Yes. Copies of all invoices are included as Confidential Exhibit JMD-4. In addition, as I noted before, the Company has provided copies of the underlying purchase agreements it has in place with its suppliers as Confidential Exhibit JMD-6 to my testimony.

Q. AT THE TIME THE NATURAL GAS PURCHASES WERE MADE, HOW DID THE COMPANY ENSURE THESE COSTS WERE REASONABLE AND NECESSARY?

A. As previously mentioned, 40% of the Company's gas supply during the month of February 2021 was under a full-requirements, First-of-Month index-based contract, which was not affected by the extraordinary spike in prices from February 11, 2021 through February 19, 2021. The remainder of SiEnergy's gas purchases were reasonable and necessary because they were based upon existing contracts with unaffiliated suppliers.

Q. DID THE COMPANY FINANCE ANY COSTS IT INCURRED AS A RESULT OF THE 2021 WINTER WEATHER EVENT?

A. Yes. The Company was able to finance through a new debt issuance all of its Extraordinary Costs, including its gas procurement costs and debt acquisition costs. The Company will be responsible for paying its carrying costs.

Q. PLEASE DESCRIBE THE COMPANY'S EXTRAORDINARY DEBT ACQUISITION AND CARRYING COSTS.

A. The Company incurred debt acquisition costs to finance its Extraordinary Costs associated with the 2021 Winter Weather Event and legal fees to prepare the credit agreement. These amounts are identified on Schedule F to Attachment A to the Application. The Company was able to secure favorable interest rates at 1.858% for March through April, 1.860% for May, and 1.922% for the six-month period beginning May 28, 2021. The Company has estimated carrying costs through September 23, 2022, based on the procedural schedule embodied in H.B. 1520.

Although the Company cannot predict interest rates after the current six-month period, it will strive to continue to attain interest rates favorable to customers until such time that customer relief bonds are issued.

Q. WHY IS IT IMPORTANT FOR THE SECURITIZATION TO BE COMPLETED BY SEPTEMBER 23, 2022?

A. It is important for the securitization to be completed by September 23, 2022, because if the securitization fails or is not completed within the established procedural schedule, the Company will be required to include the financing of its extraordinary gas costs in its debt covenant calculations. At this time, the Company believes that including the financing of its Extraordinary Costs in the calculation of its debt covenants will cause the Company to reach or exceed the maximum capacity under its credit facility, which would result in a breach of its debt covenants. This situation would have an extremely negative impact on the Company's ability to grow using credit facilities because it would limit the availability of credit going forward. As a result, the Company would be required to make significant unanticipated equity infusions that may affect the Company's ability to attract capital, and the Company would be required to continue to carry its Extraordinary Costs at its weighted average cost of capital.

Q. WHAT WOULD BE THE CONSEQUENCE OF THE COMPANY BEING REQUIRED TO CARRY ITS EXTRAORDINARY EXPENSES AT ITS WEIGHTED AVERAGE COST OF CAPITAL?

A. The consequences would be considerably higher capital costs that would ultimately be included in customers' rates. For instance, if securitization is not successful and the Company is required to recover the total amount of its Extraordinary Costs from customers using its existing gas cost recovery mechanism's annual reconciliation, it would increase costs to customers by $12.43 per Mcf. Even if the Company were to request a three-year amortization through a regulatory proceeding, the costs to customers would increase by $4.47 per Mcf. By comparison, securitizing these costs through 30-year bonds would significantly reduce the cost to customers, as explained in Dr. Fairchild's direct testimony.

Q. DID THE COMMISSION PROVIDE GUIDANCE AT THE TIME OF THE STORM AS TO HOW TO TREAT ANY EXTRAORDINARY EXPENSES INCURRED AS A RESULT OF THE 2021 WINTER WEATHER EVENT?

A. Yes. On February 13, 2021, the Commission issued the Regulatory Asset NTO, authorizing each natural gas utility local distribution company "to record in a regulatory asset account the extraordinary expenses associated with the 2021 Winter Weather Event, including but not limited to gas cost and other costs related to the procurement and transportation of gas supply."[2] The Regulatory Asset NTO only authorized utilities to record extraordinary expenses related to the February 2021 Winter Weather Event and deferred the Commission's determination regarding the reasonableness, necessity, and accuracy of the extraordinary expenses recorded in the regulatory asset account. The Commission made clear its expectation that local distribution companies take action to "ensure that the citizens of the State of Texas are provided with safe and reliable natural gas service."[3]

The Commission also temporarily modified its curtailment order to make clear that in the event of curtailment, the highest priority is the delivery of gas by natural gas utilities to residences, hospitals, schools, churches, and other human needs customers. The second highest priority was the delivery of gas to electric generation facilities that serve human needs customers.

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[2] *Procedure for Gas Utilities to File an Application for Regulatory Asset Determination Pursuant to H.B. No. 1520, Texas Utilities Code, chapter 104, subchapter I, and Participate in Securitization of Extraordinary Costs Incurred as a Result of the February 2021 Winter Weather Event*, p. 1, Railroad Commission of Texas (Jun. 2021).

[3] *Notice of Authorization for Regulatory Asset Accounting for Local Distribution Companies Affected by the February 2021 Winter Weather Event*, Railroad Commission of Texas (Feb. 2021).

Q. HOW DID THE COMPANY RESPOND TO THE COMMISSION'S GUIDANCE?

A. The Company reviewed the Commission's order temporarily modifying curtailment priorities and planned for such curtailment in the event necessary to ensure gas supplies to residential customers. The Company also deferred all extraordinary expenses associated with the 2021 Winter Weather Event, including extraordinary operations expense, gas costs, and other costs related to the procurement and transportation of gas supply. In addition, the Company billed its customers for all volumes consumed during the month at the PGA rate established for the month of February prior to the impact of the storm. All gas costs and gas procurement costs in excess of what was billed to customers was deferred in accordance with the Commission notice.

Q. WAS THE COMPANY ABLE TO PROVIDE SAFE AND RELIABLE SERVICE TO CUSTOMERS THROUGH THE 2021 WINTER WEATHER EVENT?

A. Yes.

VII. REQUESTED REGULATORY TREATMENT FOR RECOVERY OF EXTRAORDINARY 2021 WINTER WEATHER EVENT COSTS

Q. DID THE LEGISLATURE ADDRESS HOW GAS UTILITIES SHOULD RECOVER THEIR EXTRAORDINARY EXPENSES FROM CUSTOMERS IN ORDER TO AVOID OVERLY IMPACTING CUSTOMERS' BILLS?

A. Yes. On June 16, 2021, H.B. 1520 became effective. The bill authorizes the Commission to issue a Financing Order directing the TPFA to issue bonds for the purpose of reducing the costs that customers would otherwise experience due to extraordinary costs that gas utilities incurred to secure gas supply and to provide service during the 2021 Winter Weather Event. The law provides securitization financing in the form of customer rate relief bonds for gas utilities that choose to participate to recover those extraordinary costs. The bill provides rate relief to customers by extending the period during which these extraordinary costs would otherwise be recovered and supports the financial strength and stability of gas utility companies.

Q. WHAT ACTIONS DOES H.B. 1520 DIRECT THE COMMISSION TO TAKE?

A. H.B. 1520 directs the Commission to undertake two separate actions. First, pursuant to GURA § 104.365, the Commission is required to determine the regulatory asset amount to be recovered by a gas utility upon application by the gas utility within 150 days after the date of the application. Second, pursuant to GURA § 104.366, after the Commission makes the regulatory asset determinations and determines that customer rate relief bonds are the most cost-effective method of funding regulatory asset reimbursements, the Commission is authorized to issue a Financing Order requesting that the TPFA direct an issuing financing entity to issue the customer rate relief bonds.

Q. DID THE COMMISSION ISSUE GUIDANCE REGARDING THE PROCEDURES FOR FILING APPLICATIONS FOR REGULATORY ASSET DETERMINATION?

A. Yes. On June 17, 2021, the Commission Staff issued the Notice to Gas Utilities describing the procedures it will use to process the securitization filings pursuant to H.B. 1520. Commission Staff indicated it expects to convene one or more proceedings to issue the regulatory asset determinations and Financing Order once the statutory requirements are met. It provides that gas utilities, as defined in GURA § 104.362(12), desiring to participate in securitization pursuant to H.B. 1520 must file an Application for Regulatory Asset Determination on July 30, 2021, in accordance with Texas Utilities Code § 104.365(b). Due to the expedited nature of the regulatory asset review and determination, the Commission directed each applicant to propose for recovery only its extraordinary gas procurement costs incurred during the February 2021 Winter Weather Event in its application, including "taxes, any financing and other costs incurred to secure and pay for natural gas volumes purchased during the 2021 Winter Weather Event, and the gas utility's legal and consulting expenses relating to its gas procurement costs and this proceeding."[4] The Commission directed utilities to record other extraordinary costs "such as overtime, equipment charges, or similar non-fuel related expenses"[5] in a separate regulatory asset, which will be reviewed for reasonableness in each gas utility's subsequent rate proceeding.

Q. PLEASE DESCRIBE THE COMPANY'S REQUESTED REGULATORY TREATMENT FOR RECOVERY OF ITS EXTRAORDINARY COSTS.

A. The Company supports securitization of its Extraordinary Costs in accordance with H.B. 1520. The Company will record any other extraordinary expenses related to

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[4] *Procedure for Gas Utilities to File an Application for Regulatory Asset Determination Pursuant to H.B. No. 1520, Texas Utilities Code, chapter 104, subchapter I, and Participate in Securitization of Extraordinary Costs Incurred as a Result of the February 2021 Winter Weather Even*, p. 2, Railroad Commission of Texas (Jun. 2021).
[5] *Id.*

the storm in a separate regulatory asset and seek to recover these costs in the Company's next comprehensive rate case proceeding.

Q. PLEASE DESCRIBE THE CRITERIA USED TO IDENTIFY EXTRAORDINARY EXPENSES ELIGIBLE FOR INCLUSION IN THE REGULATORY ASSET.

A. To identify the Extraordinary Costs eligible for inclusion in the regulatory asset, the Company referred to the Commission's Notice to Gas Utilities and the specific definition of Extraordinary Costs contained in H.B. 1520.

Q. HAS THE COMPANY ESTIMATED ANY OF THESE COSTS?

A. Yes. As explained below, the Company has estimated carrying costs for the period March 23, 2021, to September 23, 2022. In addition, consistent with the Notice to Gas Utilities, the Company estimated the Legal and Consulting Expenses relating to its gas procurement costs and this proceeding.

Q. HOW DID THE COMPANY CALCULATE THE AMOUNT OF EXTRAORDINARY GAS PROCUREMENT COSTS INCLUDED IN THE REGULATORY ASSET?

A. The Notice to Gas Utilities provides the Extraordinary Gas Procurement Costs for February 2021 be calculated as the lesser of:

> 1) the difference between the gas utility's procurement costs incurred for February 2021 and the gas utility's total gas procurement costs recovered for February 2021; or 2) the difference between the gas utility's total gas procurement costs incurred for February 2021 and the gas utility's total gas procurement costs for February 2021 using the Normalized Market Pricing definition set forth in section 104.362(15).[6]

[6] *Id.* at 2-3

Consistent with this guidance, SiEnergy has calculated its Extraordinary Gas Procurement Costs using the two prescribed methods, as shown in Schedules B and C to Attachment A to the Application. The lesser of those two amounts is the Company's Extraordinary Costs shown on Schedule A to Attachment A to the Application.

Q. HOW DID YOU CALCULATE THE AMOUNT OF ACTUAL AND ESTIMATED EXTRAORDINARY FINANCING AND CARRYING COST INCLUDED IN THE REGULATORY ASSET?

A. The Notice to Gas Utilities provides that Extraordinary Costs may include "the gas utility's financing costs or any other costs incurred to secure and pay for natural gas volumes that are included in extraordinary gas cost"[7] and any "[c]arrying costs included in the proposed regulatory asset."[8] Accordingly, SiEnergy calculated its Extraordinary Financing and Carrying Costs by applying the actual interest rates it incurred during each month through June 2021, and then carrying the June 2021 interest rate forward through September 23, 2022. The estimated financing costs were then calculated by subtracting the actual costs incurred to date from the total estimated carrying costs. In addition, the Company incurred actual debt acquisition costs, legal fees related to the credit of facility, and estimated legal fees to extend its credit facility through September 23, 2022.

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[7] *Id.* at 3.
[8] *Id.*

Q. HOW DID YOU CALCULATE THE AMOUNT OF ACTUAL AND ESTIMATED EXTRAORDINARY LEGAL AND CONSULTING EXPENSES INCLUDED IN THE REGULATORY ASSET?

A. Actual and estimated expenses are shown on Schedule D-1 to Attachment A to the Application. These costs were calculated based on actual costs incurred through June 30, 2021, and estimated costs for the balance of the procedural schedule provided by counsel based on the expected costs to litigate this proceeding. The reasonableness of these costs is supported by the affidavit of Evan D. Johnson, attached as Exhibit JMD-2 to my testimony. Additionally, the Company is requesting recovery of any expenses that it is required to reimburse any intervenors in this case through the customer rate relief bond financing proceeds, to the extent provided for under Commission rules.

Q. HAVE ANY ADJUSTMENTS BEEN MADE TO THE COSTS RECORDED IN THE REGULATORY ASSET?

A. Yes. In accordance with the Commission’s Notice to Gas Utilities, we have reclassified operations and maintenance and other costs incurred during the 2021 Winter Weather Event to another regulatory asset.

Q. ARE ANY AFFILIATE EXPENSES INCLUDED IN THE REGULATORY ASSET?

A. No.

Q. HAVE ANY OF THE COSTS RECORDED IN THE REGULATORY ASSET BEEN INCLUDED IN THE COMPANY'S GAS COSTS BILLED TO CUSTOMERS THROUGH THE PGA?

A. No. As noted before, all Extraordinary Costs related to the 2021 Winter Weather Event were deferred and are not currently being passed on to customers.

Q. ARE THERE ANY TAX CONSEQUENCES TO THE COMPANY ASSOCIATED WITH THE SECURITIZATION?

A. No.

Q. HAVE YOU INCLUDED COPIES OF TYPICAL CUSTOMER BILLS FOR JANUARY, FEBRUARY AND MARCH 2021?

A. Yes. The Company has attached typical customer bills for January, February and March 2021 as Exhibit JMD-8.

Q. WILL CUSTOMERS RECEIVE TANGIBLE AND QUANTIFIABLE BENEFITS FROM SECURITIZATION THAT ARE GREATER THAN WOULD BE ACHIEVED ABSENT THE ISSUANCE OF CUSTOMER RATE RELIEF BONDS?

A. Yes. As explained in more detail by Dr. Fairchild, the benefits to customers are significant.

Q. IS SECURITIZATION OF THE COMPANY'S EXTRAORDINARY EXPENSES THE MOST COST-EFFECTIVE METHOD OF FUNDING REGULATORY ASSET REIMBURSEMENTS TO THE GAS UTILITY?

A. Yes. As explained by Dr. Fairchild, securitization is the most cost-effective method of funding the regulatory asset reimbursements to the gas utility and is in the public interest.

Q. IF THE COMPANY IS AUTHORIZED TO RECOVER THESE COSTS THROUGH SECURITIZATION, WILL THE COMPANY SEEK RECOVERY OF ANY OF THESE COSTS THROUGH REGULAR RATEMAKING PROCESSES OR OTHER MECHANISMS?

A. No. If SiEnergy receives proceeds pursuant to a securitization, those proceeds are in lieu of recovery of costs through the regular ratemaking process or other mechanism.

Q. IF THE COMMISSION DOES NOT AUTHORIZE SECURITIZATION, HOW DOES THE COMPANY PROPOSE TO RECOVER ITS REGULATORY ASSET BALANCE?

A. If the Commission does not authorize securitization or should the securitization fail, the Company proposes to recover its Extraordinary Costs through its gas cost reconciliation mechanism in its PGA. Using the PGA will minimize future carrying costs and the negative impact on the Company's capital structure of carrying the related extraordinary debt balance. However, the Company's PGA provides for a maximum recovery period of 12 months after the end of the annual period in which the costs are incurred. To lengthen the recovery period beyond 12 months would require separate regulatory authority; accordingly, the Company requests such authority to the extent securitization does not occur. Otherwise, the Company will recover these costs pursuant to the terms of its tariffs. At the end of the recovery period, SiEnergy will true-up collections and, if necessary, implement a one-time surcharge or refund to ensure SiEnergy collects only the authorized Regulatory Asset balance amount.

VIII. CONCLUSION

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes, it does.

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

AFFIDAVIT OF JUNE M. DIVELY

BEFORE ME, the undersigned authority, on this day personally appeared June M. Dively who having been placed under oath by me did depose as follows:

1. "My name is June M. Dively. I am over the age of eighteen (18) and fully competent to make this affidavit. I am employed as the Chief Executive Officer for SiEnergy, LP. The facts stated herein are true and correct based upon my personal knowledge.

2. I have prepared the foregoing Direct Testimony and the information contained in this document is true and correct to the best of my knowledge."

Further affiant sayeth not.

June M. Dively
June M. Dively

SUBSCRIBED AND SWORN TO BEFORE ME by the said June M. Dively on this 26th day of July 2021.

Notary Public in and for the State of Texas

JOANNA SANDOVAL
Notary Public, State of Texas
Notary ID # 13127142-5
My Commission Expires
September 7, 2021

JUNE M. DIVELY, CPA, CFF, CRFAC, FABFA

CONTACT INFORMATION
13215 Bee Cave Pkwy, Suite B-250, Bee Cave, TX 78738
Phone: (512) 261-6216 Email: junedively@sienergy.com

PROFILE

Based in Bee Cave, Texas, June Dively has over thirty years of experience specializing in financial, forensic, and regulatory matters in the energy industry, including electric, natural gas, and water. She is CEO of Si Investment Co., LLC and its subsidiary entities, including SiEnergy, LP, a natural gas distribution company. Ms. Dively has testified as an expert witness in both written and oral form on behalf of a number of clients. She assists attorneys in various phases of proceedings, including: early case assessment; analyzing financial, accounting and economic issues; developing strategies; preparing interrogatories and document requests; preparing expert reports; and providing expert testimony. As SiEnergy's CEO, she directs the management team consisting of the executives responsible for gas utility operations, engineering and construction, development, contracts and risk management, gas supply, accounting and human resources. She has managed all aspects of the company including negotiation of gas cost contracts, reconciliation of gas cost mechanisms, regulatory accounting and reporting compliance, rate increase requests, and corporate financing.

CERTIFICATIONS AND DESIGNATIONS

- Certified Public Accountant, Texas (CPA)
- Certified in Financial Forensics by the AICPA (CFF)
- Certified Forensic Accountant (CRFAC)
- Fellow of the American Board of Forensic Accounting (FABFA)

PROFESSIONAL ASSOCIATIONS

- American Institute of Certified Public Accountants
- Texas Society of Certified Public Accountants
- American Board of Forensic Accounting

SELECTED ENGAGEMENTS

- *Texas Office of Public Utility Counsel* – Expert and forensic services and testimony related to the Application of CenterPoint Energy Houston Electric, LLC for Authority to Change Rates. PUC Docket No. 49421
- *Texas Office of Public Utility Counsel* – Expert and forensic services and testimony related to the Application of Texas-New Mexico Power Company for Authority to Change Rates. PUC Docket No. 48401
- *Texas Office of Public Utility Counsel* – Expert and forensic services and testimony related to the Review of the Rate Case Expenses Incurred by Southwestern Electric Power Company and Municipalities in Docket No. 46449. PUC Docket No. 47141
- *Texas Office of Public Utility Counsel* – Expert and forensic services and testimony related to the Review of the Rates Case Expenses incurred in Docket 45414. PUC Docket No. 45979
- *Texas Office of Public Utility Counsel* – Expert and forensic services and testimony related to the Review of the Rates of Sharyland Utilities, L.P. PUC Docket No. 45414
- *Confidential Individual* – Expert and forensic services related to a dispute involving alleged misappropriation of assets involving multiple business entities.
- *C.P. Foster, Jr. and C.P. Foster Oil & Gas LP* – Expert and forensic services related to C.P. Foster, Jr. and C.P. Foster Oil & Gas LP vs. Chestnut Exploration and Production, Inc. and Mark Plummer alleging fraudulent inducement and misappropriation of revenues involving multiple business entities.
- *Pioneer Natural Resources USA, Inc.* – Expert services and determination of revenue requirement to establish common carrier rates for West Texas LPG Pipeline Limited Partnership.
- *Texas Office of Public Utility Counsel* – Expert and forensic services and testimony related to the Application of El Paso Electric Company to Change Rates. PUC Docket No. 44941
- *Texas Office of Public Utility Counsel* – Expert and forensic services and testimony related to the Joint Report and Application of Oncor Electric Delivery Company LLC, Ovation Acquisition I, LLC, Ovation Acquisition II, LLC, and Shary Holdings, LLC for Regulatory Approvals pursuant to PURA §§14.101, 37.154, 39.262(I)-(m), and 39.915. PUC Docket No. 45188

- *XOG Operating, LLC, and Geronimo Holding Corporation* – Expert services and report regarding asserted violation of agreements by Chesapeake Exploration Limited Partnership and Chesapeake Exploration, LLC. Cause No. 12,375 in the District Court of Wheeler County TX 21st Judicial District.
- *Peregrine Pipeline Company and Peregrine Field Services* – Expert services and testimony regarding Peregrine Pipeline Company and Peregrine Field Services v. XTO Energy Inc. breach of contract.
- *Midstream Capital Partners Group* – Expert services related to $185 million acquisition of gathering assets by Ares EIF Group from WPX Energy, Inc. and operated by Midstream Capital Partners
- *Starfish Pipeline Company* – Financial accounting and regulatory oversight
- *Midstream Capital Partners Group* – Financial acquisition due diligence related to offshore transmission and gathering pipelines and onshore separation and administrative facilities
- *Texas Office of Public Utility Counsel* – Expert services related to the application of water and sewer rate/tariff changes for Aqua Texas, Inc in the southeast region in Chambers, Liberty, and Jefferson counties – TCEQ Docket No. 2013-2007-UCR
- *Ute Indian Tribe, Utah* – Feasibility services related to waxy crude upgrader refinery in the Uintah Basin.
- *Peregrine Pipeline Company and Peregrine Field Services* – Expert services to analyze cost of service and market factors and recommend rate increases in accordance with the provisions of natural gas gathering contracts and compression and dehydration contracts. Prepare rate increase notifications and defend increases in accordance with Railroad Commission of Texas informal complaint procedures.
- *Ute Indian Tribe, Utah* – Consulting Expert regarding upstream and midstream royalty, working, and investment interests.
- *Texas Office of Public Utility Counsel* – Expert services and testimony related to the appeal of Austin Energy's rate increase by Homeowners United for Rate Fairness.
- *Moore and White, Individual Royalty Interest Holders* – Expert and forensic services regarding potential breach of continuous drilling clause.
- *Clayton Williams Energy Inc.* – Monthly and annual regulatory compliance filings. Assistance with regulatory accounting requirements.
- *Texas General Land Office* – Concurring partner on audit to assess the accuracy of remittances made by Reliant Energy to the State of Texas pursuant to Reliant's contractual obligation to provide electrical power service to Public Retail Customers participating in the State Power Program
- *Peregrine Pipeline Company* – Prepare monthly producer settlement statements and gas purchase invoices related to natural gas gathering services. Prepare annual regulatory compliance reports. Prepare and file tariffs with regulatory authorities.
- *Peregrine Pipeline Company and Peregrine Field Services* – Expert services regarding cost of service and market factors to recommend rate increases in accordance with the provisions of natural gas gathering contracts and compression and dehydration contracts
- *Texas Office of Public Utility Counsel* – Expert services related to the application of Southwestern Power Company to change rates and to reconcile fuel costs. PUC Docket No. 38147
- *Texas Office of Public Utility Counsel* – Expert services and testimony related to the application of CenterPoint Electric to change rates and to reconcile fuel costs. PUC Docket No. 38339.
- *Texas State Natural Gas*–Statement of Intent to Increase Rates in Eagle Pass, Texas
- *David H. Arrington Oil & Gas* – Expert and forensic services related to royalty owner claims
- *Texas Office of Public Utility Counsel* – Expert services and testimony related to the application of El Paso Electric Company to change rates, to reconcile fuel costs, to establish formula-based fuel factors, and to establish an energy efficiency cost recovery factor
- *CoServ Gas, Ltd.*–G.U.D. 9909 - Statement of Intent to increase rates in unincorporated areas within Collin, Denton and Kaufman counties
- *Peregrine Pipeline Company, L.P.* – Expert orensic services related to disputed producer settlement charges
- *Clayton Williams Energy Inc.* – Expert and forensic services regarding the Complaint of Clayton Williams Energy, Inc. against Energy Transfer Fuel, L.P.–G.U.D. 9820
- *CoServ Gas, Ltd.*–Statement of Intent to Change Rates in 27 cities in North Texas
- *SíEnergy, LP*–G.U.D. 9799–Statement of Intent to Increase Rates-Fort Bend County
- *Texas State Natural Gas*–Statement of Intent to Increase Rates in Eagle Pass, Texas
- *CoServ Gas, Ltd.*–G.U.D. 9762–(and Consolidated Cases) Stmt. of Intent Filed by Atmos Energy Corp. to Increase Utility Rates in the Unincorporated Areas Serviced by Atmos Energy Corp., Mid-Tex Division and Petition for de Novo Review of the Denial of the Stmt. of Intent Filed by Atmos in Various Municipalities–Expert services for intervener re. proposed change in rates

- *Closely held TX Corp with $12 Mill. in Revenues* – Investigative services-partner dispute
- *Morgan & Luttrell, L.L.P.* –Sarah Horton and George Matassarin v. JPMorgan Chase Bank, N.A., Case No. A-03-CA-150-SS in the United States District Court for the Western District of TX.– Expert analytical and rebuttal services for defendant regarding alleged default, case settled
- *CoServ Gas, Ltd.* –G.U.D. 9670 - Petition for de Novo Review of the Reduction of the Gas Utility Rates of Atmos Energy Corp., Mid-Tex Division-Cities of Addison, Benbrook, Blue Ridge, et. al., and Statement of Intent Filed by Atmos Energy Corp., Mid-Tex Division to Change Rates in the Company's Statewide Gas Utility System – Expert rebuttal services
- *Texas Gas Service* –Statement of Intent to Increase Rates in its Rio Grande Valley Region – Expert services regarding cost of providing services
- *CoServ Gas, Ltd.*–Smt. of Intent to Increase Environs Rates
- *Black Warrior Transmission*–Development of transportation rate setting manual
- *Crosstex Energy Services, Ltd.*–Compliance reporting support for Commissions in the States of Texas, Louisiana, Mississippi and Alabama
- *Crosstex Energy Services, Ltd.*–§311 rate filings before the Federal Energy Commission.
- *Crosstex Energy Services, Ltd.*–Development of processes to support regulatory requirements in connection with conversion to PeopleSoft Accounting Systems
- *CoServ Gas, Ltd.*–Functional implementation of Oracle Software.
- *Texas State Natural Gas*–Statement of Intent to Increase Rates in Eagle Pass, Texas
- *Texas State Natural Gas*–Gas distribution system acquisition due diligence review
- *SíEnergy, LP* - Statement of Intent to Increase Rates-Fort Bend County, Texas Service Area
- *VTEX Energy, Inc.* –Application to Consider Reduction in Financial Assurance Required Pursuant to Statewide Rule 78(G) for Various Leases in Kleberg County, Texas
- *Texas General Land Office*–Revenue remittance compliance agreed upon procedures audit of Reliant Energy contract regarding the Public Customer Power Program
- *Texas General Land Office*–TXU Rate Case G.U.D. 9500
- *CoServ Gas, Ltd.*–Statement of Intent to Change Rates in 25 cities in North Texas
- *Texas Gas Service*–Statement of Intent to Change Rates-South Jefferson County, Texas
- *Office of the Attorney General, Consumer Protection Division* - The State of Texas v. Hispanic Air Conditioning and Heating, Inc. No. 99-CI-14965 (57th Dist. Bexar) - Expert forensic consulting services on a litigation matter under investigation.
- *Missouri Gas Energy*–Case No. GR-2001-292 General rate increase
- *Missouri Gas Energy*–Business plan to implement workforce automation technology
- *PG Energy Case*–No. R-00005119 General rate increase
- *Southern Union Company*–City of Pharr v. SUC, 92nd Dist. Court-Hidalgo County, TX.
- *Missouri Gas Energy*–Case No. GO-99-258-Request for AAO re Y2K compliance expenses
- *Southern Union Gas*–Statement of Intent to Change Rates-El Paso and Andrews, TX
- *CoServ Gas, Ltd.*–Smt. of Intent to Establish Initial Rates in twelve Texas Cities
- *Southern Union Gas*–Appeal from the Action City of El Paso, Texas G.U.D. No. 8878
- *Southern Union Gas*–Statement of Intent to Change Rates in Devers and Nome, Texas
- *Southern Union Gas*–Statement of Intent to Increase Rates in the Environs-Cities of Devers and Nome and Unincorporated Areas of Hull and Raywood, Texas. G.U.D Nos. 8766-8769
- *Missouri Gas Energy*–Business plan to implement automated meter reading technology
- *Missouri Gas Energy*–Case No. GO-99-150 Request for AAO to accelerate the Service Line Replacement Program.
- *Missouri Gas Energy*–Case No. GR-98-140 General rate increase
- *Southern Union Company*–Internal franchise tax audit
- *Missouri Gas Energy*–Case No. GR-96-285 General rate increase. Development of Company-wide Corporate Allocation/Shared Services methodology and models for rate case support.
- *Southern Union Gas*–City of Edinburg v. the Rio Grande Valley, Valero, SUG, et. al., District Court of Hidalgo County, Texas. Cause No. C4558-95-A

CASE NO. 00007068

SIENERGY, LP'S APPLICATION FOR CUSTOMER RATE RELIEF AND RELATED REGULATORY ASSET DETERMINATION	§ § § §	**BEFORE THE RAILROAD COMMISSION OF TEXAS**

AFFIDAVIT OF EVAN D. JOHNSON

Before me, the undersigned authority, on this date personally appeared Evan D. Johnson, known to me to be the person whose name is subscribed below, and being by me first duly sworn, stated upon oath as follows:

1. "My name is Evan D. Johnson. I am over 18 years of age, of sound mind, and fully competent to make this affidavit. Each statement of fact herein is true and of my own personal knowledge.

2. I am a partner in the Austin, Texas law firm of Coffin Renner LLP, and have practiced law in Travis County since 2008. My law practice encompasses a wide range of administrative areas, including the representation of natural gas distribution companies, retail water and sewer utilities, as well as electric distribution and transmission utilities. I have extensive experience representing and defending clients before the Railroad Commission of Texas ("Commission") and the Public Utility Commission of Texas.

3. I was retained by SiEnergy, LP ("SiEnergy") to provide legal services related to Winter Storm Uri in February of 2021 and serve as counsel of record in this proceeding.

4. Attached to this affidavit are invoices supporting $17,740 in actual legal expense incurred by SiEnergy through June 2021 for legal services rendered related to Winter Storm Uri and this proceeding. In addition, based on my experience in participating in Commission proceedings and my knowledge of issues likely to be raised, I estimate that the total legal and consulting expenses incurred for the completion of this docket and any related financing order proceeding will be approximately $92,261. SiEnergy will update its actual and estimated legal and consulting expenses over the course of this proceeding.

5. The legal and consulting expenses that SiEnergy seeks to recover qualify as extraordinary costs because these legal and consulting services would not have been necessary but for Winter Storm Uri. Both during and after Winter Storm Uri, the services provided have exclusively focused on SiEnergy's activities during Winter Storm Uri, ensuring recovery of extraordinary costs associated with the storm, and efforts to develop and implement the customer rate relief authorized in H.B. 1520.

6. With regard to the regulatory asset determination proceeding, my services, and the services of my firm were engaged to obtain a regulatory asset determination regarding extraordinary costs incurred to provide service during Winter Storm Uri and participate in securitization pursuant to H.B. 1520. The activities performed and that are expected to be performed are reasonable and necessary for the presentation and processing of SiEnergy's Application

for Customer Rate Relief and Related Regulatory Asset Determination. These services have or will include the preparation of testimony and exhibits, responses to discovery, attendance at meetings with participating parties, and the drafting of various pleadings throughout the proceeding.

7. I have reviewed the billings of Coffin Renner LLP submitted to SiEnergy for legal services performed in providing legal services to SiEnergy related to Winter Storm Uri and the regulatory asset determination proceeding and I affirm that those billings accurately reflect the time spent and expenditures incurred by Coffin Renner LLP on SiEnergy's behalf. The charges and rates of my firm are reasonable and consistent with those billed by others for similar work, and the legal rates charged by the Coffin Renner attorneys that have and will work on this matter are comparable to rates charged by other professionals with the same level of expertise and experience and commensurate with the complexity of the issues in the proceeding. The charges as calculated are correct and there was no duplication of services and no double billing of charges.

8. To the extent that the work performed benefitted SiEnergy and other participating utilities represented by Coffin Renner LLP, the work performed has been reasonably allocated among those entities and the combined billings are representative of the total time dedicated to the task.

9. Based upon my experience and review of the work done in this proceeding and the invoices of my firm, I believe that the work performed was necessary, and the time and labor to do the work was reasonable and commensurate with the nature, extent, difficulty, and complexity of the work done.

10. No portion of fees or expenses are for luxury items, such as limousine service, sporting events, alcoholic beverages, hotel movies, or other entertainment. The charges for copies, printing, overnight courier service, transcripts, and other expenses and costs were necessary for the prosecution of the case and are reasonable."

Evan D. Johnson

Evan D. Johnson

SWORN AND SUBSCRIBED before me on this 27th day of July 2021.

Stephanie Tanner

Notary Public in and for the State of Texas

NOTARY PUBLIC STATE OF TEXAS
STEPHANIE TANNER
Notary Public, State of Texas
Notary ID 12852236-6
My Commission Exp. 02-09-2023

COFFIN RENNER LLP

P. O. Box 13366
Austin, TX 78711
512-879-0900
Federal I.D. No. 27-0934461

Jake Wittenburg
SiEnergy, LP
13215 Bee Cave Pkwy.,
Galleria Oaks Bldg B, Ste. B-250
Bee Cave, TX 78738

Statement Date:	March 10, 2021
Statement No.	5925
Client No.	650.001
Page:	1

RE: General Regulatory

Fees

			Rate	Hours	
02/13/2021	DRR	TCs w/P. Kennedy re RCT emergency order and curtailment issues; analyze issues re same	595.00	0.50	297.50
02/20/2021	DRR	TCs w/RCT Staff re RFIs to LDCs; communication to J. Dively and P. Kennedy re same	595.00	0.50	297.50
		For Current Services Rendered		1.00	595.00

Recapitulation

Timekeeper	Hours	Rate	Total
Dan Renner	1.00	$595.00	$595.00

Total Current Work	595.00
Balance Due	$595.00

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Jake Wittenburg
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Bee Cave, TX 78738

Statement Date: April 9, 2021
Statement No. 5935
Client No. 650.001
Page: 1

RE: General Regulatory

Fees

			Rate	Hours	
03/01/2021	AMC	TC w/J. Dively re gas cost recovery	595.00	0.40	238.00
03/05/2021	AMC	Analysis re J. Dively revisions to proposed securitization legislation	595.00	0.50	297.50
	AMC	Draft proposed legislation re proposed securitization legislation	595.00	0.40	238.00
03/07/2021	AMC	Draft/revise securitization legislation	595.00	0.50	297.50
03/22/2021	AMC	Attention to House committee meeting on securitization legislation and proposed committee substitute to same	595.00	0.50	297.50
03/23/2021	AMC	TC w/J. Dively re securitization developments	595.00	0.40	238.00
		For Current Services Rendered		2.70	1,606.50

Recapitulation

Timekeeper	Hours	Rate	Total
Ann M. Coffin	2.70	$595.00	$1,606.50

Total Current Work	1,606.50
Balance Due	$1,606.50

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Statement Date:	May 14, 2021
Statement No.	5947
Client No.	650.001
Page:	1

RE: General Regulatory

Fees

			Rate	Hours	
04/08/2021	AMC	Review/analyze HB 1520 developments	595.00	1.00	595.00
04/12/2021	AMC	Communicate w/D. Croll re municipal franchise authority and related pending legislation	595.00	0.20	119.00
04/14/2021	AMC	Analysis re RCT approval of Universal Gas cost recovery; TC w/Industry, et al. re gas cost recovery filing preparations; prepare for same	595.00	0.60	357.00
04/16/2021	AMC	Analysis re HB 1520 revisions and related stakeholder issues	595.00	0.90	535.50
04/19/2021	AMC	Review and analyze HB 1520 amendments; communicate w/J. Dively re same; attention to House floor vote and discussion re HB 1520	595.00	1.00	595.00
	GM1	Research issues re securitization and anticipated filing	445.00	0.30	133.50
04/21/2021	GM1	Analysis re RCT evidentiary requirements and supporting documentation	445.00	0.20	89.00
04/22/2021	GM1	Analysis re RCT evidentiary requirements and supporting documentation	445.00	2.00	890.00
04/23/2021	GM1	Analysis re RCT evidentiary requirements and supporting documentation	445.00	1.00	445.00
04/26/2021	AMC	Analysis re revisions to HB 1520 per TPFA concerns	595.00	0.50	297.50
	AMC	Communicate w/RCT Staff re RCT process for small LDC applications	595.00	0.30	178.50
	AMC	Communicate w/client re HB 1520 developments	595.00	0.20	119.00
04/27/2021	AMC	Review and analyze J. Dively questions re revisions to HB 1520	595.00	0.40	238.00
04/30/2021	AMC	Review and analyze TPFA legislative revisions	595.00	1.00	595.00
		For Current Services Rendered		9.60	5,187.00

SiEnergy, LP
Account No. 650.001
RE: General Regulatory

Statement Date: 05/14/2021
Statement No. 5947

Recapitulation

Timekeeper	Hours	Rate	Total
Ann M. Coffin	6.10	$595.00	$3,629.50
Gene Montes	3.50	445.00	1,557.50

Total Current Work	5,187.00
Balance Due	$5,187.00

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Jake Wittenburg
SiEnergy, LP
13215 Bee Cave Pkwy.,
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Bee Cave, TX 78738

Statement Date: June 10, 2021
Statement No. 5959
Client No. 650.002
Page: 1

RE: RCT Gas Cost Regulatory Asset

Fees

			Rate	Hours	
05/05/2021	AMC	Analysis re revisions to HB 1520 per TPFA	595.00	0.50	297.50
	AMC	Communicate w/client re revisions to HB 1520 per TPFA	595.00	0.20	119.00
05/06/2021	AMC	Respond to J. Dively inquiries re HB 1520 proposed revisions and related implementation	595.00	0.30	178.50
05/07/2021	AMC	Communicate w/client and related stakeholders re RCT gas cost review process and related applications	595.00	1.10	654.50
	AMC	Analysis re revisions to HB 1520	595.00	0.30	178.50
05/11/2021	AMC	Review documentation and prepare for TC w/J. Dively re gas cost invoices	595.00	0.50	297.50
	AMC	TC w/J. Dively, et al. re gas cost invoices	595.00	0.60	357.00
	AMC	Analysis re index pricing considerations for gas cost recovery	595.00	0.20	119.00
	EDJ	Analyze issues re direct testimony	430.00	1.10	473.00
	GM1	Develop list of issues/initial questions for regulatory asset filing	445.00	0.60	267.00
05/12/2021	EDJ	Analyze issues re direct testimony	430.00	1.50	645.00
05/14/2021	AMC	Communicate w/J. Dively re index pricing issues and analysis re same	595.00	0.30	178.50
	EDJ	Analyze issues re direct testimony	430.00	0.70	301.00
	DRR	Communicate w/J. Dively re HB 1520 and proposed securitization amounts; attention to same	595.00	0.50	297.50
05/17/2021	AMC	Communicate w/client re RCT gas review process	595.00	0.20	119.00
	AMC	Draft/revise application evidentiary information	595.00	0.50	297.50
05/18/2021	EDJ	Analyze issues re direct testimony	430.00	2.90	1,247.00
05/19/2021	AMC	Analysis re securitization developments	595.00	1.00	595.00
05/21/2021	WH1	Analyze issues re direct testimony and schedules	465.00	0.80	372.00
05/25/2021	AMC	Review/analyze gas cost information and related gas cost application filing preparation	595.00	0.80	476.00

SiEnergy, LP
Account No. 650.002
RE: RCT Gas Cost Regulatory Asset

			Rate	Hours	
05/26/2021	EDJ	Analyze issues re direct testimony	430.00	0.80	344.00
05/27/2021	EDJ	Analyze issues re direct testimony	430.00	1.30	559.00
05/29/2021	EDJ	Analyze issues re direct testimony	430.00	2.80	1,204.00
05/31/2021	EDJ	Analyze issues re direct testimony	430.00	1.80	774.00
		For Current Services Rendered		21.30	10,351.00

Recapitulation

Timekeeper	Hours	Rate	Total
Ann M. Coffin	6.50	$595.00	$3,867.50
Dan Renner	0.50	595.00	297.50
Evan D. Johnson	12.90	430.00	5,547.00
Gene Montes	0.60	445.00	267.00
Wendy Harvel	0.80	465.00	372.00

Total Current Work	10,351.00
Balance Due	$10,351.00

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Jake Wittenburg
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Bee Cave, TX 78738

Statement Date:	July 7, 2021
Statement No.	5968
Client No.	650.002
	Page: 1

RE: RCT Gas Cost Regulatory Asset

Fees

			Rate	Hours	
06/01/2021	EDJ	Analyze issues re direct testimony	430.00	2.60	1,118.00
	WH1	Analyze application; review statute	465.00	0.90	418.50
06/02/2021	AMC	Analysis re gas cost filing package requirements related to RCT clarification	595.00	0.50	297.50
06/04/2021	CGA	Draft Joint Defense Agreement	300.00	0.20	60.00
06/07/2021	EDJ	Analyze issues re direct testimony	430.00	2.30	989.00
06/09/2021	EDJ	Analyze issues re direct testimony	430.00	1.60	688.00
	CGA	Draft Joint Defense Agreement	300.00	0.20	60.00
06/11/2021	EDJ	Analyze issues re direct testimony	430.00	0.70	301.00
06/14/2021	EDJ	TC w/J. Dively re direct testimony	430.00	0.50	215.00
	EDJ	Analyze issues re direct testimony	430.00	1.00	430.00
06/15/2021	AMC	Prepare for and participate in conference calls re expected RCT filing requirements and gas cost schedules; analysis re same; attention to Joint Defense Agreement	595.00	1.30	773.50
	EDJ	Analyze issues re direct testimony	430.00	1.80	774.00
	CGA	Research re joint client privilege and allied litigant privilege	300.00	0.30	90.00
06/16/2021	AMC	Prepare for and participate in conference calls re expected RCT filing requirements and gas cost schedules; analysis re same; communicate w/client re same	595.00	1.10	654.50
	EDJ	Review direct testimony	430.00	1.50	645.00
06/18/2021	AMC	Analysis and communication w/client re tax implications related to securitization	595.00	0.30	178.50
	EDJ	Review RCT notice and analyze issues re direct testimony	430.00	1.40	602.00
06/19/2021	GM1	Review/analyze J. Dively testimony	445.00	2.00	890.00
06/20/2021	AMC	Draft/revise J. Dively gas cost recovery testimony	595.00	2.50	1,487.50

SiEnergy, LP
Account No. 650.002
RE: RCT Gas Cost Regulatory Asset

Statement Date: 07/07/2021
Statement No. 5968

			Rate	Hours	
06/21/2021	EDJ	Analyze issues re direct testimony	430.00	1.40	602.00
	EDJ	Communicate w/J. Dively re timing concerns and financing options	430.00	0.60	258.00
06/22/2021	EDJ	Meet w/B. Fairchild re schedules	430.00	1.10	473.00
	EDJ	Analyze issues re securitization/TPFA issues	430.00	0.60	258.00
06/23/2021	EDJ	Draft procedural schedule	430.00	0.30	129.00
06/25/2021	EDJ	Analyze issues re direct testimony	430.00	1.40	602.00
	WH1	Review J. Dively testimony	465.00	2.50	1,162.50
06/28/2021	AMC	Communicate w/client re gas cost schedules	595.00	0.20	119.00
	EDJ	Draft application and notice	430.00	1.10	473.00
	WH1	Review J. Dively testimony	465.00	1.20	558.00
06/29/2021	EDJ	Analyze tax issues	430.00	1.10	473.00
	EDJ	Draft application and notice	430.00	1.90	817.00
06/30/2021	EDJ	Review J. Dively testimony	430.00	1.50	645.00
	EDJ	Draft application and notice	430.00	0.80	344.00
	CGA	Review/Analyze Joint Defense Agreement based on comments received	300.00	0.30	90.00
		For Current Services Rendered		38.70	17,675.50

Recapitulation

Timekeeper	Hours	Rate	Total
Ann M. Coffin	5.90	$595.00	$3,510.50
Evan D. Johnson	25.20	430.00	10,836.00
Gene Montes	2.00	445.00	890.00
Glenn Adkins	1.00	300.00	300.00
Wendy Harvel	4.60	465.00	2,139.00

Total Current Work	17,675.50
Balance Due	$17,675.50

Case No. 00007068

SIENERGY, LP'S APPLICATION FOR CUSTOMER RATE RELIEF AND RELATED REGULATORY ASSET DETERMINATION	§ § § § §	**BEFORE THE RAILROAD COMMISSION OF TEXAS**

BUSINESS-RECORDS AFFIDAVIT

STATE OF TEXAS §
§
COUNTY OF Travis §

Before me, the undersigned notary, on this date personally appeared June M. Dively, known to me to be the person whose name is subscribed below, and being by me first duly sworn, stated upon oath as follows:

1. "My name is June M. Dively. I am over 18 years of age, of sound mind, and fully competent to make this affidavit. Each statement of fact herein is true and of my own personal knowledge.

2. I am employed by SiEnergy LP as Chief Executive Officer and am familiar with the manner in which its records are created and maintained by virtue of my duties and responsibilities.

3. Attached to my testimony as Exhibit JMD-4 are invoices and related documentation reflecting gas purchases made on behalf of SiEnergy LP. These are the original records or exact duplicates of the original records.

4. As the invoices and related documentation demonstrate, I can affirm that the Company satisfied its payment obligations resulting from these invoices for gas procurement costs.

5. The invoices and related documentation reflect the amounts incurred to procure natural gas during the months of January, February, and March 2021 and were made at or near the time of each act or event that was recorded.

6. The invoices and related documentation were made by, or from information transmitted by, persons with knowledge of the matters set forth in the record.

7. The invoices and related documentation are kept in the course of regularly conducted business activity."

June M. Dively

June M. Dively

SWORN AND SUBSCRIBED before me on this 26th day of July 2021.

Notary Public in and for the State of Texas

JOANNA SANDOVAL
Notary Public, State of Texas
Notary ID # 13127142-5
My Commission Expires
September 7, 2021

Exhibit JMD-4 is Confidential
and will be provided pursuant to the terms of the Protective Order.

Exhibit JMD-5 is Confidential
and will be provided pursuant to the terms of the Protective Order.

Exhibit JMD-6 is Confidential
and will be provided pursuant to the terms of the Protective Order.

TARIFF FOR GAS SERVICE
SIENERGY, LP

RATE PGA – PURCHASED GAS ADJUSTMENT TARIFF

Applicable to:	Inside City Limits of Grand Prairie, Mansfield and Waxahachie	Page 1 of 4
Effective Date:	January 1, 2018	Amendment Date: October 1, 2018
Amendment Reason:	Add Grand Prairie and Waxahachie to Rate Schedule	

Purpose and Intent

This provision is intended to allow collection of the gas purchase costs of SiEnergy, L.P., (hereinafter "SiEnergy" or the "Company") in a manner that will lessen monthly fluctuations in the Purchased Gas Adjustment and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions. SiEnergy will make appropriate regulatory filings and obtain regulatory approvals, as required, before making changes to its rates.

Applicability

This clause shall apply to all SiEnergy gas tariffs that incorporate this Purchased Gas Adjustment tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

Definitions

Standard Cubic Foot of Gas - the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty-five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit.

Ccf- one hundred standard cubic feet of gas.

Mcf - one thousand standard cubic feet of gas.

Purchased Gas Volumes - The volumes of gas, expressed in Mcfs, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage.

Purchased Gas Cost(s) - The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein.

Weighted Average Cost of Gas - The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf.

Billed Gas Volumes - The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcfs.

TARIFF FOR GAS SERVICE
SIENERGY, LP

RATE PGA – PURCHASED GAS ADJUSTMENT TARIFF

Billed Gas Revenues - The total amount of revenues attributable to billings by SiEnergy for Purchased Gas Costs during a given period, exclusive of any billings for any Reconciliation Adjustment during the same period.

Lost and Unaccounted for Gas (LUG) - Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas.

Purchased Gas Adjustment (PGA) - An Adjustment on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Adjustment, all as more specifically described herein.

Annual Review Period - The 12 month period ending June 30 of each year.

Annual Review - An annual review of the Company's records covering the l2-month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period.

Annual Imbalance Total - The total amount determined through the Annual Review to be credited or surcharged to customers' bills in order to balance Purchased Gas Costs with Billed Gas Revenues.

Reconciliation Adjustment - A credit or surcharge included in the Purchased Gas Adjustment to reflect the pro-rated adjustment in billings for any over or under collections on an annual basis.

Record Keeping
The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company-owned gas injected into and withdrawn from storage, and any adjustments relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled.

Purchased Gas Cost Calculation

The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by SiEnergy, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand).

TARIFF FOR GAS SERVICE
SIENERGY, LP

RATE PGA – PURCHASED GAS ADJUSTMENT TARIFF

Applicable to:	Inside City Limits of Grand Prairie, Mansfield and Waxahachie	Page 3 of 4
Effective Date:	January 1, 2018	Amendment Date: October 1, 2018
Amendment Reason:	Add Grand Prairie and Waxahachie to Rate Schedule	

The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis.

Purchased Gas Adjustment Calculation

Each customer bill shall include a Purchased Gas Adjustment reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro-rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Adjustment to account for any Annual Imbalance Total.

Annual Review

For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period.

Accrual Imbalance Total - LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative

If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Accrual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period.

Annual Imbalance Total - LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows:

1, The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined;
2. Minus, the Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

TARIFF FOR GAS SERVICE
SIENERGY, LP

RATE PGA – PURCHASED GAS ADJUSTMENT TARIFF

Applicable to:	Inside City Limits of Grand Prairie, Mansfield and Waxahachie	Page 4 of 4
Effective Date:	January 1, 2018	Amendment Date: October 1, 2018
Amendment Reason:	Add Grand Prairie and Waxahachie to Rate Schedule	

Reconciliation Adjustment Calculation

The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month. The recovery shall be through a Reconciliation Adjustment included in the Purchased Gas Adjustment. The Reconciliation Adjustment for each month shall be determined as follows:

1. Each month of the twelve-month reconciliation period, the Reconciliation Adjustment, expressed in Ccfs, shall be calculated by dividing the amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month.
2. At the end of each l2-month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor l2 -month period.

Annual Reconciliation Report

The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues.
3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date.
4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period.

TARIFF FOR GAS SERVICE
SIENERGY, LP

Rate Schedule PGA

RATE PGA – PURCHASED GAS ADJUSTMENT

Applicable to:	Customers located within the City of Houston, Texas	
Effective Date:	July 1, 2020	Page 1 of 5

Application of Schedule

This Rate Schedule shall apply to all SiEnergy Rate Schedules that incorporate this Rate PGA - Purchased Gas Adjustment provision.

Purpose and Intent

This provision is intended to allow collection of the gas purchase costs of SiEnergy, LP, (hereinafter "SiEnergy'' or the "Company'') in a manner that will lessen monthly fluctuations in the Purchased Gas Adjustment and ensure that actual costs billed to Customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted-for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions. SiEnergy will make appropriate regulatory filings and obtain regulatory approvals, as required, before making changes to its rates.

Definitions

Purchased Gas Volumes - The volumes of gas, expressed in Mcfs, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage.

Purchased Gas Cost(s) - The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein.

Weighted Average Cost of Gas - The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf.

Billed Gas Volumes - The volumes of gas billed to Customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcfs.

Billed Gas Revenues - The total amount of revenues attributable to billings by SiEnergy for Purchased Gas Costs during a given period, exclusive of any billings for any Reconciliation Adjustment during the same period.

TARIFF FOR GAS SERVICE
SIENERGY, LP

Rate Schedule PGA

RATE PGA – PURCHASED GAS ADJUSTMENT

Applicable to:	Customers located within the City of Houston, Texas	
Effective Date:	July 1, 2020	Page 2 of 5

Lost and Unaccounted-for Gas (LUG) - Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas.

Purchased Gas Adjustment (PGA) - An Adjustment on each Customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Adjustment, all as more specifically described herein.

Annual Review Period - The 12-month period ending June 30 of each year.

Annual Review - An annual review of the Company's records covering the 12-month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period.

Annual Imbalance Total - The total amount determined through the Annual Review to be credited or surcharged to Customers' bills in order to balance Purchased Gas Costs with Billed Gas Revenues.

Reconciliation Adjustment - A credit or surcharge included in the Purchased Gas Adjustment to reflect the pro-rated adjustment in billings for any over or under collections on an annual basis.

Record Keeping

The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company-owned gas injected into and withdrawn from storage, and any adjustments relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled.

Purchased Gas Cost Calculation

The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by SiEnergy, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis.

TARIFF FOR GAS SERVICE
SIENERGY, LP

Rate Schedule PGA

RATE PGA – PURCHASED GAS ADJUSTMENT

Applicable to:	Customers located within the City of Houston, Texas	
Effective Date:	July 1, 2020	

Purchased Gas Adjustment Calculation (continued)

Each Customer bill shall include a Purchased Gas Adjustment reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro-rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Adjustment to account for any Annual Imbalance Total.

Annual Review

For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged to the Customers' bills over a twelve-month period commencing each September 1 following the Annual Review Period.

Accrual Imbalance Total - LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative

If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Accrual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period.

Annual Imbalance Total - LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows:

- The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined;
- Minus, the Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

TARIFF FOR GAS SERVICE
SIENERGY, LP

Rate Schedule PGA

RATE PGA – PURCHASED GAS ADJUSTMENT

Applicable to:	Customers located within the City of Houston, Texas	
Effective Date:	July 1, 2020	Page 4 of 5

Reconciliation Adjustment Calculation

The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month. The recovery shall be through a Reconciliation Adjustment included in the Purchased Gas Adjustment. The Reconciliation Adjustment for each month shall be determined as follows:

- Each month of the twelve-month reconciliation period, the Reconciliation Adjustment, expressed in Ccfs, shall be calculated by dividing the amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month.
- At the end of each l2-month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor l2 -month period.

Annual Reconciliation Report

The Company shall file an Annual Reconciliation Report with the Regulatory Authority, which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service Customers and related Cost of Gas Clause revenues.
3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date.
4. A description of the imbalance payments made to and received from the Company's transportation Customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period.

The Company shall file the Annual Reconciliation Report with the Commission addressed to the Director of Oversight and Safety Division and reference Gas Utilities Docket No. 10679. The Report shall detail the monthly collections for PGA surcharge by customer class and show the accumulative balance.

TARIFF FOR GAS SERVICE
SIENERGY, LP

Rate Schedule PGA

RATE PGA – PURCHASED GAS ADJUSTMENT

Applicable to:	Customers located within the City of Houston, Texas	
Effective Date:	July 1, 2020	Page 5 of 5

Reports for the Commission should be filed electronically at GUD_Compliance@rrc.texas.gov or at the following address:

Compliance Filing
Oversight and Safety Division
Gas Services Dept.
Railroad Commission of Texas
P.O. Drawer 12967
Austin, TX 78711-2967

Taxes and Franchise Fees (Rate Schedule TFF)

Subject to all applicable taxes and fees in accordance with the provisions of Rate Schedule TFF – Taxes and Franchise Fees.

TARIFF FOR GAS SERVICE
SIENERGY, LP

Rate Schedule PGA

RATE PGA – PURCHASED GAS ADJUSTMENT

Applicable to:	All Customers located in Wise, Denton, Collin, Hunt, Parker, Tarrant, Dallas, Rockwall, Kaufman, Johnson, or Ellis counties except customers within the Cities of Grand Prairie, Mansfield, and Waxahachie	
Effective Date:	July 1, 2018	Page 1 of 5

Application of Schedule

This Rate Schedule shall apply to all SiEnergy Rate Schedules that incorporate this Rate PGA - Purchased Gas Adjustment provision.

Purpose and Intent

This provision is intended to allow collection of the gas purchase costs of SiEnergy, LP, (hereinafter “SiEnergy’’ or the “Company’’) in a manner that will lessen monthly fluctuations in the Purchased Gas Adjustment and ensure that actual costs billed to Customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted-for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions. SiEnergy will make appropriate regulatory filings and obtain regulatory approvals, as required, before making changes to its rates.

Definitions

Purchased Gas Volumes - The volumes of gas, expressed in Mcfs, purchased by the Company and received into the Company’s distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage.

Purchased Gas Cost(s) - The total cost of Purchased Gas Volumes, as received into the Company’s distribution systems, all as more specifically described herein.

Weighted Average Cost of Gas - The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf.

Billed Gas Volumes - The volumes of gas billed to Customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcfs.

Billed Gas Revenues - The total amount of revenues attributable to billings by SiEnergy for Purchased Gas Costs during a given period, exclusive of any billings for any Reconciliation Adjustment during the same period.

TARIFF FOR GAS SERVICE
SIENERGY, LP

Rate Schedule PGA

RATE PGA – PURCHASED GAS ADJUSTMENT

Applicable to:	All Customers located in Wise, Denton, Collin, Hunt, Parker, Tarrant, Dallas, Rockwall, Kaufman, Johnson, or Ellis counties except customers within the Cities of Grand Prairie, Mansfield, and Waxahachie
Effective Date:	July 1, 2018

Lost and Unaccounted-for Gas (LUG) - Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas.

Purchased Gas Adjustment (PGA) - An Adjustment on each Customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Adjustment, all as more specifically described herein.

Annual Review Period - The 12-month period ending June 30 of each year.

Annual Review - An annual review of the Company's records covering the 12-month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period.

Annual Imbalance Total - The total amount determined through the Annual Review to be credited or surcharged to Customers' bills in order to balance Purchased Gas Costs with Billed Gas Revenues.

Reconciliation Adjustment - A credit or surcharge included in the Purchased Gas Adjustment to reflect the pro-rated adjustment in billings for any over or under collections on an annual basis.

Record Keeping

The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company-owned gas injected into and withdrawn from storage, and any adjustments relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled.

Purchased Gas Cost Calculation

The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by SiEnergy, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis.

TARIFF FOR GAS SERVICE
SIENERGY, LP

Rate Schedule PGA

RATE PGA – PURCHASED GAS ADJUSTMENT

Applicable to:	All Customers located in Wise, Denton, Collin, Hunt, Parker, Tarrant, Dallas, Rockwall, Kaufman, Johnson, or Ellis counties except customers within the Cities of Grand Prairie, Mansfield, and Waxahachie	
Effective Date:	July 1, 2018	Page 3 of 5

Purchased Gas Adjustment Calculation (continued)

Each Customer bill shall include a Purchased Gas Adjustment reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro-rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Adjustment to account for any Annual Imbalance Total.

Annual Review

For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged to the Customers' bills over a twelve-month period commencing each September 1 following the Annual Review Period.

Accrual Imbalance Total - LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative

If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Accrual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period.

Annual Imbalance Total - LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows:

- The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined;
- Minus, the Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

TARIFF FOR GAS SERVICE
SIENERGY, LP

Rate Schedule PGA

RATE PGA – PURCHASED GAS ADJUSTMENT

Applicable to:	All Customers located in Wise, Denton, Collin, Hunt, Parker, Tarrant, Dallas, Rockwall, Kaufman, Johnson, or Ellis counties except customers within the Cities of Grand Prairie, Mansfield, and Waxahachie	
Effective Date:	July 1, 2018	Page 4 of 5

Reconciliation Adjustment Calculation

The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month. The recovery shall be through a Reconciliation Adjustment included in the Purchased Gas Adjustment. The Reconciliation Adjustment for each month shall be determined as follows:

- Each month of the twelve-month reconciliation period, the Reconciliation Adjustment, expressed in Ccfs, shall be calculated by dividing the amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month.
- At the end of each l2-month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor l2 -month period.

Annual Reconciliation Report

The Company shall file an Annual Reconciliation Report with the Regulatory Authority, which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service Customers and related Cost of Gas Clause revenues.
3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date.
4. A description of the imbalance payments made to and received from the Company's transportation Customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period.

The Company shall file the Annual Reconciliation Report with the Commission addressed to the Director of Oversight and Safety Division and reference Gas Utilities Docket No. 10679. The Report shall detail the monthly collections for PGA surcharge by customer class and show the accumulative balance.

TARIFF FOR GAS SERVICE
SIENERGY, LP

Rate Schedule PGA

RATE PGA – PURCHASED GAS ADJUSTMENT

Applicable to:	All Customers located in Wise, Denton, Collin, Hunt, Parker, Tarrant, Dallas, Rockwall, Kaufman, Johnson, or Ellis counties except customers within the Cities of Grand Prairie, Mansfield, and Waxahachie	
Effective Date:	July 1, 2018	Page 5 of 5

Reports for the Commission should be filed electronically at GUD_Compliance@rrc.texas.gov or at the following address:

Compliance Filing
Oversight and Safety Division
Gas Services Dept.
Railroad Commission of Texas
P.O. Drawer 12967
Austin, TX 78711-2967

Taxes and Franchise Fees (Rate Schedule TFF)

Subject to all applicable taxes and fees in accordance with the provisions of Rate Schedule TFF – Taxes and Franchise Fees.

TARIFF FOR GAS SERVICE
SIENERGY, LP

Rate Schedule PGA

RATE PGA – PURCHASED GAS ADJUSTMENT

Applicable to:	All Customers located in Travis, Harris, Fort Bend, Waller, or Montgomery counties	
Effective Date:	July 1, 2018	Page 1 of 5

Application of Schedule

This Rate Schedule shall apply to all SiEnergy Rate Schedules that incorporate this Rate PGA - Purchased Gas Adjustment provision.

Purpose and Intent

This provision is intended to allow collection of the gas purchase costs of SiEnergy, LP, (hereinafter "SiEnergy" or the "Company") in a manner that will lessen monthly fluctuations in the Purchased Gas Adjustment and ensure that actual costs billed to Customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted-for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions. SiEnergy will make appropriate regulatory filings and obtain regulatory approvals, as required, before making changes to its rates.

Definitions

Purchased Gas Volumes - The volumes of gas, expressed in Mcfs, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage.

Purchased Gas Cost(s) - The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein.

Weighted Average Cost of Gas - The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf.

Billed Gas Volumes - The volumes of gas billed to Customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcfs.

Billed Gas Revenues - The total amount of revenues attributable to billings by SiEnergy for Purchased Gas Costs during a given period, exclusive of any billings for any Reconciliation Adjustment during the same period.

TARIFF FOR GAS SERVICE
SIENERGY, LP

Rate Schedule PGA

RATE PGA – PURCHASED GAS ADJUSTMENT

Applicable to:	All Customers located in Travis, Harris, Fort Bend, Waller, or Montgomery counties	
Effective Date:	July 1, 2018	Page 2 of 5

Lost and Unaccounted-for Gas (LUG) - Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas.

Purchased Gas Adjustment (PGA) - An Adjustment on each Customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Adjustment, all as more specifically described herein.

Annual Review Period - The 12-month period ending June 30 of each year.

Annual Review - An annual review of the Company's records covering the 12-month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period.

Annual Imbalance Total - The total amount determined through the Annual Review to be credited or surcharged to Customers' bills in order to balance Purchased Gas Costs with Billed Gas Revenues.

Reconciliation Adjustment - A credit or surcharge included in the Purchased Gas Adjustment to reflect the pro-rated adjustment in billings for any over or under collections on an annual basis.

Record Keeping

The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company-owned gas injected into and withdrawn from storage, and any adjustments relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled.

Purchased Gas Cost Calculation

The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by SiEnergy, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis.

TARIFF FOR GAS SERVICE
SIENERGY, LP

Rate Schedule PGA

RATE PGA – PURCHASED GAS ADJUSTMENT

Applicable to:	All Customers located in Travis, Harris, Fort Bend, Waller, or Montgomery counties	
Effective Date:	July 1, 2018	Page 3 of 5

Purchased Gas Adjustment Calculation (continued)

Each Customer bill shall include a Purchased Gas Adjustment reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro-rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Adjustment to account for any Annual Imbalance Total.

Annual Review

For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged to the Customers' bills over a twelve-month period commencing each September 1 following the Annual Review Period.

Accrual Imbalance Total - LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative

If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Accrual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period.

Annual Imbalance Total - LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows:

- The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined;
- Minus, the Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

TARIFF FOR GAS SERVICE
SIENERGY, LP

Rate Schedule PGA

RATE PGA – PURCHASED GAS ADJUSTMENT

Applicable to:	All Customers located in Travis, Harris, Fort Bend, Waller, or Montgomery counties	
Effective Date:	July 1, 2018	Page 4 of 5

Reconciliation Adjustment Calculation

The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month. The recovery shall be through a Reconciliation Adjustment included in the Purchased Gas Adjustment. The Reconciliation Adjustment for each month shall be determined as follows:

- Each month of the twelve-month reconciliation period, the Reconciliation Adjustment, expressed in Ccfs, shall be calculated by dividing the amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month.
- At the end of each l2-month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor l2 -month period.

Annual Reconciliation Report

The Company shall file an Annual Reconciliation Report with the Regulatory Authority, which shall include but not necessarily be limited to:

1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30.
2. A tabulation of gas units sold to general service Customers and related Cost of Gas Clause revenues.
3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date.
4. A description of the imbalance payments made to and received from the Company's transportation Customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period.

The Company shall file the Annual Reconciliation Report with the Commission addressed to the Director of Oversight and Safety Division and reference Gas Utilities Docket No. 10679. The Report shall detail the monthly collections for PGA surcharge by customer class and show the accumulative balance.

TARIFF FOR GAS SERVICE
SIENERGY, LP

Rate Schedule PGA

RATE PGA – PURCHASED GAS ADJUSTMENT

Applicable to:	All Customers located in Travis, Harris, Fort Bend, Waller, or Montgomery counties	
Effective Date:	July 1, 2018	Page 5 of 5

Reports for the Commission should be filed electronically at GUD_Compliance@rrc.texas.gov or at the following address:

Compliance Filing
Oversight and Safety Division
Gas Services Dept.
Railroad Commission of Texas
P.O. Drawer 12967
Austin, TX 78711-2967

Taxes and Franchise Fees (Rate Schedule TFF)

Subject to all applicable taxes and fees in accordance with the provisions of Rate Schedule TFF – Taxes and Franchise Fees.

SiEnergy

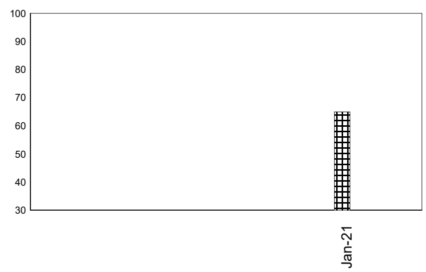
Your Natural Gas Provider
P.O. Box 660141
Dallas, TX 75266-0141
281-778-6250 Fax: 832-201-7286
Toll Free: 888-468-7007
http://www.sienergy.com/payonline

This is your Natural Gas Bill

Account No.
Location No. [redacted]
Bill Date 01/14/2021
Name [redacted]
District-Cycle 1-2

SERVICE ADDRESS: [redacted]

ccf Usage History



Curr Month Usage 65
Prev Month Usage

Meter No	[redacted]
District-Cycle	1-2
From	12/21/2020
To	01/06/2021
Number of Days	16
Previous Read	11
Current Read (Actual)	76
ccf Used	65.0000
ccf Used (1 Mo prev)	0.0000
ccf Used (1 Yr prev)	0.0000

Account Summary

Previous Balance		$0.00
Payments Received		$0.00
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$17.00
Volumetric Charge	0.473900 per ccf	$30.80
PGA Cost	0.306200 per ccf	$19.90
WNA	0.114500 per ccf	$7.44
CONNECT CHRG		$65.00

Total Current Charges Due by 02/11/2021 **$140.14**

For billing inquiries contact: Web: www.sienergy.com
Email: customerservice@sienergy.com
Phone: 281-778-6250
Toll Free: 888-468-7007

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Visit: **www.sienergy.com/paylocations**
All online checks are subject to $1.00 convenience fee. All CC payments subject to a 2.5% convenience fee. Only Visa, Mastercard and Discover are accepted. Auto Pay options available.

PLEASE CONTACT SIENERGY CUSTOMER SERVICE IF YOU ARE PAST DUE AND WANT TO SET UP PAYMENT ARRANGEMENTS. PAST DUE AMOUNTS ARE SUBJECT TO DISCONNECTION PRIOR TO THE DUE DATE OF THIS BILL, AND, IF DISCONNECTED, RECONNECT FEES AND A $75 CUSTOMER DEPOSIT FOR RESIDENTIAL ACCOUNTS, OR A $250 DEPOSIT FOR NON-RESIDENTIAL

Please detach and return bottom portion with payment

SiEnergy

Your Natural Gas Provider
P.O. Box 660141
Dallas, TX 75266-0141
281-778-6250 Fax: 832-201-7286
Toll Free: 888-468-7007
http://www.sienergy.com/payonline
"Redefining the Future of Energy"

Account No. [redacted] **Location No.** [redacted]

Current Charges Due 02/11/2021	$140.14
Past Due Amount as of 01/14/2021	$0.00
Total Amount Due	$140.14
Amount Paid	

This bill is paid electronically on 02/10/2021. Do not pay!

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

[redacted]
PFLUGERVILLE, TX 78660

[redacted]

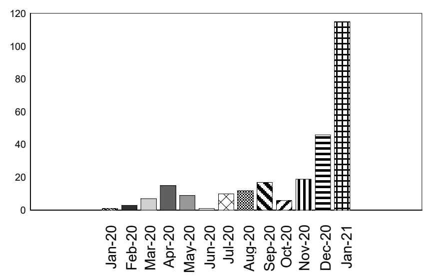
Your Natural Gas Provider
P.O. Box 660141
Dallas, TX 75266-0141
281-778-6250 Fax: 832-201-7286
Toll Free: 888-468-7007
http://www.sienergy.com/payonline

This is your Natural Gas Bill

Account No.	[redacted]
Location No.	
Bill Date	01/14/2021
Name	[redacted]
District-Cycle	1-2

SERVICE ADDRESS: [redacted]

ccf Usage History



Curr Month Usage	115
Prev Month Usage	46

Meter No	[redacted]
District-Cycle	1-2
From	12/07/2020
To	01/06/2021
Number of Days	30
Previous Read	913
Current Read (Actual)	1,028
ccf Used	115.0000
ccf Used (1 Mo prev)	46.0000
ccf Used (1 Yr prev)	1.0000

Account Summary

Previous Balance		$86.15
Payments Received		-$86.15
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$37.00
Volumetric Charge	0.552500 per ccf	$63.54
PGA Cost	0.306200 per ccf	$35.21
State Tax		$8.48

Total Current Charges Due by 02/11/2021 $144.23

For billing inquiries contact: Web: www.sienergy.com
Email: customerservice@sienergy.com
Phone: 281-778-6250
Toll Free: 888-468-7007

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Please detach and return bottom portion with payment

Your Natural Gas Provider
P.O. Box 660141
Dallas, TX 75266-0141
281-778-6250 Fax: 832-201-7286
Toll Free: 888-468-7007
http://www.sienergy.com/payonline
"Redefining the Future of Energy"

Account No. [redacted] **Location No.** [redacted]

Current Charges Due 02/11/2021	$144.23
Past Due Amount as of 01/14/2021	$0.00
Total Amount Due	$144.23
Amount Paid	

This bill is paid electronically on 02/10/2021. Do not pay!

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

[redacted]
AUSTIN, TX 78759

[redacted]

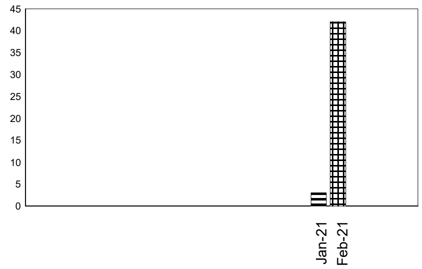
Your Natural Gas Provider
P.O. Box 660141
Dallas, TX 75266-0141
281-778-6250 Fax: 832-201-7286
Toll Free: 888-468-7007
http://www.sienergy.com/payonline

This is your Natural Gas Bill

Account No.	[redacted]
Location No.	
Bill Date	02/15/2021
Name	[redacted]
District-Cycle	1-2

SERVICE ADDRESS: [redacted]

ccf Usage History



Curr Month Usage	42
Prev Month Usage	3

Meter No	[redacted]
District-Cycle	1-2
From	01/06/2021
To	02/04/2021
Number of Days	29
Previous Read	47
Current Read (Actual)	89
ccf Used	42.0000
ccf Used (1 Mo prev)	3.0000
ccf Used (1 Yr prev)	0.0000

Account Summary

Previous Balance		$86.90
Payments Received		-$86.90
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$17.00
Volumetric Charge	0.473900 per ccf	$19.90
PGA Cost	0.309800 per ccf	$13.01
WNA	0.099800 per ccf	$4.19
Total Current Charges Due by 03/11/2021		**$54.10**

For billing inquiries contact: Web: www.sienergy.com
Email: customerservice@sienergy.com
Phone: 281-778-6250
Toll Free: 888-468-7007

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PLEASE CONTACT SIENERGY CUSTOMER SERVICE IF YOU ARE PAST DUE AND WANT TO SET UP PAYMENT ARRANGEMENTS. PAST DUE AMOUNTS ARE SUBJECT TO DISCONNECTION PRIOR TO THE DUE DATE OF THIS BILL, AND, IF DISCONNECTED, RECONNECT FEES AND A $75 CUSTOMER DEPOSIT FOR RESIDENTIAL ACCOUNTS, OR A $250 DEPOSIT FOR NON-RESIDENTIAL

Please detach and return bottom portion with payment

Your Natural Gas Provider
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Dallas, TX 75266-0141
281-778-6250 Fax: 832-201-7286
Toll Free: 888-468-7007
http://www.sienergy.com/payonline
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Account No. [redacted] **Location No.** [redacted]

Current Charges Due 03/11/2021	$54.10
Past Due Amount as of 02/15/2021	$0.00
Total Amount Due	$54.10
Amount Paid	

This bill is paid electronically on 03/10/2021. Do not pay!

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

[redacted]
PFLUGERVILLE, TX 78660

[redacted]

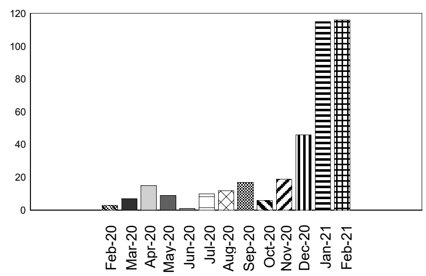
Your Natural Gas Provider
P.O. Box 660141
Dallas, TX 75266-0141
281-778-6250 Fax: 832-201-7286
Toll Free: 888-468-7007
http://www.sienergy.com/payonline

This is your Natural Gas Bill

Account No.	[redacted]
Location No.	
Bill Date	02/15/2021
Name	[redacted]
District-Cycle	1-2

SERVICE ADDRESS: 18107 BASSANO AVENUE

ccf Usage History



Curr Month Usage	116
Prev Month Usage	115

Meter No	[redacted]
District-Cycle	1-2
From	01/06/2021
To	02/04/2021
Number of Days	29
Previous Read	1,028
Current Read (Actual)	1,144
ccf Used	116.0000
ccf Used (1 Mo prev)	115.0000
ccf Used (1 Yr prev)	3.0000

Account Summary

Previous Balance		$144.23
Payments Received		-$144.23
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$37.00
Volumetric Charge	0.552500 per ccf	$64.09
PGA Cost	0.309800 per ccf	$35.94
State Tax		$8.56

Total Current Charges Due by 03/11/2021 $145.59

For billing inquiries contact: Web: www.sienergy.com
Email: customerservice@sienergy.com
Phone: 281-778-6250
Toll Free: 888-468-7007

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PLEASE CONTACT SIENERGY CUSTOMER SERVICE IF YOU ARE PAST DUE AND WANT TO SET UP PAYMENT ARRANGEMENTS. PAST DUE AMOUNTS ARE SUBJECT TO DISCONNECTION PRIOR TO THE DUE DATE OF THIS BILL, AND, IF DISCONNECTED, RECONNECT FEES AND A $75 CUSTOMER DEPOSIT FOR RESIDENTIAL ACCOUNTS, OR A $250 DEPOSIT FOR NON-RESIDENTIAL

Please detach and return bottom portion with payment

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281-778-6250 Fax: 832-201-7286
Toll Free: 888-468-7007
http://www.sienergy.com/payonline
"Redefining the Future of Energy"

Account No. [redacted] **Location No.** [redacted]

Current Charges Due 03/11/2021	$145.59
Past Due Amount as of 02/15/2021	$0.00
Total Amount Due	$145.59
Amount Paid	

This bill is paid electronically on 03/10/2021. Do not pay!

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

[redacted]
AUSTIN, TX 78759

[redacted]

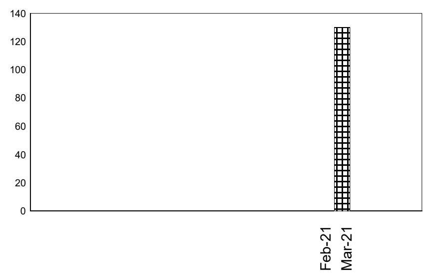
Your Natural Gas Provider
P.O. Box 660141
Dallas, TX 75266-0141
281-778-6250 Fax: 832-201-7286
Toll Free: 888-468-7007
http://www.sienergy.com/payonline

This is your Natural Gas Bill

Account No.	[redacted]
Location No.	
Bill Date	03/15/2021
Name	[redacted]
District-Cycle	1-2

SERVICE ADDRESS: [redacted]

ccf Usage History



Curr Month Usage	130
Prev Month Usage	0

Meter No	[redacted]
District-Cycle	1-2
From	02/10/2021
To	03/04/2021
Number of Days	22
Previous Read	1,065
Current Read (Actual)	1,195
ccf Used	130.0000
ccf Used (1 Mo prev)	0.0000
ccf Used (1 Yr prev)	0.0000

Account Summary

Previous Balance		$82.00
Payments Received		-$82.00
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$17.00
Volumetric Charge	0.473900 per ccf	$61.61
PGA Cost	0.309800 per ccf	$40.27
WNA	-0.184000 per ccf	$-23.92

Total Current Charges Due by 04/13/2021 **$94.96**

For billing inquiries contact: Web: www.sienergy.com
Email: customerservice@sienergy.com
Phone: 281-778-6250
Toll Free: 888-468-7007

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Please detach and return bottom portion with payment

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Dallas, TX 75266-0141
281-778-6250 Fax: 832-201-7286
Toll Free: 888-468-7007
http://www.sienergy.com/payonline
"Redefining the Future of Energy"

Account No. [redacted] **Location No.** [redacted]

Current Charges Due 04/13/2021	$94.96
Past Due Amount as of 03/15/2021	$0.00
Total Amount Due	$94.96
Amount Paid	

[redacted]
PFLUGERVILLE, TX 78660

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

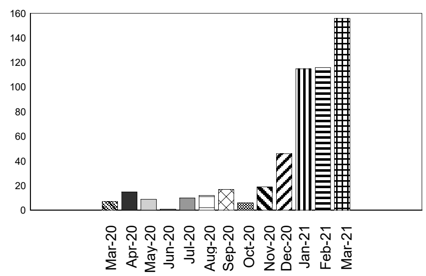
[redacted]

Your Natural Gas Provider
P.O. Box 660141
Dallas, TX 75266-0141
281-778-6250 Fax: 832-201-7286
Toll Free: 888-468-7007
http://www.sienergy.com/payonline

This is your Natural Gas Bill

Account No.	[redacted]
Location No.	
Bill Date	03/15/2021
Name	[redacted]
District-Cycle	1-2
SERVICE ADDRESS:	[redacted]

ccf Usage History



Curr Month Usage	156
Prev Month Usage	116

Meter No	[redacted]
District-Cycle	1-2
From	02/04/2021
To	03/04/2021
Number of Days	28
Previous Read	1,144
Current Read (Actual)	1,300
ccf Used	156.0000
ccf Used (1 Mo prev)	116.0000
ccf Used (1 Yr prev)	7.0000

Account Summary

Previous Balance		$145.59
Payments Received		-$145.59
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$37.00
Volumetric Charge	0.552500 per ccf	$86.19
PGA Cost	0.309800 per ccf	$48.33
State Tax		$10.72

Total Current Charges Due by 04/13/2021 $182.24

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Phone: 281-778-6250
Toll Free: 888-468-7007

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Account No. [redacted] **Location No.** [redacted]

Current Charges Due 04/13/2021	$182.24
Past Due Amount as of 03/15/2021	$0.00
Total Amount Due	$182.24
Amount Paid	

This bill is paid electronically on 04/12/2021. Do not pay!

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

[redacted]
AUSTIN, TX 78759

[redacted]

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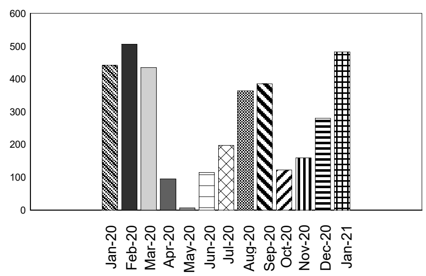
This is your Natural Gas Bill

Account No.
Location No. [redacted]
Bill Date 01/27/2021
Name [redacted]
District-Cycle 1-1
SERVICE ADDRESS: [redacted]

ccf Usage History



Curr Month Usage	483
Prev Month Usage	280

Meter No	[redacted]
District-Cycle	1-1
From	12/20/2020
To	01/20/2021
Number of Days	31
Previous Read	6,115
Current Read (Actual)	6,598
ccf Used	483.0000
ccf Used (1 Mo prev)	280.0000
ccf Used (1 Yr prev)	442.0000

Account Summary

Previous Balance		$287.46
Payments Received		-$287.46
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$30.00
Volumetric Charge	0.371000 per ccf	$179.19
PGA Cost	0.306200 per ccf	$147.89
Franchise Fee		$11.28
Gross Receipts Tax		$7.51
Local Tax		$7.14
State Tax		$22.32

Total Current Charges Due by 02/23/2021 $405.33

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Account No. [redacted] **Location No.** [redacted]

Current Charges Due 02/23/2021	$405.33
Past Due Amount as of 01/27/2021	$0.00
Total Amount Due	$405.33
Amount Paid	

This bill is paid electronically on 02/22/2021. Do not pay!

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

TCAL CHURCH
BRENDA SEGLER
700 HUNTERS ROW CT
MANSFIELD, TX 76063

[redacted]

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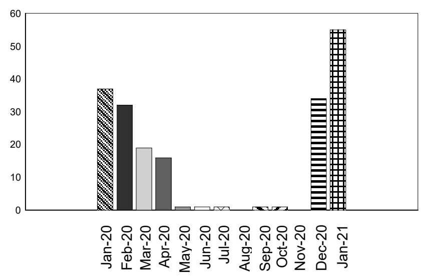
This is your Natural Gas Bill

Account No.	[redacted]
Location No.	
Bill Date	01/27/2021
Name	[redacted]
District-Cycle	1-1

SERVICE ADDRESS: [redacted]

ccf Usage History



Curr Month Usage 55
Prev Month Usage 34

Meter No	[redacted]
District-Cycle	1-1
From	12/20/2020
To	01/20/2021
Number of Days	31
Previous Read	398
Current Read (Actual)	453
ccf Used	55.0000
ccf Used (1 Mo prev)	34.0000
ccf Used (1 Yr prev)	37.0000

Account Summary

Previous Balance		$44.67
Payments Received		-$44.67
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$15.00
Volumetric Charge	0.315800 per ccf	$17.37
PGA Cost	0.306200 per ccf	$16.84
WNA	0.043200 per ccf	$2.38
Franchise Fee		$1.63
Gross Receipts Tax		$1.08
Local Tax		$1.03

Total Current Charges Due by 02/23/2021 **$55.33**

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Account No. [redacted] **Location No.** [redacted]

Current Charges Due 02/23/2021	$55.33
Past Due Amount as of 01/27/2021	$0.00
Total Amount Due	$55.33
Amount Paid	

This bill is paid electronically on 02/22/2021. Do not pay!

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

[redacted]
MANSFIELD, TX 76084

[redacted]

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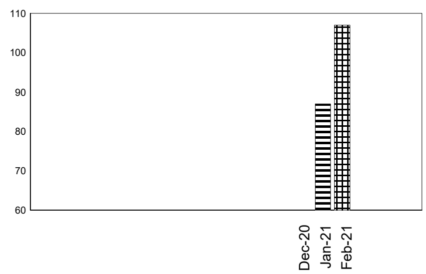
This is your Natural Gas Bill

Account No. [redacted]
Location No.
Bill Date 02/25/2021
Name [redacted]

District-Cycle 1-1

SERVICE ADDRESS: [redacted]

ccf Usage History



Curr Month Usage	107
Prev Month Usage	87

Meter No	[redacted]
District-Cycle	1-1
From	01/21/2021
To	02/22/2021
Number of Days	32
Previous Read	183
Current Read (Actual)	290
ccf Used	107.0000
ccf Used (1 Mo prev)	87.0000
ccf Used (1 Yr prev)	0.0000

Account Summary

Previous Balance		$79.15
Payments Received		-$79.15
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$17.25
Volumetric Charge	0.363200 per ccf	$38.86
PGA Cost	0.309800 per ccf	$33.15
WNA	-0.081200 per ccf	$-8.69

Total Current Charges Due by 03/25/2021 **$80.57**

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Account No. [redacted] **Location No.** [redacted]

Current Charges Due 03/25/2021	$80.57
Past Due Amount as of 02/25/2021	$0.00
Total Amount Due	$80.57
Amount Paid	

This bill is paid electronically on 03/24/2021. Do not pay!

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

[redacted]
FORNEY, TX 75126

[redacted]

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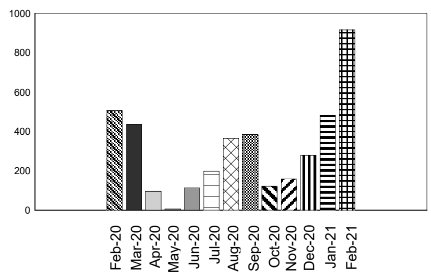
281-778-6250 Fax: 832-201-7286
Toll Free: 888-468-7007
http://www.sienergy.com/payonline

This is your Natural Gas Bill

Account No.	[redacted]
Location No.	
Bill Date	02/25/2021
Name	[redacted]
District-Cycle	1-1

SERVICE ADDRESS: [redacted]

ccf Usage History



Curr Month Usage	917
Prev Month Usage	483

Meter No	[redacted]
District-Cycle	1-1
From	01/20/2021
To	02/21/2021
Number of Days	32
Previous Read	6,598
Current Read (Actual)	7,515
ccf Used	917.0000
ccf Used (1 Mo prev)	483.0000
ccf Used (1 Yr prev)	506.0000

Account Summary

Previous Balance		$415.46
Payments Received		-$415.46
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$30.00
Volumetric Charge	0.371000 per ccf	$340.21
PGA Cost	0.309800 per ccf	$284.09
Franchise Fee		$20.66
Gross Receipts Tax		$13.75
Local Tax		$13.09
State Tax		$40.89

Total Current Charges Due by 03/25/2021 **$742.69**

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Account No. [redacted] **Location No.** [redacted]

Current Charges Due 03/25/2021	$742.69
Past Due Amount as of 02/25/2021	$0.00
Total Amount Due	$742.69
Amount Paid	

This bill is paid electronically on 03/24/2021. Do not pay!

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

[redacted]
MANSFIELD, TX 76063

[redacted]

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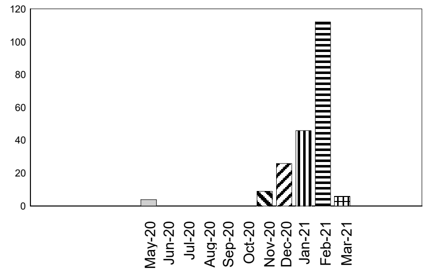
This is your Natural Gas Bill

Account No.	[redacted]
Location No.	
Bill Date	03/30/2021
Name	[redacted]
District-Cycle	1-1

SERVICE ADDRESS: [redacted]

ccf Usage History



Curr Month Usage	6
Prev Month Usage	112

Meter No	[redacted]
District-Cycle	1-1
From	02/21/2021
To	03/22/2021
Number of Days	29
Previous Read	197
Current Read (Actual)	203
ccf Used	6.0000
ccf Used (1 Mo prev)	112.0000
ccf Used (1 Yr prev)	0.0000

Account Summary

Previous Balance		$190.03
Payments Received		-$190.03
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$30.00
Volumetric Charge	0.371000 per ccf	$2.23
PGA Cost	0.309800 per ccf	$1.86
Franchise Fee		$1.08
Gross Receipts Tax		$0.72
Local Tax		$0.68
State Tax		$2.13

Total Current Charges Due by 04/26/2021 $38.70

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Account No. [redacted] **Location No.** [redacted]

Current Charges Due 04/26/2021	$38.70
Past Due Amount as of 03/30/2021	$0.00
Total Amount Due	$38.70
Amount Paid	

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

[redacted]
SPOKANE, WA 99210

[redacted]

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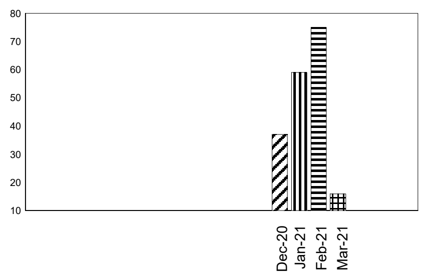
This is your Natural Gas Bill

Account No.	[redacted]
Location No.	
Bill Date	03/30/2021
Name	[redacted]
District-Cycle	1-1

SERVICE ADDRESS: [redacted]

ccf Usage History



Curr Month Usage	16
Prev Month Usage	75

Meter No	[redacted]
District-Cycle	1-1
From	02/22/2021
To	03/19/2021
Number of Days	25
Previous Read	193
Current Read (Actual)	209
ccf Used	16.0000
ccf Used (1 Mo prev)	75.0000
ccf Used (1 Yr prev)	0.0000

Account Summary

Previous Balance		$63.77
Payments Received		-$63.77
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$17.25
Volumetric Charge	0.363200 per ccf	$5.81
PGA Cost	0.309800 per ccf	$4.96
WNA	0.077500 per ccf	$1.24

Total Current Charges Due by 04/26/2021 **$29.26**

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Account No. [redacted] **Location No.** [redacted]

Current Charges Due 04/26/2021	$29.26
Past Due Amount as of 03/30/2021	$0.00
Total Amount Due	$29.26
Amount Paid	

This bill is paid electronically on 04/23/2021. Do not pay!

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

[redacted]
FORNEY, TX 75126

[redacted]

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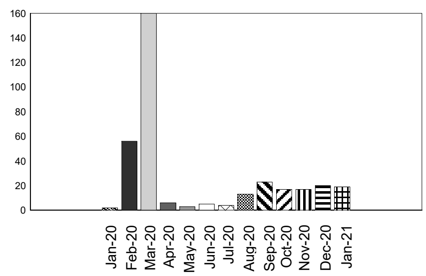
This is your Natural Gas Bill

Account No.	[redacted]
Location No.	
Bill Date	01/14/2021
Name	[redacted]
District-Cycle	1-2

SERVICE ADDRESS: [redacted]

ccf Usage History



Curr Month Usage	19
Prev Month Usage	20

Meter No	[redacted]
District-Cycle	1-2
From	12/09/2020
To	01/06/2021
Number of Days	28
Previous Read	75,946
Current Read (Actual)	75,965
ccf Used	19.0000
ccf Used (1 Mo prev)	20.0000
ccf Used (1 Yr prev)	2.0000

Account Summary

Previous Balance		$64.38
Payments Received		-$64.38
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$37.00
Volumetric Charge	0.552500 per ccf	$10.50
PGA Cost	0.306200 per ccf	$5.82
Franchise Fee		$2.27
Gross Receipts Tax		$1.13
County Tax		$0.53
Local Tax		$0.53
State Tax		$3.33

Total Current Charges Due by 02/11/2021 $61.11

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Account No. [redacted] **Location No.** [redacted]

Current Charges Due 02/11/2021	$61.11
Past Due Amount as of 01/14/2021	$0.00
Total Amount Due	$61.11
Amount Paid	

[redacted]
SPOKANE, WA 99210-2440

SiEnergy LP
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Dallas, TX 75266-0141

[redacted]

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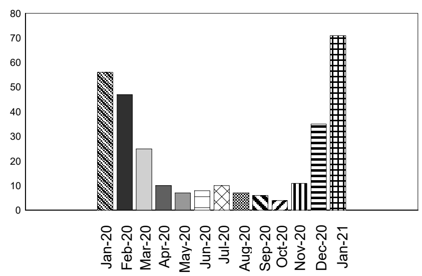
This is your Natural Gas Bill

Account No.
Location No. [redacted]
Bill Date 01/27/2021
Name [redacted]
District-Cycle 1-1

SERVICE ADDRESS: [redacted]

ccf Usage History



Curr Month Usage	71
Prev Month Usage	35

Meter No	[redacted]
District-Cycle	1-1
From	12/17/2020
To	01/21/2021
Number of Days	35
Previous Read	2,779
Current Read (Actual)	2,850
ccf Used	71.0000
ccf Used (1 Mo prev)	35.0000
ccf Used (1 Yr prev)	56.0000

Account Summary

Previous Balance		$48.44
Payments Received		-$48.44
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$17.00
Volumetric Charge	0.473900 per ccf	$33.65
PGA Cost	0.306200 per ccf	$21.74
WNA	0.041300 per ccf	$2.93

Total Current Charges Due by 02/23/2021 $75.32

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Account No. [redacted] **Location No.** [redacted]

Current Charges Due 02/23/2021	$75.32
Past Due Amount as of 01/27/2021	$0.00
Total Amount Due	$75.32
Amount Paid	

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

[redacted]
MISSOURI CITY, TX 77459

[redacted]

SiEnergy

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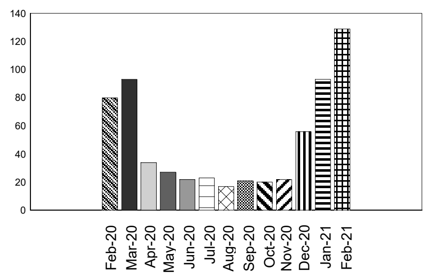
This is your Natural Gas Bill

Account No.	[redacted]
Location No.	
Bill Date	02/15/2021
Name	[redacted]
District-Cycle	1-2

SERVICE ADDRESS: [redacted]

ccf Usage History



Curr Month Usage	129
Prev Month Usage	93

Meter No	[redacted]
District-Cycle	1-2
From	01/06/2021
To	02/04/2021
Number of Days	29
Previous Read	2,152
Current Read (Actual)	2,281
ccf Used	129.0000
ccf Used (1 Mo prev)	93.0000
ccf Used (1 Yr prev)	80.0000

Account Summary

Previous Balance		$97.46
Payments Received		-$97.46
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$17.00
Volumetric Charge	0.473900 per ccf	$61.13
PGA Cost	0.309800 per ccf	$39.96
WNA	0.058600 per ccf	$7.56

Total Current Charges Due by 03/11/2021 $125.65

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Account No. [redacted] **Location No.** [redacted]

Current Charges Due 03/11/2021	$125.65
Past Due Amount as of 02/15/2021	$0.00
Total Amount Due	$125.65
Amount Paid	

This bill is paid electronically on 03/10/2021. Do not pay!

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

[redacted]
SUGAR LAND, TX 77479

[redacted]

Your Natural Gas Provider
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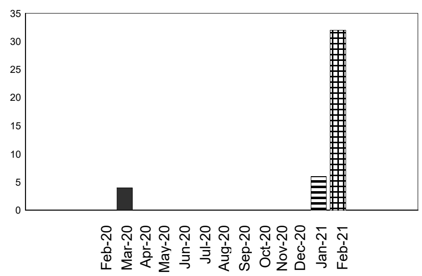
Dallas, TX 75266-0141
281-778-6250 Fax: 832-201-7286
Toll Free: 888-468-7007
http://www.sienergy.com/payonline

This is your Natural Gas Bill

Account No.	[redacted]
Location No.	
Bill Date	02/15/2021
Name	[redacted]
District-Cycle	1-2

SERVICE ADDRESS: [redacted]

ccf Usage History



Curr Month Usage	32
Prev Month Usage	6

Meter No	[redacted]
District-Cycle	1-2
From	01/06/2021
To	02/04/2021
Number of Days	29
Previous Read	4,261
Current Read (Actual)	4,293
ccf Used	32.0000
ccf Used (1 Mo prev)	6.0000
ccf Used (1 Yr prev)	0.0000

Account Summary

Previous Balance		$48.33
Payments Received		-$48.33
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$37.00
Volumetric Charge	0.552500 per ccf	$17.68
PGA Cost	0.309800 per ccf	$9.91
Franchise Fee		$2.75
Gross Receipts Tax		$1.37
County Tax		$0.65
Local Tax		$0.65
State Tax		$4.04

Total Current Charges Due by 03/11/2021 $74.05

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Account No. [redacted] **Location No.** [redacted]

Current Charges Due 03/11/2021	$74.05
Past Due Amount as of 02/15/2021	$0.00
Total Amount Due	$74.05
Amount Paid	

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

[redacted]
SPOKANE, WA 99210-2440

[redacted]

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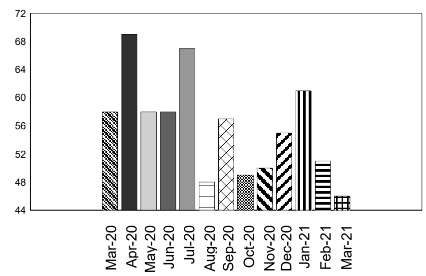
This is your Natural Gas Bill

Account No. [redacted]
Location No.
Bill Date 03/30/2021
Name [redacted]

District-Cycle 1-1

SERVICE ADDRESS: [redacted]

ccf Usage History



Curr Month Usage	46
Prev Month Usage	51

Meter No	[redacted]
District-Cycle	1-1
From	02/20/2021
To	03/19/2021
Number of Days	27
Previous Read	2,271
Current Read (Actual)	2,317
ccf Used	46.0000
ccf Used (1 Mo prev)	51.0000
ccf Used (1 Yr prev)	58.0000

Account Summary

Previous Balance		$80.98
Payments Received		-$80.98
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$37.00
Volumetric Charge	0.552500 per ccf	$25.42
PGA Cost	0.309800 per ccf	$14.25

Total Current Charges Due by 04/26/2021 **$76.67**

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Account No. [redacted] **Location No.** [redacted]

Current Charges Due 04/26/2021	$76.67
Past Due Amount as of 03/30/2021	$0.00
Total Amount Due	$76.67
Amount Paid	

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

[redacted]
MISSOURI CITY, TX 77459

[redacted]

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Toll Free: 888-468-7007
http://www.sienergy.com/payonline

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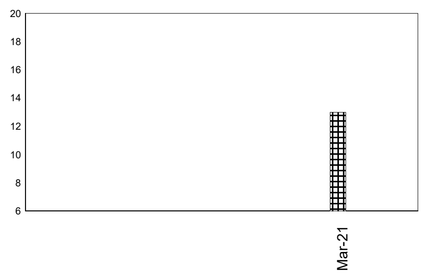
Account No.	[redacted]
Location No.	[redacted]
Bill Date	03/15/2021
Name	[redacted]
District-Cycle	1-2

SERVICE ADDRESS: [redacted]

ccf Usage History



Curr Month Usage	13
Prev Month Usage	

Meter No	[redacted]
District-Cycle	1-2
From	02/17/2021
To	03/03/2021
Number of Days	14
Previous Read	621
Current Read (Actual)	634
ccf Used	13.0000
ccf Used (1 Mo prev)	0.0000
ccf Used (1 Yr prev)	0.0000

Account Summary

Previous Balance		$0.00
Payments Received		$0.00
Previous Adjustments		$0.00
Account Balance before Current Charges		$0.00
Deposit Information		
Deposit Charges		$0.00
Deposit Payments		$0.00
Deposit Applied/Refunded		$0.00
Current Charges		
Customer Charge		$17.00
Volumetric Charge	0.473900 per ccf	$6.16
PGA Cost	0.309800 per ccf	$4.03
WNA	-0.153200 per ccf	$-1.99
Franchise Fee		$1.35
CONNECT FEE AU		$65.00
Misc Taxes		$8.85
Gross Receipts Tax		$0.54
County Tax		$0.25
Local Tax		$0.25

Total Current Charges Due by 04/13/2021 $101.44

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Account No. [redacted] **Location No.** [redacted]

Current Charges Due 04/13/2021	$101.44
Past Due Amount as of 03/15/2021	$0.00
Total Amount Due	$101.44
Amount Paid	

SiEnergy LP
P.O. Box 660141
Dallas, TX 75266-0141

[redacted]
MANOR, TX 78653

[redacted]6

CASE NO. 00007068

SIENERGY, LP'S APPLICATION	**§**	**BEFORE THE**
FOR CUSTOMER RATE RELIEF	**§**	**RAILROAD COMMISSION**
AND RELATED REGULATORY	**§**	**OF TEXAS**
ASSET DETERMINATION	**§**	

DIRECT TESTIMONY

OF

BRUCE H. FAIRCHILD

ON BEHALF OF

GAS UTILITIES PARTICIPATING IN THE REGULATORY ASSET DETERMINATION AND RELATED SECURITIZATION

July 30, 2021

TABLE OF CONTENTS

LIST OF SCHEDULES

LIST OF APPENDICES

DIRECT TESTIMONY OF BRUCE H. FAIRCHILD

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. Bruce H. Fairchild, 3907 Red River, Austin, Texas 78751.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT POSITION?

A. I am a principal in Financial Concepts and Applications, Inc. ("FINCAP"), a firm engaged in financial, economic, and policy consulting to business and government.

Q. ON WHOSE BEHALF ARE YOU PROVIDING TESTIMONY?

A. I am providing testimony on behalf of the gas utilities participating in this proceeding -- AgriTexGas, LP, Atmos Energy Corporation on behalf of its Mid-Tex Division and West Texas Division, Bluebonnet Natural Gas, LLC, CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Entex, CenterPoint Energy Arkla, and CenterPoint Energy Texas Gas, Corix Utilities (Texas) Inc., CoServ Gas, Ltd., EPCOR Gas Texas Inc., NatGas, Inc., SiEnergy, LP, Texas Gas Service Company, a Division of ONE Gas, Inc., and Universal Natural Gas, LLC d/b/a Universal Natural Gas, Inc. (collectively, "participating gas utilities").

A. Qualifications

Q. DESCRIBE YOUR EDUCATIONAL BACKGROUND, PROFESSIONAL QUALIFICATIONS, AND PRIOR EXPERIENCE.

A. I hold a BBA degree from Southern Methodist University and MBA and Ph.D. degrees from the University of Texas at Austin. I am also a Certified Public Accountant. My previous employment includes working in the Controller's Department at Sears, Roebuck and Company and serving as Assistant Director of

Economic Research at the Public Utility Commission of Texas ("PUCT"). I have also been on the business school faculties at the University of Colorado at Boulder and the University of Texas at Austin, where I taught undergraduate and graduate courses in finance and accounting.

Q. BRIEFLY DESCRIBE YOUR EXPERIENCE IN UTILITY-RELATED MATTERS.

A. While at the PUCT, I assisted in managing a division comprised of approximately twenty-five professionals responsible for financial analysis, cost allocation and rate design, economic and financial research, and data processing systems. I testified on behalf of the PUCT staff in numerous cases involving most major investor-owned and cooperative electric, telephone, and water/sewer utilities in the state regarding a variety of financial, accounting, and economic issues. Since forming FINCAP in 1979, I have participated in a wide range of analytical assignments involving utility-related matters on behalf of utilities, industrial consumers, municipalities, and regulatory commissions. I have also prepared and presented expert testimony before a number of regulatory authorities addressing revenue requirements, cost allocation, and rate design issues for gas, electric, telephone, and water/sewer utilities. I have been a frequent speaker at regulatory conferences and seminars and have published research concerning various regulatory issues. A resume that contains the details of my experience and qualifications is attached as Appendix A, with Appendix B listing my prior testimony before regulatory agencies since leaving the PUCT.

B. Purpose of Testimony

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS CASE?

A. The purpose of my testimony is four-fold. The first purpose is to describe generally how the extraordinary costs related to the winter weather event in February 2021 ("Winter Storm Uri") recorded as regulatory assets by participating gas utilities would be financed through customer rate relief ("CRR") bonds issued through the Texas Public Finance Authority ("TPFA"). The second purpose is to determine whether it would be more cost-effective to recover these regulatory assets through CRR bonds versus alternative recovery methods. The third purpose is to determine whether the use of CRR bonds would result in more affordable estimated monthly costs to customers than conventional recovery methods. Finally, I explain why the use of CRR bonds to finance and recover the extraordinary costs related to the February 2021 Winter Weather Event would provide tangible and quantifiable benefits to customers greater than other recovery methods and would serve the public interest.

C. Summary of Conclusions

Q. BRIEFLY SUMMARIZE THE CONCLUSIONS OF YOUR TESTIMONY.

A. For the reasons explained below, I conclude:

- Issuing CRR bonds is the most cost-effective method to recover the extraordinary Winter Storm Uri costs from customers;
- The issuance of CRR bonds to reimburse gas utilities for the regulatory assets has the least immediate impact on customers' monthly bills compared to conventional recovery methods; and

- Using CRR bonds to reimburse the participating gas utilities for their regulatory assets would enable the gas utilities to maintain their financial integrity, ensure their ability to raise debt and equity capital on reasonable terms to finance normal, ongoing expenditures as well as manage another crisis, should it arise.

II. BACKGROUND

Q. PLEASE DESCRIBE THE EVENTS LEADING TO THE PRESENT CASE.

A. Beginning on February 11, 2021, an unprecedented cold winter weather event hit Texas. On February 12, Governor Abbott issued a State of Disaster in Texas for all Texas counties, and the Railroad Commission of Texas ("Commission") issued an Emergency Order temporarily modifying natural gas utility curtailment priorities to ensure the protection of human needs customers throughout the storm. Natural gas usage by homes, businesses, and electric generating facilities surged while natural gas supply fell as production, processing, treating, and pipeline facilities froze or otherwise became inoperable. This prolonged winter storm resulted in a dramatic increase in natural gas prices as demand greatly exceeded supply. At the same time, gas utilities experienced major gas supply interruptions, including *force majeure* declarations from suppliers. To continue to supply customers and maintain system operations, gas utilities were required to purchase additional gas to meet demand and replace interrupted supplies at extremely high market prices. The combination of greater customer usage and increased gas prices resulted in gas utilities incurring extraordinary gas supply costs.

Q. DID THE COMMISSION TAKE ANY ACTION TO RECOGNIZE THAT GAS UTILITIES WERE INCURRING EXTRAORDINARY COSTS AS A RESULT OF WINTER STORM URI?

A. Yes. On February 13, 2021, the Commission issued a Notice to Local Distribution Companies ("Regulatory Asset NTO") stating that, to provide customers safe and reliable service, natural gas utility local distribution companies ("LDCs") may be required to pay extraordinarily high prices for natural gas and incur other extraordinary expenses responding Winter Storm Uri. The Regulatory Asset NTO authorized Texas LDCs to record the extraordinary costs in a regulatory asset account to defer and reduce their impact on customers. A copy of the Regulatory Asset NTO is attached to my testimony as Appendix C.

Q. DID THE LEGISLATURE TAKE ANY ACTION TO ADDRESS THE EXTRAORDINARY COSTS GAS UTILITIES INCURRED AS A RESULT OF WINTER STORM URI?

A. Yes. During the 87th Regular Session, the Texas Legislature passed, and on June 16, 2021, Governor Abbott signed, House Bill ("H.B.") 1520, attached to my testimony as Appendix D. The purpose of H.B. 1520 is to reduce the costs that customers would otherwise experience because of extraordinary costs that gas utilities incurred to secure gas supply and provide service during Winter Storm Uri, and to restore gas utility systems after the event. To this end, H.B. 1520 authorizes securitization financing that would provide rate relief by extending the period over which the extraordinary costs are recovered from customers and support the financial strength and stability of gas utilities. Before the CRR bonds may be issued, however, H.B. 1520 requires the Commission to ensure that the securitization financing provides tangible and quantifiable benefits to customers greater than would have been achieved absent the issuance of CRR bonds. It also requires the Commission to determine that CRR bonds are the most cost-effective method of funding regulatory asset reimbursements, consider customer affordability, and find that the securitization financing mechanism is in the public interest.

Q. PLEASE EXPLAIN YOUR UNDERSTANDING OF HOW THE SECURITIZATION PROCESS CONTEMPLATED UNDER H.B. 1520 WILL BE CONSIDERED BY THE COMMISSION.

A. On June 17, 2021, the Commission issued a Notice to Gas Utilities ("NGU") directing those desiring to participate in the CRR bond program to file an Application for Regulatory Asset Determination ("Application"). This NGU is attached to my testimony as Appendix E. Each gas utility's Application must contain extensive data and documentation to support the regulatory asset recorded on its books. The NGU also requires that gas utilities demonstrate the CRR bonds would provide customers tangible and quantifiable benefits greater than would be achieved otherwise, would benefit customers through affordability, and would be in the public interest and consistent with the purposes of subchapter 1, chapter 104 of the Texas Utilities Code. After the Commission has issued its regulatory asset determinations, if it finds that the CRR bonds are most cost-effective, provide affordability benefits, and are in the public interest, it will issue a Financing Order requesting that the TPFA direct an issuing financing entity to issue the CRR bonds.

III. CUSTOMER RATE RELIEF BONDS

Q. WHAT IS THE PURPOSE OF THIS SECTION OF YOUR TESTIMONY?

A. In this section, I provide an overview of the CRR bonds contemplated by H.B. 1520 to reimburse gas utilities for their regulatory assets and provide customers rate relief by allowing the extraordinary winter storm costs to be recovered differently than would be available through conventional recovery methods.

A. Securitized Financing

Q. WHAT IS SECURITIZED FINANCING?

A. Securitization is a financing technique used by many companies whereby certain assets are legally isolated in a special purpose entity ("SPE"). Generally, the SPE's primary asset is a revenue stream produced by financial assets such as loans, leases, or receivables, with its activities being carried out through a servicing agreement by another party. The SPE is also generally financed by selling debt and/or equity to investors, which are typically institutional investors such as banks, pension funds, and insurance companies. Bonds issued by an SPE are typically self-amortizing through payment of principal over time, and there is customarily a broad and diverse pool of underlying obligors that will make the payments to service the bonds. Securitizations are generally non-recourse and bankruptcy-remote from the underlying company.

Q. HAVE UTILITIES IN TEXAS USED SECURITIZATION AS A FORM OF FINANCING?

A. Yes. Securitization is a unique form of financing that has typically been used pursuant to specific statutory provisions by electric utilities in Texas to finance and recover costs from customers over longer periods of time. The securitizations by Texas utilities have involved the recovery of costs that are not incurred in the normal course of utility business. For example, securitization was used by electric utilities to recover "stranded costs" resulting from the transition from a regulated to competitive wholesale market for electricity in the early 2000s. Securitization has also been used to reimburse utilities for the extensive damage to facilities caused by hurricanes along the Gulf Coast. In utility securitizations, an SPE typically issues bonds backed primarily by the specific statutory and regulatory right to receive a charge paid to a utility by its customers, which in turn is remitted to the SPE. While it is common for the SPE to be managed by the utility pursuant to a service and administration agreement, care is taken to maintain the SPE as a separate entity and isolate its assets from the utility and its creditors.

Q. WHAT BENEFITS ARE DERIVED FROM SECURITIZATION FINANCING?

A. When authorized by the Legislature for use in the recovery of these types of extraordinary, non-typical costs, securitizations involve a unique, particularly high-quality stream of revenues, which the SPE has statutory and regulatory rights to receive, and that can be kept separate from a utility's other assets and activities. The SPE can then sell bonds secured by this revenue stream that are less risky than the utility itself. Because the bonds issued by SPEs are less risky, they typically have a higher credit rating than the debt of the utility. As a result, the bonds issued by the SPE carry a lower interest rate and, because the bonds are secured with a high-quality revenue stream, the SPE can be heavily debt financed, both of which reduce the carrying cost of the underlying asset. In the case of H.B. 1520, because the securitized bonds are a liability of a state agency-created SPE and not the utility, they are not carried on the utility's balance sheet. Accordingly, the securitized bonds should not increase the gas utility's debt load, which supports its financial strength and stability, nor should they reduce the utility's borrowing capacity, which should maintain the utility's ability to attract capital to finance property, plant, and equipment on reasonable terms.

Q. DESCRIBE THE SPE CONTEMPLATED UNDER H.B. 1520.

A. If securitization is approved by the Commission, H.B. 1520 authorizes the TPFA to create an issuing financing entity (the SPE) to issue CRR bonds. The issuing financing entity would be a self-funding, non-profit, public authority of Texas governed by a three-member board. The CRR bonds sold by the issuing financing entity would not be a liability of Texas, the Commission, or the participating gas utilities; rather, they would be securitized and repaid from customer rate relief charges assessed to all customers of the participating gas utilities. The customer rate relief charges would be sufficient to cover the SPE's costs, including initial financing costs, CRR bond principal and interest, and other financing, administrative, and operating expenses authorized by the Financing Order.

B. Structure of Customer Rate Relief Bonds

Q. WOULD THE CRR BONDS BE STRUCTURED LIKE TYPICAL UTILITY DEBT?

A. No. The long-term bonds issued by most large gas utilities are outstanding for a specified number of years. A fixed interest rate is usually paid on the original face amount periodically, with the entire principal balance being due at maturity. While this "balloon payment" debt structure is generally satisfactory for financing a large utility's permanent property, plant, and equipment, it is not well-suited to an entity having just a single, self-liquidating asset.

Q. HOW WOULD THE CRR BONDS MOST LIKELY BE STRUCTURED?

A. H.B. 1520 calls for the customer rate relief charge to be a uniform monthly volumetric charge applicable to all existing and future customers of participating gas utilities. Although the resulting revenue stream could be used to pay annual principal and interest payments on a single issue of CRR bonds (like a home mortgage), this is not the structure normally used. Because of differing portfolio and reinvestment considerations, large investors do not want all bonds having the same life. To amortize the CRR bonds while still allowing investors to select their preferred maturities, the bonds are anticipated to be split among several series or tranches, each with a different scheduled maturity and corresponding interest rate. In this way, on any given payment date, interest is paid on all the bond series, but principal is repaid only on the series that is maturing. This structuring into series or tranches enhances marketing of the bonds because it enables both shorter-term investors (e.g., banks) and longer-term investors (e.g., pension funds) to participate in the same securitization issue but offers each a maturity most suitable for its investment objectives. The actual structure of the CRR bonds would depend on the Commission's Financing Order, input from TPFA and investment bankers, and capital market conditions at the time the CRR bonds were issued.

Q. OVER WHAT PERIOD WOULD THE CRR BONDS MOST LIKELY BE STRUCTURED?

A. H.B. 1520 caps the maximum scheduled maturity of the CRR bonds to 30 years, with the Commission ultimately deciding in its Financing Order the period over which the bonds are to be repaid by customers. Because the CRR bonds would be secured only by customer rate relief charges and not physical assets, it is believed that investors would prefer the bonds to have a maximum term of between 10 and 15 years. I understand that in the securitizations approved by the PUCT for electric utilities, the scheduled maturity of the bonds has typically been less than 15 years.

C. Interest Rates on Customer Rate Relief Bonds

Q. WHAT INTEREST RATES WILL THE CRR BONDS BEAR?

A. The actual interest rates on the CRR bonds will depend on capital market conditions at the time they are issued, the maturity structure of the various series, and the rating assigned to the CRR bonds by rating agencies.

Q. WHAT BOND RATING WOULD LIKELY BE ASSIGNED TO THE CRR BONDS?

A. To achieve the lowest interest rate, the CRR bonds would need to be rated triple-A by the major bond rating agencies (i.e., Moody's, Standard & Poor's, and Fitch). Most of the characteristics and features required for the CRR bonds to be rated triple-A are provided for in H.B. 1520 and would also need to be included in the Financing Order.

Q. WHAT ARE CURRENT INTEREST RATES ON BONDS RATED TRIPLE-A?

A. The table below shows average interest rates between mid-June and mid-July 2021 on triple-A rated taxable bonds issued by government entities having different maturities over the next 15 years. These range from 0.19% to 2.07%, with the interest rate increasing with the length of the bond term:

Maturity (Years)	Interest Rate	(Years)	Interest Rate	(Years)	Interest Rate
1	0.19%	6	1.18%	11	1.77%
2	0.32%	7	1.36%	12	1.85%
3	0.50%	8	1.50%	13	1.92%
4	0.74%	9	1.62%	14	2.00%
5	0.96%	10	1.69%	15	2.07%

Q. COULD THE CRR BONDS HAVE A VARIABLE INTEREST RATE INSTEAD OF A FIXED INTEREST RATE?

A. Although floating-rate bonds could be issued, fixed interest rates allow the likely costs and benefits to be better evaluated in advance and would facilitate developing and maintaining a uniform monthly volumetric charge over time. Additionally, current interest rates are at historical lows, which are not expected to persist indefinitely. I understand that all the securitized bonds issued by Texas electric utilities have had fixed interest rates.

IV. COST-EFFECTIVENESS

Q. WHAT IS THE PURPOSE OF THIS SECTION?

A. H.B. 1520 requires that, before issuing a Financing Order, the Commission must determine that CRR bonds are the most cost-effective method of funding reimbursements to gas utilities of the regulatory asset associated with the extraordinary costs incurred in connection with Winter Storm Uri. The purpose of this section is to compare the expected costs associated with CRR bonds and the costs of other methods that might be used to finance the regulatory assets.

A. Alternative Methods

Q. WHAT ALTERNATIVE METHODS ARE AVAILABLE TO FUND THE EXTRAORDINARY COSTS INCURRED BY THE PARTICIPATING GAS UTILITIES ATTRIBUTABLE TO WINTER STORM URI?

A. There are basically three alternative methods. The first would be to include the extraordinary costs related to Winter Storm Uri in the gas utility's purchased gas cost ("PGC") recovery mechanism (sometimes referred to as a "purchased gas adjustment" (PGA), "gas cost recovery" (GCR) mechanism, "cost of gas clause" (COG), or "purchased gas factor" (PGF), depending on the utility). The second would be to treat the regulatory assets similar to rate case expenses, where they would be amortized over a relatively short period and recovered through an established rate or a specific surcharge added to customers' bills until the total amount is received. The third method would be to include the regulatory assets in rate base, amortize them over a longer time period (e.g., 10 to 15 years), and include the additional costs in the gas utilities' base service rates.

Q. PLEASE DISCUSS THE FIRST ALTERNATIVE, INCLUDING THE EXTRAORDINARY COSTS IN THE PGC RECOVERY MECHANISM.

A. Under this method, the regulatory asset would be included as a cost of gas and recovered from customers over a period of approximately up to a year through each participating gas utility's PGC recovery mechanism. The effect of this method would be to fund the extraordinary Winter Storm Uri costs from current customers. While this method may be the least expensive because carrying costs and administrative expenses would be minimized, as will be addressed later in my testimony, it would have the greatest immediate impact on current bills and be the least affordable method for customers.

Q. PLEASE DISCUSS THE SECOND ALTERNATIVE THAT WOULD ADJUST AN EXISTING RATE OR ADD A SURCHARGE TO CUSTOMER BILLS UNTIL THE EXTRAORDINARY COSTS ARE FULLY RECOVERED.

A. Similar to how rate case expenses are recovered, this method would amortize the regulatory asset over a relatively short period, such as three years, with an adjustment to existing rates or a surcharge being added to each customer's monthly bill until the regulatory asset is fully recovered. While this alternative would have a smaller monthly or annual impact than recovering the regulatory asset pursuant to the terms of the existing PGC recovery mechanism, it would still have a significant impact on customers' bills in the near-term and their affordability. Additionally, this method could adversely impact the financial integrity of certain gas utilities and their ability to attract capital. Specifically, many of the participating gas utilities financed the extraordinary costs of Winter Storm Uri, in whole or in part, with short-term debt, which has adversely impacted their borrowing capacity. As a result, the ability to raise additional debt to finance ordinary capital requirements would be impaired or potentially non-existent for certain utilities, as would their ability to manage another crisis. Additionally, this short-term debt matures prior to when the regulatory assets would be fully recovered approximately three years following the completion of this proceeding. Rolling over maturing short-term debt would continue to leave the gas utilities with limited or exhausted borrowing capacity, while refinancing it with permanent capital would not only increase the cost of capital but would strain their ability to raise additional debt and equity to finance normal, ongoing capital expenditures and withstand extraordinary events. Similarly, the ability to attract additional capital by those utilities that financed the extraordinary gas costs with permanent capital may already be significantly reduced.

Q. PLEASE DISCUSS THE THIRD ALTERNATIVE THAT WOULD INCLUDE THE REGULATORY ASSET IN RATE BASE AND RECOVER THE EXTRAORDINARY COSTS IN BASE SERVICE RATES.

A. Under the third method, the regulatory assets associated with Winter Storm Uri would remain on the gas utilities' books and be financed by the utility. For ratemaking purposes, the regulatory asset would be included in rate base along with property, plant, and equipment, and amortized over a longer period, such as 10 to 15 years. The capital carrying costs, income taxes, and amortization expense associated with the regulatory asset would then be included in the gas utilities' base service rates.

Q. HOW WOULD THE REGULATORY ASSET BE FUNDED UNDER THIS THIRD METHOD?

A. Because the regulatory asset is essentially treated like the gas utilities' other permanent assets, it would have to be correspondingly financed. Short-term debt currently being used to finance the regulatory assets by certain utilities would have to be replaced with long-term debt and common equity. As under the three-year amortization method, financing the regulatory asset with new long-term debt and equity could strain the utility's ability to raise additional capital to finance normal, ongoing expenditures and withstand extraordinary events. Additionally, the proportions and costs of new long-term debt and equity financing could be adversely affected by the fact that the assets being financed are not physical assets being used to provide service to customers, with the higher capital costs being reflected in rates.

B. Analysis of Cost-Effectiveness

Q. DESCRIBE YOUR ANALYSIS AND COMPARISON OF THE RELATIVE COST-EFFECTIVENESS OF FUNDING THE REGULATORY ASSETS WITH CRR BONDS VERSUS THE ALTERNATIVES IDENTIFIED ABOVE.

A. Because different time periods are involved in evaluating the costs of CRR bonds against the costs of alternative methods to fund reimbursements of the extraordinary costs incurred in connection with Winter Storm Uri, it is necessary to use analyses that take into account the time value of money and measure costs in comparable dollars. For efficiency and consistency with the aggregated nature of securitization cost recovery in H.B. 1520, I have not performed an analysis for each participating gas utility, but have used combined amounts for all of the gas utilities, which are developed in Schedule BHF-1, or representative values for gas utilities.

Q. HOW HAVE YOU TAKEN INTO ACCOUNT THE TIME VALUE OF MONEY IN YOUR ANALYSIS?

A. It is standard practice to analyze costs and benefits that occur over varying time periods using "present value," which accounts for the fact that a dollar received or paid in the future is worth less than one received or paid today. Present value analysis combines future nominal dollars into a single amount normally expressed in current dollars, so that the comparison is on an "apples to apples" basis. Nominal dollar benefits or costs in future years are converted to present value dollars using a "discount" rate, which is effectively an interest rate reflecting the time value, or opportunity cost, of money.

Q. WHAT WOULD BE THE ANNUAL COSTS OF CRR BONDS?

A. The estimated annual costs of the CRR bonds, including principal and interest and ongoing annual operating and administrative expenses, are developed in Schedule BHF-2.

Q. WHAT IS THE ESTIMATED TOTAL AMOUNT OF BONDS THAT WOULD BE ISSUED UNDER SECURITIZATION?

A. In the upper portion of Schedule BHF-2, an initial CRR bond issuance of $3,830 million is calculated. This amount is the sum of the total regulatory assets of $3,607 million contained in the participating gas utilities' Applications summarized on Schedule BHF-1, projected underwriting and issuance expenses, and amounts required to fund a debt service reserve. Underwriting and issuance costs are estimated to be 0.40% and 0.30%, respectively, of the CRR bonds issued. The 0.40% underwriting expense is consistent with the percentage in Texas electric securitizations, average and median percentages for other bond issuances by Texas government entities over the last year, and data from investment banks. The 0.30% issuance expense is in-line with recent percentages for other bond issuances by Texas government entities. It may be conservative (i.e., overstated) because the large size of the CRR bond issuance would involve economies of scale, but this allows for other reimbursable costs provided for in H.B. 1520 (e.g., costs incurred by the Commission and TPFA). The debt service reserve fund is equal to one-half of the average annual bond costs. This amount is based on discussions with utility Treasury departments, investment bankers, and the level required by other bonds issued by Texas government entities. It also reflects that H.B. 1520 allows the customer rate relief charge to be revised annually and trued-up as necessary.

Q. WHAT ARE THE ESTIMATED ANNUAL COSTS OF THE CRR BONDS?

A. In this analysis, the CRR bonds are assumed to have a maximum maturity of 10 years, with ten series being sized to result in approximately equal annual principal and interest payments, except for the final principal payment being partially met with funds from the debt service reserve. The bond payments are based on the interest rates between mid-June and mid-July 2021 presented earlier for triple-A rated, taxable bonds issued by government entities. To the bond payments, annual operating and administrative expenses equal to 0.60% of the initial bond issuance, or approximately $23 million, are added. Although electric utilities in Texas have been providing this service for between 0.05% and 0.125% plus projected outside expenses of less than $500,000 per year, the 0.60% is the maximum service fee allowed by the PUCT in recent electric securitizations. As with issuance expenses, the assumed 0.60% servicing fee may be overstated, but this again allows for other reimbursable costs provided for in H.B. 1520. As shown in the last column of the lower portion of Schedule BHF-2, the estimated costs on the CRR bonds are between approximately $411 million and $419 million in each of the ten years.

Q. WHAT WOULD BE THE COSTS IF THE EXTRAORDINARY STORM COSTS WERE RECOVERED THROUGH THE PARTICIPATING UTILITIES' PGC RECOVERY MECHANISMS?

A. Schedule BHF-1 lists the amounts that the participating gas utilities have calculated in their respective Applications that they would be entitled to recover through their respective PGC recovery mechanisms if this method were used. As shown there, this totals $3,604 million and would all be recovered through their PGC recovery mechanisms during the first year.

Q. WHAT WOULD BE THE ANNUAL COSTS IF THE REGULATORY ASSETS WERE AMORTIZED OVER THREE YEARS AND RECOVERED THROUGH A SURCHARGE TO CUSTOMERS?

A. Schedule BHF-1 also shows the total amount that each of the participating gas utilities has calculated in its Application that it would be entitled to recover if the regulatory asset associated with the extraordinary costs were amortized over three years and surcharged to customers. Dividing the total of $4,079 million by three would result in approximately $1,360 million being recovered in each of the three years.

Q. WHAT WOULD BE THE ANNUAL COST IF THE REGULATORY ASSETS WERE INCLUDED IN RATE BASE, AMORTIZED OVER A LONGER PERIOD, AND INCLUDED IN BASE RATES?

A. Schedule BHF-3 develops the annual costs if the regulatory assets of the participating utilities were included in rate base along with property, plant, and equipment and amortized over 10 years. As noted earlier, the regulatory assets contained in the participating gas utilities' Applications total $3,607 million. An annual carrying cost for the regulatory assets is based on capital structure ratios of 41% debt and 59% equity, a cost of debt of 4.75%, and a return on common equity ("ROE") of 9.5%. These representative values reflect those allowed in recent rate cases before the Commission. As shown in the upper portion of Schedule BHF-3, combining these capital structure ratios, cost of debt, and ROE, grossed up for associated federal income taxes at 21%, produces a capital carrying cost of 9.04%. Applying this percentage to the average unamortized balance of the regulatory asset in each year and adding annual amortization expense results in the declining total annual costs in each of the ten years shown on Schedule BHF-3.

Q. WHAT WAS THE NEXT STEP IN YOUR COST-EFFECTIVENESS ANALYSIS?

A. The annual costs to customers under the CRR bonds and the three methods described above to reimburse utilities for the extraordinary costs are summarized on Schedule BHF-4. The next step is to calculate the present value of the annual costs under the CRR bonds and each alternative method. There is not a single discount rate applicable to all customers. For those customers that have money to invest, their opportunity cost may currently be relatively low, while for those customers carrying balances on their credit cards, their time value of money may be in excess of 20%. Accordingly, I used a range of interest rates -- 5%, 10%, 15%, and 20% -- to discount the annual costs of the CRR bonds and each alternative method to calculate their present values, which are shown in the middle of Schedule BHF-4.

Q. WHAT ARE THE RESULTS OF THIS ANALYSIS?

A. At the bottom of Schedule BHF-4, the present values of the cost of the CRR bonds is subtracted from the present values of the costs of the alternative methods to calculate the saving under securitized financing. As summarized in the table below, the CRR bonds are the most cost-effective method to fund the regulatory assets of the participating gas utilities, with the savings ranging between $229 million and $1,384 million, depending on the method and discount rate used (millions of present value dollars):

Savings from CRR Bonds vs. Alternative Methods

Discount Rate	PGC Recovery	3-year Amortization	Rate Base Inclusion
5%	$229	$506	$959
10%	$759	$869	$860
15%	$1,126	$1,094	$779
20%	$1,384	$1,231	$712

Q. HAVE YOU PERFORMED ANY SENSITIVITY ANALYSES OF THESE RESULTS?

A. Yes. For the CRR bond financing and method that includes the regulatory assets in rate base, I also calculated the present value using a maximum maturity of the bonds of 15 years and amortizing the regulatory asset over 15 years. As shown on Schedule BHF-5, using 15 years versus ten years does not change the conclusion. Again, the CRR bonds are the most cost-effective method to fund the extraordinary storm costs incurred by the participating gas utilities, with the savings from securitization ranging between $316 million and $1,744 million, depending on the method and discount rate used.

Q. WHAT IF A DISCOUNT RATE LOWER THAN 5%, SAY 3%, IS USED TO CALCULATE PRESENT VALUE?

A. If a time value of money of only 3% is used to discount the annual costs of CRR bond financing and the alternative methods, then recovery of the extraordinary gas costs currently through the PGC mechanism becomes slightly more cost-effective, but CRR bond securitization continues to be more cost-effective than both the 3-year amortization or inclusion in rate base methods. However, as will be discussed in the next section, recovery through the PGC mechanism is the least affordable method, and it is doubtful that 3% is representative of the time value of money to the majority of customers.

Q. WHAT HAPPENS IF INTEREST RATES WERE TO CHANGE BETWEEN NOW AND WHEN THE CRR BONDS ARE ISSUED?

A. I also performed a sensitivity analysis assuming that interest rates on the CRR bonds increase 50% over those used in the analyses on Schedules BHF-4 and BHF-5. When these higher interest rates are substituted into the 10-year analyses on Schedule BHF-4, the CRR bonds remain the most cost-effective except for where costs are recovered through the PGC mechanism and discounted at 5%. Substituting the higher interest rates into the 15-year sensitivity analysis on Schedule BHF-5 shows the CRR bonds to be the most cost-effective in all cases. Of course, if interest rates were to increase, so too would the cost of money to customers, with higher discount rates applying to more customers and the 5% discount rate becoming less applicable. A rise in interest rates would also likely increase the cost of capital to utilities and result in the annual costs of the alternative recovery methods being greater, which would improve the relative cost-effectiveness of the CRR bonds.

V. CUSTOMER AFFORDABILITY

Q. WHAT IS THE PURPOSE OF THIS SECTION?

A. In addition to cost-effectiveness, H.B. 1520 requires that the Commission must find that CRR bonds are reasonably expected to provide benefits to customers in the way of affordability. The purpose of this section is to perform an analysis that compares the estimated impact on customers' monthly bills resulting from the issuance of CRR bonds versus the estimated impact on customers' monthly bills that would result under conventional recovery methods. My analysis of customer affordability considers only the residential and small commercial classes because the customers comprising gas utilities' larger classes often have vastly dissimilar gas usage, which causes bill impact calculations based on averages for these other classes to have limited meaning.

Q. WHAT CONVENTIONAL RECOVERY METHODS DID YOU COMPARE SECURITIZATION AGAINST TO EVALUATE CUSTOMER AFFORDABILITY?

A. My analysis of customer affordability compares the cost of financing the regulatory asset using CRR bonds with the same three methods used in the analysis of cost-effectiveness described above. These are: 1) to include the extraordinary expenses in the gas utility's PGC recovery mechanism, 2) to amortize the regulatory assets over a relatively short period and recover them through a surcharge added to customers' bills, and 3) to include the regulatory assets in rate base, amortize them over a longer time period, and recover them through base rates.

Q. HOW DID YOU COMPARE THE RELATIVE AFFORDABILITY OF THE CRR BONDS AGAINST THE OTHER CONVENTIONAL RECOVERY METHODS?

A. Whereas the cost-effectiveness analysis above evaluates the costs of the CRR bonds versus the alternative methods over time, the affordability analysis focuses on the immediate impact of each method on residential and commercial customers' bills. Therefore, I use the first-year costs of each method shown on Schedule BHF-4 to estimate the respective impacts on customer's monthly bills.

Q. WHAT IS THE IMPACT ON CUSTOMERS' BILLS OF FINANCING THE REIMBURSEMENT OF THE REGULATORY ASSETS USING CRR BONDS?

A. As noted earlier, H.B. 1520 calls for the customer rate relief charge to be a uniform monthly volumetric charge. As developed on Schedule BHF-6, dividing the first year cost of the CRR bonds of $411 million shown on Schedule BHF-4 by total 2020 volumes of 325,102,345 Mcf reported by the participating gas utilities in their Applications produces a customer rate relief charge of $1.26 per Mcf. As developed on Schedule BHF-1, the average monthly usages for residential and commercial customers are 4.04 Mcf and 26.87 Mcf, respectively, again using data from the participating utilities' Applications. Multiplying these average monthly usages by the customer rate relief charge of $1.26 produces an estimated monthly cost under the CRR bonds of $5.10 to a residential customer and $33.94 to a commercial customer (Schedule BHF-6).

Q. WHAT IS THE IMPACT ON CUSTOMERS' BILLS OF EACH OF THE THREE CONVENTIONAL METHODS OF COST RECOVERY?

A. The estimated monthly costs to customers under each of the three conventional recovery methods are also developed in Schedule BHF-6. Again, a volumetric customer rate relief charge under each method is calculated by dividing the first-year costs from Schedule BHF-4 by the total 2020 volumes of the participating gas utilities. The resulting uniform monthly customer rate relief charges are then multiplied by the average monthly usage of a residential and commercial customer from Schedule BHF-1 to calculate the estimated monthly cost under each conventional recovery method. As summarized in the table below, the average monthly cost for residential customers of $5.10 in the first year under CRR bond securitization compares with $44.77 if the extraordinary costs are recovered through the PGC mechanism; $16.89 if recovered through a 3-year amortization charge; and $8.33 if included in rate base. For commercial customers, the average first-year CRR charge of $33.94 per month compares with $297.86, $112.36, and $55.41, respectively, under the three conventional recovery methods.

Q. WHAT ARE THE ESTIMATED MONTHLY SAVINGS TO CUSTOMERS UNDER SECURITIZATION VERSUS CONVENTIONAL RECOVERY METHODS?

A. The estimated monthly costs to customers resulting from the issuance of CRR bonds are compared with the estimated monthly costs to customers that would result from the application of conventional recovery methods in the table below. As can be seen, the use of the CRR bonds to finance the extraordinary costs incurred in connection with Winter Storm Uri has the least immediate impact on customers' estimated monthly bills, with annual first-year savings ranging between $3.23 and $39.67 per month for the average residential customer and between $21.47 and $263.92 per month for the average commercial customer. First year total savings for residential customers from CRR bond securitization range between $38.73 and $476.03, and for commercial customers between $257.65 and $3,167.08:

Comparison of First-year Savings of CRR Bonds vs. Conventional Methods				
	CRR Securitization	**PGC Mechanism**	**3-year Amortization**	**Inclusion in Rate Base**
Residential:				
Monthly Cost	$5.10	$44.77	$16.89	$8.33
Monthly Savings		$39.67	$11.79	$3.23
Annual Savings		$476.03	$141.458	$38.73
Commercial:				
Monthly Cost	$33.94	$297.86	$112.36	$55.41
Monthly Savings		$263.92	$78.42	$21.47
Annual Savings		$3,167.08	$941.07	$257.65

Q. HOW IS AFFORDABILITY AFFECTED UNDER THE SENSITIVITY ANALYSES DESCRIBED EARLIER?

A. Lengthening the maximum maturity of the CRR bonds and the amortization of the regulatory asset if included in rate base from 10 to 15 years lowers the first-year monthly cost under these methods from those shown in the table above, with there being no change in the costs under the PGC recovery and 3-year amortization methods. The average cost to a residential customer under securitization drops from $5.10 to $3.72 per month and from $33.94 to $24.77 per month for a commercial customer. For the rate base inclusion method, the cost to a residential customer drops from $8.33 to $6.90 and for a commercial customer from $55.41 to $45.92. The $3.72 and $24.77 per month costs to the average residential and commercial customer, respectively, continue to be lower under securitization than those under the three conventional recovery methods.

Meanwhile, a 50% increase in the interest rate on CRR bonds with 10- and 15-year maximum maturities produces first-year costs for a residential customer of \$5.63 and \$3.87 a month, respectively, and \$37.43 and \$25.75 a month, respectively, for a commercial customer. These are still below the monthly first-year costs of the three conventional recovery methods, so that even if interest rates rise 50%, CRR bond securitization remains the most affordable.

VI. PUBLIC INTEREST

Q. DOES CRR BOND SECURITIZATION ACCOMPLISH THE OBJECTIVES OF H.B. 1520?

A. Yes. The purpose of H.B. 1520 is to provide rate relief to customers by extending the period over which the extraordinary costs of Winter Storm Uri are recovered and support the financial strength and stability of gas utilities. As described earlier in my testimony, the issuance of CRR bonds to reimburse gas utilities for the regulatory assets authorized by the Commission in the Regulatory Asset NTO would defer these costs over the life of the CRR bonds and substantially reduce the immediate impact on customers' bills compared to conventional recovery methods. As also described earlier, using CRR bonds to reimburse the participating gas utilities for their regulatory assets would eliminate the need for them to finance these substantial assets with short-term debt or permanent capital. This would, in turn, enable the gas utilities to maintain their financial integrity and ensure their ability to raise debt and equity capital on reasonable terms. Additionally, it would preserve their borrowing power so that the gas utilities could access capital to finance normal, ongoing expenditures as well as manage another crisis, should it arise.

Q. IS CRR BOND SECURITIZATION THE MOST COST-EFFECTIVE METHOD OF FUNDING REGULATORY ASSET REIMBURSEMENT TO BE MADE TO GAS UTILITIES?

A. Yes. As shown earlier, issuing CRR bonds is the most cost-effective method to recover the extraordinary Winter Storm Uri costs from customers. Using various discount rates between 5% and 20%, the savings from issuing CRR bonds versus other alternative methods of cost recovery are expected to range between $229 million and $1,384 million in present value dollars. Sensitivity analyses lengthening the maximum maturity of the CRR bonds, using a lower discount rate, and assuming a significant increase in interest rates does not affect this conclusion, with securitization being more cost-effective than the other methods in virtually every case.

Q. DOES CRR BOND SECURITIZATION PROVIDE AFFORDABILITY BENEFITS TO CUSTOMERS COMPARED TO CONVENTIONAL RECOVERY METHODS?

A. Yes. A comparison of the estimated monthly costs to the average residential and commercial customer in the first year resulting from the issuance of CRR bonds versus recovery of the regulatory assets through conventional recovery methods shows that the CRR bonds have the least immediate impact on customers' estimated monthly bills. Therefore, recovering the extraordinary costs associated with Winter

Storm Uri through CRR bonds provides customers more near-term affordability than other conventional methods.

Q. DOES THE SECURITIZATION OF THE EXTRAORDINARY COSTS ASSOCIATED WITH WINTER STORM URI USING CRR BONDS PROVIDE CUSTOMERS TANGIBLE AND QUANTIFIABLE BENEFITS?

A. Yes. As described above, using CRR bonds to finance the participating gas utilities' regulatory assets is expected to save customers hundreds of millions of present value dollars versus recovering the extraordinary storm costs through other methods. Additionally, both residential and commercial customers benefit immediately through lower estimated monthly costs under CRR bond financing when compared to conventional recovery methods. Both of these are tangible and quantifiable benefits to customers from securitization greater than would have been achieved absent the issuance of CRR bonds.

Q. IS IT YOUR OPINION THAT USING CRR BONDS TO FINANCE THE EXTRAORDINARY COSTS ASSOCIATED WITH WINTER STORM URI IS IN THE PUBLIC INTEREST?

A. Yes. For the reasons developed and described above, I believe using CRR bonds to reimburse participating gas utilities for their regulatory assets is consistent with the purposes of H.B. 1520 and in the public interest.

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY IN THIS CASE?

A. Yes, it does.

APPENDIX A

BRUCE H. FAIRCHILD

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Summary of Qualifications

M.B.A. and Ph.D. in finance, accounting, and economics; Certified Public Accountant. Extensive consulting experience involving regulated industries, valuation of closely-held businesses, and other economic analyses. Previously held managerial and technical positions in government, academia, and business, and taught at the undergraduate, graduate, and executive education levels. Broad experience in technical research, computer modeling, and expert witness testimony.

Employment

Principal, FINCAP, Inc. (Sep. 1979 to present)	Economic consulting firm specializing in regulated industries and valuation of closely-held businesses. Assignments have involved electric, gas, telecommunication, and water/sewer utilities, with clients including utilities, consumer groups, municipalities, regulatory agencies, and cogenerators. Areas of participation have included revenue requirements, rate of return, rate design, tariff analysis, avoided cost, forecasting, and negotiations. Other assignments have involved some seventy valuations as well as various economic (e.g., damage) analyses, typically in connection with litigation. Presented expert witness testimony before courts and regulatory agencies on over one hundred occasions.
Adjunct Assistant Professor, University of Texas at Austin (Sep. 1979 to May. 1981)	Taught undergraduate courses in finance: Fin. 370 – Integrative Finance and Fin. 357 – Managerial Finance.
Assistant Director, Economic Research Division, Public Utility Commission of Texas (Sep. 1976 to Aug. 1979)	Division consisted of approximately twenty-five financial analysts, economists, and systems analysts responsible for rate of return, rate design, special projects, and computer systems. Directed Staff participation in rate cases, presented testimony on approximately thirty-five occasions, and was involved in some forty other cases ultimately settled. Instrumental in the initial development of rate of return and financial policy for newly-created agency. Performed independent research and managed State and Federal funded projects. Assisted in preparing appeals to the Texas Supreme Court and testimony presented before the Interstate Commerce Commission and Department of Energy. Maintained communications with financial community, industry representatives, media, and consumer groups. Appointed by Commissioners as Acting Director.

Assistant Professor, College of Business Administration, University of Colorado at Boulder (Jan. 1977 to Dec. 1978)	Taught graduate and undergraduate courses in finance: Fin. 305 – Introductory Finance, Fin. 401 – Managerial Finance, Fin. 402 – Case Problems in Finance, and Fin. 602 – Graduate Corporate Finance.
Teaching Assistant, University of Texas at Austin (Jan. 1973 to Dec. 1976)	Taught undergraduate courses in finance and accounting: Acc. 311 – Financial Accounting, Acc. 312 – Managerial Accounting, and Fin. 357 – Managerial Finance. Elected to College of Business Administration Teaching Assistants' Committee.
Internal Auditor, Sears, Roebuck and Company, Dallas, Texas (Nov. 1970 to Aug 1972)	Performed audits on internal operations involving cash, accounts receivable, merchandise, accounting, and operational controls, purchasing, payroll, etc. Developed operating and administrative policy and instruction. Performed special assignments on inventory irregularities and Justice Department Civil Investigative Demands.
Accounts Payable Clerk, Transcontinental Gas Pipeline Corp., Houston, Texas (May. 1969 to Aug. 1969)	Processed documentation and authorized payments to suppliers and creditors.

Education

Ph.D., Finance, Accounting, and Economics, University of Texas at Austin (Sep. 1974 to May 1980)	Doctoral program included coursework in corporate finance, investment theory, accounting, and economics. Elected to honor society of Phi Kappa Phi. Received University outstanding doctoral dissertation award. Dissertation: *Estimating the Cost of Equity to Texas Public Utility Companies*
M.B.A., Finance and Accounting, University of Texas at Austin, (Sep. 1972 to Aug. 1974)	Awarded Wright Patman Scholarship by World and Texas Credit Union Leagues. Professional Report: *Planning a Small Business Enterprise in Austin, Texas*
B.B.A., Accounting and Finance, Southern Methodist University, Dallas, Texas (Sep. 1967 to Dec. 1971)	Dean's List 1967-1971 and member of Phi Gamma Delta Fraternity.

Other Professional Activities

Certified Public Accountant, Texas Certificate No. 13,710 (October 1974); entire exam passed in May 1972. Member of the American Institute of Certified Public Accountants (Honorary).

Participated as session chairman, moderator, and paper discussant at annual meetings of Financial Management Association, Southwestern Finance Association, American Finance Association, and other professional associations.

Visiting lecturer in Executive M.B.A program at the University of Stellenbosch Graduate Business School, Belleville, South Africa (1983 and 1984).

Associate Editor of *Austin Financial Digest*, 1974-1975. Wrote and edited a series of investment and economic articles published in a local investment advisory service.

Military

Texas Army National Guard, Feb. 1970 to Sep. 1976. Specialist 5th Class with duty assignments including recovery vehicle operator for armor unit and company clerk for finance unit.

Bibliography

Monographs

"On the Use of Security Analysts' Growth Projections in the DCF Model," with William E. Avera, *Earnings Regulation Under Inflation*, J. R. Foster and S. R. Holmberg, eds., Institute for Study of Regulation (1982).

"An Examination of the Concept of Using Relative Customer Class Risk to Set Target Rates of Return in Electric Cost-of-Service Studies", with William E. Avera, Electricity Consumers Resource Council (ELCON) (1981); portions reprinted in *Public Utilities Fortnightly* (Nov. 11, 1982).

"The Spring Thing (A) and (B)" and "Teaching Notes", with Mike E. Miles, a two-part case study in the evaluation, management, and control of risk; distributed by *Harvard's Intercollegiate Case Clearing House*; reprinted in *Strategy and Policy: Concepts and Cases*, A. A. Strickland and A. J. Thompson, Business Publications, Inc. (1978) and *Cases in Managing Financial Resources*, I. Matur and D. Loy, Reston Publishing Co., Inc. (1984).

"Energy Conservation in Existing Residences, Project Director for development of instruction manual and workshops promoting retrofitting of existing homes, *Governor's Office of Energy Resources* and *Department of Energy* (1977-1978).

"Linear Algebra," "Calculus," "Sets and Functions," and "Simulation Techniques," contributed to and edited four mathematics programmed learning texts for MBA students, *Texas Bureau of Business Research* (1975).

Articles and Notes

"How to Value Personal Service Practices," with Keith Wm. Fairchild, *The Practical Accountant* (August 1989).

"The Impact of Regulatory Climate on Utility Capital Costs: An Alternative Test," with Adrien M. McKenzie, *Public Utilities Fortnightly* (May 25, 1989).

"North Arctic Industries, Limited," with Keith Wm. Fairchild, *Case Research Journal* (Spring 1988).

"Regulatory Effects on Electric Utilities' Cost of Capital Reexamined," with Louis E. Buck, Jr., *Public Utilities Fortnightly* (September 2, 1982).

"Capital Needs for Electric Utility Companies in Texas: 1976-1985", *Texas Business Review* (January-February 1979), reprinted in "The Energy Picture: Problems and Prospects", J. E. Pluta, ed., *Bureau of Business Research* (1980).

"Some Thoughts on the Rate of Return to Public Utility Companies," with William E. Avera, *Proceedings of the NARUC Biennial Regulatory Information Conference* (1978).

"Regulatory Problems of EFTS," with Robert McLeod, *Issues in Bank Regulation* (Summer 1978) reprinted in *Illinois Banker* (January 1979).

"Regulation of EFTS as a Public Utility," with Robert McLeod, *Proceedings of the Conference on Bank Structure and Competition* (1978).

"Equity Management of REA Cooperatives," with Jerry Thomas, *Proceedings of the Southwestern Finance Association* (1978).

"Capital Costs Within a Firm," *Proceedings of the Southwestern Finance Association* (1977).

"The Cost of Capital to a Wholly-Owned Public Utility Subsidiary," *Proceedings of the Southwestern Finance Association* (1977).

Selected Papers and Presentations

"Federal Energy Regulatory Commission Audits of Common Carriers (Procedures for Audit Compliance)", Energy Transfer Accounting Employee Education, Dallas and Houston, Texas (December 2018).

"Perspectives on Texas Utility Regulation", TSCPA 2016 Energy Conference, Austin, Texas (May 16, 2016).

"Legislative Changes Affecting Texas Utilities," Texas Committee of Utility and Railroad Tax Representatives, Fall Meeting, Austin, Texas (September 1995).

"Rate of Return," "Origins of Information," Economics," and "Deferred Taxes and ITC's," New Mexico State University and National Association of Regulatory Utility Commissioners Public Utility Conferences on Regulation and the Rate-Making Process, Albuquerque, New Mexico (October 1983, 1984, 1985, 1986, 1987, 1988, 1990, 1991, 1992, 1994, and 1995, and September 1989); Pittsburgh, Pennsylvania (April 1993); and Baltimore, Maryland (May 1994 and 1995).

"Developing a Cost-of-Service Study," 1994 Texas Section American Water Works Association Annual Conference, Amarillo, Texas (March 1994).

"Financial Aspects of Cost of Capital and Common Cost Considerations," Kidder, Peabody & Co. Two-Day Rate Case Workshop for Regulated Utility Companies, New York, New York (June 1993).

"Cost-of-Service Studies and Rate Design," General Management of Electric Utilities (A Training Program for Electric Utility Managers from Developing Countries), Austin, Texas (October 1989 and November 1990 and 1991).

"Rate Base and Revenue Requirements," The University of Texas Regulatory Institute Fundamentals of Utility Regulation, Austin, Texas (June 1989 and 1990).

"Determining the Cost of Capital in Today's Diversified Companies," New Mexico State University Public Utilities Course Part II, Advanced Analysis of Pricing and Utility Revenues, San Francisco, California (June 1990).

"Estimating the Cost of Equity," Oklahoma Association of Tax Representatives, Tulsa, Oklahoma (May 1990).

"Impact of Regulations," Business and the Economy, Leadership Dallas, Dallas, Texas (November 1989).

"Accounting and Finance Workshop" and "Divisional Cost of Capital," New Mexico State University Current Issues Challenging the Regulatory Process, Albuquerque, New Mexico (April 1985 and 1986) and Santa Fe, New Mexico (March 1989).

"Divisional Cost of Equity by Risk Comparability and DCF Analyses," NARUC Advanced Regulatory Studies Program, Williamsburg, Virginia (February 1988) and USTA Rate of Return Task Force, Chicago, Illinois (June 1988).

"Revenue Requirements," Revenue, Pricing, and Regulation in Texas Water Utilities, Texas Water Utilities Conference, Austin, Texas (August 1987 and May 1988).

"Rate Filing – Basic Ratemaking," Texas Gas Association Accounting Workshop, Austin, Texas (March 1988).

"The Effects of Regulation on Fair Market Value: P.H. Robinson – A Case Study," Annual Meeting of the Texas Committee of Utility and Railroad Tax Representatives, Austin, Texas (September 1987).

"How to Value Closely-held Businesses," TSCPA 1987 Entrepreneurs Conference, San Antonio, Texas (May 1987).

"Revenue Requirements" and "Determining the Rate of Return", New Mexico State University Regulation and the Rate-Making Process, Southwestern Water Utilities Conference, Albuquerque, New Mexico (July 1986) and El Paso, Texas (November 1980).

"How to Evaluate Personal Service Practices," TSCPA CPE Exposition 1985, Houston and Dallas, Texas (December 1985).

"How to Start a Small Business – Accounting and Record Keeping," University of Texas Management Development Program, Austin, Texas (October 1984).

"Project Financing of Public Utility Facilities", TSCPA Conference on Public Utilities Accounting and Ratemaking, San Antonio, Texas (April 1984).

"Valuation of Closely-Held Businesses," Concho Valley Estate Planning Council, San Angelo, Texas (September 1982).

"Rating Regulatory Performance and Its Impact on the Cost of Capital," New Mexico State University Seminar on Regulation and the Cost of Capital, El Paso, Texas (May 1982).

"Effect of Inflation on Rate of Return," Cost of Capital Conference and Workshop, Pinehurst, North Carolina (April 1981).

"Original Cost Versus Current Cost Regulation: A Re-examination," Financial Management Association, New Orleans, Louisiana (October 1980).

"Capital Investment Analysis for Electric Utilities," The University of Texas at Dallas, Richardson, Texas (June 1980).

"The Determinants of Capital Costs to the Electric Utility Industry," with Cedric E. Grice, Southwestern Finance Association, San Antonio, Texas (March 1980).

"The Entrepreneur and Management: A Case Study," Small Business Administration Seminar, Austin, Texas (October 1979).

"Capital Budgeting by Public Utilities: A New Perspective," with W. Clifford Atherton, Jr., Financial Management Association, Boston, Massachusetts (October 1979).

"Issues in Regulated Industries – Electric Utilities," University of Texas at Dallas 4th Annual Public Utilities Conference, Dallas, Texas (July 1979).

"Investment Conditions and Strategies in Today's Markets," American Society of Women Accountants, Austin, Texas (January 1979).

"Attrition: A Practical Problem in Determining a Fair Return to Public Utility Companies," Financial Management Association, Minneapolis, Minnesota (October 1978).

"The Cost of Equity to Wholly-Owned Electric Utility Subsidiaries," with William L. Beedles, Financial Management Association, Minneapolis, Minnesota (October 1978).

"PUC Retrofitting Program," Texas Electric Cooperatives Spring Workshop, Austin, Texas (May 1978).

"The Economics of Regulated Industries," Consumer Economics Forum, Houston, Texas (November 1977).

"Public Utilities as Consumer Targets – Is the Pressure Justified?" University of Texas at Dallas 2nd Annual Public Utilities Conference, Dallas, Texas (July 1977).

APPENDIX B

BRUCE H. FAIRCHILD
SUMMARY OF TESTIMONY BEFORE REGULATORY AGENCIES

.	Utility Case	Agency	Docket	Date	Nature of Testimony
1.	Arkansas Electric Cooperative	Arkansas PSC	U-3071	Aug-80	Wholesale Rate Design
2.	East Central Oklahoma Electric Cooperative	Oklahoma CC	26925	Sep-80	Retail Rate Design
3.	Kansas Gas & Electric Company	Kansas CC	115379-U	Nov-80	PURPA Rate Design Standards
4.	Kansas Gas & Electric Company	Kansas CC	128139-U	May-81	Attrition
5.	City of Austin Electric Department	City of Austin	--	Jun-81	PURPA Rate Design Standards
6.	Tarrant County Water Control and Improvement District No. 1	Texas Water Commission	--	Oct-81	Wholesale Rate Design
7.	Owentown Gas Company	Texas RRC	2720	Jan-82	Revenue Requirements and Retail Rate Design
8.	Kansas Gas & Electric Company	Kansas CC	134792-U	Aug-82	Attrition
9.	Mississippi Power Company	Mississippi PSC	U-4190	Sep-82	Working Capital
10.	Lone Star Gas Company	Texas RRC	3757; 3794	Feb-83	Rate of Return on Equity
11.	Kansas Gas & Electric Company	Kansas CC	134792-U	Feb-83	Rate of Return on Equity
12.	Southwestern Bell Telephone Company	Oklahoma CC	28002	Oct-83	Rate of Return on Equity
13.	Morgas Company	Texas RRC	4063	Nov-83	Revenue Requirements
14.	Seagull Energy	Texas RRC	4541	Jul-84	Rate of Return
15.	Southwestern Bell Telephone Company	FCC	84-800	Nov-84	Rate of Return on Equity
16.	Kansas Gas & Electric Company, Kansas City Power & Light Company, and Kansas Electric Power Cooperatives	Kansas CC	142098-U; 142099-U; 142100-U	May-85	Nuclear Plant Capital Costs and Allowance for Funds Used During Construction
17.	Lone Star Gas Company	Texas RRC	5207	Oct-85	Overhead Cost Allocation
18.	Westar Transmission Company	Texas RRC	5787	Nov-85 Jan-86 Jul-86	Rate of Return, Rate Design, and Gas Processing Plant Economics
19.	City of Houston	Texas Water Commission	RC-022; RC-023	Nov-86	Line Losses and Known and Measurable Changes
20.	ENSTAR Natural Company	Alaska PUC	TA 50-4; R-87-2; U-87-2	Nov-86 May-87 May-87	Cost Allocation, Rate Design, and Tax Rate Changes
21.	Brazos River Authority	Texas Water Commission	RC-020	Jan-87	Revenue Requirements and Rate Design
22.	East Texas Industrial Gas Company	Texas RRC	5878	Feb-87	Revenue Requirements and Rate Design

Bruce H. Fairchild
Summary of Testimony Before Regulatory Agencies

(Continued)

No.	Utility Case	Agency	Docket	Date	Nature of Testimony
23.	Seagull Energy	Texas RRC	6629	Jun-87	Revenue Requirements
24.	ENSTAR Natural Company	Alaska PUC	U-87-42	Jul-87 Sep-87 Sep-87	Cost Allocation, Rate Design, and Contracts
25.	High Plains Natural Gas Company	Texas RRC	6779	Sep-87	Rate of Return
26.	Hughes Texas Petroleum	Texas RRC	2-91,855	Jan-88	Interim Rates
27.	Cavallo Pipeline Company	Texas RRC	7086	Sep-88	Revenue Requirements
28.	Union Gas System, Inc.	Kansas CC	165591-U	Mar-89 Aug-89	Rate of Return
29.	ENSTAR Natural Gas Company	Alaska PUC	U-88-70	Mar-89	Cost Allocation and Bypass
30.	Morgas Co.	Texas RRC	7538	Aug-89	Rate of Return and Cost Allocation
31.	Corpus Christi Transmission Company	Texas RRC	7346	Sep-89	Revenue Requirements
32.	Amoco Gas Co.	Texas RRC	7550	Oct-89	Rate of Return and Cost Allocation
33.	Iowa Southern Utilities	Iowa Utilities Board	RPU-89-7	Nov-89 Mar-90	Rate of Return on Equity
34.	Southwestern Bell Telephone Company	FCC	89-624	Feb-90 Apr-90	Rate of Return on Equity
35.	Lower Colorado River Authority	Texas PUC	9427	Mar-90 Aug-90 Aug-90	Revenue Requirements
36.	Rio Grande Valley Gas Company	Texas RRC	7604	May-90	Consolidated FIT and Depreciation
37.	Southern Union Gas Company	El Paso PURB	--	Oct-90	Disallowed Expenses and FIT
38.	Iowa Southern Utilities	Iowa Utilities Board	RPU-90-8	Nov-90 Feb-91	Rate of Return on Equity
39.	East Texas Gas Systems	Texas RRC	7863	Dec-90	Revenue Requirements
40.	San Jacinto Gas Transmission	Texas RRC	7865	Dec-90	Revenue Requirements
41.	Southern Union Gas Company	Austin; Texas RRC	-- 7878	Feb-91 Feb-91	Rate of Return and Acquisition Adjustment
42.	Southern Union Gas Company	Port Arthur; Texas RRC	-- 8033	Mar-91 Aug-91 Oct-91	Rate of Return and Acquisition Adjustment
43.	Cavallo Pipeline Company	Texas RRC	8016	Jun-91	Revenue Requirements

Bruce H. Fairchild
Summary of Testimony Before Regulatory Agencies
(Continued)

No.	Utility Case	Agency	Docket	Date	Nature of Testimony
44.	New Orleans Public Service Inc.	New Orleans City Council	CD-91-1	Jun-91 Mar-92	Rate of Return on Equity
45.	Houston Pipe Line Company	Texas RRC	8017	Jul-91	Rate of Return
46.	Southern Union Gas Company	El Paso PURB	--	Aug-91 Sep-91	Acquisition Adjustment
47.	Southwestern Gas Pipeline, Inc.	Texas RRC	8040	Jan-92 Feb-92	Rate Design and Settlement
48.	City of Fort Worth	Texas Water Commission	8748-A 9261-A	Mar-92 Aug-92 Dec-92 Oct-94 Nov-94	Interim Rates, Revenue Requirements, and Public Interest
49.	Southern Union Gas Company	Oklahoma Corp. Com.	--	Jun-92	Rate of Return
50.	Minnegasco	Minnesota PUC	G-008/GR-92-400	Jul-92 Dec-92	Rate of Return
51.	Guadalupe-Blanco River Authority	Texas PUC	11266	Sep-92	Cost Allocation and Bond Funds
52.	Dorchester Intra-State Gas System	Texas RRC	8111	Oct-92 Nov-92	Rate Impact of System Upgrade
53.	Corpus Christi Transmission Company GP and GPII	Texas RRC	8300 8301	Oct-92 Oct-92	Revenue Requirements
54.	East Texas Industrial Gas Company	Texas RRC	8326	Mar-93	Revenue Requirements
55.	Arkansas Louisiana Gas Company	Arkansas PSC	93-081-U	Apr-93 Oct-93	Rate of Return on Equity
56.	Texas Utilities Electric Company	Texas PUC	11735	Jun-93 Jul-93	Impact of Nuclear Plant Construction Delay
57.	Minnegasco	Minnesota PUC	G-008/GR-93-1090	Nov-93 Apr-94	Rate of Return
58.	Gulf States Utilities Company	Municipalities	--	May-94 Oct-94 Nov-94	Rate of Return on Equity
59.	Louisiana Power & Light Company	Louisiana PSC	U-20925	Aug-94 Feb-95	Rate of Return on Equity
60.	San Jacinto Gas Transmission	Texas RRC	8429	Sep-94	Revenue Requirements
61.	Cavallo Pipeline Company	Texas RRC	8465	Sep-94	Revenue Requirements
62.	Eastrans Limited Partnership	Texas RRC	8385	Oct-94	Revenue Requirements
63.	Gulf States Utilities Company	Louisiana PSC	U-19904	Oct-94	Rate of Return on Equity

Bruce H. Fairchild
Summary of Testimony Before Regulatory Agencies
(Continued)

No.	Utility Case	Agency	Docket	Date	Nature of Testimony
64.	Entergy Services, Inc.	FERC	ER95-112-000	Mar-95 Nov-95	Rate of Return on Equity
65.	East Texas Gas Systems	Texas RRC	8435	Apr-95	Revenue Requirements
66.	System Energy Resources, Inc.	FERC	ER95-1042-000	May-95 Dec-95 Jan-96	Rate of Return on Equity
67.	Minnegasco	Minnesota PUC	G-008/GR-95-700	Aug-95 Dec-95	Rate of Return
68.	Entex	Louisiana PSC	U-21586	Aug-95	Rate of Return
69.	City of Fort Worth	Texas NRCC	SOAH 582-95-1084	Nov-95	Public Interest of Contract
70.	Seagull Energy Corporation	Texas RRC	8589	Nov-95	Revenue Requirements
71.	Corpus Christi Transmission Company LP	Texas RRC	8449	Feb-96	Revenue Requirements
72.	Missouri Gas Energy	Missouri PSC	GR-96-285	Apr-96 Sep-96 Oct-96	Rate of Return
73.	Entex	Mississippi PSC	96-UA-202	May-96	Rate of Return
74.	Entergy Gulf States, Inc.	Louisiana PSC	U-22084	May-96	Rate of Return on Equity (Gas)
75.	Entergy Gulf States, Inc.	Louisiana PSC	U-22092	May-96 Oct-96	Rate of Return on Equity
76.	American Gas Storage, L.P.	Texas RRC	8591	Sep-96	Revenue Requirements
77.	Entergy Louisiana, Inc.	Louisiana PSC	U-20925	Sep-96 Oct-96	Rate of Return on Equity
78.	Lone Star Pipeline and Gas Company	Texas RRC	8664	Oct-96 Jan-97	Rate of Return
79.	Entergy Arkansas, Inc.	Arkansas PSC	96-360-U	Oct-96 Sep-97	Rate of Return on Equity
80.	East Texas Gas Systems	Texas RRC	8658	Nov-96	Revenue Requirements
81.	Entergy Gulf States, Inc.	Texas PUC	16705	Nov-96 Jul-97	Rate of Return on Equity
82.	Eastrans Limited Partnership	Texas RRC	8657	Nov-96	Revenue Requirements
83.	Enserch Processing, Inc.	Texas RRC	8763	Nov-96	Interim Rates
84.	Entergy New Orleans, Inc.	City of New Orleans	UD-97-1	Feb-97 Mar-97 May-98	Rate of Return on Equity

Bruce H. Fairchild
Summary of Testimony Before Regulatory Agencies
(Continued)

No.	Utility Case	Agency	Docket	Date	Nature of Testimony
85.	ENSTAR Natural Gas Company	Alaska PUC	U-96-108	Mar-97 Apr-97	Service Area Certificate
86.	San Jacinto Gas Transmission	Texas RRC	8741	Sep-97	Revenue Requirements
87.	Missouri Gas Energy	Missouri PSC	GR-98-140	Nov-97 Apr-98 May-98	Rate of Return
88.	Corpus Christi Transmission Company LP	Texas RRC	8762	Dec-97	Revenue Requirements
89.	Texas-New Mexico Power Company	Texas PUC	17751	Feb-98	Excess Cost Over Market
90.	Southern Union Gas Company	Texas RRC	8878	May-98	Rate of Return
91.	Entergy Louisiana, Inc.	Louisiana PSC	U-20925	May-98 Jul-98	Financial Integrity
92.	Entergy Gulf States, Inc.	Louisiana PSC	U-22092	May-98 Jul-98	Financial Integrity
93.	ACGC Gathering Company, LLC	Texas RRC	8896	Sep-98	Cost-based Rates
94.	American Gas Storage, L.P.	Texas RRC	8855	Oct-98	Revenue Requirements
95.	Duke Energy Intrastate Network	Texas RRC	8940	Jun-99	Rate of Return
96.	Aquila Energy Corporation	Texas RRC	8970	Aug-99	Revenue Requirements
97.	San Jacinto Gas Transmission	Texas RRC	8974	Sep-99	Revenue Requirements
98.	Southern Union Gas Company	El Paso PURB	--	Oct-99	Rate of Return
99.	TXU Lone Star Pipeline	Texas RRC	8976	Oct-99 Feb-00	Rate of Return
100.	Sharyland Utilities, L.P.	Texas PUC	21591	Nov-99	Rate of Return
101.	TXU Lone Star Gas Distribution	Texas RRC	9145	Apr-00 Aug-00	Rate of Return
102.	Rotherwood Eastex Gas Storage	Texas RRC	9136	May-00	Revenue Requirements
103.	Eastex Gas Storage & Exchange, Inc.	Texas RRC	9137	May-00	Revenue Requirements
104.	Eastex Gas Storage & Exchange, Inc.	Texas RRC	9138	Jul-00	Revenue Requirements
105.	East Texas Gas Systems	Texas RRC	9139	Jul-00	Revenue Requirements
106.	Eastrans Limited Partnership	Texas RRC	9140	Aug-00	Revenue Requirements
107.	Reliant Energy – Entex	City of Tyler	--	Oct-00	Rate of Return
108.	City of Fort Worth	Texas NRCC	SOAH 582-00-1092	Dec-00	CCN – Rates and Financial Ability
109.	Entergy Services, Inc.	FERC	RTO1-75	Dec-00	Rate of Return on Equity

Bruce H. Fairchild
Summary of Testimony Before Regulatory Agencies
(Continued)

No.	Utility Case	Agency	Docket	Date	Nature of Testimony
110	ENSTAR Natural Gas Company	Alaska PUC	U-00-88	Jun-01 Aug-01 Nov-01 Sep-02 Dec-02	Revenue Requirements, Cost Allocation, and Rate Design
111.	TXU Gas Distribution	Texas RRC	9225	Jul-01	Rate of Return
112.	Centana Intrastate Pipeline LLC	Texas RRC	9243	Aug-01	Rate of Return
113.	Maxwell Water Supply Corp.	Texas NRCC	SOAH-582-01-0802	Oct-01 Mar-02 Apr-02	Reasonableness of Rates
114.	Reliant Energy Arkla	Arkansas PSC	01-243-U	Dec-01 Jun-01	Rate of Return
115.	Entergy Services, Inc.	FERC	ER01-2214-000	Mar-02	Rate of Return on Equity
116.	TXU Lone Star Pipeline	Texas RRC	9292	Apr-02	Rate of Return
117.	Southern Union Gas Company	El Paso PURB	--	Apr-02	Rate of Return
118.	San Jacinto Gas Transmission Co.	Texas RRC	9301	May-02	Rate of Return
119.	Duke Energy Intrastate Network	Texas RRC	9302	May-02	Rate of Return
120.	Reliant Energy Arkla	Oklahoma CC	200200166	May-02	Rate of Return
121.	TXU Gas Distribution	Texas RRC	9313	Jul-02 Sep-02	Rate of Return
122.	Entergy Mississippi, Inc.	Mississippi PSC	2002-UN-256	Aug-02	Rate of Return on Equity
123.	Aquila Storage & Transportation LP	Texas RRC	9323	Sep-02	Revenue Requirements
124.	Panther Pipeline Ltd.	Texas RRC	9291	Oct-02	Revenue Requirements
125.	SEMCO Energy	Michigan PSC	U-13575	Nov-02	Revenue Requirements
126.	CenterPoint Energy Entex	Louisiana PSC	U-26720	Jan-03	Rate of Return
127.	Crosstex CCNG Transmission Ltd.	Texas RRC	9363	May-03	Revenue Requirements
128.	TXU Gas Company	Texas RRC	9400	May-03 Jan-04	Rate of Return
129.	Eastrans Limited Partnership	Texas RRC	9386	May-03	Rate of Return
130.	CenterPoint Energy Entex	City of Houston		Jun-03	Rate of Return
131.	East Texas Gas Systems, L.P.	Texas RRC	9385	Jun-03	Rate of Return
132.	ENSTAR Natural Gas Company	Alaska RCA	U-03-084	Aug-03 Nov-03	Line Extension Surcharge
133.	CenterPoint Energy Arkla	Louisiana PSC		Nov-03	Rate of Return
134.	ENSTAR Natural Gas Company	Alaska RCA	U-03-091	Feb-04	Cost Separation and Taxes

Bruce H. Fairchild
Summary of Testimony Before Regulatory Agencies
(Continued)

No.	Utility Case	Agency	Docket	Date	Nature of Testimony
135.	Sid Richardson Pipeline, Ltd.	Texas RRC	9532	Jun-04 Nov-04	Revenue Requirements
136.	ETC Katy Pipeline, Ltd.	Texas RRC	9524	Sep-04	Revenue Requirements
137.	CenterPoint Energy Entex	Mississippi PSC	03-UN-0831	Sep-04	Rate Formula
138.	Centana Intrastate Pipeline LLC	Texas RRC	9527	Sep-04	Rate of Return
139.	SEMCO Energy	Michigan PSC	U-14338	Dec-04	Revenue Requirements
140.	Atmos Energy – Energas	Texas RRC	9539	Feb-05	Regulatory Policy
141.	Crosstex North Texas Pipeline, L.P.	Texas RRC	9613	Sep-05	Revenue Requirements
142.	SiEnergy, L.P.	Texas RRC	9604	Dec-05	Rate of Return, Income Taxes, and Cost Allocation
143.	ENSTAR Natural Gas Company	Alaska RCA	TA-140-4	Feb-06	Connection Fees
144.	SEMCO Energy	Michigan PSC	U-14984	May-06 Dec-06	Revenue Requirements
145.	Atmos Energy – Mid-Tex	Texas RRC	9676	May-06 Oct-06	Revenue Requirements
146.	EasTrans Limited Partnership	Texas RRC	9659	Jun-06	Rate of Return
147.	Kinder Morgan Texas Pipeline, L.P.	Texas RRC	9688	Jul-06	Rate of Return
148.	Crosstex CCNG Transmission Ltd.	Texas RRC	9660	Aug-06	Revenue Requirements
149.	Enbridge Pipelines (North Texas), LP	Texas RRC	9691	Oct-06	Rate of Return
150.	Panther Interstate Pipeline Energy	FERC	CP03-338-00	Mar-07	Revenue Requirements
151.	El Paso Electric Company	Texas PUC	34494	Jul-07	CCN
152.	El Paso Electric Company	NM PRC	07-00301-UT	Jul-07	CCN
153.	Atmos Energy	Kansas CC	08-ATMG-280-RTS	Sep-07 Feb-08	Rate of Return on Equity
154.	Centana Intrastate Pipeline LLC	Texas RRC	9759	Sep-07	Rate of Return
155.	Texas Gas Service Company	Texas RRC	9770	Nov-07	Rate of Return
156.	ENSTAR Natural Gas Company	Alaska RCA	U-08-25	Jun-08	Rate Class Switching
157.	ConocoPhillips Transportation Alaska	Alaska RCA	TL-131-301	Oct-08	Rate of Return
158.	ExxonMobil Pipeline Co.	Alaska RCA	TL-140-304	Nov-08	Rate of Return
159.	Crosstex North Texas Pipeline, L.P.	Texas RRC	9843	Dec-08	Revenue Requirements
160.	Koch Alaska Pipeline Company	Alaska RCA	TL 128-308	Dec-08	Rate of Return
161.	Unocal Pipeline Company	Alaska RCA	TL 118-312	Dec-08	Rate of Return

Bruce H. Fairchild
Summary of Testimony Before Regulatory Agencies
(Continued)

No.	Utility Case	Agency	Docket	Date	Nature of Testimony
162.	ETC Katy Pipeline, Ltd.	Texas RRC	9841	Dec-08	Revenue Requirements
163.	Oklahoma Natural Gas	Oklahoma CC	200800348	Jan-09	Rate of Return on Equity
164.	Entergy Mississippi, Inc.	Mississippi PSC	EC-123-0082	Mar 09	Rate of Return on Equity
165.	ENSTAR Natural Gas Company	Alaska RCA	U-09-69 U-09-70	Jun-09 Jul-09 Oct-09	Revenue Requirements, Cost Allocation, and Rate Design
166.	EasTrans, LLC	Texas RRC	9857	Jun-09	Rate of Return
167.	Oklahoma Natural Gas	Oklahoma CC	200900110	Jun-09	Rate of Return
168.	Crosstex CCNG Transmission Ltd.	Texas RRC	9858	Jun-09	Revenue Requirements
169.	ConocoPhillips Transportation Alaska	Alaska RCA	TL-137-301	Jul-09	Rate of Return
170.	ENSTAR Natural Gas Company	Alaska RCA	U-08-142	Jul-09	Gas Cost Adjustment
171.	Kinder Morgan Texas Pipeline, LLC	Texas RRC	9889	Jul-09	Rate of Return
172.	Koch Alaska Pipeline Company	Alaska RCA	TL 133-308	Aug-09	Rate of Return
173.	ExxonMobil Pipeline Co.	Alaska RCA	TL-147-304	Nov-09	Rate of Return
174.	Texas Gas Service Company	El Paso PURB	--	Dec-09	Rate of Return
175.	Unocal Pipeline Company	Alaska RCA	TL126-312	Dec-09	Rate of Return
176.	Kuparuk Transportation Company	Alaska RCA	P-08-05	Apr-10	Rate of Return
177.	Trans-Alaska Pipeline System	FERC	ISO9-348-000	Apr 10 Oct 10	Rate of Return
178.	Texas Gas Service	Texas RRC	9988	May 10 Aug 10	Rate of Return
179.	SEMCO Energy Gas Company	Michigan PSC	U-16169	Jun 10 Dec 10	Revenue Requirements
180.	ConocoPhillips Transportation Alaska	Alaska RCA	TL-137-301	Jul 10	Rate of Return
181.	Koch Alaska Pipeline Company, LLC	Alaska RCA	TL-138-308	Aug 10	Rate of Return
182.	CPS Energy	Texas PUC	36633	Sep 10 Apr 11	Rate of Return for MOU
183.	ExxonMobil Pipeline Co.	Alaska RCA	TL-151-304	Dec 10	Rate of Return
184.	Unocal Pipeline Company	Alaska RCA	TL132-312	Feb 11	Rate of Return
185.	New Mexico Gas Company	NM PRC	11-00042-UT	Mar 11	Rate of Return
186.	ConocoPhillips Transportation Alaska	Alaska RCA	TL-143-301	May 11	Rate of Return

Bruce H. Fairchild
Summary of Testimony Before Regulatory Agencies
(Continued)

No.	Utility Case	Agency	Docket	Date	Nature of Testimony
187.	Enbridge Pipelines (Southern Lights)	FERC	IS11-146-000	Jun 11 Nov 11	Rate of Return
188.	Koch Alaska Pipeline Company, LLC	Alaska RCA	TL-138-___	Jul 11	Rate of Return
189.	Unocal Pipeline Company	Alaska RCA	TL126-___	Dec 11	Rate of Return
190.	Kansas Gas Service	Kansas CC	12-KGSC-835-RTS	May 12 Oct 12	Rate of Return
191.	ExxonMobil Pipeline Co.	Alaska RCA	TL-157-304	Jun 12	Rate of Return
192.	ConocoPhillips Transportation Alaska	Alaska RCA	TL-149-301	Jul 12	Rate of Return
193.	Seaway Crude Pipeline Company	FERC	IS12-226-000	Aug 12 Feb 13	Rate of Return
194.	Cross Texas Transmission, LLC	Texas PUC	40604	Aug 12 Oct 12 Nov 12	Revenue Requirements
195.	Wind Energy Transmission Texas	Texas PUC	40606	Aug 12 Nov 12	Revenue Requirements
196.	Lone Star Transmission LLC	Texas PUC	40798	Nov 12	Revenue Requirements
197.	West Texas Gas Company	Texas RRC	10235	Jan 13	Rate of Return
198.	Cross Texas Transmission, LLC	Texas PUC	41190	Feb 13	Revenue Requirements
199.	ExxonMobil Pipeline Co.	Alaska RCA	TL-162-304	Apr 13	Rate of Return
200.	EasTrans,LLC	Texas RRC	10276	Jul 13	Rate of Return
201.	ConocoPhillips Transportation Alaska	Alaska RCA	TL-152-301	Jul 13	Rate of Return
202.	BP Pipelines (Alaska) Inc.	Alaska RCA	TL-143-311	Sep 13	Rate of Return
203.	Wind Energy Transmission Texas	Texas PUC	41923	Oct 13	Revenue Requirements
204.	Oliktok Pipeline Company	Alaska RCA	P-13-013	Nov 13	Rate of Return
205.	Aqua Texas Southeast Region-Gray	Texas CEQ	2013-2007-UCR	Apr 14	Revenue Requirements
206.	Entergy Mississippi	Mississippi PSC	EC-123-0082	Jun 14	Rate of Return on Equity
207.	Westlake Ethylene Pipeline	Texas RRC	10358	Jul 14 Aug 15	Rates
208.	ExxonMobil Pipeline Co.	Alaska RCA	TL-164-304	Jul 14	Rate of Return
209.	ConocoPhillips Transportation Alaska	Alaska RCA	TL-154-301	Aug 14	Rate of Return
210.	Enstar Natural Gas Company	Alaska RCA	TA-262-4	Sep 14 Jun 15	Revenue Requirements, Cost Allocation, and Rate Design

Bruce H. Fairchild
Summary of Testimony Before Regulatory Agencies
(Continued)

No.	Utility Case	Agency	Docket	Date	Nature of Testimony
211.	Oliktok Pipeline Company	Alaska RCA	TL-44-334	Mar 15	Rate of Return
212.	Entergy Arkansas, Inc.	Arkansas PSC	15-0150U	Apr 15 Oct 15 Dec 15	Rate of Return on Equity
213.	Wind Energy Transmission Texas	Texas PUC	44746	Jun 15	Revenue Requirements
214.	Texas City	Texas RRC	10408	Jun 15 Nov 15	Pipeline Annual Assessment
215.	Oklahoma Natural Gas	Oklahoma CC	201500213	Jul 15 Nov 15	Rate of Return
216.	PTE Pipeline LLC	Alaska RCA	P-12-015	Sep 15	Rate of Return
217.	Northeast Transmission Development, LLC	FERC	ER16-453	Dec 15	Formula Rates
218.	Oncor Electric Delivery	Texas PUC	45188	Dec 15	Public Interest of Acquisition
219.	Corix Utilities (Texas)	Texas PUC	45418	Dec 15 Oct 16	Rate of Return
220.	Texas Gas Service	Texas RRC	10488	Dec 15	Rate of Return
221.	Texas Gas Service	Texas RRC	10506	Mar 16 Jun 16	Rate of Return
222.	Kansas Gas Service	Kansas CC	16-KGSG-491-RTS	May 16 Sep 16	Rate of Return on Equity
223.	Enstar Natural Gas Company	Alaska RCA	TA-285-4	Jun 16 Apr 17	Revenue Requirements, Cost Allocation, and Rate Design
224.	Texas Gas Service	Texas RRC	10526	Jun 16	Rate of Return
225.	West Texas LPG Pipeline	Texas RRC	10455	Aug 16 Jan 17	Rates and Rate of Return
226.	Liberty Utilities	Texas PUC	46356	Sep 16 Feb 17 Jun 17	Revenue Requirements and Rate of Return
227.	DesertLink LLC	FERC	ER17-135	Oct 16	Formula Rates
228.	Houston Pipe Line Co.	Texas RRC	10559	Nov 16	Revenue Requirements
229.	Texas Gas Service	Texas RRC	10656	Jun 17	Rate of Return
230.	Trans-Pecos Pipeline	Texas RRC	10646	Sep 17 Feb 18	Revenue Requirements
231.	Comanche Trail Pipeline	Texas RRC	10647	Sep 17 Feb 18	Revenue Requirements
232.	Alpine High Pipeline	Texas RRC	10665	Oct 17 Feb 18	Revenue Requirements

Bruce H. Fairchild
Summary of Testimony Before Regulatory Agencies
(Continued)

No.	Utility Case	Agency	Docket	Date	Nature of Testimony
233.	SiEnergy, LP	Texas RRC	10679	Jan 18	Rate of Return
234.	Targa Midland Gas Pipeline LLC	Texas RRC	10690	Jan 18	Revenue Requirements
235.	ET Fuel, LP	Texas RRC	10706	Apr 18	Revenue Requirements
236.	Texas Gas Service	Texas RRC	10739	Jun 18	Rate of Return
237.	Kansas Gas Service	Kansas CC	18-KGSG-560-RTS	Jun 18 Nov 18	Rate of Return on Equity
238.	Oliktok Pipeline Company	Alaska RCA	TL46-334	Jul 18	Rate of Return
239.	Red Bluff Express, LLC	Texas RRC	10752	Jul 18	Revenue Requirements
240.	PTE Pipeline LLC	Alaska RCA	P-18-0__	Jul 18	Rate of Return
241.	Agua Blanca, LLC	Texas RRC	10761	Aug 18	Revenue Requirements
242.	Texas Gas Service	Texas RRC	10766	Aug 18	Rate of Return
243.	Republic Transmission LLC	FERC	ER19-___	Dec 18	Formula Rates
244.	Gulf Coast Express Pipeline LLC	Texas RRC	10825	Feb 19	Revenue Requirements
245.	Cook Inlet Natural Gas Storage Alaska, LLC	Alaska RCA	U-18-043	Mar 19 Apr 19	Accumulated Deferred Income Taxes and Working Capital
246.	Impulsora Pipeline LLC	Texas RRC	10829	Mar 19	Revenue Requirements
247.	SEMCO Energy Gas Co.	Michigan PSC	U-20479	May 19 Oct 19	Revenue Requirements
248.	Liberty Utilities (Fox River) LLC	AAA	01-18-0002-2510	Jul 19 Oct 19	Revenue Requirements
249.	AMP Intrastate Pipeline LLC	Texas RRC	10887	Aug 19	Revenue Requirements
250.	Corix Utilities (Texas) Inc.	Texas PUC	49923	Aug 19 Jul 20 Aug 20	TCJA Tax Expense Reduction
251.	Colonial Pipeline Company	FERC	OR18-7-002	Nov 19 Feb 20 May 20 Jul 20	Rate of Return
252.	Texas Gas Service	Texas RRC	10928	Dec 19 Apr 20	Rate of Return
253.	Mississippi Power Company	Mississippi PSC	2019-UN-219	Feb 20	Rate of Return on Equity
254.	Corix Utilities (Texas)	Texas PUC	50557	Mar 20 Mar 21	Rate of Return and Excess ADFIT
255.	SouthCross CCNG Transmission	Texas RRC	10967	May 20	Revenue Requirements
256.	Kinder Morgan Border Pipeline LLC	Texas RRC	10980	Jun 20	Revenue Requirements

Bruce H. Fairchild
Summary of Testimony Before Regulatory Agencies

(Continued)

257.	Monarch Utilities I LP	Texas PUC	50944	Jul 20 Nov 20	Rate of Return
258.	West Texas Gas, Inc.	Texas RRC	10998	Aug 20	Revenue Requirements, Rate of Return, and Cost of Service Study
259.	Centric Gas Services, LLC	Texas RRC		Oct 20	Rate of Return
260.	CoServ Gas, Ltd	Texas RRC	00005136	Nov 20	Rate of Return
261.	Permian Highway Pipeline LLC	Texas RRC	00005306	Dec 20	Revenue Requirements
262.	Whistler Pipeline LLC	Texas RRC	00005675	Feb 21	Revenue Requirements
263.	Oklahoma Natural Gas	Oklahoma CC	202100063	May 21	Rate of Return
264.	Oliktok Pipeline Company	Alaska RCA	TL47-334	Jul 21	Rate of Return

RAILROAD COMMISSION OF TEXAS
Oversight and Safety Division
Gas Services Department

NOTICE TO LOCAL DISTRIBUTION COMPANIES

Notice of Authorization for Regulatory Asset Accounting for Local Distribution Companies Affected by the February 2021 Winter Weather Event

On February 12, 2021, Governor Greg Abbott declared a State of Disaster in Texas for all Texas counties in response to the unprecedented cold winter weather event that began in Texas on Thursday, February 11, 2021 and is expected to continue until, at a minimum, Thursday, February 18, 2021 ("2021 Winter Weather Event"). The Commission is aware that, due to the demand for natural gas during the 2021 Winter Weather Event, natural gas utility local distribution companies ("LDCs") may be required to pay extraordinarily high prices in the market for natural gas and may be subjected to other extraordinary expenses when responding to the 2021 Winter Weather Event. The Commission encourages LDCs to continue to work to ensure that the citizens of the State of Texas are provided with safe and reliable natural gas service.

Through this Notice, the Commission authorizes LDCs to use an accounting mechanism and a subsequent process through which those regulated companies may seek future recovery of extraordinary expenses resulting from the effects of the 2021 Winter Weather Event in order to partially defer and reduce the impact on customers of these extraordinary expenses. The Commission has exclusive, original jurisdiction to prescribe the manner and form of the books, records, and accounts for gas utilities pursuant to the Gas Utility Regulatory Act, Texas Utility Code § 102.101(a), (b) and (d). **The Commission hereby authorizes each LDC to record in a regulatory asset account the extraordinary expenses associated with the 2021 Winter Weather Event, including but not limited to gas cost and other costs related to the procurement and transportation of gas supply.**

This Notice only authorizes the ability to record the expenses related to securing natural gas throughout the 2021 Winter Weather Event in a regulatory asset account and does **not** authorize the reasonableness, necessity, or accuracy of the expenses placed into the regulatory asset account. In future rate proceedings, the expenses will be fully subject to review for reasonableness and accuracy, and the LDCs shall bear the burden to prove that the expenses would not have been incurred but for the 2021 Winter Weather Event.

If you have questions regarding this notice, please contact the Commission at mark.evarts@rrc.texas.gov.

Please Forward to the Appropriate Section of Your Company

Austin, Texas **February 2021**

H.B. No. 1520

AN ACT

relating to certain extraordinary costs incurred by certain gas utilities relating to Winter Storm Uri and a study of measures to mitigate similar future costs; providing authority to issue bonds and impose fees and assessments.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1232.002, Government Code, is amended to read as follows:

Sec. 1232.002. PURPOSE. The purpose of this chapter is to provide a method of financing for:

(1) the acquisition or construction of buildings; [~~and~~]

(2) the purchase or lease of equipment by executive or judicial branch state agencies; and

(3) customer rate relief bonds authorized by the Railroad Commission of Texas in accordance with Subchapter I, Chapter 104, Utilities Code.

SECTION 2. Section 1232.066(a), Government Code, is amended to read as follows:

(a) The board's authority under this chapter is limited to the financing of:

(1) the acquisition or construction of a building;

(2) the purchase or lease of equipment; [~~or~~]

(3) stranded costs of a municipal power agency; or

(4) customer rate relief bonds approved by the Railroad Commission of Texas in accordance with Subchapter I, Chapter 104, Utilities Code.

SECTION 3. Subchapter C, Chapter 1232, Government Code, is amended by adding Section 1232.1072 to read as follows:

Sec. 1232.1072. ISSUANCE OF OBLIGATIONS FOR FINANCING CUSTOMER RATE RELIEF PROPERTY. (a) The definitions in Section 104.362, Utilities Code, apply to terms used in this section.

(b) The authority may create an issuing financing entity for the purpose of issuing customer rate relief bonds approved by the Railroad Commission of Texas in a financing order, as provided by Subchapter I, Chapter 104, Utilities Code.

(c) An issuing financing entity created under this section is a duly constituted public authority and instrumentality of the state and is authorized to issue customer rate relief bonds on behalf of the state for the purposes of Section 103, Internal Revenue Code of 1986 (26 U.S.C. Section 103).

(d) The issuing financing entity must be governed by a governing board of three members appointed by the authority. A member of the governing board may be a current or former director of the authority. A member of the governing board serves without compensation but is entitled to reimbursement for travel expenses incurred in attending board meetings.

(e) The issuing financing entity must be formed in accordance with, be governed by, and have the powers, rights, and privileges provided for a nonprofit corporation organized under the Business Organizations Code, including Chapter 22 of that code, subject to the express exceptions and limitations provided by this section and Subchapter I, Chapter 104, Utilities Code. A single organizer selected by the executive director of the authority shall prepare the certificate of formation of the issuing financing entity under Chapters 3 and 22, Business Organizations Code. The certificate of formation must be consistent with the provisions of this section.

(f) The authority shall establish the issuing financing entity to act on behalf of the state as its duly constituted authority and instrumentality to issue customer rate relief bonds approved under Subchapter I, Chapter 104, Utilities Code.

(g) On a request to the authority from the Railroad Commission of Texas, the authority shall direct an issuing financing entity to issue customer rate relief bonds in accordance with a financing order issued by the railroad commission as provided in Subchapter I, Chapter 104, Utilities Code.

(h) Before the issuance of any customer rate relief bonds, the authority and the Railroad Commission of Texas shall ensure that adequate provision is made in any financing order for the recovery of all issuance costs and all other fees, costs, and expenses of the authority, the issuing financing entity, and any advisors or counsel hired by the authority or the entity for the purposes of this section during the life of the customer rate relief bonds.

(i) Customer rate relief bonds are limited obligations of the issuing financing entity payable solely from customer rate relief property and any other money pledged by the issuing financing entity to the payment of the bonds and are not a debt of this state, the Railroad Commission of Texas, the authority, or a gas utility.

(j) The Railroad Commission of Texas shall ensure that customer rate relief charges are imposed, collected, and enforced in an amount sufficient to pay on a timely basis all bond obligations, financing costs, and bond administrative expenses associated with any issuance of customer rate relief bonds.

(k) The authority and the Railroad Commission of Texas have all the powers necessary to perform the duties and responsibilities described by this section. This section shall be interpreted broadly in a manner consistent with the most cost-effective financing of customer rate relief property, including regulatory assets, extraordinary costs, and related financing costs approved by the Railroad Commission of Texas in accordance with Subchapter I, Chapter 104, Utilities Code.

(l) Any interest on the customer rate relief bonds is not subject to taxation by and may not be included as part of the measurement of a tax by this state or a political subdivision of this state.

(m) The authority shall make periodic reports to the Railroad Commission of Texas and the public regarding each financing made in accordance with Section 104.373(b), Utilities Code, and if required by the applicable financing order.

(n) The issuing financing entity shall issue customer rate relief bonds in accordance with and subject to other provisions of Title 9 applicable to the authority.

H.B. No. 1520

(o) The issuing financing entity may exercise the powers granted to the governing body of an issuer with regard to the issuance of obligations and the execution of credit agreements under Chapter 1371. A purpose for which bonds, obligations, or other evidences of indebtedness are issued under this section and Subchapter I, Chapter 104, Utilities Code, constitutes an eligible project for purposes of Chapter 1371 of this code.

(p) Assets of an issuing financing entity may not be considered part of any state fund and must be held outside the state treasury. The liabilities of the issuing financing entity may not be considered to be a debt of the state or a pledge of the state's credit. An issuing financing entity must be self-funded from customer rate relief property and established in accordance with Subchapter I, Chapter 104, Utilities Code. A state agency may provide money appropriated for the purpose to the issuing financing entity to provide for initial operational expenses of the issuing financing entity.

SECTION 4. Section 1232.108, Government Code, is amended to read as follows:

Sec. 1232.108. LEGISLATIVE AUTHORIZATION REQUIRED. Except as permitted by Section 1232.1072, 1232.109, 2166.452, or 2166.453, before the board may issue and sell bonds, the legislature by the General Appropriations Act or other law must have authorized:

(1) the specific project for which the bonds are to be issued and sold; and

(2) the estimated cost of the project or the maximum amount of bonded indebtedness that may be incurred by the issuance

and sale of bonds for the project.

SECTION 5. Chapter 104, Utilities Code, is amended by adding Subchapter I to read as follows:

SUBCHAPTER I. CUSTOMER RATE RELIEF BONDS

Sec. 104.361. PURPOSE; RAILROAD COMMISSION DUTY. (a) The purpose of this subchapter is to reduce the cost that customers would otherwise experience because of extraordinary costs that gas utilities incurred to secure gas supply and provide service during Winter Storm Uri, and to restore gas utility systems after that event, by providing securitization financing for gas utilities to recover those costs. The securitization financing mechanism authorized by this subchapter will:

(1) provide rate relief to customers by extending the period during which the costs described by this subsection are recovered from customers; and

(2) support the financial strength and stability of gas utility companies.

(b) The railroad commission shall ensure that securitization provides tangible and quantifiable benefits to customers, greater than would have been achieved absent the issuance of customer rate relief bonds.

Sec. 104.362. DEFINITIONS. In this subchapter:

(1) "Ancillary agreement" means a financial arrangement entered into in connection with the issuance or payment of customer rate relief bonds that enhances the marketability, security, or creditworthiness of customer rate relief bonds, including a bond, insurance policy, letter of credit, reserve

account, surety bond, interest rate or currency swap arrangement, interest rate lock agreement, forward payment conversion agreement, credit agreement, other hedging arrangement, or liquidity or credit support arrangement.

(2) "Authority" means the Texas Public Finance Authority.

(3) "Bond administrative expenses" means all costs and expenses incurred by the railroad commission, the authority, or any issuing financing entity to evaluate, issue, and administer customer rate relief bonds issued under this subchapter, including fees and expenses of the authority, any bond administrator, and the issuing financing entity, fees for paying agents, trustees, and attorneys, and fees for paying for other consulting and professional services necessary to ensure compliance with this subchapter, applicable state or federal law, and the terms of the financing order.

(4) "Bond obligations" means the principal of a customer rate relief bond and any premium and interest on a customer rate relief bond issued under this subchapter, together with any amount owed under a related ancillary agreement or credit agreement.

(5) "Credit agreement" has the meaning assigned by Section 1371.001, Government Code.

(6) "Customer rate relief bonds" means bonds, notes, certificates, or other evidence of indebtedness or ownership the proceeds of which are used directly or indirectly to recover, finance, or refinance regulatory assets approved by the railroad

<u>commission, including extraordinary costs and related financing costs, and that are:</u>

<u>(A) issued by an issuing financing entity under a financing order; and</u>

<u>(B) payable from and secured by customer rate relief property and amounts on deposit in any trust accounts established for the benefit of the customer rate relief bondholders as approved by the applicable financing order.</u>

<u>(7) "Customer rate relief charges" means the amounts authorized by the railroad commission as nonbypassable charges to repay, finance, or refinance regulatory assets, including extraordinary costs, financing costs, bond administrative expenses, and other costs authorized by the financing order:</u>

<u>(A) imposed on and included in customer bills of a gas utility that has received a regulatory asset determination under Section 104.365;</u>

<u>(B) collected in full by a gas utility that has received a regulatory asset determination under Section 104.365, or its successors or assignees, or a collection agent, as servicer, separate and apart from the gas utility's base rates; and</u>

<u>(C) paid by all existing or future customers receiving service from a gas utility that has received a regulatory asset determination under Section 104.365 or its successors or assignees, even if a customer elects to purchase gas from an alternative gas supplier.</u>

<u>(8) "Customer rate relief property" means:</u>

<u>(A) all rights and interests of an issuing</u>

financing entity or any successor under a financing order, including the right to impose, bill, collect, and receive customer rate relief charges authorized in the financing order and to obtain periodic adjustments to those customer rate relief charges as provided in the financing order and in accordance with Section 104.370; and

(B) all revenues, collections, claims, rights to payments, payments, money, or proceeds arising from the rights and interests specified by Paragraph (A), regardless of whether the revenues, collections, claims, rights to payments, payments, money, or proceeds are imposed, billed, received, collected, or maintained together with or commingled with other revenues, collections, rights to payments, payments, money, or proceeds.

(9) "Financing costs" means any of the following:

(A) interest and acquisition, defeasance, or redemption premiums that are payable on customer rate relief bonds;

(B) a payment required under an ancillary agreement or credit agreement or an amount required to fund or replenish reserve or other accounts established under the terms of an indenture, ancillary agreement, or other financing document pertaining to customer rate relief bonds;

(C) issuance costs or ongoing costs related to supporting, repaying, servicing, or refunding customer rate relief bonds, including servicing fees, accounting or auditing fees, trustee fees, legal fees or expenses, consulting fees, administrative fees, printing fees, financial advisor fees or expenses, Securities and Exchange Commission registration fees, issuer fees, bond administrative expenses, placement and underwriting fees, capitalized interest, overcollateralization funding requirements including amounts to fund or replenish any reserve established for a series of customer rate relief bonds, rating agency fees, stock exchange listing and compliance fees, filing fees, and any other bond administrative expenses; and

(D) the costs to the railroad commission of acquiring professional or consulting services for the purpose of evaluating extraordinary costs under this subchapter.

(10) "Financing order" means an order adopted under Section 104.366 approving the issuance of customer rate relief bonds and the creation of customer rate relief property and associated customer rate relief charges for the recovery of regulatory assets, including extraordinary costs, related financing costs, and other costs authorized by the financing order.

(11) "Financing party" means a holder of customer rate relief bonds, including a trustee, a pledgee, a collateral agent, any party under an ancillary agreement, or other person acting for the holder's benefit.

(12) "Gas utility" means:

(A) an operator of natural gas distribution pipelines that delivers and sells natural gas to the public and that is subject to the railroad commission's jurisdiction under Section 102.001; or

(B) an operator that transmits, transports, delivers, or sells natural gas or synthetic natural gas to operators of natural gas distribution pipelines and whose rates for those services are established by the railroad commission in a rate proceeding filed under this chapter.

(13) "Issuing financing entity" means a special purpose nonmember, nonstock, nonprofit public corporation established by the authority under Section 1232.1072, Government Code.

(14) "Nonbypassable" means a charge that:

(A) must be paid by all existing or future customers receiving service from a gas utility that has received a regulatory asset determination under Section 104.365 or the gas utility's successors or assignees, even if a customer elects to purchase gas from an alternative gas supplier; and

(B) may not be offset by any credit.

(15) "Normalized market pricing" means the average monthly pricing at the Henry Hub for the three months immediately preceding the month during which extraordinary costs were incurred, plus contractual adders to the index price and other non-indexed gas procurement costs.

(16) "Regulatory asset" includes extraordinary costs:

(A) recorded by a gas utility in the utility's books and records in accordance with the uniform system of accounts prescribed for natural gas companies subject to the provisions of the Natural Gas Act (15 U.S.C. Section 717 et seq.) by the Federal Energy Regulatory Commission and generally accepted accounting principles; or

(B) classified as a receivable or financial asset under international financial reporting standards under the railroad commission's authorization in the Notice of Authorization for Regulatory Asset Accounting for Local Distribution Companies Affected by the February 2021 Winter Weather Event issued February 13, 2021.

(17) "Servicer" means, with respect to each issuance of customer rate relief bonds, the entity identified by the railroad commission in the financing order as servicer responsible for collecting customer rate relief charges from participating gas utilities, remitting all collected funds to the applicable issuing financing entity or the bond trustee, calculating true-up adjustments, and performing any other duties as specified in the financing order.

(18) "Winter Storm Uri" means the North American winter storm that occurred in February 2021.

Sec. 104.363. EXTRAORDINARY COSTS. For the purposes of this subchapter, extraordinary costs are the reasonable and necessary costs related to Winter Storm Uri, including carrying costs, placed in a regulatory asset and approved by the railroad commission in a regulatory asset determination under Section 104.365.

Sec. 104.364. JURISDICTION AND POWERS OF RAILROAD COMMISSION AND OTHER REGULATORY AUTHORITIES. (a) The railroad commission may authorize the issuance of customer rate relief bonds if the requirements of Section 104.366 are met.

(b) The railroad commission may assess to a gas utility costs associated with administering this subchapter. Assessments must be recovered from rate-regulated customers as part of gas cost.

(c) The railroad commission has exclusive, original jurisdiction to issue financing orders that authorize the creation of customer rate relief property. Customer rate relief property must be created and vested in an issuing financing entity and does not constitute property of the railroad commission or any gas utility.

(d) Except as provided by Subsection (c), this subchapter does not limit or impair a regulatory authority's plenary jurisdiction over the rates, charges, and services rendered by gas utilities in this state under Chapter 102.

Sec. 104.365. REGULATORY ASSET DETERMINATION. (a) The railroad commission, on application of a gas utility to recover a regulatory asset, shall determine the regulatory asset amount to be recovered by the gas utility. A gas utility may request recovery of a regulatory asset under this subchapter only if the regulatory asset is related to Winter Storm Uri.

(b) A gas utility desiring to participate in the customer rate relief bond process under a financing order by requesting recovery of a regulatory asset must file an application with the railroad commission on or before the 60th day after the effective date of the Act enacting this subchapter.

(c) If the railroad commission does not make a final determination regarding the regulatory asset amount to be recovered by a gas utility before the 151st day after the gas utility files the application, the railroad commission is considered to have approved the regulatory asset amount requested by the gas utility.

(d) The regulatory asset determination is not subject to reduction, impairment, or adjustment by further action of the railroad commission, except as authorized by Section 104.370.

(e) The regulatory asset determination is not subject to rehearing by the railroad commission and may be appealed only to a Travis County district court by a party to the proceeding. The appeal must be filed not later than the 15th day after the date the order is signed by the railroad commission.

(f) The judgment of the district court may be reviewed only by direct appeal to the Supreme Court of Texas. The appeal must be filed not later than the 15th day after the date of entry of judgment.

(g) All appeals shall be heard and determined by the district court and the Supreme Court of Texas as expeditiously as possible with lawful precedence over other matters. Review on appeal shall be based solely on the record before the railroad commission and briefs to the court and limited to whether the financing order:

(1) complies with the constitution and laws of this state and the United States; and

(2) is within the authority of the railroad commission to issue under this subchapter.

(h) The railroad commission shall establish a schedule, filing requirements, and a procedure for determining the prudence of the costs included in a gas utility's regulatory asset.

(i) To the extent a gas utility subject to this subchapter receives insurance proceeds, governmental grants, or other sources of funding that compensate or otherwise reimburse or indemnify the gas utility for extraordinary costs following the issuance of customer rate relief bonds, the gas utility may record the amount in a regulatory liability account and that amount shall be reviewed in a future proceeding. If an audit conducted under a valid gas purchase agreement identifies a change of greater than five percent to the total amount of the gas supply costs incurred during the event for which regulatory asset recovery was approved, the gas utility may record the amount in a regulatory asset or regulatory liability account and that amount shall be reviewed for recovery in a future proceeding.

Sec. 104.366. FINANCING ORDERS AND ISSUANCE OF CUSTOMER RATE RELIEF BONDS. (a) If the railroad commission determines that customer rate relief bond financing for extraordinary costs is the most cost-effective method of funding regulatory asset reimbursements to be made to gas utilities, the railroad commission, after the final resolution of all applications filed under Section 104.365, may request the authority to direct an issuing financing entity to issue customer rate relief bonds. Before making the request, the railroad commission must issue a financing order that complies with this section.

(b) To make the determination described by Subsection (a), the railroad commission must find that the proposed structuring, expected pricing, and proposed financing costs of the customer rate relief bonds are reasonably expected to provide benefits to customers by:

(1) considering customer affordability; and

(2) comparing:

(A) the estimated monthly costs to customers resulting from the issuance of customer rate relief bonds; and

(B) the estimated monthly costs to customers that would result from the application of conventional recovery methods.

(c) The financing order must:

(1) include a finding that the use of the securitization financing mechanism is in the public interest and consistent with the purposes of this subchapter;

(2) detail the total amount of the regulatory asset determinations to be included in the customer rate relief bond issuance;

(3) authorize the recovery of any tax obligation of the gas utilities arising or resulting from:

(A) receipt of customer rate relief bond proceeds; or

(B) collection or remittance of customer rate relief charges through the gas utilities' gas cost recovery mechanism or other means that the railroad commission determines reasonable;

(4) authorize the issuance of customer rate relief bonds through an issuing financing entity;

(5) include a statement of:

(A) the aggregated regulatory asset determination to be included in the principal amount of the customer rate relief bonds, not to exceed $10 billion for any separate bond issue;

(B) the maximum scheduled final maturity of the customer rate relief bonds, not to exceed 30 years, except that the legal final maturity may be longer based on rating agency and market considerations; and

(C) the maximum interest rate that the customer rate relief bonds may bear, not to exceed the maximum net effective interest rate allowed by law;

(6) provide for the imposition, collection, and mandatory periodic formulaic adjustment of customer rate relief charges in accordance with Section 104.370 by all gas utilities and successors of gas utilities for which a regulatory asset determination has been made under Section 104.365 to ensure that the customer rate relief bonds and all related financing costs will be paid in full and on a timely basis by customer rate relief charges;

(7) authorize the creation of customer rate relief property in favor of the issuing financing entity and pledge of customer rate relief property to the payment of the customer rate relief bonds;

(8) direct the issuing financing entity to disperse the proceeds of customer rate relief bonds, net of bond issuance costs, reserves, and any capitalized interest, to gas utilities for which a regulatory asset determination has been made under Section 104.365 and include the amounts to be distributed to each participating gas utility;

(9) provide that customer rate relief charges be collected and allocated among customers of each gas utility for

which a regulatory determination has been made under Section 104.365 through uniform monthly volumetric charges to be paid by customers as a component of the gas utility's gas cost or in another manner that the railroad commission determines reasonable; and

(10) reflect the commitment made by a gas utility receiving proceeds that the proceeds are in lieu of recovery of those costs through the regular ratemaking process or other mechanism to the extent the costs are reimbursed to the gas utility by customer rate relief bond financing proceeds.

(d) The financing order may provide for a centralized servicer to coordinate with participating gas utilities who bill and collect customer rate relief charges and to provide certain collection and forecast data required for calculating true-up adjustments. The financing order may not provide for the railroad commission, the authority, the issuing financing entity, or a participating utility to act as servicer.

(e) The principal amount determined by the railroad commission must be increased to include an amount sufficient to:

(1) pay the financing costs associated with the issuance, including all bond administrative expenses to be paid from the proceeds of the bonds;

(2) reimburse the authority and the railroad commission for any costs incurred for the issuance of the customer rate relief bonds and related bond administrative expenses;

(3) provide for any applicable bond reserve fund; and

(4) capitalize interest for the period determined necessary by the railroad commission.

(f) The authority, consistent with this subchapter and the terms of the financing order, shall:

(1) direct an issuing financing entity to issue customer rate relief bonds at the railroad commission's request, in accordance with the requirements of Chapter 1232, Government Code, and other provisions of Title 9, Government Code, that apply to bond issuance by a state agency;

(2) determine the methods of sale, types of bonds, bond forms, interest rates, principal amortization, amount of reserves or capitalized interest, and other terms of the customer rate relief bonds that in the authority's judgment best achieve the economic goals of the financing order and effect the financing at the lowest practicable cost; and

(3) reimburse the railroad commission, the authority, or any issuing financing entity for bond administrative expenses and other costs authorized under this subchapter.

(g) To the extent authorized in the applicable financing order, an issuing financing entity may enter into credit agreements or ancillary agreements in connection with the issuance of customer rate relief bonds.

(h) The financing order becomes effective in accordance with its terms. The financing order, together with the customer rate relief property and the customer rate relief charges authorized by the financing order, is irrevocable and not subject to reduction, impairment, or adjustment by further action of the railroad commission, except as provided under Subsection (j) and authorized by Section 104.370.

(i) The railroad commission shall issue a financing order under this section not later than the 90th day following the date of the conclusion of all proceedings filed under Section 104.365.

(j) A financing order is not subject to rehearing by the railroad commission. A financing order may be appealed only to a Travis County district court by a party to the proceeding. The appeal must be filed not later than the 15th day after the date the financing order is signed by the railroad commission.

(k) The judgment of the district court may be reviewed only by direct appeal to the Supreme Court of Texas. The appeal must be filed not later than the 15th day after the date of entry of judgment.

(l) All appeals shall be heard and determined by the district court and the Supreme Court of Texas as expeditiously as possible with lawful precedence over other matters. Review on appeal shall be based solely on the record before the railroad commission and briefs to the court and is limited to whether the financing order:

(1) complies with the constitution and laws of this state and the United States; and

(2) is within the authority of the railroad commission to issue under this subchapter.

(m) The railroad commission shall transmit a financing order to the authority after all appeals under this section have been exhausted.

(n) The authority shall direct an issuing financing entity to issue customer rate relief bonds as soon as practicable and not later than the 180th day after receipt of a financing order issued under this section, except that the authority may cause the issuance after the 180th day if necessary based on bond market conditions, the receipt of necessary approvals, and the timely receipt of necessary financial disclosure information from each participating gas utility.

(o) The issuing financing entity shall deliver customer rate relief bond proceeds net of upfront financing costs in accordance with the applicable financing order.

(p) For the benefit of the authority, the issuing financing entity, holders of customer rate relief bonds, and all other financing parties, the railroad commission shall guarantee in a financing order that the railroad commission will take all actions in the railroad commission's powers to enforce the provisions of the financing order to ensure that customer rate relief charge revenues are sufficient to pay on a timely basis scheduled principal and interest on the customer rate relief bonds and all related financing costs and bond administrative expenses.

(q) The railroad commission shall make periodic reports to the public regarding each financing.

Sec. 104.367. PROPERTY RIGHTS. (a) Customer rate relief bonds are the limited obligation solely of the issuing financing entity and are not a debt of a gas utility or a debt or a pledge of the faith and credit of this state or any political subdivision of this state.

(b) Customer rate relief bonds are nonrecourse to the credit or any assets of this state or the authority. A trust fund created in connection with the issuance of customer rate relief bonds is not subject to Subtitle B, Title 9, Property Code.

(c) The rights and interests of an issuing financing entity or the successor under a financing order, including the right to receive customer rate relief charges authorized in the financing order, are only contract rights until pledged in connection with the issuance of the customer rate relief bonds, at which time the rights and interests become customer rate relief property.

(d) Customer rate relief property created under a financing order is vested ab initio in the issuing financing entity. Customer rate relief property constitutes a present property right for purposes of contracts concerning the sale or pledge of property, notwithstanding that the imposition and collection of customer rate relief charges depends on further acts of the gas utility or others that have not yet occurred. The financing order remains in effect, and the customer rate relief property continues to exist, for the same period as the pledge of the state described by Section 104.374.

(e) All revenue and collections resulting from customer rate relief charges constitute proceeds only of a property right arising from the financing order.

(f) An amount owed by an issuing financing entity under an ancillary agreement or a credit agreement is payable from and secured by a pledge and interest in the customer rate relief property to the extent provided in the documents evidencing the ancillary agreement or credit agreement.

Sec. 104.368. PROPERTY INTEREST NOT SUBJECT TO SETOFF, COUNTERCLAIM, SURCHARGE, OR DEFENSE. The interest of an issuing financing entity or pledgee in customer rate relief property, including the revenue and collections arising from customer rate relief charges, is not subject to setoff, counterclaim, surcharge, or defense by the gas utility or any other person or in connection with the bankruptcy of the gas utility, the authority, or any other entity. A financing order remains in effect and unabated notwithstanding the bankruptcy of the gas utility, the authority, an issuing financing entity, or any successor or assignee of the gas utility, authority, or issuing financing entity.

Sec. 104.369. CUSTOMER RATE RELIEF CHARGES NONBYPASSABLE. A financing order must include terms ensuring that the imposition and collection of the customer rate relief charges authorized in the order are nonbypassable.

Sec. 104.370. TRUE-UP MECHANISM. (a) A financing order must include a formulaic true-up charge adjustment mechanism that requires that the customer rate relief charges be reviewed and adjusted at least annually by the servicer or replacement servicer, including a subservicer or replacement subservicer, at time periods and frequencies provided in the financing order, to:

(1) correct any overcollections or undercollections of the preceding 12 months; and

(2) ensure the expected recovery of amounts sufficient to provide for the timely payment of customer rate relief bond principal and interest payments and other financing costs.

(b) True-up charge adjustments must become effective not later than the 30th day after the date the railroad commission receives a true-up charge adjustment letter from the servicer or replacement servicer notifying the railroad commission of the pending adjustment.

(c) Any administrative review of true-up charge adjustments must be limited to notifying the servicer of mathematical or clerical errors in the calculation. The servicer may correct the error and refile a true-up charge adjustment letter, with the adjustment becoming effective as soon as practicable but not later than the 30th day after the date the railroad commission receives the refiled letter.

Sec. 104.371. SECURITY INTERESTS; ASSIGNMENT; COMMINGLING; DEFAULT. (a) Customer rate relief property does not constitute an account or general intangible under Section 9.106, Business & Commerce Code. The creation, granting, perfection, and enforcement of liens and security interests in customer rate relief property that secures customer rate relief bonds are governed by Chapter 1208, Government Code.

(b) The priority of a lien and security interest perfected under this section is not impaired by any later adjustment of customer rate relief charges under a mechanism adopted under Section 104.370 or by the commingling of funds arising from customer rate relief charges with other funds. Any other security interest that may apply to those funds is terminated when the funds are transferred to a segregated account for the issuing financing entity or a financing party. If customer rate relief property has been transferred to a trustee or another pledgee of the issuing financing entity, any proceeds of that property must be held in trust for the financing party.

(c) If a default or termination occurs under the customer rate relief bonds, a district court of Travis County, on application by or on behalf of the financing parties, shall order the sequestration and payment to the financing parties of revenue arising from the customer rate relief charges.

Sec. 104.372. BOND PROCEEDS IN TRUST. (a) The issuing financing entity may deposit proceeds of customer rate relief bonds issued by the issuing financing entity under this subchapter with a trustee selected by the issuing financing entity or the proceeds may be held by the comptroller in a dedicated trust fund outside the state treasury in the custody of the comptroller.

(b) Bond proceeds, net of the financing costs and reserves described by Subdivisions (2) and (3), including investment income, must be held in trust for the exclusive benefit of the railroad commission's policy of reimbursing gas utility costs and applied in accordance with the financing order. The issuing financing entity shall deliver the net proceeds, as provided in the applicable financing order, to:

(1) reimburse each gas utility the regulatory asset amount determined to be reasonable for that gas utility in the financing order;

(2) pay the financing costs of issuing the bonds; and

(3) provide bond reserves or fund any capitalized interest, as applicable.

(c) On full payment of the customer rate relief bonds and any related financing costs, any customer rate relief charges or other amounts held as security for the bonds shall be used to provide credits to gas utility customers as provided in the financing order.

Sec. 104.373. REPAYMENT OF CUSTOMER RATE RELIEF BONDS. (a) As long as any customer rate relief bonds or related financing costs remain outstanding, uniform monthly volumetric customer rate relief charges must be paid by all current and future customers that receive service from a gas utility for which a regulatory asset determination has been made under Section 104.365. A gas utility and its successors, assignees, or replacements shall continue to bill and collect customer rate relief charges from the gas utility's current and future customers until all customer rate relief bonds and financing costs are paid in full.

(b) The authority shall report to the railroad commission the amount of the outstanding customer rate relief bonds issued by the issuing financing entity under this subchapter and the estimated amount of annual bond administrative expenses.

(c) All revenue collected from the customer rate relief charges shall be remitted promptly by the applicable servicers to the issuing financing entity or the bond trustee for the customer rate relief bonds to pay bond obligations and ongoing financing costs, including bond administrative expenses, to ensure timely payment of bond obligations and financing costs.

(d) Customer rate relief property, including customer rate relief charges, may be applied only as provided by this subchapter.

(e) Bond obligations are payable only from sources provided for payment by this subchapter.

Sec. 104.374. PLEDGE OF STATE. (a) Customer rate relief bonds issued under this subchapter and any related ancillary agreements or credit agreements are not a debt or pledge of the faith and credit of this state or a state agency or political subdivision of this state. A customer rate relief bond, ancillary agreement, or credit agreement is payable solely from customer rate relief charges as provided by this subchapter.

(b) Notwithstanding Subsection (a), this state, including the railroad commission and the authority, pledges for the benefit and protection of the financing parties and the gas utility that this state will not take or permit any action that would impair the value of customer rate relief property, or, except as permitted by Section 104.370, reduce, alter, or impair the customer rate relief charges to be imposed, collected, and remitted to financing parties until the principal, interest and premium, and contracts to be performed in connection with the related customer rate relief bonds and financing costs have been paid and performed in full. Each issuing financing entity shall include this pledge in any documentation relating to customer rate relief bonds.

(c) Before the date that is two years and one day after the date that an issuing financing entity no longer has any payment obligation with respect to customer rate relief bonds, the issuing financing entity may not wind up or dissolve the financing entity's operations, may not file a voluntary petition under federal bankruptcy law, and neither the board of the issuing financing entity nor any public official nor any organization, entity, or other person may authorize the issuing financing entity to be or to become a debtor under federal bankruptcy law during that period.

The state covenants that it will not limit or alter the denial of authority under this subsection, and the provisions of this subsection are hereby made a part of the contractual obligation that is subject to the state pledge made in this section.

Sec. 104.375. TAX EXEMPTION. (a) The sale or purchase of or revenue derived from services performed in the issuance or transfer of customer rate relief bonds issued under this subchapter is exempt from taxation by this state or a political subdivision of this state.

(b) A gas utility's receipt of customer rate relief charges is exempt from state and local sales and use taxes and utility gross receipts taxes and assessments, and is excluded from revenue for purposes of franchise tax under Section 171.1011, Tax Code.

Sec. 104.376. RECOVERABLE TAX EXPENSE. A tax obligation of the gas utility arising from receipt of customer rate relief bond proceeds or from the collection or remittance of customer rate relief charges is an allowable expense under Section 104.055.

Sec. 104.377. ISSUING FINANCING ENTITY OR FINANCING PARTY NOT PUBLIC UTILITY. An issuing financing entity or financing party may not be considered to be a public utility or person providing natural gas service solely by virtue of the transactions described by this subchapter.

Sec. 104.378. NO PERSONAL LIABILITY. A commissioner of the railroad commission, a railroad commission employee, a member of the board of directors of the authority, an employee of the authority, or a director, officer, or employee of any issuing financing entity is not personally liable for a result of an exercise of a duty or responsibility established under this subchapter.

Sec. 104.379. CATASTROPHIC WEATHER EVENT STUDY. (a) The railroad commission shall conduct a study on measures to mitigate catastrophic weather events, including measures to:

(1) establish natural gas storage capacity to ensure a reliable gas supply, including location, ownership, and other pertinent factors regarding gas storage capacity;

(2) assess the advantages and disadvantages of requiring local distribution companies to use hedging tactics to avoid volatile customer rates; and

(3) assess the advantages and disadvantages of prohibiting spot market purchases during a catastrophic weather event that contribute to volatile customer rates.

(b) Not later than December 1, 2022, the railroad commission shall report the railroad commission's findings to the governor, the lieutenant governor, and the speaker of the house of representatives.

(c) This section expires August 31, 2023.

Sec. 104.380. SEVERABILITY. After the date customer rate relief bonds are issued under this subchapter, if any provision in this title or portion of this title or related provisions in Title 9, Government Code, are held to be invalid or are invalidated, superseded, replaced, repealed, or expire for any reason, that occurrence does not affect the validity or continuation of this subchapter or any other provision of this title or related provisions in Title 9, Government Code, that are relevant to the issuance, administration, payment, retirement, or refunding of customer rate relief bonds or to any actions of a gas utility, its successors, an assignee, a collection agent, or a financing party, which shall remain in full force and effect.

SECTION 6. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2021.

H.B. No. 1520

______________________________ ______________________________

President of the Senate Speaker of the House

I certify that H.B. No. 1520 was passed by the House on April 20, 2021, by the following vote: Yeas 139, Nays 5, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1520 on May 28, 2021, by the following vote: Yeas 130, Nays 12, 1 present, not voting.

____

Chief Clerk of the House

I certify that H.B. No. 1520 was passed by the Senate, with amendments, on May 26, 2021, by the following vote: Yeas 29, Nays 2.

____

Secretary of the Senate

APPROVED: __________________

Date

____

Governor

RAILROAD COMMISSION OF TEXAS
Oversight and Safety Division
Gas Services Department

NOTICE TO GAS UTILITIES

Procedure for Gas Utilities to File an Application for Regulatory Asset Determination Pursuant to H.B. No. 1520, Texas Utilities Code, chapter 104, subchapter I, and Participate in Securitization of Extraordinary Costs Incurred as a Result of the February 2021 Winter Weather Event

Background

On February 12, 2021, Governor Greg Abbott declared a State of Disaster in Texas for all Texas counties in response to the unprecedented cold winter weather event that began in Texas on Thursday, February 11, 2021 ("February 2021 Winter Weather Event" or "Winter Storm Uri").

On February 13, 2021, the Commission issued a *Notice to Local Distribution Companies* (the "Regulatory Asset NTO") authorizing each natural gas utility local distribution company "to record in a regulatory asset account the extraordinary expenses associated with the 2021 Winter Weather Event, including but not limited to gas cost and other costs related to the procurement and transportation of gas supply." The Regulatory Asset NTO only authorized the ability to record extraordinary expenses related to the February 2021 Winter Weather Event and deferred the Commission's determination regarding the reasonableness, necessity, and accuracy of the extraordinary expenses recorded in the regulatory asset account.

H.B. 1520

On June 16, 2021, H.B. 1520 (87th Regular Session), *relating to certain extraordinary costs incurred by certain gas utilities relating to Winter Storm Uri and a study of measures to mitigate similar future costs; providing authority to issue bonds and impose fees and assessments*, became effective. H.B. 1520 authorizes the Commission to issue a Financing Order directing the Texas Public Finance Authority ("TFPA") to issue bonds for the purposes of reducing the costs that customers would otherwise experience due to extraordinary costs that gas utilities incurred to secure gas supply and to provide service during Winter Storm Uri. The new law provides securitization financing ("customer rate relief bonds") for gas utilities that choose to participate to recover those extraordinary costs, thereby (1) providing rate relief to customers by extending the period during which these extraordinary costs would otherwise be recovered; and (2) supporting the financial strength and stability of gas utility companies.

H.B. 1520 requires that the Commission undertake two specific actions. First, Texas Utilities Code section 104.365, as added by H.B. 1520, requires the Commission to determine the regulatory asset amount to be recovered by a gas utility upon application by the gas utility within 150 days after the date of the application. Second, section 104.366 authorizes the Commission, after it has issued all of the regulatory asset determinations and determined that customer rate relief bonds are the most cost-effective method of funding regulatory asset reimbursements, to issue a Financing Order requesting that the TPFA direct an issuing financing entity to issue the customer rate relief bonds.

Procedure for Filing Applications for Regulatory Asset Determination

The Commission expects to convene one or more proceeding(s) to issue the regulatory asset determinations and Financing Order if the statutory requirements are met.

Gas utilities as defined in Tex. Util. Code § 104.362(12) desiring to participate in securitization pursuant to H.B. 1520 are encouraged to file an *Application for Regulatory Asset Determination* **on Friday, July 30, 2021** in accordance with Tex. Util. Code § 104.365(b). Before a gas utility may file its application, the company must be set up to file its documents through the Commission's Case Administration Service Electronic System ("CASES"). The company must contact Gas Services at (512) 463-7167 or MOS@rrc.texas.gov before filing its application to be fully authorized to file its application through CASES and be assigned a case number for this filing.

After each *Application for Regulatory Asset Determination* has been received, the Commission's Hearings Division may consolidate the cases into one or multiple proceeding(s). An Administrative Law Judge will be assigned and will make pre-hearing rulings, issue a procedural schedule, issue a protective order, if applicable, and issue any other necessary rulings as may arise. The procedural schedule deadlines will be expedited as the Commission expects to complete the regulatory asset determinations within the deadline set forth in H.B. 1520.

Information to be Included in an Application for Regulatory Asset Determination

Due to the expedited nature of the regulatory asset review and determination, the Commission directs each applicant to propose for recovery only extraordinary gas procurement costs incurred during the February 2021 Winter Weather Event in its application. Such costs may include taxes, any financing and other costs incurred to secure and pay for natural gas volumes purchased during the 2021 Winter Weather Event, and the gas utility's legal and consulting expenses relating to its gas procurement costs and this proceeding. Other extraordinary costs associated with the 2021 Winter Weather Event, such as overtime, equipment charges, or similar non-fuel related expenses, may be recorded in a separate regulatory asset, which will be reviewed for reasonableness in each gas utility's subsequent rate proceeding, as applicable.

The Commission requires each gas utility to include in its application pre-filed testimony, supporting documentation, and evidence of, at a minimum, the following information:

1. The gas utility's total gas costs incurred for February 2021.

2. The gas utility's total gas costs recovered for February 2021.

3. The gas utility's total volumes (Mcf) for February 2021.

4. The gas utility's total gas costs for February 2021 using the Normalized Market Pricing definition set forth in section 104.362(15).

5. The total extraordinary costs proposed by the gas utility to be approved in a regulatory asset determination, including the following:

    a. The gas utility's proposed extraordinary gas procurement costs for February 2021, calculated as the lesser of: 1) the difference between the gas utility's total gas procurement costs incurred for February 2021 and the gas utility's total gas procurement costs recovered for February 2021; or 2) the difference between the gas utility's total gas procurement costs incurred for February 2021 and the gas utility's total gas procurement costs for February 2021 using the Normalized Market Pricing definition set forth in section 104.362(15);

b. The gas utility's financing costs or any other costs incurred to secure and pay for natural gas volumes that are included in extraordinary gas cost;
c. The gas utility's estimate of its legal and consulting expenses resulting from its election to participate in a securitization pursuant to H.B. 1520;
d. Carrying costs included in the proposed regulatory asset, including the basis for the carrying costs and the calculation of the carrying costs; and
e. The gas utility's expected tax obligation if securitization financing is authorized.

6. Support and evidence for the reasonableness, necessity, and prudence of all costs included in the gas utility's regulatory asset, including:

   a. General ledger entries (by FERC account) associated with the regulatory asset and supporting documentation for each entry, including but not limited to:

      i. Invoices

         1. Gas Purchases (FERC accounts 800-804);
         2. Transportation (FERC account 858);
         3. Other Gas Supply Expenses (FERC accounts 805-813);
         4. Imbalances or other penalties and fees incurred;
         5. Adjustments;
         6. Meter Statements;
         7. Proof of Payment/Payment Arrangements;
         8. Gas Withdrawn from Storage (FERC account 808.1); and
         9. Gas Delivered to Storage (FERC account 808.2).

      ii. Contracts

         1. Gas Purchase (including penalties, if applicable);
         2. Spot Purchases (Confirmation Agreements); and
         3. Transportation.

      iii. Customer Bills

         1. One or more residential bill(s); and
         2. One or more commercial bill(s).

   b. Invoices and supporting documentation of the gas utility's legal and consulting expenses resulting from its election to participate in a securitization pursuant to H.B. 1520. Include a summary spreadsheet that ties to supporting documentation.

7. The information required in Paragraph 6(a)(i)-(iii) above for January, February, and March 2021.

8. Evidence as to how securitization would provide tangible and quantifiable benefits to utility customers, greater than would be achieved absent the issuance of customer rate relief bonds.

9. Evidence that customer rate relief bond financing for extraordinary costs is the most cost-effective method of funding regulatory asset reimbursements to the gas utility including:

    a. Evidence that proposed structuring, expected pricing, and proposed financing costs of customer rate relief bonds are reasonably expected to provide benefits to customers by considering customer affordability and comparing:

        i. The estimated monthly costs to customers resulting from issuance of customer rate relief bonds; and
        ii. The estimated monthly costs to customers that would result from the application of conventional recovery methods.

    b. Include an Excel worksheet that models this comparison and provides for sensitivity analysis using key variables.

10. Evidence of how a securitization financing mechanism would be in the public interest and is consistent with the purposes of subchapter I, chapter 104, Texas Utilities Code.

11. Evidence and detail of any expected tax obligation arising or resulting from receipt of customer rate relief bond proceeds; or collection or remittance of customer rate relief charges through the gas utilities' gas cost recovery mechanism or other means that the Commission may determine as reasonable.

12. Normalized volumes by customer class for the year ending December 31, 2020 and total customer count by customer class as of December 31, 2020.

13. A statement of commitment that if the gas utility receives proceeds pursuant to a securitization, those proceeds are in lieu of recovery of costs through the regular ratemaking process or other mechanism.

14. Any other information the gas utility deems pertinent to its application.

Additionally, gas utilities are encouraged to file proposed procedural schedules with their applications that anticipate expedited timelines. Gas utilities are likewise encouraged to file proposed protective orders to the extent the gas utility will be filing information it deems confidential and/or proprietary. Gas utilities should not upload any documents through the CASES Online Portal that are considered confidential. Any files containing potentially confidential information should be delivered to the RRC using previously established processes in accordance with RRC rules. To the extent applicable, gas utilities shall disclose the terms of the contracts and related transaction confirmations related to gas procurement costs to be securitized pursuant to the terms of the governing protective order. Gas utilities may adopt portions of other gas utilities' testimony, as necessary.

Please Forward to the Appropriate Section of Your Company

DATA FOR PARTICIPATING GAS UTILITIES

	Amount to be Recovered			Customer Count and Usage Information				
				Residential Customers		Commercial Customers		
Gas Utility	**Regulatory Asset**	**Purchased Gas Costs**	**3-year Amortization**	**Count**	**Annual Mcf**	**Count**	**Annual Mcf**	**Total Mcf**
	(000s)	(000s)	(000s)					
Atmos Energy	2,038,998	2,026,592	2,345,177	1,885,414	105,174,336	149,107	60,487,264	172,953,731
CenterPoint Energy								
Entex	1,131,471	1,132,892	1,251,066	1,688,270	68,498,910	94,829	18,413,319	94,547,960
Arkla	9,808	9,880	10,903	12,887	931,741	1,635	134,996	1,066,737
Texas Gas Service	290,104	302,560	329,909	628,837	26,024,086	34,276	10,587,407	40,271,506
CoServe Gas, Ltd.	69,045	63,428	69,560	134,758	10,100,382	2,911	1,478,698	11,860,868
Universal Natural Gas, LLC	32,443	33,845	35,219	17,959	893,452	271	138,022	1,031,474
SiEnergy, LP	18,742	19,421	20,935	31,531	1,475,688	183	68,989	1,557,021
EPCOR Gas Texas	11,360	11,360	11,360	4,708	243,716	125	46,700	292,203
Bluebonnet Natural Gas	1,980	1,927	2,277	587	17,428	12	1,580	62,433
AgriTexGas, LP	1,326	1,291	1,291	2,468	216,435	73	27,272	1,369,496
Natgas Inc.	971	971	971	997	44,724	101	24,888	78,456
Corix Utilities (Texas) Inc.	285	216	236	240	7,508	23	2,952	10,460
Totals	**3,606,534**	**3,604,383**	**4,078,905**	**4,408,656**	**213,628,406**	**283,546**	**91,412,087**	**325,102,345**
Average Use per Month (Mcf)					**4.04**		**26.87**	

Source: Schedules A and H of Participating Gas Utilities' Applications.

ANNUAL COST OF CUSTOMER RATE RELIEF BONDS

Bond Principal (000s):

Total Regulatory Asset		3,606,534
Underwriting Expenses @	0.40%	15,319
Issuance Expenses @	0.30%	11,489
Debt Service Reserve Funding	50.0%	196,366
Bond Principal		**3,829,707**

Annual Costs (000s):

Year	Interest Rate	Principal Payment	Interest Expense	Bond Costs	Operation & Admin. @ 0.60%	Annual Costs
1	0.19%	347,300	40,370	387,670	22,978	410,649
2	0.32%	350,773	39,723	390,496	22,978	413,475
3	0.50%	354,281	38,585	392,865	22,978	415,844
4	0.74%	357,824	36,819	394,643	22,978	417,621
5	0.96%	361,402	34,165	395,567	22,978	418,545
6	1.18%	365,016	30,713	395,729	22,978	418,707
7	1.36%	368,666	26,420	395,086	22,978	418,065
8	1.50%	372,353	21,407	393,760	22,978	416,738
9	1.62%	376,076	15,840	391,916	22,978	414,894
10	1.69%	576,203	9,742	389,579	22,978	412,558
Total		3,829,892				

ANNUAL COST OF RATE BASE INCLUSION

Rate of Return:

Source	% of Total	Component Cost	Weighted Cost	Tax Factor	Weighted Cost
Debt	41.0%	4.75%	1.95%	1.0000	1.95%
Equity	59.0%	9.50%	5.61%	1.2658	7.09%
Total	**100.0%**				**9.04%**

Annual Costs (000s):

Year	Regulatory Asset	Average Accumulated Amortization	Average Unamortized Balance	Return and Income Taxes	Amortization Expense	Annual Costs
1	3,606,534	180,327	3,426,207	309,813	360,653	670,466
2	3,606,534	540,980	3,065,554	277,201	360,653	637,854
3	3,606,534	901,633	2,704,900	244,589	360,653	605,242
4	3,606,534	1,262,287	2,344,247	211,977	360,653	572,630
5	3,606,534	1,622,940	1,983,594	179,365	360,653	540,019
6	3,606,534	1,983,594	1,622,940	146,753	360,653	507,407
7	3,606,534	2,344,247	1,262,287	114,141	360,653	474,795
8	3,606,534	2,704,900	901,633	81,530	360,653	442,183
9	3,606,534	3,065,554	540,980	48,918	360,653	409,571
10	3,606,534	3,426,207	180,327	16,306	360,653	376,959

COST-EFFECTIVENESS OF CRR BONDS VERSUS ALTERNATIVE METHODS

Annual Costs (000s):

		Alternative Methods		
Year	Securitized Customer Rate Relief Bonds	Purchased Gas Cost Recovery	3-Year Amortization Charge	Inclusion in Rate Base
1	410,649	3,604,383	1,359,635	670,466
2	413,475	-	1,359,635	637,854
3	415,844	-	1,359,635	605,242
4	417,621	-	-	572,630
5	418,545	-	-	540,019
6	418,707	-	-	507,407
7	418,065	-	-	474,795
8	416,738	-	-	442,183
9	414,894	-	-	409,571
10	412,558	-	-	376,959

Present Value (000s):

5%	3,288,460	3,517,517	3,794,060	4,247,288
10%	2,677,498	3,436,644	3,546,244	3,537,836
15%	2,235,224	3,361,104	3,329,047	3,014,656
20%	1,906,571	3,290,336	3,137,405	2,618,813

Savings from Securitized CRR Bonds (000s):

5%		229,058	505,600	958,828
10%		759,147	868,746	860,338
15%		1,125,881	1,093,824	779,433
20%		1,383,765	1,230,834	712,242

COST-EFFECTIVENESS OF 15-YEAR CRR BONDS VERSUS ALTERNATIVE METHODS

Annual Costs (000s):

		Alternative Methods		
Year	Securitized Customer Rate Relief Bonds	Purchased Gas Cost Recovery	3-Year Amortization Charge	Inclusion in Rate Base
1	299,731	3,604,383	1,359,635	555,684
2	301,568	-	1,359,635	533,942
3	303,107	-	1,359,635	512,201
4	304,262	-	-	490,460
5	304,863	-	-	468,719
6	304,968	-	-	446,977
7	304,551	-	-	425,236
8	303,688	-	-	403,495
9	302,490	-	-	381,754
10	300,972	-	-	360,012
11	299,267	-	-	338,271
12	297,347	-	-	316,530
13	295,210	-	-	294,789
14	292,878	-	-	273,047
15	290,322	-	-	251,306

Present Value (000s):

5%	3,201,153	3,517,517	3,794,060	4,500,302
10%	2,404,656	3,436,644	3,546,244	3,517,305
15%	1,892,157	3,361,104	3,329,047	2,862,128
20%	1,546,461	3,290,336	3,137,405	2,405,230

Savings from Securitized CRR Bonds:

5%		316,365	592,907	1,299,149
10%		1,031,988	1,141,588	1,112,650
15%		1,468,948	1,436,891	969,971
20%		1,743,876	1,590,944	858,770

AFFORDABILITY OF CRR BONDS VERSUS CONVENTIONAL METHODS

	Securitized Customer Rate Relief Bonds	Conventional Methods: Purchased Gas Cost Recovery	Conventional Methods: 3-Year Amortization Charge	Conventional Methods: Inclusion in Rate Base
Extraordinary Winter Storm Uri Costs:				
1st-year Costs (a)	$ 410,648,713	$ 3,604,382,693	$ 1,359,634,943	$ 670,466,009
Total Mcf (b)	325,102,345	325,102,345	325,102,345	325,102,345
Cost per Mcf	**$ 1.26**	**$ 11.09**	**$ 4.18**	**$ 2.06**
Residential Customers:				
Average Mcf Use per Month (b)	4.04	4.04	4.04	4.04
Monthly Cost -- Residential	**$ 5.10**	**$ 44.77**	**$ 16.89**	**$ 8.33**
Savings from CRR Bonds:				
Per Month		$ 39.67	$ 11.79	$ 3.23
First Year		$ 476.03	$ 141.45	$ 38.73
Commercial Customers:				
Average Mcf Use per Month (b)	26.87	26.87	26.87	26.87
Monthly Cost -- Commercial	**$ 33.94**	**$ 297.86**	**$ 112.36**	**$ 55.41**
Savings from CRR Bonds:				
Per Month		$ 263.92	$ 78.42	$ 21.47
First Year		$ 3,167.08	$ 941.07	$ 257.65

(a) Schedule BHF-4.
(b) Schedule BHF-1.

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

AFFIDAVIT OF BRUCE H. FAIRCHILD

BEFORE ME, the undersigned authority, on this day personally appeared Bruce H. Fairchild who having been placed under oath by me did depose as follows:

1. "My name is Bruce H. Fairchild. I am over the age of eighteen (18) and fully competent to make this affidavit. I am a principal in Financial Concepts and Applications, Inc. The facts stated herein are true and correct based upon my personal knowledge.

2. I have prepared the foregoing Direct Testimony and the information contained in this document is true and correct to the best of my knowledge."

Further affiant sayeth not.

Bruce H. Fairchild

SUBSCRIBED AND SWORN TO BEFORE ME by the said Bruce H. Fairchild on this 22nd day of July 2021.

Notary Public in and for the State of Texas

NOTARY PUBLIC STATE OF TEXAS
STEPHANIE TANNER
Notary Public, State of Texas
Notary ID 12852236-6
My Commission Exp. 02-09-2023

CASE NO. 00007068

APPLICATION OF SIENERGY, L.P., FOR CUSTOMER RATE RELIEF AND RELATED REGULATORY ASSET DETERMINATION	**§ § § §**	**BEFORE THE RAILROAD COMMISSION OF TEXAS**

PROTECTIVE ORDER

This Protective Order shall govern the use of all information deemed confidential or highly sensitive confidential information by a party providing information to the Railroad Commission of Texas ("Commission") or responding to discovery requests, including information whose confidentiality may be under dispute in this docket and all dockets consolidated herewith. This order may be modified by the Examiner *sua sponte*, or on advice of the Open Records Coordinator, Office of General Counsel, and the Railroad Commission of Texas.

1. Designation of Protected Materials

Any party or person producing or filing a document, including, but not limited to, records stored or encoded on a computer disk or other similar electronic storage medium, in this proceeding may designate that document, or any portion of it, as confidential by typing or stamping on its face **"PROTECTED MATERIALS PROVIDED PURSUANT TO PROTECTIVE ORDER ISSUED IN CASE NO. 00007068"** (hereinafter referred to as "protected materials"). The documents shall be consecutively Bates Stamped when necessary.

2. Materials Excluded from Protected Materials Designation

Protected materials shall not include any information or document contained in the public files of the Commission or any other federal or state agency, court, or local government authority subject to the Public Information Act or under the Federal Freedom of Information Act provided however, that any party or person may assert any privilege or exception available under these Acts. Protected materials also shall not include materials that at the time of or prior to disclosure in these proceedings, is or was publicly disclosed, on a non-confidential basis. The disclosure of materials to a party, its customers, or their respective employees, agents, consultants, or counsel in the normal course of business shall not preclude a claim that such materials are protected materials hereunder. Protected materials disclosed by someone other than an employee, agent, or consultant of the originating party in violation of this Protective Order shall not lose their status as protected material as a result of such disclosure.

3. Definition of "reviewing party."

A "reviewing party" is defined for purposes of this Protective Order as a party expressly admitted or that has had a Motion to Intervene granted in Case No. 00007068.

4. Definition of "producing party."

A "producing party" is defined for purposes of this Protective Order as a party expressly admitted or that has had a Motion to Intervene granted in Case No. 00007068, which has had discovery propounded upon it in any form as provided by applicable law.

5. Access to Protected Materials

A reviewing party shall be permitted access to protected materials only through its authorized representatives. "Authorized representatives" of a party include its counsel of record in this proceeding and associated attorneys, paralegals, economists, statisticians, accountants, consultants, or other persons employed or retained by the party and directly engaged in these proceedings, provided that such person has signed the certification required by Paragraph 8.

6. Designation of Highly Sensitive Protected Materials

The term "highly sensitive protected materials" is a subset of "protected materials." The term refers to, but is not limited to, documents and information, the provision of which to the reviewing party or its authorized representatives would: (1) expose the producing party or any of its affiliates to an unreasonable risk of harm, or (2) would result in disclosure of information that would be subject to a privilege against disclosure, a contractual confidentiality agreement or other Protective Agreement or agreement. Highly sensitive protected materials further include, but are not limited to, business operations or financial information that is commercially sensitive. Documents so classified by a producing party shall bear the designation "HIGHLY SENSITIVE PROTECTED MATERIALS PROVIDED PURSUANT TO THE PROTECTIVE ORDER ISSUED IN CASE NO. 00007068."

7. Restrictions on Copies and Inspection of Highly Sensitive Protected Materials

Highly sensitive protected materials shall be made available for inspection only at the address specified pursuant to Paragraph 9. Additionally, only one copy of highly sensitive protected materials shall be provided to counsel of any party to Case No. 00007068 upon written request following completion of the certifications required by Paragraph 8 herein. A party may make one additional copy of reproduced highly sensitive protected materials for use in this proceeding pursuant to this Protective Order. No additional copies of such highly sensitive protected materials may be made, except that additional copies may be made in order to have sufficient copies for introduction of the material into the evidentiary record if the material is to be offered for admission into the record. A record of any copies that are made of highly sensitive protected material shall be kept and a copy of the record shall be sent to the producing party upon request. The record shall include information on the location and the person in possession of the copy. The authorized representatives for the purpose of access to highly sensitive protected materials must be persons who are: (1) counsel for the reviewing party, (2) consultants for the reviewing party working under the direction of the reviewing party's counsel, (3) permanent non-elected employees of municipalities that are parties in Case No. 00007068, who have primary responsibility for utility regulation. The authorized representatives for the Commission's Director of Gas Services or the State of Texas for the purpose of access to these materials shall consist of its respective counsel of record in this docket and associated attorneys, paralegals, economists, statisticians, accountants, consultants, or other persons employed or retained by those agencies and directly engaged in this docket. Limited notes may be made of highly sensitive protected materials, and such notes shall themselves be treated as highly sensitive protected material unless such notes are restricted to a description of the document and a general characterization of its subject matter in a manner that does not include any substantive information contained in such highly sensitive protected materials.

8. Required Certification

Each person who inspects the protected materials shall, before such inspection, agree in writing to follow certification set forth in Exhibit A to this Order:

> I certify my understanding that the protected materials are provided to me pursuant to the terms and restrictions of the Protective Order in Case No. 00007068, and that I have been given a copy of it and have read the Protective Order and agree to be bound by it. I understand that the contents of the protected materials, any notes, memoranda, or any other form of information regarding or derived from the protected materials shall not be disclosed to anyone other than in accordance with the Protective Order and shall be used only for the purpose of the proceeding in Case No. 00007068. I acknowledge that the obligations imposed by this certification are pursuant to a ruling issued by the Examiners in this docket. However, if the information contained in the protected materials is obtained from independent sources that did not obtain such information from documents obtained in this docket, the understanding stated herein shall not apply.

In addition, reviewing parties who are permitted access to highly sensitive protected material under the terms of this ruling shall, before inspection of such materials, agree in writing to the following certification set forth in Exhibit A to this Protective Order:

> I certify that I am eligible to have access to highly sensitive protected materials under the terms of the Protective Order in Case No. 00007068.

A copy of each signed certification shall be provided to counsel for the party asserting confidentiality. Except for highly sensitive protected materials, any authorized representative may disclose protected materials to any other person who is an authorized representative, provided that, if the person to whom disclosure is to be made has not executed and provided for delivery of a signed certification to the party asserting confidentiality, that certification shall be executed prior to any disclosure. An authorized representative may disclose highly sensitive protected material to other reviewing representatives who are permitted access to such materials and have executed the additional certification required for persons who receive access to highly sensitive protected material. In the event that any authorized representative to whom protected materials are disclosed ceases to be engaged in these proceedings, access to protected materials by that person shall be terminated and all notes or memoranda or other information derived from the protected material shall be returned to the party on whose behalf that person was acting. Any person who has agreed to either or both of the foregoing certifications shall continue to be bound by the provisions of this Protective Order, even if no longer engaged in these proceedings. Parties who assert confidentiality shall maintain a list of persons who sign a certification pursuant to this Paragraph.

9. Voluminous Materials

(a) Voluminous protected materials which exceed eight linear feet shall be made available for inspections in its normal repository between the hours of 9:30 a.m. and 5:00 p.m., Monday through Friday (except holidays) in accordance with the Texas Rules of Civil Procedure. A party shall notify the other parties of the address at which the voluminous data will be produced simultaneously with the production of such data. For purposes of this Protective Order voluminous materials or data shall mean responses to a particular question or subpart that consist of one hundred pages or more in the aggregate.

(b) Except for highly sensitive protected materials as provided for in Paragraph 7, and for protected materials that are voluminous, the party asserting confidentiality shall provide a party one copy of the protected materials upon receipt of the signed certifications described in Paragraph 8. Except as provided above for highly sensitive protected materials, parties may take notes regarding the information contained in protected materials made available for inspection pursuant to Paragraph 9(a). Only one copy of such protected materials shall be reproduced for each party. Parties shall make a diligent, good-faith effort to limit the amount of copying requested to only that which is appropriate for purposes of this proceeding. Notwithstanding the foregoing provisions of this Paragraph 9(b), a party may make further copies of reproduced protected materials for use in this proceeding pursuant to this Protective Order, but a record shall be maintained as to the documents produced and the number of copies made, and upon request, the party shall provide the party asserting confidentiality with a copy of that record.

10. Availability for Purposes of this Filing

All protected materials shall be made available to the parties solely for the purposes of this proceeding. Protected materials, as well as a party's notes, memoranda, or other information regarding, or derived from the protected materials are to be treated confidentially by the parties and shall not be disclosed or used by the party except as permitted and provided in this Protective Order. Information derived from or describing the protected materials shall be maintained in a secure place and shall not be placed in the public or general files of the party except in accordance with the provisions of this Protective Order. A party must take all reasonable precautions to ensure that the protected materials, including notes and analysis made from protected materials, are not viewed or taken by any person other than an authorized representative of the party.

All non-voluminous protected materials may be reviewed only during the "reviewing period," which period shall commence upon issuance of this Protective Order and continue until conclusion of the plenary jurisdiction of the Commission in this proceeding. The "reviewing period" shall reopen if the Commission regains jurisdiction due to a remand as provided by law. Protected materials that are admitted into the evidentiary record or accompanying the evidentiary record as offers of proof, may be reviewed while this proceeding or any appeals hereof are pending.

11. Treatment of Protected Materials

(a) If a party tenders for filing any written testimony, exhibit, brief, or other submission that quotes from protected materials or discloses the confidential content of protected materials, the confidential portion of such testimony, exhibit, brief, or other submission shall be sealed and shall be filed and served in accordance with the appropriate procedures utilized by the Commission. The Examiners may subsequently, on their own motion or on motion of a party, issue a ruling respecting whether or not the inclusion, incorporation, or reference to protected materials is such that the written testimony, exhibit, brief, or other submission should remain under seal.

(b) Any party or person giving testimony in this proceeding may designate those portions of his or her testimony deemed to be confidential materials in accordance with Paragraph 1 of this Protective Order by advising the Examiner of such fact. In that event, the Examiner shall, on a case-by-case basis, devise procedures which are fair to all parties without unduly burdening the record in this docket.

(c) All protected materials filed with the Commission, the Examiner, any other judicial or administrative body in support of or as part of a motion, other pleading, brief, or other document, shall be filed and served in sealed envelopes or other appropriate containers.

12. Changes to Protective Order

Nothing herein restricts the party seeking protected material and the party producing the protected material from agreeing to other procedures/methods for handling of protected material, including highly sensitive protected material. In addition, each party shall have the right to seek changes in this Protective Order as appropriate from the Examiners, the Commission, or the courts. Nothing herein shall prevent any party from opposing efforts to seek changes to this ruling.

13. Judicial Findings

In the event that the Examiner at any time in the course of this proceeding finds that all or part of the protected materials are not confidential, by finding, for example, that such materials have entered the public domain, those materials shall nevertheless be subject to the protection afforded by this ruling for three full working days, unless otherwise ordered, from the latest of (i) the date of receipt by the party asserting confidentiality of the Examiner's order, or (ii) the date of a final and appealable Commission order denying an appeal filed within the three full working day period from the Examiner's order; or (iii) approval of such order by operation of law following the filing of such an appeal. Neither the party asserting confidentiality, nor any reviewing party waives its right to seek additional administrative or judicial remedies after the Commission's denial of any appeal.

14. Disclosure of Protected Materials

(a) During the pendency of Case No. 00007068 at the Commission, in the event that a party wishes to disclose protected materials to any person to whom disclosure is not authorized by this Protective Order, or wishes to have changed the designation of certain information or material as protected materials by alleging, for example, that such information or material has entered the public domain, such party shall first file and serve on all parties written notice of such proposed disclosure or request for change in designation, identifying with particularity each of such protected materials. In the event that the party asserting confidentiality wishes to contest such proposed disclosure or request for change in designation, that party shall file with the Commission its objection to such proposal, with supporting sworn affidavits, if any, within five working days after receiving such notice of proposed disclosure or request for change in designation. Failure of that party to file such an objection within this period shall be deemed a waiver of objection to the proposed disclosure or request for change in designation. Upon the request of either the producing party or reviewing party or upon the Examiner's own initiative, the Examiner may conduct a prehearing conference. If either the producing or reviewing party wishes to submit materials in question for an in camera inspection, it shall do so at the time of filing its written notice or objection to disclosure. Responses to such an objection, with supporting affidavits, if any, shall be filed within five working days after receipt of the objection. The Examiner will determine whether the proposed disclosure or change in designation is appropriate. The burden is on the party asserting confidentiality to show that such proposed disclosure or change in designation should not be made. If the Examiner determines that such proposed disclosure or change in designation should be made, disclosure shall not take place earlier than three full working days after such determination unless otherwise ordered. No party waives any right to seek additional administrative or judicial remedies concerning such Examiner's ruling. As long as the periods set out in this Protective Order for filing the pleadings described above for consideration by the Examiner and for challenging the determination of the Examiner or the Commission have not expired and while a challenge is pending, the protected materials shall maintain the confidential treatment and status provided for in this Protective Order.

(b) All protected materials shall be afforded the confidential treatment and status provided for in this Protective Order during the period an appeal on an Examiner's ruling is pending before the Commission and during the periods for challenging the various orders.

(c) All notices, applications, responses, or other correspondence shall be made in a manner that protects protected materials from unauthorized disclosure.

15. Objection to Protected Materials

Nothing in this ruling shall be construed as precluding any party from objecting to the use of protected materials on grounds other than confidentiality, including the lack of required relevance. Nothing in this ruling shall be construed as an agreement by any party that the protected materials are entitled to confidential classification.

16. Acts upon Conclusion of Proceeding

Following the conclusion of these proceedings, each party must, no later than thirty days following receipt of the notice described below, destroy or return to the party asserting confidentiality all copies of the protected materials provided by that party pursuant to this Protective Order and all copies reproduced by a reviewing party, and counsel for each party must provide to the party asserting confidentiality a verified certification that, to the best of his or her knowledge, information, and belief, all copies of notes, memorandum, and other documents regarding or derived from the protected materials (including copies of protected materials) that have not been so returned, if any, have been destroyed, other than notes, memoranda, or other documents which contain information in a form which, if made public, would not cause disclosure of protected materials. Promptly following the conclusion of this proceeding, counsel for the party asserting confidentiality will send a written notice to all parties, reminding them of their obligations under this Paragraph. Nothing in this Paragraph shall prohibit counsel for each party from retaining two copies of any filed testimony, exhibit, brief, application for rehearing, or other pleading which refers to protected materials provided that any such protected materials retained by counsel shall remain subject to the provisions of this ruling. As used in this Paragraph, "conclusion of this proceeding" refers to the exhaustion of available appeals, or the running of the time for making of such appeals, as provided by applicable law. If, following any appeal, the Commission conducts a remand proceeding, then "the conclusion of these proceedings" is extended by the remand to the exhaustion of available appeals, or the running of the time for the making of such appeals, as provided by applicable law. If, following any appeal, the Commission conducts a remand proceeding, then the "conclusion of this proceeding" is extended by the remand to the exhaustion of available appeals of the remand or the running of time for making such appeals of the remand, as provided by applicable law.

17. Compliance with Legal Requirements

This Protective Order is subject to the requirements of the Public Information Act, the Open Meetings Act, and any other applicable law, provided that parties subject to those acts will give the party asserting confidentiality notice, if possible, under those acts, prior to disclosure pursuant to those acts.

18. Effect of Court Order

If required by order of a government or judicial body, the party may release to such body the confidential information required by such order, provided, however, the party agrees that prior to such disclosure, it shall promptly notify the party asserting confidentiality of the order and allow such party sufficient time to contest release of the confidential information; provided, further, the party shall use its best efforts to prevent such confidential information from being disclosed.

The term "best efforts" as used in the preceding paragraph requires that the party's attempt to ensure that disclosure is not made by its employees or authorized representatives unless such disclosure is pursuant to a final order of a governmental or judicial body or written opinion of the Attorney General which was sought in compliance with V.T.C.A., Government Code §552.301 (Public Information). The party is not required to delay compliance with a lawful order to disclose such information but is simply required to timely notify the party asserting confidentiality, or its counsel, that it has received a challenge to the confidentiality of the information and that the reviewing party will either proceed under the provisions of §552.301 of the Texas Government Code or intends to comply with the final governmental or court order.

19. Effect of Violation of Court Order

In the event of a breach of the provisions contained in Paragraph 18, the party asserting confidentiality will not have an adequate remedy in money or damages, and accordingly, shall in addition to any other available legal or equitable remedies, be entitled to an injunction against such breach. The producing party shall not be relieved of proof of any element required to establish the right to injunctive relief.

Signed this ______ day of _______, 2021.

____
Name
Administrative Law Judge

EXHIBIT A

CERTIFICATIONS

Certification for protected materials only:

I certify my understanding that the protected materials are provided to me pursuant to the terms and restrictions of the Protective Order in Case No. 00007068, and that I have been given a copy of it and have read the Protective Order and agree to be bound by it. I understand that the contents of the protected materials, any notes, memoranda, or any other form of information regarding or derived from the protected materials shall not be disclosed to anyone other than in accordance with the Protective Order and shall be used only for the purpose of the proceeding in Case No. 00007068. I acknowledge that the obligations imposed by this certification are pursuant to a ruling issued by the Examiners in this docket. However, if the information contained in the protected materials is obtained from independent sources that did not obtain such information from documents obtained in this docket, the understanding stated herein shall not apply.

____________________	____________________
Signature	Party Represented
____________________	____________________
Printed Name	Date

Additional certification for highly sensitive protected materials:

I certify that I am eligible to have access to highly sensitive protected materials under the terms of the Protective Order in Case No. 00007068.

____________________	____________________
Signature	Party Represented
____________________	____________________
Printed Name	Date

Testimony Workpapers

Testimony Workpapers are being provided electronically.

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Table of Contents
July 30, 2021

CALCULATION OF COST OF CRR BONDS AND RATE BASE INCLUSION -- 15 YEARS

ANNUAL COST OF CUSTOMER RATE RELIEF BONDS

Required Bond Principal (000s):

Regulatory Asset (000s)		3,606,534
Underwriting Expenses @	0.40%	15,087
Issuance Expenses @	0.30%	11,315
Debt Service Reserve Funding	50.0%	138,859
Bond Principal		3,771,795

Annual Costs (000s):

Year	Interest Rate	Principal Payment	Interest Expense	Bond Costs	Operation & Admin. @ 0.60%	Annual Costs
1	0.19%	225,700	51,401	277,101	22,631	299,731
2	0.32%	227,957	50,980	278,937	22,631	301,568
3	0.50%	230,237	50,240	280,477	22,631	303,107
4	0.74%	232,539	49,093	281,632	22,631	304,262
5	0.96%	234,864	47,368	282,232	22,631	304,863
6	1.18%	237,213	45,124	282,337	22,631	304,968
7	1.36%	239,585	42,335	281,920	22,631	304,551
8	1.50%	241,981	39,077	281,058	22,631	303,688
9	1.62%	244,401	35,459	279,860	22,631	302,490
10	1.69%	246,845	31,496	278,341	22,631	300,972
11	1.77%	249,313	27,323	276,636	22,631	299,267
12	1.85%	251,806	22,910	274,716	22,631	297,347
13	1.92%	254,324	18,254	272,579	22,631	295,210
14	2.00%	256,868	13,379	270,247	22,631	292,878
15	2.07%	398,295	8,255	267,691	22,631	290,322
Total		3,771,928				

Workpaper
Schedule BHF-4

COST-EFFECTIVENESS OF CRR BONDS VERSUS ALTERANTIVE METHODS -- 1.5X INTEREST RATES

Annual Costs (000s):

Year	Securitized Customer Rate Relief Bonds	Alternative Methods: Purchased Gas Cost Recovery	Alternative Methods: 3-Year Amortization Charge	Alternative Methods: Inclusion in Rate Base
1	452,926	3,604,383	1,359,635	670,466
2	459,336	-	1,359,635	637,854
3	465,084	-	1,359,635	605,242
4	469,938	-	-	572,630
5	473,446	-	-	540,019
6	475,733	-	-	507,407
7	476,704	-	-	474,795
8	476,537	-	-	442,183
9	475,499	-	-	409,571
10	240,174	-	-	376,959

Present Value (000s):

5%	3,563,483	3,517,517	3,794,060	4,247,288
10%	2,921,422	3,436,644	3,546,244	3,537,836
15%	2,451,726	3,361,104	3,329,047	3,014,656
20%	2,099,527	3,290,336	3,137,405	2,618,813

Savings from Securitized CRR Bonds (000s):

5%		(45,966)	230,576	683,805
10%		515,222	624,822	616,414
15%		909,378	877,321	562,930
20%		1,190,809	1,037,878	519,286

CALCULATION OF COST OF CRR BONDS AND RATE BASE INCLUSION -- 10 YEARS AND 1.5X INTEREST RATES

ANNUAL COST OF CUSTOMER RATE RELIEF BONDS

Required Bond Principal (000s):

Regulatory Asset (000s)		3,606,534
Underwriting Expenses @	0.40%	15,381
Issuance Expenses @	0.30%	11,536
Debt Service Reserve Funding	50.0%	211,733
Bond Principal		3,845,184

Annual Costs (000s):

Year	Interest Rate	Principal Payment	Interest Expense	Bond Costs	Operation & Admin. @ 0.60%	Annual Costs
1	0.28%	372,500	57,355	429,855	23,071	452,926
2	0.49%	379,950	56,315	436,265	23,071	459,336
3	0.75%	387,549	54,464	442,013	23,071	465,084
4	1.11%	395,300	51,567	446,867	23,071	469,938
5	1.43%	403,206	47,169	450,375	23,071	473,446
6	1.76%	411,270	41,392	452,662	23,071	475,733
7	2.04%	419,496	34,137	453,633	23,071	476,704
8	2.24%	427,885	25,580	453,466	23,071	476,537
9	2.43%	436,443	15,985	452,428	23,071	475,499
10	2.54%	211,733	5,370	217,103	23,071	240,174
Total		3,845,332				

COST-EFFECTIVENESS OF 15-YEAR CCR BONDS VERSUS ALTERNATIVE METHODS AND 1.5X INTEREST RATES

Annual Costs (000s):

		Alternative Methods		
Year	Securitized Customer Rate Relief Bonds	Purchased Gas Cost Recovery	3-Year Amortization Charge	Inclusion in Rate Base
1	311,558	3,604,383	1,359,635	555,684
2	315,173	-	1,359,635	533,942
3	318,416	-	1,359,635	512,201
4	321,154	-	-	490,460
5	323,132	-	-	468,719
6	324,422	-	-	446,977
7	324,970	-	-	425,236
8	324,875	-	-	403,495
9	324,290	-	-	381,754
10	323,226	-	-	360,012
11	321,880	-	-	338,271
12	320,202	-	-	316,530
13	318,182	-	-	294,789
14	315,850	-	-	273,047
15	313,152	-	-	251,306

Present Value (000s):

5%	3,402,852	3,517,517	3,794,060	4,500,302
10%	2,550,361	3,436,644	3,546,244	3,517,305
15%	2,002,620	3,361,104	3,329,047	2,862,128
20%	1,633,698	3,290,336	3,137,405	2,405,230

Savings from Securitized CRR Bonds:

5%		114,666	391,208	1,097,450
10%		886,283	995,883	966,945
15%		1,358,484	1,326,427	859,508
20%		1,656,638	1,503,707	771,532

CALCULATION OF COST OF CRR BONDS AND RATE BASE INCLUSION -- 15 YEARS AND 1.5X INTEREST RATES

ANNUAL COST OF CUSTOMER RATE RELIEF BONDS

Required Bond Principal (000s):

Regulatory Asset (000s)		3,606,534
Underwriting Expenses @	0.40%	15,127
Issuance Expenses @	0.30%	11,345
Debt Service Reserve Funding	50.0%	148,671
Bond Principal		3,781,677

Annual Costs (000s):

Year	Interest Rate	Principal Payment	Interest Expense	Bond Costs	Operation & Admin. @ 0.60%	Annual Costs
1	0.28%	210,100	78,768	288,868	22,690	311,558
2	0.49%	214,302	78,181	292,483	22,690	315,173
3	0.75%	218,588	77,138	295,726	22,690	318,416
4	1.11%	222,960	75,504	298,464	22,690	321,154
5	1.43%	227,419	73,023	300,442	22,690	323,132
6	1.76%	231,967	69,765	301,732	22,690	324,422
7	2.04%	236,607	65,673	302,280	22,690	324,970
8	2.24%	241,339	60,846	302,185	22,690	324,875
9	2.43%	246,166	55,434	301,600	22,690	324,290
10	2.54%	251,089	49,447	300,536	22,690	323,226
11	2.66%	256,111	43,079	299,190	22,690	321,880
12	2.77%	261,233	36,279	297,512	22,690	320,202
13	2.88%	266,458	29,035	295,492	22,690	318,182
14	2.99%	271,787	21,373	293,160	22,690	315,850
15	3.11%	425,894	13,240	290,462	22,690	313,152
Total		3,782,018				

TEXAS GOVERNMENT ENTITY BONDS ISSUES -- JULY 2020 THROUGH JUNE 2021

Source: Munios.com
Criteria: Texas issuer; face amount greater than $200 million; Final Official Statement

			Bond Ratings					Underwriting/	Not Identified	Total Issuance		Under-		Debt Service Reserve	
OS Date	**Issuer**	**Purpose**	**Moody's**	**S&P**	**Fitch**	**Face Amount**	**Issuance Costs**	**Discounts**	**Separately**	**Costs**	**Issuance**	**writing**	**Total**	**Amount**	**Percent**
6/23/2021	State of Texas	Student Loan	Aaa	AAA		219,265,000	424,955	967,746		1,392,701	0.194%	0.441%	0.635%		
6/22/2021	San Antonio	Water/Wastewater	Aa2	AA	AA	274,375,000	715,163	994,231		1,709,394	0.261%	0.362%	0.623%	13,661,656	4.979%
6/9/2021	City of Houston	Airport	A1			286,010,000	1,109,898	1,027,197		2,137,095	0.388%	0.359%	0.747%		
5/26/2021	City of Houston	Utility		AA	AA	365,950,000	816,200	1,254,125		2,070,325	0.223%	0.343%	0.566%		
5/5/2021	North Texas Tollway Authority	Toll Road				848,155,000			5,910,491	5,910,491			0.697%	11,049,416	2.101%
3/31/2021	San Antonio	Gas /Electric	Aa2	A+	AA-	330,700,000	972,038	1,333,734		2,305,772	0.294%	0.403%	0.697%		
3/23/2021	Cental Texas Regional Mobility	Transportion				499,260,000			4,271,135	4,271,135			0.855%	15,149,580	4.905%
3/3/2021	Texas Pubic Finance Authority	Facilities	Aa1	AA+		325,700,000			1,547,148	1,547,148			0.475%		
3/1/2021	Lower Colorado River Authority	Electric				397,185,000	857,084	1,084,839		1,941,923	0.216%	0.273%	0.489%	26,130,550	6.579%
1/25/2021	Texas Municipal Gas Acquisition and	Prepaid Gas	A3	BBB+		1,061,060,000			13,929,485	13,929,485			1.313%		
1/21/2021	Houston Community College System	Maintenance/Refunding	Aaa	AA+		379,090,000	1,153,618	1,459,273		2,612,891	0.304%	0.385%	0.689%		
1/14/2021	Baylor Scott & White	Facilities	Aa3	AA-		1,300,000,000			7,285,975	7,285,975			0.560%		
12/15/2020	Harris County Toll Road	Toll Road	Aa2		AA	424,925,000			2,977,067	2,977,067			0.701%	24,745,439	5.823%
12/10/2020	Tarrant County Finance Corp	Facilities	A3	A		303,610,000			3,758,727	3,758,727			1.238%		
12/10/2020	Texas Pubic Finance Authority	Facilities	Aa1			400,000,000			1,804,534	1,804,534			0.451%		
10/29/2020	Dallas Area Rapid Transit	Transportation	Aa2			281,090,000	842,142	1,170,428		2,012,570	0.300%	0.416%	0.716%		
10/27/2020	City of Austin	Electric	Aa3	AA	AA	277,365,000	803,458	982,336		1,785,794	0.290%	0.354%	0.644%		
10/27/2020	Cental Texas Regional Mobility	Transportion				339,605,000			3,438,201	3,438,201			1.012%	8,482,538	4.340%
10/20/2020	City of Dallas	General Obligation		AA-	AA	208,875,000	665,660	1,265,208		1,930,868	0.319%	0.606%	0.924%		
10/20/2020	City of Austn	Water/Wastewater	Aa2	AA	AA-	203,505,000	666,182	759,183		1,425,365	0.327%	0.373%	0.700%		
10/20/2020	Harris County Cultural Education Faci	Facilities				208,020,000			2,009,167	2,009,167			0.966%		
10/20/2020	San Antonio	Gas /Electric				418,255,000	1,061,009	1,637,168		2,698,177	0.254%	0.391%	0.645%		
10/1/2020	North Texas Tollway Authority	Toll Road				848,155,000			5,738,237	5,738,237			0.677%		
9/23/2020	Harris County	Refunding				221,455,000	529,422	634,259		1,163,681	0.239%	0.286%	0.525%		
9/22/2020	Texas Water Development Board	Water		AAA	AAA	628,515,000	837,280	2,013,543		2,850,823	0.133%	0.320%	0.454%		
9/17/2020	City of Houston	Airport	A1	A		863,875,000	1,283,107	2,594,802		3,877,909	0.149%	0.300%	0.449%		
9/15/2020	City of Austin	Public Improvement	Aa1	AAA	AAA	268,135,000	949,076	680,509		1,629,585	0.354%	0.254%	0.608%		
8/27/2020	Austin Independent School District	Buildings	Aaa			255,215,000	773,971	1,079,731		1,853,702	0.303%	0.423%	0.726%		
8/25/2020	Central Texas Regional Mobility	Transportation				295,260,000			2,991,614	2,991,614		0.000%	1.013%	8,116,345	8.140%
8/19/2020	Houston Methodist	Hospital		AA		900,000,000			4,447,780	4,447,780		0.000%	0.494%		
8/6/2020	Waco Education Finance	University		A+	A+	256,165,000	758,793	626,902		1,385,695	0.296%	0.245%	0.541%		
7/30/2020	Dallas and Fort Worth	DFW Airport	A1	A	A+	1,193,985,000	1,704,245	4,347,818		6,052,063	0.143%	0.364%	0.507%	1,252,927	0.105%
7/23/2020	Dallas and Fort Worth	DFW Airport	A1	A	A+	459,520,000	1,210,157	1,684,028		2,894,185	0.263%	0.366%	0.630%		
7/21/2020	Port of Houston	Facilities	Aaa	AAA		222,925,000	757,967	976,659		1,734,626	0.340%	0.438%	0.778%		
7/14/2020	Dallas and Fort Worth	DFW Airport	A1	A	A+	391,755,000	1,886,664	1,436,437		3,323,101	0.482%	0.367%	0.848%		
7/15/2020	Texas Transportation Commission	Transportation	AAA		Aaa	1,270,690,000	904,631	4,843,479		5,748,110	0.071%	0.381%	0.452%		
76/30/2020	Corpus Christi	Utility	Aa3	AA-	AA-	317,400,000	1,250,190	1,637,453		2,887,643	0.394%	0.516%	0.910%		
						17,745,050,000			Weighted	119,533,559			0.674%		
									Full Year	Avg. -- Simple	0.272%	0.345%	0.702%		4.622%
										Median	0.292%	0.365%	0.677%		4.942%
									2021	Avg. -- Simple	0.269%	0.367%	0.696%		4.641%
										Median	0.261%	0.362%	0.662%		4.942%

US Taxable GO AAA Muni BVAL Yield Curve New -- Bloomberg
June 1, 2021 - July 13, 2021

Workpaper
Schedule BHF-2

Tenor	June 2021	June 14-July 13	July 13 2021	Last Update 6/1/2021	6/2/2021	6/3/2021	6/4/2021	6/7/2021	6/8/2021	6/9/2021	6/10/2021	6/11/2021	6/14/2021	6/15/2021	6/16/2021	6/17/2021	6/18/2021
1Y	0.173	0.186	0.206	0.18	0.18	0.18	0.20	0.19	0.20	0.17	0.16	0.11	0.11	0.15	0.14	0.14	0.16
2Y	0.306	0.325	0.372	0.28	0.27	0.29	0.31	0.31	0.33	0.30	0.27	0.24	0.25	0.26	0.30	0.27	0.28
3Y	0.476	0.498	0.576	0.43	0.43	0.45	0.48	0.48	0.49	0.46	0.42	0.38	0.41	0.41	0.47	0.45	0.47
4Y	0.729	0.742	0.794	0.72	0.71	0.75	0.78	0.75	0.75	0.68	0.65	0.60	0.64	0.65	0.73	0.68	0.70
5Y	0.957	0.955	0.987	0.98	0.97	1.01	1.04	0.99	0.98	0.90	0.87	0.83	0.87	0.88	0.97	0.90	0.92
6Y	1.199	1.176	1.178	1.26	1.25	1.28	1.32	1.25	1.23	1.14	1.11	1.08	1.12	1.14	1.22	1.14	1.14
7Y	1.394	1.360	1.345	1.47	1.46	1.49	1.53	1.45	1.42	1.34	1.31	1.28	1.33	1.34	1.42	1.34	1.32
8Y	1.539	1.495	1.471	1.62	1.60	1.64	1.69	1.61	1.57	1.49	1.46	1.44	1.49	1.49	1.57	1.50	1.47
9Y	1.675	1.621	1.599	1.77	1.74	1.78	1.84	1.76	1.71	1.64	1.60	1.59	1.63	1.63	1.70	1.63	1.60
10Y	1.750	1.691	1.672	1.85	1.82	1.86	1.92	1.84	1.79	1.72	1.68	1.67	1.71	1.71	1.77	1.71	1.68
11Y	1.834	1.770	1.749	1.93	1.91	1.94	2.00	1.93	1.88	1.80	1.77	1.75	1.80	1.80	1.85	1.79	1.77
12Y	1.918	1.849	1.826	2.01	1.99	2.02	2.08	2.02	1.97	1.89	1.86	1.84	1.89	1.89	1.93	1.86	1.86
13Y	1.991	1.917	1.893	2.09	2.07	2.10	2.16	2.10	2.06	1.97	1.94	1.91	1.96	1.97	2.01	1.93	1.94
14Y	2.073	1.995	1.972	2.17	2.16	2.18	2.24	2.18	2.15	2.06	2.02	1.99	2.04	2.07	2.10	2.01	2.02
15Y	2.154	2.072	2.051	2.25	2.24	2.26	2.33	2.27	2.24	2.14	2.11	2.06	2.12	2.16	2.19	2.09	2.10

Tenor	6/21/2021	6/22/2021	6/23/2021	6/24/2021	6/25/2021	6/28/2021	6/29/2021	6/30/2021	7/1/2021	7/2/2021	7/6/2021	7/7/2021	7/8/2021	7/9/2021	7/12/2021	7/13/2021
1Y	0.16	0.21	0.19	0.19	0.19	0.19	0.19	0.23	0.22	0.22	0.21	0.20	0.20	0.20	0.20	0.21
2Y	0.28	0.33	0.35	0.35	0.36	0.35	0.35	0.41	0.37	0.35	0.34	0.32	0.29	0.32	0.33	0.37
3Y	0.46	0.50	0.53	0.55	0.55	0.54	0.54	0.60	0.55	0.52	0.49	0.47	0.43	0.48	0.49	0.58
4Y	0.71	0.74	0.77	0.80	0.82	0.79	0.79	0.84	0.80	0.77	0.73	0.71	0.67	0.72	0.74	0.79
5Y	0.94	0.96	0.98	1.02	1.04	1.01	1.00	1.03	1.02	0.99	0.93	0.91	0.87	0.91	0.94	0.99
6Y	1.18	1.20	1.20	1.22	1.26	1.22	1.21	1.23	1.24	1.20	1.14	1.12	1.08	1.13	1.15	1.18
7Y	1.37	1.39	1.38	1.39	1.44	1.40	1.39	1.40	1.43	1.38	1.31	1.29	1.26	1.31	1.32	1.35
8Y	1.53	1.53	1.51	1.53	1.57	1.53	1.52	1.52	1.55	1.51	1.44	1.41	1.39	1.44	1.45	1.47
9Y	1.66	1.65	1.63	1.65	1.69	1.65	1.65	1.64	1.66	1.63	1.56	1.53	1.51	1.57	1.57	1.60
10Y	1.74	1.72	1.69	1.72	1.76	1.72	1.73	1.71	1.73	1.69	1.62	1.59	1.57	1.64	1.64	1.67
11Y	1.83	1.80	1.78	1.80	1.84	1.80	1.81	1.78	1.80	1.77	1.69	1.66	1.65	1.71	1.71	1.75
12Y	1.92	1.88	1.86	1.88	1.92	1.88	1.89	1.85	1.88	1.85	1.75	1.73	1.72	1.79	1.78	1.83
13Y	2.00	1.96	1.93	1.94	1.99	1.94	1.96	1.92	1.94	1.91	1.81	1.79	1.78	1.86	1.84	1.89
14Y	2.09	2.04	2.00	2.01	2.06	2.01	2.04	1.99	2.02	1.99	1.88	1.86	1.85	1.94	1.92	1.97
15Y	2.18	2.12	2.07	2.08	2.14	2.08	2.11	2.06	2.11	2.07	1.95	1.93	1.92	2.02	1.99	2.05

1Y	0.17%	0.19%	0.21%
2Y	0.31%	0.32%	0.37%
3Y	0.48%	0.50%	0.58%
4Y	0.73%	0.74%	0.79%
5Y	0.96%	0.96%	0.99%
6Y	1.20%	1.18%	1.18%
7Y	1.39%	1.36%	1.35%
8Y	1.54%	1.50%	1.47%
9Y	1.67%	1.62%	1.60%
10Y	1.75%	1.69%	1.67%
11Y	1.83%	1.77%	1.75%
12Y	1.92%	1.85%	1.83%
13Y	1.99%	1.92%	1.89%
14Y	2.07%	2.00%	1.97%
15Y	2.15%	2.07%	2.05%
Avg.	1.34%	1.31%	1.31%

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Summary of Regulatory Asset Costs
July 30, 2021

Line No.	Description	Reference		Total	
	(a)	(b)		(c)	
1	Extraordinary Gas Costs Method 1	Schedule B	$	17,857,282	
2					
3	Extraordinary Gas Costs Method 2	Schedule C		17,773,607	
4					
5	Lesser of Method 1 or Method 2			17,773,607	-
6					
7	Legal, Consulting and Professional Expenses	Schedule D		129,000	
8					
9	Taxes	Schedule E		-	
10					
11	Interim Financing	Schedule F		839,063	
12					
13	**Regulatory Asset Balance**		$	18,741,670	

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Extraordinary Gas Costs Method 1 (5 a.1)
July 30, 2021

Line No.	Description	Total February Gas Costs	February Volumes (Mcf)	Recovery Rate	Total February Gas Cost Recovered	Extraordinary Procurement Costs (5 a.1)
	(a)	(b)	(c)	(d)	(e) = (c*d)	(f) = (b - e)
1	Total Company	$ 19,176,348	389,450	$ 3.387	$ 1,319,067	$ 17,857,282
2						
3						
4						
5						
6						
7						
8						
9						
10	**Total**	**$ 19,176,348**	**389,450**	**$ 3.387**	**$ 1,319,067**	**$ 17,857,282**

(a) See Schedule C-2 for supporting details.

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Extraordinary Gas Costs Method 2 (5 a.2)
July 30, 2021

Line No.	Description	Total Purchase (MMBtu)	Total Purchases (Mcf) (1)	Total Actual Gas Costs (2)	Average Actual Cost/Mmbtu	Normalized Cost/MCf	Normalized Gas Costs	Lesser of Extraordinary Gas Costs
	(a)	(b)	(c)	(d)	(e) = (d / b)	(f)	(g) = (b x f)	(h) = (d)-(g)
1	Cost for Purchases	397,939	389,450	$ 19,176,348	$ 48.1892	$ 3.6019	$ 1,402,741	$ 17,773,607
2								
3								
4								
5								
6								
7	Other							
8								
9								
10	**Lesser of Comparison**	**397,939**	**389,450**	**$ 19,176,348**			**$ 1,402,741**	**$ 17,773,607**
11								
12								

13 Notes:
14 1. Total Purchases were made in volumes of MMBtu and converted to Mcf using the following conversion method:
15 A. Used reported Mcfs
16 B. Mcfs based on available Btu factors
17 2. The Total Cost for all gas purchased during February 2021, in agreement with the NTO.

(a) See Schedules C-1, C-2, and C-3 for supporting details.

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Gas Contracts
July 30, 2021

Line No.	Vendor Name	Contract Number	Transaction Confirmation Number
	(a)	(b)	(c)
1	DOW Hydrocarbons and Resources LLC	GSC 001 & GSC 002	N/A
2	Energy Transfer Fuel LP	GSC 003	TC 001
3	ETC Marketing	GSC 004	TC 002
4	Houston Pipe Line Company	GSC 005	TC 003
5	Kinder Morgan Texas Pipeline LLC	GSC 006	TC 004, TC 005, & TC 006
6	Copano Pipelines	GSC 007	TC 007
7	Monument Pipeline	GSC 008	N/A
8	Symmetry Energy Solutions	GSC 009	TC 008, TC 009, TC 010, & TC 011
9	Texla Energy Management Inc	GSC 010	TC 012 & TC 013
10	Atmos Pipeline (2)	GTC 001, GTC 002, GTC 003, GTC 004, & GTC 005	N/A
11			
12			
13			
14	Notes:		
15	1. The above list of contracts are filed confidentially.		
16	2. Transportation only.		

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Summary of Gas Cost Invoices
July 30, 2021

Line No.	FERC Account	Invoice Date	Invoice Number	Vendor Name	Contract Number	Reference	Volumes (MMBtu)	Volumes (McF) (1)		Total Amount
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)		(i)
1	804	3/15/2021	FS202102102136	Energy Transfer Fuel LP	GSC 003	Confidential Exhibit JMD-4, pg 96	6,095	5,999	$	388,454
2	804	3/13/2021	MS202102102102	ETC Marketing	GSC 004	Confidential Exhibit JMD-4, pg 106	27,339	26,759		97,002
3	804	3/11/2021	HS202102102029	Houston Pipe Line Company	GSC 005	Confidential Exhibit JMD-4, pg 121	203	198		33,936
4	804	3/10/2021	535S173290	Kinder Morgan Texas Pipeline LLC	GSC 006	Confidential Exhibit JMD-4, pg 132	83,090	80,199		12,080,912
5	804	3/15/2021	C2103S0003	Copano Pipelines	GSC 007	Confidential Exhibit JMD-4, pg 86	8,502	8,263		858,183
6	804	3/11/2021	Si Energy 2-21	Monument Pipeline	GSC 008	Confidential Exhibit JMD-4, pg 145	1,284	1,257		64,538
7	804	3/19/2021	983641	Symmetry Energy Solutions	GSC 009	Confidential Exhibit JMD-4, pg 150	51,140	50,081		4,709,002
8	804	3/12/2021	111028	Texla Energy Management Inc	GSC 010	Confidential Exhibit JMD-4, pg 157	62,899	61,889		537,044
9	804	3/11/2021	8800150793	DOW Hydrocarbons and Resources LLC	GSC 001 & GSC 002	Confidential Exhibit JMD-4, pg 93	157,387	154,804		300,609
10	804	5/17/2021	8800153803	DOW Hydrocarbons and Resources LLC	GSC 001 & GSC 002	Confidential Exhibit JMD-4, pg 90				158,961
11	804	3/16/2021	APT-0017701	Atmos Pipeline (2)	GTC 001, GTC 002, GTC 003, GTC 004, & GTC 005	Confidential Exhibit JMD-4, pg 82				28,125
12										
13										
14										
15										
16				Total (Sum of Lns 1 - 15)			397,939	389,450	$	19,256,766
17										
18		Adjustments:								
19										
20	804			Remove sales tax on Symmetry invoice					$	(80,418)
21										-
22				Total Adjustments (Sum of Lns 20 - 21)			-	-	$	(80,418)
23										
24				**Total Adjusted (Ln 16 + Ln 22)**			**397,939**	**389,450**	**$**	**19,176,348**

25 Notes:
26 1. Total Purchases were made in volumes of MMbtu and converted to Mcf using the following conversion method:
27 A. Used reported Mcfs
28 B. Mcfs based on available Btu factors
29 2. Transportation only.

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Average Normal Cost
July 30, 2021

Line No.	Description	Reference	Month	Price	
	(a)	(b)	(c)	(d)	
1	Henry Hub (MMBtu)	See direct testimony	Nov	$	3.0000
2		See direct testimony	Dec	$	2.9000
3		See direct testimony	Jan	$	2.4800
4			Average	$	2.7933
5	Weighted Average Index Adder	See direct testimony		$	0.5655
6	Demand/Reservation Fee/Meter Charge	See direct testimony		$	0.0842
7	Transportation Cost	See direct testimony		$	0.0777
8	GUT Taxes	See direct testimony		$	0.0044
9	Total Average Normal Costs per Mmbtu			$	3.5250
10					
11	Total Purchase (MMBtu)	Schedule C	397,939		
12	Total Purchases (Mcf)	Schedule C	389,450		
13	Weighted Average Btu Factor		1.0218	$	1.0218
14					
15	Total Average Normal Costs per Mcf			$	3.6019

Schedule D

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Summary of Legal and Consulting Expenses and Professional Fees
July 30, 2021

Line No.	Description	Total Amount
	(a)	(b)
1	**Total Legal and Consulting Expenses**	
2		
3	Legal and Consulting Expenses	$ 17,740
4	Estimated Legal and Consulting Expenses	82,261
5		
6	**Total Legal and Consulting Expenses (Sum of Lns 3 - 4)**	**$ 100,000**
7		
8	**Total Professional Fees (Expert Witness) Expenses**	
9		
10	Professional Fees (Expert Witness) Expenses	$ -
11	Estimated Professional Fees (Expert Witness) Expenses	10,000
12		
13	**Total Professional Fees (Expert Witness) Expenses (Sum of Lns 10 - 11)**	**$ 10,000**
14		
15	**Total Notice Expenses**	
16		
17	Estimated Expense for Notice to Customers	$ 19,000
18		
19	**Total Notice Expenses (Sum of Ln 17)**	**$ 19,000**
20		
21	**Total Legal, Consulting and Professional Expenses (Ln 6 + Ln 13 + Ln 19)**	**$ 129,000**
22		
23		
24	See Schedules C-1 and C-2 for supporting details.	

XX Energy Corporation
Case No. 0000xxxx (Uri Regulatory Asset Docket)
Summary of Legal and Consulting Expenses
at _____________, 2021

Schedule C-1

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Summary of Legal, Consulting and Professional Expenses
July 30, 2021

Line No.	Invoice Date	Invoice Number	Vendor Name	Total Amount	Service Period / Description	Reference
	(a)	(b)	(c)	(d)	(e)	(f)
1	3/10/2021	5925	Coffin Renner LLP	$ 595	Legal and professional services for anticipated gas cost proceeding for Feburary 2021	
2	4/9/2021	5935	Coffin Renner LLP	1,607	Legal and professional services for anticipated gas cost proceeding for March 2021	
3	5/14/2021	5947	Coffin Renner LLP	5,187	Legal and professional services for anticipated gas cost proceeding for April 2021	
4	6/10/2021	5959	Coffin Renner LLP	10,351	Legal and professional services for anticipated gas cost proceeding for May 2021	
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16	Total Legal,Consulting and Professional fees(Sum of Lns 1 - 15)			$ 17,740		

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Taxes
July 30, 2021

Line No.	Description	Total Amounts
	(a)	(b)
1	None	
2		
3		
4		
5	**Total Taxes**	$ -

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Interim Carrying Costs (March 23, 2021 through September 23, 2022)
July 30, 2021

Line No.	Description	Reference Schedule	Interim Carrying Cost
	(a)	(b)	(c)
1	Interest on Debt	Schedule F-1	$ 61,018
2			
3	Debt Acquistion Costs	Schedule F-2	229,315
4			
5	Professional Fees	Schedule F-3	78,538
6			
7	Other Capital Carrying Costs	Schedule F-4	470,191
8			
9	Total Interim Capital Carrying Costs		$ 839,063

(a) See Schedule F-1 through F-4 for supporting details.

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Interest on Debt
July 30, 2021

Line No.	Invoice Date	Invoice Number	Vendor Name	Total Amount	Service Period / Description	Reference
	(a)	(b)	(c)	(d)	(e)	(f)
1	4/19/2021	N/A	ING Capital LLC	$ 28,645	Paid Interest from 3/23/21 - 4/22/2021	
2	5/19/2021	N/A	ING Capital LLC	32,374	Paid Interest from 4/23/2021 - 5/27/2021	
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16			Total Interest on Debt (Sum of Lns 1 - 15)	$ 61,018		

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Debt Acquisition Cost Support
July 30, 2021

Line No.	Invoice Date	Invoice Number	Vendor Name	Total Amount	Service Period / Description	Reference
	(a)	(b)	(c)	(d)	(e)	(f)
1	3/31/2021	N/A	ING Capital LLC	$ 229,315	Debt Acquisition Costs - March 2022	
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16			Total Commitment Fees (Sum of Lns 1 - 15)	$ 229,315		

Schedule F-3

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Professional Fees Support
July 30, 2021

Line No.	Invoice Date	Invoice Number	Vendor Name	Actual Amount	Estimated Amount	Total Amount	Service Period / Description	Reference
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	4/15/2021	1250008445	Kirkland & Ellis LLP	$ 53,538		$ 53,538	Provided services for March 2021	
2								
3			Kirkland & Ellis LLP		12,500	12,500	credit extension through procedural schedule	
4								
5			Counsel for ING Capital LLC		12,500	12,500	credit extension through procedural schedule	
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16	Total Legal,Consulting and Professional fees(Sum of Lns 1 - 15)			$ 53,538	$ 25,000	$ 78,538		

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Other Capital Carrying Costs Support
July 30, 2021

Line No.	Service Period	Beginning Balance without Carrying Costs	New Charges	Balance Subject to Carrying Costs	Carrying Cost Daily Rate	Number of Days in Month	Carrying Costs
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Mar-21	$ -	$ 18,002,922	$ 18,002,922	0.0051622%	9	$ 8,364
2	Apr-21	18,002,922	55,740	18,058,662	0.0051622%	30	27,967
3	May-21	18,058,662	-	18,058,662	0.0051674%	31	28,928
4	Jun-21	18,058,662	15,538	18,074,200	0.0053382%	30	28,945
5	Jul-21	18,074,200	42,676	18,116,875	0.0053382%	31	29,981
6	Aug-21	18,116,875	34,764	18,151,639	0.0053382%	31	30,038
7	Sep-21	18,151,639	10,764	18,162,403	0.0053382%	30	29,086
8	Oct-21	18,162,403	10,764	18,173,167	0.0053382%	31	30,074
9	Nov-21	18,173,167	15,764	18,188,931	0.0053382%	30	29,129
10	Dec-21	18,188,931	10,764	18,199,695	0.0053382%	31	30,118
11	Jan-22	18,199,695	10,765	18,210,460	0.0053382%	31	30,135
12	Feb-22	18,210,460	-	18,210,460	0.0053382%	28	27,219
13	Mar-22	18,210,460	-	18,210,460	0.0053382%	31	30,135
14	Apr-22	18,210,460	-	18,210,460	0.0053382%	30	29,163
15	May-22	18,210,460	-	18,210,460	0.0053382%	31	30,135
16	Jun-22	18,210,460	-	18,210,460	0.0053382%	30	29,163
17	Jul-22	18,210,460	-	18,210,460	0.0053382%	31	30,135
18	Aug-22	18,210,460	-	18,210,460	0.0053382%	31	30,135
19	Sep-22	18,210,460	-	18,210,460	0.0053382%	23	22,359
20							
21	Subtotal (Sum of Lns 1 - 19)		18,210,460				531,210
22							
23	Less Paid Interest to Date						(61,018)
24							
25	Total (Sum of Lns 21 - 24)						$ 470,191

Schedule G

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Customer Information - Calendar Year 2020
July 30, 2021

Line No.	Description	Number of Customers	Average Normalized Volume (Mcf)	Total Normalized Volume (CY 2020)
	(a)	(b)	(c)	(d)
1	Residential Customers	31,531	46.801	1,475,688
2	Commercial Customers	183	376.991	68,989
3	School Customers	16	771.489	12,344
4				
5				
6				
7				
8				
9	**Totals**	31,730	1,195	1,557,021

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Summary Conventional Extraordinary Gas Cost Recovery Support
July 30, 2021

Line No.	Description	Reference	Gas Cost Recovery Mechanism Annual Reconciliation	Gas Cost Recovery Amortization - 3-Year Period (1)
	(a)	(b)	(c)	(d)
1	Extraordinary Gas Costs	Schedule A	$ 17,773,607	$ 17,773,607
2				
3	Legal and Consulting Expenses	Schedule A	129,000	129,000
4				
5	Taxes	Schedule A	-	-
6				
7	Interim Financing	Schedule A	839,063	839,063
8				
9	Regulatory Asset Balance		$ 18,741,670	$ 18,741,670
10				
11	Legal and Consulting Expenses (1)			$ 50,000
12				
13	Remove Jul-22 through Sep-22 Carrying Costs included in above	Schedule F-4	(82,629)	$ (82,629)
14				
15	Subtotal - Balance Subject to Additional Financing Costs		$ 18,659,040	$ 18,709,040
16				
17	Additional Financing Costs		761,513	$ 2,226,326
18				
19	**Total Extraordinary Gas Costs**		**$ 19,420,554**	**$ 20,935,367**
20				
21				
22	Volumes (Schedule G)		1,557,021	4,671,064
23				
24	**Total Extraordinary Gas Costs per Mcf**		**$ 12.4729**	**$ 4.4819**

(a) See Schedules H-1 and H-2 for supporting details.

Note:
(1) Would require regulatory action.

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Conventional Extraordinary Gas Cost Recovery Support
July 30, 2021

Line No.	Service Period	Monthly Amortization (2)	Carrying Cost Daily Rate (1)	Number of Days in Month (2)	Carrying Costs	Principal Amount		Balance
	(a)	(b)	(c)	(d)	(e)	(f)		(g)
1	Beginning Balance						$	(18,659,040)
2	Jul-22	(1,618,379)	0.02%	30	(115,842)	(1,502,538)		(17,156,503)
3	Aug-22	(1,618,379)	0.02%	30	(106,513)	(1,511,866)		(15,644,636)
4	Sep-22	(1,618,379)	0.02%	30	(97,127)	(1,521,252)		(14,123,384)
5	Oct-22	(1,618,379)	0.02%	30	(87,683)	(1,530,697)		(12,592,687)
6	Nov-22	(1,618,379)	0.02%	30	(78,180)	(1,540,200)		(11,052,487)
7	Dec-22	(1,618,379)	0.02%	30	(68,618)	(1,549,762)		(9,502,725)
8	Jan-23	(1,618,379)	0.02%	30	(58,996)	(1,559,383)		(7,943,342)
9	Feb-23	(1,618,379)	0.02%	30	(49,315)	(1,569,065)		(6,374,278)
10	Mar-23	(1,618,379)	0.02%	30	(39,574)	(1,578,806)		(4,795,472)
11	Apr-23	(1,618,379)	0.02%	30	(29,772)	(1,588,608)		(3,206,864)
12	May-23	(1,618,379)	0.02%	30	(19,909)	(1,598,470)		(1,608,394)
13	Jun-23	(1,618,379)	0.02%	30	(9,985)	(1,608,394)		(0)
14								
15		(19,420,553)			(761,513)	(18,659,040)		

Note

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
3-Year Period Extraordinary Gas Cost Recovery Support
July 30, 2021

Line No.	Service Period	Monthly Amortization (2)	Carrying Cost Daily Rate (1)	Number of Days in Month (2)	Carrying Costs	Principal Amount		Balance
	(a)	(b)	(c)	(d)	(e)	(f)		(g)
1	Beginning Balance						$	(18,709,040)
2	Jul-22	(581,538)	0.02%	30	(116,152)	(465,386)		(18,243,654)
3	Aug-22	(581,538)	0.02%	30	(113,263)	(468,275)		(17,775,379)
4	Sep-22	(581,538)	0.02%	30	(110,355)	(471,182)		(17,304,197)
5	Oct-22	(581,538)	0.02%	30	(107,430)	(474,108)		(16,830,089)
6	Nov-22	(581,538)	0.02%	30	(104,487)	(477,051)		(16,353,038)
7	Dec-22	(581,538)	0.02%	30	(101,525)	(480,013)		(15,873,025)
8	Jan-23	(581,538)	0.02%	30	(98,545)	(482,993)		(15,390,032)
9	Feb-23	(581,538)	0.02%	30	(95,546)	(485,992)		(14,904,040)
10	Mar-23	(581,538)	0.02%	30	(92,529)	(489,009)		(14,415,032)
11	Apr-23	(581,538)	0.02%	30	(89,493)	(492,045)		(13,922,987)
12	May-23	(581,538)	0.02%	30	(86,439)	(495,099)		(13,427,888)
13	Jun-23	(581,538)	0.02%	30	(83,365)	(498,173)		(12,929,715)
14	Jul-23	(581,538)	0.02%	30	(80,272)	(501,266)		(12,428,449)
15	Aug-23	(581,538)	0.02%	30	(77,160)	(504,378)		(11,924,071)
16	Sep-23	(581,538)	0.02%	30	(74,029)	(507,509)		(11,416,561)
17	Oct-23	(581,538)	0.02%	30	(70,878)	(510,660)		(10,905,901)
18	Nov-23	(581,538)	0.02%	30	(67,707)	(513,830)		(10,392,071)
19	Dec-23	(581,538)	0.02%	30	(64,517)	(517,021)		(9,875,050)
20	Jan-24	(581,538)	0.02%	30	(61,308)	(520,230)		(9,354,820)
21	Feb-24	(581,538)	0.02%	30	(58,078)	(523,460)		(8,831,360)
22	Mar-24	(581,538)	0.02%	30	(54,828)	(526,710)		(8,304,650)
23	Apr-24	(581,538)	0.02%	30	(51,558)	(529,980)		(7,774,670)
24	May-24	(581,538)	0.02%	30	(48,268)	(533,270)		(7,241,399)
25	Jun-24	(581,538)	0.02%	30	(44,957)	(536,581)		(6,704,818)
26	Jul-24	(581,538)	0.02%	30	(41,626)	(539,912)		(6,164,906)
27	Aug-24	(581,538)	0.02%	30	(38,274)	(543,264)		(5,621,642)
28	Sep-24	(581,538)	0.02%	30	(34,901)	(546,637)		(5,075,005)
29	Oct-24	(581,538)	0.02%	30	(31,507)	(550,031)		(4,524,974)
30	Nov-24	(581,538)	0.02%	30	(28,093)	(553,445)		(3,971,529)
31	Dec-24	(581,538)	0.02%	30	(24,657)	(556,881)		(3,414,648)
32	Jan-25	(581,538)	0.02%	30	(21,199)	(560,339)		(2,854,309)
33	Feb-25	(581,538)	0.02%	30	(17,721)	(563,817)		(2,290,492)
34	Mar-25	(581,538)	0.02%	30	(14,220)	(567,318)		(1,723,174)
35	Apr-25	(581,538)	0.02%	30	(10,698)	(570,840)		(1,152,334)
36	May-25	(581,538)	0.02%	30	(7,154)	(574,384)		(577,950)
37	Jun-25	(581,538)	0.02%	30	(3,588)	(577,950)		0
		(20,935,367)			(2,226,326)	(18,709,040)		

Note

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Average Bill Impact - Conventional Recovery 1-year Period
July 30, 2021

Line No.	Customer Class	Average Monthly Usage (Mcf)	Normalized Gas Cost (Mcf)	Total Normalized Gas Cost (Mcf)	Tax	Total Normalized Average Bill	Customer Impact over 1-Year Period per MCF	Total Monthly Customer Impact over 1-Year Period	Total Monthly Average Bill Customer Impact	Total Annual Normalized Average Bill	Total Annual Average Bill Customer Impact	% Increase
	(a)	(b)	(c)	(d) = b*c	(e)	(f) = (e*d)+d	(g)	(h) = g*b	(i)= f + (h*e)+h	(j)=f*12	(k)= i*12	(l)=(k-j)/j
1	Residential	46.801	$ 3.60185	$ 168.57	0.00%	$ 168.57	$ 12.47289	$ 583.75	$ 752.32	$ 2,022.85	$ 9,027.80	346%
2	Commercial	376.991	$ 3.60185	$ 1,357.87	0.00%	$ 1,357.87	$ 12.47289	$ 4,702.17	$ 6,060.04	$ 16,294.41	$ 72,720.44	346%
3	Schools	771.489	$ 3.60185	$ 2,778.79	0.00%	$ 2,778.79	$ 12.47289	$ 9,622.69	$ 12,401.48	$ 33,345.48	$ 148,817.81	346%
4												
5	Notes:											
6	1 - Schedule only includes the monthly impact of gas cost by customer class.											

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Average Bill Impact - Conventional Recovery 3-year Period
July 30, 2021

Line No.	Customer Class	Average Monthly Usage (Mcf)	Normalized Gas Cost (Mcf)	Total Normalized Gas Cost (Mcf)	Tax	Total Normalized Average Bill	Customer Impact over 1-Year Period per MCF	Total Monthly Customer Impact over 1-Year Period	Total Monthly Average Bill Customer Impact	Total Annual Normalized Average Bill	Total Annual Average Bill Customer Impact	% Increase
	(a)	(b)	(c)	(d) = b*c	(e)	(f) = (e*d)+d	(g)	(h) = g*b	(i)= f + (h*e)+h	(j)=f*12	(k)= i*12	(l)=(k-j)/j
1	Residential	46.801	$ 3.60185	$ 168.57	0.00%	$ 168.57	$ 4.48193	$ 209.76	$ 378.33	$ 2,022.85	$ 4,539.97	124%
2	Commercial	376.991	$ 3.60185	$ 1,357.87	0.00%	$ 1,357.87	$ 4.48193	$ 1,689.65	$ 3,047.51	$ 16,294.41	$ 36,570.17	124%
3	Schools	771.489	$ 3.60185	$ 2,778.79	0.00%	$ 2,778.79	$ 4.48193	$ 3,457.76	$ 6,236.55	$ 33,345.48	$ 74,838.56	124%
4												
5	Notes:											
6	1 - Schedule only includes the monthly impact of gas cost by customer class.											

SiEnergy, LP
Case No. 00007068 (Uri Securitization Docket)
Customer Information - Calendar Year 2020
July 30, 2021

Line No.	Description	Number of Customers	Average Normalized Volume (Mcf)	Total Normalized Volume (CY 2020)
	(a)	(b)	(c)	(d)
1	Residential Customers	31,531	46.801	1,475,688
2	Commercial Customers	183	376.991	68,989
3	School Customers	16	771.489	12,344
4				
5				
6				
7				
8				
9	**Totals**	31,730	1,195	1,557,021

Month-end Customers

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total
Total Company													
Residential	26,113	26,601	27,082	27,540	27,974	28,285	28,703	29,177	29,690	30,280	30,785	31,531	343,761
Commercial	157	158	159	160	162	165	166	169	174	179	181	183	2,013
Schools	15	15	15	16	16	16	16	16	16	16	16	16	189
Total	26,285	26,774	27,256	27,716	28,152	28,466	28,885	29,362	29,880	30,475	30,982	31,730	345,963

SiEnergy, LP

Twelve Months Ended December 31, 2020

Growth Adjustment Summary

	Total Company			South Texas			Central Texas			North Texas		
	2020 Customerd	Change in Customers	As Adjusted Customers	2020 Customerd	Change in Customers	As Adjusted Customers	2020 Customerd	Change in Customers	As Adjusted Customers	2020 Customerd	Change in Customers	As Adjusted Customers
Residential	347,031	36,393	383,424	322,575	26,649	349,224	10,374	3,258	13,632	14,082	6,486	20,568
Commercial	2,081	199	2,280	2,049	195	2,244	12	-	12	20	4	24
Schools	189	3	192	177	3	180			-	12	-	12
Total	349,301	36,595	385,896	324,801	26,847	351,648	10,386	3,258	13,644	14,114	6,490	20,604
			-									

	2020 Weather Normalized Volume	Change in Volumes	As Adjusted Volumes	2020 Weather Normalized Volume	Change in Volumes	As Adjusted Volumes	2020 Weather Normalized Volume	Change in Volumes	As Adjusted Volumes	2020 Weather Normalized Volume	Change in Volumes	As Adjusted Volumes
Residential	13,068,856	1,688,026	14,756,882	12,297,802	1,305,349	13,603,152	297,638	110,211	407,849	473,416	272,465	745,881
Commercial	626,166	63,728	689,894	622,870	62,502	685,372	146	-	146	3,150	1,226	4,376
Schools	120,330	3,108	123,438	113,002	3,108	116,110			-	7,328	-	7,328
Total	13,815,352	1,754,862	15,570,214	13,033,674	1,370,960	14,404,634	297,784	110,211	407,995	483,894	273,691	757,585
			-									

	12/31/20 Customer	As Adjusted Volumes	Average Normalized Use (Ccfs)
Residential	31,531	14,756,882	468.01
Commercial	183	689,894	3,769.91
Schools	16	123,438	7,714.89
Total			

Total Residential

	# of Test Year Cust Chgs	Custmer Growth Adjustment	Total Adjusted Customers	Test Year Volumes	Weather Adjustment	Weather Adjusted Volumes	Avg Weather Normalized Use per Customer	Volume Adjustment Due to Growth	Total Adjusted Volumes
	(a)	(b)	(c)	(e)	(f)	(g)	(h) (see loc WP)	(i)	(l)
2019-01	26,391	5,561	31,952	2,102,078	619,233	2,721,311		566,220	3,287,530.4
2019-02	26,662	5,290	31,952	1,751,328	372,534	2,123,862		422,038	2,545,899.3
2019-03	27,306	4,646	31,952	1,671,767	(5,205)	1,666,562		281,461	1,948,023.0
2019-04	27,666	4,286	31,952	892,446	208,048	1,100,494		160,380	1,260,873.9
2019-05	28,279	3,673	31,952	615,870	(6,954)	608,916		73,859	682,774.6
2019-06	28,774	3,178	31,952	454,673	1,415	456,088		45,673	501,761.6
2019-07	29,006	2,946	31,952	474,138	-	474,138		44,689	518,827.1
2019-08	29,409	2,543	31,952	361,712	-	361,712		28,417	390,128.6
2019-09	29,942	2,010	31,952	432,603	(540)	432,063		26,770	458,833.4
2019-10	30,477	1,475	31,952	458,941	4,052	462,993		21,071	484,064.4
2019-11	31,167	785	31,952	754,420	(57,498)	696,922		17,448	714,370.7
2019-12	31,952	-	31,952	1,683,465	280,330	1,963,795		-	1,963,794.8
	347,031	36,393	383,424	11,653,441	1,415,415	13,068,856		1,688,026	14,756,881.9

Total Commercial

	# of Test Year Cust Chgs	Custmer Growth Adjustment	Total Adjusted Customers	Test Year Volumes	Weather Adjustment	Weather Adjusted Volumes	Avg Weather Normalized Use per Customer	Volume Adjustment Due to Growth	Total Adjusted Volumes
	(a)	(b)	(c)	(e)	(f)	(g)	(h) (see loc WP)	(i)	(l)
2019-01	161	29	190	82,397	-	82,397		14,874	97,271.2
2019-02	165	25	190	74,901	-	74,901		11,206	86,107.4
2019-03	166	24	190	63,955	-	63,955		9,342	73,297.3
2019-04	165	25	190	42,709	-	42,709		6,368	49,077.1
2019-05	171	19	190	35,051	-	35,051		3,962	39,012.8
2019-06	173	17	190	35,921	-	35,921		3,581	39,501.5
2019-07	171	19	190	42,055	-	42,055		4,733	46,787.7
2019-08	176	14	190	36,393	-	36,393		2,915	39,307.7
2019-09	175	15	190	43,511	-	43,511		3,760	47,270.5
2019-10	182	8	190	41,610	-	41,610		1,854	43,463.9
2019-11	186	4	190	52,061	-	52,061		1,134	53,194.8
2019-12	190	-	190	75,602	-	75,602		-	75,602.0
	2,081	199	2,280	626,166	-	626,166		63,728	689,893.9

Total Schools

	# of Test Year Cust Chgs	Custmer Growth Adjustment	Total Adjusted Customers	Test Year Volumes	Weather Adjustment	Weather Adjusted Volumes	Avg Weather Normalized Use per Customer	Volume Adjustment Due to Growth	Total Adjusted Volumes
	(a)	(b)	(c)	(e)	(f)	(g)	(h) (see loc WP)	(i)	(l)
2019-01	15	1	16	15,004	-	15,004		982	15,986.4
2019-02	15	1	16	17,819	-	17,819		1,149	18,967.8
2019-03	15	1	16	15,333	-	15,333		977	16,310.1
2019-04	16	-	16	10,678	-	10,678		-	10,678.0
2019-05	16	-	16	9,991	-	9,991		-	9,991.0
2019-06	16	-	16	6,581	-	6,581		-	6,581.0
2019-07	16	-	16	4,581	-	4,581		-	4,581.0
2019-08	16	-	16	4,508	-	4,508		-	4,508.0
2019-09	16	-	16	9,122	-	9,122		-	9,122.0
2019-10	16	-	16	6,572	-	6,572		-	6,572.0
2019-11	16	-	16	8,869	-	8,869		-	8,869.0
2019-12	16	-	16	11,272	-	11,272		-	11,272.0
	189	3	192	120,330	-	120,330		3,108	123,438.2

Total Commercial and Schools

	# of Test Year Cust Chgs	Custmer Growth Adjustment	Total Adjusted Customers	Test Year Volumes	Weather Adjustment	Weather Adjusted Volumes	Avg Use per Customer	Growth Volume Adjustment	Total Adjusted Volumes
	(a)	(b)	(c)	(e)	(f)	(g)	(h)	(i)	(l)
2016-10	176	30	206	97,401	-	97,401		15,857	113,258

2016-11	180	26	206	92,720	-	92,720		12,355	105,075
2016-12	181	25	206	79,288	-	79,288		10,319	89,607
2017-01	181	25	206	53,387	-	53,387		6,368	59,755
2017-02	187	19	206	45,042	-	45,042		3,962	49,004
2017-03	189	17	206	42,502	-	42,502		3,581	46,083
2017-04	187	19	206	46,636	-	46,636		4,733	51,369
2017-05	192	14	206	40,901	-	40,901		2,915	43,816
2017-06	191	15	206	52,633	-	52,633		3,760	56,393
2017-07	198	8	206	48,182	-	48,182		1,854	50,036
2017-08	202	4	206	60,930	-	60,930		1,134	62,064
2017-09	206	-	206	86,874	-	86,874		-	86,874
	2,270	202	2,472	746,496	-	746,496		66,836	813,332.1

Total All

	# of Test Year Cust Chgs	Custmer Growth Adjustment	Total Adjusted Customers	Test Year Volumes	Weather Adjustment	Weather Adjusted Volumes	Avg Use per Customer	Growth Volume Adjustment	Total Adjusted Volumes
	(a)	(b)	(c)	(e)	(f)	(g)	(h)	(i)	(l)
2016-10	26,567	5,591	32,158	2,199,479	619,233	2,818,712		582,076	3,400,787.9
2016-11	26,842	5,316	32,158	1,844,048	372,534	2,216,582		434,393	2,650,974.6
2016-12	27,487	4,671	32,158	1,751,055	(5,205)	1,745,850		291,780	2,037,630.4
2017-01	27,847	4,311	32,158	945,833	208,048	1,153,881		166,748	1,320,629.0
2017-02	28,466	3,692	32,158	660,912	(6,954)	653,958		77,821	731,778.5
2017-03	28,963	3,195	32,158	497,175	1,415	498,590		49,254	547,844.1
2017-04	29,193	2,965	32,158	520,774	-	520,774		49,422	570,195.7
2017-05	29,601	2,557	32,158	402,613	-	402,613		31,331	433,944.3
2017-06	30,133	2,025	32,158	485,236	(540)	484,696		30,529	515,225.9
2017-07	30,675	1,483	32,158	507,123	4,052	511,175		22,925	534,100.3
2017-08	31,369	789	32,158	815,350	(57,498)	757,852		18,582	776,434.6
2017-09	32,158	-	32,158	1,770,339	280,330	2,050,669		-	2,050,668.8
	349,301	36,595	385,896	12,399,937	1,415,415	13,815,352		1,754,862	15,570,214.0
									757,585.4

South Tx Residential

	A			B	B				
	Year-end 12/31/2020 # of Cust Chgs	Custmer Growth Adjustment	Total Adjusted Customers	2020 Volumes	Weather Adjustment	Weather Adjusted Volumes	Avg Weather Normalized Use per Customer	Volume Adjustment Due to Growth	Total Adjusted Volumes
	(a)	(b)=Dec/20(a)-(a)	(c)=(a)+(b)	(d)	(e)	(f)=(d)+(e)	(g)=(f)/(a)	(h)=(b)x(g)	(i)=(f)+(h)
2020-01	24,859	4,243	29,102	1,987,508	594,065	2,581,573	103.8	440,630	3,022,203
2020-02	25,094	4,008	29,102	1,639,124	365,566	2,004,690	79.9	320,188	2,324,878
2020-03	25,603	3,499	29,102	1,574,690	(7,698)	1,566,992	61.2	214,151	1,781,143
2020-04	25,898	3,204	29,102	836,289	212,205	1,048,494	40.5	129,716	1,178,210
2020-05	26,415	2,687	29,102	589,287	(8,502)	580,785	22.0	59,079	639,864
2020-06	26,867	2,235	29,102	435,694	1,241	436,935	16.3	36,348	473,283
2020-07	27,054	2,048	29,102	451,086	-	451,086	16.7	34,147	485,233
2020-08	27,354	1,748	29,102	345,283	-	345,283	12.6	22,065	367,348
2020-09	27,712	1,390	29,102	409,689	-	409,689	14.8	20,549	430,238
2020-10	28,073	1,029	29,102	433,451	1,948	435,399	15.5	15,959	451,358
2020-11	28,544	558	29,102	689,064	(48,729)	640,335	22.4	12,518	652,853
2020-12	29,102	-	29,102	1,523,424	273,116	1,796,540	61.7	-	1,796,540
	322,575	26,649	349,224	10,914,589	1,383,213	12,297,802	38.1	1,305,349	13,603,152

South Tx Commercial

	Year-end 12/31/2020 # of Cust Chgs	Custmer Growth Adjustment	Total Adjusted Customers	2020 Volumes	Weather Adjustment	Weather Adjusted Volumes	Avg Weather Normalized Use per Customer	Volume Adjustment Due to Growth	Total Adjusted Volumes
	(a)	(b)=Dec/20(a)-(a)	(c)=(a)+(b)	(d)	(e)	(f)=(d)+(e)	(g)=(f)/(a)	(h)=(b)x(g)	(i)=(f)+(h)
2020-01	159	28	187	81,954	-	81,954	515.4	14,432	96,386
2020-02	163	24	187	74,392	-	74,392	456.4	10,953	85,345
2020-03	164	23	187	63,513	-	63,513	387.3	8,907	72,420
2020-04	163	24	187	42,598	-	42,598	261.3	6,272	48,870
2020-05	168	19	187	35,031	-	35,031	208.5	3,962	38,993
2020-06	170	17	187	35,805	-	35,805	210.6	3,581	39,386
2020-07	168	19	187	41,847	-	41,847	249.1	4,733	46,580
2020-08	173	14	187	36,017	-	36,017	208.2	2,915	38,932
2020-09	172	15	187	43,109	-	43,109	250.6	3,760	46,869
2020-10	179	8	187	41,481	-	41,481	231.7	1,854	43,335
2020-11	183	4	187	51,873	-	51,873	283.5	1,134	53,007
2020-12	187	-	187	75,250	-	75,250	402.4	-	75,250
	2,049	195	2,244	622,870	-	622,870	304.0	62,502	685,372

South Tx Schools

	Year-end 12/31/2020 # of Cust Chgs	Custmer Growth Adjustment	Total Adjusted Customers	2020 Volumes	Weather Adjustment	Weather Adjusted Volumes	Avg Weather Normalized Use per Customer	Volume Adjustment Due to Growth	Total Adjusted Volumes
	(a)	(b)=Dec/20(a)-(a)	(c)=(a)+(b)	(d)	(e)	(f)=(d)+(e)	(g)=(f)/(a)	(h)=(b)x(g)	(i)=(f)+(h)
2020-01	14	1	15	13,753	-	13,753	982.4	982	14,735
2020-02	14	1	15	16,083	-	16,083	1,148.8	1,149	17,232
2020-03	14	1	15	13,679	-	13,679	977.1	977	14,656
2020-04	15	-	15	9,620	-	9,620	641.3	-	9,620
2020-05	15	-	15	9,515	-	9,515	634.3	-	9,515
2020-06	15	-	15	6,319	-	6,319	421.3	-	6,319
2020-07	15	-	15	4,222	-	4,222	281.5	-	4,222
2020-08	15	-	15	4,488	-	4,488	299.2	-	4,488
2020-09	15	-	15	8,782	-	8,782	585.5	-	8,782
2020-10	15	-	15	6,400	-	6,400	426.7	-	6,400
2020-11	15	-	15	8,869	-	8,869	591.3	-	8,869
2020-12	15	-	15	11,272	-	11,272	751.5	-	11,272
	177	3	180	113,002	-	113,002	638.4	3,108	116,110

A **From WP G.3.1 Counts for Growth Adj.**

B **Residential - From WP G.3.5.2 South Tx Weather Adjustment.**
Commerical and Schools - From WP G.4

Central Tx Residential

	A			B	B				
	Year-end 12/31/2020 # of Cust Chgs	Custmer Growth Adjustment	Total Adjusted Customers	2020 Volumes	Weather Adjustment	Weather Adjusted Volumes	Avg Weather Normalized Use per Customer	Volume Adjustment Due to Growth	Total Adjusted Volumes
	(a)	(b)=Dec/20(a)-(a)	(c)=(a)+(b)	(d)	(e)	(f)=(d)+(e)	(g)=(f)/(a)	(h)=(b)x(g)	(i)=(f)+(h)
2020-01	724	412	1,136	49,395	6,915	56,310	77.8	32,044.03	88,354
2020-02	742	394	1,136	37,394	10,885	48,279	65.1	25,636	73,916
2020-03	773	363	1,136	47,509	(2,978)	44,531	57.6	20,912	65,443
2020-04	794	342	1,136	21,612	5,263	26,875	33.8	11,576	38,451
2020-05	817	319	1,136	13,899	(1,163)	12,736	15.6	4,973	17,709
2020-06	821	315	1,136	8,852	142	8,994	11.0	3,451	12,444
2020-07	831	305	1,136	10,204	-	10,204	12.3	3,745	13,949
2020-08	842	294	1,136	6,790	-	6,790	8.1	2,371	9,161
2020-09	890	246	1,136	9,017	-	9,017	10.1	2,492	11,509
2020-10	956	180	1,136	9,332	50	9,382	9.8	1,767	11,149
2020-11	1,048	88	1,136	19,661	(4,838)	14,823	14.1	1,245	16,067
2020-12	1,136	-	1,136	39,637	10,059	49,696	43.7	-	49,696
	10,374	3,258	13,632	273,302	24,336	297,638	28.7	110,211	407,849

Central Tx Commercial

	Year-end 12/31/2020 # of Cust Chgs	Custmer Growth Adjustment	Total Adjusted Customers	2020 Volumes	Weather Adjustment	Weather Adjusted Volumes	Avg Weather Normalized Use per Customer	Volume Adjustment Due to Growth	Total Adjusted Volumes
	(a)	(b)=Dec/20(a)-(a)	(c)=(a)+(b)	(d)	(e)	(f)=(d)+(e)	(g)=(f)/(a)	(h)=(b)x(g)	(i)=(f)+(h)
2020-01	1	-	1	1	-	1	1.0	-	1
2020-02	1	-	1	3	-	3	3.0	-	3
2020-03	1	-	1	7	-	7	7.0	-	7
2020-04	1	-	1	15	-	15	15.0	-	15
2020-05	1	-	1	9	-	9	9.0	-	9
2020-06	1	-	1	1	-	1	1.0	-	1
2020-07	1	-	1	10	-	10	10.0	-	10
2020-08	1	-	1	12	-	12	12.0	-	12
2020-09	1	-	1	17	-	17	17.0	-	17
2020-10	1	-	1	6	-	6	6.0	-	6
2020-11	1	-	1	19	-	19	19.0	-	19
2020-12	1	-	1	46	-	46	46.0	-	46
	12	-	12	146	-	146	12.2	-	146

A **From WP G.3.1 Counts for Growth Adj.**

B **Residential - From WP G.3.5.3 Central Tx Weather Adjustment.**
Commerical and Schools - From WP G.4

North Tx Residential

	A			B	B				
	Year-end 12/31/2020 # of Cust Chgs	Custmer Growth Adjustment	Total Adjusted Customers	2020 Volumes	Weather Adjustment	Weather Adjusted Volumes	Avg Weather Normalized Use per Customer	Volume Adjustment Due to Growth	Total Adjusted Volumes
	(a)	(b)=Dec/20(a)-(a)	(c)=(a)+(b)	(d)	(e)	(f)=(d)+(e)	(g)=(f)/(a)	(h)=(b)x(g)	(i)=(f)+(h)
2020-01	808	906	1,714	65,175	18,252	83,427	103.3	93,546	176,973
2020-02	826	888	1,714	74,810	(3,918)	70,892	85.8	76,213	147,106
2020-03	930	784	1,714	49,568	5,471	55,039	59.2	46,398	101,437
2020-04	974	740	1,714	34,545	(9,420)	25,125	25.8	19,088	44,213
2020-05	1,047	667	1,714	12,684	2,711	15,395	14.7	9,807	25,202
2020-06	1,086	628	1,714	10,127	32	10,159	9.4	5,875	16,034
2020-07	1,121	593	1,714	12,848	-	12,848	11.5	6,796	19,644
2020-08	1,213	501	1,714	9,639	-	9,639	7.9	3,981	13,620
2020-09	1,340	374	1,714	13,897	(540)	13,357	10.0	3,728	17,086
2020-10	1,448	266	1,714	16,158	2,054	18,212	12.6	3,346	21,557
2020-11	1,575	139	1,714	45,695	(3,931)	41,764	26.5	3,686	45,450
2020-12	1,714	-	1,714	120,404	(2,845)	117,559	68.6	-	117,559
	14,082	6,486	20,568	465,550	7,866	473,416	33.6	272,465	745,881

North Tx Commercial

	Year-end 12/31/2020 # of Cust Chgs	Custmer Growth Adjustment	Total Adjusted Customers	2020 Volumes	Weather Adjustment	Weather Adjusted Volumes	Avg Weather Normalized Use per Customer	Volume Adjustment Due to Growth	Total Adjusted Volumes
	(a)	(b)=Dec/20(a)-(a)	(c)=(a)+(b)	(d)	(e)	(f)=(d)+(e)	(g)=(f)/(a)	(h)=(b)x(g)	(i)=(f)+(h)
2020-01	1	1	2	442	-	442	442	442	884
2020-02	1	1	2	506	-	506	253.0	253	759
2020-03	1	1	2	435	-	435	435.0	435	870
2020-04	1	1	2	96	-	96	96.0	96	192
2020-05	2	-	2	11	-	11	5.5	-	11
2020-06	2	-	2	115	-	115	57.5	-	115
2020-07	2	-	2	198	-	198	99.0	-	198
2020-08	2	-	2	364	-	364	182.0	-	364
2020-09	2	-	2	385	-	385	192.5	-	385
2020-10	2	-	2	123	-	123	61.5	-	123
2020-11	2	-	2	169	-	169	84.5	-	169
2020-12	2	-	2	306	-	306	153.0	-	306
	20	4	24	3,150	-	3,150	157.5	1,226	4,376

North Tx Schools

	Year-end 12/31/2020 # of Cust Chgs	Custmer Growth Adjustment	Total Adjusted Customers	2020 Volumes	Weather Adjustment	Weather Adjusted Volumes	Avg Weather Normalized Use per Customer	Volume Adjustment Due to Growth	Total Adjusted Volumes
	(a)	(b)=Dec/20(a)-(a)	(c)=(a)+(b)	(d)	(e)	(f)=(d)+(e)	(g)=(f)/(a)	(h)=(b)x(g)	(i)=(f)+(h)
2020-01	1	-	1	1,251	-	1,251	1,251.0	-	1,251
2020-02	1	-	1	1,736	-	1,736	1,736.0	-	1,736
2020-03	1	-	1	1,654	-	1,654	1,654.0	-	1,654
2020-04	1	-	1	1,058	-	1,058	1,058.0	-	1,058
2020-05	1	-	1	476	-	476	476.0	-	476
2020-06	1	-	1	262	-	262	262.0	-	262
2020-07	1	-	1	359	-	359	359.0	-	359
2020-08	1	-	1	20	-	20	20.0	-	20
2020-09	1	-	1	340	-	340	340.0	-	340
2020-10	1	-	1	172	-	172	172.0	-	172
2020-11	1	-	1	-	-	-	-	-	-
2020-12	1	-	1	-	-	-	-	-	-
	12	-	12	7,328	-	7,328	610.7	-	7,328

A **From WP G.3.1 Counts for Growth Adj.**

B **Residential - From WP G.3.5.4 North Tx Weather Adjustment.**
Commerical and Schools - From WP G.4

Customer Counts for Growth Adjustment
Total Company

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total
Number of Customer Charges													
South Tx													
Residential	24,859	25,094	25,603	25,898	26,415	26,867	27,054	27,354	27,712	28,073	28,544	29,102	322,575
Commercial	159	163	164	163	168	170	168	173	172	179	183	187	2,049
Schools	14	14	14	15	15	15	15	15	15	15	15	15	177
	25,032	25,271	25,781	26,076	26,598	27,052	27,237	27,542	27,899	28,267	28,742	29,304	324,801
Central Tx													
Residential	724	742	773	794	817	821	831	842	890	956	1,048	1,136	10,374
Commercial	1	1	1	1	1	1	1	1	1	1	1	1	12
Schools	-	-	-	-	-	-	-	-	-	-	-	-	-
	725	743	774	795	818	822	832	843	891	957	1,049	1,137	10,386
North Tx													
Residential	808	826	930	974	1,047	1,086	1,121	1,213	1,340	1,448	1,575	1,714	14,082
Commercial	1	1	1	1	2	2	2	2	2	2	2	2	20
Schools	1	1	1	1	1	1	1	1	1	1	1	1	12
	810	828	932	976	1,050	1,089	1,124	1,216	1,343	1,451	1,578	1,717	14,114
Total													
Residential	26,391	26,662	27,306	27,666	28,279	28,774	29,006	29,409	29,942	30,477	31,167	31,952	347,031
Commercial	161	165	166	165	171	173	171	176	175	182	186	190	2,081
Schools	15	15	15	16	16	16	16	16	16	16	16	16	189
	26,567	26,842	27,487	27,847	28,466	28,963	29,193	29,601	30,133	30,675	31,369	32,158	349,301

Calculate Number of Customer Charges Billed Each Month - South Texas Service Area

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total
Customer Charge Revenue													
Residential	$ 422,602.71	$ 426,606.10	$ 435,251.25	$ 440,267.00	$ 449,061.24	$ 456,739.72	$ 459,914.58	$ 465,010.90	$ 471,099.25	$ 477,235.76	$ 485,243.00	$ 494,732.00	$ 5,483,763.51
Commercial	$ 6,096.00	$ 6,244.00	$ 6,281.00	$ 6,244.00	$ 6,429.00	$ 6,503.00	$ 6,429.00	$ 6,631.00	$ 6,594.00	$ 6,853.00	$ 7,001.00	$ 7,129.00	$ 78,434.00
Schools	$ 518.00	$ 518.00	$ 518.00	$ 555.00	$ 555.00	$ 555.00	$ 555.00	$ 555.00	$ 555.00	$ 555.00	$ 555.00	$ 555.00	$ 6,549.00
	$ 429,216.71	$ 433,368.10	$ 442,050.25	$ 447,066.00	$ 456,045.24	$ 463,797.72	$ 466,898.58	$ 472,196.90	$ 478,248.25	$ 484,643.76	$ 492,799.00	$ 502,416.00	$ 5,568,746.51
Split out Special Rate Commercial Customer													
Special Contract Customer	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 3,000.00
All Other Commercial	$ 5,846.00	$ 5,994.00	$ 6,031.00	$ 5,994.00	$ 6,179.00	$ 6,253.00	$ 6,179.00	$ 6,381.00	$ 6,344.00	$ 6,603.00	$ 6,751.00	$ 6,879.00	$ 75,434.00
	$ 6,096.00	$ 6,244.00	$ 6,281.00	$ 6,244.00	$ 6,429.00	$ 6,503.00	$ 6,429.00	$ 6,631.00	$ 6,594.00	$ 6,853.00	$ 7,001.00	$ 7,129.00	$ 78,434.00
Customer Charge Revenues													
Residential	$ 422,602.71	$ 426,606.10	$ 435,251.25	$ 440,267.00	$ 449,061.24	$ 456,739.72	$ 459,914.58	$ 465,010.90	$ 471,099.25	$ 477,235.76	$ 485,243.00	$ 494,732.00	$ 5,483,763.51
Commercial - Special Contract	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 3,000.00
Commercial	$ 5,846.00	$ 5,994.00	$ 6,031.00	$ 5,994.00	$ 6,179.00	$ 6,253.00	$ 6,179.00	$ 6,381.00	$ 6,344.00	$ 6,603.00	$ 6,751.00	$ 6,879.00	$ 75,434.00
Schools	$ 518.00	$ 518.00	$ 518.00	$ 555.00	$ 555.00	$ 555.00	$ 555.00	$ 555.00	$ 555.00	$ 555.00	$ 555.00	$ 555.00	$ 6,549.00
	$ 429,216.71	$ 433,368.10	$ 442,050.25	$ 447,066.00	$ 456,045.24	$ 463,797.72	$ 466,898.58	$ 472,196.90	$ 478,248.25	$ 484,643.76	$ 492,799.00	$ 502,416.00	$ 5,568,746.51
	-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Charge Rates													
Residential	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	
Commercial - Special Contract	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 250.00	
Commercial	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	
Schools	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	
Number of Customer Charges													
Residential	24,859	25,094	25,603	25,898	26,415	26,867	27,054	27,354	27,712	28,073	28,544	29,102	322,575
Commercial - Special Contract	1	1	1	1	1	1	1	1	1	1	1	1	12
Commercial	158	162	163	162	167	169	167	172	171	178	182	186	2,037
Schools	14	14	14	15	15	15	15	15	15	15	15	15	177
	25,032	25,271	25,781	26,076	26,598	27,052	27,237	27,542	27,899	28,267	28,742	29,304	324,801
Number of Customer Charges													
Residential	24,859	25,094	25,603	25,898	26,415	26,867	27,054	27,354	27,712	28,073	28,544	29,102	322,575
Commercial	159	163	164	163	168	170	168	173	172	179	183	187	2,049
Schools	14	14	14	15	15	15	15	15	15	15	15	15	177
	25,032	25,271	25,781	26,076	26,598	27,052	27,237	27,542	27,899	28,267	28,742	29,304	324,801

Calculate Number of Customer Charges Billed Each Month - Central Texas Service Area

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total
Customer Charge Revenues													
Residential	$ 12,308.00	$ 12,614.00	$ 13,141.00	$ 13,498.00	$ 13,889.00	$ 13,957.00	$ 14,127.00	$ 14,314.00	$ 15,130.00	$ 16,252.00	$ 17,816.00	$ 19,312.00	$ 176,358.00
Commercial	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 444.00
Schools	$ -		$ -		$ -		$ -	$ -	$ -	$ -	$ -		$ -
	$ 12,345.00	$ 12,651.00	$ 13,178.00	$ 13,535.00	$ 13,926.00	$ 13,994.00	$ 14,164.00	$ 14,351.00	$ 15,167.00	$ 16,289.00	$ 17,853.00	$ 19,349.00	$ 176,802.00
Customer Charge Rates													
Residential	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	$ 17.00	
Commercial	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	
Schools	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	$ 37.00	
Number of Customer Charges													
Residential	724	742	773	794	817	821	831	842	890	956	1,048	1,136	10,374
Commercial	1	1	1	1	1	1	1	1	1	1	1	1	12
Schools	-	-	-	-	-	-	-	-	-	-	-	-	-
	725	743	774	795	818	822	832	843	891	957	1,049	1,137	10,386

Calculate Number of Customer Charges Billed Each Month - Northl Texas Service Area

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total
Freeze Cities													
Customer Charge Revenues													
Residential	$ 4,650.00	$ 4,695.00	$ 4,755.00	$ 4,740.00	$ 4,785.00	$ 4,785.00	$ 4,845.00	$ 5,175.00	$ 5,865.00	$ 6,390.00	$ 6,930.00	$ 7,382.00	$ 64,997.00
Commercial	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 60.00	$ 60.00	$ 60.00	$ 60.00	$ 60.00	$ 60.00	$ 60.00	$ 60.00	$ 600.00
Schools	$ -		$ -		$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	$ 4,680.00	$ 4,725.00	$ 4,785.00	$ 4,770.00	$ 4,845.00	$ 4,845.00	$ 4,905.00	$ 5,235.00	$ 5,925.00	$ 6,450.00	$ 6,990.00	$ 7,442.00	$ 65,597.00
Customer Charge Rates													
Residential	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	$ 15.00	
Commercial	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 30.00	
Schools	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 30.00	$ 30.00	
Number of Customer Charges													
Residential	310	313	317	316	319	319	323	345	391	426	462	492	4,333
Commercial	1	1	1	1	2	2	2	2	2	2	2	2	20
Schools	-	-	-	-	-	-	-	-	-	-	-	-	-
	311	314	318	317	321	321	325	347	393	428	464	494	4,353
All Else													
Customer Charge Revenues													
Residential	$ 8,590.50	$ 8,849.25	$ 10,574.25	$ 11,350.50	$ 12,557.75	$ 13,228.25	$ 13,763.25	$ 14,966.25	$ 16,369.50	$ 17,622.00	$ 19,200.00	$ 21,087.75	$ 168,159.25
Commercial	$ -		$ -		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Schools	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 414.00
	$ 8,625.00	$ 8,883.75	$ 10,608.75	$ 11,385.00	$ 12,592.25	$ 13,262.75	$ 13,797.75	$ 15,000.75	$ 16,404.00	$ 17,656.50	$ 19,234.50	$ 21,122.25	$ 168,573.25
Customer Charge Rates													
Residential	$ 17.25	$ 17.25	$ 17.25	$ 17.25	$ 17.25	$ 17.25	$ 17.25	$ 17.25	$ 17.25	$ 17.25	$ 17.25	$ 17.25	
Commercial	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	
Schools	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	$ 34.50	
Number of Customer Charges													
Residential	498	513	613	658	728	767	798	868	949	1,022	1,113	1,222	9,749
Commercial	-	-	-	-	-	-	-	-	-	-	-	-	-
Schools	1	1	1	1	1	1	1	1	1	1	1	1	12
	499	514	614	659	729	768	799	869	950	1,023	1,114	1,223	9,761
Number of Customer Charges - Total Vorth Texas													
Residential	808	826	930	974	1,047	1,086	1,121	1,213	1,340	1,448	1,575	1,714	14,082
Commercial	1	1	1	1	2	2	2	2	2	2	2	2	20
Schools	1	1	1	1	1	1	1	1	1	1	1	1	12
	810	828	932	976	1,050	1,089	1,124	1,216	1,343	1,451	1,578	1,717	14,114

SiEnergy, LP
Twelve Months Ended December 31, 2020

Weather Adjustment Summary (10 Year Normal)

	Houston Service Area			Austin Service Area			Dallas-Fort Worth Service Area			Total Company		
	Test Year Volume	Volumes Adjustment	Adjusted Vol at Current Customers	Test Year Volume	Volumes Adjustment	Adjusted Vol at Current Customers	Test Year Volume	Volumes Adjustment	Adjusted Vol at Current Customers	Test Year Volume	Volumes Adjustment	Adjusted Vol at Current Customers
Residential	10,914,589.00	1,383,213.26	12,297,802.26	273,302.00	24,335.97	297,637.97	465,550.00	7,865.98	473,415.98	11,653,441.00	1,415,415.20	13,068,856.20
Total	10,914,589	1,383,213	12,297,802	273,302	24,336	297,638	465,550	7,866	473,416	11,653,441	1,415,415	13,068,856
										-	0	-

10 12

RESIDENTIAL - Houston Weather Station

month-route

0.2340436 value of one HDD

Revenue Month	Cycle Code	Route Code	month-route Data Reference	Customers with Usage	Total Volumes	Ccf/Customer	Actual HDDs	Normal HDDs	Volume Adjustment	In/Out
2020-01	1	1101	2020-01-1101	1	27	27.00	287	401	27	In
2020-02	1	1101	2020-02-1101	1	26	26.00	273	274	0	In
2020-03	1	1101	2020-03-1101	1	21	21.00	95	129	8	In
2020-04	1	1101	2020-04-1101	1	30	30.00	29	45	4	In
2020-05	1	1101	2020-05-1101	1	25	25.00	-	3	1	In
2020-06	1	1101	2020-06-1101	1	27	27.00	-	-	-	In
2020-07	1	1101	2020-07-1101	1	35	35.00	-	-	-	In
2020-08	1	1101	2020-08-1101	1	49	49.00	-	-	-	In
2020-09	1	1101	2020-09-1101	1	62	62.00	-	-	-	In
2020-10	1	1101	2020-10-1101	1	17	17.00	3	4	0	In
2020-11	1	1101	2020-11-1101	1	2	2.00	58	88	7	In
2020-12	1	1101	2020-12-1101	1	3	3.00	248	240	(2)	In
2020-01	1	1101	2020-01-1101	1,810	206,974	114.35	287	401	48,123	Out
2020-02	1	1101	2020-02-1101	1,806	183,815	101.78	273	274	465	Out
2020-03	1	1101	2020-03-1101	1,814	106,712	58.83	95	129	14,477	Out
2020-04	1	1101	2020-04-1101	1,810	94,691	52.32	29	45	6,820	Out
2020-05	1	1101	2020-05-1101	1,810	56,270	31.09	-	3	1,144	Out
2020-06	1	1101	2020-06-1101	1,814	42,598	23.48	-	-	-	Out
2020-07	1	1101	2020-07-1101	1,819	43,072	23.68	-	-	-	Out
2020-08	1	1101	2020-08-1101	1,807	33,570	18.58	-	-	-	Out
2020-09	1	1101	2020-09-1101	1,818	40,820	22.45	-	-	-	Out
2020-10	1	1101	2020-10-1101	1,814	48,188	26.56	3	4	425	Out
2020-11	1	1101	2020-11-1101	1,808	71,035	39.29	58	88	12,525	Out
2020-12	1	1101	2020-12-1101	1,816	170,774	94.04	248	240	(3,400)	Out
2020-01	1	1102	2020-01-1102	145	18,930	130.55	287	401	3,855	In
2020-02	1	1102	2020-02-1102	150	16,848	112.32	273	274	39	In
2020-03	1	1102	2020-03-1102	146	8,749	59.92	95	130	1,199	In
2020-04	1	1102	2020-04-1102	146	6,915	47.36	29	44	516	In
2020-05	1	1102	2020-05-1102	149	4,824	32.38	-	3	94	In
2020-06	1	1102	2020-06-1102	148	3,482	23.53	-	-	-	In
2020-07	1	1102	2020-07-1102	149	3,746	25.14	-	-	-	In
2020-08	1	1102	2020-08-1102	148	3,133	21.17	-	-	-	In
2020-09	1	1102	2020-09-1102	146	3,590	24.59	-	-	-	In
2020-10	1	1102	2020-10-1102	147	4,456	30.31	3	3	7	In
2020-11	1	1102	2020-11-1102	149	6,592	44.24	58	88	1,060	In
2020-12	1	1102	2020-12-1102	148	15,077	101.87	248	240	(277)	In
2020-01	1	1102	2020-01-1102	3,007	252,465	83.96	287	401	79,948	Out
2020-02	1	1102	2020-02-1102	2,994	226,719	75.72	273	274	771	Out
2020-03	1	1102	2020-03-1102	2,998	133,649	44.58	95	130	24,628	Out
2020-04	1	1102	2020-04-1102	2,987	104,981	35.15	29	44	10,556	Out
2020-05	1	1102	2020-05-1102	2,988	69,859	23.38	-	3	1,888	Out
2020-06	1	1102	2020-06-1102	2,998	52,663	17.57	-	-	-	Out
2020-07	1	1102	2020-07-1102	2,984	56,860	19.05	-	-	-	Out
2020-08	1	1102	2020-08-1102	2,981	42,398	14.22	-	-	-	Out
2020-09	1	1102	2020-09-1102	3,005	52,762	17.56	-	-	-	Out
2020-10	1	1102	2020-10-1102	2,979	56,981	19.13	3	3	139	Out
2020-11	1	1102	2020-11-1102	2,999	83,016	27.68	58	88	21,338	Out
2020-12	1	1102	2020-12-1102	3,012	206,108	68.43	248	240	(5,640)	Out
2020-01	2	1103	2020-01-1103	1,417	110,462	77.95	270	368	32,534	Out
2020-02	2	1103	2020-02-1103	1,451	89,256	61.51	235	322	29,477	Out
2020-03	2	1103	2020-03-1103	1,500	100,580	67.05	219	217	(702)	Out
2020-04	2	1103	2020-04-1103	1,486	43,986	29.60	30	71	14,398	Out

2020-05	2	1103	2020-05-1103	1,498	35,376	23.62	17	15	(596)	Out
2020-06	2	1103	2020-06-1103	1,524	25,328	16.62	-	0	107	Out
2020-07	2	1103	2020-07-1103	1,584	25,870	16.33	-	-	-	Out
2020-08	2	1103	2020-08-1103	1,611	19,460	12.08	-	-	-	Out
2020-09	2	1103	2020-09-1103	1,654	22,242	13.45	-	-	-	Out
2020-10	2	1103	2020-10-1103	1,703	24,087	14.14	-	-	-	Out
2020-11	2	1103	2020-11-1103	1,745	42,416	24.31	55	34	(8,454)	Out
2020-12	2	1103	2020-12-1103	1,840	95,221	51.75	157	224	28,638	Out
2020-01	1	1104	2020-01-1104	2,339	185,936	79.49	287	401	62,188	Out
2020-02	1	1104	2020-02-1104	2,340	152,870	65.33	239	265	14,184	Out
2020-03	1	1104	2020-03-1104	2,350	109,673	46.67	129	139	5,665	Out
2020-04	1	1104	2020-04-1104	2,337	67,640	28.94	29	44	8,204	Out
2020-05	1	1104	2020-05-1104	2,335	45,506	19.49	-	3	1,530	Out
2020-06	1	1104	2020-06-1104	2,346	35,186	15.00	-	-	-	Out
2020-07	1	1104	2020-07-1104	2,334	37,203	15.94	-	-	-	Out
2020-08	1	1104	2020-08-1104	2,326	29,622	12.74	-	-	-	Out
2020-09	1	1104	2020-09-1104	2,341	35,025	14.96	-	-	-	Out
2020-10	1	1104	2020-10-1104	2,346	38,333	16.34	3	4	549	Out
2020-11	1	1104	2020-11-1104	2,351	60,458	25.72	63	94	16,837	Out
2020-12	1	1104	2020-12-1104	2,351	152,595	64.91	243	234	(4,952)	Out
2020-01	2	1105	2020-01-1105	1,102	110,289	100.08	270	368	25,302	In
2020-02	2	1105	2020-02-1105	1,095	84,194	76.89	220	310	23,091	In
2020-03	2	1105	2020-03-1105	1,098	92,526	84.27	231	220	(2,724)	In
2020-04	2	1105	2020-04-1105	1,092	43,872	40.18	33	80	11,935	In
2020-05	2	1105	2020-05-1105	1,091	34,523	31.64	17	15	(434)	In
2020-06	2	1105	2020-06-1105	1,102	26,099	23.68	-	0	77	In
2020-07	2	1105	2020-07-1105	1,098	26,793	24.40	-	-	-	In
2020-08	2	1105	2020-08-1105	1,097	21,101	19.24	-	-	-	In
2020-09	2	1105	2020-09-1105	1,103	23,980	21.74	-	-	-	In
2020-10	2	1105	2020-10-1105	1,105	23,583	21.34	-	1	155	In
2020-11	2	1105	2020-11-1105	1,101	32,007	29.07	55	33	(5,721)	In
2020-12	2	1105	2020-12-1105	1,102	69,008	62.62	154	214	15,449	In
2020-01	2	1105	2020-01-1105	3,365	271,499	80.68	270	368	77,259	Out
2020-02	2	1105	2020-02-1105	3,358	220,580	65.69	220	310	70,811	Out
2020-03	2	1105	2020-03-1105	3,370	245,313	72.79	231	220	(8,361)	Out
2020-04	2	1105	2020-04-1105	3,355	108,678	32.39	33	80	36,670	Out
2020-05	2	1105	2020-05-1105	3,349	81,677	24.39	17	15	(1,332)	Out
2020-06	2	1105	2020-06-1105	3,350	59,541	17.77	-	0	235	Out
2020-07	2	1105	2020-07-1105	3,373	63,306	18.77	-	-	-	Out
2020-08	2	1105	2020-08-1105	3,377	49,086	14.54	-	-	-	Out
2020-09	2	1105	2020-09-1105	3,382	56,052	16.57	-	-	-	Out
2020-10	2	1105	2020-10-1105	3,375	56,610	16.77	-	1	474	Out
2020-11	2	1105	2020-11-1105	3,399	80,209	23.60	55	33	(17,660)	Out
2020-12	2	1105	2020-12-1105	3,435	177,138	51.57	154	214	48,156	Out
2020-01	2	1106	2020-01-1106	1,388	135,917	97.92	260	362	33,005	Out
2020-02	2	1106	2020-02-1106	1,397	115,716	82.83	235	322	28,380	Out
2020-03	2	1106	2020-03-1106	1,412	126,790	89.79	216	200	(5,288)	Out
2020-04	2	1106	2020-04-1106	1,397	54,424	38.96	33	88	18,114	Out
2020-05	2	1106	2020-05-1106	1,387	37,375	26.95	17	15	(552)	Out
2020-06	2	1106	2020-06-1106	1,390	26,765	19.26	-	0	98	Out
2020-07	2	1106	2020-07-1106	1,414	28,109	19.88	-	-	-	Out
2020-08	2	1106	2020-08-1106	1,421	21,449	15.09	-	-	-	Out
2020-09	2	1106	2020-09-1106	1,438	24,808	17.25	-	-	-	Out
2020-10	2	1106	2020-10-1106	1,444	26,166	18.12	-	0	135	Out
2020-11	2	1106	2020-11-1106	1,472	46,538	31.62	55	34	(7,269)	Out
2020-12	2	1106	2020-12-1106	1,490	97,500	65.44	154	213	20,575	Out

2020-01	2	1107	2020-01-1107	279	25,662	91.98	270	368	6,406	Out
2020-02	2	1107	2020-02-1107	299	21,824	72.99	235	322	6,074	Out
2020-03	2	1107	2020-03-1107	298	23,950	80.37	216	200	(1,116)	Out
2020-04	2	1107	2020-04-1107	295	10,791	36.58	33	88	3,825	Out
2020-05	2	1107	2020-05-1107	296	7,330	24.76	17	15	(118)	Out
2020-06	2	1107	2020-06-1107	303	4,306	14.21	-	0	21	Out
2020-07	2	1107	2020-07-1107	317	4,464	14.08	-	-	-	Out
2020-08	2	1107	2020-08-1107	324	3,389	10.46	-	-	-	Out
2020-09	2	1107	2020-09-1107	329	4,029	12.25	-	-	-	Out
2020-10	2	1107	2020-10-1107	335	4,836	14.44	-	-	-	Out
2020-11	2	1107	2020-11-1107	358	8,711	24.33	55	33	(1,810)	Out
2020-12	2	1107	2020-12-1107	361	19,504	54.03	146	201	4,613	Out
2020-01	2	1110	2020-01-1110	71	5,108	71.94	270	368	1,630	In
2020-02	2	1110	2020-02-1110	71	4,247	59.82	235	322	1,442	In
2020-03	2	1110	2020-03-1110	72	4,698	65.25	219	217	(34)	In
2020-04	2	1110	2020-04-1110	71	1,803	25.39	30	71	688	In
2020-05	2	1110	2020-05-1110	71	1,369	19.28	17	15	(28)	In
2020-06	2	1110	2020-06-1110	71	998	14.06	-	0	5	In
2020-07	2	1110	2020-07-1110	71	1,121	15.79	-	-	-	In
2020-08	2	1110	2020-08-1110	71	878	12.37	-	-	-	In
2020-09	2	1110	2020-09-1110	71	1,023	14.41	-	-	-	In
2020-10	2	1110	2020-10-1110	71	934	13.15	-	0	7	In
2020-11	2	1110	2020-11-1110	71	1,415	19.93	55	33	(366)	In
2020-12	2	1110	2020-12-1110	72	3,208	44.56	157	224	1,136	In
2020-01	2	1111	2020-01-1111	425	25,248	59.41	270	368	9,758	In
2020-02	2	1111	2020-02-1111	430	20,745	48.24	235	322	8,735	In
2020-03	2	1111	2020-03-1111	435	24,015	55.21	216	200	(1,629)	In
2020-04	2	1111	2020-04-1111	430	11,302	26.28	33	88	5,575	In
2020-05	2	1111	2020-05-1111	416	8,205	19.72	17	15	(166)	In
2020-06	2	1111	2020-06-1111	415	6,059	14.60	-	0	29	In
2020-07	2	1111	2020-07-1111	423	5,902	13.95	-	-	-	In
2020-08	2	1111	2020-08-1111	422	4,328	10.26	-	-	-	In
2020-09	2	1111	2020-09-1111	441	5,354	12.14	-	-	-	In
2020-10	2	1111	2020-10-1111	437	5,116	11.71	-	-	-	In
2020-11	2	1111	2020-11-1111	461	8,290	17.98	55	33	(2,331)	In
2020-12	2	1111	2020-12-1111	475	18,028	37.95	154	214	6,659	In
2020-01	2	1112	2020-01-1112	1,086	76,524	70.46	283	387	26,358	Out
2020-02	2	1112	2020-02-1112	1,081	55,414	51.26	197	285	22,264	Out
2020-03	2	1112	2020-03-1112	1,101	68,858	62.54	231	212	(4,973)	Out
2020-04	2	1112	2020-04-1112	1,097	31,726	28.92	33	88	14,224	Out
2020-05	2	1112	2020-05-1112	1,107	23,101	20.87	17	15	(440)	Out
2020-06	2	1112	2020-06-1112	1,110	16,187	14.58	-	0	78	Out
2020-07	2	1112	2020-07-1112	1,115	19,017	17.06	-	-	-	Out
2020-08	2	1112	2020-08-1112	1,115	14,309	12.83	-	-	-	Out
2020-09	2	1112	2020-09-1112	1,136	16,206	14.27	-	-	-	Out
2020-10	2	1112	2020-10-1112	1,162	14,832	12.76	-	-	-	Out
2020-11	2	1112	2020-11-1112	1,196	24,385	20.39	53	32	(5,906)	Out
2020-12	2	1112	2020-12-1112	1,234	52,848	42.83	156	215	17,155	Out
2020-01	2	1113	2020-01-1113	2,103	182,170	86.62	280	381	49,712	In
2020-02	2	1113	2020-02-1113	2,141	137,851	64.39	225	309	42,041	In
2020-03	2	1113	2020-03-1113	2,186	162,042	74.13	216	200	(8,186)	In
2020-04	2	1113	2020-04-1113	2,217	85,300	38.48	33	88	28,746	In
2020-05	2	1113	2020-05-1113	2,236	62,353	27.89	17	15	(942)	In
2020-06	2	1113	2020-06-1113	2,275	44,804	19.69	-	0	213	In
2020-07	2	1113	2020-07-1113	2,321	41,234	17.77	-	-	-	In
2020-08	2	1113	2020-08-1113	2,333	29,678	12.72	-	-	-	In
2020-09	2	1113	2020-09-1113	2,373	35,748	15.06	-	-	-	In

2020-10	2	1113	2020-10-1113	2,419	38,259	15.82	-	-	-	In
2020-11	2	1113	2020-11-1113	2,456	65,929	26.84	55	33	(12,416)	In
2020-12	2	1113	2020-12-1113	2,519	129,174	51.28	154	214	35,314	In
2020-01	2	1114	2020-01-1114	1,125	108,360	96.32	280	381	26,593	Out
2020-02	2	1114	2020-02-1114	1,140	85,876	75.33	225	309	22,385	Out
2020-03	2	1114	2020-03-1114	1,169	96,277	82.36	216	200	(4,378)	Out
2020-04	2	1114	2020-04-1114	1,180	52,107	44.16	33	90	15,714	Out
2020-05	2	1114	2020-05-1114	1,195	36,453	30.50	17	14	(923)	Out
2020-06	2	1114	2020-06-1114	1,221	28,285	23.17	-	0	114	Out
2020-07	2	1114	2020-07-1114	1,260	22,564	17.91	-	-	-	Out
2020-08	2	1114	2020-08-1114	1,277	17,302	13.55	-	-	-	Out
2020-09	2	1114	2020-09-1114	1,297	19,667	15.16	-	-	-	Out
2020-10	2	1114	2020-10-1114	1,338	23,169	17.32	-	-	-	Out
2020-11	2	1114	2020-11-1114	1,348	40,567	30.09	55	34	(6,531)	Out
2020-12	2	1114	2020-12-1114	1,396	74,613	53.45	146	200	17,545	Out
2020-01	2	1115	2020-01-1115	1,429	75,906	53.12	280	381	33,779	Out
2020-02	2	1115	2020-02-1115	1,479	62,190	42.05	225	309	29,042	Out
2020-03	2	1115	2020-03-1115	1,513	73,415	48.52	216	200	(5,666)	Out
2020-04	2	1115	2020-04-1115	1,531	33,546	21.91	33	15	(6,378)	Out
2020-05	2	1115	2020-05-1115	1,566	23,638	15.09	17	0	(6,084)	Out
2020-06	2	1115	2020-06-1115	1,600	18,818	11.76	-	-	-	Out
2020-07	2	1115	2020-07-1115	1,672	20,671	12.36	-	-	-	Out
2020-08	2	1115	2020-08-1115	1,701	14,298	8.41	-	-	-	Out
2020-09	2	1115	2020-09-1115	1,741	18,886	10.85	-	-	-	Out
2020-10	2	1115	2020-10-1115	1,771	17,453	9.85	-	-	-	Out
2020-11	2	1115	2020-11-1115	1,845	30,108	16.32	55	33	(9,327)	Out
2020-12	2	1115	2020-12-1115	1,931	58,354	30.22	146	201	24,676	Out
2020-01	2	1116	2020-01-1116	1,271	91,656	72.11	283	387	30,848	Out
2020-02	2	1116	2020-02-1116	1,300	71,322	54.86	197	285	26,775	Out
2020-03	2	1116	2020-03-1116	1,361	90,775	66.70	231	212	(6,148)	Out
2020-04	2	1116	2020-04-1116	1,373	39,058	28.45	33	88	17,802	Out
2020-05	2	1116	2020-05-1116	1,408	27,778	19.73	17	15	(560)	Out
2020-06	2	1116	2020-06-1116	1,418	19,037	13.43	-	0	100	Out
2020-07	2	1116	2020-07-1116	1,482	22,286	15.04	-	-	-	Out
2020-08	2	1116	2020-08-1116	1,472	17,369	11.80	-	-	-	Out
2020-09	2	1116	2020-09-1116	1,493	20,573	13.78	-	-	-	Out
2020-10	2	1116	2020-10-1116	1,525	20,230	13.27	-	-	-	Out
2020-11	2	1116	2020-11-1116	1,549	35,661	23.02	55	34	(7,504)	Out
2020-12	2	1116	2020-12-1116	1,618	72,507	44.81	154	213	22,342	Out
2020-01	2	1117	2020-01-1117	454	33,905	74.68	280	381	10,732	Out
2020-02	2	1117	2020-02-1117	469	26,543	56.59	225	309	9,209	Out
2020-03	2	1117	2020-03-1117	493	32,241	65.40	216	209	(842)	Out
2020-04	2	1117	2020-04-1117	507	13,963	27.54	33	80	5,541	Out
2020-05	2	1117	2020-05-1117	528	10,792	20.44	17	15	(210)	Out
2020-06	2	1117	2020-06-1117	545	7,628	14.00	-	0	38	Out
2020-07	2	1117	2020-07-1117	578	9,039	15.64	-	-	-	Out
2020-08	2	1117	2020-08-1117	577	6,449	11.18	-	-	-	Out
2020-09	2	1117	2020-09-1117	603	8,840	14.66	-	-	-	Out
2020-10	2	1117	2020-10-1117	622	9,358	15.05	-	-	-	Out
2020-11	2	1117	2020-11-1117	669	15,252	22.80	55	33	(3,382)	Out
2020-12	2	1117	2020-12-1117	703	29,873	42.49	146	201	8,983	Out
2020-01	2	1118	2020-01-1118	62	4,092	66.00	270	375	1,516	In
2020-02	2	1118	2020-02-1118	63	3,484	55.30	225	309	1,237	In
2020-03	2	1118	2020-03-1118	62	3,580	57.74	216	209	(106)	In
2020-04	2	1118	2020-04-1118	62	1,520	24.52	33	80	678	In
2020-05	2	1118	2020-05-1118	62	1,009	16.27	17	15	(25)	In

2020-06	2	1118	2020-06-1118	62	654	10.55	-	0	4	In
2020-07	2	1118	2020-07-1118	62	793	12.79	-	-	-	In
2020-08	2	1118	2020-08-1118	62	523	8.44	-	-	-	In
2020-09	2	1118	2020-09-1118	62	671	10.82	-	-	-	In
2020-10	2	1118	2020-10-1118	62	611	9.85	-	-	-	In
2020-11	2	1118	2020-11-1118	63	1,072	17.02	55	33	(318)	In
2020-12	2	1118	2020-12-1118	62	2,140	34.52	146	201	792	In
2020-01	2	1119	2020-01-1119	350	24,020	68.63	270	375	8,560	In
2020-02	2	1119	2020-02-1119	357	20,097	56.29	225	309	7,010	In
2020-03	2	1119	2020-03-1119	362	21,817	60.27	216	209	(618)	In
2020-04	2	1119	2020-04-1119	368	9,125	24.80	33	80	4,022	In
2020-05	2	1119	2020-05-1119	387	6,418	16.58	17	15	(154)	In
2020-06	2	1119	2020-06-1119	391	4,244	10.85	-	0	27	In
2020-07	2	1119	2020-07-1119	410	5,005	12.21	-	-	-	In
2020-08	2	1119	2020-08-1119	419	3,378	8.06	-	-	-	In
2020-09	2	1119	2020-09-1119	437	4,342	9.94	-	-	-	In
2020-10	2	1119	2020-10-1119	460	4,718	10.26	-	-	-	In
2020-11	2	1119	2020-11-1119	484	8,495	17.55	55	33	(2,447)	In
2020-12	2	1119	2020-12-1119	533	19,390	36.38	146	201	6,811	In
2020-04	2	1119	2020-04-1119		-	#DIV/0!	33	80	-	Out
2020-05	2	1119	2020-05-1119		-	#DIV/0!	17	15	-	Out
2020-06	2	1119	2020-06-1119	1	1	1.00	-	0	0	Out
2020-07	2	1119	2020-07-1119		-	#DIV/0!	-	-	-	Out
2020-08	2	1119	2020-08-1119		-	#DIV/0!	-	-	-	Out
2020-09	2	1119	2020-09-1119		-	#DIV/0!	-	-	-	Out
2020-10	2	1119	2020-10-1119		-	#DIV/0!	-	-	-	Out
2020-11	2	1119	2020-11-1119	1	15	15.00	55	33	(5)	Out
2020-12	2	1119	2020-12-1119	1	25	25.00	146	201	13	Out
2020-01	2	1121	2020-01-1121	473	18,533	39.18	283	387	11,480	Out
2020-02	2	1121	2020-02-1121	487	14,566	29.91	197	285	10,030	Out
2020-03	2	1121	2020-03-1121	524	18,833	35.94	231	220	(1,300)	Out
2020-04	2	1121	2020-04-1121	525	7,867	14.98	33	80	5,738	Out
2020-05	2	1121	2020-05-1121	528	5,961	11.29	17	15	(210)	Out
2020-06	2	1121	2020-06-1121	536	4,281	7.99	-	0	38	Out
2020-07	2	1121	2020-07-1121	566	5,080	8.98	-	-	-	Out
2020-08	2	1121	2020-08-1121	570	3,963	6.95	-	-	-	Out
2020-09	2	1121	2020-09-1121	600	4,763	7.94	-	-	-	Out
2020-10	2	1121	2020-10-1121	608	4,191	6.89	-	-	-	Out
2020-11	2	1121	2020-11-1121	663	7,602	11.47	53	32	(3,274)	Out
2020-12	2	1121	2020-12-1121	716	15,489	21.63	156	215	9,954	Out
2020-01	2	1128	2020-01-1128	170	7,052	41.48	270	368	3,903	In
2020-02	2	1128	2020-02-1128	164	5,925	36.13	235	322	3,332	In
2020-03	2	1128	2020-03-1128	176	7,001	39.78	216	200	(659)	In
2020-04	2	1128	2020-04-1128	171	2,857	16.71	33	88	2,197	In
2020-05	2	1128	2020-05-1128	173	2,119	12.25	17	16	(49)	In
2020-06	2	1128	2020-06-1128	168	1,576	9.38	-	0	12	In
2020-07	2	1128	2020-07-1128	181	1,835	10.14	-	-	-	In
2020-08	2	1128	2020-08-1128	201	1,439	7.16	-	-	-	In
2020-09	2	1128	2020-09-1128	223	1,919	8.61	-	-	-	In
2020-10	2	1128	2020-10-1128	251	1,899	7.57	-	0	23	In
2020-11	2	1128	2020-11-1128	283	3,007	10.63	55	33	(1,457)	In
2020-12	2	1128	2020-12-1128	309	7,009	22.68	146	201	3,949	In
2020-08	2	1128	2020-08-1128	1	1	1.00	-	-	-	In
2020-09	2	1128	2020-09-1128	1	1	1.00	-	-	-	In
2020-10	2	1128	2020-10-1128	1	6	6.00	-	0	0	In
2020-11	2	1128	2020-11-1128	1	5	5.00	55	33	(5)	In

2020-12	2	1128	2020-12-1128	2	43	21.50	146	201	26	In
2020-01	2	1129	2020-01-1129	83	2,731	32.90	270	368	1,906	In
2020-02	2	1129	2020-02-1129	94	4,247	45.18	235	322	1,910	In
2020-03	2	1129	2020-03-1129	100	3,237	32.37	216	200	(374)	In
2020-04	2	1129	2020-04-1129	98	1,915	19.54	33	88	1,259	In
2020-05	2	1129	2020-05-1129	114	1,841	16.15	17	16	(32)	In
2020-06	2	1129	2020-06-1129	127	1,193	9.39	-	0	9	In
2020-07	2	1129	2020-07-1129	132	1,608	12.18	-	-	-	In
2020-08	2	1129	2020-08-1129	132	1,296	9.82	-	-	-	In
2020-09	2	1129	2020-09-1129	135	1,593	11.80	-	-	-	In
2020-10	2	1129	2020-10-1129	140	1,518	10.84	-	0	13	In
2020-11	2	1129	2020-11-1129	158	2,101	13.30	55	33	(814)	In
2020-12	2	1129	2020-12-1129	184	4,476	24.33	146	201	2,351	In
2020-01	2	1130	2020-01-1130	62	3,578	57.71	280	381	1,466	Out
2020-02	2	1130	2020-02-1130	70	2,861	40.87	225	309	1,375	Out
2020-03	2	1130	2020-03-1130	72	4,953	68.79	216	200	(270)	Out
2020-04	2	1130	2020-04-1130	78	1,550	19.87	33	88	1,011	Out
2020-05	2	1130	2020-05-1130	88	241	2.74	17	15	(35)	Out
2020-06	2	1130	2020-06-1130	87	1,704	19.59	-	0	6	Out
2020-07	2	1130	2020-07-1130	89	855	9.61	-	-	-	Out
2020-08	2	1130	2020-08-1130	92	743	8.08	-	-	-	Out
2020-09	2	1130	2020-09-1130	94	311	3.31	-	-	-	Out
2020-10	2	1130	2020-10-1130	105	1,096	10.44	-	-	-	Out
2020-11	2	1130	2020-11-1130	118	2,511	21.28	55	33	(597)	Out
2020-12	2	1130	2020-12-1130	129	5,429	42.09	146	201	1,648	Out
2020-01	2	1131	2020-01-1131	94	2,366	25.17	270	375	2,299	Out
2020-02	2	1131	2020-02-1131	96	2,030	21.15	225	309	1,885	Out
2020-03	2	1131	2020-03-1131	105	2,742	26.11	216	200	(393)	Out
2020-04	2	1131	2020-04-1131	95	1,368	14.40	33	90	1,265	Out
2020-05	2	1131	2020-05-1131	112	1,178	10.52	17	14	(84)	Out
2020-06	2	1131	2020-06-1131	117	856	7.32	-	0	8	Out
2020-07	2	1131	2020-07-1131	45	383	8.51	-	-	-	Out
2020-08	2	1131	2020-08-1131	161	2,275	14.13	-	-	-	Out
2020-09	2	1131	2020-09-1131	188	1,409	7.49	-	-	-	Out
2020-10	2	1131	2020-10-1131	206	1,468	7.13	-	-	-	Out
2020-11	2	1131	2020-11-1131	219	2,068	9.44	53	32	(1,081)	Out
2020-12	2	1131	2020-12-1131	242	4,887	20.19	156	215	3,364	Out
2020-01	1	1133	2020-01-1133	44	1,212	27.55	251	381	1,334	Out
2020-02	1	1133	2020-02-1133	44	1,592	36.18	290	283	(71)	Out
2020-03	1	1133	2020-03-1133	56	1,297	23.16	95	132	485	Out
2020-04	1	1133	2020-04-1133	55	904	16.44	29	42	169	Out
2020-05	1	1133	2020-05-1133	59	759	12.86	-	3	39	Out
2020-06	1	1133	2020-06-1133	70	745	10.64	-	-	-	Out
2020-07	1	1133	2020-07-1133	76	788	10.37	-	-	-	Out
2020-08	1	1133	2020-08-1133	75	634	8.45	-	-	-	Out
2020-09	1	1133	2020-09-1133	82	1,004	12.24	-	-	-	Out
2020-10	1	1133	2020-10-1133	85	974	11.46	3	4	20	Out
2020-11	1	1133	2020-11-1133	88	1,361	15.47	63	94	630	Out
2020-12	1	1133	2020-12-1133	106	2,927	27.61	223	223	10	Out
2020-01	2	1134	2020-01-1134	108	3,990	36.94	270	375	2,641	Out
2020-02	2	1134	2020-02-1134	130	4,755	36.58	225	309	2,553	Out
2020-03	2	1134	2020-03-1134	156	6,061	38.85	216	209	(267)	Out
2020-04	2	1134	2020-04-1134	159	2,802	17.62	33	81	1,794	Out
2020-05	2	1134	2020-05-1134	193	2,358	12.22	17	14	(145)	Out
2020-06	2	1134	2020-06-1134	187	1,822	9.74	-	0	13	Out
2020-07	2	1134	2020-07-1134	213	2,496	11.72	-	-	-	Out

2020-08	2	1134	2020-08-1134	235	1,994	8.49	-	-	-	Out
2020-09	2	1134	2020-09-1134	281	2,729	9.71	-	-	-	Out
2020-10	2	1134	2020-10-1134	310	2,950	9.52	-	-	-	Out
2020-11	2	1134	2020-11-1134	325	5,090	15.66	55	34	(1,575)	Out
2020-12	2	1134	2020-12-1134	352	10,357	29.42	146	200	4,424	Out
2020-01	2	1135	2020-01-1135	37	2,896	78.27	270	375	905	Out
2020-02	2	1135	2020-02-1135	57	3,531	61.95	225	309	1,119	Out
2020-03	2	1135	2020-03-1135	75	4,885	65.13	216	209	(128)	Out
2020-04	2	1135	2020-04-1135	99	1,568	15.84	33	81	1,117	Out
2020-05	2	1135	2020-05-1135	105	949	9.04	17	14	(79)	Out
2020-06	2	1135	2020-06-1135	113	807	7.14	-	0	8	Out
2020-07	2	1135	2020-07-1135	119	951	7.99	-	-	-	Out
2020-08	2	1135	2020-08-1135	126	1,169	9.28	-	-	-	Out
2020-09	2	1135	2020-09-1135	133	1,270	9.55	-	-	-	Out
2020-10	2	1135	2020-10-1135	144	1,395	9.69	-	-	-	Out
2020-11	2	1135	2020-11-1135	172	3,082	17.92	55	33	(870)	Out
2020-12	2	1135	2020-12-1135	211	8,828	41.84	146	201	2,696	Out
2020-09	2	1136	2020-09-1136	4	10	2.50	-	-	-	Out
2020-10	2	1136	2020-10-1136	6	17	2.83	-	-	-	Out
2020-11	2	1136	2020-11-1136	6	41	6.83	55	33	(30)	Out
2020-12	2	1136	2020-12-1136	9	234	26.00	157	224	142	Out
2020-11	2	1139	2020-11-1139	3	23	7.67	63	96	23	In
2020-12	2	1139	2020-12-1139	17	657	38.65	243	234	(36)	In
				311,179	10,914,589				1,383,213	
					-				-	

Summary by Month - Take to WP G.2.2

2020-01	1,987,508	594,065
2020-02	1,639,124	365,566
2020-03	1,574,690	(7,698)
2020-04	836,289	212,205
2020-05	589,287	(8,502)
2020-06	435,694	1,241
2020-07	451,086	-
2020-08	345,283	-
2020-09	409,689	-
2020-10	433,451	1,948
2020-11	689,064	(48,729)
2020-12	1,523,424	273,116
	10,914,589	1,383,213

Data Set for Regression Analysis

Revenue Month	Cycle Code	month-cycle Data Reference	Customers with Usage	Total Volumes	Ccf/Customer	Actual HDDs	Normal HDDs	Actual HDDs	Normal HDDs
2020-01	1	2020-01-1	7,346	665,544	90.60	278	396		
2020-02	1	2020-02-1	7,335	581,870	79.33	269	274		
2020-03	1	2020-03-1	7,365	360,019	48.88	104	133		
2020-04	1	2020-04-1	7,336	275,243	37.52	29	44		
2020-05	1	2020-05-1	7,342	177,243	24.14	-	3		
2020-06	1	2020-06-1	7,377	134,699	18.26	-	-		
2020-07	1	2020-07-1	7,363	141,706	19.25	-	-		
2020-08	1	2020-08-1	7,338	109,271	14.89	-	-		
2020-09	1	2020-09-1	7,393	133,398	18.04	-	-		
2020-10	1	2020-10-1	7,372	148,948	20.20	3	4		
2020-11	1	2020-11-1	7,396	222,465	30.08	61	91		

2020-12	1	2020-12-1	7,434	547,484	73.65	241	234	983	1,178
2020-01	2	2020-01-2	16,954	1,321,944	77.97	261	375	0.83	
2020-02	2	2020-02-2	17,229	1,057,264	61.37	214	310		
2020-03	2	2020-03-2	17,640	1,214,586	68.85	209	207		
2020-04	2	2020-04-2	17,686	560,874	31.71	31	81		
2020-05	2	2020-05-2	17,910	412,159	23.01	16	14		
2020-06	2	2020-06-2	18,113	300,184	16.57	-	0		
2020-07	2	2020-07-2	18,525	309,461	16.71	-	-		
2020-08	2	2020-08-2	18,797	235,939	12.55	-	-		
2020-09	2	2020-09-2	19,215	277,225	14.43	-	-		
2020-10	2	2020-10-2	19,594	284,466	14.52	-	0		
2020-11	2	2020-11-2	20,157	466,566	23.15	52	33		
2020-12	2	2020-12-2	20,917	975,049	46.62	144	208		
								928	1,228
			311,134	10,913,607				0.76	

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.980820889
R Square	0.962009616
Adjusted R Square	0.96028278
Standard Error	4.985650177
Observations	24

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	13847.52032	13847.52032	557.0939035	4.0729E-17
Residual	22	546.8475692	24.85670769		
Total	23	14394.36788			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	18.12765610	1.288028745	14.07395306	1.75802E-12	15.45644797	20.79886422	15.45644797	20.79886422
X Variable 1	**0.23404360**	0.00991591	23.60283677	4.0729E-17	0.213479264	0.254607941	0.213479264	0.254607941

RESIDENTIAL - Austin Weather Station

0.1410433 value of one HDD

Revenue Month	Cycle Code	Route Code	Data Reference	Customers with Usage	Total Volumes	Ccf/Customer	Actual HDDs	Normal HDDs	Volume Adjustment	In/Out
							14	16		
2020-01	2	2001	2020-01-2001	480	33,326	69.43	441	508	4,563.03	Out
2020-02	2	2001	2020-02-2001	479	24,937	52.06	294	401	7,201.87	Out
2020-03	2	2001	2020-03-2001	490	31,411	64.10	314	286	(1,932.81)	Out
2020-04	2	2001	2020-04-2001	492	14,438	29.35	86	134	3,358.64	Out
2020-05	2	2001	2020-05-2001	498	9,169	18.41	42	32	(730.49)	Out
2020-06	2	2001	2020-06-2001	484	5,907	12.20	-	1	88.74	Out
2020-07	2	2001	2020-07-2001	495	6,827	13.79	-	-	-	Out
2020-08	2	2001	2020-08-2001	482	4,477	9.29	-	-	-	Out
2020-09	2	2001	2020-09-2001	507	5,900	11.64	-	-	-	Out
2020-10	2	2001	2020-10-2001	541	6,068	11.22	1	1	30.52	Out
2020-11	2	2001	2020-11-2001	625	11,971	19.15	94	59	(3,067.69)	Out
2020-12	2	2001	2020-12-2001	695	23,967	34.48	211	276	6,391.24	Out
2020-01	2	2002	2020-01-2002	99	7,088	71.60	445	517	1,008.15	In
2020-02	2	2002	2020-02-2002	103	5,449	52.90	277	384	1,548.63	In
2020-03	2	2002	2020-03-2002	105	6,622	63.07	314	286	(414.17)	In
2020-04	2	2002	2020-04-2002	109	2,508	23.01	86	134	744.09	In
2020-05	2	2002	2020-05-2002	108	1,500	13.89	42	32	(158.42)	In
2020-06	2	2002	2020-06-2002	105	875	8.33	-	1	19.25	In
2020-07	2	2002	2020-07-2002	109	1,011	9.28	-	-	-	In
2020-08	2	2002	2020-08-2002	103	661	6.42	-	-	-	In
2020-09	2	2002	2020-09-2002	110	845	7.68	-	-	-	In
2020-10	2	2002	2020-10-2002	117	839	7.17	1	1	6.60	In
2020-11	2	2002	2020-11-2002	133	2,347	17.65	94	61	(620.92)	In
2020-12	2	2002	2020-12-2002	155	5,239	33.80	211	275	1,388.22	In
2020-01	2	2003	2020-01-2003	68	3,937	57.90	445	517	692.47	In
2020-02	2	2003	2020-02-2003	71	2,843	40.04	277	384	1,067.50	In
2020-03	2	2003	2020-03-2003	84	4,110	48.93	314	286	(331.34)	In
2020-04	2	2003	2020-04-2003	91	2,052	22.55	86	134	621.21	In
2020-05	2	2003	2020-05-2003	104	1,359	13.07	42	32	(152.55)	In
2020-06	2	2003	2020-06-2003	102	973	9.54	-	1	18.70	In
2020-07	2	2003	2020-07-2003	101	1,174	11.62	-	-	-	In
2020-08	2	2003	2020-08-2003	105	858	8.17	-	-	-	In
2020-09	2	2003	2020-09-2003	112	1,157	10.33	-	-	-	In
2020-10	2	2003	2020-10-2003	118	1,173	9.94	1	1	6.66	In
2020-11	2	2003	2020-11-2003	118	2,435	20.64	94	61	(550.89)	In
2020-12	2	2003	2020-12-2003	118	4,432	37.56	211	275	1,056.84	In
2020-01	2	2004	2020-01-2004	64	5,044	78.81	428	500	651.73	Out
2020-02	2	2004	2020-02-2004	71	4,165	58.66	294	401	1,067.50	Out
2020-03	2	2004	2020-03-2004	76	5,366	70.61	314	286	(299.78)	Out
2020-04	2	2004	2020-04-2004	79	2,614	33.09	86	134	539.29	Out
2020-05	2	2004	2020-05-2004	83	1,871	22.54	42	32	(121.75)	Out
2020-06	2	2004	2020-06-2004	82	1,097	13.38	-	1	15.04	Out
2020-07	2	2004	2020-07-2004	90	1,192	13.24	-	-	-	Out
2020-08	2	2004	2020-08-2004	94	794	8.45	-	-	-	Out
2020-09	2	2004	2020-09-2004	110	1,115	10.14	-	-	-	Out
2020-10	2	2004	2020-10-2004	117	1,252	10.70	1	1	6.60	Out
2020-11	2	2004	2020-11-2004	122	2,908	23.84	94	59	(598.81)	Out
2020-12	2	2004	2020-12-2004	133	5,999	45.11	211	276	1,223.07	Out
				9,937	273,302		5,893	6,772	24,335.97	
					-				-	

Summary by Month - Take to WP Growth Adjustment.xlx

Month	Total Volumes	Volume Adjustment
2020-01	49,395	6,915
2020-02	37,394	10,885
2020-03	47,509	(2,978)
2020-04	21,612	5,263
2020-05	13,899	(1,163)
2020-06	8,852	142
2020-07	10,204	-
2020-08	6,790	-

2020-09	9,017	-
2020-10	9,332	50
2020-11	19,661	(4,838)
2020-12	39,637	10,059
	273,302	24,336

Data Set for Regression Analysis

Revenue Month	Cycle Code	month-cycle Data Reference	Customers with Usage	Total Volumes	Ccf/Customer	Actual HDDs	Normal HDDs	Actual HDDs	Normal HDDs
2020-01	2	2020-01-2	711	49,395	69.47	440	511		
2020-02	2	2020-02-2	724	37,394	51.65	286	392		
2020-03	2	2020-03-2	755	47,506	62.92	314	286		
2020-04	2	2020-04-2	771	21,615	28.04	86	134		
2020-05	2	2020-05-2	793	13,899	17.53	42	32		
2020-06	2	2020-06-2	773	8,852	11.45	-	1		
2020-07	2	2020-07-2	795	10,204	12.84	-	-		
2020-08	2	2020-08-2	784	6,790	8.66	-	-		
2020-09	2	2020-09-2	839	9,017	10.75	-	-		
2020-10	2	2020-10-2	893	9,332	10.45	1	1		
2020-11	2	2020-11-2	998	19,661	19.70	94	60		
2020-12	2	2020-12-2	1,101	39,637	36.00	211	275		
								1,473	1,693
			9,937	273,302				0.87	

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.985687543
R Square	0.971579933
Adjusted R Squa	0.968737926
Standard Error	3.853084199
Observations	12

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	5075.401913	5075.401913	341.8640554	4.61778E-09
Residual	10	148.4625784	14.84625784		
Total	11	5223.864491			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	10.97165344	1.454054373	7.545559258	1.95786E-05	7.731818395	14.21148848	7.731818395	14.21148848
X Variable 1	**0.141043344**	0.007628267	18.48956612	4.61778E-09	0.124046507	0.158040182	0.124046507	0.158040182

18 20

RESIDENTIAL - Dallas-Fort Worth Weather Station

0.1703747 value of one HDD

Revenue Month	Cycle Code	Route Code	Data Reference	Customers with Usage	Total Volumes	Ccf/Customer	Actual HDDs	Normal HDDs	Volume Adjustment	In/Out
2020-01	1	3001	2020-01-3001	300	28,607	95.36	437	583	7,441.97	In
2020-02	1	3001	2020-02-3001	312	32,358	103.71	457	433	(1,297.03)	In
2020-03	1	3001	2020-03-3001	314	20,216	64.38	245	276	1,679.83	In
2020-04	1	3001	2020-04-3001	312	12,954	41.52	174	113	(3,226.62)	In
2020-05	1	3001	2020-05-3001	290	4,499	15.51	2	20	894.30	In
2020-06	1	3001	2020-06-3001	281	3,226	11.48	-	0	9.58	In
2020-07	1	3001	2020-07-3001	293	3,830	13.07	-	-	-	In
2020-08	1	3001	2020-08-3001	293	2,705	9.23	-	-	-	In
2020-09	1	3001	2020-09-3001	338	3,799	11.24	3	0	(149.73)	In
2020-10	1	3001	2020-10-3001	361	5,107	14.15	12	21	547.40	In
2020-11	1	3001	2020-11-3001	437	15,779	36.11	174	159	(1,139.14)	In
2020-12	1	3001	2020-12-3001	477	43,035	90.22	453	443	(796.43)	In
2020-01	1	3002	2020-01-3002	238	25,771	108.28	457	596	5,640.39	In
2020-02	1	3002	2020-02-3002	251	29,097	115.92	457	433	(1,043.44)	In
2020-03	1	3002	2020-03-3002	276	19,096	69.19	245	276	1,476.53	In
2020-04	1	3002	2020-04-3002	280	12,785	45.66	174	113	(2,895.69)	In
2020-05	1	3002	2020-05-3002	288	4,482	15.56	2	20	888.13	In
2020-06	1	3002	2020-06-3002	302	3,476	11.51	-	0	10.29	In
2020-07	1	3002	2020-07-3002	324	4,503	13.90	-	-	-	In
2020-08	1	3002	2020-08-3002	347	3,378	9.73	-	-	-	In
2020-09	1	3002	2020-09-3002	389	5,035	12.94	3	0	(172.32)	In
2020-10	1	3002	2020-10-3002	405	5,183	12.80	12	21	614.12	In
2020-11	1	3002	2020-11-3002	444	17,200	38.74	174	159	(1,157.39)	In
2020-12	1	3002	2020-12-3002	501	45,787	91.39	453	443	(836.51)	In
2020-01	1	3004	2020-01-3004	135	6,451	47.79	479	613	3,084.38	Out
2020-02	1	3004	2020-02-3004	136	7,784	57.24	474	435	(915.25)	Out
2020-03	1	3004	2020-03-3004	157	4,675	29.78	206	254	1,278.59	Out
2020-04	1	3004	2020-04-3004	169	4,365	25.83	174	122	(1,485.74)	Out
2020-05	1	3004	2020-05-3004	203	1,839	9.06	2	15	439.24	Out
2020-06	1	3004	2020-06-3004	213	1,944	9.13	-	0	7.26	Out
2020-07	1	3004	2020-07-3004	230	2,603	11.32	-	-	-	Out
2020-08	1	3004	2020-08-3004	256	2,071	8.09	-	-	-	Out
2020-09	1	3004	2020-09-3004	300	3,045	10.15	3	0	(132.89)	Out
2020-10	1	3004	2020-10-3004	340	3,668	10.79	12	22	573.48	Out
2020-11	1	3004	2020-11-3004	377	6,802	18.04	174	158	(1,046.97)	Out
2020-12	1	3004	2020-12-3004	437	16,281	37.26	406	396	(781.76)	Out
2020-01	1	3005	2020-01-3005	88	4,346	49.39	457	596	2,085.52	Out
2020-02	1	3005	2020-02-3005	109	5,322	48.83	430	396	(635.12)	Out
2020-03	1	3005	2020-03-3005	129	5,213	40.41	272	313	905.51	Out
2020-04	1	3005	2020-04-3005	154	3,997	25.95	174	113	(1,592.63)	Out
2020-05	1	3005	2020-05-3005	148	1,806	12.20	2	20	456.40	Out
2020-06	1	3005	2020-06-3005	140	1,388	9.91	-	0	4.77	Out
2020-07	1	3005	2020-07-3005	140	1,743	12.45	-	-	-	Out
2020-08	1	3005	2020-08-3005	140	1,328	9.49	-	-	-	Out
2020-09	1	3005	2020-09-3005	145	1,754	12.10	3	0	(64.23)	Out
2020-10	1	3005	2020-10-3005	141	1,757	12.46	12	21	213.80	Out
2020-11	1	3005	2020-11-3005	142	4,059	28.58	174	159	(370.16)	Out
2020-12	1	3005	2020-12-3005	142	9,233	65.02	453	443	(237.09)	Out
2020-01	1	3006	2020-01-3006			-	-	-	-	Out
2020-02	1	3006	2020-02-3006	4	249	62.25	474	435	(26.92)	Out
2020-03	1	3006	2020-03-3006	16	368	23.00	206	254	130.30	Out

2020-04	1	3006	2020-04-3006	25	444	17.76	174	122	(219.78)	Out
2020-05	1	3006	2020-05-3006	15	58	3.87	2	15	32.46	Out
2020-06	1	3006	2020-06-3006	17	93	5.47	-	0	0.58	Out
2020-07	1	3006	2020-07-3006	21	169	8.05	-	-	-	Out
2020-08	1	3006	2020-08-3006	32	153	4.78	-	-	-	Out
2020-09	1	3006	2020-09-3006	40	234	5.85	3	0	(17.72)	Out
2020-10	1	3006	2020-10-3006	56	378	6.75	12	22	94.46	Out
2020-11	1	3006	2020-11-3006	65	1,533	23.58	174	158	(180.51)	Out
2020-12	1	3006	2020-12-3006	84	4,534	53.98	406	396	(150.27)	Out
2020-08	1	3007	2020-08-3007	3	4	1.33	-	-	-	Out
2020-09	1	3007	2020-09-3007	6	30	5.00	3	0	(2.66)	Out
2020-10	1	3007	2020-10-3007	7	65	9.29	12	21	10.61	Out
2020-11	1	3007	2020-11-3007	14	322	23.00	174	159	(36.49)	Out
2020-12	1	3007	2020-12-3007	26	1,534	59.00	453	443	(43.41)	Out
				13,055	465,550		9,934	10,211	7,865.98	
					-				-	

Summary by Month - Take to WP Growth Adjustment.xlx		
2020-01	65,175	18,252
2020-02	74,810	(3,918)
2020-03	49,568	5,471
2020-04	34,545	(9,420)
2020-05	12,684	2,711
2020-06	10,127	32
2020-07	12,848	-
2020-08	9,639	-
2020-09	13,897	(540)
2020-10	16,158	2,054
2020-11	45,695	(3,931)
2020-12	120,404	(2,845)
	465,550	7,866

Data Set for Regression Analysis

Revenue Month	Cycle Code	month-cycle Data Reference	Customers with Usage	Total Volumes	Ccf/Customer	Actual HDDs	Normal HDDs	Actual HDDs	Normal HDDs
2020-01	1	2020-01-1	761	65,175	85.64	366	478		
2020-02	1	2020-02-1	812	74,810	92.13	458	426		
2020-03	1	2020-03-1	892	49,568	55.57	235	275		
2020-04	1	2020-04-1	940	34,545	36.75	174	117		
2020-05	1	2020-05-1	944	12,684	13.44	2	18		
2020-06	1	2020-06-1	953	10,127	10.63	-	0		
2020-07	1	2020-07-1	1,008	12,848	12.75	-	-		
2020-08	1	2020-08-1	1,068	9,635	9.02	-	-		
2020-09	1	2020-09-1	1,212	13,867	11.44	3	0		
2020-10	1	2020-10-1	1,303	16,093	12.35	12	21		
2020-11	1	2020-11-1	1,465	45,373	30.97	174	158		
2020-12	1	2020-12-1	1,641	118,870	72.44	434	424		
								1,858	1,918
			12,999	463,595				0.97	

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.978887906
R Square	0.958221533

Adjusted R Square	0.954043687
Standard Error	6.756044075
Observations	12

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	10468.83553	10468.83553	229.3577547	3.18833E-08
Residual	10	456.4413155	45.64413155		
Total	11	10925.27684			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	10.54176166	2.615158402	4.031022233	0.002395567	4.714825622	16.3686977	4.714825622	16.3686977
X Variable 1	**0.170374659**	0.01124989	15.14456189	3.18833E-08	0.145308342	0.195440977	0.145308342	0.195440977

Route Code	**Customers with Usage**	**Total Volumes**	**Volume Adjustment**
3001	4,008	176,115	3,964
3002	4,045	175,793	2,524
3004	2,953	61,528	1,020
3005	1,618	41,946	767
3006	375	8,213	(337)
3007	56	1,955	(72)
	13,055	465,550	7,866
	-	-	-

1 2 3 4 5 6 7 8 9 10 # 12 13 14 # 16 17 18 # 20

Heating Degree Days by Cycle

Data Reference	Month	Cycle	Route	Begin	End	Cycle Days	Houston HDDs Actual	Houston HDDs 10 yr. Average	Austin HDDs Actual	Austin HDDs 10 yr. Average	Dallas-Fort Worth HDDs Actual	Dallas-Fort Worth HDDs 10 yr. Average
Houston Residential Routes												
2020-01-1101	2020-01	1	1101	12/17/2019	1/21/2020	35	287	401				
2020-02-1101	2020-02	1	1101	1/21/2020	2/21/2020	31	273	274				
2020-03-1101	2020-03	1	1101	2/21/2020	3/18/2020	26	95	129				
2020-04-1101	2020-04	1	1101	3/18/2020	4/23/2020	36	29	45				
2020-05-1101	2020-05	1	1101	4/23/2020	5/20/2020	27	-	3				
2020-06-1101	2020-06	1	1101	5/20/2020	6/17/2020	28	-	-				
2020-07-1101	2020-07	1	1101	6/17/2020	7/21/2020	34	-	-				
2020-08-1101	2020-08	1	1101	7/21/2020	8/18/2020	28	-	-				
2020-09-1101	2020-09	1	1101	8/18/2020	9/21/2020	34	-	-				
2020-10-1101	2020-10	1	1101	9/21/2020	10/20/2020	29	3	4				
2020-11-1101	2020-11	1	1101	10/20/2020	11/16/2020	27	58	88				
2020-12-1101	2020-12	1	1101	11/16/2020	12/17/2020	31	248	240				
2020-01-1102	2020-01	1	1102	12/17/2019	1/21/2020	35	287	401				
2020-02-1102	2020-02	1	1102	1/21/2020	2/21/2020	31	273	274				
2020-03-1102	2020-03	1	1102	2/21/2020	3/19/2020	27	95	130				
2020-04-1102	2020-04	1	1102	3/19/2020	4/23/2020	35	29	44				
2020-05-1102	2020-05	1	1102	4/23/2020	5/20/2020	27	-	3				
2020-06-1102	2020-06	1	1102	5/20/2020	6/17/2020	28	-	-				
2020-07-1102	2020-07	1	1102	6/17/2020	7/22/2020	35	-	-				
2020-08-1102	2020-08	1	1102	7/22/2020	8/18/2020	27	-	-				
2020-09-1102	2020-09	1	1102	8/18/2020	9/21/2020	34	-	-				
2020-10-1102	2020-10	1	1102	9/21/2020	10/19/2020	28	3	3				
2020-11-1102	2020-11	1	1102	10/19/2020	11/16/2020	28	58	88				
2020-12-1102	2020-12	1	1102	11/16/2020	12/17/2020	31	248	240				
2020-01-1104	2020-01	1	1104	12/17/2019	1/21/2020	35	287	401				
2020-02-1104	2020-02	1	1104	1/21/2020	2/19/2020	29	239	265				
2020-03-1104	2020-03	1	1104	2/19/2020	3/19/2020	29	129	139				
2020-04-1104	2020-04	1	1104	3/19/2020	4/22/2020	34	29	44				
2020-05-1104	2020-05	1	1104	4/22/2020	5/20/2020	28	-	3				
2020-06-1104	2020-06	1	1104	5/20/2020	6/17/2020	28	-	-				
2020-07-1104	2020-07	1	1104	6/17/2020	7/21/2020	34	-	-				
2020-08-1104	2020-08	1	1104	7/21/2020	8/19/2020	29	-	-				
2020-09-1104	2020-09	1	1104	8/19/2020	9/21/2020	33	-	-				
2020-10-1104	2020-10	1	1104	9/21/2020	10/20/2020	29	3	4				
2020-11-1104	2020-11	1	1104	10/20/2020	11/17/2020	28	63	94				
2020-12-1104	2020-12	1	1104	11/17/2020	12/17/2020	30	243	234				
2020-01-1133	2020-01	1	1133	12/18/2019	1/20/2020	33	251	381				
2020-02-1133	2020-02	1	1133	1/20/2020	2/21/2020	32	290	283				
2020-03-1133	2020-03	1	1133	2/21/2020	3/20/2020	28	95	132				
2020-04-1133	2020-04	1	1133	3/20/2020	4/22/2020	33	29	42				
2020-05-1133	2020-05	1	1133	4/22/2020	5/20/2020	28	-	3				
2020-06-1133	2020-06	1	1133	5/20/2020	6/20/2020	31	-	-				
2020-07-1133	2020-07	1	1133	6/20/2020	7/22/2020	32	-	-				
2020-08-1133	2020-08	1	1133	7/22/2020	8/17/2020	26	-	-				
2020-09-1133	2020-09	1	1133	8/17/2020	9/22/2020	36	-	-				
2020-10-1133	2020-10	1	1133	9/22/2020	10/20/2020	28	3	4				
2020-11-1133	2020-11	1	1133	10/20/2020	11/17/2020	28	63	94				
2020-12-1133	2020-12	1	1133	11/17/2020	12/16/2020	29	223	223				
Cycle 1 Average												

2020-01-1	2020-01	1					278	396
2020-02-1	2020-02	1					269	274
2020-03-1	2020-03	1					104	133
2020-04-1	2020-04	1					29	44
2020-05-1	2020-05	1					-	3
2020-06-1	2020-06	1					-	-
2020-07-1	2020-07	1					-	-
2020-08-1	2020-08	1					-	-
2020-09-1	2020-09	1					-	-
2020-10-1	2020-10	1					3	4
2020-11-1	2020-11	1					61	91
2020-12-1	2020-12	1					241	234
2020-01-1103	2020-01	2	1103	12/2/2019	1/6/2020	35	270	368
2020-02-1103	2020-02	2	1103	1/6/2020	2/5/2020	30	235	322
2020-03-1103	2020-03	2	1103	2/5/2020	3/6/2020	30	219	217
2020-04-1103	2020-04	2	1103	3/6/2020	4/7/2020	32	30	71
2020-05-1103	2020-05	2	1103	4/7/2020	5/7/2020	30	17	15
2020-06-1103	2020-06	2	1103	5/7/2020	6/3/2020	27	-	0
2020-07-1103	2020-07	2	1103	6/3/2020	7/8/2020	35	-	-
2020-08-1103	2020-08	2	1103	7/8/2020	8/5/2020	28	-	-
2020-09-1103	2020-09	2	1103	8/5/2020	9/9/2020	35	-	-
2020-10-1103	2020-10	2	1103	9/9/2020	10/6/2020	27	-	-
2020-11-1103	2020-11	2	1103	10/6/2020	11/5/2020	30	55	34
2020-12-1103	2020-12	2	1103	11/5/2020	12/9/2020	34	157	224
2020-01-1105	2020-01	2	1105	12/2/2019	1/6/2020	35	270	368
2020-02-1105	2020-02	2	1105	1/6/2020	2/4/2020	29	220	310
2020-03-1105	2020-03	2	1105	2/4/2020	3/5/2020	30	231	220
2020-04-1105	2020-04	2	1105	3/5/2020	4/7/2020	33	33	80
2020-05-1105	2020-05	2	1105	4/7/2020	5/7/2020	30	17	15
2020-06-1105	2020-06	2	1105	5/7/2020	6/3/2020	27	-	0
2020-07-1105	2020-07	2	1105	6/3/2020	7/7/2020	34	-	-
2020-08-1105	2020-08	2	1105	7/7/2020	8/5/2020	29	-	-
2020-09-1105	2020-09	2	1105	8/5/2020	9/9/2020	35	-	-
2020-10-1105	2020-10	2	1105	9/9/2020	10/8/2020	29	-	1
2020-11-1105	2020-11	2	1105	10/8/2020	11/4/2020	27	55	33
2020-12-1105	2020-12	2	1105	11/4/2020	12/8/2020	34	154	214
2020-01-1106	2020-01	2	1106	12/3/2019	1/6/2020	34	260	362
2020-02-1106	2020-02	2	1106	1/6/2020	2/5/2020	30	235	322
2020-03-1106	2020-03	2	1106	2/5/2020	3/4/2020	28	216	200
2020-04-1106	2020-04	2	1106	3/4/2020	4/7/2020	34	33	88
2020-05-1106	2020-05	2	1106	4/7/2020	5/7/2020	30	17	15
2020-06-1106	2020-06	2	1106	5/7/2020	6/3/2020	27	-	0
2020-07-1106	2020-07	2	1106	6/3/2020	7/8/2020	35	-	-
2020-08-1106	2020-08	2	1106	7/8/2020	8/5/2020	28	-	-
2020-09-1106	2020-09	2	1106	8/5/2020	9/9/2020	35	-	-
2020-10-1106	2020-10	2	1106	9/9/2020	10/7/2020	28	-	0
2020-11-1106	2020-11	2	1106	10/7/2020	11/5/2020	29	55	34
2020-12-1106	2020-12	2	1106	11/5/2020	12/8/2020	33	154	213
2020-01-1107	2020-01	2	1107	12/2/2019	1/6/2020	35	270	368
2020-02-1107	2020-02	2	1107	1/6/2020	2/5/2020	30	235	322
2020-03-1107	2020-03	2	1107	2/5/2020	3/4/2020	28	216	200
2020-04-1107	2020-04	2	1107	3/4/2020	4/7/2020	34	33	88
2020-05-1107	2020-05	2	1107	4/7/2020	5/7/2020	30	17	15
2020-06-1107	2020-06	2	1107	5/7/2020	6/3/2020	27	-	0
2020-07-1107	2020-07	2	1107	6/3/2020	7/8/2020	35	-	-

2020-08-1107	2020-08	2	1107	7/8/2020	8/5/2020	28	-	-				
2020-09-1107	2020-09	2	1107	8/5/2020	9/9/2020	35	-	-				
2020-10-1107	2020-10	2	1107	9/9/2020	10/6/2020	27	-	-				
2020-11-1107	2020-11	2	1107	10/6/2020	11/4/2020	29	55	33				
2020-12-1107	2020-12	2	1107	11/4/2020	12/7/2020	33	146	201				
2020-01-1110	2020-01	2	1110	12/2/2019	1/6/2020	35	270	368				
2020-02-1110	2020-02	2	1110	1/6/2020	2/5/2020	30	235	322				
2020-03-1110	2020-03	2	1110	2/5/2020	3/6/2020	30	219	217				
2020-04-1110	2020-04	2	1110	3/6/2020	4/7/2020	32	30	71				
2020-05-1110	2020-05	2	1110	4/7/2020	5/7/2020	30	17	15				
2020-06-1110	2020-06	2	1110	5/7/2020	6/3/2020	27	-	0				
2020-07-1110	2020-07	2	1110	6/3/2020	7/8/2020	35	-	-				
2020-08-1110	2020-08	2	1110	7/8/2020	8/5/2020	28	-	-				
2020-09-1110	2020-09	2	1110	8/5/2020	9/9/2020	35	-	-				
2020-10-1110	2020-10	2	1110	9/9/2020	10/7/2020	28	-	0				
2020-11-1110	2020-11	2	1110	10/7/2020	11/4/2020	28	55	33				
2020-12-1110	2020-12	2	1110	11/4/2020	12/9/2020	35	157	224				
2020-01-1111	2020-01	2	1111	12/2/2019	1/6/2020	35	270	368				
2020-02-1111	2020-02	2	1111	1/6/2020	2/5/2020	30	235	322				
2020-03-1111	2020-03	2	1111	2/5/2020	3/4/2020	28	216	200				
2020-04-1111	2020-04	2	1111	3/4/2020	4/7/2020	34	33	88				
2020-05-1111	2020-05	2	1111	4/7/2020	5/7/2020	30	17	15				
2020-06-1111	2020-06	2	1111	5/7/2020	6/2/2020	26	-	0				
2020-07-1111	2020-07	2	1111	6/2/2020	7/8/2020	36	-	-				
2020-08-1111	2020-08	2	1111	7/8/2020	8/5/2020	28	-	-				
2020-09-1111	2020-09	2	1111	8/5/2020	9/10/2020	36	-	-				
2020-10-1111	2020-10	2	1111	9/10/2020	10/6/2020	26	-	-				
2020-11-1111	2020-11	2	1111	10/6/2020	11/4/2020	29	55	33				
2020-12-1111	2020-12	2	1111	11/4/2020	12/8/2020	34	154	214				
2020-01-1112	2020-01	2	1112	12/3/2019	1/8/2020	36	283	387				
2020-02-1112	2020-02	2	1112	1/8/2020	2/4/2020	27	197	285				
2020-03-1112	2020-03	2	1112	2/4/2020	3/4/2020	29	231	212				
2020-04-1112	2020-04	2	1112	3/4/2020	4/7/2020	34	33	88				
2020-05-1112	2020-05	2	1112	4/7/2020	5/8/2020	31	17	15				
2020-06-1112	2020-06	2	1112	5/8/2020	6/2/2020	25	-	0				
2020-07-1112	2020-07	2	1112	6/2/2020	7/7/2020	35	-	-				
2020-08-1112	2020-08	2	1112	7/7/2020	8/5/2020	29	-	-				
2020-09-1112	2020-09	2	1112	8/5/2020	9/8/2020	34	-	-				
2020-10-1112	2020-10	2	1112	9/8/2020	10/5/2020	27	-	-				
2020-11-1112	2020-11	2	1112	10/5/2020	11/3/2020	29	53	32				
2020-12-1112	2020-12	2	1112	11/3/2020	12/8/2020	35	156	215				
2020-01-1113	2020-01	2	1113	12/2/2019	1/7/2020	36	280	381				
2020-02-1113	2020-02	2	1113	1/7/2020	2/5/2020	29	225	309				
2020-03-1113	2020-03	2	1113	2/5/2020	3/4/2020	28	216	200				
2020-04-1113	2020-04	2	1113	3/4/2020	4/7/2020	34	33	88				
2020-05-1113	2020-05	2	1113	4/7/2020	5/5/2020	28	17	15				
2020-06-1113	2020-06	2	1113	5/5/2020	6/2/2020	28	-	0				
2020-07-1113	2020-07	2	1113	6/2/2020	7/7/2020	35	-	-				
2020-08-1113	2020-08	2	1113	7/7/2020	8/5/2020	29	-	-				
2020-09-1113	2020-09	2	1113	8/5/2020	9/9/2020	35	-	-				
2020-10-1113	2020-10	2	1113	9/9/2020	10/5/2020	26	-	-				
2020-11-1113	2020-11	2	1113	10/5/2020	11/4/2020	30	55	33				
2020-12-1113	2020-12	2	1113	11/4/2020	12/8/2020	34	154	214				
2020-01-1114	2020-01	2	1114	12/2/2019	1/7/2020	36	280	381				
2020-02-1114	2020-02	2	1114	1/7/2020	2/5/2020	29	225	309				
2020-03-1114	2020-03	2	1114	2/5/2020	3/4/2020	28	216	200				

2020-04-1114	2020-04	2	1114	3/4/2020	4/8/2020	35	33	90
2020-05-1114	2020-05	2	1114	4/8/2020	5/5/2020	27	17	14
2020-06-1114	2020-06	2	1114	5/5/2020	6/2/2020	28	-	0
2020-07-1114	2020-07	2	1114	6/2/2020	7/8/2020	36	-	-
2020-08-1114	2020-08	2	1114	7/8/2020	8/4/2020	27	-	-
2020-09-1114	2020-09	2	1114	8/4/2020	9/8/2020	35	-	-
2020-10-1114	2020-10	2	1114	9/8/2020	10/5/2020	27	-	-
2020-11-1114	2020-11	2	1114	10/5/2020	11/5/2020	31	55	34
2020-12-1114	2020-12	2	1114	11/5/2020	12/7/2020	32	146	200
2020-01-1115	2020-01	2	1115	12/2/2019	1/7/2020	36	280	381
2020-02-1115	2020-02	2	1115	1/7/2020	2/5/2020	29	225	309
2020-03-1115	2020-03	2	1115	2/5/2020	3/4/2020	28	216	200
2020-04-1115	2020-04	2	1115	3/4/2020	4/7/2020	34	33	15
2020-05-1115	2020-05	2	1115	4/7/2020	5/5/2020	28	17	0
2020-06-1115	2020-06	2	1115	5/5/2020	6/2/2020	28	-	-
2020-07-1115	2020-07	2	1115	6/2/2020	7/8/2020	36	-	-
2020-08-1115	2020-08	2	1115	7/8/2020	8/4/2020	27	-	-
2020-09-1115	2020-09	2	1115	8/4/2020	9/9/2020	36	-	-
2020-10-1115	2020-10	2	1115	9/9/2020	10/5/2020	26	-	-
2020-11-1115	2020-11	2	1115	10/5/2020	11/4/2020	30	55	33
2020-12-1115	2020-12	2	1115	11/4/2020	12/7/2020	33	146	201
2020-01-1116	2020-01	2	1116	12/3/2019	1/8/2020	36	283	387
2020-02-1116	2020-02	2	1116	1/8/2020	2/4/2020	27	197	285
2020-03-1116	2020-03	2	1116	2/4/2020	3/4/2020	29	231	212
2020-04-1116	2020-04	2	1116	3/4/2020	4/7/2020	34	33	88
2020-05-1116	2020-05	2	1116	4/7/2020	5/8/2020	31	17	15
2020-06-1116	2020-06	2	1116	5/8/2020	6/2/2020	25	-	0
2020-07-1116	2020-07	2	1116	6/2/2020	7/7/2020	35	-	-
2020-08-1116	2020-08	2	1116	7/7/2020	8/4/2020	28	-	-
2020-09-1116	2020-09	2	1116	8/4/2020	9/8/2020	35	-	-
2020-10-1116	2020-10	2	1116	9/8/2020	10/5/2020	27	-	-
2020-11-1116	2020-11	2	1116	10/5/2020	11/5/2020	31	55	34
2020-12-1116	2020-12	2	1116	11/5/2020	12/8/2020	33	154	213
2020-01-1117	2020-01	2	1117	12/2/2019	1/7/2020	36	280	381
2020-02-1117	2020-02	2	1117	1/7/2020	2/5/2020	29	225	309
2020-03-1117	2020-03	2	1117	2/5/2020	3/5/2020	29	216	209
2020-04-1117	2020-04	2	1117	3/5/2020	4/7/2020	33	33	80
2020-05-1117	2020-05	2	1117	4/7/2020	5/7/2020	30	17	15
2020-06-1117	2020-06	2	1117	5/7/2020	6/2/2020	26	-	0
2020-07-1117	2020-07	2	1117	6/2/2020	7/8/2020	36	-	-
2020-08-1117	2020-08	2	1117	7/8/2020	8/4/2020	27	-	-
2020-09-1117	2020-09	2	1117	8/4/2020	9/9/2020	36	-	-
2020-10-1117	2020-10	2	1117	9/9/2020	10/5/2020	26	-	-
2020-11-1117	2020-11	2	1117	10/5/2020	11/4/2020	30	55	33
2020-12-1117	2020-12	2	1117	11/4/2020	12/7/2020	33	146	201
2020-01-1118	2020-01	2	1118	12/3/2019	1/7/2020	35	270	375
2020-02-1118	2020-02	2	1118	1/7/2020	2/5/2020	29	225	309
2020-03-1118	2020-03	2	1118	2/5/2020	3/5/2020	29	216	209
2020-04-1118	2020-04	2	1118	3/5/2020	4/7/2020	33	33	80
2020-05-1118	2020-05	2	1118	4/7/2020	5/7/2020	30	17	15
2020-06-1118	2020-06	2	1118	5/7/2020	6/1/2020	25	-	0
2020-07-1118	2020-07	2	1118	6/1/2020	7/8/2020	37	-	-
2020-08-1118	2020-08	2	1118	7/8/2020	8/4/2020	27	-	-
2020-09-1118	2020-09	2	1118	8/4/2020	9/8/2020	35	-	-
2020-10-1118	2020-10	2	1118	9/8/2020	10/6/2020	28	-	-
2020-11-1118	2020-11	2	1118	10/6/2020	11/4/2020	29	55	33
2020-12-1118	2020-12	2	1118	11/4/2020	12/7/2020	33	146	201

2020-01-1119	2020-01	2	1119	12/3/2019	1/7/2020	35	270	375
2020-02-1119	2020-02	2	1119	1/7/2020	2/5/2020	29	225	309
2020-03-1119	2020-03	2	1119	2/5/2020	3/5/2020	29	216	209
2020-04-1119	2020-04	2	1119	3/5/2020	4/7/2020	33	33	80
2020-05-1119	2020-05	2	1119	4/7/2020	5/7/2020	30	17	15
2020-06-1119	2020-06	2	1119	5/7/2020	6/1/2020	25	-	0
2020-07-1119	2020-07	2	1119	6/1/2020	7/8/2020	37	-	-
2020-08-1119	2020-08	2	1119	7/8/2020	8/4/2020	27	-	-
2020-09-1119	2020-09	2	1119	8/4/2020	9/8/2020	35	-	-
2020-10-1119	2020-10	2	1119	9/8/2020	10/6/2020	28	-	-
2020-11-1119	2020-11	2	1119	10/6/2020	11/4/2020	29	55	33
2020-12-1119	2020-12	2	1119	11/4/2020	12/7/2020	33	146	201
2020-01-1121	2020-01	2	1121	12/3/2019	1/8/2020	36	283	387
2020-02-1121	2020-02	2	1121	1/8/2020	2/4/2020	27	197	285
2020-03-1121	2020-03	2	1121	2/4/2020	3/5/2020	30	231	220
2020-04-1121	2020-04	2	1121	3/5/2020	4/7/2020	33	33	80
2020-05-1121	2020-05	2	1121	4/7/2020	5/8/2020	31	17	15
2020-06-1121	2020-06	2	1121	5/8/2020	6/2/2020	25	-	0
2020-07-1121	2020-07	2	1121	6/2/2020	7/7/2020	35	-	-
2020-08-1121	2020-08	2	1121	7/7/2020	8/5/2020	29	-	-
2020-09-1121	2020-09	2	1121	8/5/2020	9/8/2020	34	-	-
2020-10-1121	2020-10	2	1121	9/8/2020	10/5/2020	27	-	-
2020-11-1121	2020-11	2	1121	10/5/2020	11/3/2020	29	53	32
2020-12-1121	2020-12	2	1121	11/3/2020	12/8/2020	35	156	215
2020-01-1128	2020-01	2	1128	12/2/2019	1/6/2020	35	270	368
2020-02-1128	2020-02	2	1128	1/6/2020	2/5/2020	30	235	322
2020-03-1128	2020-03	2	1128	2/5/2020	3/4/2020	28	216	200
2020-04-1128	2020-04	2	1128	3/4/2020	4/6/2020	33	33	88
2020-05-1128	2020-05	2	1128	4/6/2020	5/7/2020	31	17	16
2020-06-1128	2020-06	2	1128	5/7/2020	6/3/2020	27	-	0
2020-07-1128	2020-07	2	1128	6/3/2020	7/8/2020	35	-	-
2020-08-1128	2020-08	2	1128	7/8/2020	8/5/2020	28	-	-
2020-09-1128	2020-09	2	1128	8/5/2020	9/9/2020	35	-	-
2020-10-1128	2020-10	2	1128	9/9/2020	10/7/2020	28	-	0
2020-11-1128	2020-11	2	1128	10/7/2020	11/4/2020	28	55	33
2020-12-1128	2020-12	2	1128	11/4/2020	12/7/2020	33	146	201
2020-01-1129	2020-01	2	1129	12/2/2019	1/6/2020	35	270	368
2020-02-1129	2020-02	2	1129	1/6/2020	2/5/2020	30	235	322
2020-03-1129	2020-03	2	1129	2/5/2020	3/4/2020	28	216	200
2020-04-1129	2020-04	2	1129	3/4/2020	4/6/2020	33	33	88
2020-05-1129	2020-05	2	1129	4/6/2020	5/11/2020	35	17	16
2020-06-1129	2020-06	2	1129	5/11/2020	6/3/2020	23	-	0
2020-07-1129	2020-07	2	1129	6/3/2020	7/8/2020	35	-	-
2020-08-1129	2020-08	2	1129	7/8/2020	8/5/2020	28	-	-
2020-09-1129	2020-09	2	1129	8/5/2020	9/9/2020	35	-	-
2020-10-1129	2020-10	2	1129	9/9/2020	10/7/2020	28	-	0
2020-11-1129	2020-11	2	1129	10/7/2020	11/4/2020	28	55	33
2020-12-1129	2020-12	2	1129	11/4/2020	12/7/2020	33	146	201
2020-01-1130	2020-01	2	1130	12/2/2019	1/7/2020	36	280	381
2020-02-1130	2020-02	2	1130	1/7/2020	2/5/2020	29	225	309
2020-03-1130	2020-03	2	1130	2/5/2020	3/4/2020	28	216	200
2020-04-1130	2020-04	2	1130	3/4/2020	4/7/2020	34	33	88
2020-05-1130	2020-05	2	1130	4/7/2020	5/7/2020	30	17	15
2020-06-1130	2020-06	2	1130	5/7/2020	6/9/2020	33	-	0
2020-07-1130	2020-07	2	1130	6/9/2020	7/8/2020	29	-	-
2020-08-1130	2020-08	2	1130	7/8/2020	8/5/2020	28	-	-

2020-09-1130	2020-09	2	1130	8/5/2020	9/9/2020	35	-	-
2020-10-1130	2020-10	2	1130	9/9/2020	10/5/2020	26	-	-
2020-11-1130	2020-11	2	1130	10/5/2020	11/4/2020	30	55	33
2020-12-1130	2020-12	2	1130	11/4/2020	12/7/2020	33	146	201
2020-01-1131	2020-01	2	1131	12/3/2019	1/7/2020	35	270	375
2020-02-1131	2020-02	2	1131	1/7/2020	2/5/2020	29	225	309
2020-03-1131	2020-03	2	1131	2/5/2020	3/4/2020	28	216	200
2020-04-1131	2020-04	2	1131	3/4/2020	4/8/2020	35	33	90
2020-05-1131	2020-05	2	1131	4/8/2020	5/11/2020	33	17	14
2020-06-1131	2020-06	2	1131	5/11/2020	6/3/2020	23	-	0
2020-07-1131	2020-07	2	1131	6/3/2020	7/10/2020	37	-	-
2020-08-1131	2020-08	2	1131	7/10/2020	8/5/2020	26	-	-
2020-09-1131	2020-09	2	1131	8/5/2020	9/8/2020	34	-	-
2020-10-1131	2020-10	2	1131	9/8/2020	10/6/2020	28	-	-
2020-11-1131	2020-11	2	1131	10/6/2020	11/3/2020	28	53	32
2020-12-1131	2020-12	2	1131	11/3/2020	12/8/2020	35	156	215
2020-01-1134	2020-01	2	1134	12/3/2019	1/7/2020	35	270	375
2020-02-1134	2020-02	2	1134	1/7/2020	2/5/2020	29	225	309
2020-03-1134	2020-03	2	1134	2/5/2020	3/5/2020	29	216	209
2020-04-1134	2020-04	2	1134	3/5/2020	4/8/2020	34	33	81
2020-05-1134	2020-05	2	1134	4/8/2020	5/7/2020	29	17	14
2020-06-1134	2020-06	2	1134	5/7/2020	6/2/2020	26	-	0
2020-07-1134	2020-07	2	1134	6/2/2020	7/8/2020	36	-	-
2020-08-1134	2020-08	2	1134	7/8/2020	8/5/2020	28	-	-
2020-09-1134	2020-09	2	1134	8/5/2020	9/8/2020	34	-	-
2020-10-1134	2020-10	2	1134	9/8/2020	10/6/2020	28	-	-
2020-11-1134	2020-11	2	1134	10/6/2020	11/5/2020	30	55	34
2020-12-1134	2020-12	2	1134	11/5/2020	12/7/2020	32	146	200
2020-01-1135	2020-01	2	1135	12/3/2019	1/7/2020	35	270	375
2020-02-1135	2020-02	2	1135	1/7/2020	2/5/2020	29	225	309
2020-03-1135	2020-03	2	1135	2/5/2020	3/5/2020	29	216	209
2020-04-1135	2020-04	2	1135	3/5/2020	4/8/2020	34	33	81
2020-05-1135	2020-05	2	1135	4/8/2020	5/7/2020	29	17	14
2020-06-1135	2020-06	2	1135	5/7/2020	6/1/2020	25	-	0
2020-07-1135	2020-07	2	1135	6/1/2020	7/8/2020	37	-	-
2020-08-1135	2020-08	2	1135	7/8/2020	8/4/2020	27	-	-
2020-09-1135	2020-09	2	1135	8/4/2020	9/8/2020	35	-	-
2020-10-1135	2020-10	2	1135	9/8/2020	10/6/2020	28	-	-
2020-11-1135	2020-11	2	1135	10/6/2020	11/4/2020	29	55	33
2020-12-1135	2020-12	2	1135	11/4/2020	12/7/2020	33	146	201
Cycle 2 Average								
2020-01-2	2020-01	2					261	375
2020-02-2	2020-02	2					214	310
2020-03-2	2020-03	2					209	207
2020-04-2	2020-04	2					31	81
2020-05-2	2020-05	2					16	14
2020-06-2	2020-06	2					-	0
2020-07-2	2020-07	2					-	-
2020-08-2	2020-08	2					-	-
2020-09-2	2020-09	2					-	-
2020-10-2	2020-10	2					-	0
2020-11-2	2020-11	2					52	33
2020-12-2	2020-12	2					144	208

Excluded from Regression

2020-10-1139	2020-10	1	1139	10/16/2020	10/16/2020	-	-	-				
2020-11-1139	2020-11	1	1139	10/16/2020	11/17/2020	32	63	96				
2020-12-1139	2020-12	1	1139	11/17/2020	12/17/2020	30	243	234				
2020-05-1136	2020-05	2	1136	5/7/2020	5/13/2020	6	-	-				
2020-06-1136	2020-06	2	1136	5/13/2020	6/3/2020	21	-	0				
2020-07-1136	2020-07	2	1136	6/3/2020	7/10/2020	37	-	-				
2020-08-1136	2020-08	2	1136	7/10/2020	8/6/2020	27	-	-				
2020-09-1136	2020-09	2	1136	8/6/2020	9/11/2020	36	-	-				
2020-10-1136	2020-10	2	1136	9/11/2020	10/6/2020	25	-	-				
2020-11-1136	2020-11	2	1136	10/6/2020	11/4/2020	29	55	33				
2020-12-1136	2020-12	2	1136	11/4/2020	12/9/2020	35	157	224				

Austin Residential Routes

2020-01-2001	2020-01	2	2001	12/6/2018	1/7/2019	32			441	508		
2020-02-2001	2020-02	2	2001	1/7/2019	2/6/2019	30			294	401		
2020-03-2001	2020-03	2	2001	2/6/2019	3/5/2019	27			314	286		
2020-04-2001	2020-04	2	2001	3/5/2019	4/9/2019	35			86	134		
2020-05-2001	2020-05	2	2001	4/9/2019	5/7/2019	28			42	32		
2020-06-2001	2020-06	2	2001	5/7/2019	6/5/2019	29			-	1		
2020-07-2001	2020-07	2	2001	6/5/2019	7/5/2019	30			-	-		
2020-08-2001	2020-08	2	2001	7/5/2019	8/6/2019	32			-	-		
2020-09-2001	2020-09	2	2001	8/6/2019	9/4/2019	29			-	-		
2020-10-2001	2020-10	2	2001	9/4/2019	10/8/2019	34			1	1		
2020-11-2001	2020-11	2	2001	10/8/2019	11/6/2019	29			94	59		
2020-12-2001	2020-12	2	2001	11/6/2019	12/2/2019	26			211	276		
2020-01-2002	2020-01	2	2002	12/2/2018	1/6/2019	35			445	517		
2020-02-2002	2020-02	2	2002	1/6/2019	2/5/2019	30			277	384		
2020-03-2002	2020-03	2	2002	2/5/2019	3/4/2019	27			314	286		
2020-04-2002	2020-04	2	2002	3/4/2019	4/9/2019	36			86	134		
2020-05-2002	2020-05	2	2002	4/9/2019	5/7/2019	28			42	32		
2020-06-2002	2020-06	2	2002	5/7/2019	6/5/2019	29			-	1		
2020-07-2002	2020-07	2	2002	6/5/2019	7/5/2019	30			-	-		
2020-08-2002	2020-08	2	2002	7/5/2019	8/6/2019	32			-	-		
2020-09-2002	2020-09	2	2002	8/6/2019	9/4/2019	29			-	-		
2020-10-2002	2020-10	2	2002	9/4/2019	10/8/2019	34			1	1		
2020-11-2002	2020-11	2	2002	10/8/2019	11/7/2019	30			94	61		
2020-12-2002	2020-12	2	2002	11/7/2019	12/3/2019	26			211	275		
2020-01-2003	2020-01	2	2003	12/8/2018	1/7/2019	30			445	517		
2020-02-2003	2020-02	2	2003	1/7/2019	2/5/2019	29			277	384		
2020-03-2003	2020-03	2	2003	2/5/2019	3/4/2019	27			314	286		
2020-04-2003	2020-04	2	2003	3/4/2019	4/9/2019	36			86	134		
2020-05-2003	2020-05	2	2003	4/9/2019	5/7/2019	28			42	32		
2020-06-2003	2020-06	2	2003	5/7/2019	6/5/2019	29			-	1		
2020-07-2003	2020-07	2	2003	6/5/2019	7/5/2019	30			-	-		
2020-08-2003	2020-08	2	2003	7/5/2019	8/6/2019	32			-	-		
2020-09-2003	2020-09	2	2003	8/6/2019	9/4/2019	29			-	-		
2020-10-2003	2020-10	2	2003	9/4/2019	10/8/2019	34			1	1		
2020-11-2003	2020-11	2	2003	10/8/2019	11/7/2019	30			94	61		
2020-12-2003	2020-12	2	2003	11/7/2019	12/3/2019	26			211	275		
2020-01-2004	2020-01	2	2004	12/3/2019	1/7/2020				428	500		
2020-02-2004	2020-02	2	2004	1/7/2020	2/5/2020				294	401		
2020-03-2004	2020-03	2	2004	2/5/2020	3/4/2020				314	286		
2020-04-2004	2020-04	2	2004	3/4/2020	4/7/2020				86	134		
2020-05-2004	2020-05	2	2004	4/7/2020	5/6/2020				42	32		

2020-06-2004	2020-06	2	2004	5/6/2020	6/2/2020				-	1		
2020-07-2004	2020-07	2	2004	6/2/2020	7/9/2020				-	-		
2020-08-2004	2020-08	2	2004	7/9/2020	8/4/2020				-	-		
2020-09-2004	2020-09	2	2004	8/4/2020	9/8/2020				-	-		
2020-10-2004	2020-10	2	2004	9/8/2020	10/7/2020				1	1		
2020-11-2004	2020-11	2	2004	10/7/2020	11/4/2020				94	59		
2020-12-2004	2020-12	2	2004	11/4/2020	12/7/2020				211	276		

Cycle 2 Average

2020-01-2	2020-01	2	440	511
2020-02-2	2020-02	2	286	392
2020-03-2	2020-03	2	314	286
2020-04-2	2020-04	2	86	134
2020-05-2	2020-05	2	42	32
2020-06-2	2020-06	2	-	1
2020-07-2	2020-07	2	-	-
2020-08-2	2020-08	2	-	-
2020-09-2	2020-09	2	-	-
2020-10-2	2020-10	2	1	1
2020-11-2	2020-11	2	94	60
2020-12-2	2020-12	2	211	275

Excluded from Regression
None for Austin

Dallas-Fort Worth Residential Routes

2020-01-3001	2020-01	1	3001	12/20/2018	1/21/2019	32					437	583
2020-02-3001	2020-02	1	3001	1/21/2019	2/19/2019	29					457	433
2020-03-3001	2020-03	1	3001	2/19/2019	3/18/2019	27					245	276
2020-04-3001	2020-04	1	3001	3/18/2019	4/18/2019	31					174	113
2020-05-3001	2020-05	1	3001	4/18/2019	5/21/2019	33					2	20
2020-06-3001	2020-06	1	3001	5/21/2019	6/21/2019	31					-	0
2020-07-3001	2020-07	1	3001	6/21/2019	7/23/2019	32					-	-
2020-08-3001	2020-08	1	3001	7/23/2019	8/20/2019	28					-	-
2020-09-3001	2020-09	1	3001	8/20/2019	9/19/2019	30					3	0
2020-10-3001	2020-10	1	3001	9/19/2019	10/25/2019	36					12	21
2020-11-3001	2020-11	1	3001	10/25/2019	11/19/2019	25					174	159
2020-12-3001	2020-12	1	3001	11/19/2019	12/17/2019	28					453	443
2020-01-3002	2020-01	1	3002	12/20/2018	1/21/2019	32					457	596
2020-02-3002	2020-02	1	3002	1/21/2019	2/19/2019	29					457	433
2020-03-3002	2020-03	1	3002	2/19/2019	3/18/2019	27					245	276
2020-04-3002	2020-04	1	3002	3/18/2019	4/18/2019	31					174	113
2020-05-3002	2020-05	1	3002	4/18/2019	5/21/2019	33					2	20
2020-06-3002	2020-06	1	3002	5/21/2019	6/21/2019	31					-	0
2020-07-3002	2020-07	1	3002	6/21/2019	7/23/2019	32					-	-
2020-08-3002	2020-08	1	3002	7/23/2019	8/20/2019	28					-	-
2020-09-3002	2020-09	1	3002	8/20/2019	9/19/2019	30					3	0
2020-10-3002	2020-10	1	3002	9/19/2019	10/25/2019	36					12	21
2020-11-3002	2020-11	1	3002	10/25/2019	11/19/2019	25					174	159
2020-12-3002	2020-12	1	3002	11/19/2019	12/18/2019	29					453	443
2020-01-3004	2020-01	1	3004	12/18/2019	1/21/2020	34					479	613
2020-02-3004	2020-02	1	3004	1/21/2020	2/20/2020	30					474	435
2020-03-3004	2020-03	1	3004	2/20/2020	3/18/2020	27					206	254
2020-04-3004	2020-04	1	3004	3/18/2020	4/27/2020	40					174	122
2020-05-3004	2020-05	1	3004	4/27/2020	5/21/2020	24					2	15

2020-06-3004	2020-06	1	3004	5/21/2020	6/17/2020	27	-	0
2020-07-3004	2020-07	1	3004	6/17/2020	7/22/2020	35	-	-
2020-08-3004	2020-08	1	3004	7/22/2020	8/18/2020	27	-	-
2020-09-3004	2020-09	1	3004	8/18/2020	9/21/2020	34	3	0
2020-10-3004	2020-10	1	3004	9/21/2020	10/21/2020	30	12	22
2020-11-3004	2020-11	1	3004	10/21/2020	11/16/2020	26	174	158
2020-12-3004	2020-12	1	3004	11/16/2020	12/17/2020	31	406	396
2020-01-3005	2020-01	1	3005	12/18/2019	1/20/2020	33	457	596
2020-02-3005	2020-02	1	3005	1/20/2020	2/14/2020	25	430	396
2020-03-3005	2020-03	1	3005	2/14/2020	3/19/2020	34	272	313
2020-04-3005	2020-04	1	3005	3/19/2020	4/22/2020	34	174	113
2020-05-3005	2020-05	1	3005	4/22/2020	5/21/2020	29	2	20
2020-06-3005	2020-06	1	3005	5/21/2020	6/16/2020	26	-	0
2020-07-3005	2020-07	1	3005	6/16/2020	7/21/2020	35	-	-
2020-08-3005	2020-08	1	3005	7/21/2020	8/18/2020	28	-	-
2020-09-3005	2020-09	1	3005	8/18/2020	9/22/2020	35	3	0
2020-10-3005	2020-10	1	3005	9/22/2020	10/20/2020	28	12	21
2020-11-3005	2020-11	1	3005	10/20/2020	11/16/2020	27	174	159
2020-12-3005	2020-12	1	3005	11/16/2020	12/20/2020	34	453	443
2020-01-3006	2020-01	1	3006	1/21/2020	1/21/2020	-	-	-
2020-02-3006	2020-02	1	3006	1/21/2020	2/20/2020	30	474	435
2020-03-3006	2020-03	1	3006	2/20/2020	3/18/2020	27	206	254
2020-04-3006	2020-04	1	3006	3/18/2020	4/27/2020	40	174	122
2020-05-3006	2020-05	1	3006	4/27/2020	5/21/2020	24	2	15
2020-06-3006	2020-06	1	3006	5/21/2020	6/17/2020	27	-	0
2020-07-3006	2020-07	1	3006	6/17/2020	7/22/2020	35	-	-
2020-08-3006	2020-08	1	3006	7/22/2020	8/18/2020	27	-	-
2020-09-3006	2020-09	1	3006	8/18/2020	9/21/2020	34	3	0
2020-10-3006	2020-10	1	3006	9/21/2020	10/21/2020	30	12	22
2020-11-3006	2020-11	1	3006	10/21/2020	11/16/2020	26	174	158
2020-12-3006	2020-12	1	3006	11/16/2020	12/17/2020	31	406	396

Cycle 1 Average

2020-01-1	2020-01	1	366	478
2020-02-1	2020-02	1	458	426
2020-03-1	2020-03	1	235	275
2020-04-1	2020-04	1	174	117
2020-05-1	2020-05	1	2	18
2020-06-1	2020-06	1	-	0
2020-07-1	2020-07	1	-	-
2020-08-1	2020-08	1	-	-
2020-09-1	2020-09	1	3	0
2020-10-1	2020-10	1	12	21
2020-11-1	2020-11	1	174	158
2020-12-1	2020-12	1	434	424

Excluded from Regression

2020-06-3007	2020-06	1	3007	5/26/2020	6/16/2020	21	-	-
2020-07-3007	2020-07	1	3007	6/16/2020	7/22/2020	36	-	-
2020-08-3007	2020-08	1	3007	7/22/2020	8/18/2020	27	-	-
2020-09-3007	2020-09	1	3007	8/18/2020	9/21/2020	34	3	0
2020-10-3007	2020-10	1	3007	9/21/2020	10/20/2020	29	12	21
2020-11-3007	2020-11	1	3007	10/20/2020	11/16/2020	27	174	159
2020-12-3007	2020-12	1	3007	11/16/2020	12/20/2020	34	453	443

2020 Volumes

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total
By Class by Service Area													
South Tx													
Residential	1,987,488	1,639,134	1,574,605	836,117	589,402	434,883	451,167	345,210	410,633	433,431	689,095	1,523,424	10,914,589
Commercial	81,954	74,392	63,513	42,598	35,031	35,805	41,847	36,017	43,109	41,481	51,873	75,250	622,870
Schools	13,753	16,083	13,679	9,620	9,515	6,319	4,222	4,488	8,782	6,400	8,869	11,272	113,002
Total	2,083,195	1,729,609	1,651,797	888,335	633,948	477,007	497,236	385,715	462,524	481,312	749,837	1,609,946	11,650,461
Central Tx													
Residential	49,395	37,394	47,506	21,615	13,899	8,852	10,204	6,790	9,017	9,332	19,661	39,637	273,302
Commercial	1	3	7	15	9	1	10	12	17	6	19	46	146
Schools	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	49,396	37,397	47,513	21,630	13,908	8,853	10,214	6,802	9,034	9,338	19,680	39,683	273,448
North Tx													
Residential	65,175	74,810	49,568	34,545	12,684	10,127	12,848	9,639	13,897	16,158	45,695	120,404	465,550
Commercial	442	506	435	96	11	115	198	364	385	123	169	306	3,150
Schools	1,251	1,736	1,654	1,058	476	262	359	20	340	172	-	-	7,328
Total	66,868	77,052	51,657	35,699	13,171	10,504	13,405	10,023	14,622	16,453	45,864	120,710	476,028
Total													
Residential	2,102,058	1,751,338	1,671,679	892,277	615,985	453,862	474,219	361,639	433,547	458,921	754,451	1,683,465	11,653,441
Commercial	82,397	74,901	63,955	42,709	35,051	35,921	42,055	36,393	43,511	41,610	52,061	75,602	626,166
Schools	15,004	17,819	15,333	10,678	9,991	6,581	4,581	4,508	9,122	6,572	8,869	11,272	120,330
Total	2,199,459	1,844,058	1,750,967	945,664	661,027	496,364	520,855	402,540	486,180	507,103	815,381	1,770,339	12,399,937

Residential

Service Area	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total
South Tx	1,987,488	1,639,134	1,574,605	836,117	589,402	434,883	451,167	345,210	410,633	433,431	689,095	1,523,424	10,914,589
Central Tx	49,395	37,394	47,506	21,615	13,899	8,852	10,204	6,790	9,017	9,332	19,661	39,637	273,302
North Tx	65,175	74,810	49,568	34,545	12,684	10,127	12,848	9,639	13,897	16,158	45,695	120,404	465,550
Total	2,102,058	1,751,338	1,671,679	892,277	615,985	453,862	474,219	361,639	433,547	458,921	754,451	1,683,465	11,653,441

Commercial

Service Area	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total
South Tx	81,954	74,392	63,513	42,598	35,031	35,805	41,847	36,017	43,109	41,481	51,873	75,250	622,870
Central Tx	1	3	7	15	9	1	10	12	17	6	19	46	146
North Tx	442	506	435	96	11	115	198	364	385	123	169	306	3,150
Total	82,397	74,901	63,955	42,709	35,051	35,921	42,055	36,393	43,511	41,610	52,061	75,602	626,166

Public Authority

Service Area	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total
South Tx	13,753	16,083	13,679	9,620	9,515	6,319	4,222	4,488	8,782	6,400	8,869	11,272	113,002
Central Tx	-	-	-	-	-	-	-	-	-	-	-	-	-
North Tx	1,251	1,736	1,654	1,058	476	262	359	20	340	172	-	-	7,328
Total	15,004	17,819	15,333	10,678	9,991	6,581	4,581	4,508	9,122	6,572	8,869	11,272	120,330

RRC Begins Implementing Legislative Bill to Bring Rate Relief to Customers of State's Natural Gas Utilities

June 24, 2021

AUSTIN – Thanks to prudent action by the Texas Legislature, relief is on the way for customers of the state's gas utilities who were facing potentially high gas bills resulting from Winter Storm Uri.

On June 16, Governor Greg Abbott signed House Bill 1520, which directs the RRC and the Texas Public Finance Authority to work together to issue customer rate-relief bonds, the proceeds of which gas utilities would use to pay for the extraordinary cost of natural gas due to high demand during February's winter storm.

The bonds would provide rate relief to customers by allowing gas utilities to recover the extraordinary cost of gas through customer bills over a longer time period, rather than potentially through a single billing statement. The bill provides financial relief to gas utilities that choose to apply for the bonds by providing for a low-cost source of financing to fulfill outstanding obligations to natural gas suppliers.

A gas utility that chooses to participate in the process would submit information and documentation to the RRC regarding its extraordinary costs to procure natural gas during Winter Storm Uri. The agency would review the application and, if the agency determines that issuing bonds is cost-effective, direct the Texas Public Finance Authority to issue bonds. The RRC sent gas utilities a Notice to Operators providing further information (https://rrc.texas.gov/media/ntrb1r1k/nto-re-securitization-061721.pdf) related to the bill.

"Throughout my time at the Railroad Commission of Texas and especially in the aftermath of Winter Storm Uri, consumer protection has been a priority," said Chairman Christi Craddick. "I am grateful to the Legislature for passing this important bill and look forward to working with my colleagues and agency staff to ensure that we prevent any undue burden on natural gas customers who might have experienced extraordinarily high gas bills otherwise."

"High demand for energy during the storm caused gas prices to rise and utilities incurred extraordinary gas costs to procure the supply needed to maintain service," said Commissioner Wayne Christian. "HB 1520 allows for the high cost of gas from the storm to be securitized, utilizing the creditworthiness of our state to lower interest rates. This will ensure our constituents do not receive large, unexpected bills from their natural gas utility provider in the wake of Winter Storm Uri."

"I commend the members of the Texas Legislature for getting this across the goal line," said Commissioner Jim Wright. "Winter Storm Uri was an unprecedented event, and Texans should not have to shoulder the cost alone. Securitization will allow gas utilities to remain afloat while lessening the burden on their customers."

House Bill 1520 was authored by Representative Chris Paddie and sponsored by Senator Kelly Hancock.

Gas supply was uninterrupted for a vast majority of Texas residents during Winter Storm Uri: 99.5 percent of customers connected to natural gas maintained service during the storm.

About the Railroad Commission:
Our mission is to serve Texas by our stewardship of natural resources and the environment, our concern for personal and community safety, and our support of enhanced development and economic vitality for the benefit of Texans. The Commission has a long and proud history of service to both Texas and to the nation, including almost 100 years regulating the oil and gas industry. The Commission also has jurisdiction over alternative fuels safety, natural gas utilities, surface mining and intrastate pipelines. Established in 1891, the Railroad Commission of Texas is the oldest regulatory agency in the state. To learn more, please visit http://www.rrc.texas.gov/about-us/ (/about-us/).

Railroad Commission Keeping Tabs on the Potential for Hikes in Gas Bills

February 19, 2021

AUSTIN – As the state recovers from the severe winter storm the RRC is continuing its daily contact with energy producers, pipeline operators, and electric regulators to provide the support they need for natural gas deliveries to help Texans.

Utilities have been purchasing gas to deliver to customers in a commodities market in which prices dramatically increased due to the extremely high demand brought on by the prolonged storm.

The Commission is working with utilities, consumer groups and others to avoid situations where customers may get unusually high bills in the coming weeks.

"As Texans recover from the devastating effects of Winter Storm Uri, I am committed to utilizing all of the tools available to this agency to assist in the coming weeks," said RRC Chairman Christi Craddick. "The Railroad Commission will be exploring all options in order to reduce the financial burden on Texans as we tackle the challenges that lie ahead together."

"Texans have gone through enough hardship during this winter storm without having to worry about unexpected additional energy costs," said Commissioner Wayne Christian. "Our agency will do everything in our power to ensure utilities have plenty of time to get caught up on these unexpected expenses, so consumers are not unduly burdened."

"We understand that there are multiple issues impacting Texans as we begin to move out of this extreme winter weather," said Commissioner Jim Wright. "I am committed to working with my colleagues and the commission staff to do everything in our power to ease these burdens on all Texans and work with other state and local entities to ensure we learn from this week's events."

Last weekend the RRC also sent a notice to natural gas utilities under Commission's jurisdiction (https://rrc.texas.gov/media/4u1fpycl/2021_nto_gas-services_state-disaster-waiver_gasutilityassetaccountingwinter-2021_2-13-2021.pdf) authorizing them to set up regulatory accounts that could be used in rate proceedings which will be reviewed by the Commission as appropriate.

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RITA 33586

APPLICATION OF ENTERGY GULF STATES, INC. FOR A FINANCING ORDER

EXECUTIVE SUMMARY

Table of Contents

A. Summary of Relief Requested

On September 24, 2005, Entergy Gulf States Inc.'s ("EGSI") service territory was struck by Hurricane Rita, which caused widespread damage to infrastructure and power outages throughout the service territory. In May 2006, the Texas Legislature passed House Bill 163,[1] codified primarily into the Public Utility Regulatory Act[2] ("PURA") at Subchapter J, Sections 39.458 - .463 ("HB 163"), in response to the damage to the utility infrastructure. HB 163 allows EGSI to obtain timely recovery of its reasonable and necessary hurricane reconstruction costs and to use securitization financing to recover these costs if that type of debt will lower the carrying costs associated with the recovery of hurricane reconstruction costs relative to the costs that would be incurred using conventional financing methods.[3]

On July 5, 2006, EGSI filed an application pursuant to HB 163 to quantify the reasonable and necessary hurricane reconstruction costs accrued through March 31, 2006 plus carrying costs.[4] The parties filed a settlement agreement on November 17, 2006, resolving all issues. Consistent with the settlement agreement, the Commission

[1] Acts 2006, 79th Leg., 3rd C.S., ch. 11, § 2, eff. May 26, 2006.

[2] TEX. UTIL. CODE §§ 11.001-64.158 (Vernon 2002 & Supp. 2006).

[3] PURA §§ 39.458 - .459. PURA § 39.459(a) defines "hurricane reconstruction costs" as the "reasonable and necessary costs, including costs expensed, charged to storm reserve, or capitalized, that are incurred by an electric utility subject to this subchapter due to any activity or activities conducted by or on behalf of the electric utility in connection with the restoration of service associated with electric power outages affecting customers of the electric utility as the result of Hurricane Rita, including mobilization, staging, and construction, reconstruction, replacement, or repair of electric generation, transmission, distribution, or general plant facilities."

PURA § 39.459(b) provides that hurricane reconstruction costs may include carrying costs "from the date on which the hurricane reconstruction costs were incurred until the date that transition bonds are issued."

[4] *Application of Entergy Gulf States, Inc. for a Determination of Hurricane Reconstruction Costs*, Docket No. 32907, Order (Dec. 1, 2006).

EGSI's financial statements will include footnote disclosure that the repayment of the transition bonds is supported by the transition property sold by EGSI to BondCo, that the holders of the transition bonds do not have recourse to any assets or revenues of EGSI, and that EGSI's creditors do not have recourse to any assets or revenues of BondCo including the transition property.

Q. HOW WILL BONDCO COLLECT THE TRANSITION CHARGES?

A. EGSI will enter into a servicing agreement with BondCo and, as servicer, EGSI will bill the transition charges.

VII. SERVICING AND ADMINISTRATIVE FUNCTIONS

Q. WHAT ARE THE RESPONSIBILITIES OF EGSI AS SERVICER?

A. The servicer is primarily responsible for: (1) managing, servicing, administering, billing, and collecting payments arising from the transition property; (2) processing and depositing collections in the collection account; (3) furnishing periodic reports and statements to BondCo, the indenture trustee, and the rating agencies; and (4) effecting periodic adjustments to the transition charges, including filing such adjustments at the Commission.

Q. HOW MUCH IS THE SERVICING FEE AND HOW IS IT RECORDED?

A. As long as EGSI is the servicer, the annual servicing fee is set at $455,000. It is important to note that the servicing fee revenues will reduce EGSI's revenue requirements in future rate cases. As a result, ratepayers will not be impacted by any variance of actual servicing costs from the servicing fee included in the transition charges.

Q. HOW DOES THE EGSI SERVICING FEE COMPARE TO SERVICING FEES IN PRIOR TEXAS FILINGS?

A. The proposed annual servicing fee of $455,000 is lower than the servicing fees in two of the three prior Texas financings, as shown in the table below:

Issue	Size of Issue	Servicing Fee	Servicing Fee Formula
TXU *2004-1*	$789,777,000	$400,000	Greater of $400,000 or .05% of initial principal amount
CenterPoint *December 2005*	$1,851,000,000	$925,500	.05% of initial principal amount
AEP *October 2006*	$1,739,700,000	$869,850	.05% of initial principal amount
EGSI	$365,400,000	$455,000	Flat Amount

Moreover, the scope of services under the servicing agreement is substantially the same as the scope of services provided in the prior Texas servicing agreements, as the scope of the servicing activities is unrelated to the size of the financing. In fact, the scope of the servicing activities in the proposed financing (as well as the most recent AEP 2006 financing) is arguably more expansive than in the other prior Texas financings since the prior Texas financings (other than AEP) were not subject to the reporting requirements under the SEC's recently-released Regulation AB. The proposed financing, as well as AEP's recent transaction, are subject to this new SEC regulation.

Q. WHAT IS THE RESPONSIBILITY OF EGSI AS ADMINISTRATOR OF BONDCO?

A. The administrator's duties will include providing the following administrative services to BondCo: (1) maintaining the general accounting records; (2) preparing quarterly and annual financial statements as necessary; (3) arranging for year-end audits of BondCo's financial statements; (4) preparing all required external financial filings; (5) preparing any required income or other tax returns; and (6) providing office space and related support.

Q. HOW MUCH WILL EGSI BE PAID FOR PERFORMING THESE ADMINISTRATIVE FUNCTIONS?

A. The estimate of these fees is $100,000 per year, which is shown on Schedule 5. The draft Administration Agreement for this transition bond issuance is included in Attachment 3F to the filing package. Again, the revenues EGSI receives as the administrator will be available to reduce EGSI's revenue requirements in future rate cases.

VIII. NONBYPASSABLE CHARGES

Q. SHOULD THE TRANSITION CHARGES BE NONBYPASSABLE?

A. Yes. Section 39.461 of PURA provides:

> NONBYPASSABLE CHARGES. The commission may include terms in the financing order to ensure that the imposition and collection of transition charges associated with the recovery of hurricane reconstruction costs are nonbypassable by imposing restrictions on bypassability of the type provided for in this chapter or by alternative means of ensuring nonbypassability, as the commission considers appropriate, consistent with the purposes of securitization.

EGSI's approach in this case is to impose restrictions on bypassability consistent with prior securitization orders of the Commission. In this connection, we have provided in the financing order that transition charges are generally nonbypassable for all retail customers of EGSI as of the date the financing order is issued. There is one exception, however, for customers switching to on-site generation capacity of 10 megawatts or less. See PURA Sections 39.252(b)(1) and 39.262(k). Such customers remain responsible for transition charges, but only to the extent EGSI or a successor utility actually provides them with services. On the other hand, customers with "new on-site generation," as that termed is defined PURA § 39.252(b)(1), cannot bypass the transition charge provided they meet the materiality threshold required by PURA § 39.252(b)(2) and quantified in the Commission's Substantive Rule 25.345(i)(4). For those customers, they will be charged transition charges as provided in PURA § 39.252(b)(2) and the Proposed Financing Order at Finding of Fact 67.

Q. IS THIS NONBYPASSABLE CHARGE REASONABLE?

A. I believe so. It is consistent with the policy of non-bypass the Commission has adopted in other financing orders. By ensuring non-bypass, except for limited cases relating to new on-site generation, the Commission ensures the recovery of transition charges from the broadest possible customer base. It should be noted that, since EGSI's approach is to establish non-bypass for customers as of the date of the financing order, it is not necessary to address the kind of "grandfather" rights for avoiding by-pass applicable to the payment of stranded cost transition charges.

IX. SUMMARY

Q. PLEASE SUMMARIZE YOUR DIRECT TESTIMONY.

A. PURA establishes five tests that must be satisfied in order for the Commission to approve the securitization of EGSI's HRCs. Three of these tests are quantitative in nature, requiring that a proposed securitization demonstrate that EGSI's ratepayers will receive tangible and quantifiable benefits, that the nominal dollars ratepayers will pay in transition charges will be less than they would pay in an HRC conventional financing case, and that the present value of the proposed transition

Schedule 5

Entergy Gulf States, Inc.
Projected Up-Front & Ongoing Qualified Costs
(assumes issuance date of June 1, 2007)

Estimated Deal Size

365,400,000

Note: Unless otherwise noted, the up-front qualified costs are capped.

Item 1	Underwriters' Fees **	$	2,209,700
Item 2	Company's/Issuer's Counsel and Underwriters' Counsel Legal Fees & Expenses	$	2,505,000
Item 3	Commission's Financial Advisor's Fee, Legal Fees & Expenses ***	$	1,010,000
Item 4	Rating Agency Fee **	$	600,000
Item 5	Company's Financial Advisor Fees & Expenses	$	550,000
Item 6	Printing/Edgarizing Expenses	$	350,000
Item 7	SEC Registration Fee **	$	39,098
Item 8	Company's Non-legal Securitization Proceeding Costs & Expenses	$	130,000
Item 9	Company's Miscellaneous Administrative Costs	$	130,000
Item 10	Accountant's Fees	$	150,000
Item 11	Servicer's Set-Up Costs	$	650,000
Item 12	Trustee's/Trustee Counsel's Fees & Expenses	$	30,000
Item 13	BondCo Set-Up Costs	$	20,000
Subtotal		$	8,373,798
Item 14	Debt Retirement Transaction Costs	$	10,000
Item 15	Costs of Paying Down Equity	$	35,000
Item 16	Original Issuance Discount *	$	200,000
Item 17	Cost of Swaps & Hedges*		TBD
Item 18	Other Credit Enhancements * (Overcollateralization Subaccount)	$	3,795,000
Total Projected Up-Front Costs		$	**12,413,798**

Note: The only Annual Ongoing Qualified Cost that is capped is the Ongoing Servicer Fee
(in either case of EGSI or Third Party as servicer).

Ongoing Servicer Fees (EGSI as Servicer)	$	455,000
Administration Fees ^	$	100,000
Accountants Fees ^	$	75,000
Lead Underwriter Ongoing Administration Fees ^	$	75,000
Legal Fees/Expenses for Company's/Issuer's Counsel ^	$	50,000
Trustee's/Trustee's Counsel Fees & Expenses ^	$	10,000
Independent Manager's Fees ^	$	5,000
Rating Agency Fees^	$	50,000
Printing/Edgarization Expenses ^	$	20,000
Miscellaneous ^	$	50,000
Total (EGSI as Servicer) Projected Annual Ongoing Qualified Costs	$	**890,000**
Ongoing Servicer Fees (Third Party as Servicer - 1.25% of principal) **	$	4,567,500
Other Servicing Fees (total of lines marked with a ^ mark above)	$	435,000
Total (Third Party as Servicer) Projected Ongoing Qualified Costs	$	**5,002,500**

* These costs are not capped.
** The cap on these costs will depend on the final total size of the bond issuance.
*** The cost of this item will be based on the Commission's actual costs.

Period		Ongoing Costs	Present Value Period (yrs)	PV of Ongoing Costs @ 5.04%	PV of Ongoing Costs @ 8.25%
				5.04%	8.25%
1	$	667,500	0.75	$643,332	$628,971
2	$	890,000	1.75	$816,619	$774,714
3	$	890,000	2.75	$777,436	$715,671
4	$	890,000	3.75	$740,133	$661,128
5	$	890,000	4.75	$704,620	$610,742
6	$	890,000	5.75	$670,811	$564,195
7	$	890,000	6.75	$638,625	$521,197
8	$	890,000	7.75	$607,982	$481,475
9	$	890,000	8.75	$578,810	$444,781
10	$	890,000	9.75	$551,038	$410,883
11	$	890,000	10.75	$524,598	$379,568
12	$	890,000	11.75	$499,427	$350,641
13	$	890,000	12.75	$475,464	$323,917
14	$	890,000	13.75	$452,650	$299,231
		12,237,500		$8,681,546	$7,167,112

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DOCKET NO. 37200

APPLICATION OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC FOR A FINANCING ORDER	§ § §	**PUBLIC UTILITY COMMISSION OF TEXAS**

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Schedule 5

CenterPoint Energy Houston Electric, LLC

Projected Qualified Costs

[A]	[B]	[C]		[D]
	Description of Cost items	**Upfront Costs**		
	Legal Fees/Exp for Company's/Issuer's Counsel	$ 1,400,000	(3)	
	Legal Fees/Exp for Underwriters' Counsel	$ 450,000	(3)	
	Fee for Commission's Financial Advisor	$ -	(3)	
	Fee for Company's Financial Advisor	$ 750,000	(3)	
	Printing/Edgarizing Expenses	$ 80,000	(3)	
	Securitization Proceeding Expenses	$ 15,000	(3)	
	Miscellaneous Administrative Costs	$ 3,500	(3)	
	Accountant's Fees	$ 165,000	(3)	
	Servicer Set-up Costs	$ 45,000	(3)	
	Trustee's/Trustee's Counsel Fees and Expenses	$ 25,000	(3)	
	Moody's (Fixed at Max of $310,000)	$ 310,000	(5)	
	Legal Fees for Commission's Counsel	$ -		
	Total Fixed Qualified Costs	**$ 3,223,500**		

[E]	[E]	[F]	[G]	[H]
			On-Going Costs	
Ongoing Costs (CEHE as Servicer)		NPV Period	Expected Case PV @ 5.33%	Sensitivity Case PV @ 10.60%
2010	$ 334,322	0.6	$ 324,073	$ 314,713
2011	$ 668,643	1.6	$ 615,373	$ 569,107
2012	$ 668,643	2.6	$ 584,256	$ 514,569
2013	$ 668,643	3.6	$ 554,713	$ 465,257
2014	$ 668,643	4.6	$ 526,663	$ 420,671
2015	$ 668,643	5.6	$ 500,032	$ 380,358
2016	$ 668,643	6.6	$ 474,747	$ 343,908
2017	$ 668,643	7.6	$ 450,742	$ 310,951
2018	$ 668,643	8.6	$ 427,949	$ 281,152
2019	$ 668,643	9.6	$ 406,310	$ 254,209
2020	$ 668,643	10.6	$ 385,765	$ 229,848
2021	$ 668,643	11.6	$ 366,258	$ 207,821
2022	$ 668,643	12.6	$ 347,738	$ 187,906
2023	$ 668,643	13.6	$ 330,154	$ 169,898
2024	$ 334,322	14.6	$ 156,730	$ 76,808
Total	**$ 9,361,002**	Total	**$ 6,451,502**	**$ 4,727,175**
		OC Acct	$ -	$ -
			$ 6,451,502	**$ 4,727,175**

Item A	Net Securitized Amount Before Qualified Costs	$ 654,652,497	
Item B	Fixed qualified Costs	$ 3,223,500	
	Net Securitized Amount Including Fixed Costs (Items A+B)	**$ 657,875,997**	

	Other Qualified Costs	**Amount**		**Rate**
Item C	Underwriter's Spread (%)	$ 2,810,463	(2)	0.425%
Item D	SEC Fees (%)	$ 36,900		0.006%
	Rating Agency Fees:			
Item E	Fitch (Max of $300,000)	$ 231,450	(4)	0.035%
Item F	S&P (Min of $100,000 / Max of $400,000)	$ 330,643	(4)	0.050%
Item G	Moody's (Included in Fixed Costs Above))	$ 310,000	(5)	0.065%
	Total Other Qualified Costs (Excludes Moody's)	**$ 3,409,456**		
	Total All Qualified Costs (Fixed & Other)	**$ 6,632,956**		
	Net Securitized Amount Including All Qualified Costs	**$ 661,285,453**		

Itemized Ongoing Costs

Description	Annual		Semi-Annual
Ongoing Servicer Fee (Third Party as Servicer) (0.60% of principal amount)	$ 3,967,713		$ 1,983,857
Ongoing Servicer Fee (CEHE as Servicer) (0.05% of principal amount)	$ 330,643		$ 165,322
Administration Fee	$ 100,000	(1)	$ 50,000
Accountants' Fees	$ 75,000	(1)	$ 37,500
Legal Fees/Expenses for Company's/Issuer's Counsel	$ 50,000	(1)	$ 25,000
Trustee's/Trustee's Counsel Fees and Expenses	$ 4,500	(1)	$ 2,250
Independent Managers' Fee	$ 3,500	(1)	$ 1,750
Rating Agency Fees	$ 50,000	(1)	$ 25,000
Printing/EDGARization Expenses	$ 5,000		$ 2,500
Miscellaneous	$ 50,000	(1)	$ 25,000
TOTAL (CEHE as Servicer)	**$ 668,643**		**$ 334,322**
TOTAL (Third Party as Servicer)	**$ 4,305,713**		**$ 2,152,857**

(1) Same as TBC III - per issuance advice letter
(2) $4.25 per bond (for the 2008 System Restoration Bonds, the underwriting spread was $4.25 per bond)
(3) Estimates based on 2008 System Restoration Bonds updated to reflect current expectations
(4) Estimates based on latest information obtained from rating agencies.
(5) Since calculated value exceeds maximum amount, Moody's fee set at maximum amount.

DOCKET NO. 37200

APPLICATION OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC FOR FINANCING ORDER	**§ § §**	**PUBLIC UTILITY COMMISSION OF TEXAS**

FINANCING ORDER

This Financing Order addresses the application of CenterPoint Energy Houston Electric, LLC (CenterPoint Houston) under Subchapter I of Chapter 36[1] and Subchapter G of Chapter 39 of the Public Utility Regulatory Act[2] (PURA): (1) to securitize the Securitizable Balance, defined below, and other up-front qualified costs, (2) for approval of the proposed securitization financing structure, (3) for approval of system restoration charges sufficient to recover principal and interest on the system restoration bonds plus ongoing qualified costs, and (4) for approval of a tariff to implement the system restoration charges.

On July 8, 2009, CenterPoint Houston submitted its application for a financing order to permit securitization of the distribution-related system restoration costs it incurred as a result of Hurricane Ike. On August 18, 2009, CenterPoint Houston submitted a settlement agreement in which the signatories agreed to resolve all issues in Docket No. 37200 (hereinafter, the Settlement Agreement). As discussed in this Financing Order, the Commission finds that the Settlement Agreement and CenterPoint Houston's application, as modified by the Settlement Agreement and this Financing Order, should be approved. The Commission also finds that the securitization approved in this Financing Order meets all applicable requirements of PURA. Accordingly, the Commission (1) approves the securitization of the Securitizable Balance, which consists of (a) the distribution-related system restoration costs as determined by the final order issued on August 14, 2009 in Docket No. 36918,[3] plus (b) carrying costs accruing at 11.075%, which is CenterPoint Houston's weighted average cost of capital as last approved by the

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[1] Act of April 16, 2009, 81st Leg., R.S., S.B. 769, § 1 (to be codified at TEX. UTIL. CODE ANN. §§ 36.401-.406).

[2] Public Utility Regulatory Act, TEX. UTIL. CODE ANN. §§ 11.001-66.017 (Vernon 2007) (PURA), as amended.

[3] *Application of CenterPoint Energy Houston Electric LLC for Determination of Hurricane Restoration Costs*, Docket No. 36918 (Aug. 14, 2009)

Commission in a CenterPoint Houston general rate case,[4] minus (c) all insurance proceeds, government grants, or other sources of funding that compensate CenterPoint Houston for the distribution-related system restoration costs determined in Docket No. 36918; (2) authorizes, subject to the terms of this Financing Order, the issuance of system restoration bonds in one or more series in an aggregate amount not to exceed the Securitizable Balance, as of the date the system restoration bonds are issued, plus up-front qualified costs subject to the cap on up-front qualified costs set out in Ordering Paragraph 17; (3) approves the structure of the proposed securitization financing; (4) approves system restoration charges in an amount to be calculated as provided in this Financing Order; (5) approves the form of tariff, Schedule SRC, to implement those system restoration charges and the form of the ADFIT Credit tariff to implement the ADFIT Credit; and (6) finds that the potential benefits of (a) floating rate notes and interest rate swaps within the bond structure, (b) the issuance of system restoration bonds denominated in foreign currencies, and (c) the use of interest rate hedges will not outweigh the costs and the incremental risks to customers; therefore, the Commission concludes that floating rate notes and interest rate swaps should not occur within the system restoration bond structure and that CenterPoint Houston should not be authorized to issue bonds denominated in a foreign currency or use interest rate hedges.

In order to approve the securitization of the system restoration costs, the Commission must consider whether the proposed securitization meets the financial tests set out in PURA Chapter 36, Subchapter I and Chapter 39, Subchapter G. The three financial tests require that (1) the total revenues collected under the Financing Order are less than the revenues collected using conventional financing methods (total revenues test),[5] (2) the securitization of the system restoration costs provides greater tangible and quantifiable benefits to ratepayers than would have been achieved without the issuance of the system restoration bonds (tangible and quantifiable benefits test),[6] and (3) the amount securitized does not exceed the present value of

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[4] *Application of CenterPoint Energy Houston Electric, LLC, Reliant Energy Retail Services, LLC, and Texas Genco, LP to Determine Stranded Costs and Other True-Up Balances Under PURA § 39.262*, Docket No. 29526, Order On Remand at 94-95 (Dec. 17, 2004).

[5] PURA § 39.303(a).

[6] *Id.* §§ 39.301, 36.401(b)(2).

the revenue requirement over the life of the proposed system restoration bonds associated with the system restoration costs sought to be securitized (present value test).[7]

CenterPoint Houston submitted evidence that the proposed securitization meets each of the financial tests set out in Subchapter I of Chapter 36 and Subchapter G of Chapter 39 of PURA. CenterPoint Houston updated that information to reflect the effects of the settlement approved by the Commission in Docket No. 36918 and the terms of the proposed settlement in this docket. Considering the magnitude of the benefits provided, the Commission declines to determine a particular number for each benefit conferred by the securitization. In quantifying the benefit to ratepayers as a result of this securitization, the Commission refers to the ranges of benefits calculated under CenterPoint Houston's expected case scenario, in which the system restoration bonds bear a 5.33% weighted average interest, and its sensitivity scenario, in which the bonds are subject to a 10.60% weighted average interest rate.

CenterPoint Houston's evidence showed that as a result of the securitization approved by this Financing Order, retail consumers served at distribution voltage in CenterPoint Houston's service area will realize benefits currently estimated to be approximately $241 million on a present value basis at the 5.33% weighted average interest rate, and $6 million if interest rates rise to 10.60%.[8] When compared to the amount that would have been collected under the conventional financing methods that would otherwise be used to recover the costs, the securitization will result in a $348 million reduction, on a nominal basis, at the 5.33% expected weighted average interest rate, and $11 million if interest rates rise to 10.60%[9] Finally, the total amount to be securitized does not exceed the present value of the revenue requirement under either the expected or sensitivity case.[10] The Commission concludes that the benefits for retail consumers set forth in CenterPoint Houston's evidence are fully indicative of the benefits

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[7] *Id.* § 39.301.

[8] *See* Affidavit of Walter L. Fitzgerald (August 19, 2009). The testimony submitted by CenterPoint Houston with its application using a higher Securitizable Balance and higher up-front qualified costs with the same interest rates and bond structure showed present value savings of $245 million (at 5.33%) and $5 million (at 10.60%). *See* Direct Testimony of Walter L. Fitzgerald at 11-13 (July 8, 2009).

[9] *See* Affidavit of Walter L. Fitzgerald (August 19, 2009). The testimony submitted by CenterPoint Houston with its application using a higher Securitizable Balance and higher up-front qualified costs with the same interest rates and bond structure showed nominal savings of $354 million (at 5.33%) and $11 million (at 10.60%). *See* Direct Testimony of Walter L. Fitzgerald at 9-11.

[10] *See* Affidavit of Walter L. Fitzgerald (August 19, 2009).

PUC DOCKET NO. _____

APPLICATION OF CENTERPOINT	§	**PUBLIC UTILITY COMMISSION**
ENERGY HOUSTON ELECTRIC, LLC	§	
FOR A FINANCING ORDER	§	**OF TEXAS**

DIRECT TESTIMONY

OF

WALTER L. FITZGERALD

FOR

CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC

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EXECUTIVE SUMMARY

Walter L. Fitzgerald, Senior Vice President and Chief Accounting Officer of CenterPoint Energy, Inc. ("CenterPoint Energy") and CenterPoint Energy Houston Electric, LLC ("CenterPoint Houston" or "Company"), testifies that the amount to be securitized includes the (i) $655 million in estimated distribution-related system restoration costs (including estimated carrying costs through September 1, 2009), (ii) $7 million in up-front qualified costs, and (iii) to the extent the proceeds of the system restoration bonds are used to retire or refund existing debt or equity, the actual costs of retiring or refunding such debt or equity, which Mr. Fitzgerald estimates will be $0. Mr. Fitzgerald testifies that, using formulas approved by the Public Utility Commission of Texas ("Commission") in CenterPoint Houston's 2008 securitization, the proposed bond issuance meets the five tests set out in Public Utility Regulatory Act ("PURA"). For each test, CenterPoint Houston assumed a bond life of 14 years and an interest rate of 5.33% for the expected case and 10.60% for the sensitivity case. The results are representative of savings that can be achieved through securitization based on a projected securitized amount of $661 million.

- Total revenue test: The total amount of revenues to be collected under the proposed financing order is less than the revenue requirement that would be recovered using conventional financing at the Company's 11.075% weighted average cost of capital ("WACC"). If the proposed system restoration bonds are issued with a weighted average annual interest rate of 5.33%, revenues collected under the financing order would be approximately $354 million less than the revenue requirement recovered at the Company's 11.075% WACC. Mr. Fitzgerald's testimony also shows that the total revenue test would still be met if interest rates increased to 10.60%.

- Proceeds test: This test can only be performed at the time the bonds are issued. However, as required by PURA § 36.401, CenterPoint Houston will use the bond proceeds "to reduc[e] the amount of recoverable system restoration costs, as determined by the commission in accordance with this subchapter." Mr. Fitzgerald provides pro forma accounting entries showing that the recoverable system restoration costs will be removed from CenterPoint Houston's books when the system restoration bonds are issued.
- Tangible and quantifiable benefits test: The proposed securitization will result in tangible and quantifiable benefits to consumers that are greater than would have been achieved without the issuance of the proposed system restoration bonds. The present value of revenues to be collected under the proposed financing order is approximately $245 million lower, using an interest rate of 5.33%, than the present value of funds obtained through conventional financing. Even if interest rates on the proposed system restoration bonds increased to 10.60%, the proposed securitization would still result in approximately $5 million in savings.
- Structuring and pricing test: Participation by the Commission's designated representative in the process of marketing and issuing the bonds and the issuance advice letter process will ensure that the proposed system restoration bonds are not issued unless their structure and pricing results in the lowest system restoration bond charges consistent with market conditions and the terms of the financing order.

- Present value test: The amount proposed to be securitized ($661 million) does not exceed the present value of the revenue requirement under the expected case ($913 million) or the sensitivity case ($671 million). This test is evaluated using the same calculations and assumptions used in the tangible and quantifiable benefits test.

Mr. Fitzgerald testifies regarding the anticipated accounting entries related to the issuance of the system restoration bonds and associated financial transactions. Mr. Fitzgerald also explains that, because the special purpose entity created to facilitate the securitization ("BondCo") will be consolidated with CenterPoint Houston for financial reporting purposes, the amount to be securitized will appear as debt in the consolidated financial statements of both CenterPoint Houston and CenterPoint Energy.

Mr. Fitzgerald testifies that CenterPoint Houston plans to act as servicer of the system restoration bonds and administrator to BondCo. As servicer, CenterPoint Houston will bill retail electric providers ("REPs") for system restoration charges. For performing this service, CenterPoint Houston will receive an annual servicing fee set at 0.05% of the initial principal of system restoration bonds issued. If CenterPoint Houston is replaced as servicer and the new servicer is not otherwise involved in billing the retail customers in CenterPoint Houston's service territory, the servicing fee will likely increase. As administrator of BondCo, CenterPoint Houston will provide a variety of administrative services (*i.e.* maintaining the general accounting records and preparing annual and semi-annual financial statements). For performing these administrative services, CenterPoint Houston will be paid $100,000 per year plus reimbursable third party costs.

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME, OCCUPATION, AND BUSINESS ADDRESS.

A. My name is Walter L. Fitzgerald, and my business address is 1111 Louisiana, Houston, Texas. I am the Senior Vice President and Chief Accounting Officer of CenterPoint Energy, Inc. ("CenterPoint Energy") and of CenterPoint Energy Houston Electric, LLC ("CenterPoint Houston").

Q. PLEASE GIVE YOUR EDUCATIONAL BACKGROUND, PROFESSIONAL QUALIFICATIONS, AND EXPERIENCE.

A. I majored in accounting and received a Bachelor of Business Administration degree from Sam Houston State University, Huntsville, Texas, in 1979. My major fields of study were accounting and computer science. I am also a Certified Public Accountant in the State of Texas. Prior to joining CenterPoint Energy, I was employed by the Dow Chemical Company from 1979 to 2001. During that time, I held various positions in cost accounting, tax, budgeting, strategic planning, international accounting, treasury, and corporate accounting in Texas, Arkansas, Michigan, Florida and Delaware. I held various leadership positions at Dow Chemical Company, including Controller of DuPont Dow Elastomers. I joined CenterPoint Energy in 2001 as Vice President and Controller.

Q. HAVE YOU EVER TESTIFIED BEFORE THE PUBLIC UTILITY COMMISSION OF TEXAS ("COMMISSION")?

A. Yes. I have filed testimony before the Commission in connection with CenterPoint Houston's 2006 base rate proceeding (Docket No. 32093) and CenterPoint Houston's

2009 filing for recovery of its Hurricane Ike system restoration costs (Docket No. 36918).

Q. WHAT FIGURES HAVE YOU INCLUDED WITH YOUR TESTIMONY?

A. The figures included with my testimony are listed in the Table of Figures following the Table of Contents and are described in the text of my testimony.

Q. WHAT FILING PACKAGE SCHEDULES ARE YOU SPONSORING?

A. I am sponsoring Schedules 1A and 1B (Cost/Benefit Analyses), Schedule 2 (Securitization Amount), Schedule 3 (Amortization Schedule), Schedules 4A and 4B (Amortization Schedules for the Securitized Balance), Schedule 5 (Projected Qualified Costs) and Schedule 6 (Initial Accounting Entries). I am co-sponsoring Schedules 7A and 7B (Illustrative Bond Payment Stream from Goldman Sachs). These schedules are included in Figure WLF-1. I am also sponsoring Figure WLF-2 (Calculation of Estimated ADFIT Benefits).

Q. WHAT ATTACHMENTS TO THE FILING PACKAGE ARE YOU SPONSORING?

A. I am co-sponsoring Attachment 4 (Proposed Financing Order).

Q. PLEASE STATE THE PURPOSE OF YOUR TESTIMONY.

A. My testimony addresses how CenterPoint Houston's application for a financing order ("Application") meets the requirements of PURA, quantifies the amount to be securitized, and describes the anticipated use of the proceeds, related financing structure and accounting of the system restoration bonds, and details CenterPoint Houston's role as a servicer and administrator of the system restoration bonds.

Q. PLEASE BRIEFLY DESCRIBE CENTERPOINT HOUSTON.

A. CenterPoint Houston is a transmission and distribution utility. It owns and operates an extensive transmission and distribution network to provide electric service in a portion of Texas that is included in the Electric Reliability Council of Texas ("ERCOT"). CenterPoint Houston is an indirect wholly-owned subsidiary of CenterPoint Energy.

Q. HOW DOES SECURITIZATION BENEFIT CONSUMERS?

A. System restoration bonds provide a lower financing cost for CenterPoint Houston to recover system restoration costs incurred following Hurricane Ike as compared to the Company's WACC. A lower financing cost reduces the cost to retail electric providers within CenterPoint Houston's service territory. This is the same type of benefit customers in CenterPoint Houston's service territory received from securitization of transition charges relating to the recovery of stranded costs and regulatory assets.

On April 16, 2009, Senate Bill 769 took effect to provide the opportunity for CenterPoint Houston to securitize a separate, identifiable cash flow dedicated to the repayment of system restoration costs incurred following Hurricane Ike. Because of this dedicated cash flow and the annual true-up adjustments that can be made to such dedicated cash flow, system restoration costs can be 100% debt financed with system restoration bonds that are expected to carry a triple-A rating and lower interest rates than term utility debt.

The potential savings to consumers from securitizing the system restoration costs are large. Absent securitization, Senate Bill 769 permits recovery of system restoration costs with "carrying costs at [CenterPoint Houston's] weighted average cost of capital as last approved by the [C]ommision in a general rate proceeding[.]" See PURA §§ 36.402(b) and 36.403(j) as enacted by Senate Bill 769. For CenterPoint Houston, that last approved WACC is 11.075%. In comparison, it is anticipated that the annual weighted average interest rate on the securitized system restoration bonds will be approximately 5.33%, [less than half of the Company's approved WACC]. This difference in the two carrying costs would yield savings under securitization, on a net present value basis, of approximately $245 million as of September 1, 2009. Even if market conditions were to worsen dramatically and interest rates on the proposed system restoration bonds increase to 10.60% by the time the securitization occurs (See Schedule 1B- Sensitivity Case), the savings to ratepayers under securitization will remain positive (*e.g.* an estimated $5 million on a net present value basis).

II. APPLICATION FOR A FINANCING ORDER

Q. PLEASE DESCRIBE THE SECURITIZATION STRUCTURE PROPOSED BY CENTERPOINT HOUSTON.

A. CenterPoint Houston is proposing a bond structure designed to provide essentially level system restoration charges for residential customers over the expected life of the system restoration bonds, which is 14 years. To achieve this result, the amortization increases with the expected growth in the residential class, providing consistent charges to that class. This is the same basic structure used in all of CenterPoint Houston's prior securitizations.

III. AMOUNT TO BE SECURITIZED

Q. WHAT ARE THE QUALIFIED COSTS CENTERPOINT HOUSTON SEEKS TO SECURITIZE?

A. The recently enacted legislation permits CenterPoint Houston to securitize the system restoration costs related to Hurricane Ike. The Application requests authorization to securitize: (1) the Securitizable Balance (as defined below) as of the date the system restoration bonds are issued; (2) up-front qualified costs of issuing, supporting and servicing the system restoration bonds; and (3) the actual cost, if any, of retiring or refunding existing debt or equity. The "Securitizable Balance" as of any given date will be the amount that is approved for recovery in Docket No. 36918 related to distribution-related costs incurred as a result of Hurricane Ike, plus interest through the date those costs are recovered through issuance of system restoration bonds minus all insurance proceeds, government grants, and other sources of funding that compensate CenterPoint Houston for the costs determined in Docket No. 36918.

Q. FOR PURPOSES OF YOUR ANALYSIS, WHAT HAVE YOU USED AS THE ASSUMED DATE FOR ISSUANCE OF THE SYSTEM RESTORATION BONDS?

A. The financial analyses in Schedules 1A and 1B assume that the system restoration bonds are as of September 1, 2009. The September 1, 2009, date is used for illustrative purposes only and for consistency with the information provided in Docket No. 36918. The actual date for issuance of the system restoration bonds will be affected by a number of variables including the date on which the financing order is issued, the effect of any appeal of the financing order, possible delays in receipt of other required governmental action, and market conditions. We estimate that the system restoration bonds will be issued approximately two months after (1) expiration of the deadline for appeal of the financing order without an appeal being taken or (2) final resolution of any appeal. The actual amount securitized will be different from the illustrative numbers because carrying costs on the principal amount of Hurricane Ike restoration costs will continue to accrue at 11.075%, the Company's last approved WACC until the bonds are issued and other elements of the Securitizable Balance will be affected by, among other things, the balance to be securitized and market conditions at the time the bonds are issued.

Q. WHICH SECURITIZED AMOUNTS HAVE YOU INCLUDED IN YOUR CALCULATIONS?

A. The actual Securitizable Balance will be determined in Docket No. 36918, and other components of the costs will not be known until the system restoration bonds are issued, however, for purposes of the calculations presented in my testimony, I included the following amounts to be securitized, as detailed in Schedule 2.

Costs to be Securitized

Cost Category	Amount Used in Calculations($ Millions)
(1) Securitizable Balance	
Distribution-Related System Restoration Costs	
(incurred as of February 28, 2009)	$ 591[1]
Debt Issuance Costs	13[2]
Carrying Costs (until bond issuance date)	50[3]
Estimated Insurance and Government Grants	0
Securitizable Balance	$ 654
(2) Up-front qualified costs of issuing, supporting and servicing the system restoration bonds, as estimated in Schedule 5	7[4]
(3) Actual cost of retiring or refunding existing debt and equity	0
Total amount to be securitized	**$ 661[5]**

1 The distribution-related system restoration costs were requested in Docket No. 36918.

2 These debt issuance costs, which are included in the system restoration costs requested in Docket No. 36918, were incurred in connection with a $600 million 364-day credit facility which CenterPoint Houston secured to provide liquidity, if needed, to support the cash outlay for the Hurricane Ike restoration effort.

3 Carrying costs have been calculated on the distribution-related system restoration cost balance through September 1, 2009, at the Company's weighted average cost of capital of 11.075%.

4 As explained in Mr. Kilbride's direct testimony, the actual amount of these qualified costs will be affected by a number of factors and cannot be determined until the system restoration bonds are issued.

5 The actual amount to be securitized cannot be determined until immediately before the system restoration bonds are issued. See *supra* notes 3-4. The total amount to be securitized will be provided in the issuance advice letter.

IV. REQUIREMENTS FOR APPROVAL

Q. WHAT ARE THE REQUIREMENTS FOR APPROVAL OF A FINANCING ORDER?

A. There are five tests under PURA that must be satisfied:

1. The tangible and quantifiable benefits test, set forth in SB 769 and codified at PURA § 36.401, requires that the "securitization of system restoration costs provide greater tangible and quantifiable benefits to ratepayers than would have been achieved without the issuance of [system restoration] bonds";

2. The proceeds test, also set forth in SB 769 and codified at PURA § 36.401, requires that system restoration bond proceeds "be used only for the purposes of reducing the amount of recoverable system restoration costs, as determined by the [C]ommission in accordance with this subchapter including the refinancing or retirement of utility debt or equity;"

In addition to these two expressly stated standards, SB 769 and the newly codified PURA § 36.401 also generally incorporate "the same procedures, standards, and protections for securitization authorized under Subchapter G, Chapter, 39," which includes three additional tests.

3. The **total revenue test** in PURA § 39.303(a) requires that "the total amount of revenues to be collected under the financing order is less than the revenue requirement that would be recovered . . . using conventional financing methods."

4. The **structuring and pricing test** in PURA § 39.301 requires that structuring and pricing of the system restoration bonds "result in the lowest [system restoration] bond charges consistent with market conditions and the terms of the financing order."

5. The **present value test** in PURA § 39.301 requires that the "amount securitized may not exceed the present value of the revenue requirement over the life of the proposed [system restoration] bond[s] associated with the regulatory assets or other amounts sought to be securitized."

Q. DOES CENTERPOINT HOUSTON'S APPLICATION MEET THESE FIVE TESTS?

A. Yes. CenterPoint Houston's Application meets each of the five tests in both the expected and sensitivity cases.

A. THE TOTAL REVENUE TEST

Q. PLEASE EXPLAIN THE TOTAL REVENUE TEST.

A. The total revenue test is a nominal dollar test comparing total revenues from the system restoration charges to total revenue requirements under conventional financing methods.

Q. DOES THE PROPOSED SECURITIZATION MEET THE TOTAL REVENUE TEST?

A. Yes. As the chart below demonstrates, total revenues from system restoration charges are less than those that would be collected through conventional financing in either expected or increased interest rate scenarios. These calculations are detailed in

Schedules 1A and 1B. For purposes of these calculations, the system restoration bonds are assumed to have a 14 year scheduled final maturity.

Comparison of Nominal Revenues ($ Millions)
As of September 1, 2009

	Expected Case (5.33% rate)	**Sensitivity Case** (10.60% rate)
Securitization Financing	$964	$1,307
Conventional Financing	$1,318	$1,318
Savings from Securitization	**$354**	**$11**

Q. HOW IS THE TOTAL REVENUE FROM SYSTEM RESTORATION CHARGES CALCULATED?

A. The total revenue from system restoration charges includes the principal and interest payments to be made over the life of the system restoration bonds as shown on Schedule 4A. System restoration charges also include the estimated annual, on-going qualified costs as shown on Schedule 5.

Q. WHAT ASSUMPTIONS WERE INCORPORATED INTO THE EXPECTED AND SENSITIVITY SCENARIO FOR SYSTEM RESTORATION CHARGES?

A. The expected case scenario assumes the system restoration bonds will have a scheduled final maturity of 14 years, an average life of approximately 10 years, and a weighted average interest rate of approximately 5.33%. The expected case assumptions are further described in the direct testimonies of Mr. Kilbride and Mr. Probst. I have also shown a sensitivity case using the same scheduled final maturity of 14 years, an average life of approximately 10 years, and an assumed weighted average interest rate of 10.60%.

Q. WHAT ASSUMPTIONS WERE USED TO DETERMINE THE REVENUE REQUIREMENTS UNDER CONVENTIONAL FINANCING METHODS?

A. The revenue requirement under conventional financing methods was determined by assuming the securitized balance would be recovered over the same, approximately 10-year average life with carrying charges at the Company's WACC of 11.075% as provided in PURA § 36.403(j). The costs that relate solely to securitization transactions (*e.g.*, the costs of issuing, supporting, and servicing system restoration bonds; costs of retiring and refunding debt and equity; and the costs to the Commission of acquiring professional services for assistance in evaluating the securitization transaction) were not included in the computation of costs under conventional financing methods. This calculation is shown in Schedule 3.

B. THE TANGIBLE AND QUANTIFIABLE BENEFITS TEST

Q. PLEASE EXPLAIN THE TANGIBLE AND QUANTIFIABLE BENEFITS TEST.

A. The tangible and quantifiable benefits test takes the same potential streams of revenue collected through conventional financing and the system restoration charges that were used for the nominal costs of securitized financing and compares those revenue streams on a present value basis. Specifically, I compared the present value of system restoration charges associated with securitization of the Securitizable Balance plus up-front and ongoing qualified costs to the present value of the charges associated with recovery of the Securitizable Balance (without up-front and ongoing qualified costs) with carrying charges at the Company's WACC. As specified in PURA § 39.301, the present value of the revenue streams were determined using a discount rate equal to the applicable system restoration bond rate (*e.g.* 5.33% in the expected case or 10.60% under the sensitivity case).

Q. WILL THE SECURITIZATION AS PROPOSED IN THIS APPLICATION PROVIDE TANGIBLE AND QUANTIFIABLE BENEFITS TO CONSUMERS?

A. Yes. The present value of the system restoration charges associated with securitization under the expected case is approximately $245 million or 27% lower than the present value of funds obtained through conventional financing. Even if interest rates were to increase to 10.60%, securitization would still yield an approximately $5 million or roughly 0.8% savings on a present value basis.

Q. WHAT ARE THE RESULTS OF THE TANGIBLE AND QUANTIFIABLE BENEFITS TEST?

A. As the chart below demonstrates, the present value of revenues from system restoration charges is significantly less than that of funds obtained through conventional financing under either the expected- or sensitivity-case scenarios. These calculations are detailed in Schedules 1A and 1B.

Comparison of Present Value Revenues ($ Millions)
As of September 1, 2009

	Expected Case (5.33% rate)	Sensitivity Case (10.60% rate)
Securitization Financing	$668	$666
Conventional Financing	$913	$671
Savings from Securitization	$245	$5

C. THE PROCEEDS TEST

Q. DOES THE PROPOSED SECURITIZATION MEET THE PROCEEDS TEST?

A. Yes.

Q. WHAT IS THE EXPECTED USE OF THE SYSTEM RESTORATION BOND PROCEEDS?

A. The system restoration bonds will be issued by BondCo. BondCo will use the bond proceeds (net of costs of issuance) to purchase the transition property (which is the right to receive system restoration charges sufficient to make system restoration bond payments and pay the ongoing costs of securitization) from CenterPoint Houston.

Q. WILL THE SECURITIZED REGULATORY ASSETS BE REMOVED FROM CENTERPOINT HOUSTON'S BOOKS AS A RESULT OF THIS TRANSACTION?

A. Yes. All of the transition property is currently recorded on CenterPoint Houston's books. This regulatory asset will be transferred to the books of BondCo when the transition property is sold to BondCo. As a result, to the extent the costs are securitized, ratepayers' sole obligations will be to pay the principal, interest, and related costs of the system restoration bonds and they will not have any obligation to pay the cost of recovering system restoration costs through conventional rates.

D. THE STRUCTURING AND PRICING TEST

Q. PLEASE EXPLAIN THE STRUCTURING AND PRICING TEST.

A. The structuring and pricing test requires that the structure and pricing of the system restoration bonds result in the lowest system restoration charges consistent with market conditions and the terms of the financing order.

Q. WILL THE SECURITIZATION MEET THE STRUCTURING AND PRICING TEST?

A. Yes. This is a test that can meaningfully be applied only at the time the system restoration bonds are issued. This test will be met through care in selecting the lead bookrunning underwriter(s) and underwriting syndicate and aggressive efforts to market and issue the system restoration bonds, or alternatively, by issuing the system restoration bonds through a competitive bid process if CenterPoint Houston and the Commission's designated representative jointly conclude that a competitive bid process should be used. The requirements of the issuance advice letter process described in Mr. Kilbride's testimony and the Commission's ability to participate fully in the bond issuance process will ensure that no system restoration bonds are issued unless this test is met.

E. THE PRESENT VALUE TEST

Q. HOW IS THE PRESENT VALUE TEST CALCULATED?

A. PURA provides that the amount securitized may not exceed the present value of revenue requirements over the system restoration bond life discounted using the proposed interest rate on the system restoration bonds. The present value test uses the same calculation and assumptions as the tangible and quantifiable benefits test discussed previously.

Q. DOES THE APPLICATION MEET THE PRESENT VALUE TEST?

A. Yes. The present value of collecting the Securitizable Balance through conventional financing is calculated to be $913 million in the expected case and $671 million in the 10.60% sensitivity case. As a result, the Securitizable Balance (including up-front qualified costs) to be securitized, $661 million, does not exceed the present value of revenue requirements using conventional financing, and, therefore, satisfies this requirement. See Schedules 1A and 1B.

V. OTHER TAXES

Q. WHAT ASSUMPTIONS DID YOU MAKE WITH REGARD TO REVENUE-RELATED TAXES?

A. PURA § 39.311 specifically exempts transition charges (which for purposes of this filing are called system restoration charges) from such taxes. As a result, the assumed system restoration charges do not include state franchise taxes.

VI. ACCUMULATED DEFERRED FEDERAL INCOME TAXES

Q. WHAT IS THE AMOUNT OF ACCUMULATED DEFERRED FEDERAL INCOME TAX LIABILITY ("ADFIT") ASSOCIATED WITH THE RESTORATION COST BALANCE BEING SECURITIZED?

A. The amount of the ADFIT associated with the $591 million in distribution-related system restoration costs that CenterPoint Houston seeks to securitize is approximately $207 million.

Q. WHAT IS THE COMPANY'S POSITION WITH RESPECT TO THE TREATMENT OF ADFIT IN THIS PROCEEDING?

A. CenterPoint Houston believes that ADFIT is best addressed in a future rate case proceeding rather than in this docket. Securitizing the system restoration costs presents a unique opportunity to obtain low cost financing for the Company, similar to the opportunity the Company had to securitize its true-up balance. I am recommending that ADFIT remain in rate base where it will be flowed back to ratepayers in our next rate case.

Q. HAVE YOU QUANTIFIED THE ADFIT BENEFIT ATTRIBUTED TO CENTERPOINT HOUSTON?

A. Yes. I estimated the present value of the ADFIT benefit to be approximately $129 million.

Q. HOW WAS THE ADFIT BENEFIT CALCULATED?

A. I used the same methodology previously approved by the Commission in Docket No. 30485 (Order Quantifying Benefit Derived from ADFIT). The calculations are based on an assumed bond issuance date of September 1, 2009 as shown in Figure WLF-2.

VII. POTENTIAL ADJUSTMENTS

Q. HOW WILL CENTERPOINT HOUSTON HANDLE ANY OVER- OR UNDER- COLLECTION OF SYSTEM RESTORATION CHARGES?

A. As explained in the direct testimony of Mr. Gastineau, CenterPoint Houston will make adjustments to the system restoration charges at least annually to correct any overcollections or undercollections during the preceding period and to permit the billing and collection of system restoration charges necessary to provide all payments of principal and interest and any other amounts due in connection with the system restoration bonds.

VIII. ACCOUNTING TREATMENT

Q. PLEASE DESCRIBE THE ACCOUNTING TREATMENT FOR THE SYSTEM RESTORATION BONDS.

A. As explained in Mr. Kilbride's direct testimony, CenterPoint Houston will conduct the securitization through one or more special purpose entities created solely to facilitate the securitization. Each entity, referred to as a BondCo, will be a wholly-owned subsidiary of CenterPoint Houston.

Q. WHAT ARE THE ANTICIPATED ACCOUNTING ENTRIES RELATED TO THE ISSUANCE OF THE SYSTEM RESTORATION BONDS?

A. The accounting entries related to the issuance of the system restoration bonds are: (1) recording proceeds from the system restoration bond issuance on the books of BondCo; and (2) sale of the transition property by CenterPoint Houston to BondCo and removal of that property from CenterPoint Houston's books. Schedule 6 includes these initial accounting entries associated with the system restoration bond issuance.

Q. WHAT ARE THE ANTICIPATED MONTHLY ACCOUNTING ENTRIES THAT WOULD OCCUR AS A RESULT OF THE ISSUANCE OF SYSTEM RESTORATION BONDS?

A. On a monthly basis, the following entries are required to record financial transactions associated with the issuance of the system restoration bonds: (1) recognition and collection of system restoration charge revenues; (2) remittance of the system restoration charge collections to the indenture trustee for BondCo's account; (3) amortization of the securitized assets; (4) accrual of system restoration bond interest expense; (5) payment of system restoration bond principal and interest (semi-annually); (6) recording of the servicing fees and administrative fees payable to CenterPoint Houston by BondCo; and (7) recording of other expenses incurred by BondCo.

Q. WHAT WILL BE THE FINANCIAL REPORTING IMPACTS OF THESE TRANSACTIONS?

A. The amount securitized will be recorded as debt of BondCo. Because BondCo will be consolidated with CenterPoint Houston for financial reporting purposes, the amount securitized will also appear as debt in the consolidated financial statements of both CenterPoint Houston and CenterPoint Energy.

CenterPoint Houston's financial statements will include a footnote disclosure stating that the repayment of the system restoration bonds is supported by the transition property which has been sold by CenterPoint Houston to BondCo, that the holders of the system restoration bonds do not have recourse to any assets or revenues of CenterPoint Houston, and that CenterPoint Houston's creditors do not have recourse to any assets or revenues of BondCo, including the transition property.

Q. HOW WILL BONDCO COLLECT THE SYSTEM RESTORATION CHARGES?

A. CenterPoint Houston will enter into a servicing agreement with BondCo and, as servicer, CenterPoint Houston will bill, for the benefit and account of BondCo, all retail electric providers ("REPs") serving retail customers taking service at distribution voltage in CenterPoint Houston's service territory as it exists on the date the financing order in this proceeding is approved. The terms of the servicing agreement will be consistent with those in the servicing agreements for CenterPoint Houston's prior securitizations.

Q. WILL REPs RECEIVE A SEPARATE BILL FOR SYSTEM RESTORATION CHARGES?

A. No. REPs will be billed by CenterPoint Houston for all nonbypassable charges including the system restoration charges calculated under Schedule SRC. The system restoration charges under Schedule SRC will, however, be a separate line item on the bill to REPs.

IX. CENTERPOINT HOUSTON'S ROLE AS SERVICER AND ADMINISTRATOR

Q. WHAT ARE THE RESPONSIBILITIES OF CENTERPOINT HOUSTON AS SERVICER?

A. The servicer is primarily responsible for: (1) managing, servicing, administering, billing, and collecting payments arising from the transition property; (2) depositing collections in the collection account; (3) furnishing periodic reports and statements to BondCo, the indenture trustee, and the rating agencies; (4) effecting periodic adjustments to the system restoration charges, including filing such adjustments at the Commission; and (5) monitoring the level of cash deposits and other forms of collateral provided by REPs to ensure that the requirements imposed by the credit rating agencies are satisfied.

Q. HOW IS THE SERVICING FEE DETERMINED, AND HOW IS IT RECORDED?

A. As long as CenterPoint Houston is the servicer, the annual servicing fee is set at 0.05% of the initial principal amount of system restoration bonds issued. This is the same fee CenterPoint Houston currently receives as servicer of the transition bonds issued in the Company's October 2001, December 2005, and February 2008 securitizations. The calculation of the annual servicing fee is shown in Schedule 5. It is important to note that the servicing fee revenues will reduce CenterPoint Houston's revenue requirements in future rate cases. Similarly, the costs incurred to perform the servicing responsibility will be included in CenterPoint Houston's revenue requirements.

If CenterPoint Houston is replaced as servicer and the new servicer is not otherwise involved in billing the retail customers in CenterPoint Houston's service territory, the servicing fee will likely increase. The exact fee will be negotiated between the new servicer and the indenture trustee (or the indenture trustee's designee) and will be subject to approval by the Commission if the annual fee exceeds 0.6% of the original principal balance of the system restoration bonds.

Q. WHAT IS THE RESPONSIBILITY OF CENTERPOINT HOUSTON AS ADMINISTRATOR OF BONDCO?

A. The administrator's duties will include providing the following administrative services to BondCo: (1) maintaining the general accounting records; (2) preparing quarterly and annual financial statements as necessary; (3) arranging for year-end audits of BondCo's financial statements; (4) preparing all required external financial filings; (5) preparing any required income, franchise, or other tax returns; and (6) providing office space and related support.

Q. HOW MUCH WILL CENTERPOINT HOUSTON BE PAID FOR PERFORMING THESE ADMINISTRATIVE FUNCTIONS?

A. These fees will be $100,000 per year plus reimbursable third party costs, as shown on Schedule 5. This is the same amount approved in each of CenterPoint Houston's prior securitization financing orders. CenterPoint Houston will provide the same types of administrative services for BondCo as it currently provides under the respective administration agreement relating to the transition bonds issued in 2001, 2005 and 2008. If it becomes necessary to issue the system restoration bonds in two transactions with separate BondCos for each transaction, the administrative fee would be $100,000 per year for each BondCo. In addition, CenterPoint Houston would be entitled to reimbursement of any amounts it pays third parties to provide legal, accounting, printing, or similar services to BondCo.

Q. PLEASE DESCRIBE THE INFORMATION PROVIDED IN FIGURE WLF-3.

A. The information provided in Figure WLF-3 demonstrates that the summaries of business records included in this Application were prepared in accordance with the Texas Business Records Act and the Texas Rules of Evidence pertaining to summaries of business records.

X. SUMMARY

Q. MR. FITZGERALD, PLEASE SUMMARIZE YOUR TESTIMONY.

A. PURA establishes five tests that must be met by a proposed securitization of CenterPoint Houston's Hurricane Ike system restoration costs. Three of these are financial in nature, requiring that a proposed securitization demonstrate that consumers will receive tangible and quantifiable benefits, that the nominal dollars consumers will pay in system restoration charges will be less than they would pay through rates based on conventional financing at the WACC from CenterPoint Houston's last rate case, and that the present value of the proposed system restoration charges be less than the present value of the amounts to be collected through the Company's use of conventional financing to fund the system restoration costs. My testimony demonstrates that each of these tests is satisfied.

The fourth test requires that the proceeds of the securitization be used solely to reduce recoverable system restoration costs. My testimony establishes that this test will be met by the proposed securitization.

The fifth test requires that the structuring and pricing of the system restoration bonds "result in the lowest system restoration bond charges consistent with market conditions and terms of the financing order." PURA § 39.301. The issuance advice letter process and the Commission's ability to participate in the proposed transaction to the extent it deems necessary will permit the Commission to ensure that the system restoration bonds will not be issued unless this condition is met.

Q. DOES THIS CONCLUDE YOUR PREPARED DIRECT TESTIMONY?

A. Yes.

AFFIDAVIT

STATE OF TEXAS	§	
COUNTY OF HARRIS	§	

SWORN STATEMENT OF WALTER L. FITZGERALD

My name is Walter L. Fitzgerald. I am an authorized representative of CenterPoint Energy Houston Electric, LLC.

I swear or affirm that I have personal knowledge of the facts in the testimony, figures, schedules, and attachments that I am sponsoring in this application for a financing order, and that I am competent to testify to them. I further swear or affirm that all of the statements and representations made in those parts of this application for a financing order that I am sponsoring are true and correct.

____
Walter L. Fitzgerald

SWORN TO AND SUBSCRIBED before me on the _____ day of June, 2009.

____
Notary Public in and for the State of Texas

(SEAL)

AEP TEXAS CENTRAL TRANSITION BONDS III

AEP TEXAS RESTORATION FUNDING 49308 HARVEY

Securities offered

$235,282,000 Senior Secured System Restoration Bonds, scheduled to pay principal semi-annually and sequentially in accordance with the expected sinking fund schedule.

Issuing Entity and Capital Structure

AEP Texas Restoration Funding LLC is a special purpose Delaware limited liability company. AEP Texas Inc. is our sole member and owns all of our equity interests. We have no commercial operations. We were formed solely to purchase and own transition property, to issue system restoration bonds and to perform activities incidental thereto. Please read "AEP Texas Restoration Funding LLC, the Issuing Entity" in the accompanying prospectus.

Our Relationship With The PUCT

Pursuant to the financing order,

- The PUCT or its designated representative has a decision-making role co-equal with AEP Texas with respect to the structuring, marketing and pricing of the system restoration bonds and all matters related to the structuring, marketing and pricing of the system restoration bonds will be determined through a joint decision of AEP Texas and the PUCT or its designated representative,
- AEP Texas is directed to take all necessary steps to ensure that the PUCT or its designated representative is provided sufficient and timely information to allow the PUCT or its designated representative to fully participate in, and exercise its decision-making power over, the proposed securitization, and
- The servicer will file periodic adjustments to system restoration charges with the PUCT on our behalf.

We have agreed that certain reports concerning transition charge collections will be provided to the PUCT.

Purpose Of Transaction

This issuance of Senior Secured System Restoration Bonds will enable AEP Texas to recover certain distribution-related system restoration costs in its Central Division related to Hurricane Harvey and certain other weather-related events occurring after December 2008 but prior to Hurricane Harvey. Please read "The Securitization Provisions of the Public Utility Regulatory Act" in the prospectus.

Contact

539 N. Carancahua Street
Suite 1700
Corpus Christi, Texas 78401
(361) 881-5386

SEC FILINGS

View SEC filings for AEP Texas Restoration Funding

2021 Filter

Date	Filing	Description
02/01/2021	10-D	February 2021 Form 10-D

2021 Filter

Date	Description
May 2021	Monthly Servicer's Certificate
April 2021	Monthly Servicer's Certificate
March 2021	Monthly Servicer's Certificate
February 2021	Monthly Servicer's Certificate
January 2021	Monthly Servicer's Certificate
February 2021	Semi-Annual Servicer's Certificate

SENIOR SECURED SYSTEM RESTORATION BONDS

$235,282,000
AEP Texas Restoration Funding LLC
Issuing Entity
Senior Secured System Restoration Bonds

Tranche	Expected Weighted Average Life (Years)	Principal Amount Offered*	Scheduled Final Payment Date	Final Maturity Date	Interest Rate	Initial Price to Public	Underwriting Discounts and Commissions	Proceeds to Issuing Entity (Before Expenses)
A-1	3.05	117,641,000	2/1/2025	2/1/2027	2.0558%	99.99984%	0.40%	117,170,248
A-2	7.87	117,641,000	8/1/2029	8/1/2031	2.2939%	99.99982%	0.40%	117,170,224

The total initial price to the public is $235,281,600. The total amount of the underwriting discounts and commissions is $941,128. The total amount of proceeds to the issuing entity before deduction of expenses (estimated to be $3,490,553) is $234,340,472.

Investing in the Senior Secured System Restoration Bonds involves risks. Please read "Risk Factors" beginning on page 21 of the accompanying prospectus to read about factors you should consider before buying the bonds.

AEP Texas Inc., as depositor, is offering $235,282,000 of Senior Secured System Restoration Bonds, referred to herein as the bonds, in two tranches to be issued by AEP Texas Restoration Funding LLC, as the issuing entity. AEP Texas Inc. is also the seller, initial servicer and sponsor with regard to the bonds. The bonds are senior secured obligations of the issuing entity supported by transition property, which includes the right to a special, irrevocable nonbypassable charge, known as a system restoration charge, paid by retail electric customers served at distribution voltage located within the portion of AEP Texas' service area as it existed on the date of the financing order that was formerly serviced by AEP Texas predecessor-in-interest, AEP Texas Central Company (or the AEP Texas Central Division), based on their consumption of electricity as discussed herein. The securitization provisions of the Public Utility Regulatory Act mandate that system restoration charges be adjusted annually, and the Public Utility Commission of Texas further requires such true-ups to occur semi-annually (and permits such true-ups to occur more frequently) if necessary, in each case to ensure the expected recovery of amounts sufficient to timely provide all scheduled payments of principal and interest on the bonds, as described further in this prospectus, and the Public Utility Commission of Texas guarantees it will act under the financing order to ensure such recoveries as described below. Credit enhancement for the bonds will be provided by such statutory true-up mechanisms as well as by accounts delivered after that date. On each payment date, each bond will be entitled to payment of principal, but only to the extent funds are available in the collection account after payment of certain fees and expenses and after payment of interest. There currently is no secondary market for the bonds, and we cannot assure you that one will develop.

The bonds represent obligations only of the issuing entity, AEP Texas Restoration Funding LLC, and do not represent obligations of the sponsor or any of its affiliates other than the issuing entity. Please read "Description of the Transition Property" and "Security for the System Restoration Bonds" in this prospectus. The bonds are secured by the assets of the issuing entity, consisting principally of the transition property and funds on deposit in the collection account for the bonds and related subaccounts. Please read"Security for the System Restoration Bonds" and "Description of the Transition Property" in this prospectus. The bonds are not a debt or general obligation of the State of Texas, the Public Utility Commission of Texas or any other governmental agency or instrumentality and are not a charge on the full faith and credit or the taxing power of the State of Texas or any governmental agency or instrumentality.

The Public Utility Commission of Texas guarantees that it will act under its irrevocable financing order as expressly authorized by the securitization provisions of the Public Utility Regulatory Act to ensure that expected system restoration charge revenues are sufficient to pay on a timely basis scheduled principal and interest on the bonds. The Public Utility Commission of Texas' obligations relating to the bonds, including the specific actions that it has guaranteed to take, are direct, explicit, irrevocable and unconditional upon issuance of the bonds, and are legally enforceable against the Public Utility Commission of Texas, which is a United States public sector entity, in accordance with Texas law.

All matters relating to the structuring and pricing of the bonds have been considered jointly by AEP Texas Inc. and the Public Utility Commission of Texas or its designated representative.

Additional information is contained in the accompanying prospectus. You should read this prospectus supplement and the accompanying prospectus carefully before you decide to invest in the bonds. This prospectus supplement may not be used to offer or sell the bonds unless accompanied by the prospectus. Please review the prospectus.

RATINGS ASSIGNED

Ratings assigned to the AEP Texas Restoration Funding LLC Senior Secured System Restoration Bonds and the debt issued by the Servicer

Issuer: AEP Texas Restoration Funding LLC
Instrument: System Restoration Bonds
Moody's Rating: Aaa
S&P Rating: AAA

Servicer: AEP Texas Inc
Instrument: Senior Unsecured Debt
Moody's Rating: Baa1
Moody's Outlook: Stable
S&P Rating: A-
S&P Outlook: Stable

True-Up Filings

2020 Standard true-up filing
(control number: 51103)

B2B & SUPPLIERS

RECREATION

ENVIRONMENT

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Filed Pursuant to Rule 424(b)(1)
Registration Statement No. 333-232430
333-232430-01

PROSPECTUS

$235,282,000 Senior Secured System Restoration Bonds

AEP Texas Inc.

Sponsor, Depositor and Initial Servicer
Central Index Key Number: 0001721781

AEP Texas Restoration Funding LLC

issuing entity
Central Index Key Number: 0001775098

Tranche	Expected Weighted Average Life (Years)	Principal Amount Offered	Scheduled Final Payment Date	Final Maturity Date	Interest Rate	Initial Price to Public	Underwriting Discounts and Commissions	Proceeds to issuing entity (Before Expenses)
A-1	3.05	$117,641,000	2/1/2025	2/1/2027	2.0558%	99.99984%	0.40%	$117,170,248
A-2	7.87	$117,641,000	8/1/2029	8/1/2031	2.2939%	99.99982%	0.40%	$117,170,224

The total initial price to the public is $235,281,600. The total amount of the underwriting discounts and commissions is $941,128. The total amount of proceeds to the issuing entity before deduction of expenses (estimated to be $3,490,553) is $234,340,472. The distribution frequency is semi-annually. The first expected payment date is February 1, 2020.

Investing in the Senior Secured System Restoration Bonds involves risks. Please read "Risk Factors" beginning on page 21 to read about factors you should consider before buying the bonds.

AEP Texas Inc., as **depositor**, is offering $235,282,000 of Senior Secured System Restoration Bonds, referred to herein as the **bonds**, in two tranches to be issued by AEP Texas Restoration Funding LLC, as the **issuing entity**. AEP Texas Inc. is also the **seller**, initial **servicer** and **sponsor** with regard to the bonds. The bonds are senior secured obligations of the issuing entity supported by transition property, which includes the right to a special, irrevocable nonbypassable charge, known as a system restoration charge, paid by retail electric customers served at distribution voltage located within the portion of AEP Texas' service area as it existed on the date of the financing order that was formerly serviced by AEP Texas predecessor-in-interest, AEP Texas Central Company (or the **AEP Texas Central Division**), based on their consumption of electricity as discussed herein. The securitization provisions of the Public Utility Regulatory Act mandate that system restoration charges be adjusted annually, and the Public Utility Commission of Texas further requires such true-ups to occur semi-annually (and permits such true-ups to occur more frequently) if necessary, in each case to ensure the expected recovery of amounts sufficient to timely provide all scheduled payments of principal and interest on the bonds, as described further in this prospectus, and the Public Utility Commission of Texas guarantees it will act under the financing order to ensure such recoveries as described below. Credit enhancement for the bonds will be provided by such statutory true-up mechanisms as well as by accounts held under the indenture.

Each bond will be entitled to interest on February 1 and August 1 of each year, beginning in February, 2020. The first scheduled payment date is February 1, 2020. Interest will accrue from the date of issuance and must be paid by the purchaser if the bonds are delivered after that date. On each payment date, each bond will be entitled to payment of principal, but only to the extent funds are available in the collection account after payment of certain fees and expenses and after payment of interest. There currently is no secondary market for the bonds, and we cannot assure you that one will develop.

The bonds represent obligations only of the issuing entity, AEP Texas Restoration Funding LLC, and do not represent obligations of the sponsor or any of its affiliates other than the issuing entity. Please read "Description of the Transition Property" and "Security for the System Restoration Bonds" in this prospectus. The bonds are secured by the assets of the issuing entity, consisting principally of the transition property and funds on deposit in the collection account for the bonds and related subaccounts. Please read "Security for the System Restoration Bonds" and "Description of the Transition Property" in this prospectus. The bonds are not a debt or general obligation of the State of Texas, the Public Utility Commission of Texas or any other governmental agency or instrumentality and are not a charge on the full faith and credit or the taxing power of the State of Texas or any governmental agency or instrumentality.

The Public Utility Commission of Texas guarantees that it will act under its irrevocable financing order as expressly authorized by the securitization provisions of the Public Utility Regulatory Act to ensure that expected system restoration charge revenues are sufficient to pay on a timely basis scheduled principal and interest on the bonds. The Public Utility Commission of Texas' obligations relating to the bonds, including the specific actions that it has guaranteed to take, are direct, explicit, irrevocable and unconditional upon issuance of the bonds, and are legally enforceable against the Public Utility Commission of Texas, which is a United States public sector entity, in accordance with Texas law.

All matters relating to the structuring and pricing of the bonds have been considered jointly by AEP Texas Inc. and the Public Utility Commission of Texas or its designated representative.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The underwriters expect to deliver the bonds through the book-entry facilities of The Depository Trust Company against payment in immediately available funds on or about September 18, 2019.

Joint Bookrunners

Goldman Sachs & Co. LLC **Citigroup**

Co-Managers

Loop Capital Markets **Ramirez & Co., Inc.**

The date of this prospectus is September 11, 2019.

late charges. The portion owed in respect of system restoration charges may be further allocated ratably between us, as issuing entity of the system restoration bonds, and other affiliates of AEP Texas who have issued system restoration bonds under the securitization provisions of the Public Utility Regulatory Act, including TCC Funding II and TCC Funding III.

In the event that the servicer makes changes to its current computerized customer information system which would allow the servicer to track actual system restoration charge payments and/or otherwise monitor payment and collection activity more efficiently or accurately than is being done today, the servicing agreement will allow the servicer to substitute actual remittance procedures for the estimated remittance procedures described above and otherwise modify the remittance procedures described above as may be appropriate in the interests of efficiency, accuracy, cost and/or system capabilities. However, the servicer will not be allowed to make any modification or substitution that will materially adversely affect the bondholders. The servicer must also give notice to us, the trustee and the rating agencies of any such computer system changes no later than 60 business days after the date on which all retail customer accounts are billed on the new system.

Servicing Compensation

The servicer will be entitled to receive an annual servicing fee in an amount equal to:

- 0.10% of the original aggregate principal amount of the system restoration bonds for so long as the servicer remains AEP Texas or an affiliate; or
- if AEP Texas or any of its affiliates is not the servicer, an amount agreed upon by the successor servicer and the trustee, but any amount in excess of 0.60% of the original aggregate principal amount of the system restoration bonds must be approved by the Texas commission.

The servicing fee shall be paid semi-annually with half of the servicing fee being paid on each payment date. The servicer will also be entitled to retain any interest earnings on system restoration charge collections prior to remittance to the collection account, as well as all late payment charges, if any, collected from customers or REPs. However, if the servicer has failed to remit the system restoration charge collections to any collection account on the same business day that the servicer received such system restoration charge collections on more than three occasions during the period that the system restoration bonds are outstanding, then thereafter the servicer will be required to pay to the trustee any interest earnings on system restoration charge collections received by the servicer and invested by the servicer during each collection period prior to remittance to the collection account for so long as the system restoration bonds remain outstanding. The trustee will pay the servicing fee on each payment date (together with any portion of the servicing fee that remains unpaid from prior payment dates) to the extent of available funds prior to the distribution of any interest on and principal of the system restoration bonds. So long as AEP Texas or an affiliate, is the servicer, AEP Texas' servicing compensation will be included as an identified revenue credit and reduce revenue requirements for setting its transmission and distribution rates. The expenses of servicing shall likewise be included as a cost of service in setting such rates.

Servicer Representations and Warranties; Indemnification

In the servicing agreement, the servicer will represent and warrant to us, as of the issuance date of the system restoration bonds, among other things, that:

- the servicer is duly organized, validly existing and is in good standing under the laws of the state of its organization (which is Delaware, when AEP Texas is the servicer), with requisite corporate or other power and authority to own its properties, to conduct its business as such properties are currently owned and such business is presently conducted by it, and to service the transition property and hold the records related to the transition property, and to execute, deliver and carry out the terms of the servicing agreement and the intercreditor agreement;
- the servicer is duly qualified to do business, is in good standing and has obtained all necessary licenses and approvals in all jurisdictions in which the ownership or lease of property or the conduct of its business (including the servicing of the transition property as required under the

servicing agreement and the intercreditor agreement) requires such qualifications, licenses or approvals (except where a failure to qualify would not be reasonably likely to have a material adverse effect on the servicer's business, operations, assets, revenues or properties or to its servicing of the transition property);

- the execution, delivery and performance of the terms of the servicing agreement have been duly authorized by all necessary action on the part of the servicer under its organizational or governing documents and laws;
- each of the servicing agreement and the intercreditor agreement constitutes a legal, valid and binding obligation of the servicer, enforceable against it in accordance with its terms, subject to applicable insolvency, reorganization, moratorium, fraudulent transfer and other laws relating to or affecting creditors' rights generally from time to time in effect and to general principles of equity, regardless of whether considered in a proceeding in equity or at law (including concepts of materiality, reasonableness, good faith and fair dealing);
- the consummation of the transactions contemplated by the servicing agreement and the intercreditor agreement do not conflict with, result in any breach of, nor constitute a default under the servicer's organizational documents or any indenture or other agreement or instrument to which the servicer is a party or by which it or any of its property is bound, result in the creation or imposition of any lien upon the servicer's properties pursuant to the terms of any such indenture or agreement or other instrument (other than any lien that may be granted in favor of the trustee for the benefit of certificateholders under the basic documents or any lien created pursuant to Section 39.309 of the Public Utility Regulatory Act) or violate any existing law or any existing order, rule or regulation applicable to the servicer of any governmental authority having jurisdiction over the servicer or its properties;
- each report or certificate delivered in connection with the issuance advice letter or delivered in connection with any filing made to the Texas commission by us with respect to the system restoration charges or true-up adjustments will be true and correct in all material respects, or, if based in part on or containing assumptions, forecasts or other predictions of future events, such assumptions, forecasts or predictions are reasonable based on historical performance (and facts known to the servicer on the date such report or certificate is delivered);
- no governmental approvals, authorizations, consents, orders or other actions or filings with any governmental authority are required for the servicer to execute, deliver and perform its obligations under the servicing agreement or the intercreditor agreement except those which have previously been obtained or made, those that are required to be made by the servicer in the future pursuant to the servicing agreement and those that the servicer may need to file in the future to continue the effectiveness of any financing statements; and
- no proceeding or, to the servicer's knowledge, investigation is pending and, to the servicer's knowledge, no proceeding or investigation is threatened before any governmental authority having jurisdiction over the servicer or its properties involving or relating to the servicer or the issuing entity or, to the servicer's knowledge, any other person, asserting the invalidity of the servicing agreement or the other basic documents, seeking to prevent issuance of the system restoration bonds or the consummation of the transactions contemplated by the servicing agreement or other basic documents, seeking a determination that could reasonably be expected to materially and adversely affect the performance by the servicer of its obligations under or the validity or enforceability of the servicing agreement or the other basic documents, the system restoration bonds or seeking to adversely affect the federal income tax or state income or franchise tax classification of system restoration bonds as debt.

The servicer is not responsible for any ruling, decision, action or determination made or not made, or any delay of the Texas commission (except any delay caused by the servicer's failure to file required applications in a timely and correct manner or other breach of its duties under the servicing agreement that adversely affects the transition property or the true-up adjustments) in any way related to the transition property, the system restoration charges or any true-up adjustment. The servicer also is not liable for the calculation of the system restoration charges and adjustments, including any inaccuracy in

Exhibit KTN-2

List of U.S. Utility ABS Transactions

As of March 4, 2019

State	Utility	Pricing Date	Amount ($ Millions)
New Hampshire	Public Service Company of New Hampshire	May-18	$ 635.70
New York	Long Island Power Authority	Oct-17	369.50
New York	Long Island Power Authority	Sep-16	469.30
Florida	Duke Energy Florida	Jun-16	1,294.30
New York	Long Island Power Authority	Mar-16	637.80
New York	Long Island Power Authority	Oct-15	1,002.10
Louisiana	Entergy New Orleans	Jul-15	98.70
Hawaii	Department of Business, Economic Development, and Tourism	Nov-14	150.00
Louisiana	Entergy Louisiana	Jul-14	243.90
Louisiana	Entergy Louisiana	Jul-14	71.00
Michigan	Consumers Energy	Jul-14	378.00
New York	Long Island Power Authority	Dec-13	2,022.30
West Virginia	AEP West Virginia	Nov-13	380.30
Ohio	AEP Ohio	Jul-13	267.40
Ohio	FirstEnergy	Jun-13	444.90
Texas	AEP Texas Central	Mar-12	800.00
Texas	CenterPoint Energy Houston Electric	Jan-12	1,695.00
Louisiana	Entergy Louisiana	Sep-11	207.20
Arkansas	Entergy Arkansas	Aug-10	124.10
Louisiana	Entergy Louisiana	Jul-10	468.90
Louisiana	Entergy Gulf States Louisiana	Jul-10	244.10
West Virginia	Potomac Edison Company	Dec-09	21.50
West Virginia	Monongahela Power Company	Dec-09	64.40
Texas	CenterPoint Energy	Nov-09	664.90
Texas	Entergy Texas	Nov-09	545.90
Louisiana	Entergy Louisiana	Aug-08	278.40
Louisiana	Entergy Gulf States Louisiana	Jul-08	687.70
Louisiana	Cleco Power	Feb-08	180.60
Texas	CenterPoint Energy	Jan-08	488.50
Maryland	Baltimore Gas & Electric	Jun-07	623.20
Texas	Entergy Gulf States	Jun-07	329.50
Florida	Florida Power and Light	May-07	652.00
West Virginia	Monongahela	Apr-07	344.50
West Virginia	Potomac Edison	Apr-07	114.80
Texas	AEP Texas Central	Sep-06	1,740.00
New Jersey	Jersey Central Power & Light	Aug-06	182.40
Texas	CenterPoint Houston	Dec-05	1,851.00
California	Pacific Gas & Electric	Nov-05	844.50
Pennsylvania	West Penn Power	Sep-05	115.01
New Jersey	Public Service Electric & Gas	Sep-05	102.70
Massachusetts	Nstar (Boston Edison)	Feb-05	674.50
California	Pacific Gas & Electric	Feb-05	1,887.90
New Jersey	Rockland Electric	Jul-04	46.31
Connecticut	State of Connecticut (CL&P/UIC)	Jun-04	205.30
Texas	TXU Electric Delivery	May-04	789.80
New Jersey	Atlantic City Electric	Dec-03	152.00

EXHIBIT KTN -2
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State	Utility	Pricing Date	Amount ($ Millions)
Texas	Oncor Electric Delivery	Aug-03	500.00
New Jersey	Atlantic City Electric	Dec-02	440.00
New Jersey	Jersey Central Power and Light	Jun-02	320.00
Texas	Central Power and Light	Jan-02	797.30
New Hampshire	Public Service Company of New Hampshire	Jan-02	50.00
Michigan	Consumers Energy	Oct-01	468.60
Texas	Reliant Energy	Oct-01	748.90
Massachusetts	Western Massachusetts	May-01	155.00
New Hampshire	Public Service Company of New Hampshire	Apr-01	525.00
Connecticut	Connecticut Light & Power	Mar-01	1,438.40
Michigan	Detroit Edison	Mar-01	1,750.00
Pennsylvania	PECO Energy	Feb-01	805.50
New Jersey	PSE&G	Jan-01	2,525.00
Pennsylvania	PECO Energy	Apr-00	1,000.00
Pennsylvania	West Penn Power	Nov-99	600.00
Pennsylvania	Pennsylvania Power & Light	Jul-99	2,420.00
Massachusetts	Boston Edison	Jul-99	725.00
California	Sierra Pacific Power	Mar-99	24.01
Pennsylvania	PECO Energy	Mar-99	4,000.00
Illinois	Illinois Power	Dec-98	864.00
Illinois	Commonwealth Edison	Dec-98	3,400.00
Montana	Montana Power	Dec-98	62.71
California	San Diego Gas & Electric	Dec-97	658.00
California	Southern California Edison	Dec-97	2,463.00
California	Pacific Gas & Electric	Nov-97	2,901.00
Washington	Puget Sound Energy	Jul-97	35.21
Washington	Puget Sound Power & Light	Jun-95	202.25
			$ 55,470.70

revenue requirement in future base rate cases. As a result, customers will not be impacted by any variance of actual servicing costs paid to AEP Texas from the servicing fee included in the transition charges.

If AEP Texas is replaced as servicer and the new servicer is not otherwise involved in billing the retail customers in AEP Texas' service territory, the servicing fee will likely increase. The exact fee will be negotiated between the new servicer and the indenture trustee (or the indenture trustee's designee). Using the same approach from prior AEP Texas securitizations, the Company proposes that the third party servicing fee will be subject to approval by the Commission if the annual fee exceeds 0.6% of the original principal balance of the system restoration bonds.

Q. DOES THE PROPOSED SERVICING FEE DIFFER FROM PRIOR SECURITIZATIONS?

A. Yes, the proposed servicing fee is 0.10% of the initial principal amount of the system restoration bonds, compared to prior Texas securitizations where the fee for servicing has been 0.05% of the initial principal amount of the securitization bonds. This results in a servicing fee of approximately $230,000 for this transaction. The rationale for increasing the servicing fee from 5 basis points to 10 basis points is that while the size of the bond issuance is smaller than past securitizations reviewed by the Commission, the scope of activities required by the servicing entity is generally unrelated to the size of the amount financed by the system restoration bonds; rather, it represents the administrative costs of the servicer performing its servicing functions described above. Looking at prior Texas securitizations, and excluding the outliers (primarily the stranded cost securitizations over $1 billion), servicing fees approved by the

Commission have generally fallen in the $250,000 to $400,000 range, which is slightly higher than the amount proposed in this transaction.

Q. WHAT IS THE RESPONSIBILITY OF AEP TEXAS AS ADMINISTRATOR OF BONDCO?

A. The administrator's duties will include providing the following administrative services to BondCo:

(1) maintaining the general accounting records;

(2) preparing quarterly and annual financial statements as necessary;

(3) arranging for year-end audits of BondCo's financial statements;

(4) preparing all required external financial filings; and

(5) preparing any required income, franchise, or other tax returns; and (6) providing office space and related support.

Q. HOW MUCH WILL AEP TEXAS BE PAID FOR PERFORMING THESE ADMINISTRATIVE FUNCTIONS?

A. These fees will be $100,000 per year plus reimbursable third party costs, as shown on Schedule 5. This is the same amount approved in each of AEP Texas' prior securitization financing orders, and is a reasonable estimate of the costs of performing the administrative services that AEP Texas will provide under the administration agreement. AEP Texas will provide the same types of administrative services for BondCo as it currently provides under the respective administration agreements relating to prior transition bond issuances. If it becomes necessary to issue the system restoration bonds in two transactions with separate BondCos for each transaction, the administrative fee would be $100,000 per year for each BondCo. In addition, AEP

SCHEDULE-5

ESTIMATED UP-FRONT QUALIFIED COSTS

CAPPED UP-FRONT QUALIFIED COSTS		
Legal Fees (Company, Issuer, and Underwriter)	$	2,075,000
Accountant's Fees	$	150,000
Trustee's/Trustee Counsel's Fees and Expenses	$	25,000
Servicer's Set-up Costs	$	175,000
Printing/Edgarizing	$	100,000
Company Advisor's Fee	$	300,000
SPE Setup Costs	$	500
Securitization Proceeding Expenses	$	15,000
Miscellaneous Administrative Costs	$	9,500
Underwriters' Fees	$	975,241
Rating Agency Fees	$	530,785
SEC Registration Fee	$	27,766
Subtotal Capped Up-Front Qualified Costs	$	4,383,792
UNCAPPED UP-FRONT QUALIFIED COSTS		
Commission's Financial Advisor Fees	$	**200,000**
Legal Fees for Counsel to the Commission's Advisor		
Original Issue Discount	$	-
Cost of Other Credit Enhancements	$	-
Rounding/Contingency	$	-
TOTAL UP-FRONT QUALIFIED COSTS SECURITIZED	**$**	**4,583,792**

ONGOING QUALIFIED COSTS

		ANNUAL AMOUNT
Servicing Fee (AEP Texas as Servicer) (0.10% of initial System Restoration Bond principal amount)	$	229,469
Administration Fee	$	100,000
Accountant's Fee	$	50,000
Legal Fees/Expenses for Company's/Issuer's Counsel	$	55,000
Trustee's/Trustee's Counsel Fees and Expenses	$	2,500
Independent Manager's Fees	$	2,500
Rating Agency Fees	$	45,000
Printing /Edgarizing Fees	$	10,000
Miscellaneous	$	10,000
TOTAL ONGOING QUALIFIED COSTS (with AEP Texas as Servicer)	**$**	**504,469**
Ongoing Servicers Fee (Third Party as Servicer) (0.60 % of principal amount)	$	1,376,811
TOTAL ONGOING QUALIFIED COSTS (Third Party as Servicer	**$**	**1,651,811**

TARIFF CONTROL NO. 51103

ANNUAL STANDARD TRUE-UP	§	**BEFORE THE**
COMPLIANCE FILING FOR AEP	§	
TEXAS CONCERNING RIDER SRC -	§	**PUBLIC UTILITY COMMISSION**
SYSTEM RESTORATION CHARGE	§	
FACTORS AND RIDER ADFIT	§	**OF TEXAS**

ANNUAL STANDARD TRUE-UP COMPLIANCE FILING

JULY 23, 2020

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AEP TEX CENTRAL 39931 2012

RESTORATION AEP TEX 49308 2019

TARIFF CONTROL NO. __________

ANNUAL STANDARD TRUE-UP	§	**BEFORE THE**
COMPLIANCE FILING FOR AEP	§	
TEXAS CONCERNING RIDER SRC -	§	**PUBLIC UTILITY COMMISSION**
SYSTEM RESTORATION CHARGE	§	
FACTORS AND RIDER ADFIT	§	**OF TEXAS**

ANNUAL STANDARD TRUE-UP COMPLIANCE FILING

TO THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

NOW COMES AEP Texas Inc. d/b/a AEP Texas (AEP Texas or Company) and makes this Annual Standard True-Up compliance filing concerning Rider SRC – System Restoration Charge Factors and Rider ADFIT, and in support thereof would respectfully show as follows:

I. Background

On March 8, 2019, AEP Texas initially filed its application for a Financing Order under Subchapter G of Chapter 39 of the Public Utility Regulatory Act (PURA) to securitize the distribution-related system restoration costs incurred by AEP Texas due to Hurricane Harvey and other weather-related events in AEP Texas Central Division's service territory. That proceeding was assigned Docket No. 49308. On June 17, 2019, the Public Utility Commission of Texas (PUC or Commission) issued a Final Order (Financing Order) that authorized the issuance of system restoration bonds for AEP Texas for the securitizable balance and up-front qualified costs associated with such bonds through Rider SRC. In accordance with the Financing Order, AEP Texas Restoration Funding LLC (Bond Company) securitized the securitizable balance and other qualified costs on September 18, 2019 by issuing Senior Secured Restoration Bonds (System Restoration Bonds) and AEP Texas began billing Rider SRC September 18, 2019. AEP Texas is the Servicer for the Bond Company with respect to the System Restoration Bonds and in that role it bills, collects, receives and adjusts the restoration charges imposed pursuant to AEP Texas Tariff for Retail Delivery Service, Section 6.1.1.4.7.1 – Rider SRC – System Restoration Charge Factors and remits the amounts received to the trustee to repay the System Restoration Bonds. The Financing Order, Schedule SRC and Rider SRC set out the rates and terms and conditions under which the system restoration charges will be billed and collected with respect to the System Restoration Bonds.

Additionally, AEP Texas proposed an accumulated deferred federal income tax (ADFIT) credit rider to provide ratepayers the benefit of the ADFIT associated with the system restoration charges over the same period AEP Texas will collect the system restoration charges from ratepayers.[1] AEP Texas implemented Schedule 6.1.1.4.8 Rider ADFIT – ADFIT Credit on September 18, 2019. The Financing Order requires AEP Texas to adjust the ADFIT credit rider using the same allocation factors and billing determinants as the system restoration charge true-up filings.[2]

Effective December 31, 2016, AEP Texas Central Company (TCC) and AEP Texas North Company (TNC) were merged into their parent company, now called AEP Texas. The merger was approved by the Commission in Docket No. 46050 – *Application of AEP Texas Central Company, AEP Texas North Company, and AEP Utilities, Inc. for Approval of Merger*. The Commission ordered AEP Texas to "maintain separate TCC and TNC divisions, which will continue to charge separate rates and riders, and maintain separate tariffs, unless and until such time as the Commission may consider and approve consolidated rates and tariffs."[3] Consistent with the Commission's order, AEP Texas maintained two divisions within AEP Texas: AEP Texas – Central Division (formerly TCC) and AEP Texas – North Division (formerly TNC). In AEP Texas last rate case, Docket No. 49494,[4] the Commission approved the combination of the central and north division rates, with a few exceptions. Schedule SRC and Rider ADFIT are two of those exceptions and continue to apply only to customers in the certified area previously served by AEP TCC.

[1] *Application of AEP Texas Inc. for a Financing Order*, Docket No. 49308, Financing Order at Finding of Fact 18-21 (June 17, 2019).

[2] *Id.* at Ordering Para 3 (June 17, 2019).

[3] *Application of AEP Texas Central Company, AEP Texas North Company, and AEP Utilities, Inc. for Approval of Merger*, Docket No. 46050, Final Order at Ordering Paragraph No. 2 (Dec. 12, 2016).

[4] *Application of AEP Texas Inc. for Authority to Change Rates*, Docket No. 49494, Order (Apr. 3, 2020).

II. Authorized Representatives

AEP Texas' authorized representative for this filing is:

Steven Beaty
Regulatory Consultant
400 West 15th Street, Suite 1520
Austin, Texas 78701
Telephone: (512) 481-4550
Facsimile: (512) 481-4591
E-Mail: sjbeaty@aep.com

AEP Texas' legal representative for this filing is:

Melissa Gage
Associate General Counsel
400 West 15th Street, Suite 1520
Austin, Texas 78701
Telephone: (512) 481-3320
Facsimile: (512) 481-4591
E-Mail: magage@aep.com

AEP Texas requests that all information, pleadings, and other documents in this matter be served on each of the persons above and be emailed to aepaustin@aep.com.

III. Purpose of Filing and Jurisdiction

The Company is filing for an Annual Standard True-up of its Rider SRC system restoration charges and corresponding Rider ADFIT in accordance with the Financing Order. The Commission has jurisdiction over this Annual Standard True-up pursuant to PURA §§ 39.303 and 39.307.

IV. Timing of Standard True-up

Finding of Fact (FOF) No. 80 of the Financing Order states that an annual true-up (Standard True-up) adjustment to the system restoration charges will be made by the Servicer to:

(a) correct any undercollections or overcollections, including without limitation any caused by REP defaults, during the preceding 12 months; and

(b) ensure the billing of system restoration charges necessary to generate the collection of amounts sufficient to timely provide all scheduled payments of principal and interest (or deposits to sinking funds in respect of principal and interest) and any other amounts due in connection with the system restoration bonds (including ongoing fees and expenses and amounts required to be deposited in or allocated to any collection account or subaccount, trustee indemnities, payments due in connection with any expenses incurred by the indenture trustee or the servicer to enforce bondholder rights and all other payments that may be required pursuant to the waterfall of payments set forth in the indenture) during the period for which such adjusted system restoration charges are to be in effect.

Schedule SRC states that not less than 15 days prior to the first billing cycle for the Company's September billing month, and no less frequently than annually, the Servicer shall file a revised Rider SRC setting forth the upcoming SRC period's SRC rates (Adjusted SRC rates), complete with all supporting materials. The Adjusted SRC rates will become effective on the first billing cycle of the Company's September billing month. The Commission will have 15 days after the date of the true-up filing in which to confirm the accuracy of the Servicer's adjustment. Any necessary corrections to the Adjusted SRC rates, due to mathematical errors in the calculation of such rates or otherwise, will be made in a future true-up adjustment filing.

V. Description of the Annual Standard True-up Adjustment to Rider SRC and Rider ADFIT

The Adjusted SRC rates and Rider ADFIT credit calculated in this filing will be effective with the first billing cycle of September (August 27, 2020) through the last billing cycle for August 2021. The calculation of each is described below.

1. Annual Standard True-up Calculation

The Annual Standard True-up calculation is prescribed in Docket No. 49308 FOF 82 and Schedule SRC. The Annual Standard True-up is to be calculated in the following manner:

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THE MUNICIPAL UNDERWRITING PROCESS

Fixed Income: Municipal Bonds

Municipal bonds are issued by local governments such as cities, towns and counties, as well as by states and political subdivisions or agencies of states. The projects financed with municipal bonds can range from installing city streetlights to building new hospitals. A key feature of municipal bonds is that interest earned on them is generally exempt from federal income taxation and, in many states, interest earned on bonds issued in that state is exempt from state income taxation. The two most efficient methods of bringing municipal bonds to market are negotiated sales and competitive sales, with the method usually being invisible to the investor.

NEGOTIATED SALES

In negotiated sales, municipal bonds are issued under an exclusive agreement with the underwriter or underwriting syndicate, which is selected by the issuer through a proposal process. Issuers may choose the negotiated sales process when they have a large or more complex issue. In addition to the underwriter and issuer, several other parties are involved in a negotiated sale. They include:

Financial Advisor—A financial advisor guides the issuer on matters pertinent to the bond issue, such as structure, timing, marketing, fairness of pricing, terms and bond ratings.

Bond Counsel—The bond counsel is an attorney (or law firm) that is retained by the issuer to give a legal opinion stating that the issuer is authorized to issue the proposed securities. Most importantly, the bond counsel gives an unqualified opinion regarding all tax matters.

Underwriter's Counsel and/or Blue Sky Counsel—The underwriter's counsel advises the underwriter on matters pertaining to the new issue, while the blue sky counsel opines on which states the issue can legally be offered for sale to the public.

Prior to pricing a negotiated issue, several events must take place to ensure a successful sale. First, a tentative sale date is set to alert prospective customers to the upcoming pricing. This date is tentative to allow the issuer and underwriter to select the optimum time to bring bonds to the market. Second, a tentative structure of the issue must be determined. This includes maturity structure, ratings, redemption provisions, security provisions, method of repayment and other factors that affect the issue's marketability. A structure should be used that maximizes the interest of the broadest range of investors, from individuals to insurance companies and mutual funds. Finally, the preliminary official statement, a document published by the issuer that discloses material information on a new issue, must be made available to prospective buyers.

PRICING A NEGOTIATED ISSUE

When the issue is ready to be priced, the underwriter or underwriting syndicate discusses with the issuer and its financial advisor the proposed interest rates and spread (which is the fee paid to the underwriters to sell the bonds). Once the issuer gives its approval, the underwriter will release the pricing to its investor clients and allow them a certain time frame within which they can enter orders. During this order period, which can run from a minimum of one hour to five days, the underwriter closely monitors the incoming flow of orders. A well received pricing can become over-subscribed quickly, meaning there are more orders for bonds than the amount of bonds being issued. In this situation, the underwriter may recommend lowering the interest rates to the issuer. If interest in the issue is slow, meaning very few orders, the underwriter will usually advise raising the interest rates (to generate more orders) and possibly running a new order period. In a negotiated sale, the underwriter may recommend a combination of changes in interest rates and structure in order to achieve the best pricing and the maximum amount of investor interest in the issue.

After the underwriter and issuer agree on a final price and structure, the issuer awards the bonds to the underwriter who in turn will allocate the bonds to those customers who subscribed for bonds during the order period. Any unsold bonds will be offered for sale on a first-come, first-served basis.

Continued ...

COMPETITIVE SALES

Competitive sale is a method by which an underwriter or underwriting syndicate submits a bid for the purchase of a new issue of municipal securities at a given date and time, as determined by the official notice of sale. The securities are awarded to the underwriting syndicate presenting the best bid (lowest interest expense to the issuer). Issuers may choose the competitive sales process because they are required to by statute or because they believe it will allow them to achieve the lowest borrowing cost.

A financial advisor and bond counsel are involved in competitive sales also:

Financial Advisor: A financial advisor is responsible for announcing the date and time of sale, distributing the near-final official statement and notice of sale to prospective bidders, and submitting financial information to the rating agencies and municipal bond insurance companies.

Bond Counsel: Its role is identical to that in a negotiated sale.

PRICING A COMPETITIVE ISSUE

The pricing of a competitive sale is different from that of a negotiated sale in that the exact date and time of sale is set by the financial advisor and issuer. Prior to the sale, underwriters decide if they will bid on the issue and whether they will do so alone or from an underwriting syndicate in which two or more underwriters act together to submit a bid. In the hours prior to submission of the bid, the underwriter(s) discuss the scale they believe will award them the bonds. The scale is the interest rates that will be assigned for each year of maturity and the spread for which they are willing to work. Generally, the interest rates will be in ascending order from the earliest to longest maturities. The final bid is submitted to the financial advisor in the form of a sealed bid prior to, but no later than, the exact time specified. The bid must comply with all the specifications listed in the notice of sale, including interest rate restrictions and purchase price. The bid is usually for all of the issue, with partial bids not allowed.

The common methods of computing the interest expense to the issuer are net interest cost (NIC) and true interest cost (TIC), which serve as the basis of award in a competitive sale. The underwriting syndicate with the lowest NIC or TIC will be notified by the financial advisor that it has been awarded the issue.

After the award is received, the syndicate will run an order period for investor clients and syndicate members similar to that of a negotiated sale. One major difference compared to a negotiated sale is that the interest rates and structure are set and cannot be altered. At the end of the order period, allotments will be made and balances, if any, will be available on a first-come, first-served basis.

PIPER JAFFRAY EXPERTISE

Piper Jaffray is an active participant in both the negotiated and competitive sale new issue markets. The expertise of our municipal bond traders and public finance bankers allows us to provide an attractive supply of municipal bonds for our many retail and institutional clients. In 2004, Piper Jaffray was second in the nation in the number and par value of new issues $10 million and less and ranked among the top 15 municipal investment banks by par value. We underwrote 530 new municipal issues with a par amount of more than $7.6 billion.* The calendar of upcoming negotiated and competitive sales is available weekly from a Piper Jaffray financial advisor.

**Thomson Financial Securities Data, 2004.*

Some issues may be subject to state and local taxes and/or the alternative minimum tax. Bond prices fluctuate as general interest rates change, so you may receive more or less than you paid if you sell prior to maturity. Any increase in principal value may be taxable. This information is not to be used as a primary basis of investment decisions. Please consult a Piper Jaffray financial advisor for more information. Piper Jaffray does not provide legal or tax advice.

BEST PRACTICES

Expenses Charged by Underwriters in Negotiated Sales

State and local government issuers should establish at the beginning of the bond negotiation process what expenses will be directly paid by the issuer or as part of the underwriter spread.

When selling tax exempt or taxable municipal bonds through negotiated sale, in addition to negotiating the price or yield for each bond, the underwriters compensation, or so-called spread, or underwriters discount must be negotiated. There are four components of the spread; the takedown, the management fee, the underwriting risk fee, and underwriters expenses. Underwriters expenses included in a bond issue should represent fair reimbursement at the least public cost of expenses undertaken by the underwriters for the benefit of the transaction.

Issuers should be familiar with the types of transaction expenses that are encountered in typical bond sales and should be prepared to discuss and agree on how transaction expenses should be treated. Treatment of transaction expenses may be subject to legal constraints of bond resolutions, local ordinances, governing state statutes, or federal tax law. Certain expenses normally are considered issuers expenses and, if paid from the bond issue, should be characterized as costs of issuance rather than the underwriters expenses.

Issuers need to make sure that the expenses charged are appropriate for the transaction, regardless of how they ultimately are paid. Decisions about including or excluding specific expenses from being part of the underwriters expenses or costs of issuance require consideration of policy regarding whether certain expenses will be paid from the proceeds of the bond, either paid directly by the issuer or as part of the underwriter spreadover the life of the bond issue by inclusion, paid from available cash outside the bond issue, or paid by the underwriter outside the bond issue as a business overhead expense of the underwriting firm.

GFOA recommends that state and local government issuers establish at the beginning of the bond negotiation process what expenses will be directly paid by the issuer or as part of the underwriter spread. This should occur through discussions between the issuer (together with its financial advisor) and the underwriter. Along with establishing which expenses will be paid for by the issuer either directly or through the underwriter spread, the requirements for documenting each item, and the procedure for disbursing the expense funds at closing should be established and documented. Expense items may be categorized as follows:

Commonly accepted underwriters expenses:

- reasonable costs underwriters counsel;
- reasonable travel costs incurred as part of the transaction. Issuers may want to establish guidelines regarding travel reimbursement practices including but not limited to mode of travel, airfare, hotels and meals.
- external data service fees for transmitting information on interest rates, takedowns, and priority of orders;
- interest/day loan costs;
- charges for communication, including the rating agency presentation, mailing, printing, and telephone expenses; and,
- CUSIP fees.

Expenses commonly viewed as issuers expenses that normally are treated as cost of issuance and may be capitalized within a bond issue (but not within the spread) are:

- bond counsel fees,
- rating agency fees,
- financial advisor fees,
- necessary rating agency or marketing travel by the issuer,
- printing of disclosure documents,
- upfront trustee or fiduciary fees.

Expenses commonly viewed as not essential to a transaction:

- unnecessary, unreasonable or non-approved travel and meals,
- celebratory closing dinners,
- mementos,
- commuting costs to and from work by the underwriters staff, computer-or structuring charges, and undocumented clearing charges.

Issuers should be aware that inappropriately denying the underwriter fair reimbursement of necessary and reasonable expenses increases the pressure on the underwriter to compensate itself elsewhere in the bond transaction, specifically in the takedown, the management fee, the underwriting fee, or even in the bond price/yield. This may have the effect of reducing sales incentive among the members of the underwriting syndicate.

Issuers need to be certain that they do not pay for either the MSRB Underwriting and Transaction Assessment fee, which dealers are prohibited to pass along to issuers under MSRB Rule A-131, nor the SIFMA Municipal Assessment fee, which is no longer in place. Additionally, issuers should not allow the underwriter to pass through to them any fees that are assessed on the underwriters firm as part of a new Governmental Accounting Standards Board (GASB) fee.

Notes:

MSRB Rule A-13(e), " Prohibition on Charging Fees Required Under this Rule to Issuers. No broker, dealer or municipal securities dealer shall charge or otherwise pass through the fee required under this rule to an issuer of municipal securities."

References:

- GFOA Best Practice, Issuers Role in Selecting Underwriters Counsel, 2009.
- GFOA Best Practice, Pricing Bonds in a Negotiated Sale, 2009.
- GFOA Best Practice, Selecting Underwriters for a Negotiated Bond Sale, 2008
- *Debt Issuance and Management: A Guide for Smaller Governments*, James C. Joseph, GFOA, 1994.
- *Understanding the Underwriting Spread*, Issue Brief No. 2, California Debt Advisory Commission, March 1993.

Board approval date: Tuesday, January 31, 2012

Municipal Bond Underwriting Spreads - How Underwriters Make Money

The Underwriting Spread

In a new offering of municipal bonds, underwriters make money from the "underwriting spread." The underwriting spread (underwriter spread or underwriting fee) is the difference between the price at which a bond issue is bought (the purchase paid) and the price at which the bonds are sold to investors.

An underwriting spread can be obtained using a discount, par or premium pricing approach (or a combination of the three pricing methods). Generally, the pricing approach does not affect the underwriter's compensation.**(1)** The underwriter will establish a purchase price for the bonds and interest rates that result in the desired level of compensation.

Without knowing how bonds are priced, it is not possible to know what compensation the underwriter is receiving. For example, an underwriter that purchases a bond issue at a discount of 1/2% (purchase price of 99.5%) does not necessarily obtain a 1/2% fee. The compensation will be more than 1/2% if the bonds are sold at a premium (a price higher than 100%). A discount of 1/2% coupled will reoffering premiums totaling 1/2% would net the underwriter a total spread of 1%. Stated differently, if the underwriter purchases the bonds 99.5% and sells the bonds at 100.5% the compensation is 1%.

Municipal Bond Yields and Rates

The underwriting spread affects the bond issue price and rates with the constant variable being the current market yield. Current market yield refers to the rate of return required to entice an investor to purchase a bond for a particular duration of time. For a new bond offering, when bonds are sold to the public at a price of 100%, the rate on the bonds and the yields are the same as indicated in the following example.

Year	Rate	Yield	Price
1	3.35%	3.35%	100.000%
2	3.40	3.40	100.000
3	3.50	3.50	100.000
4	3.60	3.60	100.000
5	3.70	3.70	100.000

When bonds are sold to the public at a price other than 100%, the rate on the bonds (and the price at which the bonds are sold) must be adjusted so that investors obtain the same rate of return (yield). In setting the rates on individual maturities of a bond issue, the underwriter takes the following into account (i) market yields, (ii) the prices required to obtain the desired underwriting spread, and (iii) prices that will be attractive to investors (not too high or too low).

Based on the same market yields as shown above, the following table indicates the price at which the bonds are sold when the rate on all of the bonds is 3.6%.

Year	Rate	Yield	Price
1	3.60%	3.35%	100.243%
2	3.60	3.40	100.383
3	3.60	3.50	100.282
4	3.60	3.60	100.000
5	3.60	3.70	99.547

Bond Pricing Examples

Four examples are set forth below to illustrate how different pricing approaches result in a 1% underwriter spread. In addition, the four examples show how different pricing approaches affect the amount of funds obtained by the issuer, interest rates and debt service. The four examples are based on the following:

- The same pricing approach is applied to each maturity of bonds. (Often different pricing approaches are applied to individual maturities of a single bond issue.)
- The issuer sells $10,000,000 principal amount of bonds (regardless of pricing approach) and the principal amounts maturing in each year remain constant.
- The bonds mature over a 5 year term.
- The underwriter establishes rates and purchase prices that result in compensation of 1% (a 1% underwriting spread).
- The market yields at the time of the sale are as follows:

Year	Yield
1	3.350%
2	3.400
3	3.500
4	3.600
5	3.700

Bonds Purchased at a Discount and Reoffered at Par

In this example the bonds are purchased from the issuer at a price of 99% and reoffered (sold to investors) at a price of 100% netting the underwriter a total spread of 1%.

Year	Principal	Rate	Yield	Price	Interest	Total Debt Service
1	$ 1,865,000	3.350%	3.350%	100.000%	$ 351,628	$ 2,216,628
2	1,930,000	3.400	3.400	100.000	289,150	2,219,150
3	1,995,000	3.500	3.500	100.000	223,530	2,218,530
4	2,065,000	3.600	3.600	100.000	153,705	2,218,705
5	2,145,000	3.700	3.700	100.000	79,365	2,224,365
Total	$10,000,000				$1,097,378	$11,097,378

Purchase Price = 99% or $9,900,000
Underwriter Compensation = $100,000
Total Debt Service as Shown Above = $11,097,378

Bonds Purchased at Par and Reoffered at a Premium

In this example the bonds are purchased from the issuer at a price of 100% and reoffered at an average price of 101% netting the underwriter a total spread of 1%.

Year	Principal	Rate(2)	Yield	Price	Interest	Total Debt Service
1	$ 1,865,000	3.737%	3.350%	100.377%	$ 386,861	$ 2,251,861
2	1,930,000	3.750	3.400	100.671	317,166	2,247,166
3	1,995,000	3.850	3.500	100.988	244,791	2,239,791
4	2,065,000	3.850	3.600	100.923	167,984	2,232,984
5	2,145,000	4.125	3.700	101.923	88,481	2,233,481
Total	$10,000,000				$1,205,284	$11,205,284

Underwriter Compensation = $100,000
Funds Received by Issuer = $10,000,000
Total Debt Service as Shown Above = $11,205,284

Bond Purchased at a Premium and Reoffered at a Premium

In this example the bonds are purchased from the issuer at a price of 101% and reoffered at an average price of 102% netting the underwriter a total spread of 1%.

Year	Principal	Rate	Yield	Price	Interest	Total Debt Service
1	$ 1,865,000	4.450%	3.350%	101.072%	$ 432,440	$ 2,297,440
2	1,930,000	4.450	3.400	102.013	349,448	2,279,448
3	1,995,000	4.350	3.500	102.400	263,563	2,258,563
4	2,065,000	4.250	3.600	102.401	176,780	2,241,780
5	2,145,000	4.150	3.700	102.037	89,018	2,234,018
Total	$10,000,000				$1,311,248	$11,311,248

Underwriter Compensation = $99,998
Funds Received by Issuer = $10,100,000
Total Debt Service as Shown Above = $11,311,248

Bonds Purchased at a Discount and Reoffered at a Discount
(Original Issue Discount Pricing)

Original issue discount pricing occurs when the rates on a new issue of municipal bonds are set lower than the current market yield. In this example, the bonds are purchased from the issuer at a price of 98% and reoffered at an average price of 99% netting the underwriter a total spread of 1%.

Year	Principal	Rate(2)	Yield	Price	Interest	Total Debt Service
1	$ 1,865,000	3.123%	3.350%	99.778%	$ 318,838	$ 2,183,838
2	1,930,000	3.125	3.400	99.472	260,594	2,190,594
3	1,995,000	3.125	3.500	98.940	200,281	2,195,281
4	2,065,000	3.200	3.600	98.522	137,938	2,202,938
5	2,145,000	3.350	3.700	98.415	71,857	2,216,858
Total	$10,000,000				$989,508	$10,989,508

Underwriter Compensation = $100,003
Funds Received by Issuer = $9,800,000
Total Debt Service as Shown Above = $10,989,508

Comparison of Four Pricing Alternatives

The following table summarizes the results from the examples above. Note that in each example the underwriter obtains approximately $100,000 (1% of the principal amount of the issue); however the amount of funds received by the issuer and the debt service paid over the life of the bond issue varies based on the pricing method used to obtain the underwriter's spread.

Purchase Price/Sale Price	Bought at Discount/Sold At Discount (Original Issue Discount)	Bought at Discount/Sold at Par	Bought at Par/Sold at Premium	Bought at Premium/Sold at Premium
Underwriter's Compensation	$100,003	$100,000	$100,000	$99,998
Funds Received by Issuer	$9,800,000	$9,900,000	$10,000,000	$10,100,000
Total Debt Service	$10,989,508	$11,097,378	$11,205,283	$11,311,248

Summary

Underwriters are compensated through an underwriting spread that can be obtained through a number of pricing combinations. The spread is the difference between the price at which a bond issue is purchased and the price at which the bonds are sold to investors. Without knowing the price at which bonds are sold an issuer can not know how much the underwriter was compensated. Without knowing the price at which the bonds are sold, an underwriter may be compensated more than had been intended. In addition, because the pricing approach affects the funds received by the issuer and the total debt service paid, it is important that issuers understand the mechanics of pricing or seek pricing assistance from an independent financial advisor.

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(1) An underwriter may set a higher level of compensation if the issuer selects a pricing strategy that is not consistent with the pricing approach desired by the underwriter.
(2) Municipal bond rates are generally in multiples of 1/20 or 1/8 of 1%. Some of the rates set forth above are for purposes of illustrating pricing rather than indicative of true market rates.

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Underwriter Spreads and How They Work for Munis

Justin KuepperMay 11, 2017
2017-05-11

The process of registering, issuing and selling municipal bonds is a complicated endeavor that investors should understand in detail before purchasing newly issued bonds.

In particular, it's important to understand how all participants in the process are compensated to fully understand the risks involved and to assist in proper due diligence. This can help you avoid purchasing mispriced bonds.

In this article, we will take a look at underwriter spreads and how they affect the returns of individual muni bond investors.

The Role of Underwriters in the Bond Issuance Process

The process of registering and selling municipal bonds is complicated, which is why underwriters are usually hired to assist state and local governments.

The process begins when a state or local government decides to issue a bond. To assist in the process, they hire a financing team to develop the offering documents, engage any ratings agencies, create investor presentations, market the bond offering to investors, price the bonds and close the transaction. This process involves different parties including municipal advisors, bond counsel, underwriters, ratings agencies, trustees and others.

The initial offering price is the price of the bond offered to the public at the time of original issuance. Muni bonds are normally sold based on the yield of the transaction, but they may also be offered at a set premium or discount to par value. For example, a normal muni bond's yield might be equal to the stated interest rate on the bond, while a muni bond priced at a discount to par value will have a yield higher than the coupon rate.

The gross underwriting spread is the difference between the price paid by investors and the amount paid by an underwriter to the issuer for the securities. For example, if an issuer sells $5 million in muni bonds to investors at par value with a 1% underwriting spread, then the issuer would receive $4,950,000 and the underwriter would receive $50,000 as compensation for distributing the newly issued securities to investors and undertaking the risks of marketing the bonds.

The underwriting spread is not standardized and varies significantly across dealers. The same bond might trade at significantly different levels depending on the dealers and investors involved in the transactions. Fortunately, tools like EMMA (offered by the Municipal Securities Rulemaking Board) can help determine the extent of markups in past transactions while making sure that municipal specialists don't charge exorbitant commissions on trades or mark-ups.

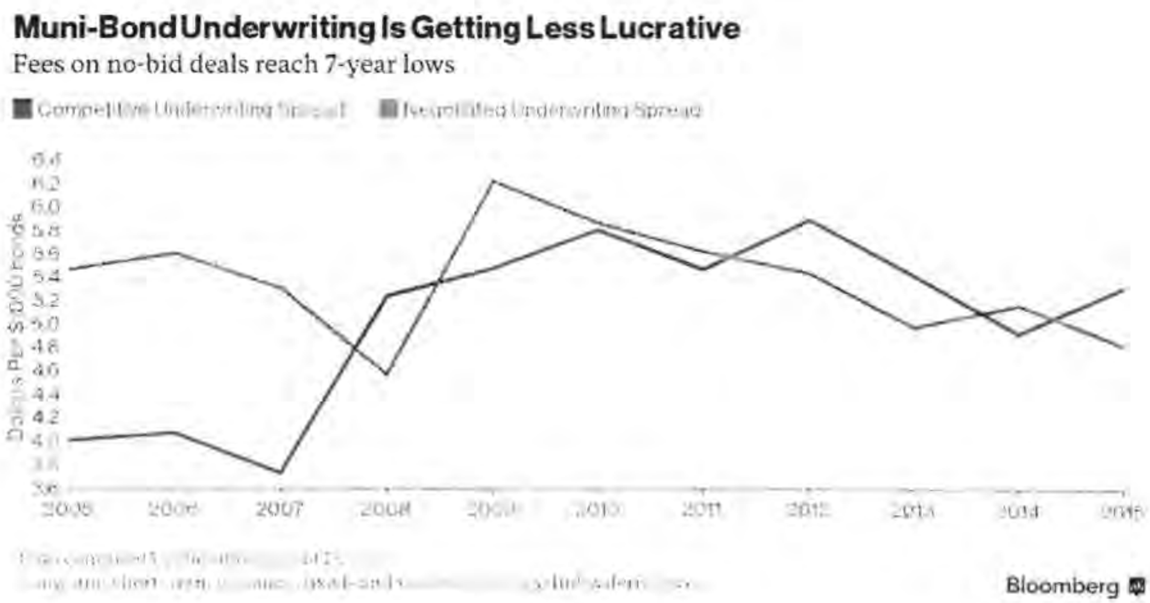
For more information, see The Basics of Municipal Bonds and How They Work.

Challenges and Opportunities for Underwriters

Municipal bonds have been growing in popularity, but underwriting bond issues have become less profitable. According to Bloomberg, fees on negotiated deals – which comprise three-quarters of the market – fell to $4.80 per $1,000 of bonds in late-2015, the lowest levels since 2008. Negotiated deals entail state or local governments selecting a bank in advance rather than simply offering the bonds to the lowest bidder in an auction.

Competitive deals have their own share of problems as well. Aside from bonds sold in a pre-sale, the underwriters of a competitive deal must commit to underwrite the entire amount and take on more risk. Negotiated deals involve the bond going through an order period with only a small balance being assumed as risk. Tight spreads have made competitive deals more risky, given the lack of income and high amount of resale risk.

For more information, see the Glossary of Muni Bond Terms to familiarize yourself with terms like negotiated deals.



The primary cause of lower underwriting spreads has been low interest rates, which has increased competition as banks search for yield. Declining trading volume in muni bond issues also means that banks have been forced to underwrite bonds to offer them to customers, further increasing competition. And finally, new regulations put in place since 2008 have made underwriting more expensive and less profitable for banks.

The largest muni bond underwriters include companies like Bank of America Merrill Lynch and Citigroup. With the reduced profitability, some banks have decided to exit the market or sell their businesses. Guggenheim Securities, Bank of

Montreal and Sterne Agee Group are just a few financial services firms that sold off their local government bond businesses back in 2015, following the lack of profitability.

On the other hand, companies like UBS Wealth Management Americas is looking to revive their muni bond businesses. The firm had previously exited the business following the financial crisis, but decided to re-enter the business amid the rising interest rate environment. With the Federal Reserve expected to hike rates further this year, investors could refocus on double and triple tax-exempt securities – like muni bonds – as a critical asset class.

Aside from these large underwriters, there are many smaller underwriters that, in aggregate, comprise the majority of the industry.

Underwriting Spreads & Investors

Municipal bond underwriting spreads have a significant impact on investors since they effectively determine the pricing of the offering.

- Low underwriting spreads may encourage these banks to take on greater risks, such as lower quality debt or complicated debt structures, to increase their yields.
- In other cases, underwriters may push toward more competitive negotiated deals that entail greater risk through full commitments.

Investors should keep these factors in mind when conducting due diligence on newly issued bonds.

This should eventually be part of an investor's muni bond investment strategy.

The Bottom Line

The process of registering, issuing and selling municipal bonds is a complex and multi-party process. Underwriters are a key part of the process and typically earn their fees through the underwriter spread – or the difference between the price at which they purchase bonds and the price at which they sell. Investors should consider underwriter-related factors when conducting due diligence on newly issued muni bonds.

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A Look at What's Driving Muni Bonds in 2H 2021

Justin KuepperJul 07, 2021
2021-07-07

Municipal bonds have always been an attractive fixed income asset class thanks to their tax-advantaged status and government safety net – especially for investors that fall into higher tax brackets. These benefits have become even more pronounced with potential capital gains tax increases for high earners and rising inflation.

According to Municipal Market Analytics, investors snapped up more than $40 billion worth of muni bonds during the first half of the year, which was the most over the same period since 2008.

Let's look at these trends and three reasons they are poised to continue into the second half of the year.

Be sure to check out our Education section to learn more about municipal bonds.

Stabilizing Quality

Moody's Investors Service raised its outlook for state and local governments to "stable" from "negative" after the $1.9 trillion pandemic relief bill passed in March, saying that the funds would stabilize state finances and help avoid local government funding cuts. The upgrade helped draw many investors back into muni bonds after the sell-off.

Check out this article to learn more about the implications of the massive $1.9 trillion American Rescue Plan Act.

State governments have also been able to raise billions of dollars on highly favorable terms in recent months. For example, Illinois saved millions of dollars when it borrowed $1.26 billion in mid-March, paying just 1.09% compared to 3.42% on comparable bonds. These sales have helped increase supply, while refinancing has improved credit ratings.

Rising Interest Rates

Interest rates have been on the rise over the past year. For instance, 10-year Treasury yields have risen from a low of nearly 0.5% during the middle of last year to about 1.75% earlier this year. In addition, annual inflation rates have been running at about 5%, thanks to a nearly 50% increase in lumber prices and a 30% increase in energy prices.

Municipal bonds aren't nearly as sensitive to interest rates as Treasuries or corporate bonds. This is because many investors hold the bonds until maturity, creating stickier prices unless rates truly start to accelerate. The tax-advantaged status of muni bonds also offsets some interest rate risks, as many investors prefer to avoid taxes – even if rates rise.

Taxes & Incentives

The Biden administration's proposed tax changes could make municipal bonds even more attractive to investors. In particular, the president's proposal to hike top capital gains rates to 39.6% could make after-tax muni yields attractive. After all, the after-tax yield of a 5% muni bond is closer to an 8% corporate bond for investors in the 35% tax bracket.

The latest bipartisan infrastructure plans could incentivize municipalities to issue more public-private bonds, private activity bonds and direct-pay bonds on the supply side. While Build America Bonds have been popular since 2009, there is substantial demand for additional types of bonds that could offer higher interest rates than general obligation issues.

Click here to learn more about Build America Bonds.

Risks Remain

There are many different types of municipal bonds. Each bond has its issuer, structure, creditworthiness, income potential and other factors that investors must consider. During today's low-yield environment and supply-demand imbalance, investors cannot rely on high-quality municipal bonds to meet income requirements.

High-quality state general obligation bonds may not have a lot of upside in today's environment, which means investors may have to seek out sectors where post-pandemic recoveries still offer the potential for improvements. These higher-yielding opportunities provide more cushion against rising rates but come at potentially greater risk.

The Bottom Line

Municipal bonds have always been an attractive asset class due to their unique tax advantages and government safety net. That said, with rising interest rates, improving credit quality and the prospect of higher taxes, these bonds have become even more attractive in recent months, setting the stage for further outperformance during 2H 2021.

Other trends could continue driving the sector higher beyond 2021. For example, the rise of impact investments has boosted interest in climate and social change muni bonds, from bonds funding K-12 schools in underserved communities to alternative energy investments. These trends could accelerate in 2022 and beyond.

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OFFICIAL STATEMENT DATED JUNE 23, 2021

NEW ISSUES - Book-Entry-Only — **Ratings:** Moody's: "Aaa"
S&P: "AAA"
See "OTHER RELEVANT INFORMATION—Ratings" herein

In the opinion of McCall, Parkhurst & Horton L.L.P. ("Bond Counsel"), assuming compliance with certain covenants and based on certain representations, interest on the Bonds is excludable from gross income for federal income tax purposes under the statutes, regulations, published rulings and court decisions existing on the date thereof. Interest on the Bonds, however, is an item of tax preference includable in alternative minimum taxable income for purposes of determining the alternative minimum tax. See "TAX MATTERS" herein for a discussion of Bond Counsel's opinion.

STATE OF TEXAS
(GENERAL OBLIGATION BONDS)

$146,880,000
COLLEGE STUDENT LOAN BONDS, SERIES 2021A

$72,385,000
COLLEGE STUDENT LOAN REFUNDING BONDS, SERIES 2021B

Dated July 1, 2021
(Interest accrues from date of delivery)

Due: August 1, as shown on (pages ii and iii)

The $146,880,000 State of Texas College Student Loan Bonds, Series 2021A (the "Series 2021A Bonds") and the $72,385,000 State of Texas College Student Loan Refunding Bonds, Series 2021B (the "Series 2021B Bonds" and, collectively with the Series 2021A Bonds, the "Bonds") will be issued by the Texas Higher Education Coordinating Board (the "Board") pursuant to a Resolution of the Board and under the authority of the Constitution and laws of the State of Texas (the "State"), particularly, as applicable, (i) Article III, Section 50b-7 of the State Constitution, (ii) Chapter 52, Texas Education Code, as amended, and (iii) Chapters 1207 and 1371, Texas Government Code, as amended. THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE PURSUANT TO THE CONSTITUTION OF THE STATE AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein. Proceeds from the sale of (i) the Series 2021A Bonds will be used to fund an ongoing student loan program which provides low interest loans to eligible students at institutions of higher education in the State and (ii) the Series 2021B Bonds will be used to currently refund certain of the Board's outstanding College Student Loan Bonds (as defined herein) as set forth on Schedule I hereto. See "PLAN OF FINANCE" herein.

Interest on each Series of the Bonds will accrue from their date of delivery and will be payable on February 1 and August 1 of each year, commencing February 1, 2022 (each, an "Interest Payment Date"), and will be calculated on the basis of a 360-day year composed of 12 months of 30 days each. In the event any Interest Payment Date is not a Business Day (as defined herein), interest on the Bonds is payable on the next succeeding Business Day. See "THE BONDS" herein. The initial Paying Agent/Registrar for the Bonds will be Wells Fargo Bank, N.A, at its office in Minneapolis, Minnesota. See "THE BONDS—Paying Agent/Registrar" herein.

Certain of the Series 2021A Bonds are subject to redemption prior to maturity as described herein. The Series 2021B Bonds are not subject to redemption prior to maturity. See "THE BONDS—Redemption of Bonds" herein.

CUSIP PREFIX: 882724

MATURITY SCHEDULES AND 9 DIGIT CUSIP

See pages ii and iii

The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC"), New York, New York, pursuant to the book-entry-only system described herein. **No physical delivery of the Bonds will be made to the owners thereof except as described herein.** Principal of and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the beneficial owners of the Bonds. See "THE BONDS—Book-Entry-Only System" herein.

The Bonds are offered for delivery when, as and if issued, subject to the approving opinions of the Attorney General of the State of Texas and of McCall, Parkhurst & Horton L.L.P., Austin, Texas, Bond Counsel (see "APPENDIX D—Forms of Opinions of Bond Counsel"). It is expected that the Bonds will be available for delivery through the facilities of DTC on or about July 13, 2021.

$146,880,000
STATE OF TEXAS
(General Obligation Bonds)
COLLEGE STUDENT LOAN BONDS,
SERIES 2021A

MATURITY SCHEDULE

CUSIP Prefix[1]: 882724

Maturity Date (August 1)[2]	Maturing Amount	Interest Rate	Initial Reoffering Yield	CUSIP Suffix[1]
2025	$4,605,000	4.000%	0.590%	TB3
2026	4,835,000	5.000	0.730	TC1
2027	5,080,000	5.000	0.850	TD9
2028	5,335,000	5.000	0.960	TE7
2029	5,600,000	5.000	1.070	TF4
2030	5,880,000	5.000	1.170	TG2
2031	6,175,000	5.000	1.240	TH0
2032	6,480,000	5.000	1.280	TJ6
2033	6,805,000	5.000	1.310	TK3
2034	7,145,000	5.000	1.330	TL1
2035	7,435,000	5.000	1.360	TM9
2036	7,730,000	5.000	1.390	TN7
2037	8,040,000	4.000	1.570	TP2
2038	8,360,000	3.000	1.830	TQ0
2039	8,695,000	3.000	1.860	TR8
2040	9,045,000	3.000	1.890	TS6
2041	9,405,000	3.000	1.920	TT4
2042	9,780,000	3.000	1.970	TU1
2043	10,075,000	3.000	2.000	TV9
2044	10,375,000	3.000	2.030	TW7

(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor's Capital IQ on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the Board, its Financial Advisor or the Series 2021A Initial Purchaser is responsible for the selection or correctness of the CUSIP numbers set forth herein.

(2) Yield calculated based on the assumption that the Series 2021A Bonds subject to redemption and sold at a premium will be called on the first optional redemption date of August 1, 2031 at a redemption price of par plus accrued interest to such redemption date.

$72,385,000
STATE OF TEXAS
(General Obligation Bonds)
COLLEGE STUDENT LOAN REFUNDING BONDS,
SERIES 2021B

MATURITY SCHEDULE

CUSIP Prefix[1]: 882724

Maturity Date (August 1)	Maturing Amount	Interest Rate	Initial Reoffering Yield	CUSIP Suffix[1]
2022	$3,200,000	4.000%	0.210%	TX5
2023	3,535,000	4.000	0.330	TY3
2024	3,710,000	4.000	0.450	TZ0
2025	3,895,000	4.000	0.590	UA3
2026	4,090,000	4.000	0.730	UB1
2027	4,295,000	4.000	0.850	UC9
2028	4,510,000	5.000	0.960	UD7
2029	4,735,000	5.000	1.070	UE5
2030	4,970,000	5.000	1.170	UF2
2031	5,220,000	5.000	1.240	UG0
2032	5,485,000	5.000	1.330	UH8
2033	5,755,000	5.000	1.410	UJ4
2034	6,040,000	5.000	1.480	UK1
2035	6,345,000	5.000	1.560	UL9
2036	6,600,000	5.000	1.640	UM7

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SUMMARY STATEMENT

STATE OF TEXAS
(General Obligation Bonds)

$146,880,000 COLLEGE STUDENT LOAN BONDS, SERIES 2021A	$72,385,000 COLLEGE STUDENT LOAN REFUNDING BONDS, SERIES 2021B

The following Summary Statement is subject in all respects to the more complete information contained in this Official Statement. The offering of the Bonds to potential investors is made only by means of this entire Official Statement. This summary page was prepared to present information concerning the Bonds to the purchasers of each Series of the Bonds, the sources pledged to payment of the Bonds and other pertinent data, all as more fully described herein. No person is authorized to detach this summary page from this Official Statement or to otherwise use it without the entire Official Statement.

THE BONDS .... The $146,880,000 State of Texas College Student Loan Bonds, Series 2021A (the "Series 2021A Bonds") and the $72,385,000 State of Texas College Student Loan Refunding Bonds, Series 2021B (the "Series 2021B Bonds" and, collectively with the Series 2021A Bonds, the "Bonds").

THE ISSUER .... The State of Texas, acting through the Texas Higher Education Coordinating Board. See "THE BOARD" herein.

AUTHORITY FOR ISSUANCE .... The Bonds are issued pursuant to a Resolution of the Board and under the authority of the Constitution and laws of the State of Texas (the "State"), particularly, as applicable, (i) Article III, Section 50b-7 of the State Constitution, (ii) Chapter 52, Texas Education Code, as amended (the "Act"), and (iii) Chapters 1207 and 1371, Texas Government Code, as amended. See "THE BONDS—Authority for Issuance" herein.

SECURITY FOR THE BONDS .... Money received by the Board in each fiscal year as repayment of student loans granted under the Act must first be deposited in the Interest and Sinking Fund (as hereinafter defined) in the amount required by the Act. Money in the Interest and Sinking Fund is pledged pursuant to the Resolution to secure payment of principal of and interest on the Bonds. IN ADDITION, THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE OF TEXAS PURSUANT TO THE CONSTITUTION OF THE STATE AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein.

REDEMPTION .... Certain of the Series 2021A Bonds are subject to redemption prior to maturity as described herein. The Series 2021B Bonds are not subject to redemption prior to maturity. See "THE BONDS—Redemption of Bonds" herein.

INITIAL PAYING AGENT/REGISTRAR .... Wells Fargo Bank, N.A., at its office in Minneapolis, Minnesota. See "THE BONDS—Paying Agent/Registrar" herein.

TAX MATTERS .... In the opinion of McCall, Parkhurst & Horton L.L.P. ("Bond Counsel"), assuming compliance with certain covenants and based on certain representations, interest on the Bonds is excludable from gross income for federal income tax purposes under existing law. Interest on the Bonds, however, is an item of tax preference includable in alternative minimum taxable income for purposes of determining the alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" herein for a discussion of Bond Counsel's opinion.

USE OF BOND PROCEEDS .... Proceeds from the sale of (i) the Series 2021A Bonds will be used to fund an ongoing student loan program which provides low interest loans to eligible students at institutions of higher education in the State and (ii) the Series 2021B Bonds will be used to currently refund certain of the Board's outstanding College Student Loan Bonds (as defined herein) as set forth on Schedule I hereto. See "PLAN OF FINANCE" herein.

PAYMENT RECORD .... The Board has never defaulted in the payment of its debt.

RATINGS .... Moody's Investors Service: "Aaa" and S&P Global Ratings: "AAA" See "OTHER RELEVANT INFORMATION—Ratings" herein.

LEGAL INVESTMENTS IN TEXAS .... The Bonds are eligible to secure deposits of any public funds of the State, its agencies and political subdivisions, and are legal security for those deposits to the extent of their market value. See "OTHER RELEVANT INFORMATION—Legal Investments and Eligibility to Secure Public Funds in Texas" herein.

For additional information concerning this offering, please contact:

Ken Martin Assistant Commissioner – Financial Services / Chief Financial Officer Texas Higher Education Coordinating Board 1200 E. Anderson Lane Austin, Texas 78752 (512) 427-6173	Lee Donner Senior Managing Director Hilltop Securities Inc. 505 W. Fifth Street, Suite 280 Clifton, Texas 76634 (254) 675-3552

SOURCES AND USES OF FUNDS

The proceeds from the sale of each Series of the Bonds, together with other lawfully available funds of the Board, will be applied approximately as follows:

	Series 2021A Bonds	Series 2021B Bonds
Sources of Funds:		
Par Amount of the Bonds	$146,880,000.00	$72,385,000.00
Net Original Issue Premium	30,576,005.60	21,478,912.90
Board's Contribution from Interest and Sinking Fund	-	2,339,000.00
Board's Contribution from available funds	246,520.85	499,448.19
Total Sources	$177,702,526.45	$96,702,361.09
Uses of Funds:		
Deposit to Student Loan Auxiliary Fund	$177,113,187.09	-
Deposit to Escrow Fund	-	$95,899,000.00
Initial Purchaser's Discount	342,818.51	624,926.99
Costs of Issuance	246,520.85	178,434.10
Total Uses	$177,702,526.45	$96,702,361.09

THE BONDS

Authority for Issuance

The Bonds are issued pursuant to the Resolution and under the authority of the Constitution and laws of the State, particularly, as applicable, (i) Article III, Section 50b-7 of the State Constitution, (ii) the Act and (iii) Chapters 1207 and 1371, Texas Government Code, as amended.

General

Each Series of the Bonds will be issued as fully-registered bonds, without coupons, in denominations of $5,000 and any integral multiple thereof, will be dated July 1, 2021, will accrue interest from their date of delivery, and will bear interest at the per annum rates shown on pages ii and iii hereof. Interest on each Series of the Bonds is payable on February 1 and August 1 of each year, commencing February 1, 2022 (each, an "Interest Payment Date"), and will be calculated on the basis of a 360-day year comprised of 12 months of 30 days each. Each Series of the Bonds mature on the dates and in the principal amounts set forth on pages ii and iii hereof, as applicable. The initial Paying Agent/Registrar for the Bonds will be Wells Fargo Bank, N.A., at its office in Minneapolis, Minnesota. In the event any Interest Payment Date is not a Business Day, interest on the Bonds is payable on the next succeeding Business Day.

Redemption

Optional Redemption of Series 2021A Bonds. On August 1, 2031, or on any date thereafter, the Series 2021A Bonds maturing on and after August 1, 2032 may be redeemed prior to their scheduled maturities, at the option of the Board, with funds derived from any lawfully available source, as a whole or in part (provided that a portion of a Series 2021A Bond may be redeemed only in an Authorized Denomination), at a redemption price of 100% of the principal amount thereof called for redemption, plus accrued interest thereon to the date fixed for redemption. The Board will determine the maturity or maturities of the Series 2021A Bonds, and the principal amount of the Series 2021A Bonds within each maturity, to be redeemed. If less than all the Series 2021A Bonds of a maturity are to be redeemed, the particular Series 2021A Bonds to be redeemed will be selected by the Paying Agent/Registrar by lot or other random method for redemption. The Board will deliver notice to the Paying Agent/Registrar of its intention to redeem Series 2021A Bonds at least 35 days prior to the redemption date.

No Redemption of Series 2021B Bonds. The Series 2021B Bonds are not subject to redemption prior to their scheduled maturities.

Partial Redemption.

(a) A portion of a single Series 2021A Bond of a denomination greater than an Authorized Denomination may be redeemed but only in a principal amount equal to an Authorized Denomination which will

OFFICIAL STATEMENT
Dated June 22, 2021

Ratings: Fitch: "AA"
Moody's: "Aa2"
S&P: "AA"
(See "RATINGS" herein.)

NEW ISSUE – Book-Entry-Only

In the opinion of McCall, Parkhurst & Horton L.L.P. and Kassahn & Ortiz, P.C., Co-Bond Counsel, interest on the Bonds (defined below) will be excludable from gross income for federal income tax purposes under statutes, regulations, published rulings, and court decisions existing on the date thereof, subject to the matters described under "TAX MATTERS" herein.

$274,375,000
CITY OF SAN ANTONIO, TEXAS
(A political subdivision of the State of Texas located primarily in Bexar County)
WATER SYSTEM JUNIOR LIEN REVENUE AND REFUNDING BONDS, SERIES 2021A (NO RESERVE FUND)

Dated Date: July 1, 2021
Interest to Accrue from Date of Delivery (defined below)

Due: May 15, as shown on inside cover

GENERAL . . . The City of San Antonio, Texas (the "City"), acting on behalf and for the benefit of the San Antonio Water System ("SAWS"), is issuing its $274,375,000 Water System Junior Lien Revenue and Refunding Bonds, Series 2021A (No Reserve Fund) (the "Bonds") pursuant to the Constitution and the general laws of the State of Texas, including particularly Chapters 1207, 1371, and 1502, Texas Government Code, as amended, the City's Home Rule Charter, and an ordinance (the "Ordinance") relating to the Bonds adopted by the City Council of the City (the "City Council") on May 20, 2021. As permitted by Chapters 1207 and 1371, Texas Government Code, as amended, the City Council has, in the Ordinance, delegated to certain authorized officials of the City and SAWS (each, an "Authorized Official") the authority to establish final terms of sale of the Bonds. These final sales terms are evidenced in an "Approval Certificate" executed by an Authorized Official on June 22, 2021.

PURPOSE . . . Proceeds from the sale of the Bonds will be used to provide funds for the purposes of (i) building, improving, extending, enlarging, equipping, and repairing the System (defined below), (ii) refunding certain currently outstanding Junior Lien Obligations (as described herein) for debt service savings, as identified in Schedule I (the "Refunded Obligations"), and (iii) paying the costs of issuance of the Bonds.

PAYMENT TERMS . . . Interest on the Bonds will accrue from their date of initial delivery to the initial purchasers thereof identified below (the "Underwriters"), will be payable on May 15 and November 15 of each year, commencing November 15, 2021, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"), acting as a securities depository (the "Securities Depository"), pursuant to the Book-Entry-Only System described herein. The City reserves the right to discontinue the use of the Securities Depository. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds (see "THE BONDS – Book-Entry-Only System" herein). The initial Paying Agent/Registrar is UMB Bank, N.A., Dallas, Texas (see "THE BONDS – Paying Agent/Registrar" herein).

SECURITY . . . The Bonds are special obligations of the City, payable, both as to principal and interest, solely from and secured by, together with the other currently outstanding Junior Lien Obligations, a junior lien on and pledge of the Net Revenues (as defined herein) of the City's combined water and wastewater system (the "System"), management, operation, and maintenance of which is the responsibility of the SAWS' Board of Trustees (the "Board"), remaining after the City's satisfaction of its debt service payment and reserve fund obligations, among other matters, relating to the Senior Lien Obligations (as described herein). **The Reserve Fund (defined herein) providing additional security for certain of the outstanding Junior Lien Obligations does not additionally secure the Bonds.** The City has not covenanted or obligated itself to pay the Bonds from money raised or to be raised from taxation (see "THE BONDS – Security and Source of Payment; Pledge of Net Revenues" herein).

CUSIP PREFIX: 79642G
MATURITY SCHEDULE & 9 DIGIT CUSIP
SEE SCHEDULE ON INSIDE COVER

LEGALITY . . . The Bonds are offered for delivery when, as and if issued and received by the Underwriters named below, and subject to the approving opinion of the Attorney General of Texas and the approval of certain legal matters by McCall, Parkhurst & Horton L.L.P., San Antonio, Texas, and Kassahn & Ortiz, P.C., San Antonio, Texas, Co-Bond Counsel (see "APPENDIX E – FORM OF CO-BOND COUNSEL'S OPINION" herein). Certain legal matters will be passed upon for the City by the City Attorney and for the Underwriters by their counsel, Locke Lord LLP, Austin, Texas.

DELIVERY . . . It is expected that the Bonds will be available for initial delivery through the services of DTC on or about July 13, 2021 (the "Date of Delivery").

RBC CAPITAL MARKETS
BLAYLOCK VAN, LLC
SAMCO CAPITAL

CITIGROUP
FROST BANK
STIFEL

MATURITY SCHEDULE **CUSIP No.[1] Prefix: 79642G**

$274,375,000
City of San Antonio, Texas
Water System Junior Lien Revenue and Refunding Bonds, Series 2021A (No Reserve Fund)

$153,095,000 Serial Bonds

Stated Maturity (May 15)	Principal Amount ($)	Interest Rate (%)	Initial Yield (%)	CUSIP No.[1] Suffix	Stated Maturity (May 15)	Principal Amount ($)	Interest Rate (%)	Initial Yield (%)	CUSIP No.[1] Suffix
2022	4,610,000	5.000	0.130	MC3	2033	7,985,000	5.000	1.280*	MP4
2023	4,845,000	5.000	0.180	MD1	2034	565,000	5.000	1.330*	MQ2
2024	5,095,000	5.000	0.290	ME9	2035	8,425,000	5.000	1.380*	MR0
2025	5,355,000	5.000	0.450	MF6	2036	8,860,000	5.000	1.420*	MS8
2026	5,630,000	5.000	0.580	MG4	2037	9,310,000	5.000	1.450*	MT6
2027	5,920,000	5.000	0.700	MH2	2038	9,740,000	4.000	1.620*	MU3
2028	6,220,000	5.000	0.810	MJ8	2039	10,140,000	4.000	1.650*	MV1
2029	6,540,000	5.000	0.940	MK5	2040	10,555,000	4.000	1.680*	MW9
2030	6,870,000	5.000	1.060	ML3	2041	10,985,000	4.000	1.710*	MX7
2031	7,225,000	5.000	1.160	MM1	2042	10,625,000	4.000	1.740*	NA6
2032	7,595,000	5.000	1.230*	MN9					

$121,280,000 Term Bonds

$48,000,000, 5.000% Term Bond due May 15, 2046, Priced at 129.674 to Yield 1.710%*, CUSIP No. Suffix[1] MY5
$73,280,000, 4.000% Term Bond due May 15, 2051, Priced at 118.565 to Yield 1.920%*, CUSIP No. Suffix[1] MZ2

(Interest accrues from the Date of Delivery)

Redemption

Optional Redemption. The City has reserved the right, at its option, to redeem Bonds having stated maturities on and after May 15, 2032, in whole or in part, in principal amounts of $5,000 or any integral multiple thereof, on May 15, 2031, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. See "THE BONDS – Redemption – Optional Redemption" herein.

Mandatory Sinking Fund Redemption. The Bonds maturing on May 15, 2046 and May 15, 2051, also known as "Term Bonds", are also subject to mandatory sinking fund redemption. See "THE BONDS – Redemption – Mandatory Sinking Fund Redemption" herein.

* Yield calculated on the assumption the Bonds denoted and sold at premium will be redeemed on May 15, 2031, the first optional call date for such Bonds, at a price of par plus accrued interest to the date of redemption.

(1) CUSIP numbers are included solely for the convenience of owners of the Bonds. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the City, the Board, the Co-Financial Advisors, or the Underwriters are responsible for the selection or correctness of the CUSIP numbers set forth herein.

uncertain or disputed. The issuance of a writ of mandamus is controlled by equitable principles, and rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The Ordinance does not provide for the appointment of a trustee to represent the interest of the bondholders upon any failure of the City to perform in accordance with the terms of such Ordinance, or upon any other condition and accordingly all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners. The Texas Supreme Court ruled in *Tooke v. City of Mexia*, 197 S.W.3d 325 (Tex. 2006) ("Tooke") that a waiver of sovereign immunity in a contractual dispute must be provided for by statute in "clear and unambiguous" language. Chapter 1371, which pertains to the issuance of public securities by issuers such as the City, permits the City to waive sovereign immunity in the proceedings authorizing the issuance of the Bonds. Notwithstanding its reliance upon the provisions of Chapter 1371 in connection with the issuance of the Bonds (as further described under the caption "THE BONDS – Authority for Issuance"), the City has not waived the defense of sovereign immunity with respect thereto. Because it is unclear whether the Texas Legislature has effectively waived the City's sovereign immunity from a suit for money damages outside of Chapter 1371, bondholders may not be able to bring such a suit against the City for breach of the covenants included in the Bonds or the Ordinance.

Furthermore, Tooke, and subsequent jurisprudence, held that a municipality is not immune from suit for torts committed in the performance of its proprietary functions, as it is for torts committed in the performance of its governmental functions (the "Proprietary-Governmental Dichotomy"). Governmental functions are those that are enjoined on a municipality by law and are given by the State as a part of the State's sovereignty, to be exercised by the municipality in the interest of the general public, while proprietary functions are those that a municipality may, in its discretion, perform in the interest of the inhabitants of the municipality.

In *Wasson Interests, Ltd. v. City of Jacksonville*, 489 S.W.3d 427 (Tex. 2016) ("Wasson"), the Texas Supreme Court (the "Court") addressed whether the distinction between governmental and proprietary acts (as found in tort-based causes of action) applies to breach of contract claims against municipalities. The Court analyzed the rationale behind the Proprietary-Governmental Dichotomy to determine that "a city's proprietary functions are not done pursuant to the 'will of the people'" and protecting such municipalities "via the [S]tate's immunity is not an efficient way to ensure efficient allocation of [S]tate resources". While the Court recognized that the distinction between governmental and proprietary functions is not clear, the Wasson opinion held that the Proprietary-Governmental Dichotomy applies in contract-claims context. The Court reviewed Wasson for a second time and issued an opinion on October 5, 2018 clarifying that to determine whether governmental immunity applies to a breach of contract claim, the proper inquiry is whether the municipality was engaged in a governmental or proprietary function when it entered into the contract, not at the time of the alleged breach. Therefore, in regard to municipal contract cases (as in tort claims), it is incumbent on the courts to determine whether a function is proprietary or governmental based upon the statutory guidance and definitions found in the Texas Civil Practice and Remedies Code, determination of which will dictate the availability of the defense of immunity for causes of action arising under such contract.

Notwithstanding the foregoing case law issued by the Court, such sovereign immunity issues have not been adjudicated in relation to bond matters (specifically, in regard to the issuance of municipal debt). Each situation will be prospectively evaluated based on the facts and circumstances surrounding the contract in question to determine if a suit, and subsequently, a judgment, is justiciable against a municipality. If a judgment against the City could be obtained, it could not be enforced by direct levy and execution against the City's property. Furthermore, the City is eligible to seek relief from its creditors under Chapter 9 of the United States Bankruptcy Code ("Chapter 9"). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, such provision is subject to judicial construction. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or bondholders of an entity which has sought protection under Chapter 9. Therefore, should the City avail itself of Chapter 9 protection from creditors, the ability to enforce would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court); and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinion of Co-Bond Counsel will note that all opinions relative to the enforceability of the Ordinance and the Bonds are qualified with respect to the customary rights of debtors relative to their creditors and principles of equity which permit the exercise of judicial discretion.

SOURCES AND USES OF BOND PROCEEDS

Proceeds from the sale of the Bonds, along with a cash contribution of the System, are expected to be expended as follows:

Sources of Funds	
Par Amount of the Bonds	$274,375,000.00
Premium	66,483,570.70
System Contribution	709,042.81
Total Sources of Funds	$341,567,613.51
Uses of Funds	
Escrow Fund Deposit	$13,661,656.58
Construction Fund Deposit	326,196,562.71
Underwriters' Discount	994,231.18
Costs of Issuance and Additional Proceeds	715,163.04
Total Uses of Funds	$341,567,613.51

SECURITY FOR THE BONDS

COMBINED SYSTEM

The City has previously authorized the creation of the System, a single, unified water system consisting of the City's then existing waterworks, wastewater, and water reuse systems, together with all future improvements and additions thereto, and all replacements thereof. In addition, the

OFFICIAL STATEMENT DATED JUNE 9, 2021

NEW ISSUE — BOOK-ENTRY ONLY

Ratings:
Moody's: A1
KBRA: AA-
(See "RATINGS" herein.)

In the opinion of Bracewell LLP, Tax Counsel, under existing law, interest on the Series 2021A Bonds (i) is excludable from gross income for federal income tax purposes, except for any period during which a Series 2021A Bond is held by a person who is a "substantial user" of the facilities financed or refinanced with the proceeds of the Series 2021A Bond or a "related person" of such a "substantial user," each within the meaning of section 147(a) of the Internal Revenue Code, as amended, as described under "TAX MATTERS" herein, and (ii) is an item of tax preference that is includable in alternative minimum taxable income for purposes of determining a taxpayer's alternative minimum tax liability. See "TAX MATTERS" herein for a discussion of the opinion of Tax Counsel.

$286,010,000
CITY OF HOUSTON, TEXAS
AIRPORT SYSTEM
SUBORDINATE LIEN REVENUE REFUNDING BONDS,
SERIES 2021A (AMT)

Interest Accrual Date: Date of Delivery (as defined below) **Due:** July 1: see inside cover page

This Official Statement is provided to furnish information in connection with the offering by the City of Houston, Texas (the "City") of its Airport System Subordinate Lien Revenue Refunding Bonds, Series 2021A (AMT) (the "Series 2021A Bonds").

Proceeds of the sale of the Series 2021A Bonds will be used to (i) refund the Refunded Notes (as defined herein) and (ii) pay related costs of issuance of the Series 2021A Bonds. See "PURPOSE AND PLAN OF FINANCING."

The Series 2021A Bonds will be issued in fully registered form in denominations of $5,000 or any integral multiple thereof. Interest on the Series 2021A Bonds will accrue from their Date of Delivery and will be payable semi-annually on each January 1 and July 1, commencing January 1, 2022, until maturity or prior redemption. The Bank of New York Mellon Trust Company, National Association (the "Paying Agent/Registrar") is the initial Paying Agent/Registrar.

The Series 2021A Bonds, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2021A Bonds, until DTC resigns or is discharged. The Series 2021A Bonds will be available to purchasers only in book-entry form. For as long as Cede & Co. is the exclusive registered owner of the Series 2021A Bonds, the principal of and interest on the Series 2021A Bonds will be payable by the Paying Agent/Registrar to DTC, which will be responsible for making such payments to DTC Participants for subsequent remittance to the owners of beneficial interests in the Series 2021A Bonds. The purchasers of the Series 2021A Bonds will not receive certificates representing their beneficial ownership interests therein.

The Series 2021A Bonds are special obligations of the City which, together with the Outstanding Subordinate Lien Bonds and any Additional Subordinate Lien Bonds hereafter issued, are payable from, and equally and ratably secured by, a lien on the Net Revenues of the Houston Airport System (as used herein, such term shall have the meaning assigned to the term "Airport System" within the hereinafter defined Ordinance), subject and subordinate to the prior and superior lien of Outstanding Senior Lien Obligations and Additional Senior Lien Obligations, if any, all as defined herein, and certain Funds established pursuant to the Ordinance (as defined herein). See "COVENANTS AND TERMS OF THE ORDINANCE."

THE SERIES 2021A BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OR GENERAL OBLIGATION OF THE CITY. OWNERS OF THE SERIES 2021A BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2021A BONDS FROM ANY FUNDS RAISED OR TO BE RAISED BY TAXATION.

The Series 2021A Bonds are subject to optional and mandatory redemption prior to maturity, as described herein. See "THE SERIES 2021A BONDS – Redemption."

SEE INSIDE COVER PAGE FOR MATURITIES,
PRINCIPAL AMOUNTS, INTEREST RATES, PRICES AND YIELDS

This cover page is not intended to be a summary of the terms of, or the security for, the Series 2021A Bonds. Investors are advised to read the Official Statement in its entirety to obtain information essential to the making of an informed investment decision. See "INVESTMENT CONSIDERATIONS."

The Series 2021A Bonds are offered by the Underwriters listed below when, as and if issued by the City and accepted by the Underwriters, subject to the approving opinion of the Attorney General of the State of Texas and the opinions of Bracewell LLP, Houston, Texas, Co-Bond Counsel and Tax Counsel, and of West & Associates, L.L.P., Houston, Texas, Co-Bond Counsel, as to the validity of the Series 2021A Bonds under the Constitution and the laws of the State of Texas. Certain matters will be passed upon for the City by its Special Disclosure Co-Counsel, Haynes and Boone, LLP, Houston, Texas and The Chevalier Law Firm, PLLC, Houston, Texas. Certain other legal matters will be passed upon for the Underwriters by their counsel, Orrick, Herrington & Sutcliffe LLP, Houston, Texas. The Series 2021A Bonds are expected to be available for delivery on or about June 22, 2021 (the "Date of Delivery") through the facilities of DTC in New York, New York.

GOLDMAN SACHS & CO. LLC

BARCLAYS **STERN BROTHERS**

BOFA SECURITIES **FROST BANK** **PIPER SANDLER & CO.**

MATURITY AND PRICING SCHEDULE

$286,010,000
CITY OF HOUSTON, TEXAS
AIRPORT SYSTEM
SUBORDINATE LIEN REVENUE REFUNDING BONDS, SERIES 2021A (AMT)

Interest Accrual Date: Date of Delivery

CUSIP Prefix[1]: 442349

$162,295,000 Serial Bonds

Maturity (July 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP Suffix[1]
2023	$ 2,500,000	5.000%	0.180%	FC5
2024	2,500,000	5.000	0.320	FD3
2025	2,750,000	5.000	0.550	FE1
2026	5,000,000	5.000	0.700	FF8
2027	5,500,000	5.000	0.880	FG6
2028	5,900,000	5.000	1.040	FH4
2029	5,500,000	5.000	1.170	FJ0
2030	5,500,000	5.000	1.290	FK7
2031	5,700,000	5.000	1.380	FL5
2032[2]	5,300,000	5.000	1.430[3]	FM3
2033[2]	10,795,000	5.000	1.450[3]	FN1
2034[2]	11,335,000	5.000	1.490[3]	FP6
2035[2]	11,905,000	4.000	1.620[3]	FQ4
2036[2]	12,380,000	4.000	1.650[3]	FR2
2037[2]	12,875,000	4.000	1.700[3]	FS0
2038[2]	13,390,000	4.000	1.740[3]	FT8
2039[2]	13,925,000	4.000	1.780[3]	FU5
2040[2]	14,480,000	4.000	1.800[3]	FV3
2041[2]	15,060,000	4.000	1.830[3]	FW1

$123,715,000 Term Bonds

$84,840,000 Term Bonds Due July 1, 2046[2][4], Interest Rate 4.000%, Yield 2.000%[3], CUSIP Suffix[1] FX9
$38,875,000 Term Bonds Due July 1, 2048[2][4], Interest Rate 4.000%, Yield 2.020%[3], CUSIP Suffix[1] FY7

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[1] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the City, the Co-Financial Advisors or the Underwriters is responsible for the selection or correctness of the CUSIP numbers set forth herein.

[2] The City reserves the right, at its option, to redeem Series 2021A Bonds having stated maturities on or after July 1, 2032, in whole or in part, in principal amounts of $5,000 or any integral multiple thereof, on July 1, 2031, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. See "THE SERIES 2021A BONDS – Redemption – *Optional Redemption*."

[3] The initial yield on the Series 2021A Bonds sold at an original issue premium is calculated to the first optional redemption date, which is July 1, 2031.

[4] Subject to mandatory sinking fund redemption, as described in "THE SERIES 2021A BONDS – Redemption – *Mandatory Sinking Fund Redemption*."

SOURCES AND USES OF FUNDS

The following table summarizes the estimated sources and uses of proceeds of the Series 2021A Bonds:

SOURCES OF FUNDS:	
Par Amount of Bonds	$ 286,010,000.00
Original Issue Premium	61,127,095.35
Issuer Contribution[1]	800,000.00
TOTAL SOURCES	$ 347,937,095.35
USES OF FUNDS:	
Deposit to Refunded Notes Paying Agent[2]	$ 345,800,000.00
Underwriters' Discount	1,027,196.86
Costs of Issuance[3]	1,109,898.49
TOTAL USES	$ 347,937,095.35

[1] For additional information see "RESERVE FUNDS AND RESERVE FUND SURETY POLICIES – Reserve Fund for the Subordinate Lien Bonds."

[2] The interest due on the Refunded Notes will be deposited with the Refunded Notes Paying Agent by the City from other available funds on or before the Date of Delivery.

[3] Includes legal fees, rating agency fees, fees of the Paying Agent/Registrar, Refunded Notes Paying Agent, and other costs of issuance. Also may include rounding amount.

THE SERIES 2021A BONDS

General

The Series 2021A Bonds are Subordinate Lien Bonds that, together with all other Subordinate Lien Bonds from time to time Outstanding, are payable from, and equally and ratably secured by, a lien on the Net Revenues of the Houston Airport System. The lien on Net Revenues securing Subordinate Lien Bonds is subordinate and junior to the superior lien on the Net Revenues securing the Senior Lien Obligations. See "INTRODUCTION – Lien Securing the Series 2021A Bonds and Other Obligations."

The Series 2021A Bonds will mature in the principal amounts and on the dates indicated on the inside cover page of this Official Statement. Interest on the Series 2021A Bonds will accrue from the Date of Delivery, be payable on each January 1 and July 1, commencing January 1, 2022, until maturity or earlier redemption, and be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Series 2021A Bonds will be issued in fully registered form in denominations of $5,000 or any integral multiple thereof ("Authorized Denominations").

Principal of the Series 2021A Bonds is payable when due upon presentation and surrender thereof at the principal office of the Paying Agent/Registrar. Interest on the Series 2021A Bonds will be payable to the Registered Owner whose name appears in the registration books for the Series 2021A Bonds (the "Register") maintained by the Paying Agent/Registrar at the close of business on the 15th day of the calendar month immediately preceding the applicable interest payment date and shall be payable by the Paying Agent/Registrar by check or draft sent by United States mail, first class postage prepaid. Accrued interest payable at maturity of the Series 2021A Bonds will be paid upon presentation and surrender of such Series 2021A Bonds at the principal office of the Paying Agent/Registrar.

Redemption

Optional Redemption

The Series 2021A Bonds maturing on or after July 1, 2032 shall be subject to redemption prior to stated maturity at the option of the City on July 1, 2031 or any date thereafter, in whole or in part, at a price equal to the principal amount of the Series 2021A Bonds to be redeemed, plus the accrued interest thereon to (but not including) the date fixed for redemption.

OFFICIAL STATEMENT DATED MAY 26, 2021

NEW ISSUES — BOOK-ENTRY ONLY

RATINGS: Fitch: AA
S&P: AA
See "RATINGS" herein

In the opinion of Orrick, Herrington & Sutcliffe LLP, Tax Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2021A Bonds (as defined below) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). In the further opinion of Tax Counsel, interest on the Series 2021A Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Tax Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2021A Bonds. See "TAX MATTERS – Series 2021A Bonds" herein. Interest on the Series 2021B Bonds (as defined below) is not excluded from gross income for federal income tax purposes under Section 103 of the Code. See "TAX MATTERS – Series 2021B Bonds" herein.

$365,950,000
CITY OF HOUSTON, TEXAS
Combined Utility System
First Lien Revenue Refunding Bonds
consisting of:

$265,905,000	$100,045,000
COMBINED UTILITY SYSTEM FIRST LIEN REVENUE REFUNDING BONDS, SERIES 2021A	**COMBINED UTILITY SYSTEM FIRST LIEN REVENUE REFUNDING BONDS, TAXABLE SERIES 2021B**

Interest Accrual Date: Date of Delivery CUSIP Prefix: 44244C Due: November 15, see inside cover page

This Official Statement is provided to furnish information in connection with the offering by the City of Houston, Texas (the "City"), of its Combined Utility System First Lien Revenue Refunding Bonds, Series 2021A (the "Series 2021A Bonds") and its Combined Utility System First Lien Revenue Refunding Bonds, Taxable Series 2021B (the "Series 2021B Bonds" and, together with the Series 2021A Bonds, the "Bonds"). The Bonds are special obligations of the City, payable as to principal, premium, if any, and interest solely from and secured by a lien on and pledge of Net Revenues (defined herein), as collected and received, to be derived from the operation of the City's Combined Utility System ("CUS," the "System" or the "Combined Utility System"). The Combined Utility System currently consists of the City's water and sewer system and may include such other utility systems that the City elects to combine with the Combined Utility System, as permitted by the Master Ordinance (defined herein). Capitalized terms used herein but not otherwise defined herein have the meanings given to such terms in APPENDIX C.

The proceeds of the Series 2021A Bonds will be used, together with other available funds, for the following purposes: (i) refunding of all or a portion of the City's Outstanding Combined Utility System Commercial Paper Notes, Series B (the "Refunded Notes"); and (ii) paying the costs of issuance of the Series 2021A Bonds. The proceeds of the Series 2021B Bonds will be used, together with other available funds, for the following purposes: (i) refunding a portion of the City's Outstanding Combined Utility System First Lien Revenue Bonds (as more specifically described on SCHEDULE I, the "Refunded Bonds"), and (ii) paying the costs of issuance of the Series 2021B Bonds. See "PURPOSE AND PLAN OF FINANCE."

The City has determined that the Bonds will not be Reserve Fund Participants which share in the First Lien Bond Reserve Fund.

THE LIEN ON NET REVENUES OF THE SYSTEM SECURING THE BONDS IS SUBORDINATE TO THE LIEN SECURING PREVIOUS ORDINANCE BONDS IN AN AGGREGATE AMOUNT OUTSTANDING OF APPROXIMATELY $149.2 MILLION AS OF MARCH 31, 2021. THE CITY WILL NOT ISSUE ANY ADDITIONAL BONDS OR OTHER OBLIGATIONS UNDER THE PREVIOUS ORDINANCE. SEE "REQUIRED PAYMENTS UNDER PREVIOUS ORDINANCE" FOR FURTHER INFORMATION. THE BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF THE CITY AND ARE NOT PAYABLE FROM FUNDS RAISED OR TO BE RAISED BY TAXATION.

The Bonds will be issued as fully registered securities and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository with respect to the Bonds. The Bank of New York Mellon Trust Company, N.A., Houston, Texas, will act as the initial paying agent for the Bonds.

The Bonds are subject to optional and mandatory sinking fund redemption prior to their stated maturity, as provided herein. The Series 2021B Bonds are also subject to Make-Whole Redemption prior to their stated maturity, as provided herein.

The Bonds will be issued in authorized denominations of $5,000 principal amount and any integral multiple thereof. Interest on the Bonds will accrue from their Date of Delivery (defined herein) until maturity or prior redemption and is payable semiannually on each May 15 and November 15, commencing November 15, 2021.

This cover page contains certain information for quick reference only. It is not a summary of this Official Statement. Prospective investors must read the entire Official Statement, including certain information incorporated by reference herein and all appendices hereto, to obtain information essential to making an informed investment decision, paying particular attention to the matters discussed in "INVESTMENT CONSIDERATIONS."

SEE INSIDE COVER PAGES FOR MATURITY, PRICING SCHEDULE AND CUSIP NUMBERS

The Bonds are offered, when, as and if issued by the City, subject to the approving opinion of the Attorney General of Texas and the opinion of Orrick, Herrington & Sutcliffe LLP, Houston, Texas and The Law Office of Wendy Montoya Cloonan, PLLC, Houston, Texas, Co-Bond Counsel for the City, as to the validity of the issuance of the Bonds under the Constitution and laws of the State of Texas. Certain legal matters will be passed upon for the City by McCall, Parkhurst & Horton L.L.P., Houston, Texas and Bates & Coleman PC, the City's Co-Special Disclosure Counsel. Certain legal matters will be passed upon for the Underwriters (defined herein) of the Bonds by their counsel, Greenberg Traurig LLP, Houston, Texas. The Bonds are expected to be available for delivery on or about June 24, 2021 (the "Date of Delivery").

UBS

RAYMOND JAMES **SIEBERT WILLIAMS SHANK & CO., LLC**

CITIGROUP **JEFFERIES** **RAMIREZ & CO., INC.**

$265,905,000
CITY OF HOUSTON, TEXAS
COMBINED UTILITY SYSTEM
FIRST LIEN REVENUE REFUNDING BONDS,
SERIES 2021A

MATURITY, PRICING SCHEDULE AND CUSIP NUMBERS

CUSIP Prefix 44244C[3]

$141,725,000 Serial Bonds

Year (Nov. 15)[1]	Maturity Amount	Interest Rate	Yield[2]	CUSIP Suffix[3]
2022	$ 4,465,000	3.000%	0.100%	H67
2023	4,625,000	4.000%	0.160%	H75
2024	4,840,000	5.000%	0.290%	H83
2025	5,085,000	5.000%	0.440%	H91
2026	5,350,000	5.000%	0.560%	J24
2027	5,620,000	5.000%	0.740%	J32
2028	5,910,000	5.000%	0.870%	J40
2029	6,215,000	5.000%	1.010%	J57
2030	6,530,000	5.000%	1.100%	J65
2031	6,865,000	5.000%	1.190%	J73
2032	7,220,000	5.000%	1.260%	J81
2033	7,550,000	4.000%	1.360%	J99
2034	7,860,000	4.000%	1.370%	K22
2035	8,180,000	4.000%	1.410%	K30
2036	8,515,000	4.000%	1.430%	K48
2037	8,815,000	3.000%	1.700%	K55
2038	9,085,000	3.000%	1.760%	K63
2039	9,360,000	3.000%	1.800%	K71
2040	9,645,000	3.000%	1.840%	K89
2041	9,990,000	4.000%	1.630%	K97

$124,180,000 Term Bonds

$56,420,000 Term Bond[4] due November 15, 2046[1], 4.000%, Yield[2] 1.770%, CUSIP Suffix[3] L21

$21,950,000 Term Bond[4] due November 15, 2051[1], 2.375%, Yield[2] 2.500%, CUSIP Suffix[3] L47

$7,950,000 Term Bond[4] due November 15, 2051[1], 3.000%, Yield[2] 2.150%, CUSIP Suffix[3] L54

$37,860,000 Term Bond[4] due November 15, 2051[1], 4.000%, Yield[2] 1.820%, CUSIP Suffix[3] L39

(Interest accrues from Date of Delivery)

(1) The Series 2021A Bonds maturing on or after November 15, 2032 are subject to redemption prior to maturity, at the option of the City, on November 15, 2031, or any date thereafter. See "THE BONDS – Optional Redemption of Bonds."

(2) The initial yield is calculated to the first optional redemption date.

(3) CUSIP numbers have been assigned to the Series 2021A Bonds by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association, and are included solely for the convenience of the owners of the Series 2021A Bonds. Neither the City, the Co-Financial Advisors (defined herein) nor the Underwriters are responsible for the selection or the correctness of the CUSIP numbers set forth herein. CUSIP is a registered trademark of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Services.

(4) Subject to mandatory sinking fund redemption as described in "THE BONDS – Mandatory Sinking Fund Redemption."

$100,045,000
CITY OF HOUSTON, TEXAS
COMBINED UTILITY SYSTEM
FIRST LIEN REVENUE REFUNDING BONDS,
TAXABLE SERIES 2021B

MATURITY, PRICING SCHEDULE AND CUSIP NUMBERS

CUSIP Prefix 44244C[2]

Price 100%

Year (Nov. 15)[1]	Maturity Amount	Interest Rate	CUSIP Suffix[2]
2021	$ 2,045,000	0.151%	L62
2022	1,870,000	0.191%	L70
2023	5,315,000	0.341%	L88
2024	5,175,000	0.526%	L96
2025	5,215,000	0.811%	M20
2026	9,265,000	1.011%	M38
2027	9,375,000	1.366%	M46
2028	9,515,000	1.516%	M53
2029	5,205,000	1.709%	M61
2030	730,000	1.909%	M79
2031	5,545,000	1.929%	M87
2032	5,650,000	2.009%	M95
2033	630,000	2.209%	N29
2034	645,000	2.309%	N37
2035	660,000	2.409%	N45
2036	12,840,000	2.459%	N52
2037	13,160,000	2.509%	N60
2038	7,205,000	2.599%	N78

(Interest accrues from Date of Delivery)

(1) The Series 2021B Bonds maturing on or after November 15, 2032 are subject to redemption prior to maturity, at the option of the City, on November 15, 2031, or any date thereafter. See "THE BONDS – Optional Redemption of Bonds."
The Series 2021B Bonds are also subject to make-whole redemption at the option of the City at any time upon payment of a make-whole redemption amount. See "THE BONDS – Make-Whole Redemption of Series 2021B Bonds".

(2) CUSIP numbers have been assigned to the Series 2021B Bonds by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association, and are included solely for the convenience of the owners of the Series 2021B Bonds. Neither the City, the Co-Financial Advisors nor the Underwriters are responsible for the selection or the correctness of the CUSIP numbers set forth herein. CUSIP is a registered trademark of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Services.

SOURCES AND USES OF FUNDS

The following table summarizes the estimated sources and uses of proceeds of the Bonds, together with other available funds of the City:

	Series 2021A Bonds	Series 2021B Bonds	Total
Sources of Funds:			
Principal Amount of Bonds	$265,905,000.00	$100,045,000.00	$365,950,000.00
Net Original Issue Premium	50,611,795.90	–	50,611,795.90
Other Available Funds	–	426,284.22	426,284.22
Total Sources of Funds	$316,516,795.90	$100,471,284.22	$416,988,080.12
Uses of Funds:			
Deposit to Refunded Notes Paying Agent for Payment of the Refunded Notes[1]	$315,000,000.00	–	$315,000,000.00
Deposit to Refunded Bonds Escrow Fund for Payment of the Refunded Bonds	–	$99,917,755.07	99,917,755.07
Underwriters' Discount	935,316.28	318,808.28	1,254,124.56
Costs of Issuance[2]	581,479.62	234,720.87	816,200.49
Total Uses of Funds	$316,516,795.90	$100,471,284.22	$416,988,080.12

(1) The interest due on the Refunded Notes will be deposited with the Paying Agent by the City from other available funds at closing.
(2) Includes legal fees, rating agency fees, verification agent fees, fees of the Paying Agent/Registrar and other costs of issuance.

REQUIRED PAYMENTS UNDER PREVIOUS ORDINANCE

The Master Ordinance provides that before any payments may be made on System Obligations, including First Lien Bonds such as the Bonds, all "Required Payments" must be made. The term "Required Payments" is defined in the Master Ordinance to mean any payments required to be made under the Previous Ordinance, including without limitation (i) all payments required to be made by the City as Maintenance and Operation Expenses under the Previous Ordinance, including without limitation under existing contracts on the effective date of the Master Ordinance for the impoundment, conveyance, or treatment of water or otherwise which are treated as operating expenses under the laws of the State, and (ii) all payments required to be made by the City to pay debt service requirements on Previous Ordinance Bonds in accordance with the terms of the Previous Ordinance and to comply with the reserve fund requirements of the Previous Ordinance. As of March 31, 2021, approximately $149.2 million in Previous Ordinance Bonds remains Outstanding, representing the accreted value of Previous Ordinance Bonds issued as capital appreciation bonds.

Existing contracts include the treated water supply contracts and a project contract with the Coastal Water Authority ("CWA"). CWA has issued bonds (the "Previously Issued Contract Revenue Bonds") secured by payments from the City under an amended and restated treated water supply contract, which are considered Required Payments. For further information, see "SYSTEM DEBT AND CHARGES — Schedule 11 — Obligations Payable from System Revenues." See also "THE CITY AND THE SYSTEM — Water Facilities — Water Supply Contracts."

Other than debt currently Outstanding under the Previous Ordinance, the City has covenanted and agreed in the Master Ordinance not to issue any additional bonds or incur any other obligations under the Previous Ordinance. See "CERTAIN COVENANTS AND TERMS OF THE MASTER ORDINANCE.

NEW ISSUE - BOOK–ENTRY ONLY **RATINGS: See "RATINGS" herein**

*Interest on the Series 2021A Bonds (as defined herein) is **not** excludable from gross income for federal tax purposes under existing law. See "**TAX MATTERS**" herein. In the opinion of co-bond counsel to NTTA, interest on the Series 2021B Bonds (as defined herein) will be excludable from gross income for federal income tax purposes under statutes, regulations, published rulings and court decisions existing on the date hereof, subject to the matters discussed under "**TAX MATTERS**" herein.*

NTTA
NORTH TEXAS TOLLWAY AUTHORITY

NORTH TEXAS TOLLWAY AUTHORITY
SYSTEM REVENUE AND REFUNDING BONDS

\$402,110,000	**\$446,045,000**
FIRST TIER TAXABLE BONDS	**SECOND TIER BONDS**
SERIES 2021A	**SERIES 2021B**

Dated Date: Date of Delivery **Due: As shown herein**

The North Texas Tollway Authority ("*NTTA*") System Revenue and Refunding Bonds, consisting of First Tier Taxable Revenue Refunding Bonds, Series 2021A (the "*Series 2021A Bonds*") and Second Tier Revenue and Refunding Bonds, Series 2021B (the "*Series 2021B Bonds*" and, together with the Series 2021A Bonds, the "*Bonds*"), will be issued as fully registered obligations of NTTA, a body politic and corporate and a political subdivision of the State of Texas. The Series 2021A Bonds will be issued for the purpose of (i) refunding certain of the bonds as specifically described in **SCHEDULE I – SCHEDULE OF REFUNDED BONDS** and (ii) paying costs of issuance of the Series 2021A Bonds. The Series 2021B Bonds will be issued for the purpose of (i) refunding all of NTTA's outstanding commercial paper notes issued pursuant to NTTA's commercial paper note program, (ii) refinancing the 360 Tollway Project Loan (as defined herein) with the Texas Department of Transportation ("*TxDOT*"), (iii) making a deposit to the Shared Second Tier Debt Service Reserve Fund and (iv) paying costs of issuance of the Series 2021B Bonds. The Bonds will be registered in the nominee name of The Depository Trust Company, New York, New York ("*DTC*"), which will act as securities depository for the Bonds pursuant to its book–entry–only system described herein. No physical delivery of the Bonds will be made to the respective beneficial owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by Wells Fargo Bank, National Association, as trustee (the "*Trustee*"), under an Amended and Restated Trust Agreement, dated as of April 1, 2008, between NTTA and the Trustee (as amended and supplemented through the date of delivery of the Bonds, the "*Trust Agreement*") to DTC, which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners thereof. See "**GENERAL INFORMATION REGARDING THE BONDS — Book–Entry–Only System.**"

The Bonds are authorized by and issued pursuant to (i) the laws of the State of Texas, particularly Chapter 366, Texas Transportation Code, as amended, and Chapters 1207 and 1371, Texas Government Code, as amended, and (ii) a resolution (the "*Resolution*") adopted by the Board of Directors (the "*Board*") of NTTA on April 21, 2021. The Bonds, together with NTTA's outstanding revenue bonds and other obligations secured by the Trust Agreement, are special, limited obligations of NTTA payable solely from, and secured solely by, the tolls and other revenues of the NTTA System (as defined herein) and certain specified funds and accounts created pursuant to the Trust Agreement, on the basis and in the priority set forth therein and described herein.

The Bonds are further described in this Official Statement. See pages (i) and (ii) herein for additional information relating to the Bonds, including provisions relating to maturities, interest rates, yields, optional and mandatory sinking fund redemption, lien priority and tax status.

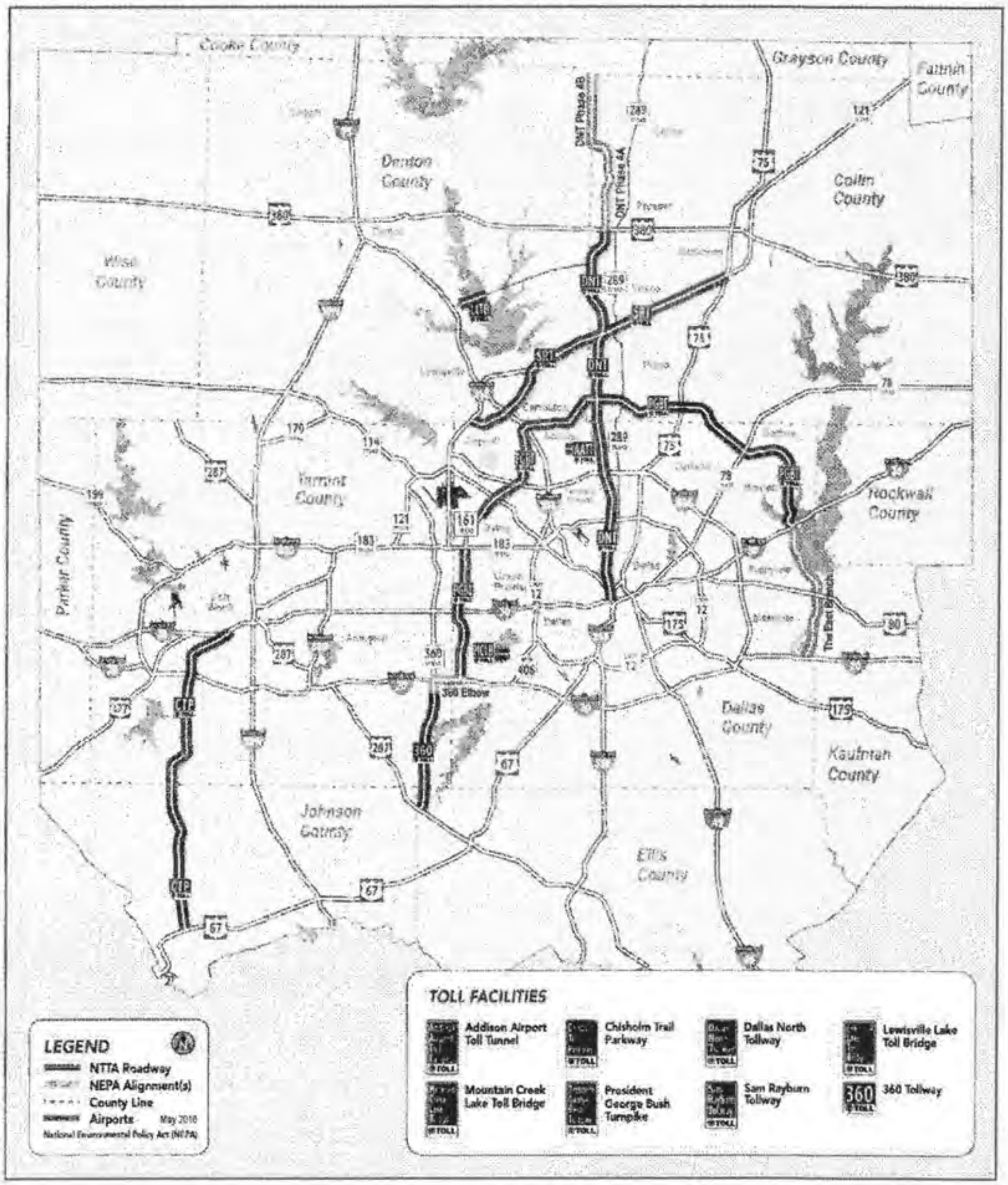
NTTA IS OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS ONLY FROM THE TOLLS AND OTHER REVENUES OF THE NTTA SYSTEM AND CERTAIN SPECIFIED FUNDS AND ACCOUNTS CREATED PURSUANT TO THE RESOLUTION AND THE TRUST AGREEMENT ON THE BASIS AND IN THE PRIORITY SET FORTH THEREIN AND DESCRIBED HEREIN. EXCEPT AS SPECIFIED IN THE PRECEDING SENTENCE, NONE OF THE STATE OF TEXAS, NTTA, THE COUNTIES SERVED BY NTTA NOR ANY OTHER AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF TEXAS IS OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, THE COUNTIES SERVED BY NTTA NOR ANY OTHER AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF TEXAS IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS. NTTA HAS NO TAXING POWER. THE BONDS ARE NOT SECURED BY THE FEES OR OTHER REVENUES PROVIDED NTTA UNDER ANY TOLLING SERVICES AGREEMENT OR INTEROPERABILITY AGREEMENT.

This cover page and pages (i) and (ii) contain information for ease of reference only. Such pages do not contain a complete summary of the Bonds. Potential investors must read the entire Official Statement to obtain information essential to making an informed investment decision. Investment in the Bonds is subject to certain investment considerations. See "**RISK FACTORS.**" For a discussion regarding the impact of COVID-19 on NTTA, also see "**INFECTIOUS DISEASE OUTBREAK – COVID-19**" herein and "**IMPACT OF COVID-19 ON NTTA**" in **APPENDIX A.**

The Bonds are offered for delivery when, as, and if issued and received by the underwriters and subject to the approval of the Attorney General of the State of Texas and the delivery of legal opinions from the law firms of McCall, Parkhurst & Horton L.L.P., Dallas, Texas, and Bracewell LLP, Dallas, Texas, co bond counsel to NTTA. Certain legal matters will be passed upon for NTTA by Locke Lord LLP, Dallas, Texas, as counsel to NTTA, and by McCall, Parkhurst & Horton L.L.P., Dallas, Texas, and Bracewell LLP, Dallas, Texas, as co-disclosure counsel to NTTA. Certain legal matters will be passed upon for the underwriters by Winstead PC, Dallas, Texas, and West & Associates, L.L.P., Dallas, Texas, co-counsel for the underwriters. It is expected that delivery of the Bonds will be made through DTC, New York, New York on or about May 25, 2021.

UNDERWRITERS FOR THE SERIES 2021A BONDS		UNDERWRITERS FOR THE SERIES 2021B BONDS	
RBC CAPITAL MARKETS		**J.P. MORGAN**	
FHN FINANCIAL CAPITAL MARKETS	LOOP CAPITAL MARKETS	CITIGROUP	MESIROW FINANCIAL, INC.
STIFEL	UBS	PIPER SANDLER & CO.	RAMIREZ & CO., INC.

The date of this Official Statement is May 5, 2021



Facility Map of the North Texas Region

NTTA
NORTH TEXAS TOLLWAY AUTHORITY

MATURITIES, INTEREST RATES, YIELDS, CUSIP NUMBERS AND ADDITIONAL INFORMATION REGARDING THE SERIES 2021A BONDS

General. The $402,110,000 North Texas Tollway Authority System First Tier Taxable Revenue Refunding Bonds, Series 2021A (the "*Series 2021A Bonds*") will be issued by the North Texas Tollway Authority ("*NTTA*") as fully registered bonds, without coupons, in denominations of $5,000 or any integral multiple thereof within a maturity and will be dated their date of delivery. Interest will accrue on the Series 2021A Bonds, calculated on the basis of a 360-day year composed of twelve 30-day months, from their date of delivery and will be payable semiannually on January 1 and July 1 of each year, commencing July 1, 2021. Principal will come due on January 1 in the years and in the amounts set forth below or upon the earlier redemption of the Series 2021A Bonds.

MATURITY SCHEDULE FOR THE SERIES 2021A BONDS

SERIAL BONDS

Stated Maturity (January 1)	Principal Amount ($)	Interest Rate (%)	Yield (%)	CUSIP No.[1]	ISIN[1]
2029	2,765,000	1.830	1.830	66285WD37	US66285WD378
2030	6,385,000	1.980	1.980	66285WD45	US66285WD451
2031	7,065,000	2.080	2.080	66285WD52	US66285WD527
2032	7,215,000	2.180	2.180	66285WD60	US66285WD600
2033	7,370,000	2.330	2.330	66285WD78	US66285WD782
2034	7,540,000	2.430	2.430	66285WD86	US66285WD865
2035	7,725,000	2.530	2.530	66285WD94	US66285WD949
2036	7,920,000	2.630	2.630	66285WE28	US66285WE285
2037	8,130,000	2.761	2.761	66285WE36	US66285WE368
2038	8,355,000	2.811	2.811	66285WE44	US66285WE442
2039	8,590,000	2.861	2.861	66285WD29	US66285WD295

TERM BONDS

$323,050,000 3.011% Term Bond due January 1, 2043 Priced to yield 3.011% CUSIP No. 66285WE51[1] ISIN[1] US66285WE517

Optional and Mandatory Sinking Fund Redemption. The Series 2021A Bonds are subject to optional and mandatory sinking fund redemption as described herein. See "**THE BONDS — The Series 2021A Bonds –** *Redemption.*"

Lien Priority. The Series 2021A Bonds constitute First Tier Bonds within the meaning of the Trust Agreement. See "**SOURCES OF PAYMENT AND SECURITY FOR THE BONDS — Priority of Payment.**"

Tax Status. Interest on the Series 2021A Bonds is not excludable from gross income for federal income tax purposes under existing law. See "**TAX MATTERS — Taxable Bonds**" herein.

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(1) CUSIP® is a registered trademark of the American Bankers Association. CUSIP and ISIN data herein are provided by CUSIP Global Services ("*CGS*"), operated on behalf of the American Bankers Association by S&P Global Market Intelligence, a division of S&P Global Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers and ISINs listed above have been assigned by an independent company not affiliated with NTTA or the Underwriters and are included solely for the convenience of the owners of the Series 2021A Bonds only at the time of issuance of the Series 2021A Bonds. None of NTTA, the Co-Financial Advisors or the Underwriters make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number and ISIN for a specific maturity is subject to being changed after the issuance of the Series 2021A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors applicable to all or a portion of certain maturities of the Series 2021A Bonds.

MATURITIES, INTEREST RATES, YIELDS, CUSIP NUMBERS AND ADDITIONAL INFORMATION REGARDING THE SERIES 2021B BONDS

General. The $446,045,000 North Texas Tollway Authority System Second Tier Revenue and Refunding Bonds, Series 2021B (the "*Series 2021B Bonds*") will be issued by NTTA as fully registered bonds, without coupons, in denominations of $5,000 or any integral multiple thereof within a maturity and will be dated their date of delivery. Interest will accrue on the Series 2021B Bonds, calculated on the basis of a 360-day year composed of twelve 30-day months, from their date of delivery and will be payable semiannually on January 1 and July 1 of each year, commencing July 1, 2021. Principal will come due on January 1 in the years and in the amounts set forth below or upon the earlier redemption of the Series 2021B Bonds.

MATURITY SCHEDULE FOR THE SERIES 2021B BONDS
SERIAL BONDS

Stated Maturity (January 1)	Principal Amount ($)	Interest Rate (%)	Yield (%)	CUSIP No.[1]
2025	12,300,000	5.000	0.340	66285WE69
2026	12,920,000	5.000	0.510	66285WE77
2027	13,565,000	5.000	0.660	66285WE85
2028	14,240,000	5.000	0.830	66285WE93
2029	14,955,000	5.000	0.990	66285WF27
2030	15,705,000	5.000	1.130	66285WF35
2031	16,485,000	5.000	1.210	66285WF43
2032	17,315,000	4.000	1.380[2]	66285WF50
2033	18,005,000	4.000	1.450[2]	66285WF68
2034	18,725,000	4.000	1.480[2]	66285WF76
2035	19,475,000	4.000	1.500[2]	66285WF84
2036	20,250,000	4.000	1.530[2]	66285WF92
2037	21,060,000	4.000	1.600[2]	66285WG26
2038	21,905,000	4.000	1.640[2]	66285WG34
2039	22,780,000	4.000	1.680[2]	66285WG42
2040	23,690,000	4.000	1.690[2]	66285WG59
2041	24,640,000	4.000	1.730[2]	66285WG67

TERM BONDS

$63,920,000	3.000% Term Bond due January 1, 2046	Priced to yield 2.250%[2]	CUSIP No. 66285WG75[1]
$74,110,000	3.000% Term Bond due January 1, 2051	Priced to yield 2.320%[2]	CUSIP No. 66285WG83[1]

Optional and Mandatory Sinking Fund Redemption. The Series 2021B Bonds are subject to optional and mandatory sinking fund redemption as described herein. See "**THE BONDS — The Series 2021B Bonds** – *Redemption*."

Lien Priority. The Series 2021B Bonds constitute Second Tier Bonds under the Trust Agreement and are subordinate to the First Tier Bonds. See "**SOURCES OF PAYMENT AND SECURITY FOR THE BONDS — Priority of Payment**."

Tax Status. In the opinion of co-bond counsel to NTTA, interest on the Series 2021B Bonds will be excludable from gross income for federal income tax purposes under statutes, regulations, published rulings and court decisions existing on the date thereof, except as explained under "**TAX MATTERS — Tax-Exempt Bonds —** *Opinion*" herein.

(1) CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services ("*CGS*"), operated on behalf of the American Bankers Association by S&P Global Market Intelligence, a division of S&P Global Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers listed above have been assigned by an independent company not affiliated with NTTA or the Underwriters and are included solely for the convenience of the owners of the Series 2021B Bonds only at the time of issuance of the Series 2021B Bonds. None of NTTA, the Co-Financial Advisors or the Underwriters make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2021B Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors applicable to all or a portion of certain maturities of the Series 2021B Bonds.

(2) Yield calculated to first call date at par, January 1, 2031.

mathematical accuracy of the schedules that demonstrate the Federal Securities will mature and pay interest in such amounts which, together with uninvested funds, if any, in the escrow fund, will be sufficient to pay, when due, the principal of and interest on the Defeased Bonds. The maturing principal of and interest on the Federal Securities will not be available to pay the Bonds. See "**VERIFICATION OF MATHEMATICAL COMPUTATIONS**" herein.

By the deposit of the Federal Securities and cash with the Escrow Agent pursuant to the Escrow Agreement, NTTA will have affected the defeasance of the Defeased Bonds pursuant to the terms of Chapter 1207, Texas Government Code, as amended, and the resolutions authorizing the issuance of the Defeased Bonds. As a result of such defeasance, the Defeased Bonds will no longer be payable from the net revenues of the NTTA System, but will be payable solely from the principal of and interest on the Federal Securities and cash held for such purpose by the Escrow Agent, the Defeased Bonds will be defeased and will not be included in or considered to be indebtedness of NTTA for the purpose of a limitation on indebtedness or for any other purpose, and NTTA will have no further responsibility with respect to amounts available in the Escrow Fund for the payment of the Defeased Bonds, including any insufficiency therein caused by the failure to receive payments when due on the Federal Securities.

Upon the issuance of the Bonds and application of the proceeds thereof as described above, NTTA will have no outstanding obligations under the 360 Tollway Project Agreement secured by the revenues of the 360 Tollway and, upon the addition of the 360 Tollway to the Existing NTTA System all revenues generated by the 360 Tollway will be revenues of the NTTA System and pledged for the repayment of the Bonds and other outstanding bonds and Payment Obligations pursuant to the Trust Agreement.

Estimated Sources and Uses of Funds

The proceeds from the sale of the Bonds, NTTA contributions, release of reserves related to the Refunded Bonds and the use of such funds are as follows:

	Series 2021A Bonds	Series 2021B Bonds	Total
Sources of Funds			
Principal Amount	$ 402,110,000.00	446,045,000.00	848,155,000.00
Original Issue Premium		79,784,931.95	79,784,931.95
NTTA Contribution from NTTA System	8,245,396.00	163,557.78	8,408,953.78
Release from First Tier Reserve Account	1,451,656.70		1,451,656.70
NTTA Contribution from 360 Tollway		19,000,000.00	19,000,000.00
Total	$ 411,807,052.70	544,993,489.73	956,800,542.43
Uses of Funds			
Deposit to Escrow Fund	$ 408,990,555.03		408,990,555.03
Payment of CP Notes		200,163,557.78	200,163,557.78
Payment of 360 Tollway Project Loan		330,686,522.64	330,686,522.64
Deposit to Shared Second Tier Debt Service Reserve Fund		11,049,415.65	11,049,415.65
Cost of Issuance[1]	2,816,497.67	3,093,993.66	5,910,491.33
Total	$ 411,807,052.70	544,993,489.73	956,800,542.43

(1) Includes underwriting, legal, financial advisory, rating agency, verification agent, accounting and Trustee fees, publication costs and printing expenses, among other costs of issuance.

Subsequent Financings Secured by the NTTA System Revenues

NTTA anticipates spending $1.46 billion over the 2021-2025 (inclusive) period for major maintenance, rehabilitation, roadway bottleneck improvements, roadway capacity improvements, widening and extending certain roadways of the NTTA System, and technology enhancements. NTTA anticipates funding these improvements with cash flow or funds in the Capital Improvement Fund and proceeds of notes issued under its commercial paper note program and revolving note program. NTTA may also issue bonds, as needed, to finance these improvements or any new project it deems advisable or necessary, including if the other funding sources are not sufficient to fund these improvements or any new project. See "**SOURCES OF PAYMENT AND SECURITY FOR THE BONDS — The Commercial Paper Program**" and "**— The Revolving Note Program**" and "**THE NTTA SYSTEM — Multi-Year NTTA System Capital Plan**" in **APPENDIX A**. NTTA may also issue additional bonds to refinance outstanding commercial paper notes or revolving notes.

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OFFICIAL STATEMENT

DATED: MARCH 31, 2021

RATINGS: Fitch		**"AA-"**
Moody's		**"Aa2"**
S&P		**"A+"**
		***See* "RATINGS" herein**

NEW ISSUE –BOOK ENTRY-ONLY SYSTEM

In the opinion of McCall, Parkhurst & Horton L.L.P. and Kassahn & Ortiz, P.C., Co-Bond Counsel, interest on the Bonds will be excludable from gross income for federal income tax purposes under statutes, regulations, published rulings, and court decisions existing on the date thereof, subject to the matters described under "TAX MATTERS" herein.

$330,700,000
CITY OF SAN ANTONIO, TEXAS
ELECTRIC AND GAS SYSTEMS
JUNIOR LIEN REVENUE REFUNDING BONDS, SERIES 2021A

Dated: March 1, 2021 (Interest to accrue from the Closing Date) **Due: February 1, as shown herein**

The $330,700,000 City of San Antonio, Texas Electric and Gas Systems Junior Lien Revenue Refunding Bonds, Series 2021A (the "Bonds") will be issued under and in conformity with the Constitution and general laws of the State of Texas, including Chapters 1207 and 1371, as amended, Texas Government Code (together, the "Act"), and pursuant to an ordinance ("Ordinance") adopted by the City Council ("City Council") of the City of San Antonio, Texas ("City") on September 10, 2020. As permitted by applicable provisions of the Act, the City Council has, in the Ordinance, delegated to certain City representatives the authority to execute an approval certificate (the "Approval Certificate") establishing final characteristics and terms of the sale of the Bonds. The Approval Certificate was executed on March 31, 2021 by an authorized City representative.

The Bonds are being issued to: (i) refund certain outstanding commercial paper notes (the "Refunded Obligations") identified in Appendix F hereto to convert short-term variable rate obligations into long-term obligations, and (ii) pay costs and expenses relating to the issuance of the Bonds.

The Bonds are issuable only as fully registered obligations in denominations of $5,000 or any integral multiple thereof. Interest on the Bonds will accrue from the date of their initial delivery (the "Closing Date") to the initial purchasers thereof named below (collectively, the "Underwriters") (expected to occur on or about April 8, 2021) and will be payable on February 1 and August 1 of each year, commencing August 1, 2021. The Bonds will be issued in book-entry-only form and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") acting as securities depository ("Securities Depository"). The City reserves the right to discontinue the use of the Securities Depository, but so long as DTC or its nominee is the registered owner of the Bonds, purchasers of the Bonds ("Beneficial Owners") will not receive physical delivery of certificates representing their interest in the Bonds purchased. The principal of, premium, if any, and interest on the Bonds will be payable by U.S. Bank National Association, Houston, Texas, as Paying Agent / Registrar, to the Securities Depository, which will in turn remit such principal, premium, if any, and interest to the Beneficial Owners. *See* "THE BONDS – Book-Entry-Only System" herein.

In the Bond Ordinances (defined herein), the City has authorized the City Public Service Board of San Antonio ("CPS", "Board" or "CPS Energy") to manage, operate, and maintain the City's Electric and Gas Systems (the "Systems"). The Bonds are special obligations of the City, payable from and equally and ratably secured, together with the currently outstanding Junior Lien Obligations and any Additional Junior Lien Obligations hereafter issued by the City, by a junior lien on and pledge of the Net Revenues of the Systems, subject and subordinate to the liens thereon and pledges thereof securing the outstanding Senior Lien Obligations and any Additional Senior Lien Obligations hereafter issued, but senior and superior to the liens thereon and pledges thereof securing the currently outstanding Commercial Paper Obligations and any Inferior Lien Obligations, respectively, as fully set forth in the Ordinance (capitalized but undefined terms in this sentence are defined herein). The City has reserved the right to grant equal and ratable liens on and pledges of Net Revenues to secure payment of Additional Junior Lien Obligations hereafter issued in accordance with the Ordinance. *See* "THE BONDS – Authority and Security for the Bonds" herein.

The Ordinance does not create a mortgage or other security interest on the property of the Systems. The Bonds are special obligations of the City payable only from the Net Revenues of the Systems, at the level of priority described above, and the taxing power of none of the City, any other political subdivision of the State of Texas, or the State of Texas is pledged for the payment thereof.

SEE INSIDE COVER PAGE FOR MATURITIES, INTEREST RATES AND PRICING SCHEDULE

The Bonds are offered for initial delivery when, as, and if issued and received by the Underwriters and subject to the approval of the Attorney General of the State of Texas and the approval of certain legal matters by McCall, Parkhurst & Horton L.L.P. and Kassahn & Ortiz, P.C., both of San Antonio, Texas, as Co-Bond Counsel. Certain legal matters will be passed upon for the City by the City Attorney, by Carolyn E. Shellman, Esq., General Counsel for the City Public Service Board, and for the Underwriters by their legal counsel, Locke Lord LLP of Austin, Texas. The Bonds are expected to be available for initial delivery to the Underwriters and credited through DTC on or about April 8, 2021.

BARCLAYS		**UBS**
FROST BANK	GOLDMAN SACHS & CO. LLC	RAMIREZ & CO., INC.
RAYMOND JAMES	SIEBERT WILLIAMS SHANK & CO., LLC	WELLS FARGO SECURITIES

MATURITIES, INTEREST RATES AND PRICING SCHEDULE

$330,700,000
CITY OF SAN ANTONIO, TEXAS ELECTRIC AND GAS SYSTEMS
JUNIOR LIEN REVENUE REFUNDING BONDS, SERIES 2021A[1]

Due February 1 in the years shown below

$153,845,000 Serial Bonds

Stated Maturity	Principal Amount ($)	Interest Rate (%)	Initial Yield (%)	CUSIP No.[2]
2031	10,830,000	5.000	1.340	79625GDJ9
2032	11,370,000	5.000	1.440[3]	79625GDK6
2033	11,940,000	5.000	1.500[3]	79625GDL4
2034	12,535,000	5.000	1.560[3]	79625GDM2
2035	13,165,000	5.000	1.610[3]	79625GDN0
2036	13,820,000	5.000	1.650[3]	79625GDP5
2037	14,510,000	5.000	1.730[3]	79625GDQ3
2038	15,235,000	5.000	1.780[3]	79625GDR1
2039	16,000,000	5.000	1.830[3]	79625GDS9
2040	16,800,000	5.000	1.880[3]	79625GDT7
2041	17,640,000	5.000	1.900[3]	79625GDU4

$176,855,000 Term Bonds

$102,335,000 5.000% Term Bond[1] due February 1, 2046; priced to yield 2.060[3]; CUSIP No. 79625GDV2[2]

$74,520,000 5.000% Term Bond[1] due February 1, 2049; priced to yield 2.110[3]; CUSIP No. 79625GDW0[2]

(1) The Bonds are subject to redemption prior to stated maturity at the prices, in the amounts, and at the times described herein. The Term Bonds (defined herein) are also subject to mandatory sinking fund redemption. See "THE BONDS – Redemption of Bonds".

(2) CUSIP numbers are included solely for the convenience of the owners of the Bonds. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. No assurance can be given that the CUSIP number for a particular maturity of the Bonds will remain the same after the date of delivery of the Bonds. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the City, the Board, the Co-Financial Advisors, or the Underwriters shall be responsible for the selection, changes to, errors, or correctness of the CUSIP numbers set forth herein.

(3) Yield calculated based on the assumption the Bonds denoted and sold at a premium will be redeemed on February 1, 2031, the first optional call date for the Bonds, at a redemption price of par, plus accrued interest to the redemption date.

States of America (including obligations unconditionally guaranteed by the United States of America) that were, on the date the Ordinance was adopted, rated as to investment quality by a nationally recognized rating firm of not less than "AAA". Cash and investments (if any) held in the Escrow Fund shall not be available to pay debt service requirements on the Bonds.

By the deposit of the proceeds of the Bonds and cash with the Escrow Agent pursuant to the Escrow Agreement, the City will have effected the legal defeasance of all of the Refunded Obligations in accordance with applicable law. It is the opinion of Co-Bond Counsel in reliance upon the Certificate of Sufficiency provided by PFM Financial Advisors LLC, that, as a result of such defeasance, the Refunded Obligations will be outstanding only for the purpose of receiving payments from the Escrow Fund held for such purpose by the Escrow Agent and such Refunded Obligations will not be deemed as being outstanding obligations of the City payable from revenues of the Systems for the purpose of applying any limitation on the issuance of debt. *See* "APPENDIX E – Form of Opinion of Co-Bond Counsel" herein.

The City has covenanted in the Escrow Agreement to make timely deposits to the Escrow Fund, from lawfully available funds, of any additional amounts required to pay the principal of and interest on the Refunded Obligations if for any reason, the cash balances on deposit or scheduled to be on deposit in the Escrow Fund be insufficient to make such payment.

GENERAL

The Bonds will bear interest at the rates and are scheduled to mature on the dates and in the amounts set forth on page ii of this Official Statement. Interest on the Bonds will accrue from the Closing Date (expected to occur on or about April 8, 2021) and will be payable on February 1 and August 1 of each year, commencing August 1, 2021. Interest will be calculated on the basis of a 360 – day year consisting of twelve 30 – day months. Registered owners of the Bonds are those shown on the registration books kept by the Paying Agent / Registrar (identified below) at the close of business on the fifteenth day of the month next preceding each interest payment date ("Record Date"). The Bonds are issuable in fully registered form only, without coupons, in denominations of $5,000 and integral multiples thereof. The Bonds are initially issuable only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"), pursuant to the Book-Entry-Only System described herein. For such time as the Book-Entry-Only System is utilized, no physical delivery of the Bonds will be made to the purchasers thereof and the principal of and interest on the Bonds will be payable by the Paying Agent / Registrar to Cede & Co., which will make distribution of the amounts so paid to the Beneficial Owners of the Bonds. For such time as the Bonds are issuable in Book-Entry-Only form, references herein and in the Bonds and the Ordinance to "registered owners" will include only Cede & Co., as the nominee of DTC, the sole registered owner of the Bonds. *See* "THE BONDS – Book-Entry-Only System" herein. The City reserves the right to discontinue the Book-Entry-Only System, whereupon interest on the Bonds will be payable (i) by check mailed by the Paying Agent / Registrar, initially U.S. Bank National Association, Houston, Texas, on the interest payment date to the registered owners thereof as shown on the records of the Paying Agent / Registrar, at the close of business on the Record Date, or (ii) by such other method, acceptable to the Paying Agent / Registrar, at the written request of and at the risk and expense of the registered owner.

SOURCES AND USES OF FUNDS

The proceeds from the sale of the Bonds, along with CPS Energy's cash contribution, will be applied approximately as follows:

Sources of Funds	
Principal Amount of the Bonds	$330,700,000.00
Plus Reoffering Premium	91,605,773.45
CPS Energy's Cash Contribution	19,419.17
Total Sources of Funds	$422,325,192.62
Uses of Funds	
Escrow Fund Deposit	$420,019,420.17
Underwriters' Discount	1,333,734.32
Costs of Issuance	972,038.13
Total Uses of Funds	$422,325,192.62

AUTHORITY AND SECURITY FOR THE BONDS

The Bonds are being issued under the provisions of the Constitution and general laws of the State, including Chapters 1207 and 1371, as amended, Texas Government Code (together, the "Act"), and the Ordinance. As permitted by the applicable provisions of the Act, the City has, in the Ordinance, delegated the authority to various City officials and CPS Energy staff, to execute an approval certificate ("Approval Certificate") evidencing the final terms of sale with respect to, and finalizing certain characteristics of the Bonds. The Approval Certificate was executed on March 31, 2021 by an authorized City representative.

OFFICIAL STATEMENT DATED MARCH 23, 2021

NEW ISSUES — BOOK-ENTRY-ONLY **See "RATINGS" herein**

In the opinion of Bond Counsel, under existing law, interest on the Series 2021 Obligations is excludable from gross income under section 103 of the Internal Revenue Code of 1986, as amended, and is not a specific preference item for purposes of the alternative minimum tax. See "TAX MATTERS" herein for a discussion of such opinion of Bond Counsel.

CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY

CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY

$255,075,000
SENIOR LIEN REVENUE BONDS, SERIES 2021B

$244,185,000
SUBORDINATE LIEN REVENUE BOND ANTICIPATION NOTES, SERIES 2021C

Dated Date: April 1, 2021 **Interest Accrual: as described herein** **Due: as shown herein**

The captioned Senior Lien Revenue Bonds, Series 2021B (the "*Series 2021B Senior Lien Bonds*") and Subordinate Lien Revenue Bond Anticipation Notes, Series 2021C (the "*Series 2021C Subordinate Lien BANs*" and, together with the Series 2021B Senior Lien Bonds, the "*Series 2021 Obligations*") will be issued as fully-registered obligations by the Central Texas Regional Mobility Authority (the "*Authority*"). The Authority is issuing the Series 2021B Senior Lien Bonds pursuant to the Master Trust Indenture, dated February 1, 2005 (the "*Master Trust Indenture*"), and the Twenty-Seventh Supplemental Trust Indenture, dated April 1, 2021 (the "*Twenty-Seventh Supplemental Indenture*"), each by and between the Authority and Regions Bank, an Alabama banking corporation, as successor in trust to JPMorgan Chase Bank, National Association, as trustee and paying agent (the "*Trustee*"). The Series 2021B Senior Lien Bonds, together with the Authority's previously issued and outstanding Senior Lien Obligations and any Additional Senior Lien Obligations, constitute special, limited obligations of the Authority secured by and payable solely from a first lien on, pledge of, and security interest in the Trust Estate described herein. The Authority is issuing the Series 2021C Subordinate Lien BANs pursuant to the Master Trust Indenture and the Twenty-Eighth Supplemental Trust Indenture, dated April 1, 2021 (the "*Twenty-Eighth Supplemental Indenture*"), by and between the Authority and the Trustee. The Series 2021C Subordinate Lien BANs, together with the Authority's previously issued and outstanding Subordinate Lien Obligations and any Additional Subordinate Lien Obligations, constitute special, limited obligations of the Authority secured by and payable solely from a third lien on, pledge of, and security interest in the Trust Estate described herein that is subordinate and junior to the lien securing the payment of Senior Lien Obligations and Junior Lien Obligations, if any, issued by the Authority. The Series 2021C Subordinate Lien BANs are also payable from the proceeds of any bonds, notes or other obligations issued to retire or refinance the Series 2021C Subordinate Lien BANs. Capitalized terms used on the cover page hereof and not otherwise defined shall have the meaning assigned thereto in "APPENDIX B – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Definitions."

The Series 2021 Obligations will be issued as fully registered obligations, without coupons. Interest on the Series 2021 Obligations will accrue from the date of initial delivery thereof, will be payable on each January 1 and July 1, commencing July 1, 2021, and will be calculated on the basis of a 360-day year of twelve 30-day months. The Series 2021 Obligations are initially issuable only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("*DTC*"), pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Series 2021 Obligations may be acquired in principal denominations of $5,000, or any integral multiple thereof. No physical delivery of the Series 2021 Obligations will be made to the purchasers thereof. Debt service payments on the Series 2021 Obligations will be payable by the Trustee to DTC, which will make distribution of the amounts so paid to the beneficial owners thereof. See "THE SERIES 2021 OBLIGATIONS – Book-Entry-Only System" herein.

Certain of the Series 2021 Obligations are subject to redemption prior to maturity as described herein. See "THE SERIES 2021 OBLIGATIONS – Redemption" herein.

The Series 2021 Obligations are further described in this Official Statement. See page ii hereof for additional information relating to the Series 2021 Obligations, including provisions relating to the maturities, interest rates, initial yields and CUSIP numbers with respect thereto.

A portion of the proceeds of the Series 2021 Obligations, together with certain other funds described herein, will be used to finance and refinance a portion of the Costs of designing, engineering, developing and constructing the 183 North Mobility Project, which generally consists of adding two tolled express lanes in each direction along approximately nine miles of the existing US 183 between RM 620 south to Loop 1 (MoPac), the addition of a direct connector, general purpose lanes and other improvements, all as more particularly described in the 183 North Engineering Report attached hereto as APPENDIX C. The remaining proceeds of the Series 2021 Obligations will be used (i) to pay capitalized interest with respect to the Series 2021 Obligations, (ii) to make a deposit to the Senior Lien Debt Service Reserve Fund, and (iii) to pay certain Issuance Costs of the Series 2021 Obligations, all as more fully described herein. See "PLAN OF FINANCE" herein.

This cover page contains information for quick reference only. It is not a summary of the Series 2021 Obligations. Potential investors must read the entire Official Statement to obtain information essential to making an informed investment decision. Investment in the Series 2021 Obligations is subject to certain investment considerations. See "RISK FACTORS" herein.

NONE OF THE STATE OF TEXAS OR ANY OTHER AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF TEXAS OTHER THAN THE AUTHORITY IS OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2021 OBLIGATIONS. THE SERIES 2021 OBLIGATIONS ARE SECURED SOLELY BY THE TRUST ESTATE. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2021 OBLIGATIONS. THE AUTHORITY HAS NO TAXING POWER. THE INDENTURE DOES NOT CREATE A MORTGAGE ON THE SYSTEM.

The Series 2021 Obligations are offered for delivery when, as, and if issued and received by the Underwriters named below and subject, among other things, to the approval of legality and certain other matters by the Attorney General of the State of Texas and Bracewell LLP, Austin, Texas ("*Bond Counsel*"). Certain legal matters will be passed upon for the Authority by Locke Lord LLP, Austin, Texas, general counsel to the Authority, and by Bracewell LLP, Austin, Texas, disclosure counsel to the Authority. Certain legal matters will be passed upon for the Underwriters by their counsel, Orrick, Herrington & Sutcliffe LLP, Austin, Texas. It is expected that delivery of the Series 2021 Obligations will be made through DTC in New York, New York on or about April 14, 2021.

J.P. Morgan

Blaylock Van, LLC **Estrada Hinojosa** **Jefferies** **Loop Capital Markets**

Piper Sandler & Co. **UBS** **Wells Fargo Securities**

SERIES 2021B SENIOR LIEN BONDS
MATURITY SCHEDULE

$110,895,000 Current Interest Serial Bonds

Maturity (January 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP No.[2]
2029	$ 6,265,000	5.000%	1.380%	155498LH9
2030	6,580,000	5.000%	1.530%	155498LJ5
2031	6,910,000	5.000%	1.640%	155498LK2
2032	7,255,000	5.000%	1.720%[1]	155498LL0
2033	7,615,000	5.000%	1.790%[1]	155498LM8
2034	8,000,000	5.000%	1.830%[1]	155498LN6
2035	8,400,000	5.000%	1.880%[1]	155498LP1
2036	8,820,000	5.000%	1.940%[1]	155498LQ9
2037	9,260,000	5.000%	1.980%[1]	155498LR7
2038	9,720,000	5.000%	2.020%[1]	155498LS5
2039	10,205,000	5.000%	2.060%[1]	155498LT3
2040	10,720,000	4.000%	2.240%[1]	155498LU0
2041	11,145,000	4.000%	2.280%[1]	155498LV8

(Interest to accrue from the Issuance Date)

$144,180,000 Current Interest Term Bonds

$64,050,000 5.000% Current Interest Term Bonds due January 1, 2046 — Yield 2.230%[1] — CUSIP No. 155498LW6[2]
$80,130,000 4.000% Current Interest Term Bonds due January 1, 2051 — Yield 2.460%[1] — CUSIP No. 155498LX4[2]

(Interest to accrue from the Issuance Date)

Redemption. Certain of the Series 2021B Senior Lien Bonds are subject to optional and mandatory sinking fund redemption prior to maturity as described herein. See "THE SERIES 2021 OBLIGATIONS – Redemption" herein.

SERIES 2021C SUBORDINATE LIEN BANS
MATURITY SCHEDULE

Maturity (January 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP No.[2]
2027	$244,185,000	5.000%	1.140%[1]	155498LY2

(Interest to accrue from the Issuance Date)

Redemption. The Series 2021C Subordinate Lien BANs are subject to optional redemption prior to maturity as described herein. See "THE SERIES 2021 OBLIGATIONS – Redemption" herein.

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(1) Initial Yield calculated to the first optional call date of January 1, 2031 for the Series 2021B Senior Lien Bonds and January 1, 2026 for the Series 2021C Subordinate Lien BANs.

(2) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed by S&P Global Market Intelligence on behalf of the American Bankers Association, and is included solely for the convenience of the owners of the Series 2021 Obligations. Neither the Authority nor the Underwriters shall be responsible for the selection or correctness of the CUSIP numbers set forth herein. The CUSIP number for a specific maturity is subject to being changed after the execution and delivery of the Series 2021 Obligations as a result of various subsequent actions, including but not limited to, a refunding in whole or in part of such maturity, or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2021 Obligations.

ESTIMATED SOURCES AND USES OF SERIES 2021 OBLIGATION PROCEEDS

The proceeds from the sale of the Series 2021 Obligations are estimated to be applied as set forth in the following table:

	Series 2021B Senior Lien Bonds	Series 2021C Subordinate Lien BANs	Total
Sources of Funds:			
Principal Amount	$255,075,000.00	$244,185,000.00	$499,260,000.00
Original Issue Premium	53,769,838.10	43,132,838.40	96,902,676.50
Total Sources of Funds	$308,844,838.10	$287,317,838.40	$596,162,676.50
Uses of Funds:			
Deposits to Construction Fund:			
Project Subaccounts[1]	$231,138,362.85	$276,686,637.35	$507,825,000.20
Capitalized Interest Subaccounts	60,200,912.77	8,716,047.92	68,916,960.69
Deposit to Senior Lien Debt Service Reserve Fund	15,149,580.47	-	15,149,580.47
Issuance Costs[2]	2,355,982.01	1,915,153.13	4,271,135.14
Total Uses of Funds	$308,844,838.10	$287,317,838.40	$596,162,676.50

(1) A portion of the proceeds of the Series 2021 Obligations will be used to finance a portion of the Costs of the 183 North Mobility Project. The total amount to be deposited to the Project Subaccounts from proceeds of the Series 2021 Obligations, plus the amount to be paid from the General Fund and reimbursed by TxDOT pursuant to the 183 North PDA in the amount of $104,175,000, represents the total estimated Costs of the 183 North Mobility Project as set forth in the 183 North Engineering Report. See "PLAN OF FINANCE."

(2) Includes, among other costs, underwriting, legal, financial advisory and accounting fees, initial fees of the Trustee, publication costs, rating agency fees and printing expenses.

AUTHORITY FINANCIAL INFORMATION

Outstanding Obligations

The Authority has previously issued, and there is currently Outstanding, the obligations described below, additional information for which may be obtained from the audited financial statements of the Authority for the Fiscal Year ended June 30, 2020. See "– Financial Reports." See also, "– Outstanding Obligations – Table of Outstanding Obligations," "ESTIMATED SYSTEM CASH FLOW AND DEBT SERVICE COVERAGE" and "SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2021 OBLIGATIONS."

Series 2010 Senior Lien Bonds. Pursuant to the Master Trust Indenture and the Fifth Supplemental Trust Indenture dated as of March 1, 2010, by and between the Authority and the Trustee, the Authority issued the Series 2010 Senior Lien Bonds. The Series 2010 Senior Lien Bonds are designated as Senior Lien Obligations. A portion of the proceeds of the Series 2010 Senior Lien Bonds were used to finance the Costs of the 183A Phase II Project.

Series 2011 Obligations. Pursuant to the Master Trust Indenture and the Eighth Supplemental Trust Indenture dated as of June 1, 2011 (the "*Eighth Supplemental Indenture*"), by and between the Authority and the Trustee, the Authority issued the Series 2011 Senior Lien Bonds, and pursuant to the Master Trust Indenture and the Ninth Supplemental Trust Indenture dated as of June 1, 2011 (the "*Ninth Supplemental Indenture*"), by and between the Authority and the Trustee, the Authority issued its Subordinate Lien Revenue Bonds, Series 2011 (the "*Series 2011 Subordinate Lien Bonds*"). The Series 2011 Senior Lien Bonds and the Series 2011 Subordinate Lien Bonds are referred to herein collectively as the "*Series 2011 Obligations*." The Series 2011 Senior Lien Bonds are designated as Senior Lien Obligations, and the Series 2011 Subordinate Lien Bonds were designated as Subordinate Lien Obligations. A portion of the proceeds of the Series 2011 Obligations were used to finance the Costs of the 290E Phase II Project. During Fiscal Year 2017, a portion of the proceeds of the Series 2016 Subordinate Lien Bonds, together with certain other funds of the Authority, were used to refund and redeem all Outstanding Series 2011 Subordinate Lien Bonds in whole.

Series 2013 Obligations. Pursuant to the Master Trust Indenture and the Tenth Supplemental Trust Indenture dated as of May 1, 2013 (the "*Tenth Supplemental Indenture*"), by and between the Authority and the Trustee, the

OFFICIAL STATEMENT DATED MARCH 3, 2021

NEW ISSUE - Book-Entry-Only **Ratings: Moody's: "Aa1"; S&P: "AA+"**
(See "RATINGS" herein)

Interest on the Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the Bonds.NEW ISSUE – Book-Entry-Only

TEXAS PUBLIC FINANCE AUTHORITY

$325,700,000
LEASE REVENUE BONDS
(Texas Department of Transportation – Austin Campus Consolidation Project), TAXABLE SERIES 2021

Interest Accrues from Date of Delivery (hereinafter defined) **Due: As shown on page ii**

The Texas Public Finance Authority (the "Authority") is issuing its Lease Revenue Bonds (Texas Department of Transportation – Austin Campus Consolidation Project), Taxable Series 2021 (the "Bonds") as special and limited obligations of the Authority in the aggregate principal amount shown above. The Bonds are being issued under authority of the general laws of the State of Texas, including Chapters 1232 and 1371 of the Texas Government Code, as amended (the "Authorizing Law"), and pursuant to H.B. 1, 86th Legislature, Regular Session, Article VII, Rider 42, p. VII-29 (2019) (the "Appropriation Act"). The Bonds are being issued to (i) finance certain costs of the Project (as defined herein) for the Texas Department of Transportation ("TxDOT" or the "Lessee"), and (ii) pay the costs of issuing the Bonds. (See "THE BONDS")

Interest on the Bonds accrues from the Date of Delivery (defined below) and will be payable on February 1 and August 1 of each year, commencing August 1, 2021 until maturity or prior redemption. (See "THE BONDS")

The Bonds are subject to redemption as provided herein. (See "THE BONDS – Redemption")

The Bonds are payable only from certain pledged security, which consists primarily of Rent Payments (defined herein) made pursuant to a lease agreement dated the Date of Delivery (the "Lease") between the Authority and the Lessee. The Lease obligates the Lessee to make Rent Payments sufficient to pay, when due, the principal of, premium, if any, and interest on the Bonds subject to the appropriation of funds by the Legislature of the State of Texas. (See "THE LEASE")

THE OBLIGATION OF THE LESSEE TO MAKE RENT PAYMENTS UNDER THE LEASE IS SUBJECT TO, AND DEPENDENT UPON, APPROPRIATION BY THE LEGISLATURE OF THE STATE OF TEXAS OF FUNDS NECESSARY TO MAKE SUCH RENT PAYMENTS. THE LEGISLATURE HAS NO OBLIGATION TO MAKE ANY SUCH APPROPRIATIONS. NEITHER THE STATE OF TEXAS NOR ANY AGENCY, POLITICAL CORPORATION, OR POLITICAL SUBDIVISION OF THE STATE OF TEXAS WILL BE OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS, EXCEPT AS DESCRIBED HEREIN WITH RESPECT TO PAYMENTS TO BE MADE BY THE AUTHORITY FROM THE REVENUES PLEDGED FOR SUCH PURPOSE. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS OR ANY AGENCY, POLITICAL CORPORATION, OR POLITICAL SUBDIVISION OF THE STATE OF TEXAS (INCLUDING THE AUTHORITY AND THE LESSEE) WILL BE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS. THE AUTHORITY HAS NO TAXING POWER. THERE IS NO MORTGAGE ON THE PROJECT (DEFINED HEREIN) FINANCED WITH THE PROCEEDS OF THE BONDS. (SEE "THE BONDS – SOURCE OF PAYMENT OF THE BONDS" AND "PLAN OF FINANCE – SECURITY FOR THE BONDS")

MATURITY SCHEDULE, INTEREST RATES, INITIAL YIELDS AND OTHER TERMS FOR THE BONDS
(See page ii)

The Bonds are offered for delivery when, as, and if issued and accepted by the initial purchasers thereof named below (the "Underwriters") and subject to the approval of the Attorney General of the State of Texas and the approving opinion of Orrick, Herrington & Sutcliffe LLP, Austin, Texas, Bond Counsel. Certain legal matters will be passed upon for the Authority by the General Counsel to the Authority and by Escamilla & Poneck, LLP., San Antonio, Texas, Disclosure Counsel to the Authority. Certain legal matters will be passed upon for the Underwriters by Norton Rose Fulbright US LLP, Dallas, Texas. It is expected that the Bonds will be delivered on or about March 11, 2021 (the "Date of Delivery") through the facilities of The Depository Trust Company, New York, New York.

Barclays

Blaylock Van, LLC **Citigroup** **Loop Capital Markets**

Piper Sandler & Co. **Raymond James**

MATURITY SCHEDULE

$325,700,000
TEXAS PUBLIC FINANCE AUTHORITY
LEASE REVENUE BONDS
(Texas Department of Transportation – Austin Campus Consolidation Project),
TAXABLE SERIES 2021

$247,835,000 Serial Bonds

Maturity (February 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP No. [1]
2022	$13,415,000	2.000%	0.191%	882669CL6
2023	13,690,000	2.000%	0.291%	882669CM4
2024	13,965,000	2.000%	0.487%	882669CN2
2025	14,245,000	2.000%	0.920%	882669CP7
2026	14,470,000	1.120%	1.120%	882669CQ5
2027	14,655,000	1.412%	1.412%	882669CR3
2028	14,875,000	1.612%	1.612%	882669CS1
2029	15,135,000	1.819%	1.819%	882669CT9
2030	15,420,000	1.939%	1.939%	882669CU6
2031	15,730,000	2.039%	2.039%	882669CV4
2032	16,065,000	2.139%	2.139%	882669CW2
2033	16,420,000	2.249%	2.249%	882669CX0
2034	16,800,000	2.339%	2.339%	882669CY8
2035	17,210,000	2.439%	2.439%	882669CZ5
2036	17,640,000	2.519%	2.519%	882669DA9
2037	18,100,000	2.609%	2.609%	882669DB7

(Interest accrues from Date of Delivery)

$77,865,000 Term Bonds

$77,865,000 2.963% Term Bonds due February 1, 2041 at a Price of 100% to Yield 2.963% - 882669DF8 [1]

(Interest accrues from Date of Delivery)

OPTIONAL REDEMPTION... The Bonds maturing on and after February 1, 2032, are subject to redemption prior to maturity at the option of the Authority, in whole or in part, from time to time, in principal amounts of $5,000 or any integral multiple thereof, in such manner as the Authority may select, on February 1, 2031, or on any date thereafter, at a redemption price equal to par plus accrued interest from the most recent interest payment date to the date fixed for redemption. (See "THE BONDS – Redemption")

MANDATORY REDEMPTION... The Term Bonds (as defined herein) are subject to mandatory sinking fund redemption as further described herein. (See "THE BONDS – Redemption")

[1] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Market Intelligence on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers are included herein solely for the convenience of the owners of the Bonds. None of the Authority, the Underwriters or the Financial Advisor shall be responsible for the selection or correctness of the CUSIP numbers shown herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

SUMMARY STATEMENT

This Summary Statement is subject in all respects to the more complete information contained in this Official Statement. The offering of the Bonds to potential investors is made only by means of this entire Official Statement, including the Appendices hereto. No one is authorized to detach this Summary Statement from this Official Statement or to otherwise use it without this entire Official Statement (including the Appendices). Certain defined terms used in this Summary Statement are defined elsewhere in this Official Statement.

Issuer	Texas Public Finance Authority (the "Authority")
Lessee	Texas Department of Transportation ("TxDOT" or the "Lessee")
Offering	$325,700,000 Lease Revenue Bonds (Texas Department of Transportation – Austin Campus Consolidation Project), Taxable Series 2021
Maturity	The Bonds mature annually on February 1 of each of the years and in the principal amounts set forth on page ii of this Official Statement. (See "THE BONDS")
Interest	Interest on the Bonds accrues from the Date of Delivery and will be payable on February 1 and August 1 of each year, commencing August 1, 2021 until maturity or prior redemption. (See "THE BONDS")
Redemption	The Bonds maturing on and after February 1, 2032, are subject to redemption prior to maturity at the option of the Authority, in whole or in part, from time to time, in principal amounts of $5,000 or any integral multiple thereof, in such manner as the Authority may select, on February 1, 2031, or on any date thereafter, at a redemption price equal to par plus accrued interest from the most recent interest payment date to the date fixed for redemption. In addition, the Term Bonds (as defined herein) are subject to mandatory sinking fund redemption as further described herein. (See "THE BONDS – Redemption")
Book-Entry-Only System	The Bonds are initially issuable only to Cede & Co, the nominee of The Depository Trust Company, pursuant to a book-entry system (as described herein). No physical delivery of the Bonds will be made to the beneficial owners of the Bonds. Interest and principal will be paid to Cede & Co., which will distribute the payments to the participating members of The Depository Trust Company for remittance to the beneficial owners of the Bonds. (See "APPENDIX D — BOOK-ENTRY-ONLY SYSTEM")
Purpose	The Bonds are being issued to (i) finance certain costs of the Project (as defined herein) for the Lessee, and (ii) pay the costs of issuing the Bonds. (See "THE BONDS")
Source of Payment	The Lease (defined herein) of the Lessee is the primary source of payment for the Bonds. The Lease obligates the Lessee to make Rent Payments (defined herein) sufficient to pay the principal of and interest on the Bonds; **however, the obligation of the Lessee to make payments under the Lease is subject to, and dependent upon, appropriation by the Legislature of funds necessary to make such payments. The Legislature has no obligation to make such appropriations. There is no mortgage on the Project (defined herein) financed with the proceeds of the Bonds.** (See "PLAN OF FINANCE," "THE BONDS – Source of Payment of the Bonds" and "– Limited Ability to Re-Lease Project")
Ratings	Moody's Investors Service, Inc. ("Moody's") and S&P Global Ratings, a division of S&P Global Inc. ("S&P"), have assigned ratings of "Aa1" and "AA+," respectively. (See "RATINGS")

payment of the Bonds all right, title, and interest of the Authority in and to the Pledged Security, which includes the Pledged Revenues, the Lease and the rights of the Authority thereunder, amounts on deposit in the Interest and Sinking Fund and any related account therein that are lawfully available for the payment of Parity Debt Obligations (See "THE BONDS – Source of Payment of the Bonds") Pledged Revenues consist primarily of the "Rent Payments", which, in turn, consist of the rent payments required to be made by the Lessee pursuant to the Lease in consideration of its use, occupation and enjoyment of the Project, such payments consisting of interest portions and principal portions of Parity Debt (as defined in the Resolution) in the amounts set forth in the Lease, as the same may be amended or supplemented from time to time, including any payments required with respect to any credit agreement and any payments required as a result of a Rent Payment Reset (as defined in the Lease).

The Authority reserves the right to issue Additional Bonds, pursuant to the Resolution, in furtherance of the Project, subject to legislative authorization and the appropriation of funds by the Legislature. The Lease, the rights of the Authority thereunder and the Rent Payments are security for the Bonds and Additional Bonds. (See "THE LEASE")

SOURCES AND USES OF FUNDS

The proceeds from the sale of the Bonds will be applied as follows:

Sources of Funds	
Principal Amount of the Bonds	$325,700,00.00
Original Issue Premium	1,847,148.45
Total	$327,547,148.45
Uses of Funds	
Deposit to Project Fund	$326,000,000.00
Costs of Issuance[1]	1,547,148.45
Total	$327,547,148.45

[1] Includes Underwriters' Discount.

THE AUTHORITY

General

Under the Texas Public Finance Authority Act, the Authority's power is limited to financing and refinancing project costs for State agencies and institutions and does not affect the power of the relevant State agency or institution to carry out its statutory authority, including the authority of such agency or institution to construct buildings. The Texas Public Finance Authority Act directs State agencies and institutions to carry out their authority regarding projects financed by the Authority as if the projects were financed by legislative appropriation.

Pursuant to the Texas Public Finance Authority Act and other applicable State law, the Authority issues general obligation bonds and revenue bonds for designated State agencies (including certain institutions of higher education). In addition, the Authority currently administers four commercial paper programs, namely: a lease-revenue commercial paper program, which is available for financing equipment acquisitions and for the construction or renovation of buildings; a general obligation commercial paper program for certain State government construction projects; a general obligation commercial paper program for the Cancer Prevention and Research Institute of Texas; and a commercial paper program for the Texas Facilities Commission. In addition, in 2003, the Authority created a nonprofit corporation to finance projects for eligible charter schools pursuant to Chapter 53, Texas Education Code.

The Authority has issued revenue bonds on behalf of the Texas Parks & Wildlife Department, the Texas Facilities Commission, the Texas State Preservation Board, the Texas Department of Criminal Justice, the Texas Health & Human Services Commission (which includes the Texas Department of State Health Services and the Texas Department of Health), the Texas Workforce Commission, the Texas State Technical College System, the Texas Military Department, the Texas Historical Commission, Midwestern State University, Texas Southern University,

OFFICIAL STATEMENT DATED FEBRUARY 10, 2021

NEW ISSUE: BOOK-ENTRY-ONLY

In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes under existing statutes, regulations, published rulings and court decisions existing on the date of such opinion, subject to the matters described under "TAX MATTERS" herein.

$397,185,000
LOWER COLORADO RIVER AUTHORITY
Transmission Contract Refunding Revenue Bonds
(LCRA Transmission Services Corporation Project), Series 2021

Dated: March 1, 2021 **Due: May 15 as shown on inside front cover**
Interest Accrues: Date of Delivery

The Lower Colorado River Authority's ("LCRA") Transmission Contract Refunding Revenue Bonds (LCRA Transmission Services Corporation Project), Series 2021 (the "Bonds") are issuable as fully registered bonds in denominations of $5,000 or any integral multiple thereof. Principal of, and premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar, initially The Bank of New York Mellon Trust Company, N.A. in Houston, Texas, to the registered owners of the Bonds, as described herein. Interest on the Bonds will accrue from and including their date of delivery and will be payable each May 15 and November 15, commencing November 15, 2021, or upon prior redemption as more fully described herein. When issued, the Bonds will be registered in the name of Cede & Co., nominee of DTC. Purchases of the Bonds will be made in book-entry form only. Beneficial owners of the Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds. So long as DTC or its nominee is the registered owner of the Bonds, payments of principal of and premium, if any, and interest on the Bonds will be made directly to DTC. Disbursement of such payments to DTC Participants will be the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC Participants. See APPENDIX I - "BOOK-ENTRY-ONLY SYSTEM."

The Bonds are secured by a lien on and pledge of certain Installment Payments payable to LCRA from the LCRA Transmission Services Corporation (the "Corporation"), a nonprofit corporation created by LCRA, pursuant to an amended and restated Transmission Contract Revenue Debt Installment Payment Agreement, dated as of March 1, 2003, as supplemented by a Transmission Contract Revenue Debt Installment Payment Agreement Supplement Relating to the Bonds, dated as of March 1, 2021 (collectively, the "Installment Payment Agreement").

The Bonds are subject to redemption prior to maturity, as described herein. See "THE BONDS - Redemption."

Proceeds from the sale of the Bonds will be used to (i) currently refund certain outstanding short-term Transmission Contract Revenue Notes (as defined herein), (ii) currently refund certain outstanding long-term Transmission Contract Debt (as defined herein), (iii) fund a debt service reserve fund for the Bonds and (iv) pay the costs of issuing the Bonds. See "THE BONDS," "SOURCES AND USES OF FUNDS" and "SCHEDULE I - REFUNDED BONDS."

The Bonds are limited, special obligations of LCRA payable solely from and secured by a pledge of Installment Payments payable from the Net Revenues of the Corporation pursuant to the Installment Payment Agreement. The Bonds do not constitute a general indebtedness of LCRA, the State of Texas or any other political subdivision of such State, within the meaning of any constitutional, statutory, or charter provision or limitation. Neither the faith and credit nor the taxing power of the State of Texas, or any other political subdivision of such State is pledged to the payment of the Bonds. LCRA has no taxing power.

Maturity Schedule
(See inside front cover)

The Bonds are offered when, as and if issued, and subject to the approval of the Attorney General of the State of Texas and the approval of McCall, Parkhurst & Horton L.L.P., Austin, Texas, Bond Counsel. Certain legal matters will be passed upon for LCRA and the Corporation by McCall, Parkhurst & Horton L.L.P., Austin, Texas, as Disclosure Counsel to LCRA and the Corporation. Additionally, certain legal matters in connection with the Bonds will be passed upon by Bracewell LLP, Dallas, Texas, Counsel to the Underwriters. It is expected that the Bonds will be available for delivery through the facilities of DTC in New York, New York, on or about March 3, 2021.

BofA Securities

Barclays **Citigroup** **Goldman Sachs & Co. LLC**

J.P. Morgan **Morgan Stanley** **RBC Capital Markets**

MATURITY SCHEDULE

Maturity (May 15)	Principal Amount[a]	Interest Rate	Yield or Price	CUSIP Numbers[b]	Maturity (May 15)	Principal Amount[a]	Interest Rate	Yield or Price	CUSIP Numbers[b]
2022	$28,430,000	5.00%	0.07%	54811BWA5	2032	$12,490,000	5.00%	1.04%[c]	54811BWL1
2023	23,160,000	5.00	0.10	54811BWB3	2033	12,885,000	5.00	1.09[c]	54811BWM9
2024	12,290,000	5.00	0.16	54811BWC1	2034	13,310,000	5.00	1.17[c]	54811BWN7
2025	33,420,000	5.00	0.22	54811BWD9	2035	13,760,000	5.00	1.22[c]	54811BWP2
2026	21,200,000	5.00	0.32	54811BWE7	2036	14,225,000	5.00	1.28[c]	54811BWQ0
2027	15,225,000	5.00	0.41	54811BWF4	2037	14,730,000	5.00	1.32[c]	54811BWR8
2028	15,510,000	5.00	0.56	54811BWG2	2038	15,260,000	5.00	1.36[c]	54811BWS6
2029	15,820,000	5.00	0.71	54811BWH0	2039	15,825,000	5.00	1.40[c]	54811BWT4
2030	11,765,000	5.00	0.84	54811BWJ6	2040	16,420,000	5.00	1.44[c]	54811BWU1
2031	12,115,000	5.00	0.96[c]	54811BWK3	2041	17,045,000	5.00	1.47[c]	54811BWV9

$29,430,000 5.00% Term Bonds Due May 15, 2046 - Priced to Yield 1.58%[c] - CUSIP No.[b] 54811BWW7

$32,870,000 5.00% Term Bonds Due May 15, 2051 - Priced to Yield 1.65%[c] - CUSIP No.[b] 54811BWX5

(Interest accrues from Date of Delivery)

(a) LCRA reserves the right, at its option, to redeem Bonds having stated maturities on and after May 15, 2031, in whole or in part, in principal amounts of $5,000 or integral multiples thereof, on May 15, 2030, or any date thereafter, at a redemption price equal to the principal amount of such Bonds to be redeemed, plus accrued interest to the redemption date. Additionally, the Bonds maturing May 15, 2046 and May 15, 2051 are subject to mandatory sinking fund redemption. See "THE BONDS - Redemption."

(b) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services provided by CUSIP Global Services. CUSIP numbers are included herein solely for the convenience of the owners of the Bonds. Neither LCRA, the Corporation nor the Underwriters shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.

(c) Yield shown to the first optional redemption date for such Bonds of May 15, 2030.

SOURCES AND USES OF FUNDS

LCRA and the Corporation anticipate that the proceeds from the sale of the Bonds, together with other funds, will be applied as set forth in the following table:

Sources of Funds:	
Principal Amount	$397,185,000.00
Premium	105,755,798.30
Contribution from Corporation for Refunded Notes	299,038.36
Contribution from Refunded Bonds debt service fund	40,881,362.50
Contribution from Refunded Bonds debt service reserve fund	26,352,674.71
Total Sources of Funds	$570,473,873.87
Uses of Funds:	
Deposit to note payment funds for the Refunded Notes	$200,299,038.36
Deposit to the Escrow Fund for the Refunded Bonds	342,101,362.50
Deposit to Debt Service Reserve Fund	26,130,550.00
Underwriters' Discount	1,084,839.18
Costs of Issuance	858,083.83
Total Uses of Funds	$570,473,873.87

THE BONDS

General

The Bonds are being issued in accordance with the Acts, the Installment Payment Agreement and the Resolution. The Bonds will be equally and ratably secured by a lien on and pledge of the Installment Payments received under the Installment Payment Agreement. Additionally, the Bonds are also secured by a Debt Service Reserve Fund. See "DESCRIPTION OF THE TRANSMISSION CONTRACT REVENUE FINANCING PROGRAM - The Resolution - *Debt Service Reserve Fund*."

The Bonds will be issued only as fully registered bonds, without coupons. The Bonds are issued in principal denominations of $5,000 or any integral multiple thereof within a maturity. The Bonds will mature on the dates, in the principal amounts and accrue interest at the per annum rates set forth on the inside cover page of this Official Statement.

Interest on the Bonds shall be payable to the Owner whose name appears in the Security Register on the close of business on the last business day of the month next preceding an Interest Payment Date. LCRA shall cause such accrued interest to be paid by such method as acceptable to the Paying Agent/Registrar. Principal of the Bonds will be payable only upon presentation of the Bonds to the Paying Agent/Registrar.

OFFICIAL STATEMENT

NEW ISSUE—BOOK ENTRY ONLY **RATINGS[†] – Moody's: "A3"**
S&P: "BBB+"

In the opinion of Norton Rose Fulbright US LLP, Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the Bonds will be excludable from gross income for federal income tax purposes and will not be subject to the federal alternative minimum tax under existing law. See "TAX MATTERS" herein for a description of the opinion and other tax consequences.

$1,061,060,000
TEXAS MUNICIPAL GAS ACQUISITION AND SUPPLY CORPORATION III
GAS SUPPLY REVENUE REFUNDING BONDS
SERIES 2021

Interest Accrues From: Date of Delivery **Due: As shown inside the cover**

The Bonds will bear interest at the rates and mature on the dates and in the amounts set forth inside the cover page. Interest on the Bonds will be payable on each June 15 and December 15, commencing on June 15, 2021. The Bonds will be issued in denominations of $5,000 or any integral multiple thereof.

The Bonds are subject to extraordinary mandatory redemption, and the Bonds are subject to optional redemption at the greater of Amortized Value or Market Yield Value, as set forth herein.

The Bonds will be issued as fully registered bonds, initially in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company. Purchases of the Bonds will be made in book-entry form, as described herein.

The Bonds are being issued to refund bonds of the Issuer previously issued to finance the purchase price for a supply of natural gas sold to the Issuer by Macquarie US Gas Supply LLC and associated costs. Macquarie US Gas Supply LLC is a subsidiary of Macquarie Group Limited, an Australian Securities Exchange-listed diversified Australian financial services holding company. The Issuer has contracted to resell the natural gas to an affiliate which currently has contracts to sell gas to approximately 100 local governments in 20 states for qualified use in their public gas or electric utility systems. The Bonds will be secured under an Amended and Restated Indenture of Trust and Security Agreement between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee.

The Bonds will be limited recourse obligations of the Issuer, payable solely from and to the extent of, and secured by a pledge of, the property and revenues pledged for that purpose under the Indenture. Neither the Issuer's sponsoring municipality nor its other affiliates nor any purchasing local governments will be obligated or are authorized to pay the principal of or interest on the Bonds. Purchases of the Bonds involve certain investment risks, as described herein.

SEE INSIDE COVER FOR MATURITIES, INTEREST RATES AND PRICING SCHEDULE

The Bonds are offered by the Underwriters when, as and if issued, subject to prior sale, the approving opinion of the Attorney General of the State of Texas, and the opinion of Norton Rose Fulbright US LLP, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Issuer by Norton Rose Fulbright US LLP and for the Underwriters by Bracewell LLP. It is expected that the Bonds will be available for delivery through DTC on or about February 25, 2021.

BofA SECURITIES

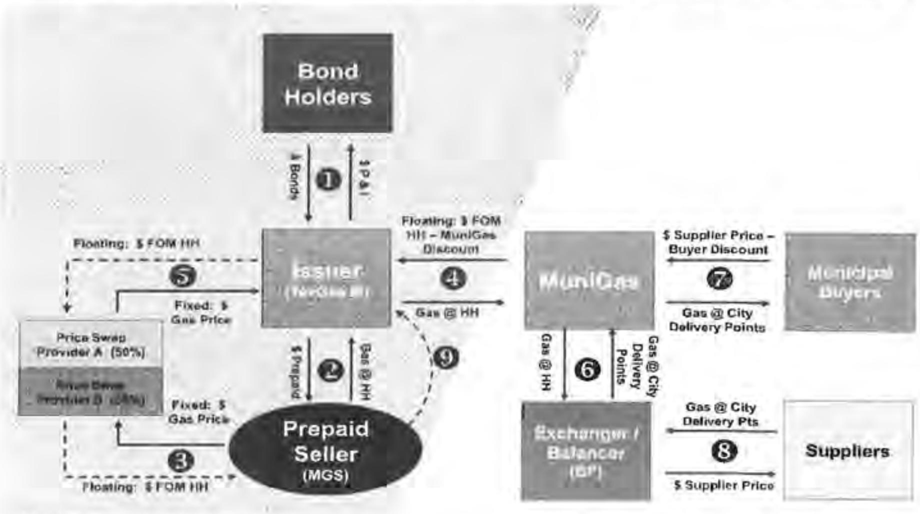
Citigroup **J.P. Morgan**

Goldman Sachs & Co. LLC

The date of this Official Statement is January 25, 2021.

[†] For an explanation of the Ratings, see "Ratings" herein.

TexGas III – Prepaid Financing Structure



Prepared by:
MERC *Municipal Energy Resources Corporation*

Transaction Overview *

1 The Issuer issued the bonds to be refunded in order to fund a prepayment for natural gas and will issue the Bonds to refund those bonds.

2 The Issuer applied bond proceeds in 2012 to prepay the purchase price for an approximately 20-year supply of natural gas sold to the Issuer by Macquarie US Gas Supply LLC (the "*Prepaid Seller*"), to fund working capital, and to pay capitalized interest, certain start-up expenses and costs of issuance. Under the Prepaid Contract, the Prepaid Seller is obligated (a) to deliver specified daily quantities of gas to the Issuer through October 2032 at Henry Hub ("*HH*"), (b) to pay for any gas not delivered based on the HH FOM Index, (c) to make a termination payment upon any early termination of the Prepaid Contract in whole or in part, and (d) to repurchase and remarket gas as necessary.

3 The Prepaid Seller has entered into natural gas Seller Price Swaps with the Price Swap Providers – JPMorgan Chase Bank, N.A. and Citibank, N.A. – to facilitate the Prepaid Seller's ability to purchase (at market prices) the gas volumes required to be delivered each day throughout the term of the Prepaid Contract.

4 Under a Resale Contract, the Issuer has agreed to sell 100% of the gas required to be delivered by the Prepaid Seller to MuniGas, at HH, on a pay-as-you-go basis, at a price equal to the HH FOM Index less a Discount set such that each month's proceeds under the Resale Contract (net of swap payments and receipts and investment income) will enable the Issuer to make scheduled monthly deposits to interest and principal accounts and pay or reserve for all of its expenses.

5 The Issuer has entered into natural gas Price Swaps with the Price Swap Providers – JPMorgan Chase Bank, N.A. and Citibank, N.A. – to effectively fix the net price at which gas is sold to MuniGas under the Resale Contract before application of the price Discount.

6 Under a Gas Exchange and Annual Balancing Agreement between MuniGas and an Exchanger/Balancer – BP Energy Company – the Exchanger/Balancer (a) accepts from MuniGas the gas acquired by MuniGas at HH in exchange for an equal value of gas at the respective receipt points of Municipal Buyers (with the gas delivered by MuniGas at HH valued at a price based on the HH FOM Index for the month of delivery and gas delivered to Municipal Buyers valued at cost), (b) delivers to or receives from MuniGas a cash deposit to secure any imbalance between the values of deliveries at HH and deliveries to Municipal Buyers, and (c) purchases from MuniGas any surplus gas that is not timely sold to Municipal Buyers.

7 Under the terms of requirements and flex contracts with Municipal Buyers, MuniGas sells the gas received from the Exchanger/Balancer to Municipal Buyers on a pay-as-you-go basis at a variable discount from the value of such gas credited to the Exchanger/Balancer under the Exchange and Balancing Agreement, to the extent of their monthly demand for qualified uses.

8 To make deliveries to MuniGas under the Exchange and Balancing Agreement, the Exchanger/Balancer purchases gas from natural gas dealers and other Suppliers, and it is credited its purchase cost for the deliveries.

9 Under a Funding Agreement extending for the term of the Bonds, the Prepaid Seller is committed to advance funds up to the limits described therein to the Issuer to cover certain obligations secured by the Indenture, including senior expenses, debt service payment deposits, and swap payments, during any period of cash flow insufficiency. The Issuer's obligation to repay the advances is subordinate to payment of the Bonds and the Price Swaps.

The payment obligations of the Prepaid Seller under the Prepaid Contract and Funding Agreement are guaranteed by Macquarie Group Limited to the extent described herein. The cumulative effect of the Prepaid Contract, the Resale Contract, the Exchange and Balancing Agreement, the gas sales contracts with Municipal Buyers, the Price Swaps, the Funding Agreement, and related documents is intended to enable the Issuer to receive resulting monthly net revenues, regardless of changes in gas prices, interest rates or transportation costs, which are expected to be adequate to pay debt service requirements on the Bonds and Program expenses when due and to produce an operating margin that is passed through to MuniGas and then, after payment of MuniGas expenses, to the Municipal Buyers in the form of discounts per MMBtu and later rebates. The Issuer and MuniGas have engaged Municipal Energy Resources Partners, Ltd. to administer these transactions.

* **The illustration and information provided above are only a summary of certain information contained in this Official Statement and are qualified in their entirety by the more detailed information appearing elsewhere in this Official Statement. No person is authorized to detach this page from the Official Statement or to use it otherwise without the entire Official Statement.**

MATURITY SCHEDULE

$1,061,060,000
TEXAS MUNICIPAL GAS ACQUISITION AND SUPPLY CORPORATION III
GAS SUPPLY REVENUE REFUNDING BONDS, SERIES 2021

Due December 15 in the years shown below

Stated Maturity	Principal Amount	Interest Rate	Initial Offering Yield	Initial Offering Price	CUSIP No.[1]
2021	$33,830,000	5.000%	0.310%	103.769%	88256HAW8
2022	33,010,000	5.000%	0.420%	108.228%	88256HAX6
2023	39,125,000	5.000%	0.490%	112.550%	88256HAY4
2024	28,135,000	5.000%	0.600%	116.529%	88256HAZ1
2025	38,035,000	5.000%	0.730%	120.126%	88256HBA5
2026	48,080,000	5.000%	0.890%	123.203%	88256HBB3
2027	74,660,000	5.000%	1.070%	125.727%	88256HBC1
2028	112,375,000	5.000%	1.210%	128.146%	88256HBD9
2029	128,685,000	5.000%	1.350%	130.205%	88256HBE7
2030	156,945,000	5.000%	1.480%	132.015%	88256HBF4
2031	174,065,000	5.000%	1.580%	133.847%	88256HBG2
2032	194,115,000	5.000%	1.670%	135.543%	88256HBH0

[1] CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Issuer or the Underwriters and are included solely for the convenience of the owners of the Bonds. Neither the Issuer nor the Underwriters are responsible for the selection or use of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated above.

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OFFICIAL STATEMENT

$1,061,060,000
TEXAS MUNICIPAL GAS ACQUISITION AND SUPPLY CORPORATION III
GAS SUPPLY REVENUE REFUNDING BONDS
SERIES 2021

INTRODUCTORY STATEMENT

This Official Statement, including the cover page, the Appendices hereto and the documents expressly incorporated herein by reference, is provided to furnish information regarding the offer and sale by Texas Municipal Gas Acquisition and Supply Corporation III (the "*Issuer*") of its Gas Supply Revenue Refunding Bonds, Series 2021 (the "*Bonds*") in the aggregate principal amount of $1,061,060,000. The Bonds are being issued under an Amended and Restated Indenture of Trust and Security Agreement, dated as of February 1, 2021 (the "*Indenture*"), between the Issuer and The Bank of New York Mellon Trust Company, National Association, as trustee (the "*Bond Trustee*"), pursuant to and in accordance with the provisions of the Public Facility Corporation Act, Chapter 303, Texas Local Government Code (the "*Act*"), and other applicable law.

The Bonds are being issued to refund all outstanding Gas Supply Revenue Bonds, Series 2012 (the "*Refunded Bonds*") of the Issuer in order to reduce its annual debt service requirements. The Refunded Bonds were issued (i) to finance prepayment of the purchase price for an approximately 20 year supply of natural gas purchased by the Issuer under a Prepaid Natural Gas Supply Contract, dated as of November 15, 2012 (as amended as described herein, the "*Prepaid Contract*") between the Issuer and Macquarie US Gas Supply LLC (the "*Prepaid Seller*"), (ii) to fund working capital and (iii) to pay capitalized interest, the costs of issuance of the Refunded Bonds and certain start-up costs. The Issuer has agreed to sell the natural gas acquired under the Prepaid Contract to an affiliate for resale to local governments in Texas and other states for use in their public gas or electric utility systems in order to reduce their cost of natural gas.

Capitalized terms not otherwise defined herein have the meanings stated in Appendix A.

The Issuer, Related Entities, and MuniGas' Gas Purchasing Program

Since 2001, affiliates of the Issuer, all Texas public facility corporations created with approval of the City of La Grange, Texas (the "*Sponsor*"), have supplied gas under a joint gas purchasing program (the "*Program*") to municipal gas and electric utilities at a discount from prevailing market prices for natural gas. Initially the gas was acquired by Texas Municipal Gas Corporation ("*TMGC I*") pursuant to natural gas production payments and a natural gas royalty. In order to continue TMGC I's Program on more efficient and flexible terms, Texas Municipal Gas Acquisition and Supply Corporation I ("*TexGas I*"), Texas Municipal Gas Acquisition and Supply Corporation II ("*TexGas II*") and the Issuer were created in 2005, 2007, and 2012, respectively, to acquire additional supplies of natural gas, while Municipal Gas Acquisition and Supply Corporation ("*MuniGas*") was created in 2004 to transport or exchange and market natural gas supplies to municipalities, other local governments and Texas state agencies ("*Municipal Buyers*").

In December 2006, TexGas I issued bonds, acquired a prepaid natural gas supply for approximately 20 years, and agreed to sell all gas from the supply through the Sponsor to MuniGas under a contract extending through October 2026 (the "*TexGas I Contract*"). In the same fashion, in July 2007, TexGas II issued bonds, acquired a prepaid natural gas supply for approximately 20 years, and agreed to sell its supply through the Sponsor to MuniGas under a contract extending through July 2027 (the "*TexGas II Contract*"). Similarly, in December 2012 the Issuer issued the Refunded Bonds, acquired a prepaid natural gas supply under the Prepaid Contract for a term extending through October 2032, and agreed to sell all gas from the supply through the Sponsor to MuniGas, on a pay-as-you-go basis, pursuant to a Natural Gas Supply Contract (the "*Resale Contract*"), dated as of November 15, 2012, among the Issuer, the Sponsor, and MuniGas. For the total annual supply of gas to be purchased by MuniGas under the TexGas I Contract, the TexGas II Contract and the Resale Contract, see "Municipal Cooperative Gas Purchasing Program—Acquisition of the Gas under the Program" herein.

MuniGas sells natural gas through the Sponsor to Municipal Buyers located in multiple states, including Texas, pursuant to a Joint Gas Purchase Contract, dated as of January 1, 2006 (the "*Cooperative Contract*"), among MuniGas, the Sponsor, and Municipal Buyers that have or hereafter will become a party to the Cooperative Contract (each a "*Requirements Buyer*" and, collectively, "*Requirements Buyers*") by entering into an incorporating Purchase Contract (a "*Purchase Contract*"), to the extent of their requirements or any lower annual ceiling agreed to with a Requirements Buyer. The Purchase Contracts are generally long-term contracts and have an annual automatic evergreen provision, enabling most of the existing contracts to remain in place throughout the term of the Bonds, unless either party elects not to extend. To date, no Municipal Buyer has elected not to extend its Purchase Contract. For the identity and estimated gas demand of existing Requirements Buyers and the current terms of Purchase Contracts, see "Schedule 5: Estimated Annual Municipal Buyer Requirements and Purchases" herein.

In addition to the Requirements Buyers, MuniGas also has the ability to sell gas to Municipal Buyers for Qualified Use under short-term agreements ("*Flex Gas Sales Contracts*"). The sales under these contracts are referred to herein as "*Flex Sales*," and the purchasing Municipal Buyers are referred to herein as "*Flex Buyers*."

The MuniGas cooperative Program maintains a large, diversified, and credit-worthy Municipal Buyer customer base through the application of initial credit screening and ongoing credit maintenance standards on all of its existing and potential Municipal Buyers. In addition, while no late payment from a Municipal Buyer to MuniGas has occurred to date, under the Cooperative Contract MuniGas may require, when it deems necessary, credit assurances from Municipal Buyers as a condition to gas deliveries.

Since the closing of the TexGas I and TexGas II transactions and the Refunded Bonds, MuniGas has sold 100% of the gas supplied by these affiliates to Municipal Buyers for Qualified Use. To date, the Program has provided natural gas to Municipal Buyers at discounts and with patronage rebates totaling approximately $272 million in the aggregate.

Since the Prepaid Contract was acquired, MuniGas' Qualified Use demand has grown, and it now exceeds its available supplies. While awaiting additional supplies of gas, MuniGas curtailed sales to Flex Buyers. To satisfy unmet demand MuniGas seeks to acquire further gas supplies in future transactions. The estimated average daily gas demand from existing Requirements Buyers currently totals 196,000 MMBtus (based on the five-year projected average).

MuniGas expects to sell all gas supplied by the Issuer to existing Requirements Buyers and Flex Buyers. To date, no gas under the Program has required remarketing, because MuniGas has consistently enjoyed more Qualified Use demand than it has had available supplies. There can be no assurance, however, that all gas purchased under the Resale Contract will be sold for Qualified Use. See "Investment Considerations—Dependence on Qualified Demand for Gas" herein.

It is expected that other similar public facility corporations will be organized in the future with the approval of the Sponsor to issue, or that TexGas I, TexGas II or the Issuer may issue, additional bonds to acquire additional natural gas to be sold to MuniGas under separate supply contracts, and that MuniGas' payment obligations under such contracts will be secured equally and ratably with MuniGas' obligations under the TexGas I Contract, the TexGas II Contract and the Issuer's Resale Contract. However, neither the assets nor the revenues of TexGas I or TexGas II resulting from any such additional bonds (or their previously issued bonds) will secure payment of the Bonds, nor will the assets or the revenues of the Issuer pledged to secure the Bonds secure the obligations of TexGas I, TexGas II or any additional bonds.

See "MuniGas Cooperative Gas Purchasing Program" herein.

Transaction Overview

On the date of issuance of the Bonds, the Issuer will (a) use a portion of the proceeds of the Bonds to pay the redemption price of, redeem, and discharge the Refunded Bonds, (b) amend the Indenture securing the Refunded Bonds to secure and provide for payment of the Bonds, and (c) amend contracts pledged under the Indenture as described herein to provide for payment of the Bonds. As a result of the amendments, during the term of the Prepaid Contract and the Bonds:

(1) **Acquisition**: Under the Prepaid Contract, the Prepaid Seller is obligated (a) to deliver specified monthly quantities of gas to the Issuer at the Henry Hub, a pipeline market center located in Louisiana ("*Henry Hub*"), (b) to make payments for any gas not delivered, based on a published monthly index of wholesale sales of gas at Henry Hub (the "*FOM Index*"), (c) to make a termination payment upon any early termination of the Prepaid Contract in whole or in part, and (d) upon failure of MuniGas to accept delivery of gas under the Resale Contract, to purchase at the FOM Index and remarket gas under certain conditions and limitations as set forth in the Prepaid Contract; the Issuer will be obligated to make monthly payments to the Prepaid Seller in consideration for its consent to the redemption of the Refunded Bonds and its agreement to amendments to the Prepaid Contract described herein, including adjusted termination payments to reflect the increased amount of bonds to be outstanding under the Indenture; and the payment obligations of the Prepaid Seller under the Prepaid Contract are unconditionally guaranteed by Macquarie Group Limited (the "*Guarantor*") pursuant to a guaranty agreement (the "*Guaranty*");

(2) **Intermediate Sale**: Under the Resale Contract, the Issuer will sell all of the gas it acquires under the Prepaid Contract to MuniGas, at Henry Hub, at a variable price discount from the FOM Index for Henry Hub, such discount to be determined by the Issuer on a monthly basis and intended to be the maximum discount that nevertheless will enable the Issuer to receive sufficient revenue to pay debt service on the Bonds and other obligations and expenses of the Issuer;

(3) **Exchange and Balancing**: Under a Gas Exchange and Annual Balancing Agreement, dated as of January 1, 2006, as supplemented and amended (the "*Exchange and Balancing Agreement*") between MuniGas and BP Energy Company (together with any successor exchanger/balancer under the MuniGas Program, the "*Exchanger/Balancer*"), the Exchanger/Balancer will, for fixed compensation payable by MuniGas per MMBtu, (a) exchange the gas acquired by MuniGas at Henry Hub for an equal value of gas delivered by the Exchanger/Balancer to MuniGas at the Municipal Buyers' respective receipt points (with the gas delivered by MuniGas at Henry Hub to be valued at a price based on the FOM Index for Henry Hub for the month of delivery less a small index differential), (b) deliver to or receive from MuniGas a cash deposit to secure any imbalance between the values of monthly gas deliveries at Henry Hub and the value of gas deliveries to Municipal Buyers, until the imbalance is reversed by gas deliveries in a future month, and (c) purchase from MuniGas, at the value credited by the Exchanger/Balancer in the month of receipt at Henry Hub, any surplus gas that is not exchanged for gas sold to Municipal Buyers within 24 months, in each case for so long as the Exchange and Balancing Agreement is extended by agreement of the parties thereto or replaced on the same terms after its initial 3-year term and except to the extent performed by assignees of the Exchanger/Balancer as described herein;

(4) **Ultimate Sale**: Under the Cooperative Contract and the terms of sale to Flex Buyers, MuniGas will sell the gas received from the Exchanger/Balancer to Municipal Buyers at a variable price discount from the value of such gas credited to the Exchanger/Balancer under the Exchange and Balancing Agreement;

(5) **Issuer Price Swaps**: The value of the gas sold by the Issuer to MuniGas at Henry Hub is hedged by two commodity price swap transactions (the "*Price Swaps*") between the Issuer and, respectively, JPMorgan Chase Bank, N.A. and Citibank, N.A. (each a "*Price Swap Provider*" and, together, the "*Price Swap Providers*") under terms that are expected to enable the Issuer to receive a revenue stream from the sale of such gas that is substantially fixed for the life of the Prepaid Contract;

(6) **Prepaid Seller Price Swaps**: In order to hedge its exposure under the Prepaid Contract, the Prepaid Seller has entered into two commodity price swap transactions (the "*Seller Price Swaps*"), one with each of the Price Swap Providers, under which the Prepaid Seller pays a fixed gas price to the respective Price Swap Providers in return for the Price Swap Providers' payment to the Prepaid Seller of a floating index gas price based on the FOM Index for Henry Hub (but nothing in the Seller Price Swaps relieves the Prepaid Seller of its obligation to perform under the Prepaid Contract);

ESTIMATED SOURCES AND USES OF FUNDS

The following table summarizes the estimated sources and uses of funds associated with issuance of the Bonds and redemption of the Refunded Bonds:

Sources of Funds:	
Principal amount	$1,061,060,000
Original issue premium	300,224,830
Total	$1,361,284,830
Uses of Funds:	
Principal amount of Refunded Bonds	$1,233,325,000
Redemption premium (including accrued interest)	114,030,345
Costs of issuance[1]	13,929,485
Total	$1,361,284,830

[1] Includes underwriters' discount, legal fees, trustee fees, rating fees, fees of the Sponsor and Administrator, and other costs of issuance payable when the Bonds are delivered.

ANNUAL DEBT SERVICE REQUIREMENTS

SCHEDULE 1: Debt Service Requirements

The following schedule sets forth the annual debt service requirements on the Bonds.

Year Ending December 31,	Principal	Interest	Total
2021	$33,830,000	$42,737,139	$76,567,139
2022	33,010,000	51,361,500	84,371,500
2023	39,125,000	49,711,000	88,836,000
2024	28,135,000	47,754,750	75,889,750
2025	38,035,000	46,348,000	84,383,000
2026	48,080,000	44,446,250	92,526,250
2027	74,660,000	42,042,250	116,702,250
2028	112,375,000	38,309,250	150,684,250
2029	128,685,000	32,690,500	161,375,500
2030	156,945,000	26,256,250	183,201,250
2031	174,065,000	18,409,000	192,474,000
2032	194,115,000	9,705,750	203,820,750
TOTALS	$1,061,060,000	$449,771,639	$1,510,831,639

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OFFICIAL STATEMENT DATED JANUARY 21, 2021

NEW ISSUES
BOOK-ENTRY-ONLY

S&P: AA+
Moody's: Aaa
(See "RATINGS" herein)

In the opinion of Tax Counsel (defined below), under current law and subject to conditions described in the section "TAX MATTERS – FEDERAL INCOME TAX TREATMENT OF THE TAX-EXEMPT BONDS" herein, interest on the Tax-Exempt Bonds (defined below) (a) is not included in gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum income tax. A holder may be subject to other federal tax consequences as described in the section "TAX MATTERS – FEDERAL INCOME TAX TREATMENT OF THE TAX-EXEMPT BONDS."

Interest on the Taxable Limited Tax Bonds (defined below) is not excluded from gross income for federal income tax purposes. See "TAX MATTERS – FEDERAL INCOME TAX TREATMENT OF THE TAXABLE LIMITED TAX BONDS" herein.

THE BONDS HAVE NOT BEEN DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS.

HOUSTON COMMUNITY COLLEGE SYSTEM
(Harris and Fort Bend Counties, Texas)

$31,185,000 MAINTENANCE TAX REFUNDING BONDS, SERIES 2021A	$49,615,000 LIMITED TAX REFUNDING BONDS, SERIES 2021A	$298,290,000 LIMITED TAX REFUNDING BONDS, TAXABLE SERIES 2021B

Interest Accrues from Date of Delivery **Due: February 15, as shown on inside cover pages**

The $31,185,000 Houston Community College System Maintenance Tax Refunding Bonds, Series 2021A (the "Maintenance Tax Bonds"), the $49,615,000 Houston Community College System Limited Tax Refunding Bonds, Series 2021A (the "Tax-Exempt Limited Tax Bonds" and, together with the Maintenance Tax Bonds, the "Tax-Exempt Bonds"), and the $298,290,000 Houston Community College System Limited Tax Refunding Bonds, Taxable Series 2021B (the "Taxable Limited Tax Bonds" and, together with the Tax-Exempt Limited Tax Bonds, the "Limited Tax Bonds"; the Taxable Limited Tax Bonds and the Tax-Exempt Bonds collectively are referred to herein as the "Bonds") are direct obligations of the Houston Community College System (the "System") and are being issued pursuant to three separate resolutions (each, a "Bond Resolution" and, collectively, the "Bond Resolutions") authorizing the issuance of the Tax-Exempt Limited Tax Bonds, the Maintenance Tax Bonds and the Taxable Limited Tax Bonds, respectively, adopted by the Board of Trustees of the System (the "Board"), with respect to the Tax-Exempt Limited Tax Bonds and the Maintenance Tax Bonds, on October 21, 2020 and, with respect to the Taxable Limited Tax Bonds, on December 16, 2020. In each Bond Resolution, the System delegated to certain officials of the System the authority to execute a separate certificate for each series of the Bonds evidencing the final terms of the Bonds on the date of pricing of the Bonds (the "Officer's Pricing Certificates" and, together with the Bond Resolutions, the "Resolutions"). The Bonds are payable from a continuing, direct ad valorem tax levied, within the limits prescribed by law, against all taxable property located within the taxing boundaries of the System. See "TAX RATE LIMITATIONS" and "AD VALOREM TAXATION" herein. The Bonds are being issued pursuant to the laws of the State of Texas (the "State"), including particularly Chapters 1207 and 1371, Texas Government Code, as amended, and the Resolutions.

Proceeds from the sale of the Maintenance Tax Bonds will be used for (1) refunding the portion of the System's outstanding maintenance tax notes more particularly described on **Schedule I** hereto (the "Refunded Notes"), and (2) paying the costs of issuance for the Maintenance Tax Bonds. Proceeds from the sale of the Tax-Exempt Limited Tax Bonds will be used for (1) refunding the portion of the System's outstanding limited tax bonds more particularly described on **Schedule I** hereto (the "Tax-Exempt Refunded Bonds"), and (2) paying the costs of issuance for the Tax-Exempt Limited Tax Bonds. Proceeds from the sale of the Taxable Limited Tax Bonds will be used for (1) refunding the portion of the System's outstanding limited tax bonds more particularly described on **Schedule I** hereto (the "Taxable Refunded Bonds" and, together with the Tax-Exempt Refunded Bonds, the "Refunded Bonds"; the Refunded Notes and the Refunded Bonds together are referred to herein as the "Refunded Obligations"), and (2) paying the costs of issuance for the Taxable Limited Tax Bonds. See "PLAN OF FINANCE" herein. Interest on the Bonds will accrue from the Date of Delivery (as defined herein) and will be payable February 15 and August 15 of each year, commencing August 15, 2021, until maturity or, in the case of the Maintenance Tax Bonds only, prior redemption. Interest accruing on the Bonds will be calculated on the basis of a 360-day year of twelve 30-day months. See "THE BONDS – General Description." **The Taxable Limited Tax Bonds will be subject to optional and mandatory sinking fund redemption as described in "THE BONDS – Redemption Provisions of the Bonds." The Maintenance Tax Bonds and the Tax-Exempt Limited Tax Bonds are not subject to redemption prior to maturity.**

The Bonds will be issued in fully registered form and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Book-entry interests in the Bonds will be made available for purchase in the principal amount of $5,000 or any integral multiple thereof. **Purchasers of the Bonds ("Beneficial Owners") will not receive physical delivery of certificates representing their interest in the Bonds purchased.** As long as DTC or its nominee is the registered owner of the Bonds, the principal of and interest on the Bonds will be payable by the Paying Agent/Registrar, which initially is The Bank of New York Mellon Trust Company, N.A. (the "Paying Agent/Registrar"), to DTC, which will in turn remit such principal and interest to its participants, which will in turn remit such principal and interest to the Beneficial Owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein.

SEE INSIDE COVER PAGES FOR STATED MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL YIELDS, CUSIP NUMBERS AND REDEMPTION PROVISIONS.

The Bonds are offered for delivery when, as and if issued by the System and received by the Underwriters listed below and are subject to the approving opinions of the Attorney General of the State and the legal opinions of Hunton Andrews Kurth LLP, Houston, Texas, Co-Bond Counsel and Tax Counsel, and of West & Associates L.L.P., Houston, Texas, Co-Bond Counsel, as to the validity of the Bonds under the Constitution and the laws of the State. Certain legal matters will be passed upon for the System by its Special Disclosure Counsel, Haynes and Boone, LLP, Houston, Texas. Certain legal matters will be passed upon for the Underwriters by Bracewell LLP, Houston, Texas, Counsel to the Underwriters. It is expected that the Bonds will be delivered through the services of DTC, on or about February 11, 2021 ("Date of Delivery").

MORGAN STANLEY **GOLDMAN SACHS & CO. LLC**

ESTRADA HINOJOSA **PIPER SANDLER & CO.** **HUNTINGTON CAPITAL MARKETS** **LOOP CAPITAL MARKETS**

MATURITY SCHEDULE

HOUSTON COMMUNITY COLLEGE SYSTEM
(Harris and Fort Bend Counties, Texas)

$31,185,000
MAINTENANCE TAX REFUNDING BONDS, SERIES 2021A

CUSIP Prefix[1]: 44236P

Maturity (February 15)[2]	Principal Amount	Interest Rate	Initial Offering Yield[3]	CUSIP Suffix[1]
2022	$ 2,510,000	3.000%	0.160%	KU1
2023	2,600,000	4.000	0.210	KV9
2024	2,720,000	5.000	0.270	KW7
2025	2,855,000	5.000	0.320	KX5
2026	3,005,000	5.000	0.410	KY3
2027	3,155,000	5.000	0.520	KZ0
2028	3,320,000	5.000	0.660	LA4
2029	3,490,000	5.000	0.790	LB2
2030	3,670,000	5.000	0.910	LC0
2031	3,860,000	5.000	1.000	LD8

(Interest accrues from Date of Delivery)

(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the System, the Co-Financial Advisors nor the Underwriters shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.

(2) The Maintenance Tax Bonds are not subject to optional redemption prior to maturity.

(3) The yield represents the initial offering yield to the public established by the Underwriters for offers to the public and which subsequently may be changed by the Underwriters at the sole discretion of the Underwriters.

MATURITY SCHEDULE

HOUSTON COMMUNITY COLLEGE SYSTEM
(Harris and Fort Bend Counties, Texas)

$49,615,000
LIMITED TAX REFUNDING BONDS, SERIES 2021A

CUSIP Prefix[1]: 44236P

Maturity (February 15)[2]	Principal Amount	Interest Rate	Initial Offering Yield[3]	CUSIP Suffix[1]
2022	$7,055,000	3.000%	0.160%	LE6
2023	7,310,000	4.000	0.210	LF3
2024	7,645,000	5.000	0.270	LG1
2025	8,035,000	5.000	0.320	LH9
2026	8,450,000	5.000	0.410	LJ5
2027	8,885,000	5.000	0.520	LK2
2028	2,235,000	5.000	0.660	LL0

(Interest accrues from Date of Delivery)

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(2) The Tax-Exempt Limited Tax Bonds are not subject to optional redemption prior to maturity

(3) The yield represents the initial offering yield to the public established by the Underwriters for offers to the public and which subsequently may be changed by the Underwriters at the sole discretion of the Underwriters.

MATURITY SCHEDULE

HOUSTON COMMUNITY COLLEGE SYSTEM
(Harris and Fort Bend Counties, Texas)

$298,290,000
LIMITED TAX REFUNDING BONDS, TAXABLE SERIES 2021B

CUSIP Prefix[1]: 44236P

$296,290,000 Serial Bonds

Maturity (February 15)	Principal Amount	Interest Rate	Initial Offering Yield[3]	CUSIP Suffix[1]
2023	$ 1,940,000	5.000%	0.195%	LM8
2024	6,730,000	5.000	0.313	LN6
2025	7,920,000	5.000	0.569	LP1
2026	7,545,000	5.000	0.669	LQ9
2027	5,890,000	5.000	1.000	LR7
2028	12,265,000	5.000	1.150	LS5
2029	19,020,000	5.000	1.429	LT3
2030	23,315,000	5.000	1.529	LU0
2031	24,510,000	5.000	1.629	LV8
2032[2]	29,320,000	1.659	1.659	LW6
2033[2]	29,825,000	1.759	1.759	LX4
2034[2]	30,370,000	1.859	1.859	LY2
2035[2]	14,445,000	1.959	1.959	LZ9
2036[2]	15,745,000	2.059	2.059	MA3
2037[2]	13,800,000	2.109	2.109	MB1
2038[2]	34,130,000	2.209	2.209	MC9
2039[2]	19,520,000	2.259	2.259	MD7

$2,000,000 Term Bonds

$2,000,000 Term Bonds Due February 15, 2043[2][4], Interest Rate 2.601%, Yield 2.601%[3], CUSIP Suffix[1] ME5

(Interest accrues from Date of Delivery)

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[1] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the System, the Co-Financial Advisors nor the Underwriters shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.

[2] The Taxable Limited Tax Bonds maturing on or after February 15, 2032 are subject to redemption prior to their scheduled maturities at the option of the System, in whole or from time to time in part, on February 15, 2031, or any date thereafter, at a redemption price equal to par plus accrued interest from the most recent interest payment date to the redemption date, as further described herein. See "THE BONDS – Redemption Provisions of the Bonds."

[3] The yield represents the initial offering yield to the public established by the Underwriters for offers to the public and which subsequently may be changed by the Underwriters at the sole discretion of the Underwriters.

[4] Subject to mandatory sinking fund redemption, as described in "THE BONDS – Redemption Provisions of the Bonds."

OFFICIAL STATEMENT SUMMARY

This summary is subject in all respects to the more complete information and definitions contained or incorporated in this Official Statement. The offering of the Bonds to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this summary from this Official Statement or to otherwise use it without the entire Official Statement.

THE SYSTEM .... The Houston Community College System (the "System") is a political subdivision of the State of Texas (the "State") and operates as a junior college district under the laws of the State. A nine-member Board of Trustees (the "Board"), elected from single-member districts, constitutes the governing body of the System. Board members are elected to staggered six-year terms. The System is located in Harris and Fort Bend Counties, Texas, and includes within its service area the entirety of five school districts and a portion of a sixth school district. See "THE SYSTEM."

THE BONDS .... The System is issuing its $31,185,000 Houston Community College System Maintenance Tax Refunding Bonds, Series 2021A (the "Maintenance Tax Bonds"), its $49,615,000 Houston Community College System Limited Tax Refunding Bonds, Series 2021A (the "Tax-Exempt Limited Tax Bonds" and, together with the Maintenance Tax Bonds, the "Tax-Exempt Bonds"), and its $298,290,000 Houston Community College System Limited Tax Refunding Bonds, Taxable Series 2021B (the "Taxable Limited Tax Bonds" and, together with the Tax-Exempt Limited Tax Bonds, the "Limited Tax Bonds"; the Taxable Limited Tax Bonds and the Tax-Exempt Bonds collectively are referred to herein as the "Bonds"). See the inside cover pages and "THE BONDS – General Description."

SEPARATE ISSUES........................... The Maintenance Tax Bonds, the Tax-Exempt Limited Tax Bonds and the Taxable Limited Tax Bonds constitute separate issues and separate obligations of the System.

USE OF PROCEEDS .... Proceeds from the sale of the Maintenance Tax Bonds will be used for (1) refunding the portion of the System's outstanding maintenance tax notes more particularly described on **Schedule I** hereto (the "Refunded Notes"), and (2) paying the costs of issuance for the Maintenance Tax Bonds. Proceeds from the sale of the Tax-Exempt Limited Tax Bonds will be used for (1) refunding the portion of the System's outstanding limited tax bonds more particularly described on **Schedule I** hereto (the "Tax-Exempt Refunded Bonds"), and (2) paying the costs of issuance for the Tax-Exempt Limited Tax Bonds. Proceeds from the sale of the Taxable Limited Tax Bonds will be used for (1) refunding the portion of the System's outstanding limited tax bonds more particularly described on **Schedule I** hereto (the "Taxable Refunded Bonds" and, together with the Tax-Exempt Refunded Bonds, the "Refunded Bonds"; the Refunded Notes and the Refunded Bonds together are referred to herein as the "Refunded Obligations"), and (2) paying the costs of issuance for the Taxable Limited Tax Bonds. See "PLAN OF FINANCE" herein.

THE REFUNDED BONDS .... The System will deposit certain proceeds of the sale of the Tax-Exempt Limited Tax Bonds, together with other lawfully available funds of the System, if any, with The Bank of New York Mellon Trust Company, N.A., Houston, Texas, as escrow agent (the "Escrow Agent"), in the amount necessary, together with investment earnings, if any, to accomplish the discharge and final payment of the Tax-Exempt Refunded Bonds. See "PLAN OF FINANCE – The Refunded Bonds."

The System will deposit certain proceeds of the sale of the Taxable Limited Tax Bonds, together with other lawfully available funds of the System, if any, with the Escrow Agent, in the amount necessary, together with investment earnings, if any, to accomplish the discharge and final payment of the Taxable Refunded Bonds. See "PLAN OF FINANCE – The Refunded Bonds."

THE REFUNDED NOTES.................. The System will deposit certain proceeds of the sale of the Maintenance Tax Bonds, together with other lawfully available funds of the System, if any, with the Escrow Agent in the amount necessary, together with investment earnings, if any, to accomplish the discharge and final payment of the Refunded Notes. See "PLAN OF FINANCE – The Refunded Notes."

PAYING AGENT/REGISTRAR.......... The initial Paying Agent/Registrar is The Bank of New York Mellon Trust Company, N.A., Houston, Texas.

PAYMENT OF INTEREST................. Interest on the Bonds will accrue from the date of their delivery, currently expected to be February 11, 2021 (the "Date of Delivery"), and be payable February 15 and August 15 of each year, commencing August 15, 2021, until maturity or prior redemption. See "THE BONDS – General Description" and "– Redemption Provisions of the Bonds."

AUTHORITY FOR ISSUANCE........... The Bonds are being issued pursuant to the laws of the State, including particularly Chapters 1207 and 1371, Texas Government Code, as amended, and three separate resolutions (each, a "Bond Resolution" and, collectively, the "Bond Resolutions") adopted by the Board, with respect to the Tax-Exempt Limited Tax Bonds and the Maintenance Tax Bonds, on October 21, 2020 and, with respect to the Taxable Limited Tax Bonds, on December 16, 2020. See "THE BONDS – Authority for Issuance." In each Bond Resolution, the System delegated to certain officials of the System the authority to execute a separate certificate for each series of the Bonds evidencing the final terms of the Bonds on the date of pricing of the Bonds (the "Officer's Pricing Certificates" and, together with the Bond Resolutions, the "Resolutions").

SECURITY FOR THE BONDS........... The Bonds are payable from a continuing, direct ad valorem tax levied, within the limits prescribed by law, against all taxable property located within the taxing boundaries of the System. See "THE BONDS – Security for Payment," "TAX RATE LIMITATIONS" and "AD VALOREM TAXATION."

REDEMPTION PROVISIONS............ *Optional Redemption.* The Taxable Limited Tax Bonds maturing on or after February 15, 2032 are subject to redemption prior to their scheduled maturities at the option of the System, in whole or from time to time in part, on February 15, 2031, or any date thereafter, at a redemption price equal to par plus accrued interest from the most recent interest payment date to the redemption date, as further described herein. See "THE BONDS – Redemption Provisions of the Bonds."

Mandatory Redemption. The Taxable Limited Tax Bonds maturing on February 15, 2043 are subject to mandatory sinking fund redemption prior to their scheduled maturity, as further described herein. See "THE BONDS – Redemption Provisions of the Bonds."

The Maintenance Tax Bonds and the Tax-Exempt Limited Tax Bonds are <u>not</u> subject to optional or mandatory redemption.

TAX MATTERS................................ In the opinion of Tax Counsel, under current law and subject to conditions described in the section "TAX MATTERS – FEDERAL INCOME TAX TREATMENT OF THE TAX-EXEMPT BONDS" herein, interest on the Tax-Exempt Bonds (a) is not included in gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum income tax. A holder may be subject to other federal tax consequences as described in the section "TAX MATTERS – FEDERAL INCOME TAX TREATMENT OF THE TAX-EXEMPT BONDS." Interest on the Taxable Limited Tax Bonds is not excluded from gross income for federal income tax purposes. See "TAX MATTERS – FEDERAL INCOME TAX TREATMENT OF THE TAXABLE LIMITED TAX BONDS. See 'TAX MATTERS – FEDERAL INCOME TAX TREATMENT OF THE TAX-EXEMPT BONDS" for a discussion of the opinion of Tax Counsel regarding the tax treatment of the Tax-Exempt Bonds.

RATINGS .... The Bonds are rated "Aaa" (outlook stable) by Moody's Investors Service, Inc. ("Moody's") and "AA+" (outlook stable) by S&P Global Ratings, a division of Standard & Poor's Financial Services LLC ("S&P"). See "RATINGS."

BOOK-ENTRY-ONLY SYSTEM....... The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"), pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 of principal amount or any integral multiple thereof. **No physical delivery of the Bonds will be made to the beneficial owners thereof.** Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM."

PAYMENT RECORD .... The System has never defaulted in the payment of its tax-supported debt.

Amounts deposited into the Refunded Bonds Escrow Funds will not secure and will not be available to pay the Refunded Notes or the Bonds.

The Refunded Notes

The Resolution for the Maintenance Tax Bonds provides that the System will deposit certain proceeds of the sale of the Maintenance Tax Bonds, together with other lawfully available funds of the System, if any, pursuant to an Escrow Agreement (the "Refunded Notes Escrow Agreement") with the Escrow Agent in the amount necessary to accomplish the discharge and final payment of the Refunded Notes. Such funds will be held by the Escrow Agent in an escrow fund (the "Refunded Notes Escrow Fund") irrevocably pledged to the payment of the principal of and interest on the Refunded Notes and will be used to purchase Escrowed Securities. Simultaneously with the issuance of the Maintenance Tax Bonds, the System will give irrevocable instructions to give appropriate notice to the owners of the Refunded Notes that the Refunded Notes will be redeemed prior to stated maturity on the redemption date set forth on **Schedule I** attached hereto, on which date money will be made available to redeem the Refunded Notes from money held under the Refunded Notes Escrow Agreement.

Robert Thomas CPA, LLC will verify at the time of delivery of the Maintenance Tax Bonds to the Underwriters that the Escrowed Securities will mature and pay interest without reinvestment at such times and in such amounts which, together with uninvested funds, if any, in the Refunded Notes Escrow Fund, will be sufficient to pay, when due, the principal of and interest on the Refunded Notes. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS."

By the deposit of the Escrowed Securities and cash, if any, with the Escrow Agent pursuant to the Refunded Notes Escrow Agreement, the System will have effected the defeasance of the Refunded Notes pursuant to the terms of Chapter 1207, Texas Government Code, and the resolution authorizing the issuance of the Refunded Notes. As a result of such defeasance, the Refunded Notes will be outstanding only for the purpose of receiving payments from the Escrowed Securities and cash held for such purpose by the Escrow Agent under the Refunded Notes Escrow Agreement and the Refunded Notes will no longer be outstanding obligations of the System or payable from the sources and secured in the manner provided in the resolutions authorizing their issuance.

Amounts deposited into the Refunded Notes Escrow Fund will not secure and will not be available to pay the Refunded Bonds or the Bonds.

Separate Issues

The Maintenance Tax Bonds, the Tax-Exempt Limited Tax Bonds and the Taxable Limited Tax Bonds constitute separate issues and separate obligations of the System.

Sources and Uses of Funds

The proceeds from the sale of the Bonds, together with additional System funds, if any, will be applied approximately as follows:

	Maintenance Tax Bonds	Tax-Exempt Limited Tax Bonds	Taxable Limited Tax Bonds
Sources of Funds			
Par Amount	$ 31,185,000.00	$ 49,615,000.00	$ 298,290,000.00
Issuer Contribution	952,587.78	1,391,744.44	19,811,640.28
Plus Original Issue Premium	7,593,243.55	8,277,152.40	28,187,357.15
Total Sources	$ 39,730,831.33	$ 59,283,896.84	$ 346,288,997.43
Uses of Funds			
Deposit to Tax-Exempt Refunded Bonds Escrow Fund	$ 0.00	$ 58,892,582.13	$ 0.00
Deposit to Taxable Refunded Bonds Escrow Fund	0.00	0.00	344,338,665.33
Deposit to Refunded Notes Escrow Fund	39,459,586.99	0.00	0.00
Costs of Issuance	160,096.03	225,063.75	768,458.42
Underwriters' Discount	111,148.31	166,250.96	1,181,873.68
Total Uses	$ 39,730,831.33	$ 59,283,896.84	$ 346,288,997.43

NEW ISSUE: Book-Entry Only

RATINGS:
Moody's: Aa3 (stable)
S&P: AA- (stable)
See "RATINGS" herein

$1,300,000,000
BAYLOR SCOTT & WHITE HOLDINGS
TAXABLE BONDS
SERIES 2021

$100,000,000 0.827% Bonds Due: November 15, 2025 Issue Price: 100.000% Yield: 0.827%
CUSIP* 072863 AG8 ISIN†: US072863AG80 COMMON CODE†: 229193597

$300,000,000 1.777% Bonds Due: November 15, 2030 Issue Price: 100.000% Yield: 1.777%
CUSIP* 072863 AH6 ISIN†: US072863AH63 COMMON CODE†: 229193627

$900,000,000 2.839% Bonds Due: November 15, 2050 Issue Price: 100.000% Yield: 2.839%
CUSIP* 072863 AJ2 ISIN†: US072863AJ20 COMMON CODE†: 229193635

Interest Payable: May 15 and November 15 **Dated: Date of Delivery**

Baylor Scott & White Holdings Taxable Bonds, Series 2021 (the "***Bonds***") in the aggregate principal amount of $1,300,000,000 will be issued pursuant to the terms of a Bond Indenture, dated as of January 1, 2021 (the "***Bond Indenture***"), between Baylor Scott & White Holdings, a Texas nonprofit corporation ("***BSW Holdings***"), and The Bank of New York Mellon Trust Company, National Association, as bond trustee (the "***Bond Trustee***").

The Bonds will be secured by payments to be made by BSW Holdings and the other Obligated Affiliates (as hereinafter defined) pursuant to a note (the "***Series 2021 Obligation***") issued under and pursuant to that certain Master Indenture of Trust and Security Agreement, dated as of February 1, 2014, as previously supplemented and amended (collectively, the "***Master Trust Indenture***"), among BSW Holdings, Baylor Scott & White Health, a Texas nonprofit corporation, Baylor Health Care System, a Texas nonprofit corporation, Baylor University Medical Center, a Texas nonprofit corporation, Baylor All Saints Medical Center, a Texas nonprofit corporation, Baylor Regional Medical Center at Grapevine, a Texas nonprofit corporation, Baylor Medical Center at Waxahachie, a Texas nonprofit corporation, Baylor Regional Medical Center at Plano, a Texas nonprofit corporation, Baylor Medical Centers at Garland and McKinney, a Texas nonprofit corporation, Scott & White Healthcare, a Texas nonprofit corporation, Scott & White Memorial Hospital, a Texas nonprofit corporation, Scott & White Clinic, a Texas nonprofit corporation, Scott & White Hospital – Round Rock, a Texas nonprofit corporation, Scott & White Continuing Care Hospital, a Texas nonprofit corporation, Scott & White Hospital – College Station, a Texas nonprofit corporation, and Hillcrest Baptist Medical Center, a Texas nonprofit corporation (each, together with any successor corporation permitted under the Master Indenture or affiliate obligated under the Master Indenture hereafter, an "***Obligated Affiliate***"), and The Bank of New York Mellon Trust Company, National Association, as trustee (the "***Master Trustee***"). As described herein, the Master Trust Indenture is being amended by that certain Seventh Supplement to Master Indenture of Trust and Security Agreement, dated as of January 1, 2021 (the "***Seventh Supplement***"), between BSW Holdings and the Master Trustee. The Master Trust Indenture as it may from time to time be supplemented, modified or amended by one or more instruments supplemental thereto entered into pursuant to the applicable provisions thereof, including the Seventh Supplement, is referred to herein as the "***Master Indenture***."

By purchase of the Bonds on the date of issuance, the purchasers and the Beneficial Owners (as defined herein), on behalf of themselves and all subsequent holders of the Bonds, irrevocably consent, and shall be deemed to have irrevocably consented, to the amendment of the Master Trust Indenture by the Seventh Supplement. See "SUMMARY OF MASTER INDENTURE – 2021 MASTER INDENTURE AMENDMENTS" in APPENDIX C.

The Bonds will be issued in fully registered form in denominations of $1,000 and any integral multiple thereof and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("***DTC***"). DTC will act as securities depository for the Bonds. Individual purchases will be made in book–entry form only, in principal amounts of $1,000 and any integral multiple thereof. Purchasers of the Bonds will not receive physical certificates (except under certain circumstances described in the Bond Indenture) representing their ownership interests in the Bonds purchased.

Interest on the Bonds will be payable on May 15 and November 15, commencing May 15, 2021, and calculated on the basis of a 360-day year of twelve 30-day months. So long as the Bonds are held by DTC, the principal or redemption price, including Make-Whole Redemption Price (as defined herein), if any, of and interest on the Bonds will be payable by wire transfer to DTC, which in turn is required to remit such principal or redemption price and interest to the DTC Participants for subsequent disbursement to the Beneficial Owners of the Bonds, as more fully described in "**BOOK–ENTRY SYSTEM AND GLOBAL CLEARANCE PROCEDURES**" herein.

The Bonds are subject to redemption at the option of BSW Holdings, as described herein. See "THE BONDS – Redemption Provisions" herein.

Interest on the Bonds will be included in gross income for federal income tax purposes. See "TAX MATTERS" herein.

The Bonds are general obligations of BSW Holdings, secured by the Series 2021 Obligation issued under the provisions of the Master Indenture, as described herein, which is payable from payments made by the Obligated Affiliates under the Master Indenture. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein.

An affiliate of one of the underwriters for the Bonds is expected to receive a portion of the proceeds from the issuance of the Bonds. See "**UNDERWRITING**" herein.

This cover page contains certain information for general reference only and is not intended as a summary of this offering. Investors should read this entire Offering Memorandum, including all attached appendices, to obtain information essential to making an informed investment decision. **APPENDIX C** and **APPENDIX D** contain definitions of certain capitalized terms used in this Offering Memorandum. There are risks associated with the purchase of the Bonds. For a discussion of certain of these risks, see "**BONDHOLDERS' RISKS**" herein.

The Bonds are offered when, as, and if all the Bonds are simultaneously issued and accepted by the Underwriters, subject to prior sale, to withdrawal or modification of the offer without notice, and an opinion as to legality by Norton Rose Fulbright US LLP, Bond Counsel. Certain legal matters are subject to the approval of Norton Rose Fulbright US LLP, counsel to BSW Holdings and the other Obligated Affiliates; and Bracewell LLP, counsel to the Underwriters. Bonds in book-entry form are expected to be available for credit through the facilities of DTC on or about January 21, 2021.

J.P. MORGAN **CITIGROUP**

ESTRADA HINOJOSA **SIEBERT WILLIAMS SHANK & CO., LLC**

The date of this Offering Memorandum is January 14, 2021.

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* Registered trademark of American Bankers Association; see "**SUMMARY OF THE OFFERING**" herein.

† The Common Code is provided herein by Euroclear Bank S.A./N.V. Common Codes are provided for convenience of reference only. Neither the Obligated Affiliates nor the Underwriters are responsible for the selection or use of this Common Code and no representation is made as to their correctness on the Bonds or as included herein.

SUMMARY OF THE OFFERING

Issuer	Baylor Scott & White Holdings ("***BSW Holdings***")
Securities Offered	\$100,000,000 0.827% Baylor Scott & White Holdings Taxable Bonds, Series 2021 due November 15, 2025 \$300,000,000 1.777% Baylor Scott & White Holdings Taxable Bonds, Series 2021 due November 15, 2030 \$900,000,000 2.839% Baylor Scott & White Holdings Taxable Bonds, Series 2021 due November 15, 2050
Interest Accrual Dates	Interest will accrue from the Settlement Date
Interest Payment Dates	May 15 and November 15 of each year, commencing May 15, 2021
Redemption	The Bonds are subject to optional redemption in whole or in part by BSW Holdings prior to maturity, on any Business Day, in such amounts and maturities as directed by BSW Holdings, (A) for the Bonds maturing November 15, 2025 (the "***2025 Bonds***"), (i) before August 15, 2025, at the Make-Whole Redemption Price applicable to such 2025 Bonds, together with accrued interest thereon to the redemption date and (ii) on or after August 15, 2025, at a redemption price equal to 100% of the principal amount of the 2025 Bonds to be redeemed, together with accrued interest thereon to the redemption date, (B) for the Bonds maturing November 15, 2030 (the "***2030 Bonds***"), (i) before May 15, 2030, at the Make-Whole Redemption Price applicable to such 2030 Bonds, together with accrued interest thereon to the redemption date and (ii) on or after May 15, 2030, at a redemption price equal to 100% of the principal amount of the 2030 Bonds to be redeemed, together with accrued interest thereon to the redemption date, and (C) for the Bonds maturing November 15, 2050 (the "***2050 Bonds***"), (i) before November 15, 2049, at the Make-Whole Redemption Price applicable to such 2050 Bonds, together with accrued interest thereon to the redemption date and (ii) on or after November 15, 2049, at a redemption price equal to 100% of the principal amount of the 2050 Bonds to be redeemed, together with accrued interest thereon to the redemption date. See "**THE BONDS – Redemption Provisions**" herein.
Settlement Date	January 21, 2021
Authorized Denominations	\$1,000 and any integral multiple thereof

* CUSIP® is a registered trademark of the American Bankers Association. The CUSIP numbers herein are provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Underwriters or BSW Holdings and are included solely for the convenience of the holders of the Bonds. Neither the Underwriters nor BSW Holdings is responsible for the selection or use of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated above. The CUSIP number for Bonds bearing interest at any rate is subject to being changed after the execution and delivery of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such Bonds or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of such Bonds.

Form and Depository	The Bonds will be delivered solely in book-entry form through the facilities of DTC.
Use of Proceeds	BSW Holdings will use proceeds of the Bonds to (i) finance and refinance the cost of developing, constructing and equipping certain health facilities to be owned and operated by BSW Holdings and certain of its controlled affiliates, (ii) refund all of the Tarrant County Cultural Education Facilities Finance Corporation Hospital Revenue Bonds (Baylor Health Care System Project), Series 2013A and the Tarrant County Cultural Education Facilities Finance Corporation Hospital Revenue Bonds (Scott & White Healthcare Project) Series 2013A, (iii) refinance all outstanding loans under BSW Holdings' revolving credit agreement, (iv) refinance certain commercial paper issued pursuant to BSW Holdings' commercial paper program, (v) provide for other eligible corporate purposes, and (vi) pay costs of issuance of the Bonds. See "**PLAN OF FINANCING**" and "**ESTIMATED SOURCES AND USES**" herein.
Ratings	Moody's: "Aa3" (stable outlook) S&P: "AA-" (stable outlook)

the Escrow Securities will mature at such times and in such amounts and will bear interest payable at such times and in such amounts, together with any available cash in the Escrow Funds, such that sufficient moneys will be available in the Escrow Fund to (i) pay the principal and interest due with respect to the Refunded Bonds on and prior to their maturities or redemption dates, as applicable, (ii) redeem the Series 2013A BHCS Bonds on May 15, 2023, and (iii) redeem the Series 2013A S&W Bonds maturing on or after August 15, 2024 on August 15, 2023. See **"VERIFICATION OF MATHEMATICAL COMPUTATIONS"** herein. Upon such irrevocable deposit, the Refunded Bonds will be deemed paid and no longer outstanding under the applicable bond indenture for each series of Refunded Bonds. The funds deposited in the Escrow Funds will not be available to make payments on the Bonds. The deposit of moneys into the Escrow Funds will constitute an irrevocable deposit for the benefit of the holders of the respective Refunded Bonds.

ESTIMATED SOURCES AND USES

The estimated sources and uses of funds for the Bonds are as follows:

Sources of Funds:	**Total**
Par Amount	$1,300,000,000
Refunded Bonds' Trustee-Held Funds	239
Total Sources of Funds	**$1,300,000,239**
Uses of Funds:	
General Corporate Purposes	$476,165,231
Escrow Deposit for the Refunded Bonds	371,549,033
Refinancing of Revolving Loans	400,000,000
Refinancing of Certain Commercial Paper	45,000,000
Costs of Issuance(1)	7,285,975
Total Uses of Funds	**$1,300,000,239**

(1) Includes Underwriters' discount, fees and expenses of legal counsel, accountants, the Bond Trustee, the Master Trustee, and rating agencies, printing fees and other costs of issuance.

The following table sets forth, for each fiscal year ending June 30, the estimated aggregate amounts required for the payment of principal at stated maturity or by mandatory sinking fund redemption prior to stated maturity of and interest on the Bonds and other outstanding debt of BSW Holdings and its controlled affiliates after issuance of the Bonds and refunding of the Refunded Bonds. The table is based on the assumptions set forth in the footnotes on the following page. Actual interest rates on and amortizations of the outstanding debt of BSW Holdings and its controlled affiliates that bear interest at a variable rate may vary from those assumed for this table. The following table does not take into account the net interest expense of the interest rate swaps to which BSW Holdings is a party that are secured as Master Debt under the Master Indenture. See also **"BONDHOLDERS' RISKS – The System's Financial Obligations Could Increase or be Accelerated and Deplete its Available Funds"** and **"FINANCIAL INFORMATION – Debt and Capitalization"** and **"– Interest Rate Swap Transactions"** in **APPENDIX A** hereto.

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Supplement
to the
Official Statement dated December 15, 2020
relating to

$424,925,000
HARRIS COUNTY, TEXAS
TOLL ROAD FIRST LIEN REVENUE AND REFUNDING BONDS
SERIES 2021

The Official Statement dated December 15, 2020 (the "*Official Statement*"), related to the above-referenced bonds (the "*Series 2021 Bonds*") is hereby supplemented as follows:

I. The Initial Yield for the 2021 maturity of the Series 2021 Bonds as shown in the maturity schedule presented on page ii of the Official Statement has been deleted and amended with the addition of a footnote indicating that the 2021 maturity was sold on a dollar price basis of 102.977 (the percentage of par at which the bond was sold), rather than on a yield basis, as shown in the table below. No other information on the table has been amended.

Maturity Date (August 15)[1]	Principal Amount	Interest Rate (%)	Initial Yield (%)[2]	CUSIP NO.[3]	Maturity Date (August 15)[1]	Principal Amount	Interest Rate (%)	Initial Yield (%)[2]	CUSIP NO.[3]
2021	$4,830,000	5.000	*	41423PBE6	2031	$10,910,000	5.000	0.940	41423PBQ9
2022	6,955,000	5.000	0.090	41423PBF3	2032	11,470,000	5.000	1.010	41423PBR7
2023	7,310,000	5.000	0.130	41423PBG1	2033	11,995,000	4.000	1.150	41423PBS5
2024	7,685,000	5.000	0.220	41423PBH9	2034	12,485,000	4.000	1.250	41423PBT3
2025	8,080,000	5.000	0.300	41423PBJ5	2035	12,995,000	4.000	1.300	41423PBU0
2026	8,495,000	5.000	0.420	41423PBK2	2036	13,525,000	4.000	1.370	41423PBV8
2027	9,520,000	5.000	0.520	41423PBL0	2037	14,075,000	4.000	1.440	41423PBW6
2028	11,420,000	5.000	0.650	41423PBM8	2038	14,650,000	4.000	1.470	41423PBX4
2029	13,430,000	5.000	0.770	41423PBN6	2039	15,250,000	4.000	1.530	41423PBY2
2030	15,540,000	5.000	0.870	41423PBP1	2040	15,870,000	4.000	1.550	41423PBZ9

* The 2021 maturity was sold on a dollar price basis of 102.977 (the percentage of par at which the bond was sold), rather than on a yield basis.

II. The Record Dates as shown in the table on page 5 of the Official Statement have been corrected. The subsection entitled "THE SERIES 2021 BONDS—RECORD DATES" is hereby amended and replaced in its entirety as follows:

Record Dates. The record dates (the "***Record Dates***") for each interest payment date for the Series 2021 Bonds are set forth below:

Interest Payment Date	Record Date
February 15	January 15
August 15	July 15

The date of this Supplement to the Official Statement is January 13, 2021.

OFFICIAL STATEMENT DATED DECEMBER 15, 2020

NEW ISSUE – BOOK-ENTRY-ONLY

RATINGS: See "Ratings" herein
Fitch: "AA" (stable outlook)
Moody's: "Aa2" (stable outlook)

In the opinion of Orrick, Herrington & Sutcliffe LLP, Houston, Texas, Tax Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2021 Bonds (defined herein) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). In the further opinion of Tax Counsel, interest on the Series 2021 Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Tax Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2021 Bonds. See "TAX MATTERS" herein.

$424,925,000
HARRIS COUNTY, TEXAS
TOLL ROAD FIRST LIEN REVENUE AND REFUNDING BONDS, SERIES 2021

Interest Accrues from Date of Delivery (as defined below) Due: August 15 (as shown on the inside cover)

The Harris County, Texas, Toll Road First Lien Revenue and Refunding Bonds, Series 2021 (the "***Series 2021 Bonds***"), are being issued by Harris County, Texas (the "***County***"), and the pledge of the Trust Estate (defined herein) is being made pursuant to Chapters 1207 and 1371, Texas Government Code, as amended, Chapter 284, Texas Transportation Code, as amended, an order adopted on November 10, 2020, by the Commissioners Court of the County (the "***Order***"), an Officer's Pricing Certificate executed on the date of the sale of the Series 2021 Bonds, a Toll Road Revenue Bonds Master Trust Indenture, dated as of January 1, 2021 (the "***Master Indenture***"), and a First Supplemental Toll Road Revenue Bond Trust Indenture dated as of January 1, 2021, providing for the issuance of the Series 2021 Bonds (the "***First Supplemental Indenture***" and, together with the Master Indenture, the "***Indenture***"), between the County and The Bank of New York Mellon Trust Company, National Association, as Trustee (the "***Trustee***").

The Series 2021 Bonds are special obligations of the County that, together with any Additional First Lien Obligations, are secured by a first lien on, pledge of and security interest in the Trust Estate, including a pledge of all Revenues derived from the operation of the toll facilities comprising the Harris County Toll Road System (as further described herein, the "***Project***") and certain funds established under the Master Indenture, subject to and subordinate in all respects to any lien or pledge granted with respect to Senior Lien Obligations under the 2015 Indenture (as described herein). The Series 2021 Bonds do not constitute an indebtedness of the County, the State of Texas, or any political subdivision thereof within the meaning of any constitutional or statutory limitation on indebtedness, but are payable solely from and secured by a first lien upon the Trust Estate. No owner of the Series 2021 Bonds shall ever have the right to demand payment of the Series 2021 Bonds or any interest or premium thereon from any funds raised or to be raised by taxation. **The gross pledge of the Revenues of the Project securing the Series 2021 Bonds is subordinate to that of certain previously issued and currently outstanding Senior Lien Obligations of the County issued under the 2015 Indenture, as more fully described herein.**

Interest on the Series 2021 Bonds accrues from the Date of Delivery (as defined below) and is payable on February 15 and August 15 of each year, commencing August 15, 2021, until maturity or earlier redemption, if any. The Series 2021 Bonds are issuable only in fully-registered form in the denomination of $5,000 principal amount, or integral multiples thereof, initially registered solely in the name of Cede & Co., a registered owner and nominee for The Depository Trust Company, New York, New York ("***DTC***"), acting as securities depository for the Series 2021 Bonds, until DTC resigns or is discharged. The Series 2021 Bonds initially will be available to purchasers in book-entry form only. As long as Cede & Co. is the registered owner of the Series 2021 Bonds, as nominee for DTC, principal of, premium if any, and interest on the Series 2021 Bonds shall be payable to Cede & Co., which will, in turn, remit such amounts to DTC Participants for subsequent disbursement to the beneficial owners of the Series 2021 Bonds. The principal of the Series 2021 Bonds is payable at the principal corporate trust office of the Paying Agent/Registrar, initially The Bank of New York Mellon Trust Company, National Association, or the Trustee. Certain of the Series 2021 Bonds are subject to optional and mandatory redemption prior to their scheduled maturities as described herein. See "THE SERIES 2021 BONDS – Redemption Provisions."

The proceeds of the Series 2021 Bonds, and other available funds of the County, will be used to: (i) refund and defease certain outstanding County toll road obligations described on Schedule I hereto; and (ii) finance certain costs of the Project (defined herein), including costs relating to the construction of the Ship Channel Bridge and conversion to all-electronic toll collection (see "THE TOLL ROAD PROJECT – Sam Houston Tollway – Sam Houston Ship Channel Bridge" and "– Integrated Toll Collection System"); (iii) fund a debt service reserve fund; and (iv) pay costs of issuance of the Series 2021 Bonds.

See Inside Cover for Maturities, Amounts, Interest Rates, Initial Yields and CUSIP Numbers

This cover page is not intended to be a summary of the terms of, or the security for, the Series 2021 Bonds. Potential investors are advised to read the Official Statement in its entirety to obtain information essential to making an informed investment decision.

The Series 2021 Bonds are offered for delivery, when, as and if issued by the County, and received by the Underwriters, subject to the approving opinion of the Attorney General of Texas, the legal opinions of Orrick, Herrington & Sutcliffe LLP, Houston, Texas, Tax Counsel, as to the exclusion from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and Orrick, Herrington & Sutcliffe LLP, Houston, Texas, The Law Office of Wendy Montoya Cloonan, PLLC, Houston, Texas, and Law Offices of Francisco G. Medina, Houston, Texas, as Co-Bond Counsel, as to the validity of the Bonds under the Constitution and the laws of the State of Texas. Certain legal matters will be passed upon for the County by the County Attorney, and by Norton Rose Fulbright US LLP, Houston, Texas, Edgardo E. Colon, P.C., and Sara Leon & Associates, LLC, Houston, Texas, as Co-Disclosure Counsel. Certain tax matters will be passed upon by Orrick, Herrington & Sutcliffe LLP, Houston, Texas, Tax Counsel to the County. Certain legal matters will be passed upon for the Underwriters by their Co-Counsel, Hunton Andrews Kurth LLP, Bracewell LLP, and Bates & Coleman, PC. The Series 2021 Bonds are expected to be available for delivery through DTC on or about January 7, 2021 (the "***Date of Delivery***").

Goldman Sachs & Co. LLC

Estrada Hinojosa		**Citigroup**
Jefferies	**D.A. Davidson & Co.**	**Loop Capital Markets**
RBC Capital Markets	**Piper Sandler & Co.**	**Stern Brothers**

MATURITY SCHEDULE, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL YIELDS AND CUSIP NUMBERS

$424,925,000
HARRIS COUNTY, TEXAS
TOLL ROAD FIRST LIEN REVENUE AND REFUNDING BONDS, SERIES 2021

Serial Bonds

Maturity Date (August 15)[1]	Principal Amount	Interest Rate (%)	Initial Yield (%)[2]	CUSIP NO.[3]	Maturity Date (August 15)[1]	Principal Amount	Interest Rate (%)	Initial Yield (%)[2]	CUSIP NO.[3]
2021	$4,830,000	5.000	0.080	41423PBE6	2031	$10,910,000	5.000	0.940	41423PBQ9
2022	6,955,000	5.000	0.090	41423PBF3	2032	11,470,000	5.000	1.010	41423PBR7
2023	7,310,000	5.000	0.130	41423PBG1	2033	11,995,000	4.000	1.150	41423PBS5
2024	7,685,000	5.000	0.220	41423PBH9	2034	12,485,000	4.000	1.250	41423PBT3
2025	8,080,000	5.000	0.300	41423PBJ5	2035	12,995,000	4.000	1.300	41423PBU0
2026	8,495,000	5.000	0.420	41423PBK2	2036	13,525,000	4.000	1.370	41423PBV8
2027	9,520,000	5.000	0.520	41423PBL0	2037	14,075,000	4.000	1.440	41423PBW6
2028	11,420,000	5.000	0.650	41423PBM8	2038	14,650,000	4.000	1.470	41423PBX4
2029	13,430,000	5.000	0.770	41423PBN6	2039	15,250,000	4.000	1.530	41423PBY2
2030	15,540,000	5.000	0.870	41423PBP1	2040	15,870,000	4.000	1.550	41423PBZ9

Term Bonds

$89,620,000 Term Bond Due August 15, 2045[1][4], 4.000%, Initial Yield[2] 1.770% - CUSIP No.[3] 41423PCA3

$25,000,000 Term Bond Due August 15, 2050[1][4], 3.000%, Initial Yield[2] 2.060% - CUSIP No.[3] 41423PCC9

$83,815,000 Term Bond Due August 15, 2050[1][4], 4.000%, Initial Yield[2] 1.860% - CUSIP No.[3] 41423PCB1

(1) The County reserves the right to redeem the Series 2021 Bonds maturing on or after August 15, 2031, in whole or from time to time in part, on August 15, 2030, or on any date thereafter at par plus accrued interest on the Series 2021 Bonds called for redemption to the date fixed for redemption. See "THE SERIES 2021 BONDS – REDEMPTION PROVISIONS."

(2) Yield calculated to first optional redemption date. See "THE SERIES 2021 BONDS – REDEMPTION PROVISIONS."

(3) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence, on behalf of The American Bankers Association, and is included solely for convenience of the holders of the Series 2021 Bonds. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Global Services. Neither the County, the Co-Financial Advisors (defined herein) nor the Underwriters are responsible for the selection or correctness of the CUSIP numbers set forth herein.

(4) Subject to mandatory sinking fund redemption as described in "THE SERIES 2021 BONDS – REDEMPTION PROVISIONS."

OFFICIAL STATEMENT SUMMARY

This summary is furnished to provide limited introductory information regarding the terms of the Series 2021 Bonds (defined below) and is qualified by the more detailed descriptions appearing in this Official Statement, the schedules and the appendices hereto. Capitalized terms not defined in the body of this Official Statement have the meanings assigned to them in "APPENDIX A – GLOSSARY OF TERMS." The offering of the Series 2021 Bonds is made only by means of the entire Official Statement, and no person is authorized to make offers to sell or to solicit offers to buy the Series 2021 Bonds unless the entire Official Statement is delivered.

The County	Harris County, Texas (the "***County***"), is a political subdivision of the State of Texas, located in southeast Texas.
The Series 2021 Bonds	The Harris County, Texas $424,925,000 Toll Road First Lien Revenue and Refunding Bonds, Series 2021 (the "***Series 2021 Bonds***"), are being issued and the pledge of the Trust Estate is being made pursuant to the general laws of the State of Texas, including Chapters 284, Texas Transportation Code, as amended, and Chapters 1207 and 1371, Texas Government Code, as amended (collectively, the "***Act***").
The Indenture	The Series 2021 Bonds are being issued pursuant to an order (the "***Order***") passed by the Commissioners Court of the County on November 10, 2020, an Officer's Pricing Certificate executed on the date of the sale of the Series 2021 Bonds, and a Toll Road Revenue Bonds Master Trust Indenture, dated as of January 1, 2021 (the "***Master Indenture***"), and as supplemented by a First Supplemental Toll Road Revenue Bond Trust Indenture, dated as of January 1, 2021, providing for the issuance of the Series 2021 Bonds (collectively with the Master Indenture, the "***Indenture***"), all between the County and The Bank of New York Mellon Trust Company, National Association, as Trustee (the "***Trustee***").
Terms of the Series 2021 Bonds	For a discussion of the terms of the Series 2021 Bonds, including the optional and mandatory sinking fund redemption provisions, see "THE SERIES 2021 BONDS."
Purpose	The proceeds of the Series 2021 Bonds, and other available funds of the County, will be used to: (i) to refund and defease certain outstanding County toll road obligations described in Schedule I; (ii) to finance certain costs of the Project (defined herein), including costs relating to the construction of the Ship Channel Bridge and conversion to all-electronic toll collection (see "THE TOLL ROAD PROJECT – SAM HOUSTON TOLLWAY – Sam Houston Ship Channel Bridge" and "—INTEGRATED TOLL COLLECTION SYSTEM"); (iii) to fund a debt service reserve fund; and (iv) to pay costs of issuance of the Series 2021 Bonds.
Project	See "THE TOLL ROAD PROJECT."
Book-Entry-Only System	The Series 2021 Bonds are initially issuable only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("***DTC***"), pursuant to its book-entry-only system. No physical delivery of the Series 2021 Bonds will be made to the beneficial owners of the Series 2021 Bonds. Principal and interest will be paid to Cede & Co., which will distribute such payments to the participating members of DTC for remittance to the beneficial owners of the Series 2021 Bonds. See "APPENDIX G – THE DEPOSITORY TRUST COMPANY AND BOOK-ENTRY-ONLY SYSTEM."

Paying Agent/Registrar and Trustee	The Bank of New York Mellon Trust Company, National Association, and its successors in such capacities.
Tax Exemption Relating to Series 2021 Bonds	In the opinion of Orrick, Herrington & Sutcliffe LLP, as Tax Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2021 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. In the further opinion of Tax Counsel, interest on the Series 2021 Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Tax Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2021 Bonds. See "TAX MATTERS."
Security and Source of Payment for the Series 2021 Bonds..........................	The Series 2021 Bonds are issued by the County as First Lien Obligations pursuant to the Indenture, and that, together with any Additional First Lien Obligations, are secured by a first lien on, pledge of and security interest in the Trust Estate under the Indenture, subject to and subordinate in all respects to any lien or pledge to outstanding Senior Lien Obligations under the 2015 Indenture (as further described herein). The Trust Estate includes a pledge of all Revenues derived from the operation of the Project and certain funds established under the Indenture. For a description of the Trust Estate, see "SECURITY FOR TOLL ROAD OBLIGATIONS – PLEDGE OF THE TRUST ESTATE."
First Lien Debt Service Reserve Fund Requirement..............................	The Series 2021 Bonds are being issued as Reserve Fund Participants in the First Lien Debt Service Reserve Fund. Moneys, investments and any First Lien DSRF Security held in the First Lien Debt Service Reserve Fund shall, except as otherwise provided in a Supplemental Indenture, be held and used for the benefit of all First Lien Obligations that the County elects to establish as Reserve Fund Participants in the First Lien Debt Service Reserve Fund. See "SECURITY FOR TOLL ROAD OBLIGATIONS – Flow of Funds – First Lien Debt Service Reserve Fund." Upon the issuance of the Series 2021 Bonds, the First Lien Debt Service Reserve Requirement will be $24,745,439.49, which is calculated to equal the Average Annual Debt Service on the Outstanding First Lien Obligations. Such amount will be funded with other available funds of the County on the Date of Delivery. The Series 2021 Bonds will initially be the only Outstanding First Lien Obligations.
Toll Covenant..	The County has covenanted to, at all times, fix, charge and collect tolls for use of the Project for each Fiscal Year as will be required to produce Revenues that will equal at least: (a) 125% of the Annual Debt Service in such Fiscal Year on all Outstanding Senior Obligations and First Lien Obligations; or (b) 120% of the Annual Debt Service in such Fiscal Year on all Outstanding Senior Lien Obligations, First Lien Obligations and Second Lien Obligations. See "SECURITY FOR TOLL ROAD OBLIGATIONS – TOLL COVENANT."

Maintenance Tax Covenant .... The County has covenanted that so long as any Obligations are Outstanding, it shall in each year levy, assess and collect an annual maintenance tax on all taxable property within the County fully sufficient in each such year (taking into account delinquencies and costs of collection) to produce maintenance tax revenues sufficient to (i) pay as they become due all Project Expenses for which there are insufficient available Revenues or (ii) produce maintenance tax revenues for the Project equal to the amounts budgeted for such purpose in such year by the County, whichever is greater.

Senior Lien Obligations .... The County has previously issued certain outstanding toll road senior lien revenue bonds and other obligations (the "***Senior Lien Obligations***") pursuant to a separate indenture referred to as the "***2015 Indenture***" in order to finance and refinance a portion of the Cost of the Project, and the County reserves the right in the 2015 Indenture to issue for any lawful purpose certain "junior lien obligations" and other bonds, notes, or other obligations secured in whole or in part by liens on revenues of the Project that are junior and subordinate to the lien on revenues securing payment of the Senior Lien Obligations (the "***Junior Lien Obligations***"). The Obligations issued under the Master Indenture, including the Series 2021 Bonds, constitute Junior Lien Obligations within the meaning of and as defined in the 2015 Indenture. **The first lien on, pledge of and security interest in the Trust Estate securing the First Lien Obligations under the Master Indenture, including the Series 2021 Bonds, is subject to and subordinate in all respects to any lien or pledge to outstanding Senior Lien Obligations under the 2015 Indenture.** See APPENDIX D-1 — OUTSTANDING SENIOR LIEN OBLIGATIONS.

Except for (i) the issuance and reissuance of the County's senior lien commercial paper notes, together with the extension, renewal or replacement of any related credit facilities under its existing senior lien commercial paper program pursuant to the 2015 Indenture (the "***Senior Lien Parity Notes***"), which shall remain in effect until such program expires, is terminated or is replaced with a program authorizing the issuance of commercial paper notes under the Master Indenture, and (ii) the refunding or replacing of the Senior Lien Series 2007B Bonds and the related 2007B Senior Lien Swap Agreements under the 2015 Indenture in connection with the expiration or termination of the LIBOR interest rate benchmark, the County has covenanted in the Master Indenture to close off the 2015 Indenture to restrict the issuance of additional Senior Lien Obligations thereunder.

Notwithstanding anything in the Master Indenture or any Supplemental Indenture to the contrary, the County may not modify or amend the Master Indenture to reopen the senior lien under the 2015 Indenture unless it obtains the written consent of the Holders of at least three-fourths of the aggregate principal amount of Obligations Outstanding under the Master Indenture. The County does not currently intend to use or reopen the 2015 Indenture, except for the limited purposes described in (i) and (ii) in the paragraph above. If, however, the 2015 Indenture were reopened to the issuance of additional Senior Lien Obligations, the lien on, pledge of and security interest in the Trust Estate securing the Obligations under the Master Indenture, including the Series 2021 Bonds, would be subject to and subordinate in all respects to

any lien or pledge to such additional Senior Lien Obligations under the 2015 Indenture, and the test for issuance of additional Senior Lien Obligations under the 2015 Indenture would be substantially the same as the test for the issuance of Additional First Lien Obligations as described in "SECURITY FOR TOLL ROAD OBLIGATIONS – ADDITIONAL FIRST LIEN OBLIGATIONS" herein.

The outstanding Senior Lien Obligations under the 2015 Indenture are set forth in "APPENDIX D-1 — OUTSTANDING SENIOR LIEN OBLIGATIONS." See "TOLL ROAD FINANCIAL INFORMATION – TOLL ROAD COMMERCIAL PAPER NOTES" and "– FINANCIAL MANAGEMENT PRODUCTS – Senior Lien Swap Agreements Under the 2015 Indenture."

Toll Road Tax Bonds........................ The County has also previously issued certain outstanding toll road unlimited tax and subordinate lien revenue bonds under a separate indenture referred to as the "***Tax Indenture***." Such bonds authorized for issuance under the Tax Indenture are referred to herein generally as the "***Toll Road Tax Bonds***." **The Obligations issued under the Master Indenture, including the Series 2021 Bonds, constitute senior indebtedness with respect to the trust estate as described in the Tax Indenture. Taxes pledged to the Toll Road Tax Bonds under the Tax Indenture do not secure the Obligations, including the Series 2021 Bonds.** See APPENDIX D-2 — OUTSTANDING TOLL ROAD TAX BONDS.

Senior Lien Obligations and Toll Road Tax Bonds are collectively referred to herein as "***Prior Toll Road Bonds***." The 2015 Indenture and the Tax Indenture are collectively referred to herein as the "***Prior Indentures***."

Additional First Lien Obligations ... The County reserves the right to issue Additional First Lien Obligations in accordance with and subject to the provisions of the Master Indenture and any applicable Supplemental Indenture, provided that certain tests and covenants are met. Additional First Lien Obligations will be on parity with the Series 2021 Bonds and secured by a first lien on, pledge of and security interest in the Trust Estate, subject to and subordinate in all respects to any lien or pledge to Senior Lien Obligations under the 2015 Indenture (as further described herein). For a description of the Trust Estate, see "SECURITY FOR TOLL ROAD OBLIGATIONS – ADDITIONAL FIRST LIEN OBLIGATIONS."

Second Lien Obligations, Third Lien Obligations, and Fourth Lien Obligations .... The County reserves the right to issue Second Lien Obligations, Third Lien Obligations, and Fourth Lien Obligations in accordance with and subject to the provisions of the Master Indenture and any applicable Supplemental Indenture, provided that certain tests and covenants are met.

Second Lien Obligations will be secured by a lien on, pledge of and security interest in the Trust Estate, subject and subordinate to the lien on, pledge of and security interest in the Trust Estate established for the benefit and security of the First Lien Obligations. See "SECURITY FOR TOLL ROAD OBLIGATIONS – SECOND LIEN OBLIGATIONS."

Third Lien Obligations will be secured by a lien on, pledge of and security interest in the Trust Estate, subject and subordinate to the lien

	on, pledge of and security interest in the Trust Estate established for the benefit and security of the First Lien Obligations and Second Lien Obligations, respectively. See "SECURITY FOR TOLL ROAD OBLIGATIONS – THIRD LIEN OBLIGATIONS."
	Fourth Lien Obligations will be secured by a lien on, pledge of and security interest in the Trust Estate, subject and subordinate to the lien on, pledge of and security interest in the Trust Estate established for the benefit and security of the First Lien Obligations, Second Lien Obligation and Third Lien Obligations, respectively. See "SECURITY FOR TOLL ROAD OBLIGATIONS – FOURTH LIEN OBLIGATIONS."
Credit Ratings....................................	Fitch Rating, Inc. ("***Fitch***") and Moody's Investors Service, Inc. ("***Moody's***") have assigned credit ratings of "AA" (stable outlook) and "Aa2" (stable outlook), respectively, to the Series 2021 Bonds. See "RATINGS."
Payment Record	The County has never defaulted in paying the principal of or interest on any of its debt.

REFUNDED NOTES

A portion of the proceeds of the Series 2021 Bonds are being issued to refund the Refunded Notes. The principal and interest on the Refunded Notes are to be paid in accordance with their terms with a portion of the proceeds of the Series 2021 Bonds, together with other lawfully available funds of the County, to be deposited with U.S. Bank National Association, the paying agent for the Refunded Notes (the "***Refunded Notes Paying Agent***"). The amounts so deposited with the Refunded Notes Paying Agent will be sufficient to pay the principal and interest on the Refunded Notes on the Date of Delivery.

SOURCES AND USES OF FUNDS

The following table summarizes the estimated sources and uses of proceeds of the Series 2021 Bonds and certain other available funds:

	Series 2021 Bonds
SOURCES OF FUNDS:	
Par Amount of Bonds	$424,925,000.00
Original Issue Premium	93,348,439.55
Other Available Funds	32,696,217.33
TOTAL SOURCES	$550,969,656.88
USES OF FUNDS:	
Deposit to Refunded Bonds Trustee	$23,247,150.00
Deposit to Refunded Notes Paying Agent[1]	400,000,000.00
Deposit to Project Fund	100,000,000.00
Deposit to First Lien Debt Service Reserve Fund	24,745,439.49
Costs of Issuance[2]	2,977,067.39
TOTAL USES	$550,969,656.88

[1] The County will pay the interest on the Refunded Notes from other legally available funds.
[2] Includes underwriters' discount, legal fees, rating agency fees, fees of the Paying Agent/Registrar, additional proceeds and other costs of issuance.

THE SERIES 2021 BONDS

GENERAL

The Series 2021 Bonds will bear interest at the per annum rates and mature on the dates and in the amounts set forth on the inside cover of this Official Statement. The Series 2021 Bonds will bear interest from their Date of Delivery to the Underwriters. Interest on the Series 2021 Bonds is calculated on the basis of a 360-day year comprised of twelve 30-day months, and is payable semiannually on February 15 and August 15 of each year commencing August 15, 2021, until maturity or earlier redemption, if any.

The Series 2021 Bonds will be issued as fully registered bonds, in the denomination of $5,000 principal amount, or any integral multiple thereof ("***Authorized Denominations***"). The Series 2021 Bonds will be payable at the principal corporate trust office of any Paying Agent/Registrar (the "***Paying Agent/Registrar***") designated by the County, initially The Bank of New York Mellon Trust Company, National Association, or the Trustee, and payment of the interest on the Series 2021 Bonds will be made by the Paying Agent/Registrar to the registered owner of such Bond by check or draft mailed to such registered owner thereof (or other method of payment mutually acceptable to the Paying Agent/Registrar and the registered owner) as of the Record Date at such address as appears on the registration books maintained by the Paying Agent/Registrar. See "– RECORD DATES." See also "– BOOK-ENTRY-

HTS Continuing Disclosure Services

UNDERLYING RATINGS: Moody's: "A3"
S&P: "A"

INSURED BOND RATINGS: Moody's: "A2"
S&P: "AA"
(See "RATINGS" herein)

NEW ISSUE — Book-Entry Only

Interest on the Bonds is not excludable from gross income for federal income tax purposes under existing law. See "TAX MATTERS" herein.

$303,610,000
TARRANT COUNTY CULTURAL EDUCATION FACILITIES FINANCE CORPORATION
Hospital Revenue Bonds
(Hendrick Medical Center)
Taxable Series 2021

HENDRICK HEALTH

Dated: Date of Delivery **Due: September 1, as stated below**

INTEREST: Interest on the Bonds will be payable on March 1 and September 1, commencing March 1, 2021, and calculated on the basis of a 360-day year of twelve 30-day months.

DENOMINATIONS: The Bonds are issuable in denominations of $5,000 or any integral multiple thereof.

PURPOSE: The Bonds are being issued to (i) refinance certain indebtedness incurred by Hendrick Medical Center, a Texas nonprofit corporation ("*Hendrick*"), to finance the acquisition of the assets and operations of Abilene Regional Medical Center and Brownwood Regional Medical Center, (ii) finance and reimburse costs of the acquisition, construction, renovation, remodeling and/or equipping of capital improvements for Hendrick and its affiliates, (iii) refund a portion of the outstanding Tarrant County Cultural Education Facilities Finance Corporation Hospital Revenue Bonds (Hendrick Medical Center) Series 2013 and (iv) pay costs of issuance relating to the Bonds. See "PLAN OF FINANCING" herein.

REDEMPTION: The Bonds are subject to optional, extraordinary optional and mandatory sinking fund redemption prior to their stated maturity as described herein. See "THE BONDS – Redemption Provisions" herein.

LIMITED OBLIGATIONS: The Bonds are limited obligations of the Tarrant County Cultural Education Facilities Finance Corporation (the "*Issuer*"), payable from loan payments to be made by Hendrick and the other members of the Obligated Group under the Master Indenture as well as funds held under the Bond Indenture (as each are defined herein).

MATURITY SCHEDULE

Maturity (September 1)	Principal Amount	Interest Rate	Yield	CUSIP No†	ISIN†	Common Code**
2021	$7,835,000	0.863%	0.863%	87638QQS1	US87638QQS11	227739967
2022	4,890,000	0.923	0.923	87638QQT9	US87638QQT93	227739975
2023	4,930,000	1.071	1.071	87638QQU6	US87638QQU66	227739959
2024	8,340,000	1.356	1.356	87638QQV4	US87638QQV40	227739983
2025	8,450,000	1.386	1.386	87638QQW2	US87638QQW23	227740019
2026	8,570,000	1.634	1.634	87638QQX0	US87638QQX06	227739991
2027	8,710,000	1.824	1.824	87638QQY8	US87638QQY88	227740027
2028	8,865,000	2.081	2.081	87638QQZ5	US87638QQZ53	227740043
2029	2,095,000	2.281	2.281	87638QRA9	US87638QRA93	227740035
2030	2,145,000	2.321	2.321	87638QRB7	US87638QRB76	227740051
2031	9,620,000	2.411	2.411	87638QRC5	US87638QRC59	227740078
2032	9,850,000	2.571	2.571	87638QRD3	US87638QRD33	227740060
2033	10,105,000	2.691	2.691	87638QRE1	US87638QRE16	227740086
2034	10,375,000	2.781	2.781	87638QRF8	US87638QRF80	227740108
2035	10,665,000	2.901	2.901	87638QRG6	US87638QRG63	227740094

$56,330,000 3.202% Term Bond due September 1, 2040, Priced to Yield 3.202%, CUSIP No.† 87638QRH4,
ISIN† US87638QRH47, Common Code** 227740116

$131,835,000 3.422% Term Bond due September 1, 2050, Priced to Yield 3.422%, CUSIP No.† 87638QRJ0,
ISIN† US87638QRJ03, Common Code** 227740124

Neither the State of Texas nor any political subdivision or agency, including Tarrant County, Texas, is obligated to pay the Bonds. Neither the faith and credit nor the taxing power of the State of Texas, Tarrant County, Texas, or any other political subdivision or agency is or will be pledged to the payment of the Bonds. The Issuer has no taxing power.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by ASSURED GUARANTY MUNICIPAL CORP.

ASSURED GUARANTY MUNICIPAL

As described herein, the Prior Master Indenture (as defined herein) is being amended and restated by the Master Indenture (as defined herein). By their purchase of the Bonds on the date of issuance, the purchasers and the Beneficial Owners (as defined herein), on behalf of themselves and all subsequent holders of the Bonds irrevocably consent, and shall be deemed to have irrevocably consented, to (i) the amendment and restatement of the Prior Master Indenture by the Master Indenture and (ii) the release of the Deed of Trust. See "SUMMARY OF MASTER INDENTURE" in APPENDIX D.

KeyBank National Association, an affiliate of Cain Brothers, a division of KeyBanc Capital Markets Inc., an Underwriter of the Bonds, is expected to receive a portion of the proceeds from the issuance of the Bonds. See "RELATIONSHIP OF CERTAIN PARTIES AND CONFLICT OF INTERESTS" herein.

The Bonds are offered when, as, and if all the Bonds are simultaneously issued and accepted by the Underwriters, subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of certain legal matters by the Attorney General of the State of Texas and an opinion as to legality by Bracewell LLP, Bond Counsel. Certain legal matters are subject to the approval of Bracewell LLP, special disclosure counsel to the Obligated Group, of Brown Pruitt Wambsganss Dean Forman & Moore, P.C., counsel to the Issuer, and of Norton Rose Fulbright US LLP, counsel to the Underwriters. Bonds in book-entry form are expected to be available for credit through the facilities of DTC on or about January 6, 2021.

CAIN BROTHERS
A division of KeyBanc Capital Markets

Goldman Sachs & Co. LLC **J.P. Morgan**

The date of this Official Statement is December 10, 2020.

† CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services ("*CGS*"). CGS is managed by S&P Global Market Intelligence on behalf of the American Bankers Association. Copyright ©2020 CUSIP Global Services. All rights reserved. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers are provided for convenience of reference only. None of Hendrick, the Issuer, the Underwriters or their agents or counsel assume responsibility for the accuracy of such numbers.

** Common Code data herein is provided herein by Euroclear Bank S.A./N.V. Common Codes are provided for convenience of reference only. Neither Hendrick, nor the Issuer, nor the Underwriters are responsible for the selection or use of these Common Codes and no representation is made as to their correctness on the Bonds or as included herein.

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds from the sale of the Bonds are currently anticipated to be applied as set forth below.

Sources of Funds:	
Par Amount	$303,610,000
Refunded Bonds Reserve Fund	3,587,373
Total Sources of Funds	$307,197,373
Uses of Funds:	
Refinancing of Bridge Loan	$222,734,626
Refunded Bonds Escrow	41,003,296
Proceeds Fund	32,600,000
Bond Insurance Premium	7,100,724
Costs of Issuance[(1)]	3,758,727
Total Uses of Funds	$307,197,373

(1) Includes Underwriters' discount (see "UNDERWRITING" herein), fees and expenses of the Bond Trustee, the Master Trustee, bond counsel, counsel to the Obligated Group Members, counsel to the Underwriters, Hendrick's auditors and the financial advisor, and costs of printing, rating agencies and miscellaneous expenses.

OFFICIAL STATEMENT DATED DECEMBER 10, 2020

Interest on the Bonds (defined herein) will be included in gross income for federal income tax purposes. See "TAX MATTERS" herein.

NEW ISSUE – Book-Entry-Only

Ratings: Moody's: "Aa1"
S&P: "AA+" (See "RATINGS" herein)

TEXAS PUBLIC FINANCE AUTHORITY

$400,000,000
Lease Revenue and Refunding Bonds
(Texas Facilities Commission),
Taxable Series 2020

Interest Accrues from Date of Delivery

Due: As shown on page ii

The Texas Public Finance Authority (the "Authority") is issuing its Lease Revenue and Refunding Bonds (Texas Facilities Commission), Taxable Series 2020 (the "Bonds") as special and limited obligations of the Authority in the aggregate principal amount shown above. The Bonds are being issued under authority of the general laws of the State of Texas, including Chapters 1207, 1232, 1371 and 2166 Texas Government Code, as amended (collectively, the "Authorizing Law"), and pursuant to: H.B. 1, 84th Legislature, Regular Session, Article I, pg. I-45, Rider 19 (2015); S.B. 1, 85th Legislature, Regular Session, Article I, pg. I-46, Rider 16 (2017); and H.B. 1, 86th Legislature, Regular Session, Article I, Sec. 1, pg. I-43, Rider 3 (items a(1) and a(2)) and Article I, Sec. 1, pg. I-47, Rider 16 (2019) (collectively, the "Appropriation Acts"). The Bonds are being issued to (i) refund certain outstanding commercial paper notes of the State of Texas issued by the Authority (the "Refunded Notes") for the Texas Facilities Commission (the "Facilities Commission" or the "Lessee Agency"), as further identified on Schedule I attached hereto, (ii) finance certain costs of the Project (as defined herein) and (iii) pay the costs of issuing the Bonds. (See "PLAN OF FINANCE")

Interest on the Bonds accrues from the Date of Delivery (defined below) and will be payable on February 1 and August 1 of each year, commencing August 1, 2021 until maturity or prior redemption. (See "THE BONDS")

The Bonds are subject to optional redemption as provided herein. (See "THE BONDS – Redemption")

The Bonds are payable only from certain pledged security, which consists primarily of Rent Payments (defined herein) made pursuant to a lease agreement (the "Lease") between the Authority and the Lessee Agency. The Lease obligates the Lessee Agency to make Rent Payments sufficient to pay, when due, the principal of, premium, if any, and interest on the Bonds subject to the appropriation of funds by the Legislature of the State of Texas. (See "THE LEASE")

THE OBLIGATION OF THE LESSEE AGENCY TO MAKE RENT PAYMENTS UNDER THE LEASE IS SUBJECT TO, AND DEPENDENT UPON, APPROPRIATION BY THE LEGISLATURE OF THE STATE OF TEXAS OF FUNDS NECESSARY TO MAKE SUCH RENT PAYMENTS. THE LEGISLATURE HAS NO OBLIGATION TO MAKE ANY SUCH APPROPRIATIONS. NEITHER THE STATE OF TEXAS NOR ANY AGENCY, POLITICAL CORPORATION, OR POLITICAL SUBDIVISION OF THE STATE OF TEXAS WILL BE OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS, EXCEPT AS DESCRIBED HEREIN WITH RESPECT TO PAYMENTS TO BE MADE BY THE AUTHORITY FROM THE REVENUES PLEDGED FOR SUCH PURPOSE. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS OR ANY AGENCY, POLITICAL CORPORATION, OR POLITICAL SUBDIVISION OF THE STATE OF TEXAS (INCLUDING THE AUTHORITY AND THE LESSEE AGENCY) WILL BE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS. THE AUTHORITY HAS NO TAXING POWER. THERE IS NO MORTGAGE ON THE PROJECT (DEFINED HEREIN) FINANCED OR REFINANCED WITH THE PROCEEDS OF THE BONDS. (SEE "THE BONDS – SOURCE OF PAYMENT OF THE BONDS" AND "PLAN OF FINANCE – SECURITY FOR THE BONDS")

MATURITY SCHEDULE, INTEREST RATES, INITIAL YIELDS AND OTHER TERMS FOR THE BONDS
(See Page ii)

The Bonds are offered for delivery when, as, and if issued and accepted by the Underwriters, and subject to the approval of the Attorney General of the State of Texas and the approving opinion of Norton Rose Fulbright US LLP, Dallas, Texas, Bond Counsel. Certain legal matters will be passed upon for the Authority by the General Counsel to the Authority and by McCall, Parkhurst & Horton L.L.P., Austin, Texas, Disclosure Counsel to the Authority. Certain legal matters will be passed upon for the Underwriters by Holland & Knight LLP, Houston, Texas. It is expected that the Bonds will be delivered on or about December 23, 2020 (the "Date of Delivery") through the facilities of The Depository Trust Company, New York, New York.

SIEBERT WILLIAMS SHANK & CO., LLC

MORGAN STANLEY | **MESIROW FINANCIAL, INC.**
PIPER SANDLER & CO. | **RAMIREZ & CO., INC.**

MATURITY SCHEDULE

TEXAS PUBLIC FINANCE AUTHORITY

**$400,000,000
Lease Revenue and Refunding Bonds
(Texas Facilities Commission),
Taxable Series 2020**

Maturity (February 1)	Principal Amount	Interest Rate	Initial Price or Yield	CUSIP No.[1]
2022	$20,425,000	0.219%	0.219%	882669BQ6
2023	20,425,000	0.286	0.286	882669BR4
2024	20,425,000	0.503	0.503	882669BS2
2025	20,425,000	0.663	0.663	882669BT0
2026	20,425,000	0.926	0.926	882669BU7
2027	20,425,000	1.076	1.076	882669BV5
2028	20,425,000	1.330	1.330	882669BW3
2029	20,425,000	1.430	1.430	882669BX1
2030	20,425,000	1.520	1.520	882669BY9
2031	20,425,000	1.620	1.620	882669BZ6
2032	20,425,000	1.780	1.780	882669CA0
2033	20,420,000	1.940	1.940	882669CB8
2034	20,415,000	2.040	2.040	882669CC6
2035	20,415,000	2.140	2.140	882669CD4
2036	20,415,000	2.217	2.217	882669CE2
2037	20,415,000	2.317	2.317	882669CF9
2038	20,415,000	2.367	2.367	882669CG7
2039	20,415,000	2.417	2.417	882669CH5
2040	20,415,000	2.467	2.467	882669CJ1
2041	12,000,000	2.517	2.517	882669CK8

(Interest accrues from Date of Delivery)

OPTIONAL REDEMPTION.. The Bonds maturing on and after February 1, 2032, are subject to redemption prior to maturity at the option of the Authority, in whole or in part, from time to time, in principal amounts of $5,000 or any integral multiple thereof, in such manner as the Authority may select, on February 1, 2031, or on any date thereafter, at a redemption price equal to par plus accrued interest from the most recent interest payment date to the date fixed for redemption. (See "THE BONDS – Redemption")

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[1] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ LLC on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers are included herein solely for the convenience of the owners of the Bonds. None of the Authority, the Underwriters or the Financial Advisor shall be responsible for the selection or correctness of the CUSIP numbers shown herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

Security for the Bonds

The Lease obligates the Lessee Agency to make or cause to be made Rent Payments sufficient to pay, when due, the principal of, premium, if any, and interest on the Bonds and Commercial Paper Notes, outstanding from time to time, subject to the appropriation of funds by the Legislature (See "THE LEASE"). Pursuant to the Resolution, the Authority will pledge to the Bond Owners as security for the payment of the Bonds all right, title, and interest of the Authority in and to the Pledged Security, which, with respect to the Lease, primarily consists of the Pledged Revenues. The Lease, the rights of the Authority thereunder and the Rent Payments are security for the Bonds and the Commercial Paper Notes, outstanding from time to time. (See "THE BONDS – Source of Payment of the Bonds")

The Authority reserves the right to issue Additional Bonds or Commercial Paper Notes pursuant to the Resolution and the CP Resolution, respectively, on behalf of the Facilities Commission in furtherance of the Project, subject to the Authorized Amount and the appropriation of funds by the Legislature. The Lease, the rights of the Authority thereunder and the Rent Payments are security for the Bonds, Previously Issued Parity Bonds, Additional Bonds and Commercial Paper Notes outstanding from time to time. (See "– Commercial Paper Program" and "THE LEASE")

SOURCES AND USES OF FUNDS

The proceeds from the sale of the Bonds, together with other lawfully available funds of the Authority, will be applied as follows:

Sources of Funds	
Principal Amount of the Bonds	$400,000,000.00
Authority Contribution	1,804,534.24
Authority Contribution – Refunded Notes Interest	74,917.33
Total	$401,879,451.57
Uses of Funds	
Deposit to Project Fund	$200,000,000.00
Deposit to Escrow Fund[1]	200,074,917.33
Costs of Issuance[2]	1,804,534.24
Total	$401,879,451.57

[1] Includes interest expense payable on Refunded Notes from the Authority Contribution.
[2] Includes Underwriters' discount.

THE AUTHORITY

General

Under the Texas Public Finance Authority Act, the Authority's power is limited to financing and refinancing project costs for State agencies and institutions and does not affect the power of the relevant State agency or institution to carry out its statutory authority, including the authority of such agency or institution to construct buildings. The Texas Public Finance Authority Act directs State agencies and institutions to carry out their authority regarding projects financed by the Authority as if the projects were financed by legislative appropriation.

Pursuant to the Texas Public Finance Authority Act and other applicable State law, the Authority issues general obligation bonds and revenue bonds for designated State agencies (including certain institutions of higher education). In addition, the Authority currently administers four commercial paper programs, namely: a lease-revenue commercial paper program, which is available to finance equipment acquisitions and facilities construction; a general obligation commercial paper program for certain State government construction projects; a general obligation commercial paper program for the Cancer Prevention and Research Institute of Texas; and a commercial paper program for the Facilities Commission. In addition, in 2003, the Authority created a nonprofit corporation to finance projects for eligible charter schools pursuant to Chapter 53, Texas Education Code.

OFFICIAL STATEMENT DATED OCTOBER 29, 2020

NEW ISSUE – BOOK-ENTRY-ONLY

RATINGS:
MOODY'S Aa2
KROLL AAA
SEE "OTHER INFORMATION - Ratings" HEREIN

DART

Interest on the Bonds is not excludable from gross income for federal tax purposes under existing law. See "TAX MATTERS."

DALLAS AREA RAPID TRANSIT

$281,090,000
SENIOR LIEN SALES TAX
REVENUE REFUNDING BONDS
TAXABLE SERIES 2020D

Interest accrues from the Date of Delivery **CUSIP Prefix:** 235241 **Due:** As shown on the inside cover page

Dallas Area Rapid Transit (the "*Authority*" or "*DART*") is issuing its Senior Lien Sales Tax Revenue Refunding Bonds, Taxable Series 2020D (the "*Bonds*") for the purposes described herein. See "PLAN OF FINANCE" and "THE BONDS."

Interest on the Bonds will accrue from the Date of Delivery (as defined herein) and will be payable on each June 1 and December 1, commencing June 1, 2021, until maturity or prior redemption and will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The definitive Bonds will be registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("*DTC*"), pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 of principal amount or integral multiples thereof. No physical delivery of the Bonds will be made to the beneficial owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners thereof. See "BOOK-ENTRY-ONLY SYSTEM" herein. Zions Bancorporation, National Association, DBA Amegy Bank, Houston, Texas, is designated as the initial trustee (in such capacity, the "Trustee") and the initial paying agent/registrar (in such capacity, the "*Paying Agent/Registrar*"). See "THE BONDS – Trustee/Paying Agent/Registrar."

The Bonds are being issued pursuant to the Master Debt Resolution, adopted on January 23, 2001, as amended (the "*Master Debt Resolution*"), a Supplemental Resolution adopted by the subregional board of directors of the Authority (the "*Board*") on October 20, 2020 (the "*Twenty-First Supplemental Debt Resolution*"), and a pricing certificate (the "*Pricing Certificate*") pursuant to the authority granted by Chapter 452, Texas Transportation Code, as amended (the "*Act*"), and Chapters 1207 and 1371, Texas Government Code, as amended. The Bonds will be issued as Additional Senior Lien Obligations on parity with certain Outstanding Senior Lien Obligations and any future Additional Senior Lien Obligations (collectively, the "*Senior Lien Obligations*"), and are payable from and secured by a first and senior lien on and pledge of (i) Gross Sales Tax Revenues, (ii) Pledged Farebox Revenues and (iii) investment earnings credited to the Gross Sales Tax Revenue Fund (collectively, "*Pledged Revenues*"). See "THE BONDS – Security and Source of Payment." A sales and use tax has been levied by the Authority at the rate of 1% on all taxable transactions within the Authority's boundaries. See "REVENUES, EXPENSES AND INVESTMENTS" and "DEBT AND OTHER OBLIGATIONS – Outstanding Debt." Capitalized terms used but not otherwise defined herein have the meaning assigned to such term in the Master Debt Resolution and the Twenty-First Supplemental Debt Resolution.

Proceeds of the Bonds, together with other funds contributed by DART, will be used for the purposes of (i) refunding the Refunded Obligations (defined herein) described in Schedule I for debt service savings and (ii) paying the costs of issuance of the Bonds. For additional information on the use of proceeds for the Bonds, please see "PLAN OF FINANCE."

The Bonds are subject to redemption prior to maturity. See "THE BONDS – Redemption."

SEE INSIDE COVER PAGE FOR MATURITY SCHEDULE AND INITIAL OFFERING YIELDS

The Bonds are offered, when, as and if issued by DART and accepted by the Underwriters (defined herein), subject, among other things, to the approving opinions of the Attorney General of the State of Texas as to legality and to the approving opinions of Bracewell LLP, Dallas, Texas, McCall, Parkhurst & Horton L.L.P., Dallas, Texas and West & Associates, L.L.P., Dallas, Texas ("*Co-Bond Counsel*"). Certain legal matters will be passed on for the Underwriters by their counsel, Orrick, Herrington & Sutcliffe LLP, Austin, Texas ("*Underwriters' Counsel*"). Delivery of the Bonds are expected to be available for delivery on or about November 18, 2020, (the "*Date of Delivery*") through the facilities of DTC in New York, New York.

LOOP CAPITAL MARKETS **SIEBERT WILLIAMS SHANK & CO., LLC**

BARCLAYS **BOFA SECURITIES** **CABRERA CAPITAL MARKETS** **CITIGROUP** **HUNTINGTON CAPITAL MARKETS**

JEFFERIES **J.P. MORGAN** **RBC CAPITAL MARKETS** **SAMCO CAPITAL**

MATURITY SCHEDULE

$281,090,000
Dallas Area Rapid Transit
Senior Lien Sales Tax Revenue Refunding Bonds
Taxable Series 2020D

CUSIP Prefix: 235241[4]

Stated Maturity (6/1) [1][2]	Principal Amount	Interest Rate	Yield [3]	CUSIP Suffix [4]
2021	$ 3,165,000	0.247 %	0.247%	VC7

Stated Maturity (12/1) [1][2]	Principal Amount	Interest Rate	Yield [3]	CUSIP Suffix [4]
2021	$ 5,925,000	0.297%	0.297%	VD5
2022	5,945,000	0.397	0.397	VE3
2023	4,340,000	0.541	0.541	VF0
2024	4,370,000	0.761	0.761	VG8
2025	4,405,000	0.911	0.911	VH6
2026	23,030,000	1.147	1.147	VJ2
2027	23,315,000	1.347	1.347	VK9
2028	6,685,000	1.678	1.678	VL7
2029	8,930,000	1.828	1.828	VM5
2030	9,120,000	1.928	1.928	VN3
2031	9,320,000	2.078	2.078	VP8
2032	24,875,000	2.178	2.178	VQ6
2033	30,205,000	2.378	2.378	VR4
2034	30,955,000	2.478	2.478	VS2
2035	31,750,000	2.578	2.578	VT0
2036	32,555,000	2.428	2.428	VU7

$22,200,000 Term Bond due December 1, 2043, Interest Rate 3.039%, Yield 3.039%, CUSIP Suffix VV5 [1][2][3][4][5]

(1) The Bonds maturing on December 1, 2033, 2034, 2035, and 2043 are subject to redemption, in whole or in part, at DART's option on any day on or after December 1, 2030, at a redemption price equal to the principal amount of the Bonds to be redeemed plus accrued and unpaid interest to the redemption date, without premium. See "THE BONDS – Redemption – *Optional Redemption at Par*."

(2) The Bonds are subject to optional make-whole redemption on any date prior to maturity, as described in "THE BONDS– Redemption - *Optional Redemption of the Bonds at Make-Whole Redemption Price*."

(3) The initial yields are established by and are the sole responsibility of the Underwriters and may subsequently be changed.

(4) CUSIP numbers have been assigned to this issue by the CUSIP Global Services, managed by S&P Capital Global Market Intelligence on behalf of the American Bankers Association and are included solely for the convenience of the owners of the Bonds. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. DART, the Co-Financial Advisors, and the Underwriters shall not be responsible for the selection or the correctness of the CUSIP numbers set forth herein.

(5) The Bonds maturing on December 1, 2043 (the "Term Bonds") are subject to mandatory sinking fund redemption as described in "THE BONDS – Redemption – *Mandatory Redemption*."

Sources and Uses of Funds

The following schedule reflects the sources and uses of proceeds of the Bonds:

		The Bonds
SOURCES		
Par Amount of the Bonds	$	281,090,000.00
Issuer Contribution		5,376,634.68
Total Sources	$	286,466,634.68
USES		
Deposit to Escrow Fund	$	284,454,064.40
Underwriters' Discount		1,170,428.00
Costs of Issuance [1]		842,142.28
Total Uses	$	286,466,634.68

(1) Costs of issuance include Co-Financial Advisors' fees, rating agencies fees, Trustee/Paying Agent/Registrar fees, legal fees of the Authority relating to the Bonds, printing expense, additional proceeds and rounding amounts.

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OFFICIAL STATEMENT DATED OCTOBER 27, 2020

NEW ISSUES - Book-Entry-Only

Ratings: Moody's: "Aa3"
S&P: "AA"
Fitch: "AA"
(See "OTHER RELEVANT INFORMATION – Ratings")

Delivery of the Series 2020A Bonds is subject to the receipt of the opinion of Norton Rose Fulbright US LLP, Bond Counsel, to the effect that, assuming continuing compliance by the City of Austin, Texas (the" City") with certain covenants contained in the Nineteenth Supplement described in this document, interest on the Bonds will be excludable from gross income for federal income taxation under existing law, subject to the matters described under "TAX MATTERS – Series 2020A" in this document. Interest on the Taxable Series 2020B Bonds will be included in gross income for federal income tax purposes. See "TAX MATTERS – Taxable Series 2020B" in this document.

CITY OF AUSTIN, TEXAS

$227,495,000	**$49,870,000**
Electric Utility System Revenue Refunding and Improvement Bonds, Series 2020A	**Electric Utility System Revenue Refunding Bonds, Taxable Series 2020B**

Dated: Date of Initial Delivery **Due: November 15, as shown on pages i and ii of this document**

The bonds offered in this document are the $227,495,000 City of Austin, Texas Electric Utility System Revenue Refunding and Improvement Bonds, Series 2020A (the "Series 2020A Bonds") and the $49,870,000 City of Austin, Texas Electric Utility System Revenue Refunding Bonds, Taxable Series 2020B (the "Taxable Series 2020B Bonds"). The Series 2020A Bonds and Taxable Series 2020B Bonds are collectively referred to in this document as the "Bonds." The Bonds represent the nineteenth and twentieth series, respectively, of "Parity Electric Utility Obligations" issued pursuant to City of Austin, Texas (the "City") Ordinance No. 010118-52A, passed on January 18, 2001, by the City Council of the City (the "City Council") governing the issuance of the City's Electric Utility System indebtedness (the "Master Ordinance") and are authorized and being issued in accordance with Ordinance No. 20200917-058 (the "Nineteenth Supplement") authorizing the Series 2020A Bonds and Ordinance No. 20200917-059 (the "Twentieth Supplement") authorizing the Taxable Series 2020B Bonds, each passed on September 17, 2020, by the City Council. The Nineteenth Supplement and Twentieth Supplement each delegated to a designated "Pricing Officer" the authority to effect the sale of the Bonds, subject to the terms of the Nineteenth Supplement and Twentieth Supplement. See "INTRODUCTION" in this document. The Master Ordinance provides the terms for the issuance of Parity Electric Utility Obligations and the related covenants and security provisions. The City also has outstanding one series of Prior Subordinate Lien Obligations (defined in this document), which are secured by joint and several pledges of the net revenues of both the Water and Wastewater System and Electric Utility System. The City must comply with the covenants and security provisions relating to the Prior Subordinate Lien Obligations while they remain outstanding. The Master Ordinance provides that no additional revenue obligations payable from the same sources and secured in the same manner as the Prior Subordinate Lien Obligations shall be issued. Commercial Paper Obligations (defined in this document) currently authorized, having a combined pledge of Net Revenues of the Electric Utility System and Water and Wastewater System (the "Combined Utility Systems"), may continue to be issued on a subordinate lien basis to the Parity Electric Utility Obligations. The Bonds are special obligations of the City, payable as to both principal and interest solely from, and together with the outstanding Parity Electric Utility Obligations and Prior Subordinate Lien Obligations, equally and ratably secured only by a lien on and pledge of the Net Revenues of the City's Electric Utility System as provided in the Master Ordinance, the Nineteenth Supplement for the Series 2020A Bonds and the Twentieth Supplement for the Taxable Series 2020B Bonds. **The taxing powers of the City and the State of Texas are not pledged as security for the Bonds.** See "SECURITY FOR THE BONDS" in this document.

The definitive Bonds will be issued in fully registered form in denominations of $5,000 or any integral multiple thereof within a maturity. Interest on the Bonds will accrue from the date of initial delivery to the underwriters set forth below (the "Underwriters") and shall be payable on May 15, 2021 and each November 15 and May 15 thereafter until maturity or prior redemption. The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). The City reserves the right to discontinue such book-entry system. See "Description of the Bonds" in this document. U.S. Bank National Association will serve as the initial paying agent/registrar (the "Paying Agent/Registrar") for the Bonds.

MATURITY SCHEDULE

See "Maturity Schedule" on pages i and ii of this document

The Bonds are subject to optional redemption and mandatory sinking fund redemption as described in "DESCRIPTION OF THE BONDS - Redemption of the Series 2020A Bonds" and "Redemption of the Taxable Series 2020B Bonds" in this document.

The Bonds are offered for delivery when, as, and if issued and subject, among other things, to the opinions of the Attorney General of the State of Texas and Norton Rose Fulbright US LLP, Bond Counsel for the City, as to the validity of the issuance of the Bonds under the Constitution and laws of the State of Texas. The opinion of Bond Counsel will be printed on or attached to the Bonds (See "APPENDIX E - Form of Bond Counsel's Opinions" in this document). Certain legal matters will be passed upon for the City by McCall, Parkhurst & Horton L.L.P., Disclosure Counsel for the City, and for the Underwriters by their counsel, Orrick, Herrington & Sutcliffe LLP

It is expected that the Bonds will be delivered through the facilities of DTC on or about November 17, 2020 (the "Date of Initial Delivery").

RBC Capital Markets

Hilltop Securities **Raymond James**

CITY OF AUSTIN, TEXAS

$227,495,000
Electric Utility System Revenue Refunding and Improvement Bonds, Series 2020A

Base CUSIP No. 052414 (1)

MATURITY SCHEDULE

$132,000,000 Serial Bonds

Maturity Date (November 15)	Principal Amount	Interest Rate	Initial Yield		CUSIP Suffix (1)
2023	$4,000,000	5.000%	0.280%		TL3
2024	7,460,000	5.000%	0.320%		TM1
2025	7,845,000	5.000%	0.390%		TN9
2026	8,210,000	5.000%	0.580%		TP4
2027	8,680,000	5.000%	0.750%		TQ2
2028	9,055,000	5.000%	0.890%		TR0
2029	9,530,000	5.000%	1.030%		TS8
2030	10,000,000	5.000%	1.140%		TT6
2031	2,025,000	5.000%	1.270%	(2)	TU3
2032	5,885,000	5.000%	1.330%	(2)	TV1
2033	6,190,000	5.000%	1.420%	(2)	TW9
2034	6,505,000	5.000%	1.480%	(2)	TX7
2035	6,830,000	5.000%	1.530%	(2)	TY5
2036	7,185,000	5.000%	1.590%	(2)	TZ2
2037	7,550,000	5.000%	1.640%	(2)	UA5
2038	7,940,000	5.000%	1.680%	(2)	UB3
2039	8,340,000	5.000%	1.730%	(2)	UC1
2040	8,770,000	5.000%	1.760%	(2)	UD9

$41,815,000 5.000% Term Bonds maturing November 15, 2045, priced to yield 1.930%, CUSIP Suffix UE7 (1) (2)

$53,680,000 5.000% Term Bonds maturing November 15, 2050, priced to yield 2.010%, CUSIP Suffix UF4 (1) (2)

(Interest to accrue from Date of Initial Delivery)

Redemption of the Series 2020A Bonds

The Series 2020A Bonds are subject to optional redemption and mandatory sinking fund redemption as described in "DESCRIPTION OF THE BONDS – Redemption of the Series 2020A Bonds" in this document.

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(2) Initial yield shown is the yield to the first optional redemption date of November 15, 2030 for the Series 2020A Bonds.

CITY OF AUSTIN, TEXAS

$49,870,000
Electric Utility System Revenue Refunding Bonds,
Taxable Series 2020B

Base CUSIP No. 052414 (1)

MATURITY SCHEDULE

$14,465,000 Serial Bonds

Maturity Date (November 15)	Principal Amount	Interest Rate	Initial Yield	CUSIP Suffix (1)
2024	$1,000,000	0.733%	0.733%	UG2
2025	1,000,000	0.883%	0.883%	UH0
2026	1,000,000	1.150%	1.150%	UJ6
2027	1,000,000	1.350%	1.350%	UK3
2028	1,000,000	1.579%	1.579%	UL1
2029	1,000,000	1.679%	1.679%	UM9
2030	1,000,000	1.829%	1.829%	UN7
2031	1,000,000	1.959%	1.959%	UP2
2032	1,000,000	2.059%	2.059%	UQ0
2033	1,780,000	2.189%	2.189%	UR8
2034	1,820,000	2.289%	2.289%	US6
2035	1,865,000	2.429%	2.429%	UT4

$10,140,000 2.828% Term Bonds maturing November 15, 2040, priced to yield 2.828%, CUSIP Suffix UU1 (1)

$25,265,000 2.928% Term Bonds maturing November 15, 2050, priced to yield 2.928%, CUSIP Suffix UV9 (1)

(Interest to accrue from Date of Initial Delivery)

Redemption of the Taxable Series 2020B Bonds

The Taxable Series 2020B Bonds are subject to optional redemption and mandatory sinking fund redemption as described in "DESCRIPTION OF THE BONDS – Redemption of the Taxable Series 2020B Bonds".

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Bank National Association (the "Escrow Agent"). The Nineteenth Supplement provides that a portion of the proceeds of the sale of the Series 2020A Bonds, together with other lawfully available funds of the City, if any, will be deposited with the Escrow Agent in an amount necessary to accomplish the discharge and final payment of the Refunded Bonds. These amounts will be used to purchase direct obligations of the United States of America (the "Escrowed Securities") to be held by the Escrow Agent in a special escrow account (the "Escrow Fund"). Escrowed Securities acquired and held by the Escrow Agent shall not mature after the scheduled date of redemption of the Refunded Bonds. Pursuant to the Escrow Agreement, the Escrow Fund is irrevocably pledged to the payment of the principal of and interest on the Refunded Bonds from amounts held in the Escrow Fund. Robert Thomas CPA, LLC, will verify at the time of delivery of the Bonds to the Underwriters the mathematical accuracy of the schedules that demonstrate that the Escrowed Securities will mature and pay interest in such amounts and at such times which, together with any uninvested funds, in the Escrow Fund, will be sufficient to pay, when due, the principal of and interest on the Refunded Bonds. The amounts held in the Escrow Fund will not be available to pay the debt service on the Bonds.

By deposit of cash and Escrowed Securities with the Escrow Agent pursuant to the Escrow Agreement, the City will have entered into a firm banking and financial arrangement for the discharge and final payment of the Refunded Bonds, in accordance with applicable law. As a result of such firm banking and financial arrangements, the Refunded Bonds will be outstanding only for the purpose of receiving payments from the principal of and interest on the Escrowed Securities and the cash held for such purpose by the Escrow Agent, and the Refunded Bonds will not be included in or considered to be an obligation of the City for the purpose of any limitation on the issuance of ad valorem tax debt obligations by the City.

SOURCES AND USES OF FUNDS

The estimated sources and uses of funds for the Bonds are as follows.

	The Series 2020A Bonds	The Taxable Series 2020B Bonds
Sources of Funds:		
Par Amount of the Bonds	$227,495,000.00	$49,870,000.00
Original Issue Premium	65,383,156.55	–
Total Sources of Funds	$292,878,156.55	$49,870,000.00
Uses of Funds:		
Refunding of Commercial Paper Notes	$113,000,000.00	$49,480,000.00
Deposit to Project Fund	88,000,000.00	–
Deposit to Escrow Fund and Refunding of Bonds	90,482,361.20	–
Costs of Issuance (1)	595,104.00	208,354.26
Underwriters' Discount	800,691.35	181,645.74
Total Uses of Funds	$292,878,156.55	$49,870,000.00

(1) Costs of Issuance includes the fees of bond counsel, disclosure counsel, financial advisor, rating agencies, Paying Agent/Registrar, escrow and verification agents and certain other bond issuance costs.

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OFFICIAL STATEMENT DATED OCTOBER 27, 2020

NEW ISSUES — BOOK-ENTRY-ONLY **See "RATINGS" herein**

In the opinion of Bond Counsel, under existing law, interest on the Series 2020 Obligations is excludable from gross income under section 103 of the Internal Revenue Code of 1986, as amended, and is not a specific preference item for purposes of the alternative minimum tax. See "TAX MATTERS" herein for a discussion of such opinion of Bond Counsel.

CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY

MOBILITY AUTHORITY

\$167,160,000 Senior Lien Revenue Bonds, Series 2020E	**\$110,875,000 Subordinate Lien Revenue Bond Anticipation Notes, Series 2020F**	**\$61,570,000 Subordinate Lien Revenue Refunding Bonds, Series 2020G**

Dated Date: November 1, 2020 **Interest Accrual: as described herein** **Due: as shown herein**

The captioned Senior Lien Revenue Bonds, Series 2020E (the "*Series 2020E Senior Lien Bonds*"), Subordinate Lien Revenue Bond Anticipation Notes, Series 2020F (the "*Series 2020F Subordinate Lien BANs*") and Subordinate Lien Revenue Refunding Bonds, Series 2020G (the "*Series 2020G Subordinate Lien Bonds*" and, together with the Series 2020E Senior Lien Bonds and the Series 2020F Subordinate Lien BANs, the "*Series 2020 Obligations*") will be issued as fully-registered obligations by the Central Texas Regional Mobility Authority (the "*Authority*"). The Authority is issuing the Series 2020E Senior Lien Bonds pursuant to the Master Trust Indenture, dated February 1, 2005 (the "*Master Trust Indenture*"), and the Twenty-Fourth Supplemental Trust Indenture, dated November 1, 2020 (the "*Twenty-Fourth Supplemental Indenture*"), each by and between the Authority and Regions Bank, as successor in trust to JPMorgan Chase Bank, National Association, as trustee and paying agent (the "*Trustee*"). The Series 2020E Senior Lien Bonds, together with the Authority's previously issued and outstanding Senior Lien Obligations and any Additional Senior Lien Obligations, constitute special, limited obligations of the Authority secured by and payable solely from a first lien on, pledge of, and security interest in the Trust Estate described herein. The Authority is issuing the Series 2020F Subordinate Lien BANs and the Series 2020G Subordinate Lien Bonds pursuant to the Master Trust Indenture and the Twenty-Fifth Supplemental Trust Indenture, dated November 1, 2020 (the "*Twenty-Fifth Supplemental Indenture*"), by and between the Authority and the Trustee. The Series 2020F Subordinate Lien BANs and the Series 2020G Subordinate Lien Bonds, together with the Authority's previously issued and outstanding Subordinate Lien Obligations and any Additional Subordinate Lien Obligations, constitute special, limited obligations of the Authority secured by and payable solely from a third lien on, pledge of, and security interest in the Trust Estate described herein that is subordinate and junior to the lien securing the payment of Senior Lien Obligations and Junior Lien Obligations, if any, issued by the Authority. The Series 2020F Subordinate Lien BANs are also payable from the proceeds of any bonds, notes or other obligations issued to retire or refinance the Series 2020F Subordinate Lien BANs. Capitalized terms used on the cover page hereof and not otherwise defined shall have the meaning assigned thereto in "APPENDIX B – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Definitions."

The Series 2020 Obligations will be issued as fully registered obligations, without coupons. Interest on the Series 2020 Obligations will accrue from the date of initial delivery thereof, will be payable on each January 1 and July 1, commencing January 1, 2021, and will be calculated on the basis of a 360-day year of twelve 30-day months. The Series 2020 Obligations are initially issuable only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("*DTC*"), pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Series 2020 Obligations may be acquired in principal denominations of \$5,000, or any integral multiple thereof. No physical delivery of the Series 2020 Obligations will be made to the purchasers thereof. Debt service payments on the Series 2020 Obligations will be payable by the Trustee to DTC, which will make distribution of the amounts so paid to the beneficial owners thereof. See "THE SERIES 2020 OBLIGATIONS – Book-Entry-Only System" herein.

Certain of the Series 2020 Obligations are subject to redemption prior to maturity as described herein. See "THE SERIES 2020 OBLIGATIONS – Redemption" herein.

The Series 2020 Obligations are further described in this Official Statement. See pages ii and iii hereof for additional information relating to the Series 2020 Obligations, including provisions relating to the maturities, interest rates, initial yields and CUSIP numbers with respect thereto.

A portion of the proceeds of the Series 2020 Obligations will be used to finance the Costs of various improvements and extensions to the System, including the Costs of designing, engineering, developing and constructing the 183A Phase III Project, which generally consists of an approximately 5.3-mile extension of the existing six-lane, controlled access, grade separated tolled mainlanes (two tolled lanes in each direction) from the current northern terminus of the 183A Phase II Project, together with associated access ramps, frontage road improvements and transitions, all as more particularly described in the 183A Phase III Engineering Report attached hereto as APPENDIX C. The remaining proceeds of the Series 2020 Obligations, together with certain other funds described herein, will be used (i) to pay capitalized interest with respect to the Series 2020E Senior Lien Bonds, (ii) to refund the Refunded Bonds (as defined herein), (iii) to make a deposit to the Senior Lien Debt Service Reserve Fund, and (iv) to pay certain Issuance Costs of the Series 2020 Obligations, all as more fully described herein. See "PLAN OF FINANCE" herein.

This cover page contains information for quick reference only. It is not a summary of the Series 2020 Obligations. Potential investors must read the entire Official Statement to obtain information essential to making an informed investment decision. Investment in the Series 2020 Obligations is subject to certain investment considerations. See "RISK FACTORS" herein.

NONE OF THE STATE OF TEXAS OR ANY OTHER AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF TEXAS OTHER THAN THE AUTHORITY IS OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2020 OBLIGATIONS. THE SERIES 2020 OBLIGATIONS ARE SECURED SOLELY BY THE TRUST ESTATE. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2020 OBLIGATIONS. THE AUTHORITY HAS NO TAXING POWER. THE INDENTURE DOES NOT CREATE A MORTGAGE ON THE SYSTEM.

The Series 2020 Obligations are offered for delivery when, as, and if issued and received by the Underwriters named below and subject, among other things, to the approval of legality and certain other matters by the Attorney General of the State of Texas and Bracewell LLP, Austin, Texas ("*Bond Counsel*"). Certain legal matters will be passed upon for the Authority by Locke Lord LLP, Austin, Texas, general counsel to the Authority, and by Bracewell LLP, Austin, Texas, disclosure counsel to the Authority. Certain legal matters will be passed upon for the Underwriters by their counsel, Orrick, Herrington & Sutcliffe LLP, Austin, Texas. It is expected that delivery of the Series 2020 Obligations will be made through DTC in New York, New York on or about November 19, 2020.

BofA Securities

Academy Securities **Citigroup**

Estrada Hinojosa **Loop Capital Markets** **Mesirow Financial, Inc.**

SERIES 2020E SENIOR LIEN BONDS
MATURITY SCHEDULE

$71,105,000 Current Interest Serial Bonds

Maturity (January 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP No.[2]
2029	$4,555,000	5.000%	1.480%	155498KB3
2030	4,785,000	5.000%	1.610%	155498KC1
2031	5,020,000	5.000%	1.720%[1]	155498KD9
2032	5,275,000	5.000%	1.830%[1]	155498KE7
2033	5,535,000	4.000%	2.060%[1]	155498KF4
2034	5,755,000	4.000%	2.150%[1]	155498KG2
2035	5,990,000	5.000%	2.050%[1]	155498KH0
2036	6,285,000	4.000%	2.240%[1]	155498KJ6
2037	6,540,000	4.000%	2.320%[1]	155498KK3
2038	6,800,000	5.000%	2.220%[1]	155498KL1
2039	7,140,000	4.000%	2.410%[1]	155498KM9
2040	7,425,000	4.000%	2.420%[1]	155498KN7

(Interest to accrue from the Issuance Date)

$96,055,000 Current Interest Term Bonds

$42,675,000 5.000% Current Interest Term Bonds due January 1, 2045 — Yield 2.430%[1] — CUSIP No. 155498KP2[2]
$53,380,000 4.000% Current Interest Term Bonds due January 1, 2050 — Yield 2.710%[1] — CUSIP No. 155498KQ0[2]

(Interest to accrue from the Issuance Date)

Redemption. Certain of the Series 2020E Senior Lien Bonds are subject to optional and mandatory sinking fund redemption prior to maturity as described herein. See "THE SERIES 2020 OBLIGATIONS – Redemption" herein.

(1) Initial Yield calculated to the first optional call date of January 1, 2030.

(2) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed by S&P Global Market Intelligence on behalf of the American Bankers Association, and is included solely for the convenience of the owners of the Series 2020 Obligations. Neither the Authority nor the Underwriters shall be responsible for the selection or correctness of the CUSIP numbers set forth herein. The CUSIP number for a specific maturity is subject to being changed after the execution and delivery of the Series 2020 Obligations as a result of various subsequent actions, including but not limited to, a refunding in whole or in part of such maturity, or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2020 Obligations.

SERIES 2020F SUBORDINATE LIEN BANS
MATURITY SCHEDULE

Maturity (January 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP No.[2]
2025	$110,875,000	5.000%	0.930%[1]	155498KR8

(Interest to accrue from the Issuance Date)

Redemption. The Series 2020F Subordinate Lien BANs are subject to optional redemption prior to maturity as described herein. See "THE SERIES 2020 OBLIGATIONS – Redemption."

SERIES 2020G SUBORDINATE LIEN BONDS
MATURITY SCHEDULE

$27,965,000 Current Interest Serial Bonds

Maturity (January 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP No.[2]
2028	$1,625,000	5.000%	1.470%	155498KS6
2029	1,710,000	5.000%	1.660%	155498KT4
2030	1,795,000	5.000%	1.800%	155498KU1
2031	1,880,000	5.000%	1.920%[1]	155498KV9
2032	1,970,000	5.000%	2.020%[1]	155498KW7
2033	2,070,000	4.000%	2.250%[1]	155498KX5
2034	2,150,000	4.000%	2.340%[1]	155498KY3
2035	2,235,000	4.000%	2.390%[1]	155498KZ0
2036	2,315,000	4.000%	2.440%[1]	155498LA4
2037	2,405,000	4.000%	2.500%[1]	155498LB2
2038	2,510,000	4.000%	2.540%[1]	155498LC0
2039	2,600,000	4.000%	2.580%[1]	155498LD8
2040	2,700,000	4.000%	2.620%[1]	155498LE6

(Interest to accrue from the Issuance Date)

$33,605,000 Current Interest Term Bonds

$15,195,000 4.000% Current Interest Term Bonds due January 1, 2045 — Yield 2.790%[1] — CUSIP No. 155498LF3[2]
$18,410,000 4.000% Current Interest Term Bonds due January 1, 2050 — Yield 2.860%[1] — CUSIP No. 155498LG1[2]

(Interest to accrue from the Issuance Date)

Redemption. Certain of the Series 2020G Subordinate Lien Bonds are subject to optional and mandatory sinking fund redemption prior to maturity as described herein. See "THE SERIES 2020 OBLIGATIONS – Redemption" herein.

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(1) Initial Yield for (i) the Series 2020F Subordinate Lien BANs calculated to the first optional call date of July 1, 2024, and (ii) such maturities of the Series 2020G Subordinate Lien Bonds calculated to the first optional call date of January 1, 2030.

(2) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed by S&P Global Market Intelligence on behalf of the American Bankers Association, and is included solely for the convenience of the owners of the Series 2020 Obligations. Neither the Authority nor the Underwriters shall be responsible for the selection or correctness of the CUSIP numbers set forth herein. The CUSIP number for a specific maturity is subject to being changed after the execution and delivery of the Series 2020 Obligations as a result of various subsequent actions, including but not limited to, a refunding in whole or in part of such maturity, or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2020 Obligations.

ESTIMATED SOURCES AND USES OF SERIES 2020 OBLIGATION PROCEEDS

The proceeds from the sale of the Series 2020 Obligations are estimated to be applied as set forth in the following table:

	Series 2020E Senior Lien Bonds	Series 2020F Subordinate Lien BANs	Series 2020G Subordinate Lien Bonds	Total
Sources of Funds:				
Principal Amount	$167,160,000.00	$110,875,000.00	$61,570,000.00	$339,605,000.00
Original Issue Premium	28,284,688.75	16,011,458.75	7,774,177.30	52,070,324.80
Authority Contribution[1]	-	-	1,053,988.35	1,053,988.35
Total Sources of Funds	$195,444,688.75	$126,886,458.75	$70,398,165.65	$392,729,313.15
Uses of Funds:				
Deposits to Construction Fund:				
Project Subaccounts[2]	$151,445,118.20	$125,854,881.80	-	$277,300,000.00
Capitalized Interest Subaccount for Series 2020E Senior Lien Bonds	33,716,213.34	-	-	33,716,213.34
Redemption of Refunded Bonds[3]	-	-	$69,792,359.18	69,792,359.18
Deposit to Senior Lien Debt Service Reserve Fund	8,482,538.89	-	-	8,482,538.89
Issuance Costs[4]	1,800,818.32	1,031,576.95	605,806.47	3,438,201.74
Total Uses of Funds	$195,444,688.75	$126,886,458.75	$70,398,165.65	$392,729,313.15

(1) Represents moneys on deposit in certain accounts held by the Trustee under the Indenture relating to the Refunded Bonds.

(2) A portion of the proceeds of the Series 2020E Senior Lien Bonds and the Series 2020F Subordinate Lien BANs will be used to finance the Costs of various improvements and extensions to the System, including the Costs of the 183A Phase III Project. The total amount to be deposited to the Project Subaccounts represents the total estimated Costs of the 183A Phase III Project as set forth in the 183A Phase III Engineering Report, plus approximately $18.3 million relating to other System improvements. See "PLAN OF FINANCE – Proceeds of Series 2020 Obligations."

(3) As described in "PLAN OF FINANCE – Refunding of Refunded Bonds," the Refunded Bonds will be refunded and redeemed with a portion of the proceeds of the Series 2020G Subordinate Lien Bonds.

(4) Includes, among other costs, underwriting, legal, financial advisory and accounting fees, initial fees of the Trustee, publication costs, rating agency fees and printing expenses.

AUTHORITY FINANCIAL INFORMATION

Outstanding Obligations

The Authority has previously issued, and there is currently Outstanding, the obligations described below, additional information for which may be obtained from the audited financial statements of the Authority for the Fiscal Year ended June 30, 2020. See "– Financial Reports." See also, "– Outstanding Obligations – Table of Outstanding Obligations," "ESTIMATED SYSTEM CASH FLOW AND DEBT SERVICE COVERAGE" and "SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2020 OBLIGATIONS."

Series 2010 Senior Lien Bonds. Pursuant to the Master Trust Indenture and the Fifth Supplemental Trust Indenture dated as of March 1, 2010, by and between the Authority and the Trustee, the Authority issued the Series 2010 Senior Lien Bonds. The Series 2010 Senior Lien Bonds are designated as Senior Lien Obligations. A portion of the proceeds of the Series 2010 Senior Lien Bonds were used to finance the Costs of the 183A Phase II Project.

Series 2011 Obligations. Pursuant to the Master Trust Indenture and the Eighth Supplemental Trust Indenture dated as of June 1, 2011 (the "*Eighth Supplemental Indenture*"), by and between the Authority and the Trustee, the Authority issued the Series 2011 Senior Lien Bonds, and pursuant to the Master Trust Indenture and the Ninth Supplemental Trust Indenture dated as of June 1, 2011 (the "*Ninth Supplemental Indenture*"), by and between the Authority and the Trustee, the Authority issued its Subordinate Lien Revenue Bonds, Series 2011 (the "*Series 2011 Subordinate Lien Bonds*"). The Series 2011 Senior Lien Bonds and the Series 2011 Subordinate Lien Bonds are referred to herein

OFFICIAL STATEMENT DATED OCTOBER 20, 2020

Fitch: AA (stable outlook)
S&P: AA- (stable outlook)
S&P: AA (stable outlook) AGM Insured Bonds
Kroll: AA+ (stable outlook)
See "OTHER INFORMATION – RATINGS" herein

NEW ISSUE – Book-Entry-Only

In the opinion of Co-Bond Counsel, under existing law, interest on the Tax-Exempt Bonds is excludable from gross income for federal income tax purposes under section 103 of the Internal Revenue Code of 1986, as amended, and is not a specific preference item for purposes of the alternative minimum tax. See "TAX MATTERS – Tax Exemption of the Tax-Exempt Obligations" for a discussion of the opinion of Co-Bond Counsel.

THE TAX-EXEMPT BONDS HAVE NOT BEEN DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS.

City of Dallas

$208,875,000
CITY OF DALLAS, TEXAS
(Dallas, Denton, Collin, Rockwall and Kaufman Counties)
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2020A

Dated Date: Date of Delivery **Due: February 15, as shown on page ii**

The City of Dallas, Texas (the "City") is issuing its $208,875,000 City of Dallas, Texas, General Obligation Refunding and Improvement Bonds, Series 2020A (the "Tax-Exempt Bonds"). Interest on the Tax-Exempt Bonds will accrue from the date of their delivery (the "Date of Delivery"), will be payable February 15 and August 15 of each year commencing February 15, 2021 and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Tax-Exempt Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Tax-Exempt Bonds may be acquired in denominations of $5,000 or integral multiples thereof. No physical delivery of the Tax-Exempt Bonds will be made to the owners thereof. Principal of, premium, if any, and interest on the Tax-Exempt Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Tax-Exempt Bonds. See "THE OBLIGATIONS – Book-Entry-Only System" herein. The initial Paying Agent/Registrar is UMB Bank, N.A. (see "THE OBLIGATIONS – Paying Agent/Registrar").

The Tax-Exempt Bonds are direct obligations of the City, payable from and secured by a pledge of an annual ad valorem tax levied, within the limits prescribed by law, on all taxable property within the City. The Tax-Exempt Bonds are being authorized pursuant to the general laws of the State of Texas, including particularly Chapters 1207, 1331, and 1371 of the Texas Government Code, as amended, and an ordinance (the "Tax-Exempt Bond Ordinance") passed by the City Council of the City which delegated to certain City officials the authority to complete the sale of the Tax-Exempt Bonds, subject to the terms of the Tax-Exempt Bond Ordinance, through the execution of a "Tax-Exempt Bond Pricing Certificate" (the Tax-Exempt Bond Ordinance and Tax-Exempt Bond Pricing Certificate are herein referred to together as the "Tax-Exempt Bond Authorization") (see "THE OBLIGATIONS – Authority for Issuance").

Proceeds from the sale of the Tax-Exempt Bonds will be used to (i) refund certain outstanding, direct obligations of the City described in Schedule I hereto (the "Tax-Exempt Refunded Bonds"); (ii) refund certain outstanding commercial paper notes described in Schedule I hereto (the "Tax-Exempt Refunded Notes Series A" and the "Tax-Exempt Refunded Notes Series B," and, collectively, the "Tax-Exempt Refunded Notes," and, together with the Tax-Exempt Refunded Bonds, the "Tax-Exempt Refunded Obligations"); (iii) finance certain improvements, to wit: (a) street and transportation improvements; (b) park and recreation facilities and improvements; (c) City Hall, City service and City maintenance improvements; (d) improvements to Fair Park; (e) library facilities and improvements; (f) public safety facilities and improvements; (g) homeless facilities; and (iv) pay costs of issuance of the Tax-Exempt Bonds. See "THE OBLIGATIONS – Sources and Uses of Tax-Exempt Bond Proceeds."

CUSIP PREFIX: 235219
MATURITY SCHEDULE & 9 DIGIT CUSIP
See Schedule on page ii

The scheduled payment of principal of and interest on the Tax-Exempt Bonds maturing on February 15 in the years 2032 through 2041, inclusive (the "Insured Bonds"), when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Insured Bonds by **ASSURED GUARANTY MUNICIPAL CORP.** See "BOND INSURANCE" herein. Such insurance policy is being purchased by the Tax-Exempt Initial Bond Purchaser (as defined herein).

ASSURED GUARANTY
MUNICIPAL

The Tax-Exempt Bonds are subject to optional redemption as described herein. See "THE OBLIGATIONS – Optional Redemption of the Tax-Exempt Bonds."

SEPARATE ISSUES... The Tax-Exempt Bonds are being offered by the City concurrently with its $76,920,000 City of Dallas, Texas, General Obligation Refunding Bonds, Taxable Series 2020B (the "Taxable Bonds") and its $24,565,000 City of Dallas, Texas, Equipment Acquisition Contractual Obligations, Series 2020B (the "Contractual Obligations"), under a common Official Statement. The Tax-Exempt Bonds, the Taxable Bonds and the Contractual Obligations are hereinafter sometimes collectively referred to as the "Obligations". The Tax-Exempt Bonds, the Taxable Bonds and the Contractual Obligations are separate and distinct securities offerings being issued and sold independently except for this common Official Statement, and while the Obligations share certain common attributes, each issue is separate from, and is not contingent on the issuance of the others, and should be reviewed and analyzed independently, including the type of obligation being offered, its terms for payment, the security for its payment, the rights of holders, the tax status of its interest, and various other features.

The Tax-Exempt Bonds are offered for delivery when, as and if issued and received by the Tax-Exempt Initial Bond Purchaser and subject to the approving opinions of the Attorney General of the State of Texas and the approving opinions of Bracewell LLP, Dallas, Texas and West & Associates LLP, Dallas, Texas, Co-Bond Counsel for the City (see APPENDIX C, "Forms of Co-Bond Counsel's Opinions"). Certain legal matters will be passed upon for the City by Norton Rose Fulbright US LLP, Dallas, Texas, and Kintop Smith, PLLC, Dallas, Texas Co-Disclosure Counsel for the City.

It is expected that the Tax-Exempt Bonds will be available for delivery through DTC on or about November 12, 2020.

CUSIP Prefix: 235219 [1]

MATURITY SCHEDULE

Maturity (February 15)	Principal Amount ($)	Interest Rate (%)	Initial Yield (%)	CUSIP Suffix[1]	Maturity (February 15)	Principal Amount ($)	Interest Rate (%)	Initial Yield (%)	CUSIP Suffix[1]
2021	20,970,000	5.000	0.320	RM6	2033[2][3]	8,120,000	3.000	1.810	RZ7
2022	25,105,000	5.000	0.320	RN4	2034[2][3]	8,120,000	3.000	1.890	SA1
2023	16,595,000	5.000	0.360	RP9	2035[3]	8,120,000	2.000	2.090	SB9
2024	8,125,000	5.000	0.390	RQ7	2036[3]	8,120,000	2.000	2.140	SC7
2025	8,125,000	5.000	0.450	RR5	2037[3]	8,120,000	2.125	2.230	SD5
2026	8,125,000	5.000	0.590	RS3	2038[3]	8,120,000	2.125	2.266	SE3
2027	8,125,000	5.000	0.750	RT1	2039[3]	8,120,000	2.250	2.340	SF0
2028	8,125,000	5.000	0.920	RU8	2040[3]	8,120,000	2.250	2.380	SG8
2029	8,125,000	5.000	1.080	RV6	2041[3]	8,120,000	2.375	2.460	SH6
2030	8,125,000	5.000	1.210	RW4					
2031[2]	8,125,000	5.000	1.320	RX2					
2032[2][3]	8,125,000	4.000	1.580	RY0					

(Interest to accrue from Date of Delivery)

(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services managed by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the City nor the Co-Financial Advisors shall be responsible for the selection or correctness of the CUSIP numbers shown herein.

(2) Yield shown is yield to first optional call date, February 15, 2030.

(3) Indicates Tax-Exempt Bonds whose maturities are insured by Assured Guaranty Municipal Corp.

The City reserves the right, at its option, to redeem the Tax-Exempt Bonds having stated maturities on and after February 15, 2031, in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2030, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. (See "THE OBLIGATIONS – Optional Redemption of the Tax-Exempt Bonds").

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OFFICIAL STATEMENT DATED OCTOBER 20, 2020

Fitch: AA (stable outlook)
S&P: AA- (stable outlook)
Kroll: AA+ (stable outlook)
See "OTHER INFORMATION – RATINGS" herein

NEW ISSUE – Book-Entry-Only

Interest on the Taxable Bonds will not be excludable for federal income tax purposes under existing law. See "TAX MATTERS – Taxable Bond Tax Matters" for a discussion of the opinion of Co-Bond Counsel.

THE TAXABLE BONDS HAVE NOT BEEN DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS.

City of Dallas

$76,920,000
CITY OF DALLAS, TEXAS
(Dallas, Denton, Collin, Rockwall and Kaufman Counties)
GENERAL OBLIGATION REFUNDING BONDS, TAXABLE SERIES 2020B

Dated Date: Date of Delivery **Due: February 15, as shown on page iv**

The City of Dallas, Texas (the "City") is issuing its $76,920,000 City of Dallas, Texas, General Obligation Refunding Bonds, Taxable Series 2020B (the "Taxable Bonds"). Interest on the Taxable Bonds will accrue from the date of their delivery (the "Date of Delivery"), will be payable February 15 and August 15 of each year commencing February 15, 2021 and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Taxable Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Taxable Bonds may be acquired in denominations of $5,000 or integral multiples thereof. No physical delivery of the Taxable Bonds will be made to the owners thereof. Principal of, premium, if any, and interest on the Taxable Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Taxable Bonds. See "THE OBLIGATIONS – Book-Entry-Only System" herein. The initial Paying Agent/Registrar is UMB Bank, N.A. (see "THE OBLIGATIONS – Paying Agent/Registrar").

The Taxable Bonds are direct obligations of the City, payable from and secured by a pledge of an annual ad valorem tax levied, within the limits prescribed by law, on all taxable property within the City. The Taxable Bonds are being authorized pursuant to the general laws of the State of Texas, including particularly Chapter 1207 of the Texas Government Code, as amended, and an ordinance (the "Taxable Bond Ordinance") passed by the City Council of the City which delegated to certain City officials the authority to complete the sale of the Taxable Bonds, subject to the terms of the Taxable Bond Ordinance, through the execution of a "Taxable Bond Pricing Certificate" (the Taxable Bond Ordinance and Taxable Bond Pricing Certificate are herein referred to together as the "Taxable Bond Authorization") (see "THE OBLIGATIONS – Authority for Issuance").

Proceeds from the sale of the Taxable Bonds will be used to (i) refund certain outstanding, direct obligations of the City described in SCHEDULE II hereto (the "Taxable Refunded Bonds" and, together with the Tax-Exempt Refunded Bonds, the "Refunded Bonds," and collectively with the Tax-Exempt Refunded Notes, the "Refunded Obligations"); and (ii) pay costs of issuance of the Taxable Bonds.

CUSIP PREFIX: 235219
MATURITY SCHEDULE & 9 DIGIT CUSIP
See Schedule on page iv

The Taxable Bonds are not subject to optional redemption as described herein. See "THE OBLIGATIONS – No Optional Redemption of the Taxable Bonds."

SEPARATE ISSUES... The Taxable Bonds are being offered by the City concurrently with its $208,875,000 City of Dallas, Texas, General Obligation Refunding and Improvement Bonds, Series 2020A (the "Tax-Exempt Bonds") and its $24,565,000 City of Dallas, Texas, Equipment Acquisition Contractual Obligations, Series 2020B (the "Contractual Obligations"), under a common Official Statement. The Tax-Exempt Bonds, the Taxable Bonds and the Contractual Obligations are hereinafter sometimes collectively referred to as the "Obligations". The Tax-Exempt Bonds, the Taxable Bonds and the Contractual Obligations are separate and distinct securities offerings being issued and sold independently except for this common Official Statement, and while the Obligations share certain common attributes, each issue is separate from, and is not contingent on the issuance of the others, and should be reviewed and analyzed independently, including the type of obligation being offered, its terms for payment, the security for its payment, the rights of holders, the tax status of its interest, and various other features.

The Taxable Bonds are offered for delivery when, as and if issued and received by the Initial Taxable Bond Purchaser (as defined herein) and subject to the approving opinions of the Attorney General of the State of Texas and the approving opinions of Bracewell LLP, Dallas, Texas and West & Associates LLP, Dallas, Texas, Co-Bond Counsel for the City (see APPENDIX C, "Forms of Co-Bond Counsel's Opinions"). Certain legal matters will be passed upon for the City by Norton Rose Fulbright US LLP, Dallas, Texas, and Kintop Smith PLLC, Dallas, Texas Co-Disclosure Counsel for the City.

It is expected that the Taxable Bonds will be available for delivery through DTC on or about November 12, 2020.

SOURCES AND USES OF TAX-EXEMPT BOND PROCEEDS

Proceeds from the sale of the Tax-Exempt Bonds to the Initial Tax-Exempt Bond Purchaser, together with other funds of the City, if any, will be applied approximately as follows:

Sources:	
Par Amount of Tax-Exempt Bonds	$208,875,000.00
Net Reoffering Premium [1]	22,677,538.40
Total Sources of Funds	$231,552,538.40
Uses:	
Deposit to Escrow Fund for Tax-Exempt Refunded Bonds	48,121,670.14
Deposit for Payment of Tax-Exempt Refunded Notes	163,500,000.00
Deposit to Project Fund	18,000,000.00
Initial Bond Purchaser Discount[2]	1,265,208.10
Costs of Issuance[3]	665,660.16
Total Uses of Funds	$231,552,538.40

(1) Includes Initial Tax-Exempt Bond Purchaser's Discount (including insurance premium) which are not part of the proceeds received by the City.
(2) Initial Bond Purchaser Discount includes insurance premium in the amount of $305,328.00 which is being paid directly by the Tax-Exempt Initial Bond Purchaser.
(3) Includes legal counsel fees, financial advisor fees, rating agencies fees, printing and mailing expenses and other costs of issuance of the Tax-Exempt Bonds. Any amounts remaining after payment of costs of issuance shall be transferred to the Interest and Sinking Fund for the Tax-Exempt Bonds.

SOURCES AND USES OF TAXABLE BOND PROCEEDS

Proceeds from the sale of the Taxable Bonds to the Initial Taxable Bond Purchaser, together with other funds of the City, if any, will be applied approximately as follows:

Sources:	
Par Amount of Taxable Bonds	$76,920,000.00
Net Reoffering Premium [1]	260,296.35
Total Sources of Funds	$77,180,296.35
Uses:	
Deposit to Escrow Fund for Taxable Refunded Bonds	76,741,520.42
Initial Taxable Bond Purchaser Discount	149,994.00
Costs of Issuance[2]	288,781.93
Total Uses of Funds	$77,180,296.35

(1) Includes Initial Taxable Bond Purchaser's Discount which is not part of the proceeds received by the City.
(2) Includes legal counsel fees, financial advisor fees, rating agencies fees, printing and mailing expenses and other costs of issuance of the Taxable Bonds. Any amounts remaining after payment of costs of issuance shall be transferred to the Interest and Sinking Fund for the Taxable Bonds.

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OFFICIAL STATEMENT DATED OCTOBER 20, 2020

Ratings: Moody's: "Aa2"
S&P: "AA"
Fitch: "AA–"

NEW ISSUE - Book-Entry-Only (See "OTHER RELEVANT INFORMATION – Ratings" in this document.)

Delivery of the Bonds (as defined below) is subject to the receipt of the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel to the City (defined below), to the effect that, assuming continuing compliance by the City with certain covenants contained in the Thirty-Fourth Supplement (defined below) described in this document, interest on the Bonds will be excludable from gross income for purposes of federal income taxation, subject to the matters described under "TAX MATTERS" in this document.

CITY OF AUSTIN, TEXAS
$203,505,000
Water and Wastewater System Revenue Refunding Bonds, Series 2020C

Dated: September 25, 2020 **Due: November 15, as shown on page ii of this document**
Interest to accrue from Date of Initial Delivery

The bonds offered in this document are the $203,505,000 City of Austin, Texas Water and Wastewater System Revenue Refunding Bonds, Series 2020C (the "Bonds"). The Bonds are to be issued as "Parity Water/Wastewater Obligations" pursuant to an ordinance (the "Master Ordinance") adopted by the City Council of the City of Austin, Texas (the "City"), on June 8, 2000, and a supplemental ordinance adopted by the City Council of the City on September 17, 2020 (the "Thirty-Fourth Supplement"). The Master Ordinance and Thirty-Fourth Supplement together are referred to in this document as the "Bond Ordinance." The Thirty-Fourth Supplement delegated to a designated "Pricing Officer" the authority to effect the sale of the Bonds, subject to the terms of the Thirty-Fourth Supplement. See "INTRODUCTION" in this document. The Master Ordinance contains the terms for the issuance of Parity Water/Wastewater Obligations and the covenants and security provisions related thereto. The City also has outstanding one series of Prior Subordinate Lien Obligations, which are secured by joint and several pledges of the net revenues of both the Water and Wastewater System and the Electric Utility System. The City must comply with the covenants and security provisions related to the Prior Subordinate Lien Obligations while such obligations remain outstanding. The Master Ordinance prohibits the issuance of additional revenue obligations secured by joint and several pledges of the net revenues of both the Water and Wastewater System and the Electric Utility System such as Prior Subordinate Lien Obligations. Commercial Paper Obligations having a combined pledge of Electric Utility System and Water and Wastewater System net revenues may continue to be issued on a subordinate lien basis to the Parity Water/Wastewater Obligations. The Bonds are special obligations of the City, payable as to both principal and interest solely from and, together with the Previously Issued Parity Water/Wastewater Obligations and Outstanding Prior Subordinate Lien Obligations, equally and ratably secured by a lien on and pledge of the Net Revenues of the Water and Wastewater System, as provided in the Master Ordinance and the Thirty-Fourth Supplement. Additionally, the Bonds and Previously Issued Parity Water/Wastewater Obligations referenced above are equally and ratably secured by a parity lien on the funds, if any, deposited to the credit of the Debt Service Fund (excluding any funds on deposit in the BAB Subsidy Subaccount, which was established for the exclusive benefit of the owners of the City's Water and Wastewater System Revenue Refunding Bonds, Taxable Series 2010B (Direct Subsidy – Build America Bonds)). The Bonds do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any property of the City or the Water and Wastewater System, except with respect to the Net Revenues. The holders of the Bonds do not have any right to moneys or other Reserve Fund Obligations held in the Reserve Fund. See "SECURITY FOR THE BONDS – Reserve Fund for Parity Water/Wastewater Obligations" in this document. **Neither the taxing power of the City nor the taxing power of the State of Texas (the "State") is pledged as security for the Bonds.** See "Security for the Bonds" in this document.

MATURITY SCHEDULE

See "Maturity Schedule" on page ii

The Bonds are issuable only in fully registered form in the denomination of $5,000 or any integral multiple thereof within a maturity. Interest on the Bonds shall accrue from the date of initial delivery of the Bonds and shall be payable on May 15, 2021 and each November 15 and May 15 thereafter until maturity or prior redemption. Interest to be paid on the Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act initially as securities depository for the Bonds, and individual purchases of the Bonds will be made in book-entry form only. See "DESCRIPTION OF THE BONDS" in this document.

The Bonds are offered for delivery when, as, and if issued and subject, among other things, to the opinions of the Attorney General of Texas and McCall, Parkhurst & Horton L.L.P., Bond Counsel for the City, as to the validity of the issuance of the Bonds under the Constitution and laws of the State. (See APPENDIX E - "Form of Bond Counsel's Opinion" in this document). Certain legal matters will be passed upon for the City by Norton Rose Fulbright US LLP, Austin and Dallas, Texas as Disclosure Counsel for the City, and for the Underwriters by their counsel, Haynes and Boone, LLP. The Bonds are expected to be available for delivery on or about November 10, 2020 (the "Date of Initial Delivery").

JEFFERIES

LOOP CAPITAL MARKETS **RAMIREZ & CO., INC.**

CITY OF AUSTIN, TEXAS
$203,505,000
Water and Wastewater System Revenue Refunding Bonds, Series 2020C
Base CUSIP No. 052477 (1)

MATURITY SCHEDULE

Maturity Date (November 15)	Principal Amount	Interest Rate	Initial Yield	CUSIP Suffix (1)
11/15/2022	$325,000	5.000%	0.250%	DQ6
11/15/2023	200,000	5.000%	0.280%	DR4
11/15/2024	1,205,000	5.000%	0.330%	DS2
11/15/2025	3,035,000	5.000%	0.400%	DT0
11/15/2026	3,440,000	5.000%	0.570%	DU7
11/15/2027	3,790,000	5.000%	0.740%	DV5
11/15/2028	4,145,000	5.000%	0.890%	DW3
11/15/2029	6,120,000	5.000%	1.040%	DX1
11/15/2030	6,435,000	5.000%	1.150%	DY9
11/15/2031	6,770,000	5.000%	1.260% (2)	DZ6
11/15/2032	7,120,000	5.000%	1.350% (2)	EA0
11/15/2033	7,480,000	5.000%	1.430% (2)	EB8
11/15/2034	7,865,000	5.000%	1.470% (2)	EC6
11/15/2035	8,270,000	5.000%	1.540% (2)	ED4
11/15/2036	8,690,000	5.000%	1.590% (2)	EE2
11/15/2037	9,140,000	5.000%	1.630% (2)	EF9
11/15/2038	9,605,000	5.000%	1.670% (2)	EG7
11/15/2039	10,095,000	5.000%	1.710% (2)	EH5
11/15/2040	10,620,000	5.000%	1.750% (2)	EJ1

$39,035,000 Term Bond due November 15, 2045; Rate 5.000%; Initial Yield 1.920% (2), CUSIP 052477 EK8

$50,120,000 Term Bond due November 15, 2050; Rate 5.000%; Initial Yield 2.000% (2), CUSIP 052477 EL6

(Interest to accrue from Date of Initial Delivery)

Redemption of the Bonds

The Bonds will be subject to optional redemption and mandatory sinking fund redemption as described in "DESCRIPTION OF THE BONDS – Optional Redemption of the Bonds and – Mandatory Sinking Fund Redemption of the Bonds" in this document.

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(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data in this document is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. CUSIP numbers are provided for convenience of reference only. The City, the Financial Advisor, and the Underwriters do not take any responsibility for the accuracy of such numbers.

(2) Initial yield shown is the yield to the first optional redemption date of November 15, 2030 for the Bonds

CITY OF AUSTIN

Elected Officials

		Term Expires Jan. 5
Steve Adler	Mayor	2023
Natasha Harper-Madison	Councilmember District 1	2023
Delia Garza, Mayor Pro Tem	Councilmember District 2	2021
Sabino "Pio" Renteria	Councilmember District 3	2023
Gregorio "Greg" Casar	Councilmember District 4	2021
Ann Kitchen	Councilmember District 5	2023
Jimmy Flannigan	Councilmember District 6	2021
Leslie Pool	Councilmember District 7	2021
Paige Ellis	Councilmember District 8	2023
Kathryne B. Tovo	Councilmember District 9	2023
Alison Alter	Councilmember District 10	2021

Appointed Officials

Spencer Cronk	City Manager
Nuria Rivera-Vandermyde	Deputy City Manager
Mark Dombroski[(1)]	Interim Chief Financial Officer
Greg Canally	Deputy Chief Financial Officer
Ed Van Eenoo	Deputy Chief Financial Officer
Anne Morgan	City Attorney
Jannette S. Goodall	City Clerk

(1) Mark Dombroski was appointed Interim Chief Financial Officer effective July 1, 2020, following the planned retirement of Elaine Hart, who was the City's Chief Financial Officer. Mark Dombroski serves as the Deputy General Manager and Chief Financial and Risk Officer for Austin Energy, which is the City's electric utility system. The City has begun the recruitment process for hiring a new Chief Financial Officer.

BOND COUNSEL
McCall, Parkhurst & Horton L.L.P.
Austin and Dallas, Texas

DISCLOSURE COUNSEL FOR THE CITY
Norton Rose Fulbright US LLP
Austin and Dallas, Texas

FINANCIAL ADVISOR
PFM Financial Advisors LLC
Austin, Texas

INDEPENDENT AUDITORS
Deloitte & Touche LLP
Austin, Texas

For additional information regarding the City, please contact:

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Dennis P. Waley
Managing Director
PFM Financial Advisors LLC
111 Congress Ave, Suite 2150
Austin, TX 78701
(512) 614-5323
waleyd@pfm.com

Refunded Notes

Proceeds from the sale of the Bonds, together with other available funds of the City, will be deposited with U.S. Bank National Association, in its capacity as the issuing and paying agent for the Refunded Notes (the "CP Issuing and Paying Agent"), in the amount necessary to accomplish the discharge, defeasance and final payment of the Refunded Notes in accordance with the terms of the respective ordinances authorizing the issuance thereof. The principal of and interest on all of the Refunded Notes will be paid on the date of delivery of the Bonds, which is the scheduled maturity date of the Refunded Notes, from amounts deposited with the CP Issuing and Paying Agent.

Refunded Bonds

The Refunded Bonds, and interest due on the Refunded Bonds, are to be paid on their scheduled interest payment dates and the maturity or redemption dates of such Refunded Bonds from funds to be deposited pursuant to that certain Escrow Agreement (the "Escrow Agreement") between the City and U.S. Bank National Association (the "Escrow Agent"). The Thirty-Fourth Supplement provides that a portion of the proceeds of the sale of the Bonds, together with other lawfully available funds of the City, will be deposited with the Escrow Agent in an amount necessary to accomplish the discharge and final payment of the Refunded Bonds. Such funds will be held by the Escrow Agent in a special escrow account (the "Escrow Fund") and used to purchase a portfolio of securities authorized by Section 1207.062, Texas Government Code, which authorizes securities, including direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by the United States, and noncallable obligations of an agency or instrumentality of the United States rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent (the "Escrowed Securities") to be held in the Escrow Fund. Under the Escrow Agreement, the Escrow Fund is irrevocably pledged to the payment of the principal of and interest on the Refunded Bonds.

Robert Thomas CPA, LLC (the "Verification Agent"), a nationally recognized accounting firm, will verify at the time of delivery of the Bonds the mathematical accuracy of the schedules that demonstrate that the Escrowed Securities will mature and pay interest in such amounts which, together with uninvested funds, if any, in the Escrow Fund, will be sufficient to pay, when due, the principal of and interest on the Refunded Bonds. Such maturing principal of and interest on the Escrowed Securities, and other uninvested funds in the Escrow Fund will not be available to pay the debt service on the Bonds. See "OTHER RELEVANT INFORMATION – Verification of Arithmetical and Mathematical Calculations" in this document.

By the deposit of the Escrowed Securities and cash with the Escrow Agent pursuant to the Escrow Agreement, the City will have entered into firm banking and financial arrangements for the discharge and final payment of the Refunded Bonds, in accordance with applicable law. As a result of such firm banking and financial arrangements, the Refunded Bonds will be outstanding only for the purpose of receiving payments from the Escrowed Securities and cash held for such purpose by the Escrow Agent, and the Refunded Bonds will not be deemed outstanding for the purpose of any limitation on debt or the pledge of Net Revenues.

SOURCES AND USES OF FUNDS

The sources and uses of funds for the Bonds, together with funds contributed by the City, are as follows.

	The Bonds
Sources of Funds:	
Par Amount of the Bonds	$203,505,000.00
Original Issue Premium	60,412,833.45
City Contribution	1,346,013.00
Total	$265,263,846.45
Uses of Funds:	
Refunding of Commercial Paper Notes	$204,000,000.00
Deposit to Escrow Fund and Refunding of Bonds	59,838,481.51
Costs of Issuance (1)	666,181.96
Underwriters' Discount	759,182.98
Total	$265,263,846.45

(1) Costs of Issuance includes the fees of bond counsel, disclosure counsel, financial advisor, rating agencies, the Paying Agent/Registrar, escrow and verification agents and certain other bond issuance costs.

OFFICIAL STATEMENT

NEW ISSUE — Book-Entry Only **RATING: See "RATING" herein**

Interest on the Bonds will NOT be excludable from gross income for federal income tax purposes. See "TAX MATTERS" herein.

$208,020,000
Harris County Cultural Education Facilities Finance Corporation
Medical Facilities Mortgage Revenue Refunding Bonds
(Baylor College of Medicine)
Taxable Series 2020

Dated: Issue Date **Due: November 15, as shown below**

The Bonds are being issued and secured pursuant to an Indenture of Trust and Security Agreement between The Bank of New York Mellon Trust Company, National Association, as trustee, and the Harris County Cultural Education Facilities Finance Corporation (the "***Issuer***") to provide funds to advance refund certain outstanding bonds issued for the benefit of Baylor College of Medicine (the "***College***"). The Bonds will be limited obligations of the Issuer, payable solely from revenues to be derived from payments under a Loan Agreement between the Issuer and the College, including payments to be made by the College on a promissory note to be issued to the Issuer by the College and secured ratably with other obligations under an Amended and Restated Master Indenture, Deed of Trust, and Security Agreement, as supplemented and amended and to be further amended and restated when the Bonds are delivered (the "***Master Indenture***"), between the College and The Bank of New York Mellon Trust Company, National Association, as master trustee. The holders of the Bonds will be deemed to have consented to amendments to the Master Indenture, which become effective upon receipt of consent from the holders of a majority in principal amount of all obligations outstanding thereunder (expected when the Bonds are delivered) and without any further consent of the holders of the Bonds.

The Bonds will be subject to optional, extraordinary optional and mandatory redemption prior to maturity as set forth herein. The Bonds will be issued as fully registered bonds without coupons in denominations of $5,000 or integral multiples thereof. Interest on the Bonds will accrue from their issue date and will be payable on May 15, 2021 and semiannually on each November 15 and May 15 thereafter. Principal of, any redemption price for and interest on the Bonds will be made by the Bond Trustee to DTC for the account of DTC Participants, which will credit the accounts of the beneficial owners.

NEITHER THE STATE OF TEXAS, NOR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE OF TEXAS, INCLUDING HARRIS COUNTY, TEXAS, IS OBLIGATED TO PAY THE BONDS OR INTEREST OR ANY REDEMPTION PREMIUM ON THE BONDS, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, HARRIS COUNTY, TEXAS, OR ANY OTHER POLITICAL SUBDIVISION OR AGENCY OF THE STATE OF TEXAS IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST OR ANY REDEMPTION PREMIUM ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

MATURITY SCHEDULE
$61,505,000 Serial Bonds

Maturity (November 15)	Principal Amount	Interest Rate	Yield	CUSIP No.*	Maturity (November 15)	Principal Amount	Interest Rate	Yield	CUSIP No.*
2022	$6,675,000	1.447%	1.447%	414008CK6	2027	$7,840,000	2.513%	2.513%	414008CQ3
2023	6,795,000	1.593	1.593	414008CL4	2028	8,180,000	2.694	2.694	414008CR1
2024	7,050,000	1.841	1.841	414008CM2	2029	5,035,000	2.794	2.794	414008CS9
2025	7,220,000	2.041	2.041	414008CN0	2030	5,225,000	2.894	2.894	414008CT7
2026	7,485,000	2.363	2.363	414008CP5					

$129,605,000 3.344% Term Bonds due November 15, 2037, Yield: 3.344%; CUSIP No. 414008CU4*

$16,910,000 3.906% Term Bonds due November 15, 2046, Yield: 3.906%; CUSIP No. 414008CV2*

The Bonds are offered when, as and if issued by the Issuer and accepted by the Underwriters, subject to prior sale and to the approval of certain legal matters with respect to the Bonds by the Attorney General of the State of Texas, Norton Rose Fulbright US LLP, Bond Counsel and counsel for the College, The Law Office of Wendy Montoya Cloonan, PLLC, counsel for the Issuer, Locke Lord LLP, counsel for the Bond Trustee and the Master Trustee, and Bracewell LLP, counsel for the Underwriters, and subject to certain other conditions. It is expected that the Bonds in definitive form will be available for delivery to The Depository Trust Company in New York, New York, on or about November 3, 2020.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR GENERAL REFERENCE ONLY AND IS NOT INTENDED AS A SUMMARY OF THIS OFFERING. INVESTORS SHOULD READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO, TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION.

Barclays **BofA Securities**

The date of this Official Statement is October 20, 2020

* CUSIP is a registered trademark of the American Bankers Association. CUSIP data contained herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve as a substitute for the CUSIP Services. CUSIP numbers are provided for convenience of reference only. Neither the Issuer, the College nor the Underwriters are responsible for the accuracy of such numbers.

PLAN OF FINANCING

Proceeds of the Bonds will be loaned to the College and used to advance refund all of the outstanding Harris County Cultural Education Facilities Finance Corporation Medical Facilities Mortgage Revenue Refunding Bonds (Baylor College of Medicine) Series 2012A (the "*Refunded Bonds*") and pay costs of issuance of the Bonds. The College is undertaking the plan of finance to reduce its annual debt service requirements.

On the issue date, a portion of the proceeds of the Bonds will be deposited in escrow with The Bank of New York Mellon Trust Company, N.A., as escrow agent, to provide for payment of the Refunded Bonds and to redeem the Refunded Bonds on November 15, 2022, at a redemption price equal to 100% of the principal amount thereof. Such escrowed amounts will be invested in U.S. Treasury obligations that mature and pay interest in amounts verified to be sufficient, without reinvestment, to pay principal and interest when due on the Refunded Bonds prior to, and to redeem the Refunded Bonds on, such redemption date. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS" herein.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of proceeds of the Bonds are as follows:

Sources of Funds:	
Principal amount of Bonds	$208,020,000
Total sources:	$208,020,000
Uses of Funds:	
Deposit to escrow fund for Refunded Bonds	$206,010,833
Costs of issuance [1]	2,009,167
Total Uses:	$208,020,000

[1] Includes Underwriters' discount and fees and expenses of legal counsel, accountants, the Bond Trustee, the Master Trustee and rating agencies.

PRO FORMA PRINCIPAL AND INTEREST REQUIREMENTS

The following table sets forth pro forma debt service requirements on the Bonds and the other long term debt of the College to remain outstanding immediately following the issuance of the Bonds, adjusted for interest rate swap payments and receipts. The table does not include debt service requirements on the Refunded Bonds.

With respect to the information set forth in the table under the column "Outstanding Debt Service," the table assumes that (i) the Issuer's variable rate Series 2019A bonds issued for the benefit of the College to Barclays Capital Inc. will bear interest until their mandatory purchase date (in July 2024) at 70% of the average one-month LIBOR over the last 10 years (the "*Average LIBOR Index*"), which is approximately 0.52% per annum, plus a spread, (ii) the Issuer's variable rate Series 2019B bonds issued for the benefit of the College to Bank of America, N.A. will bear interest until their mandatory purchase date (in July 2022) at 70% of the Average LIBOR Index plus a spread, (iii) such Series 2019A bonds and Series 2019B bonds will be successfully remarketed, refinanced, or extended on their initial and successive mandatory purchase and expiration dates on the same terms, and (iv) one-month LIBOR (used to calculate the floating rate receipts by the College under its interest rate swap transactions) will be equal to the Average LIBOR Index. The actual rate of interest on all variable rate obligations and interest rate swap transactions will vary from these assumptions (including as a result of replacements for the LIBOR index after its expected 2021 termination date), the variance could be substantial, and the College could be required to purchase such variable rate bonds on their respective mandatory purchase dates, if they are not then remarketed or otherwise refinanced. See "BONDHOLDERS' RISKS—The College's Financial Obligations Could Increase or be Accelerated and Deplete its

OFFICIAL STATEMENT
DATED: OCTOBER 20, 2020

RATINGS:		
	Fitch	"AA+"
	Moody's	"Aa1"
	S&P	"AA"
		See "RATINGS" herein

NEW ISSUE –BOOK-ENTRY-ONLY SYSTEM

Interest on the Bonds (defined below) is not excludable for federal tax purposes. "TAX MATTERS" herein.

\$418,255,000
CITY OF SAN ANTONIO, TEXAS
ELECTRIC AND GAS SYSTEMS
REVENUE REFUNDING BONDS, TAXABLE NEW SERIES 2020

Dated: November 1, 2020 (Interest to accrue from the Closing Date) **Due: February 1, as shown herein**

The \$418,255,000 City of San Antonio, Texas Electric and Gas Systems Revenue Refunding Bonds, Taxable New Series 2020 (the "Bonds") will be issued under and in conformity with the Constitution and general laws of the State of Texas, including Chapters 1207 and 1371, as amended, Texas Government Code (together, the "Act"), and pursuant to an ordinance ("Ordinance") adopted by the City Council ("City Council") of the City of San Antonio, Texas ("City") on September 10, 2020. As permitted by applicable provisions of the Act, the City Council has, in the Ordinance, delegated to certain City representatives the authority to execute an approval certificate (the "Approval Certificate") establishing final characteristics and terms of the sale of the Bonds. The Approval Certificate was executed on October 20, 2020 by an authorized City representative.

The Bonds are being issued to: (i) refund certain outstanding obligations of the City (the "Refunded Obligations") identified in Appendix F hereto for debt service savings, and (ii) pay costs and expenses relating to the issuance of the Bonds.

The Bonds are issuable only as fully registered obligations in denominations of \$5,000 or any integral multiple thereof. Interest on the Bonds will accrue from the date of their initial delivery (the "Closing Date") to the initial purchasers thereof named below (collectively, the "Underwriters") (expected to occur on or about November 5, 2020) and will be payable on February 1 and August 1 of each year, commencing February 1, 2021. The Bonds will be issued in book-entry-only form and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") acting as securities depository ("Securities Depository"). The City reserves the right to discontinue the use of the Securities Depository, but so long as DTC or its nominee is the registered owner of the Bonds, purchasers of the Bonds ("Beneficial Owners") will not receive physical delivery of certificates representing their interest in the Bonds purchased. The principal of, premium, if any, and interest on the Bonds will be payable by U.S. Bank National Association, Dallas, Texas, as Paying Agent / Registrar, to the Securities Depository, which will in turn remit such principal, premium, if any, and interest to the Beneficial Owners. *See* "THE BONDS – Book-Entry-Only System" herein.

In the Bond Ordinances (defined herein), the City has authorized the City Public Service Board of San Antonio ("CPS", "Board", or "CPS Energy") to manage, operate, and maintain the City's Electric and Gas Systems (the "Systems"). The Bonds are special obligations of the City issued on a parity with the currently outstanding Previously Issued Senior Lien Obligations (defined herein) and any Additional Senior Lien Obligations (defined herein) hereafter issued, payable solely from and equally and ratably secured, together with the currently outstanding Previously Issued Senior Lien Obligations, by a first and prior lien on and pledge of the Net Revenues of the Systems that is superior to the pledge thereof and lien thereon securing the currently outstanding Junior Lien Obligations (defined herein), and the Notes (defined herein), all as fully set forth in the Ordinance. *See* "THE BONDS – Authority and Security for the Bonds" herein.

The Ordinance does not create a mortgage or other security interest on the property of the Systems. The Bonds are special obligations of the City payable only from the Net Revenues of the Systems, at the level of priority described above, and the taxing power of none of the City, any other political subdivision of the State of Texas, or the State of Texas is pledged for the payment thereof.

SEE INSIDE COVER PAGE FOR MATURITIES, INTEREST RATES AND PRICING SCHEDULE

The Bonds are offered for initial delivery when, as, and if issued and received by the Underwriters and subject to the approval of the Attorney General of the State of Texas and the approval of certain legal matters by McCall, Parkhurst & Horton L.L.P. and Kassahn & Ortiz, P.C., both of San Antonio, Texas, as Co-Bond Counsel. Certain legal matters will be passed upon for the City by the City Attorney, by Carolyn E. Shellman, Esq., General Counsel for the City Public Service Board, and for the Underwriters by their legal counsel, Locke Lord LLP, of Austin, Texas. The Bonds are expected to be available for initial delivery to the Underwriters and credited through DTC on or about November 5, 2020.

RBC CAPITAL MARKETS		MORGAN STANLEY
J.P. MORGAN	LOOP CAPITAL MARKETS	FHN FINANCIAL CAPITAL MARKETS

MATURITIES, INTEREST RATES AND PRICING SCHEDULE

$418,255,000
CITY OF SAN ANTONIO, TEXAS ELECTRIC AND GAS SYSTEMS
REVENUE REFUNDING BONDS, TAXABLE NEW SERIES 2020[1]

Due February 1 in the years shown below

$59,485,000 Serial Bonds

Stated Maturity[1]	Principal Amount ($)	Interest Rate (%)	Initial Yield (%)	CUSIP No.[2]
2/1/2034	14,385,000	2.142	2.142	79625GDB6
2/1/2035	14,695,000	2.242	2.242	79625GDC4
2/1/2036	15,020,000	2.392	2.392	79625GDD2
2/1/2037	15,385,000	2.492	2.492	79625GDE0

$358,770,000 Term Bonds

$58,770,000 2.875% Term Bond[1] due February 1, 2040; priced to yield 2.875%; CUSIP No.[2] 79625GDF7

$300,000,000 2.905% Term Bond[1] due February 1, 2048; priced to yield 2.905%; CUSIP No.[2] 79625GDG5

(1) The Bonds are subject to redemption prior to stated maturity at the prices, in the amounts, and at the times described herein. The Term Bonds (defined herein) are also subject to mandatory sinking fund redemption. *See* "THE BONDS – Redemption of Bonds" herein.

(2) CUSIP numbers are included solely for the convenience of the owners of the Bonds. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. No assurance can be given that the CUSIP number for a particular maturity of the Bonds will remain the same after the date of delivery of the Bonds. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the City, the Board, the Co-Financial Advisors, or the Underwriters shall be responsible for the selection, changes to, errors, or correctness of the CUSIP numbers set forth herein.

(ii) by such other method, acceptable to the Paying Agent / Registrar, at the written request of and at the risk and expense of the registered owner.

SOURCES AND USES OF FUNDS

The proceeds from the sale of the Bonds, along with CPS Energy's cash contribution, will be applied approximately as follows:

Sources of Funds	
Principal Amount of the Bonds	$418,255,000.00
CPS Energy's Cash Contribution	$ 4,687,500.00
Total Sources of Funds	$422,942,500.00
Uses of Funds	
Escrow Fund Deposit	$420,244,322.68
Underwriters' Discount	$ 1,637,167.84
Costs of Issuance	$ 1,061,009.48
Total Uses of Funds	$422,942,500.00

AUTHORITY AND SECURITY FOR THE BONDS

The Bonds are being issued under the provisions of the Constitution and general laws of the State, including Chapters 1207 and 1371, as amended, Texas Government Code (together, the "Act"), and the Ordinance. As permitted by the applicable provisions of the Act, the City has, in the Ordinance, delegated the authority to various City officials and CPS Energy staff, to execute an approval certificate ("Approval Certificate") evidencing the final terms of sale with respect to, and finalizing certain characteristics of, the Bonds. The Approval Certificate was executed on October 20, 2020 by an authorized City representative.

The Bonds are special obligations of the City issued on a parity with the currently outstanding Senior Lien Obligations and any Additional Senior Lien Obligations hereafter issued by the City, payable solely from and equally and ratably secured, by a first and prior lien on and pledge of the Net Revenues of the Systems that is superior to the lien thereon and pledge thereof securing the outstanding Junior Lien Obligations, the Commercial Paper Obligations, and the Inferior Lien Obligations, all as fully set forth in the Bond Ordinances. The City has reserved the right to grant equal and ratable liens on and pledges of Net Revenues to secure payment of Additional Senior Lien Obligations hereafter issued in accordance with the Bond Ordinances. *See* "DEBT SERVICE REQUIREMENTS", "THE BONDS – Additional Bonds", and "APPENDIX C – CERTAIN PROVISIONS OF THE ORDINANCE" herein.

The Ordinance does not create a mortgage or other security interest on the property of the Systems. The taxing power of neither the City nor the State is pledged for the payment thereof.

PERFECTION OF SECURITY FOR THE BONDS

Chapter 1208, as amended, Texas Government Code, applies to the issuance of the Bonds and the pledge of the Net Revenues as security therefor, and such pledge is therefore, valid, effective, and perfected. Should State law be amended while the Bonds are outstanding and unpaid, the result of such amendment being that the pledge of the Net Revenues is to be subject to the filing requirements of Chapter 9, Texas Business and Commerce Code, in order to preserve to the registered owners of the Bonds a security interest in such pledge, the City has agreed in the Ordinance to take such measures as it determines are reasonable and necessary to enable a filing of a security interest in such pledge to occur.

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NEW ISSUE - BOOK–ENTRY ONLY **RATINGS: See "RATINGS" herein**

*In the opinion of co-bond counsel to NTTA, interest on the Series 2020A Bonds and the Series 2020C Bonds (as defined herein) will be excludable from gross income for federal income tax purposes under statutes, regulations, published rulings and court decisions existing on the date hereof, subject to the matters discussed under "**TAX MATTERS**" herein. Interest on the Series 2020B Bonds is **not** excludable from gross income for federal tax purposes under existing law. See "**TAX MATTERS**" herein.*

NTTA
NORTH TEXAS TOLLWAY AUTHORITY

NORTH TEXAS TOLLWAY AUTHORITY
SYSTEM REVENUE REFUNDING BONDS

\$192,105,000 FIRST TIER BONDS SERIES 2020A	\$517,145,000 FIRST TIER TAXABLE BONDS SERIES 2020B	\$52,705,000 SECOND TIER BONDS SERIES 2020C

Dated Date: Date of Delivery **Due: As shown herein**

The North Texas Tollway Authority ("*NTTA*") System Revenue Refunding Bonds, consisting of First Tier Revenue Refunding Bonds, Series 2020A (the "*Series 2020A Bonds*"), First Tier Taxable Revenue Refunding Bonds, Series 2020B (the "*Series 2020B Bonds*") and Second Tier Revenue Refunding Bonds, Series 2020C (the "*Series 2020C Bonds*" and, together with the Series 2020A Bonds and the Series 2020B Bonds, the "*Bonds*"), will be issued as fully registered obligations of NTTA, a body politic and corporate and a political subdivision of the State of Texas. The Series 2020A Bonds will be issued for the purpose of (i) refunding certain of the bonds as specifically described in **SCHEDULE I – SCHEDULE OF REFUNDED BONDS** and (ii) paying costs of issuance of the Series 2020A Bonds. The Series 2020B Bonds will be issued for the purpose of (i) refunding certain of the bonds as specifically described in **SCHEDULE I – SCHEDULE OF REFUNDED BONDS** and (ii) paying costs of issuance of the Series 2020B Bonds. The Series 2020C Bonds will be issued for the purpose of (i) refunding certain of the bonds as specifically described in **SCHEDULE I – SCHEDULE OF REFUNDED BONDS** and (ii) paying costs of issuance of the Series 2020C Bonds. The Bonds will be registered in the nominee name of The Depository Trust Company, New York, New York ("*DTC*"), which will act as securities depository for the Bonds pursuant to its book–entry–only system described herein. No physical delivery of the Bonds will be made to the respective beneficial owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by Wells Fargo Bank, National Association, as trustee (the "*Trustee*"), under an Amended and Restated Trust Agreement, dated as of April 1, 2008, between NTTA and the Trustee (as amended and supplemented through the date of delivery of the Bonds, the "*Trust Agreement*") to DTC, which will make distribution of the amounts so paid to the beneficial owners thereof. See "**GENERAL INFORMATION REGARDING THE BONDS — Book–Entry–Only System.**"

The Bonds are authorized by and issued pursuant to (i) the laws of the State of Texas, particularly Chapter 366, Texas Transportation Code, as amended, and Chapters 1207 and 1371, Texas Government Code, as amended, and (ii) a resolution (the "*Resolution*") adopted by the Board of Directors (the "*Board*") of NTTA on September 16, 2020. The Bonds, together with NTTA's outstanding revenue bonds and other obligations secured by the Trust Agreement, are special, limited obligations of NTTA payable solely from, and secured solely by, the tolls and other revenues of the NTTA System (as defined herein) and certain specified funds and accounts created pursuant to the Trust Agreement, on the basis and in the priority set forth therein and described herein.

The Bonds are further described in this Official Statement. See pages (i), (ii) and (iii) herein for additional information relating to the Bonds, including provisions relating to maturities, interest rates, yields, optional and mandatory sinking fund redemption, lien priority and tax status.

NTTA IS OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS ONLY FROM THE TOLLS AND OTHER REVENUES OF THE NTTA SYSTEM AND CERTAIN SPECIFIED FUNDS AND ACCOUNTS CREATED PURSUANT TO THE RESOLUTION AND THE TRUST AGREEMENT ON THE BASIS AND IN THE PRIORITY SET FORTH THEREIN AND DESCRIBED HEREIN. EXCEPT AS SPECIFIED IN THE PRECEDING SENTENCE, NONE OF THE STATE OF TEXAS, NTTA, THE COUNTIES SERVED BY NTTA NOR ANY OTHER AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF TEXAS IS OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, THE COUNTIES SERVED BY NTTA NOR ANY OTHER AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF TEXAS IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS. NTTA HAS NO TAXING POWER. THE BONDS ARE NOT SECURED BY THE REVENUES PROVIDED (i) BY THE 360 TOLLWAY (AS DEFINED HEREIN), (ii) UNDER ANY TOLLING SERVICES AGREEMENT OR (iii) FROM FEES UNDER ANY INTEROPERABILITY AGREEMENT.

This cover page and pages (i), (ii), and (iii) contain information for quick reference only. Such pages do not contain a complete summary of the Bonds. Potential investors must read the entire Official Statement to obtain information essential to making an informed investment decision. Investment in the Bonds is subject to certain investment considerations. See "**RISK FACTORS.**" For a discussion regarding the impact of COVID-19 on NTTA, also see "**INFECTIOUS DISEASE OUTBREAK – COVID-19**" herein and "**IMPACT OF COVID-19 ON NTTA**" in **APPENDIX A**.

The Bonds are offered for delivery when, as, and if issued and received by the underwriters and subject to the approval of the Attorney General of the State of Texas and the delivery of legal opinions from the law firms of McCall, Parkhurst & Horton L.L.P., Dallas, Texas, and Bracewell LLP, Dallas, Texas, co-bond counsel to NTTA. Certain legal matters will be passed upon for NTTA by Locke Lord LLP, Dallas, Texas, as counsel to NTTA, and by McCall, Parkhurst & Horton L.L.P., Dallas, Texas, and Bracewell LLP, Dallas, Texas, as co-disclosure counsel to NTTA. Certain legal matters will be passed upon for the underwriters by Winstead PC, Dallas, Texas, and West & Associates, L.L.P., Dallas, Texas, co-counsel for the underwriters. It is expected that delivery of the Bonds will be made through DTC, New York, New York on or about October 28, 2020.

UNDERWRITERS FOR THE SERIES 2020A BONDS AND SERIES 2020C BONDS

JEFFERIES

RBC CAPITAL MARKETS RICE FINANCIAL PRODUCTS COMPANY

UNDERWRITERS FOR THE SERIES 2020B BONDS

BOFA SECURITIES

GOLDMAN SACHS & CO. LLC HUNTINGTON CAPITAL MARKETS J.P. MORGAN

SIEBERT WILLIAMS SHANK & CO. LLC WELLS FARGO SECURITIES

The date of this Official Statement is October 1, 2020.

MATURITIES, INTEREST RATES, YIELDS, CUSIP NUMBERS AND ADDITIONAL INFORMATION REGARDING THE SERIES 2020A BONDS

General. The $192,105,000 North Texas Tollway Authority System First Tier Revenue Refunding Bonds, Series 2020A (the "*Series 2020A Bonds*") will be issued by the North Texas Tollway Authority ("*NTTA*") as fully registered bonds, without coupons, in denominations of $5,000 or any integral multiple thereof within a maturity and will be dated their date of delivery. Interest will accrue on the Series 2020A Bonds, calculated on the basis of a 360-day year composed of twelve 30-day months, from their date of delivery and will be payable semiannually on January 1 and July 1 of each year, commencing January 1, 2021. Principal will come due on January 1 in the years and in the amounts set forth below or upon the earlier redemption of the Series 2020A Bonds.

MATURITY SCHEDULE FOR THE SERIES 2020A BONDS

SERIAL BONDS

Stated Maturity (January 1)	Principal Amount ($)	Interest Rate (%)	Yield (%)	CUSIP No.[1]
2025	6,695,000	5.000	0.430	66285WZP4
2026	7,140,000	5.000	0.550	66285WZQ2
***	***	***	***	***
2034	4,885,000	4.000	1.780[2]	66285WZR0
2035	18,620,000	4.000	1.850[2]	66285WZS8
2036	34,600,000	4.000	1.900[2]	66285WZT6
2037	26,005,000	3.000	2.190[2]	66285WZU3
2037	28,000,000	4.000	1.940[2]	66285WZV1
2038	42,410,000	3.000	2.230[2]	66285WZX7
2038	23,750,000	4.000	1.980[2]	66285WZW9

Optional Redemption. The Series 2020A Bonds are subject to optional redemption as described herein. See "**THE BONDS — The Series 2020A Bonds –** *Redemption.*"

Lien Priority. The Series 2020A Bonds constitute First Tier Bonds within the meaning of the Trust Agreement. See "**SOURCES OF PAYMENT AND SECURITY FOR THE BONDS — Priority of Payment.**"

Tax Status. In the opinion of co-bond counsel to NTTA, interest on the Series 2020A Bonds will be excludable from gross income for federal income tax purposes under statutes, regulations, published rulings and court decisions existing on the date thereof, except as explained under "**TAX MATTERS — Tax-Exempt Bonds —** *Opinion*" herein.

(1) CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services managed by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Global Services. CUSIP numbers have been assigned by an independent company not affiliated with NTTA or the Underwriters and are included solely for the convenience of the owners of the Series 2020A Bonds. None of NTTA, the Co-Financial Advisors or the Underwriters is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable Series 2020A Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2020A Bonds as a result of subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors applicable to all or a portion of certain maturities of the Series 2020A Bonds.

(2) Yield calculated to January 1, 2029, first optional call date at par.

be payable solely from the principal of and interest on the Federal Securities and cash held for such purpose by the Escrow Agent, the Defeased Bonds will be defeased and will not be included in or considered to be indebtedness of NTTA for the purpose of a limitation on indebtedness or for any other purpose, and NTTA will have no further responsibility with respect to amounts available in the Escrow Fund for the payment of the Defeased Bonds, including any insufficiency therein caused by the failure to receive payments when due on the Federal Securities.

On the date of delivery of the Bonds, the Trustee will deposit a portion of the proceeds of the Series 2020C Bonds with the paying agent/registrar for the Series 2010A Refunded Bonds. The Series 2010A Refunded Bonds will be redeemed on or about the date of delivery of the Bonds.

Estimated Sources and Uses of Funds

The proceeds from the sale of the Bonds, NTTA contribution, release of reserves related to the Refunded Bonds and the use of such funds are as follows:

	Series 2020A Bonds	Series 2020B Bonds	Series 2020C Bonds	Total
Sources of Funds				
Principal Amount	$ 192,105,000.00	$ 517,145,000.00	$ 52,705,000.00	$ 761,955,000.00
Original Issue Premium	24,144,944.50	-	5,368,390.45	29,513,334.95
NTTA Contribution	3,494,887.50	7,951,714.06	33,617,361.62	45,063,963.18
Release from First Tier Reserve Account	2,165,710.88	5,830,074.96	-	7,995,785.84
Total	$ 221,910,542.88	$ 530,926,789.02	$ 91,690,752.07	$ 844,528,083.97
Uses of Funds				
Deposit to Escrow Fund	$ 220,419,273.08	$ 526,995,573.40	$ -	$ 747,414,846.48
Refunding of the Series 2010A Refunded Bonds	-	-	91,375,000.00	91,375,000.00
Cost of Issuance[1]	1,491,269.80	3,931,215.62	315,752.07	5,738,237.49
Total	$ 221,910,542.88	$ 530,926,789.02	$ 91,690,752.07	$ 844,528,083.97

(1) Includes underwriting, legal, financial advisory, rating agency, verification agent, accounting and Trustee fees, publication costs and printing expenses, among other costs of issuance.

Subsequent Financings Secured by the NTTA System Revenues

NTTA anticipates spending $1.6 billion over the 2020-2024 (inclusive) period for major maintenance, rehabilitation, roadway bottleneck improvements, roadway capacity improvements and widening and extending certain roadways of the NTTA System. NTTA anticipates funding these improvements with cash flow or funds in the Capital Improvement Fund and proceeds of notes issued under its commercial paper note program and revolving note program. NTTA may also issue bonds, as needed, to finance these improvements or any new project it deems advisable or necessary, including if the other funding sources are not sufficient to fund these improvements or any new project. See "**SOURCES OF PAYMENT AND SECURITY FOR THE BONDS — The Commercial Paper Program**" and "**— The Revolving Note Program**" and "**THE NTTA SYSTEM — Multi-Year NTTA System Capital Plan**" in **APPENDIX A**. NTTA may also issue additional bonds to refinance outstanding commercial paper notes or revolving notes.

OFFICIAL STATEMENT DATED SEPTEMBER 23, 2020

NEW ISSUE – BOOK-ENTRY ONLY **RATINGS: See "RATINGS" herein**

In the opinion of Greenberg Traurig, LLP, Tax Counsel, assuming the accuracy of certain representations, certifications and continuing compliance with certain tax covenants, under existing statutes, regulations, rulings, and court decisions, interest on the Bonds is excludable from gross income for federal income tax purposes and further, interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals See "TAX EXEMPTION" herein for a description of certain other federal tax consequences of ownership of the Bonds. See "TAX EXEMPTION" herein.

$221,455,000
PERMANENT IMPROVEMENT REFUNDING BONDS, SERIES 2020A
HARRIS COUNTY, TEXAS

CUSIP Prefix: 414005

Interest Accrual Date: Date of Delivery, as defined below **Due:** October 1, as shown on inside cover pages

The Harris County, Texas Permanent Improvement Refunding Bonds, Series 2020A (the "Bonds") are being issued by Harris County, Texas (the "County") pursuant to applicable Texas law, particularly Chapters 1207 and 1371, Texas Government Code, as amended, the terms of an order of the Commissioners Court of the County, which is the governing body of the County, an officer's pricing certificate executed by an authorized representative of the County.

The Bonds are being issued for the purpose of (i) refunding certain outstanding bonds as set forth in SCHEDULE I in order to achieve debt service savings, (ii) refunding all or a portion of the County's outstanding General Obligation Commercial Paper Notes, Series D as set forth in SCHEDULE II, and (iii) paying costs of issuance related to the Bonds. See "PURPOSE AND PLAN OF FINANCE." The Bonds are secured by and payable from the receipt of an annual ad valorem tax levied, within the limits prescribed by law, on all taxable property within the County. See "THE BONDS – Source of Payment." Principal of the Bonds will be paid at maturity only upon presentation and surrender at the payment office of The Bank of New York Mellon Trust Company, National Association, a limited purpose national banking association with trust powers (the "Paying Agent/Registrar"). Interest on the Bonds accrues from the Date of Delivery and is payable on April 1 and October 1 of each year, commencing April 1, 2021. See "THE BONDS – Description."

The Bonds are subject to optional and mandatory redemption prior to their scheduled maturities as described herein. See "THE BONDS - Redemption of the Bonds."

The Bonds are issuable only in fully registered form in principal denominations of $5,000 principal amount or integral multiples thereof. The Bonds are initially registered solely in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York, acting as securities depository for the Bonds, until DTC resigns or is discharged. The Bonds initially will be available to purchasers in book-entry form only. So long as Cede & Co. is the registered owner of the Bonds, as nominee for DTC, the Bonds will be payable to Cede & Co., which will, in turn, remit such payments to DTC participants for subsequent disbursement to the beneficial owners of the Bonds. See "APPENDIX D – BOOK-ENTRY-ONLY SYSTEM."

SEE INSIDE COVER PAGES FOR MATURITY, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL YIELDS, CUSIP NUMBERS, AND REDEMPTION

The Bonds are offered for delivery, when, as, and if issued by the County and received by the Underwriters, subject to the approving opinion of the Attorney General of the State of Texas and the legal opinion of Greenberg Traurig, LLP, of Houston, Texas, Co-Bond Counsel and Tax Counsel, and Baker Williams Matthiesen LLP, of Houston, Texas, Co-Bond Counsel, as to the validity of the Bonds under the Constitution and the laws of the State of Texas. Certain legal matters will be passed upon for the County by Vince Ryan, County Attorney and Holland & Knight LLP and Bratton & Associates, both of Houston, Texas, Co-Disclosure Counsel. Certain legal matters will be passed upon for the Underwriters by their Co-counsel, Bracewell LLP, Houston, Texas and Bates & Coleman, P.C., Houston, Texas. The Bonds are expected to be available for delivery through DTC on or about October 13, 2020 (the "Date of Delivery").

SIEBERT WILLIAMS SHANK & CO., LLC

BofA SECURITIES **SAMCO CAPITAL MARKETS, INC.**

BARCLAYS **MESIROW FINANCIAL, INC** **PNC CAPITAL MARKETS LLC** **RICE FINANCIAL PRODUCTS COMPANY** **TD SECURITIES**

MATURITY, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL YIELDS CUSIP NUMBERS AND REDEMPTION

$221,455,000

HARRIS COUNTY, TEXAS
PERMANENT IMPROVEMENT REFUNDING BONDS, SERIES 2020A

Serial Bonds

Maturity[1] (October 1)	Principal Amount	Interest Rate (%)	Initial Yield[2] (%)	CUSIP No.[3]
2021	$53,240,000	5.000	0.120	414005B72
2022	15,030,000	5.000	0.130	414005B80
2023	16,060,000	5.000	0.180	414005B98
2024	22,670,000	5.000	0.230	414005C22
2025	17,400,000	5.000	0.310	414005C30
2026	18,265,000	5.000	0.440	414005C48
2027	19,180,000	5.000	0.590	414005C55
2028	20,135,000	5.000	0.750	414005C63
2029	1,650,000	5.000	0.890	414005C71
2030	1,735,000	5.000	0.990	414005C89
2031	1,820,000	5.000	1.070	414005C97
2032	1,910,000	5.000	1.150	414005D21
2033	2,005,000	4.000	1.290	414005D39
2034	2,085,000	4.000	1.350	414005D47
2035	2,170,000	4.000	1.410	414005D54
2036	2,255,000	4.000	1.460	414005D62
2037	2,345,000	3.000	1.680	414005D70
2038	2,420,000	3.000	1.720	414005D88
2039	2,490,000	3.000	1.760	414005D96
2040	2,565,000	3.000	1.800	414005E20

Term Bonds

$14,025,000 Term Bond Due October 1, 2045[1][4], 3.00%, Initial Yield[2] 2.00% - CUSIP No.[3] 414005E38

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[1] The County reserves the right to redeem the Bonds maturing on or after October 1, 2030, in whole or from time to time in part, on October 1, 2029, or on any date thereafter at par plus accrued interest on the Bonds called for redemption to the date fixed for redemption. See "THE BONDS - Redemption of the Bonds."

[2] The initial yield is calculated to the first optional redemption date. See "THE BONDS – Redemption of the Bonds."

[3] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the County, the Co-Financial Advisors nor the Underwriters is responsible for the selection or correctness of the CUSIP numbers set forth herein.

[4] Subject to mandatory sinking fund redemption as described in "THE BONDS – Mandatory Sinking Fund Redemption."

ESTIMATED SOURCES AND USES OF FUNDS

The following table summarizes the estimated sources and uses of proceeds of the Bonds and certain other available funds:

SOURCES OF FUNDS:	
Par Amount of Bonds	$221,455,000
Original Issue Premium	38,248,003
TOTAL SOURCES[3]	$259,703,003
USES OF FUNDS:	
Deposit to Escrow Agent for the Refunded Bonds	$199,939,321
Deposit to Refunded Notes Paying Agent[1]	58,600,000
Underwriters' Discount	634,259
Costs of Issuance[2]	529,422
TOTAL USES[3]	$259,703,003

(1) The County will pay the interest due on Refunded Notes from other legally available funds.
(2) Includes legal fees of counsels to the County, rating agency fees, fees of the Paying Agent/Registrars, fees of the Escrow Agent and Refunded Notes Paying Agent and other costs of issuance.
(3) Discrepancies in totals due to rounding.

THE BONDS

Source of Payment

The Bonds are secured by and payable from the receipt of an annual ad valorem tax levied, within the limits prescribed by law, on all taxable property within the County. See "AD VALOREM TAXES," "TAX RATE LIMITATION" and "COUNTY-WIDE AD VALOREM TAXES." Pursuant to the provisions of the Order, the Commissioners Court, as the governing body of the County, has levied and agreed to assess and collect such annual ad valorem taxes. Each year the Commissioners Court will make a determination of the specific amount to be collected to pay interest as it accrues and principal as it matures on the Bonds and will formally levy such taxes for that year. The receipts of the taxes are to be credited to the respective debt service fund for the respective series of Bonds established by each respective Order to be used solely for the payment of the principal of and interest on such Bonds.

Description

The Bonds mature on the dates and in the amounts as set forth on the inside cover pages of this Official Statement. Interest on the Bonds accrues from the Date of Delivery and is payable on April 1 and October 1 of each year, commencing, April 1, 2021, until maturity. Interest on the Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months. Principal of the Bonds will be paid at maturity by Paying Agent/Registrar.

The Bonds will be issued in fully registered form, in principal denomination of $5,000 principal amount, or any integral multiple thereof. The Bonds may be successively registered and transferred at no cost to the owners, except any tax or governmental charge in connection therewith. The principal of the Bonds will be payable upon maturity upon presentation and surrender at the payment office of the Paying Agent/Registrar. The payment office of the Paying Agent/Registrar is presently located in Dallas, Texas. Interest on the Bonds is payable to the registered owners thereof, as shown on the registration books maintained by the Paying Agent/Registrar at the close of business on the 15th day of the month next preceding an interest payment date (the "Record Date"), by check mailed by the Paying Agent/Registrar to the address of the registered owner shown on such registration books or by such other method of payment requested by, and at the risk and expense of, the registered owner and acceptable to the Paying Agent/Registrar.

See "APPENDIX D – BOOK-ENTRY-ONLY SYSTEM" for a description of the system to be utilized initially in regard to the ownership and transferability of the Bonds.

OFFICIAL STATEMENT DATED SEPTEMBER 22, 2020

NEW ISSUE – BOOK-ENTRY ONLY

Ratings: Fitch: "AAA";
S&P: "AAA"
(See "Other Information – Ratings")

*In the opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel, interest on the Series 2020 Bonds (hereinafter defined) is excludable from gross income for federal income tax purposes under statutes, regulations, rulings and court decisions existing on their date of initial delivery and the Series 2020 Bonds are not "specified private activity bonds". See "**TAX MATTERS – Tax-Exempt Bonds**" for a discussion of the opinion of Bond Counsel.*

$628,515,000
TEXAS WATER DEVELOPMENT BOARD
STATE WATER IMPLEMENTATION REVENUE FUND FOR TEXAS
REVENUE BONDS, SERIES 2020 (MASTER TRUST)

Interest Accrual: Date of Delivery (hereinafter defined)

Due: April 15 and **October 15**, as shown on inside cover page

The Texas Water Development Board (the "**Board**") is issuing its State Water Implementation Revenue Fund for Texas Revenue Bonds, Series 2020 (Master Trust) (the "**Series 2020 Bonds**") pursuant to a Master Trust Indenture between the Board and The Bank of New York Mellon Trust Company, National Association (the "**Master Trustee**") dated as of October 1, 2015 (the "**Master Indenture**"), and a Bond Indenture between the Board and The Bank of New York Mellon Trust Company, National Association (the "**2020 Bond Trustee**"), dated as of October 1, 2020, with respect to the issuance of the Series 2020 Bonds (the "**2020 Bond Indenture**"), which Bond Indenture was approved by a resolution adopted by the Board on July 23, 2020 (the "**Resolution**"). The Master Indenture and the 2020 Bond Indenture are collectively referred to herein as the "**Indentures**". See "**INTRODUCTION**". Interest on the Series 2020 Bonds will accrue from their Date of Delivery at the fixed rates of interest shown on the inside cover page hereof. Interest of Series 2020 Bonds will be payable on April 15, 2021, and on each October 15 and April 15 thereafter until maturity or prior redemption, and will be calculated on the basis of a 360-day year composed of twelve 30-day months. The Series 2020 Bonds are being issued only as fully registered bonds in the denomination of $5,000 or any integral multiple thereof within a maturity. Capitalized terms used on the cover page hereof and not otherwise defined shall have the meanings assigned in "**Appendix B – Definitions and Summary of Certain Provisions of the Master Trust Indenture and the Bond Indenture**."

The Board initially will issue the Series 2020 Bonds registered only in the name of Cede & Co., the nominee of The Depository Trust Company, New York, New York ("**DTC**"), pursuant to the book-entry-only system described in "***APPENDIX E*** **– DESCRIPTION OF BOOK-ENTRY-ONLY SYSTEM AND GLOBAL CLEARANCE PROCEDURES**". Principal of the Series 2020 Bonds will be payable to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners (as defined in *Appendix E*). In the event the Series 2020 Bonds are not in the book-entry-only system, payment of principal of the Series 2020 Bonds will be made to the registered owner upon maturity or redemption prior to maturity only upon presentation and surrender of such Series 2020 Bonds at the Designated Payment/Transfer Office of the 2020 Bond Trustee, as initial Paying Agent/Registrar (the "**Paying Agent/Registrar**"). As of the date hereof, the Designated Payment/Transfer Office of the Paying Agent/Registrar is in Houston, Texas.

The proceeds from the sale of the Series 2020 Bonds will be used (i) to provide funds to finance projects to implement the State Water Plan, as defined herein, through the purchase or entering into of bonds, notes, agreements or other evidences of indebtedness (collectively, the "**Political Subdivision Obligations**") purchased from, or entered into with, a Political Subdivision to evidence the obligation to repay Political Subdivision Obligations made or incurred pursuant thereto, as further described in *Appendix A-1* and (ii) to pay the costs of issuance of the Series 2020 Bonds. See "**PLAN OF FINANCE**".

The Series 2020 Bonds are special, limited obligations of the Board equally and ratably secured by and payable solely from a lien on the Security for the Series 2020 Bonds, as hereinafter defined, pursuant to the 2020 Bond Indenture including, but not limited to: (i) all Revenues, as hereinafter defined, held under the 2020 Bond Indenture; (ii) all amounts held in the funds and accounts established under the 2020 Bond Indenture (other than the Rebate Fund and the Costs of Issuance Account established for the Series 2020 Bonds); and (iii) all of the proceeds of the foregoing including, without limitation, investments thereof. In addition, the Series 2020 Bonds are secured by amounts that become available under the Master Indenture. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2020 BONDS".

The Series 2020 Bonds are subject to optional redemption prior to their stated maturity. The 2020 Term Bonds (as defined herein) are subject to mandatory sinking fund redemption prior to their stated maturity as described herein. See "**THE SERIES 2020 BONDS - Redemption**".

The Series 2020 Bonds are issued under authority of the laws of the State of Texas, including specifically Subchapter H, Chapter 15, Texas Water Code, as amended. The Series 2020 Bonds shall never constitute general obligations of the Board or the State of Texas within the meaning of any constitutional or statutory provision or limitation. Issuance of the Series 2020 Bonds shall not, directly, indirectly or contingently, obligate the State of Texas to levy any form of taxation therefor or make any appropriation for their payment. The Board has no taxing power.

SEE INSIDE COVER PAGE HEREIN FOR STATED MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL YIELDS, AND CUSIP NUMBERS.

*The Series 2020 Bonds are offered for delivery when, as and if issued, and are subject to the approval of the Attorney General of the State of Texas and subject to the approval of certain legal matters by McCall, Parkhurst & Horton L.L.P., Bond Counsel. Certain legal matters will be passed upon for the Board by Bracewell LLP, Houston, Texas, Disclosure Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Orrick, Herrington & Sutcliffe LLP, Austin, Texas. See "OTHER INFORMATION – Legal Opinions". It is expected that the Series 2020 Bonds will be delivered through the facilities of DTC on or about October 8, 2020 (the "**Date of Delivery**").*

MORGAN STANLEY

BOFA SECURITIES	BOK FINANCIAL SECURITIES, INC.	JEFFERIES
MESIROW FINANCIAL, INC.	RBC CAPITAL MARKETS	RAMIREZ & CO., INC.
RAYMOND JAMES		WELLS FARGO SECURITIES

MATURITY SCHEDULE
$628,515,000
TEXAS WATER DEVELOPMENT BOARD
STATE WATER IMPLEMENTATION
REVENUE FUND FOR TEXAS REVENUE BONDS,
SERIES 2020 (MASTER TRUST)

CUSIP Prefix: 882854[3]

$93,835,000 Serial Bonds

Maturity	Principal Amount	Interest Rate	Initial Yield[2]	CUSIP Suffix[3]	Maturity	Principal Amount	Interest Rate	Initial Yield[2]	CUSIP Suffix[3]
4/15/2021	$ 5,000,000	3.000%	0.110%	3N0	4/15/2026	$ 4,190,000	5.000%	0.450%	3Y6
10/15/2021	5,000,000	3.000%	0.110%	3P5	10/15/2026	5,000,000	5.000%	0.470%	3Z3
4/15/2022	2,420,000	3.000%	0.140%	3Q3	4/15/2027	4,605,000	5.000%	0.610%	4A7
10/15/2022	5,000,000	3.000%	0.140%	3R1	10/15/2027	5,000,000	5.000%	0.640%	4B5
4/15/2023	3,035,000	4.000%	0.170%	3S9	4/15/2028	5,130,000	5.000%	0.740%	4C3
10/15/2023	5,000,000	4.000%	0.170%	3T7	10/15/2028	5,000,000	5.000%	0.770%	4D1
4/15/2024	3,565,000	5.000%	0.230%	3U4	4/15/2029	5,845,000	5.000%	0.900%	4E9
10/15/2024	5,000,000	5.000%	0.240%	3V2	10/15/2029	5,850,000	5.000%	0.920%	4F6
4/15/2025	3,780,000	5.000%	0.290%	3W0	4/15/2030	6,355,000	5.000%	1.000%	4G4
10/15/2025	5,000,000	5.000%	0.310%	3X8	10/15/2030	4,060,000	5.000%	1.020%	4H2

$534,680,000 Term Bonds

$14,380,000 4.000% Term Bonds maturing October 15, 2031[1], initial yield 1.140%[2][4]; CUSIP Suffix No. 4J8[3]
$14,935,000 4.000% Term Bonds maturing October 15, 2032[1], initial yield 1.240%[2][4]; CUSIP Suffix No. 4K5[3]
$15,605,000 4.000% Term Bonds maturing October 15, 2033[1], initial yield 1.350%[2][4]; CUSIP Suffix No. 4L3[3]
$19,430,000 3.000% Term Bonds maturing October 15, 2034[1], initial yield 1.600%[2][4]; CUSIP Suffix No. 4M1[3]
$20,020,000 3.000% Term Bonds maturing October 15, 2035[1], initial yield 1.650%[2][4]; CUSIP Suffix No. 4N9[3]
$20,340,000 3.000% Term Bonds maturing October 15, 2036[1], initial yield 1.700%[2][4]; CUSIP Suffix No. 4P4[3]
$20,990,000 3.000% Term Bonds maturing October 15, 2037[1], initial yield 1.740%[2][4]; CUSIP Suffix No. 4Q2[3]
$21,665,000 3.000% Term Bonds maturing October 15, 2038[1], initial yield 1.770%[2][4]; CUSIP Suffix No. 4R0[3]
$22,375,000 3.000% Term Bonds maturing October 15, 2039[1], initial yield 1.810%[2][4]; CUSIP Suffix No. 4S8[3]
$23,025,000 3.000% Term Bonds maturing October 15, 2040[1], initial yield 1.850%[2][4]; CUSIP Suffix No. 4T6[3]
$127,285,000 4.000% Term Bonds maturing October 15, 2045[1], initial yield 1.840%[2][4]; CUSIP Suffix No. 4U3[3]
$164,630,000 4.000% Term Bonds maturing April 15, 2051[1], initial yield 1.950%[2][4]; CUSIP Suffix No. 4V1[3]
$50,000,000 2.375% Term Bonds maturing October 15, 2055[1], initial yield 2.375%[2]; CUSIP Suffix No. 4W9[3]

(Interest accrues from Date of Delivery)

[1] The Series 2020 Bonds having stated maturities on and after October 15, 2031, are subject to redemption at the option of the Board, in whole or from the time to time in part, on October 15, 2030 or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. The 2020 Term Bonds (as defined herein) are subject to mandatory sinking fund redemption prior to their stated maturity as described herein. See "THE SERIES 2020 BONDS – Redemption".

[2] The initial yields are established by the Underwriters and may subsequently be changed.

[3] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the services provided by CUSIP. The State, the Board, the Financial Advisor, and the Underwriters are not responsible for the selection or correctness of the CUSIP numbers set forth herein.

[4] Yield to first optional call date.

PLAN OF FINANCE

Purpose

The Series 2020 Bonds are being issued (i) to provide funds to provide financial assistance through the purchase of or entering into Political Subdivision Obligations, the proceeds of which will be used to finance State Water Plan Projects, and (ii) to pay the costs of issuance of the Series 2020 Bonds.

The Board received, evaluated, and considered applications from political subdivisions for State Water Plan Projects that intend to issue or incur Political Subdivision Obligations to be purchased by the Board. A list of the approved financial assistance applications and the amount of financial assistance is listed in "***APPENDIX A-1*** – **SUMMARY OF POLITICAL SUBDIVISION OBLIGATIONS EXPECTED TO BE FUNDED BY SERIES 2020 BONDS**". Each Political Subdivision is expected to issue its Political Subdivision Obligation and close on the purchase of it by the Board within 57 days after the Date of Delivery of the Series 2020 Bonds. Purchases of the Political Subdivision Obligations will be made by the 2020 Bond Trustee at the direction of the Board from moneys on deposit in the Project Financing Account established under the 2020 Bond Indenture.

Sources and Uses

The proceeds from the sale of the Series 2020 Bonds plus other available funds of the Board are expected to be applied as set forth in the following table:

Sources of Funds

Par Amount	$ 628,515,000.00
Original Issue Premium	105,630,823.40
Transfer to Assistance Account	60,635,646.11
Total	$ 794,781,469.51

Uses of Funds

Deposit to Project Financing Account	$ 731,295,000.00
Deposit to Assistance Account	60,635,646.11
Deposit to Costs of Issuance Account	837,280.00
Underwriters' Discount	2,013,543.40
Total	$ 794,781,469.51

OFFICIAL STATEMENT DATED SEPTEMBER 17, 2020

NEW ISSUES — BOOK-ENTRY ONLY

Ratings:
Moody's: A1
S&P: A
(See "RATINGS" herein.)

In the opinion of Bracewell LLP, Tax Counsel, under existing law, interest on the Series 2020A Bonds (i) is excludable from gross income for federal income tax purposes under section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), except for any period during which a Series 2020A Bond is held by a person who is a "substantial user" of the facilities financed or refinanced with the proceeds of the Series 2020A Bonds or a "related person" to such a "substantial user," each within the meaning of section 147(a) of the Code and (ii) is an item of tax preference that is includable in alternative minimum taxable income for purposes of determining a taxpayer's alternative minimum tax liability. Furthermore, in the opinion of Tax Counsel, under existing law, (i) interest on the Series 2020B Bonds is excludable from gross income for federal income tax purposes under section 103 of the Code and (ii) the Series 2020B Bonds are "private activity bonds" within the meaning of the Code, but pursuant to the American Recovery and Reinvestment Act of 2009, interest on the Series 2020B Bonds is not an item of tax preference that is includable in alternative minimum taxable income for purposes of determining a taxpayer's alternative minimum tax liability. See "TAX MATTERS FOR THE TAX-EXEMPT BONDS" herein for a discussion of the opinion of Tax Counsel.

Interest on the Taxable Series 2020C Bonds is not excludable from gross income for federal tax purposes under existing law. See "TAX MATTERS FOR THE TAXABLE BONDS" herein.

$863,675,000
CITY OF HOUSTON, TEXAS
AIRPORT SYSTEM

HOUSTON AIRPORT SYSTEM

$131,620,000	$71,565,000	$660,490,000
SUBORDINATE LIEN REVENUE REFUNDING BONDS, SERIES 2020A (AMT)	**SUBORDINATE LIEN REVENUE REFUNDING BONDS, SERIES 2020B (NON-AMT)**	**SUBORDINATE LIEN REVENUE REFUNDING BONDS, SERIES 2020C (TAXABLE)**

Interest Accrual Date: Date of Delivery **Due:** July 1, see inside cover pages

This Official Statement is provided to furnish information in connection with the offering by the City of Houston, Texas (the "City") of its Airport System Subordinate Lien Revenue Refunding Bonds, Series 2020A (AMT) (the "Series 2020A Bonds"), its Airport System Subordinate Lien Revenue Refunding Bonds, Series 2020B (Non-AMT) (the "Series 2020B Bonds" and, together with the Series 2020A Bonds the "Tax-Exempt Bonds"), and its Airport System Subordinate Lien Revenue Refunding Bonds, Series 2020C (Taxable) (the "Taxable Series 2020C Bonds" or the "Taxable Bonds"). The Tax-Exempt Bonds and the Taxable Bonds together are referred to herein as the "Series 2020 Bonds."

Proceeds of the sale of the Series 2020A Bonds will be used to (i) refund the Refunded Notes (as defined herein) and (ii) pay related costs of issuance of the Series 2020A Bonds. Proceeds of the sale of the Series 2020B Bonds will be used to (i) refund the 2020B Refunded Bonds (as defined herein) and (ii) pay related costs of issuance of the Series 2020B Bonds. Proceeds of the sale of the Taxable Series 2020C Bonds will be used to (i) refund the 2020C Refunded Bonds (as defined herein) and (ii) pay related costs of issuance of the Taxable Series 2020C Bonds. See "PURPOSE AND PLAN OF FINANCING."

The Series 2020 Bonds will be issued in fully registered form in denominations of $5,000 or any integral multiple thereof. Interest on the Series 2020 Bonds will accrue from their Date of Delivery and will be payable semi-annually on each January 1 and July 1, commencing January 1, 2021. The Bank of New York Mellon Trust Company, National Association (the "Paying Agent/Registrar") is the initial Paying Agent/Registrar.

The Series 2020 Bonds, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2020 Bonds, until DTC resigns or is discharged. The Series 2020 Bonds will be available to purchasers only in book-entry form. For as long as Cede & Co. is the exclusive registered owner of the Series 2020 Bonds, the principal of and interest on the Series 2020 Bonds will be payable by the Paying Agent/Registrar to DTC, which will be responsible for making such payments to DTC Participants for subsequent remittance to the owners of beneficial interests in the Series 2020 Bonds. The purchasers of the Series 2020 Bonds will not receive certificates representing their beneficial ownership interests therein.

The Series 2020 Bonds are special obligations of the City which, together with the Outstanding Subordinate Lien Bonds and any Additional Subordinate Lien Bonds hereafter issued, are payable from, and equally and ratably secured by, a lien on the Net Revenues of the Houston Airport System, subject and subordinate to the prior and superior lien of Outstanding Senior Lien Obligations and Additional Senior Lien Obligations, if any, all as defined herein, and certain Funds established pursuant to the Ordinance (as defined herein). See "COVENANTS AND TERMS OF THE ORDINANCE."

THE SERIES 2020 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OR GENERAL OBLIGATION OF THE CITY. OWNERS OF THE SERIES 2020 BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2020 BONDS FROM ANY FUNDS RAISED OR TO BE RAISED BY TAXATION.

The Series 2020A Bonds are subject to optional and mandatory redemption prior to maturity, as described herein. The Series 2020B Bonds are not subject to redemption prior to maturity. The Taxable Series 2020C Bonds are subject to optional redemption, as described herein. See "THE SERIES 2020 BONDS – Redemption."

SEE INSIDE COVER PAGES FOR MATURITIES,
PRINCIPAL AMOUNTS, INTEREST RATES, PRICES AND YIELDS

This cover page is not intended to be a summary of the terms of, or the security for, the Series 2020 Bonds. Investors are advised to read the Official Statement in its entirety to obtain information essential to the making of an informed investment decision.

The Series 2020 Bonds are offered by the Underwriters listed below when, as and if issued by the City and accepted by the Underwriters, subject to the approving opinions of the Attorney General of the State of Texas and the opinions of Bracewell LLP, Houston, Texas, Co-Bond Counsel and Tax Counsel, and of West & Associates L.L.P., Houston, Texas, Co-Bond Counsel, as to the validity of the issuance of the Series 2020 Bonds under the Constitution and the laws of the State of Texas. Certain matters will be passed upon for the City by its Special Disclosure Co-Counsel, Haynes and Boone, LLP, Houston, Texas and the Law Offices of Francisco G. Medina, Houston, Texas. Certain other legal matters will be passed upon for the Underwriters by their co-counsel, McCall, Parkhurst & Horton L.L.P., Houston, Texas, and Hardwick Law Firm, LLC, Houston, Texas. The Series 2020 Bonds are expected to be available for delivery on or about October 20, 2020 (the "Date of Delivery") through the facilities of DTC in New York, New York.

MORGAN STANLEY

BofA Securities **UBS**

Blaylock Van, LLC **Stern Brothers** **TD Securities**

MATURITY AND PRICING SCHEDULES

$131,620,000
CITY OF HOUSTON, TEXAS
AIRPORT SYSTEM
SUBORDINATE LIEN REVENUE REFUNDING BONDS,
SERIES 2020A (AMT)

Interest Accrual Date: Date of Delivery

CUSIP Prefix[1]: 442349

$72,715,000 Serial Bonds

Maturity (July 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP Suffix[1]
2023	$1,000,000	5.000%	0.660%	DK9
2024	1,000,000	5.000	0.750	DL7
2025	1,000,000	5.000	0.850	DM5
2026	1,000,000	5.000	1.020	DN3
2027	3,000,000	5.000	1.180	DP8
2028	3,000,000	5.000	1.360	DQ6
2029	4,710,000	5.000	1.530	DR4
2030	4,950,000	5.000	1.680	DS2
2031[2]	3,000,000	5.000	1.810[3]	DT0
***	***	***	***	***
2033[2]	5,345,000	5.000	2.010[3]	DU7
2034[2]	5,615,000	5.000	2.060[3]	DV5
2035[2]	5,895,000	4.000	2.340[3]	DW3
2036[2]	6,130,000	4.000	2.390[3]	DX1
2037[2]	6,375,000	4.000	2.440[3]	DY9
2038[2]	6,630,000	4.000	2.530[3]	DZ6
2039[2]	6,895,000	4.000	2.570[3]	EA0
2040[2]	7,170,000	4.000	2.610[3]	EB8

$58,905,000 Term Bonds

$58,905,000 Term Bonds Due July 1, 2047[2][4], Interest Rate 4.000%, Yield 2.750%[3], CUSIP Suffix[1] EC6

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(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the City, the Co-Financial Advisors or the Underwriters is responsible for the selection or correctness of the CUSIP numbers set forth herein.

(2) The City reserves the right, at its option, to redeem Series 2020A Bonds having stated maturities on or after July 1, 2031, in whole or in part, in principal amounts of $5,000 or any integral multiple thereof, on July 1, 2030, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. See "THE SERIES 2020 BONDS – Redemption – *Optional Redemption*."

(3) The initial yield is calculated to the first optional redemption date.

(4) Subject to mandatory sinking fund redemption, as described in "THE SERIES 2020 BONDS – Redemption – *Mandatory Sinking Fund Redemption of the Series 2020A Bonds*."

$71,565,000
CITY OF HOUSTON, TEXAS
AIRPORT SYSTEM
SUBORDINATE LIEN REVENUE REFUNDING BONDS,
SERIES 2020B (NON-AMT)

Interest Accrual Date: Date of Delivery

CUSIP Prefix[1]: 442349

Maturity (July 1)[2]	Principal Amount	Interest Rate	Initial Yield	CUSIP Suffix[1]
2026	$13,320,000	5.000%	0.700%	ED4
2027	13,720,000	5.000	0.880	EE2
2028	14,110,000	5.000	1.060	EF9
2029	14,875,000	5.000	1.230	EG7
2030	15,540,000	5.000	1.380	EH5

(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the City, the Co-Financial Advisors or the Underwriters is responsible for the selection or correctness of the CUSIP numbers set forth herein.

(2) The Series 2020B Bonds are not subject to redemption prior to maturity. See "THE SERIES 2020 BONDS – Redemption."

made firm banking and financial arrangements for the discharge and final payment of the Refunded Notes pursuant to the provisions of Chapter 1207, Texas Government Code, as amended.

The Refunded Bonds

The paying agent and tender agent for the 2020B Refunded Bonds will cause the redemption of the 2020B Refunded Bonds by making a redemption drawing on the letter of credit relating to the 2020B Refunded Bonds on the redemption date. A portion of the proceeds of the Series 2020B Bonds, together with other available funds of the City will be deposited with the paying agent and tender agent for the 2020B Refunded Bonds to reimburse the letter of credit provider for the redemption drawing.

A portion of the proceeds of the Taxable Series 2020C Bonds, together with other available funds of the City will be used to purchase a portfolio of obligations (the "Escrowed Securities") authorized under Texas law and the ordinances authorizing the 2020C Refunded Bonds to be deposited, along with certain uninvested proceeds of the Taxable Series 2020C Bonds, in one or more escrow funds or accounts (collectively, the "Escrow Fund") with The Bank of New York Mellon Trust Company, National Association, the escrow agent for the Refunded Bonds (the "Escrow Agent") pursuant to an escrow agreement between the City and the Escrow Agent (the "Escrow Agreement"). The maturing principal of and interest on the Escrowed Securities will be sufficient, together with other funds deposited to the Escrow Fund, to pay, when due, the principal of and interest on the 2020C Refunded Bonds.

The Verification Agents will verify the accuracy of the mathematical computations of the adequacy of the available funds (i) deposited for the repayment of the principal portion of the redemption drawing on the letter of credit relating to the 2020B Refunded Bonds and (ii) deposited in the Escrow Fund to provide for the payment of principal and interest on the 2020C Refunded Bonds. See "VERIFICATION OF MATHEMATICAL ACCURACY."

By making the deposits described above as required by the ordinances authorizing the Refunded Bonds, the Ordinance and the Escrow Agreement, the City will have made firm banking and financial arrangements for the discharge and final payment of the Refunded Bonds pursuant to the provisions of Chapter 1207, Texas Government Code, as amended. Thereafter, the Refunded Bonds will be deemed to be fully paid and no longer outstanding and the lien on and pledge of Net Revenues securing the Refunded Bonds will be deemed to have been defeased, except for the purpose of being paid from the funds provided therefor.

SOURCES AND USES OF FUNDS

The following table summarizes the estimated sources and uses of proceeds of the Series 2020 Bonds:

	Series 2020A Bonds	Series 2020B Bonds	Taxable Series 2020C Bonds	Total
SOURCES OF FUNDS:				
Par Amount	131,620,000.00	71,565,000.00	660,490,000.00	863,675,000.00
Original Issue Premium	19,995,314.15	20,660,649.95	0.00	40,655,964.10
Issuer Contribution	0.00	0.00	9,315,609.31	9,315,609.31
TOTAL SOURCES	151,615,314.15	92,225,649.95	669,805,609.31	913,646,573.41
USES OF FUNDS:				
Deposit to Refunded Notes Paying Agent[1]	150,973,000.00	0.00	0.00	150,973,000.00
Deposit to Paying Agent/Tender Agent for 2020B Refunded Bonds[2]	0.00	91,905,000.00	0.00	91,905,000.00
Deposit to Refunded Bonds Escrow Fund[3]	0.00	0.00	666,890,663.93	666,890,663.93
Underwriters' Discount	439,880.65	207,153.38	1,947,768.09	2,594,802.12
Costs of Issuance[4]	202,433.50	113,496.57	967,177.29	1,283,107.36
TOTAL USES	151,615,314.15	92,225,649.95	669,805,609.31	913,646,573.41

[1] The interest due on the Refunded Notes will be deposited with the Refunded Notes Paying Agent by the City from other available funds on or before the Date of Delivery.

[2] The interest portion of the redemption drawing on the letter of credit relating to the 2020B Refunded Bonds will be deposited with the Paying Agent/Tender Agent for the 2020B Refunded Bonds by the City from other available funds on or before the Date of Delivery.

[3] The interest due on the 2020C Refunded Bonds will be deposited with the Escrow Agent by the City from other available funds on or before the Date of Delivery.

[4] Includes legal fees, rating agency fees, fees of the Paying Agent/Registrar, Refunded Notes Paying Agent, Escrow Agent and Paying Agent/Tender Agent for 2020B Refunded Bonds, and other costs of issuance. Also may include rounding amounts.

OFFICIAL STATEMENT DATED SEPTEMBER 15, 2020

Ratings: Moody's: "Aa1" (stable outlook)
S&P: "AAA" (stable outlook
Fitch: "AAA" (negative outlook)

NEW ISSUES - Book-Entry-Only (See "OTHER RELEVANT INFORMATION – Ratings" in this document)

In the opinion of Bond Counsel to the City, interest on the Bonds, the Certificates, and the Contractual Obligations (each as defined below) will be excludable from gross income for federal income tax purposes under statutes, regulations, published rulings and court decisions existing on the date thereof, subject to the matters described under "TAX MATTERS" in this document. The Taxable Bonds (as defined below) are not obligations described in Section 103(a) of the Internal Revenue Code of 1986. Interest on the Taxable Bonds is not excludable from gross income for federal income tax purposes under existing law. See "TAX MATTERS" in this document.

CITY OF AUSTIN, TEXAS

$86,440,000 **Public Improvement and Refunding Bonds, Series 2020**	**$109,080,000** **Certificates of Obligation, Series 2020**
$23,205,000 **Public Property Finance Contractual Obligations, Series 2020**	**$49,410,000** **Public Improvement and Refunding Bonds, Taxable Series 2020**

Dated Date: October 6, 2020 **Due: As shown on the inside cover page**

Interest on the $86,440,000 City of Austin, Texas Public Improvement and Refunding Bonds, Series 2020 (the "Bonds"), the $109,080,000 City of Austin, Texas Certificates of Obligation, Series 2020 (the "Certificates"), the $23,205,000 City of Austin, Texas Public Property Finance Contractual Obligations, Series 2020 (the "Contractual Obligations"), and the $49,410,000 City of Austin, Texas Public Improvement and Refunding Bonds, Taxable Series 2020 (the "Taxable Bonds") will accrue from the dated date shown above, and in the case of the Bonds, the Certificates and the Taxable Bonds, will be payable March 1, 2021 and each September 1 and March 1 thereafter until maturity or redemption prior to maturity, and in the case of the Contractual Obligations, will be payable May 1, 2021, and each November 1 and May 1 thereafter until maturity, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Bonds, the Certificates and the Contractual Obligations are collectively referred to in this document as the "Tax-Exempt Obligations." **The Tax-Exempt Obligations and the Taxable Bonds are collectively referred to in this document as the "Obligations."**

The initial Paying Agent/Registrar for the Obligations is U.S. Bank National Association, Dallas, Texas. See "OBLIGATION INFORMATION - Paying Agent/Registrar" in this document. The Bonds, the Certificates, the Contractual Obligations and the Taxable Bonds will be offered separately by the City of Austin, Texas (the "City"), and delivery of any one issue is not contingent upon the delivery of any other issue. The City intends to utilize the book-entry-only system of The Depository Trust Company, New York, New York ("DTC"), but reserves the right on its behalf or on behalf of DTC to discontinue such system. The book-entry-only system will affect the method and timing of payment and the method of transfer of the Obligations. See "OBLIGATION INFORMATION - Book-Entry-Only System" in this document.

In each Ordinance (as defined in this document), the City Council delegated to a "Pricing Officer" the authority to effect the sale of the series of the Obligations authorized therein, subject to the terms of each Ordinance authorizing the sale of the Obligations. The Bonds, the Taxable Bonds and the Contractual Obligations are direct obligations of the City, payable from a continuing, direct annual ad valorem tax levied, within the limits prescribed by law, on all taxable property located within the City, as provided in the respective ordinance authorizing the issuance of the Bonds, the Taxable Bonds and the Contractual Obligations. The Certificates are direct obligations of the City, payable from a continuing, direct annual ad valorem tax levied, within the limits prescribed by law, on all taxable property located within the City and are additionally payable from and secured by a limited pledge of the surplus revenues (not to exceed $1,000) of the City's solid waste disposal system, as provided in the ordinance authorizing the issuance of the Certificates. See "OBLIGATION INFORMATION - Security" in this document.

Proceeds from the sale of the Bonds and the Taxable Bonds will be used to finance various capital improvements (see "DEBT INFORMATION – Authorized General Obligation Bonds" in this document) and to pay costs of issuing the Bonds and the Taxable Bonds. Proceeds from the sale of the Bonds and the Taxable Bonds will additionally be used to refund for savings portions of the City's outstanding general obligation debt shown in APPENDIX D of this document (the "Refunded Obligations") and to pay the costs of refunding the Refunded Obligations. See "OBLIGATION INFORMATION - Refunded Obligations" in this document. Proceeds from the sale of the Certificates will be used to finance various capital improvements and to pay the costs of issuing the Certificates. Proceeds from the sale of the Contractual Obligations will be used to purchase certain equipment and other personal property for use by various City departments and to pay the costs of issuing the Contractual Obligations. See "OBLIGATION INFORMATION – Authority and Purpose for Issuance" in this document.

See "MATURITY SCHEDULES" on pages ii and iii

The Bonds, the Certificates and the Taxable Bonds are subject to redemption prior to their stated maturities as described in "OBLIGATION INFORMATION – Optional Redemption of the Bonds, the Certificates and the Taxable Bonds" and "OBLIGATION INFORMATION – Mandatory Sinking Fund Redemption of the Taxable Bonds" in this document. The Contractual Obligations are not subject to redemption prior to their stated maturities. (See "OBLIGATION INFORMATION – No Redemption of the Contractual Obligations Prior to Maturity" in this document.)

The Obligations are offered for delivery when, as and if issued, subject to the approving opinions of the Attorney General of the State of Texas and of McCall, Parkhurst & Horton L.L.P., Bond Counsel. See "APPENDIX C - FORMS OF BOND COUNSEL'S OPINIONS" in this document. Certain legal matters will be passed upon for the City by Norton Rose Fulbright US LLP, as disclosure counsel to the City, and for the underwriters listed below (the "Underwriters") by their counsel, Haynes and Boone, LLP.

It is expected that the Obligations will be delivered through the facilities of DTC on or about October 6, 2020.

SIEBERT WILLIAMS SHANK & CO., LLC

PIPER SANDLER & CO. **WELLS FARGO SECURITIES**

MATURITY SCHEDULES

CITY OF AUSTIN, TEXAS

$86,440,000
Public Improvement and Refunding Bonds, Series 2020
Base CUSIP No. 052397 (1)

Maturity (September 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP Suffix	Maturity (September 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP Suffix
2021	$9,940,000	5.000%	0.140%	SG2	2031	$1,160,000	5.000%	1.140% (2)	SS6
2022	5,795,000	5.000%	0.170%	SH0	2032	1,215,000	5.000%	1.210% (2)	ST4
2023	6,115,000	5.000%	0.200%	SJ6	2033	1,280,000	5.000%	1.280% (2)	SU1
2024	6,445,000	5.000%	0.260%	SK3	2034	1,345,000	5.000%	1.340% (2)	SV9
2025	5,930,000	5.000%	0.340%	SL1	2035	1,410,000	5.000%	1.390% (2)	SW7
2026	6,250,000	5.000%	0.470%	SM9	2036	1,480,000	5.000%	1.440% (2)	SX5
2027	7,540,000	5.000%	0.630%	SN7	2037	1,555,000	5.000%	1.480% (2)	SY3
2028	7,950,000	5.000%	0.780%	SP2	2038	1,630,000	5.000%	1.520% (2)	SZ0
2029	8,370,000	5.000%	0.930%	SQ0	2039	1,715,000	5.000%	1.550% (2)	TA4
2030	8,815,000	5.000%	1.020%	SR8	2040	500,000	5.000%	1.590% (2)	TB2

(Interest to accrue from the Dated Date)

$109,080,000
Certificates of Obligation, Series 2020
Base CUSIP No. 052397 (1)

Maturity (September 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP Suffix	Maturity (September 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP Suffix
2021	$27,750,000	5.000%	0.140%	TC0	2033	$5,575,000	5.000%	1.280% (2)	TL0
2022	3,255,000	5.000%	0.170%	TD8	2034	5,850,000	5.000%	1.340% (2)	TM8
2023	3,420,000	5.000%	0.200%	TE6	2035	6,145,000	5.000%	1.390% (2)	TN6
2024	3,590,000	5.000%	0.260%	TF3	2036	6,450,000	5.000%	1.440% (2)	TP1
2025	3,770,000	5.000%	0.340%	TG1	2037	6,770,000	5.000%	1.480% (2)	TQ9
2026	3,960,000	5.000%	0.470%	TH9	2038	7,110,000	5.000%	1.520% (2)	TR7
2031	5,055,000	5.000%	1.140%	TJ5 (2)	2039	7,465,000	5.000%	1.550% (2)	TS5
2032	5,310,000	5.000%	1.210%	TK2 (2)	2040	7,605,000	5.000%	1.590% (2)	TT3

(Interest to accrue from the Dated Date)

$23,205,000
Public Property Finance Contractual Obligations, Series 2020
Base CUSIP No. 052397 (1)

Maturity (May 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP Suffix	Maturity (November 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP Suffix
2021	$1,650,000	5.000%	0.140%	TU0	2021	$1,520,000	5.000%	0.140%	TV8
2022	1,520,000	5.000%	0.170%	TW6	2022	1,570,000	5.000%	0.170%	TX4
2023	1,570,000	5.000%	0.200%	TY2	2023	1,615,000	5.000%	0.200%	TZ9
2024	1,615,000	5.000%	0.250%	UA2	2024	1,670,000	5.000%	0.260%	UB0
2025	1,665,000	5.000%	0.320%	UC8	2025	1,720,000	5.000%	0.350%	UD6
2026	1,715,000	5.000%	0.460%	UE4	2026	1,770,000	5.000%	0.480%	UF1
2027	1,770,000	5.000%	0.610%	UG9	2027	1,835,000	5.000%	0.640%	UH7

(Interest to accrue from the Dated Date)

Redemption of the Bonds and the Certificates… The Bonds and the Certificates will be subject to optional redemption as described in "OBLIGATION INFORMATION – Optional Redemption of the Bonds, the Certificates, and the Taxable."

No Redemption of the Contractual Obligations Prior to Maturity…The Contractual Obligations are not subject to redemption prior to their stated maturities.

(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data is provided by CUSIP Global Service, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. CUSIP numbers are provided for convenience of reference only. The City and the Financial Advisor take no responsibility for the accuracy of the CUSIP numbers.

(2) Initial yield shown is the yield to the first optional redemption date of September 1, 2030 for the Bonds and the Certificates.

MATURITY SCHEDULES

CITY OF AUSTIN, TEXAS

$49,410,000
Public Improvement and Refunding Bonds, Taxable Series 2020
Base CUSIP No. 052397 (1)

Maturity (September 1)	Principal Amount	Interest Rate	Initial Yield	Initial Price	CUSIP Suffix
2021	$7,680,000	0.169%	0.169%	$100.000	UJ3
2022	3,110,000	0.269%	0.269%	100.000	UK0
2023	3,130,000	0.362%	0.362%	100.000	UL8
2024	3,150,000	4.000%	0.569%	113.223	UM6
2025	2,130,000	4.000%	0.669%	116.039	UN4
2026	2,230,000	0.891%	0.891%	100.000	UP9
2027	3,420,000	4.000%	1.091%	119.291	UQ7
2028	3,565,000	1.259%	1.259%	100.000	UR5
2029	3,625,000	1.379%	1.379%	100.000	US3
2030	3,685,000	1.479%	1.479%	100.000	UT1
2031	1,255,000	1.629%	1.629%	100.000	UU8
2032	1,275,000	1.729%	1.729%	100.000	UV6
2033	1,300,000	1.829%	1.829%	100.000	UW4
2034	1,320,000	1.879%	1.879%	100.000	UX2
2035	1,345,000	1.929%	1.929%	100.000	UY0

$7,190,000 2.286% Taxable Term Bonds due September 1, 2040, CUSIP 052397UZ7

(Interest to accrue from the Dated Date)

Redemption of the Taxable Bonds... The Taxable Bonds will be subject to optional redemption and mandatory sinking fund redemption as described in "OBLIGATION INFORMATION – Optional Redemption of the Bonds, the Certificates and the Taxable Bonds" and "OBLIGATION INFORMATION – Mandatory Sinking Fund Redemption of the Taxable Bonds."

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Sources and Uses of Funds

The proceeds of the Obligations will be applied substantially as follows:

	The Bonds	The Certificates	The Contractual Obligations	The Taxable Bonds
Sources of Funds:				
Principal Amount	$86,440,000.00	$109,080,000.00	$23,205,000.00	$49,410,000.00
Original Issue Premium	21,395,467.20	25,478,426.75	4,130,895.55	1,417,907.40
City Contribution	246,166.06	--	--	91,681.53
Total	$108,081,633.26	$134,558,426.75	$27,335,895.55	$50,919,588.93
Uses of Funds:				
Deposit to Project Fund	$30,865,000.00	$133,800,000.00	$27,175,000.00	$27,735,000.00
Deposit to Escrow Fund	76,639,463.01	--	--	22,787,646.23
Costs of Issuance(1)	284,008.32	352,855.94	88,335.01	223,877.03
Underwriters' Discount	293,161.93	405,570.81	72,560.54	173,065.67
Total	$108,081,633.26	$134,558,426.75	$27,335,895.55	$50,919,588.93

(1) Costs of Issuance includes the fees of bond counsel, disclosure counsel, financial advisor, rating agencies, Paying Agent/Registrar, and certain other bond issuance costs.

General

Each series of Obligations shall be dated as of the date of delivery of the Obligations (currently scheduled to occur on October 6, 2020) (the "Dated Date") and shall bear interest on the unpaid principal amounts from such date, at the per annum rates shown on pages ii and iii of this document for each series of Obligations. Interest on the Obligations will be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest on the Bonds, the Certificates and the Taxable Bonds will be payable on March 1, 2021, and on each September 1 and March 1 thereafter until maturity or prior redemption. Interest on the Contractual Obligations will be payable on May 1, 2021, and on each November 1 and May 1 thereafter until maturity. Principal is payable, upon presentation, at the Designated Payment/Transfer Office of the Paying Agent/Registrar (see "OBLIGATION INFORMATION – Paying Agent/Registrar" in this document). Interest is payable by the Paying Agent/Registrar to the registered owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the Record Date (defined below) and shall be paid by the Paying Agent/Registrar by check mailed by United States mail, first class postage prepaid, to the address of such person as it appears on the registration books of the Paying Agent/Registrar on or before each interest payment date or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. The Obligations are issued only as fully registered obligations in denominations of $5,000 or any integral multiple thereof within a maturity of a series.

Notwithstanding the foregoing, so long as records of ownership of the Obligations are maintained through the book-entry-only system described under "OBLIGATION INFORMATION – Book-Entry-Only System" in this document, all payments of principal of, redemption premium, if any, and interest on the Obligations will be made in accordance with the procedures described in "OBLIGATION INFORMATION – Book-Entry-Only System" in this document.

The record date for the interest payable on any interest payment date is the 15th day of the month next preceding each interest payment date, as specified in the Ordinances (the "Record Date"). In the event of a nonpayment of interest on a scheduled interest payment date, and for 30 days thereafter, a new record date for such interest payment (the "Special Record Date") will be established by the Paying Agent/Registrar, in accordance with the provisions of the Ordinances, if and when funds for the payment of interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest, which shall be at least 15 days after the Special Record Date, shall be sent at least 5 business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each registered owner of Obligations appearing on the registration books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of the notice.

Security

The Obligations constitute direct obligations of the City, payable from a continuing, direct annual ad valorem tax levied, within the limits prescribed by law, on all taxable property located within the City in an amount sufficient to pay the

OFFICIAL STATEMENT
DATED AUGUST 27, 2020

NEW ISSUE - Book-Entry-Only

Enhanced/Unenhanced Ratings:
Moody's: "Aaa"/"Aaa"
PSF: "Approved"
(See "OTHER INFORMATION – Ratings" and "THE PERMANENT SCHOOL FUND GUARANTEE PROGRAM" herein)

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds, defined herein, is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. (see "TAX MATTERS").

$255,215,000
AUSTIN INDEPENDENT SCHOOL DISTRICT
(A Political Subdivision of the State of Texas located in Travis County, Texas)
UNLIMITED TAX SCHOOL BUILDING BONDS, SERIES 2020

Interest to accrue from Delivery Date **Due: August 1 as shown on inside cover**

THE BONDS . . . The Austin Independent School District (the "District") is issuing its $255,215,000 Unlimited Tax School Building Bonds, Series 2020 (the "Bonds") pursuant to the authority and for the purposes hereinafter specified.

PAYMENT TERMS . . . Interest on the Bonds will accrue from the date of delivery to the initial purchasers, anticipated to be September 23, 2020 (the "Delivery Date"), will be payable on February 1 and August 1 of each year commencing February 1, 2021, and will be calculated on the basis of a 360-day year of twelve 30-day months. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"), pursuant to the Book-Entry-Only System described herein. DTC will act as securities depository. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or integral multiples thereof. **No physical delivery of the Bonds will be made to the owners thereof.** Principal of and interest on the Bonds will be payable by the Paying Agent/Registrar (defined herein) to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds (see "THE BONDS - Book-Entry-Only System".) The initial "Paying Agent/Registrar" is UMB Bank, Austin, Texas (see "THE BONDS - Paying Agent/Registrar").

AUTHORITY FOR ISSUANCE . . . The Bonds are issued pursuant to the Constitution and general laws of the State of Texas (the "State"), including Chapter 45 Texas Education Code, as amended, Chapter 1371, Texas Government Code, as amended, ("Chapter 1371"), Elections (as defined herein) held within the District and an order (the "Bond Order") adopted by the Board of Trustees of the District (the "Board") on April 27, 2020. As permitted by the provisions of Chapter 1371, the Board, in the Bond Order, delegated the authority to certain District officials to execute a pricing certificate establishing pricing and other terms for the Bonds (the "Pricing Certificate"). The Bond Order and the Pricing Certificate are collectively referred to herein as the "Order". The Bonds are direct obligations of the District payable from an ad valorem tax levied, without legal limitation as to rate or amount, on all taxable property located within the District as provided in the Order (see "THE BONDS – Security and Source of Payment"). The District has applied for conditional approval from the Texas Education Agency for the Bonds to be guaranteed under the State of Texas Permanent School Fund Guarantee Program (hereinafter defined) which guarantee will automatically become effective when the Attorney General of Texas approves the Bonds (see "THE PERMANENT SCHOOL FUND GUARANTEE PROGRAM").

PURPOSE . . . Proceeds from the sale of the Bonds will be used (1) for construction, acquisition and equipment of school buildings and to purchase the necessary sites therefor; and (2) to pay costs of issuance of the Bonds. (see "THE BONDS – Sources and Uses of Bond Proceeds").

See following page for Maturity Schedule, Interest Rates, Yields, and CUSIP Numbers

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LEGALITY . . . The Bonds are offered for delivery when, as and if issued and received by the initial purchasers thereof named below (the "Underwriters") and subject to the approving opinion of the Attorney General of Texas and the approval of certain legal matters by Orrick, Herrington & Sutcliffe LLP, Austin, Texas, Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, McCall, Parkhurst & Horton LLP, Austin, Texas.

DELIVERY . . . It is expected that the Bonds will be available for initial delivery through the services of DTC, on or about September 23, 2020 ("Delivery Date").

MORGAN STANLEY **BAIRD**

PIPER SANDLER & CO. **RAMIREZ & CO., INC.** **STIFEL**

MATURITY SCHEDULE, INTEREST RATES, YIELDS, AND CUSIP NUMBERS

CUSIP[1] Prefix: 052430

Maturity (August 1)	Principal Amount	Interest Rate	Initial Yield[2]	CUSIP[1] Suffix	Maturity (August 1)	Principal Amount	Interest Rate	Initial Yield[2]	CUSIP[1] Suffix
2021	$38,185,000	5.00%	0.170%	RH0	2031	$11,285,000	5.000%	1.050% [3]	RT4
2022	7,275,000	5.00%	0.190%	RJ6	2032	11,850,000	5.000%	1.130% [3]	RU1
2023	7,640,000	5.00%	0.220%	RK3	2033	12,440,000	4.000%	1.310% [3]	RV9
2024	8,020,000	5.00%	0.280%	RL1	2034	12,940,000	4.000%	1.370% [3]	RW7
2025	8,420,000	5.00%	0.350%	RM9	2035	13,455,000	4.000%	1.410% [3]	RX5
2026	8,845,000	5.00%	0.470%	RN7	2036	13,995,000	4.000%	1.460% [3]	RY3
2027	9,285,000	5.00%	0.600%	RP2	2037	14,555,000	4.000%	1.500% [3]	RZ0
2028	9,750,000	5.00%	0.750%	RQ0	2038	15,140,000	1.875%	1.960%	SA4
2029	10,235,000	5.00%	0.870%	RR8	2039	15,420,000	2.000%	1.990% [3]	SB2
2030	10,750,000	5.00%	0.970%	RS6	2040	15,730,000	2.000%	2.020%	SC0

(Interest to accrue from the Delivery Date.)

OPTIONAL REDEMPTION . . . The District reserves the right, at its option, to redeem the Bonds having stated maturities on and after August 1, 2031 in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on August 1, 2030, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see "THE BONDS – Optional Redemption Provisions of the Bonds").

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(2) Initial yields have been established by and are the sole responsibility of the Underwriters and may be subsequently changed.

(3) Yield calculated based upon the assumption that the Bonds sold at a premium will be redeemed on August 1, 2030, the first optional redemption date for the Bonds, at a redemption price of par plus accrued interest to the redemption date.

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Sources and Uses of Bond Proceeds . . . Proceeds from the sale of the Bonds are expected to be expended as follows:

Sources:		
Par Amount of the Bonds	$	255,215,000.00
Premium		46,638,701.75
Total Sources of Funds	$	301,853,701.75
Uses:		
Project Fund	$	300,000,000.00
Costs of Issuance		773,970.59
Underwriters' Discount		1,079,731.16
Total Uses of Funds	$	301,853,701.75

INFECTIOUS DISEASE OUTBREAK – COVID-19

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the "Pandemic") by the World Health Organization and is currently affecting many parts of the world, including the United States and Texas. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President's Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States.

On March 13, 2020, the Governor of Texas (the "Governor") declared a state of disaster for all counties in the State in response to the Pandemic. Pursuant to Chapter 418 of the Texas Government Code, the Governor has broad authority to respond to disasters, including suspending any regulatory statute prescribing the procedures for conducting state business or any order or rule of a state agency (including TEA (hereinafter defined)) that would in any way prevent, hinder, or delay necessary action in coping with the disaster, and issuing executive orders that have the force and effect of law. These include, for example, the issuance of Executive Order GA-18, which among other things, closed public and private schools throughout the State to in-person classroom attendance through the end of the 2019-2020 school year. Subsequent executive orders have been enacted and were aimed at gradually lifting restrictions that were aimed to slow the spread of the Pandemic. However, recent spikes in the number of Covid-19 cases in the State have resulted in the Governor tightening certain restrictions on activities and pausing future phases of reopening. TEA has released guidelines and suggestions for Texas school districts to follow for the 2020-2021 school year in order to receive attendance-based funding and instruct students during the Pandemic. According to the TEA, school districts can opt either a synchronous instruction method, where all participants in virtual classes will need to be present at the same time, or an asynchronous method, which is a self-paced method with periodic instruction from teachers and preassigned work. Both virtual instruction methods will earn school districts full-day funding with some exceptions. Asynchronous instruction requires students to be hands on and requires teachers to engage with students virtually once a day to check for attendance and secure attendance-based funding. The District has elected an asynchronous method for the 2020-2021 school year.

On July 7, 2020, TEA issued public planning health guidance to support school systems in planning for the 2020-2021 school year, addressing on campus and virtual instruction, administrative and extracurricular activities, and school visits. Within the guidance, TEA instructs schools to provide parental and public notices of the school district's plan to follow in order to mitigate COVID-19 within their facilities and confirms the attendance requirements for promotion (which may be completed by virtual education). The guidance further details screening mechanisms, identification of symptoms, and procedures for confirmed, suspected, and exposed cases. Certain actions, such as notification to health department officials and closure of high-traffic areas, will be required in the instance of confirmed cases. Schools are highly encouraged to engage in mitigation practices promoting health and hygiene consistent with guidelines provided by the Centers for Disease Control and Prevention (including social distancing, facial coverings, frequent disinfecting of all areas, limiting visitations, etc.) to avoid unnecessary exposure to others to prevent the spread of COVID-19.

The District continues to monitor the spread of COVID-19 and is working with local, state, and national agencies to address the potential impact of the Pandemic upon the District. While the potential impact of the Pandemic on the District cannot be quantified at this time, the continued outbreak of COVID-19 could have an adverse effect on the District's operations and financial condition.

The Pandemic has negatively affected travel, commerce, and financial markets globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide. These negative impacts may reduce or negatively affect property values within the District. See "AD VALOREM PROPERTY TAXATION." The Bonds are secured by an unlimited ad valorem tax, and a reduction in property values may require an increase in the ad valorem tax rate required to pay the Bonds as well as the District's share of operations and maintenance expenses payable from ad valorem taxes.

Additionally, state funding of District operations and maintenance in future fiscal years could be adversely impacted by the negative effects on economic growth and financial markets resulting from the Pandemic. See "CURRENT PUBLIC SCHOOL FINANCE SYSTEM".

In response to the Pandemic, the District adopted a budget for the 2020/21 fiscal year with a 95% estimated tax collection rate, instead of its typical 99% estimated tax collection rate. The District has maintained its payroll throughout the Pandemic and incurred unanticipated expenses related to

OFFICIAL STATEMENT DATED AUGUST 25, 2020

NEW ISSUES — BOOK-ENTRY-ONLY **See "RATINGS" herein**

In the opinion of Bond Counsel, under existing law, interest on the Series 2020B Senior Lien Bonds is excludable from gross income under section 103 of the Internal Revenue Code of 1986, as amended, and is not a specific preference item for purposes of the alternative minimum tax. See "TAX MATTERS – Series 2020B Senior Lien Bonds" for a discussion of such opinion of Bond Counsel. Interest on the Taxable Series 2020C Senior Lien Bonds and the Taxable Series 2020D Subordinate Lien Bonds is not excludable from gross income for federal tax purposes under existing law. See "TAX MATTERS – Taxable 2020 Bonds" herein.

MOBILITY AUTHORITY

CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY

\$57,120,000	**\$138,435,000**	**\$99,705,000**
Senior Lien Revenue Refunding Bonds, Series 2020B	**Senior Lien Revenue Refunding Bonds, Taxable Series 2020C**	**Subordinate Lien Revenue Refunding Bonds, Taxable Series 2020D**

Dated Date: September 1, 2020 **Interest Accrual: as described herein** **Due: as shown herein**

The captioned Senior Lien Revenue Refunding Bonds, Series 2020B (the "*Series 2020B Senior Lien Bonds*"), Senior Lien Revenue Refunding Bonds, Taxable Series 2020C (the "*Taxable Series 2020C Senior Lien Bonds*" and, together with the Series 2020B Senior Lien Bonds, the "*2020BC Senior Lien Bonds*") and Subordinate Lien Revenue Refunding Bonds, Taxable Series 2020D (the "*Taxable Series 2020D Subordinate Lien Bonds*" and, together with the 2020BC Senior Lien Bonds, the "*Series 2020 Obligations*") will be issued as fully-registered obligations by the Central Texas Regional Mobility Authority (the "*Authority*"). The Authority is issuing the 2020BC Senior Lien Bonds pursuant to the Master Trust Indenture, dated February 1, 2005 (the "*Master Trust Indenture*"), and the Twenty-Second Supplemental Trust Indenture, dated September 1, 2020 (the "*Twenty-Second Supplemental Indenture*"), each by and between the Authority and Regions Bank, as successor in trust to JPMorgan Chase Bank, National Association, as trustee and paying agent (the "*Trustee*"). The 2020BC Senior Lien Bonds, together with the Authority's previously issued and outstanding Senior Lien Obligations and any Additional Senior Lien Obligations, constitute special, limited obligations of the Authority secured by and payable solely from a first lien on, pledge of, and security interest in the Trust Estate described herein. The Authority is issuing the Taxable Series 2020D Subordinate Lien Bonds pursuant to the Master Trust Indenture and the Twenty-Third Supplemental Trust Indenture, dated September 1, 2020 (the "*Twenty-Third Supplemental Indenture*"), by and between the Authority and the Trustee. The Taxable Series 2020D Subordinate Lien Bonds, together with the Authority's previously issued and outstanding Subordinate Lien Obligations and any Additional Subordinate Lien Obligations, constitute special, limited obligations of the Authority secured by and payable solely from a third lien on, pledge of, and security interest in the Trust Estate described herein that is subordinate and junior to the lien securing the payment of Senior Lien Obligations and Junior Lien Obligations, if any, issued by the Authority. Capitalized terms used on the cover page hereof and not otherwise defined shall have the meaning assigned thereto in "APPENDIX B – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Definitions."

The Series 2020 Obligations will be issued as fully registered obligations, without coupons. Interest on the Series 2020 Obligations will accrue from the date of initial delivery thereof, will be payable on each January 1 and July 1, commencing January 1, 2021, and will be calculated on the basis of a 360-day year of twelve 30-day months. The Series 2020 Obligations are initially issuable only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("*DTC*"), pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Series 2020 Obligations may be acquired in principal denominations of \$5,000, or any integral multiple thereof. No physical delivery of the Series 2020 Obligations will be made to the purchasers thereof. Debt service payments on the Series 2020 Obligations will be payable by the Trustee to DTC, which will make distribution of the amounts so paid to the beneficial owners thereof. See "THE SERIES 2020 OBLIGATIONS – Book-Entry-Only System" herein.

Certain of the Series 2020 Obligations are subject to redemption prior to maturity as described herein. See "THE SERIES 2020 OBLIGATIONS – Redemption" herein.

The Series 2020 Obligations are further described in this Official Statement. See pages ii, iii and iv hereof for additional information relating to the Series 2020 Obligations, including provisions relating to the maturities, interest rates, initial yields and CUSIP numbers with respect thereto.

The proceeds of the Series 2020 Obligations, together with certain other funds described herein, will be used (i) to refund the Refunded Bonds (as defined herein), (ii) make a deposit to the Subordinate Lien Debt Service Reserve Fund, and (iii) to pay certain Issuance Costs of the Series 2020 Obligations, all as more fully described herein. See "PLAN OF FINANCE" herein.

This cover page contains information for quick reference only. It is not a summary of the Series 2020 Obligations. Potential investors must read the entire Official Statement to obtain information essential to making an informed investment decision. Investment in the Series 2020 Obligations is subject to certain investment considerations. See "RISK FACTORS" herein.

NONE OF THE STATE OF TEXAS OR ANY OTHER AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF TEXAS OTHER THAN THE AUTHORITY IS OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2020 OBLIGATIONS. THE SERIES 2020 OBLIGATIONS ARE SECURED SOLELY BY THE TRUST ESTATE. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2020 OBLIGATIONS. THE AUTHORITY HAS NO TAXING POWER. THE INDENTURE DOES NOT CREATE A MORTGAGE ON THE SYSTEM.

The Series 2020 Obligations are offered for delivery when, as, and if issued and received by the Underwriters named below and subject, among other things, to the approval of legality and certain other matters by the Attorney General of the State of Texas and Bracewell LLP, Austin, Texas ("*Bond Counsel*"). Certain legal matters will be passed upon for the Authority by Locke Lord LLP, Austin, Texas, general counsel to the Authority, and by Bracewell LLP, Austin, Texas, disclosure counsel to the Authority. Certain legal matters will be passed upon for the Underwriters by their counsel, Orrick, Herrington & Sutcliffe LLP, Austin, Texas. It is expected that delivery of the Series 2020 Obligations will be made through DTC in New York, New York on or about September 23, 2020.

Morgan Stanley

Jefferies **Ramirez & Co., Inc.** **Raymond James** **RBC Capital Markets**

SERIES 2020B SENIOR LIEN BONDS
MATURITY SCHEDULE

$19,315,000 Current Interest Serial Bonds

Maturity (January 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP No.[1]
2021	$ 915,000	5.000%	0.430%	155498HD3
2022	605,000	5.000%	0.500%	155498HE1
2023	630,000	5.000%	0.560%	155498HF8
2024	665,000	5.000%	0.620%	155498HG6
2025	695,000	5.000%	0.720%	155498HH4
2026	730,000	5.000%	0.840%	155498HJ0
2027	765,000	5.000%	1.050%	155498HK7
2028	805,000	5.000%	1.240%	155498HL5
2029	850,000	5.000%	1.410%	155498HM3
2030	890,000	5.000%	1.530%	155498HN1
2031	935,000	5.000%	1.650%[2]	155498HP6
2032	980,000	5.000%	1.730%[2]	155498HQ4
2033	1,030,000	5.000%	1.810%[2]	155498HR2
2034	1,080,000	4.000%	2.030%[2]	155498HS0
2035	1,125,000	4.000%	2.080%[2]	155498HT8
2036	1,170,000	4.000%	2.120%[2]	155498HU5
2037	1,220,000	4.000%	2.160%[2]	155498HV3
2038	1,265,000	4.000%	2.200%[2]	155498HW1
2039	1,450,000	4.000%	2.240%[2]	155498HX9
2040	1,510,000	4.000%	2.280%[2]	155498HY7

(Interest to accrue from the Issuance Date)

$37,805,000 Current Interest Term Bonds

$37,805,000 5.000% Current Interest Term Bonds due January 1, 2045 — Initial Yield 2.110%[2] — CUSIP No. 155498HZ4[1]

(Interest to accrue from the Issuance Date)

Redemption. Certain of the Series 2020B Senior Lien Bonds are subject to optional and mandatory sinking fund redemption prior to maturity as described herein. See "THE SERIES 2020 OBLIGATIONS – Redemption" herein.

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[1] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed by S&P Global Market Intelligence on behalf of the American Bankers Association, and is included solely for the convenience of the owners of the Series 2020 Obligations. Neither the Authority nor the Underwriters shall be responsible for the selection or correctness of the CUSIP numbers set forth herein. The CUSIP number for a specific maturity is subject to being changed after the execution and delivery of the Series 2020 Obligations as a result of various subsequent actions, including but not limited to, a refunding in whole or in part of such maturity, or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2020 Obligations.

[2] Yield calculated to the first optional call date of January 1, 2030.

TAXABLE SERIES 2020C SENIOR LIEN BONDS
MATURITY SCHEDULE

$74,865,000 Current Interest Serial Bonds

Maturity (January 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP No.[1]
2024	$5,225,000	1.345%	1.345%	155498JA7
2025	5,105,000	1.445%	1.445%	155498JB5
2026	6,325,000	1.737%	1.737%	155498JC3
2027	6,290,000	1.837%	1.837%	155498JD1
2028	5,745,000	2.085%	2.085%	155498JE9
2029	5,755,000	2.185%	2.185%	155498JF6
2030	5,765,000	2.255%	2.255%	155498JG4
2031	6,965,000	2.435%	2.435%	155498JH2
2032	6,925,000	2.635%	2.635%	155498JJ8
2033	6,910,000	2.735%	2.735%	155498JK5
2034	6,915,000	2.835%	2.835%	155498JL3
2035	6,940,000	2.935%	2.935%	155498JM1

(Interest to accrue from the Issuance Date)

$63,570,000 Current Interest Term Bonds

$63,570,000 3.293% Current Interest Term Bonds due January 1, 2042 — Initial Yield 3.293% — CUSIP No. 155498JN9[1]

(Interest to accrue from the Issuance Date)

Redemption. Certain of the Taxable Series 2020C Senior Lien Bonds are subject to optional and mandatory sinking fund redemption prior to maturity as described herein. See "THE SERIES 2020 OBLIGATIONS – Redemption" herein.

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[1] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed by S&P Global Market Intelligence on behalf of the American Bankers Association, and is included solely for the convenience of the owners of the Series 2020 Obligations. Neither the Authority nor the Underwriters shall be responsible for the selection or correctness of the CUSIP numbers set forth herein. The CUSIP number for a specific maturity is subject to being changed after the execution and delivery of the Series 2020 Obligations as a result of various subsequent actions, including but not limited to, a refunding in whole or in part of such maturity, or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2020 Obligations.

TAXABLE SERIES 2020D SUBORDINATE LIEN BONDS
MATURITY SCHEDULE

$36,775,000 Current Interest Serial Bonds

Maturity (January 1)	Principal Amount	Interest Rate	Initial Yield	CUSIP No.[1]
2022	$1,125,000	1.307%	1.307%	155498JP4
2023	1,140,000	1.486%	1.486%	155498JQ2
2024	4,010,000	1.645%	1.645%	155498JR0
2025	4,085,000	1.795%	1.795%	155498JS8
2026	4,155,000	2.087%	2.087%	155498JT6
2027	4,250,000	2.187%	2.187%	155498JU3
2028	4,335,000	2.385%	2.385%	155498JV1
2029	4,445,000	2.535%	2.535%	155498JW9
2030	4,555,000	2.635%	2.635%	155498JX7
2031	4,675,000	2.785%	2.785%	155498JY5

(Interest to accrue from the Issuance Date)

$62,930,000 Current Interest Term Bonds

$21,225,000 3.145% Current Interest Term Bonds due January 1, 2035 — Initial Yield 3.145% — CUSIP No. 155498JZ2[1]
$41,705,000 3.593% Current Interest Term Bonds due January 1, 2042 — Initial Yield 3.593% — CUSIP No. 155498KA5[1]

(Interest to accrue from the Issuance Date)

Redemption. Certain of the Series 2020D Subordinate Lien Bonds are subject to optional and mandatory sinking fund redemption prior to maturity as described herein. See "THE SERIES 2020 OBLIGATIONS – Redemption" herein.

[1] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed by S&P Global Market Intelligence on behalf of the American Bankers Association, and is included solely for the convenience of the owners of the Series 2020 Obligations. Neither the Authority nor the Underwriters shall be responsible for the selection or correctness of the CUSIP numbers set forth herein. The CUSIP number for a specific maturity is subject to being changed after the execution and delivery of the Series 2020 Obligations as a result of various subsequent actions, including but not limited to, a refunding in whole or in part of such maturity, or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2020 Obligations.

By the deposit of the Escrow Securities and cash with the Escrow Agent pursuant to the Escrow Agreement, the Authority will have effected the defeasance of the Refunded Bonds pursuant to the terms of the Indenture. It is the opinion of Bond Counsel that, as a result of such defeasance, effective on the date of delivery of the Series 2020 Obligations, the Refunded Bonds are deemed to be fully paid and no longer outstanding except for the purpose of being paid from the funds provided therefor in the Escrow Agreement.

ESTIMATED SOURCES AND USES OF SERIES 2020 OBLIGATION PROCEEDS

The proceeds from the sale of the Series 2020 Obligations, together with other lawfully available funds of the Authority, are estimated to be applied as set forth in the following table:

	Series 2020B Senior Lien Bonds	Taxable Series 2020C Senior Lien Bonds	Taxable Series 2020D Subordinate Lien Bonds	Total
Sources of Funds:				
Principal Amount	$57,120,000.00	$138,435,000.00	$99,705,000.00	$295,260,000.00
Original Issue Premium	12,708,037.55	-	-	12,708,037.55
Authority Contribution[1]	607,500.00	-	8,149,914.37	8,757,414.37
Total Sources of Funds	$70,435,537.55	$138,435,000.00	$107,854,914.37	$316,725,451.92
Uses of Funds:				
Escrow Deposit for Refunded Bonds[2]	$69,850,970.07	$137,034,883.31	$98,731,639.14	$305,617,492.52
Deposit to Subordinate Lien Debt Service Reserve Fund[3]	-	-	8,116,345.86	8,116,345.86
Issuance Costs[4]	584,567.48	1,400,116.69	1,006,929.37	2,991,613.54
Total Uses of Funds	$70,435,537.55	$138,435,000.00	$107,854,914.37	$316,725,451.92

(1) Represents moneys on deposit in certain accounts held by the Trustee under the Indenture.

(2) As described in "PLAN OF FINANCE – Refunded Bonds," the Refunded Bonds will be refunded and redeemed with a portion of the proceeds of the Series 2020 Obligations.

(3) Represents the amount to be deposited in the Debt Service Reserve Account 2020D Subordinate Lien. See "SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2020 OBLIGATIONS – Funds and Accounts – Subordinate Lien Debt Service Reserve Fund."

(4) Includes, among other costs, underwriting, legal, financial advisory and accounting fees, initial fees of the Trustee, publication costs, rating agency fees and printing expenses.

AUTHORITY FINANCIAL INFORMATION

Outstanding Obligations

The Authority has previously issued, and there is currently Outstanding, the obligations described below, additional information for which may be obtained from the audited financial statements of the Authority for the Fiscal Year ended June 30, 2019. See "– Financial Reports." See also, "– Outstanding Obligations – Table of Outstanding Obligations," "ESTIMATED SYSTEM CASH FLOW AND DEBT SERVICE COVERAGE" and "SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2020 OBLIGATIONS."

Series 2010 Senior Lien Bonds. Pursuant to the Master Trust Indenture and the Fifth Supplemental Trust Indenture dated as of March 1, 2010, by and between the Authority and the Trustee, the Authority issued the Series 2010 Senior Lien Bonds. The Series 2010 Senior Lien Bonds are designated as Senior Lien Obligations. A portion of the proceeds of the Series 2010 Senior Lien Bonds were used to finance the Costs of the 183A Phase II Project.

Series 2011 Obligations. Pursuant to the Master Trust Indenture and the Eighth Supplemental Trust Indenture dated as of June 1, 2011 (the "*Eighth Supplemental Indenture*"), by and between the Authority and the Trustee, the Authority issued the Series 2011 Senior Lien Bonds, and pursuant to the Master Trust Indenture and the Ninth Supplemental Trust Indenture dated as of June 1, 2011 (the "*Ninth Supplemental Indenture*"), by and between the Authority and the Trustee, the Authority issued its Subordinate Lien Revenue Bonds, Series 2011 (the "*Series 2011 Subordinate Lien Bonds*"). The Series 2011 Senior Lien Bonds and the Series 2011 Subordinate Lien Bonds are referred to herein

NEW ISSUE - Book-Entry System

RATING:
S&P "AA"/"A-1+" (stable outlook)
(See "RATING" herein)

*The delivery of the Series 2020B Bonds is subject to the opinion of Bracewell LLP, Bond Counsel, to the effect that, assuming compliance with certain covenants and based on certain representations, (i) interest on the Series 2020B Bonds is excludable from gross income for federal income tax purposes under section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and (ii) the Series 2020B Bonds are "qualified 501(c)(3) bonds" under the Code and, as such, interest on the Series 2020B Bonds is not a specific preference item for purposes of the alternative minimum tax. See "**TAX MATTERS**" herein for a discussion of the opinion of Bond Counsel, including a description of other federal tax consequences.*

$370,000,000
HARRIS COUNTY CULTURAL EDUCATION FACILITIES FINANCE CORPORATION
Revenue Bonds
(Houston Methodist)
Series 2020B

Dated: Date of Delivery **Due: December 1, 2059**

The Series 2020B Bonds (the "***Series 2020B Bonds***") will be issued under and secured pursuant to a Trust Indenture and Security Agreement dated as of August 1, 2020 (the "***Bond Indenture***") between the Harris County Cultural Education Facilities Finance Corporation (the "***Issuer***") and The Bank of New York Mellon Trust Company, National Association, as trustee (the "***Bond Trustee***"). The Series 2020B Bonds are limited obligations of the Issuer payable solely from revenues to be derived by the Issuer under a Loan Agreement dated as of August 1, 2020 (the "***Loan Agreement***") between the Issuer and The Methodist Hospital d/b/a Houston Methodist, a Texas nonprofit corporation (the "***Hospital***"). The Series 2020B Bonds will initially bear interest at a Variable Rate for Daily Rate Periods, with liquidity supplied by the Hospital. The Series 2020B Bonds may be converted, at the option of the Hospital and subject to certain restrictions, to different Rate Periods or may have liquidity provided by a bank.

This Official Statement only describes the Series 2020B Bonds bearing interest at a Variable Rate for Daily Rate Periods and Weekly Rate Periods and does not provide any information regarding any Series 2020B Bonds after the date, if any, on which such Series 2020B Bonds are converted to bear interest in other Rate Periods.

Series 2020B Bonds bearing interest in a Daily Rate Period or Weekly Rate Period are issuable in authorized denominations of $100,000 and multiples of $5,000 in excess thereof. Interest on the Series 2020B Bonds will be paid on each Interest Payment Date as described herein. Variable Rates for Daily Rate Periods and Weekly Rate Periods will be determined by J.P. Morgan Securities LLC, as Remarketing Agent.

The Series 2020B Bonds will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("***DTC***"). DTC will act as securities depository for the Series 2020B Bonds. Purchasers will not receive certificates representing their ownership interests in the Series 2020B Bonds purchased. Ownership of the Series 2020B Bonds will be evidenced by book-entry transfers through DTC Participants. As long as Cede & Co. is the registered owner of the Series 2020B Bonds as nominee of DTC, such payments will be made to Cede & Co. and disbursal of such payments to the beneficial owners will be the responsibility of DTC and the DTC Participants as more fully described herein. See **APPENDIX E** hereto.

The Series 2020B Bonds are subject to optional and extraordinary optional redemption and mandatory sinking fund redemption prior to maturity as described herein. See "**THE SERIES 2020B BONDS – Mandatory Redemption**," "**- Extraordinary Optional Redemption**" and "**- Optional Redemption**" herein. The Series 2020B Bonds bearing interest at a Variable Rate for Daily Rate Periods or Weekly Rate Periods are subject to optional and mandatory tender for purchase prior to maturity under the circumstances described herein. See "**THE SERIES 2020B BONDS – Optional Tenders**" and "**- Mandatory Tenders**" herein. Purchases of tendered Series 2020B Bonds, except in certain circumstances described herein, will be made from proceeds of the remarketing of such Series 2020B Bonds, or if not remarketed or if remarketing proceeds are not sufficient, from monies provided by the Hospital. For information regarding the Hospital's ability to timely purchase such Series 2020B Bonds, see "**SOURCES OF PAYMENT AND SECURITY FOR THE BONDS – Self-Liquidity**" and "**FINANCIAL PROFILE – Investments and Investment Policy**" in **APPENDIX A** hereto.

There are risks associated with the purchase of the Series 2020B Bonds. For a discussion of certain of these risks, see the information under the caption "**BONDHOLDERS' RISKS**" herein.

The Series 2020B Bonds are payable solely from revenues to be derived by the Issuer under the Loan Agreement, including payments to be made pursuant to a promissory note (the "***Series 2020B Obligation***") to be issued by the Hospital under a Master Trust Indenture dated as of November 1, 2002, as supplemented (the "***Master Indenture***"), between the Hospital and such other Persons as from time to time are Members of the Obligated Group and The Bank of New York Mellon Trust Company, National Association, as trustee (the "***Master Trustee***"). The loan payments to be made by the Hospital constitute general unsecured obligations of the Hospital.

NEITHER THE STATE OF TEXAS NOR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE OF TEXAS, INCLUDING HARRIS COUNTY, TEXAS (THE "*SPONSORING ENTITY*"), IS OBLIGATED TO PAY THE SERIES 2020B BONDS, OR INTEREST ON THE SERIES 2020B BONDS, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, THE SPONSORING ENTITY OR ANY OTHER POLITICAL SUBDIVISION OR AGENCY OF THE STATE OF TEXAS IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST OR ANY REDEMPTION PREMIUM ON THE SERIES 2020B BONDS. THE ISSUER HAS NO TAXING POWER.

The Series 2020B Bonds will be offered when, as, and if all the Series 2020B Bonds are simultaneously issued and accepted by the Underwriter, subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of certain legal matters by the Attorney General of the State of Texas and an opinion as to legality by Bracewell LLP, Bond Counsel. Delivery of the Series 2020B Bonds is subject to the receipt of opinions of Bracewell LLP, as counsel to the Hospital, of The Law Office of Wendy Montoya Cloonan, PLLC, as counsel to the Issuer, and of McCall, Parkhurst & Horton L.L.P., as counsel to the Underwriter. Series 2020B Bonds in book-entry form are expected to be available for credit through the facilities of DTC on or about August 27, 2020.

J.P. MORGAN

The date of this Official Statement is August 19, 2020.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of proceeds of the Series 2020 Bonds are as follows:

Sources of Funds:	**Taxable Series 2020A**	**Series 2020B**	**Total**
Principal Amount	$530,000,000	$370,000,000	$900,000,000
Hospital Equity Contribution	612,680	415,748	1,028,428
Total Sources of Funds	$530,612,680	$370,415,748	$901,028,428
Uses of Funds:			
Project Costs	$160,124,200	$369,404,300	$529,528,500
Redemption of Refunded Bonds[1]	367,052,148	-	367,052,148
Costs of Issuance[2]	3,436,332	1,011,448	4,447,780
Total Uses	$530,612,680	$370,415,748	$901,028,428

[1] The accrued interest portion of the redemption price for the Refunded Bonds is approximate.

[2] Includes underwriter's discount, legal, and accounting fees, initial fees of the Bond Trustee and Master Trustee, publication costs, printing expenses and other costs of issuance for the Series 2020 Bonds.

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NEW ISSUE - Book-Entry System

RATING:
S&P "AA" (stable outlook)
(See "RATING" herein)

*Interest on the Series 2020A Bonds is not excludable from gross income for federal income tax purposes under existing law. See "**CERTAIN FEDERAL INCOME TAX CONSIDERATIONS**" herein.*

Methodist
LEADING MEDICINE

$530,000,000
HOUSTON METHODIST
Taxable Revenue Bonds
Series 2020A

$530,000,000 2.705% Bond Due December 1, 2050, Issue Price 100.000%, Yield 2.705%
CUSIP† 591539AA9 ISIN† US591539AA97 Common Code∞ 222438748

Interest Payable: June 1 and December 1, commencing December 1, 2020
Dated: Date of Delivery

The Methodist Hospital d/b/a/ Houston Methodist (the "***Hospital***") intends to issue the above-captioned bonds (the "***Series 2020A Bonds***") as fixed rate bonds through a book-entry system of The Depository Trust Company, New York, New York ("***DTC***") under a Trust Indenture dated as of August 1, 2020 (the "***Bond Indenture***") between the Hospital and The Bank of New York Mellon Trust Company, National Association (the "***Bond Trustee***"). The Series 2020A Bonds will be issued in authorized denominations of $1,000 or any integral multiple thereof, and no physical delivery of the Series 2020A Bonds will be made to beneficial owners, except as described herein. Interest on the Series 2020A Bonds will be payable initially on December 1, 2020 and semiannually thereafter on each June 1 and December 1. So long as Cede & Co. is the registered owner of any of the Series 2020A Bonds, principal or redemption price of, and interest on, the Series 2020A Bonds will be payable by the Bond Trustee to DTC, which, in turn, is responsible for remitting such principal, redemption price and interest to its participants for subsequent disbursement to the beneficial owners of the Series 2020A Bonds, as described in this Offering Memorandum. See "**APPENDIX E - BOOK-ENTRY ONLY SYSTEM AND GLOBAL CLEARANCE PROCEDURES.**"

The Series 2020A Bonds will be payable solely from payments to be made by the Hospital under the Bond Indenture, which payments are further evidenced by the Series 2020A Obligation (as further described and defined herein). See "**SOURCES OF PAYMENT AND SECURITY FOR THE BONDS**" herein.

The Series 2020A Bonds are subject to redemption prior to maturity as described herein. See "**THE SERIES 2020A BONDS – Redemption Provisions**" herein.

This cover page contains information for general reference only. It is not intended as a summary of this transaction. Investors are advised to read the entire Offering Memorandum, including the Appendices, to obtain information essential to making an informed investment decision.

The Series 2020A Bonds will be offered when, as, and if all the Series 2020A Bonds are simultaneously issued and accepted by the Underwriters, subject to prior sale, to withdrawal or modification of the offer without notice, and an opinion as to legality by Bracewell LLP, Bond Counsel. Delivery of the Series 2020A Bonds is subject to the receipt of opinions of Bracewell LLP, as counsel to the Hospital, and of McCall, Parkhurst & Horton L.L.P., as counsel to the Underwriters. Series 2020A Bonds in book-entry form are expected to be available for credit through the facilities of DTC on or about August 27, 2020.

J.P. MORGAN

LOOP CAPITAL MARKETS **SIEBERT WILLIAMS SHANK & CO., LLC**

The date of this Offering Memorandum is August 19, 2020.

† Registered trademark of the American Bankers Association. CUSIP data is provided by CUSIP Global Services ("CGS"), managed by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. The CUSIP numbers are provided for convenience of reference only. Neither the Hospital nor the Underwriters assume any responsibility for the accuracy of such numbers.

∞ The Common Code is provided herein by Euroclear Bank S.A./N.V. Common Codes are provided for convenience of reference only. Neither the Hospital nor the Underwriters are responsible for the selection or use of this Common Code and no representation is made as to its correctness on the Series 2020A Bonds or as included herein.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of proceeds of the Series 2020 Bonds are as follows:

Sources of Funds:	**Taxable Series 2020A**	**Series 2020B**	**Total**
Principal Amount	$530,000,000	$370,000,000	$900,000,000
Hospital Equity Contribution	612,680	415,748	1,028,428
Total Sources of Funds	$530,612,680	$370,415,748	$901,028,428
Uses of Funds:			
Project Costs	$160,124,200	$369,404,300	$529,528,500
Redemption of Refunded Bonds[1]	367,052,148	-	367,052,148
Costs of Issuance[2]	3,436,332	1,011,448	4,447,780
Total Uses	$530,612,680	$370,415,748	$901,028,428

[1] The accrued interest portion of the redemption price for the Refunded Bonds is approximate.

[2] Includes underwriters' discount, legal, and accounting fees, initial fees of the Bond Trustee and Master Trustee, publication costs, printing expenses and other costs of issuance for the Series 2020 Bonds.

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OFFICIAL STATEMENT DATED AUGUST 6, 2020

NEW ISSUES – BOOK-ENTRY-ONLY

Ratings:
Fitch: "A+"
S&P: "A+"

The delivery of the Series 2020A Bonds (as defined below) is subject to the opinion of Bracewell LLP, Bond Counsel, to the effect that, under existing law, assuming compliance with certain covenants and based on certain representations, (i) interest on the Series 2020A Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and (ii) the Series 2020A Bonds are "qualified 501(c)(3) bonds" under the Code and, as such, interest on the Series 2020A Bonds is not a specific preference item for purposes of the alternative minimum tax. See "TAX MATTERS – SERIES 2020A BONDS" for a discussion of Bond Counsel's opinion, including a discussion of certain federal tax consequences.

Interest on the Taxable Series 2020B Bonds (as defined below) is not excludable from gross income for federal income tax purposes under existing law. See "TAX MATTERS – TAXABLE SERIES 2020B BONDS" herein.

WACO EDUCATION FINANCE CORPORATION

$38,730,000	$217,435,000
REVENUE REFUNDING BONDS,	REVENUE AND REFUNDING BONDS,
BAYLOR UNIVERSITY ISSUE,	BAYLOR UNIVERSITY ISSUE,
SERIES 2020A	SERIES 2020B
(TAX-EXEMPT FIXED RATE BONDS)	(TAXABLE FIXED RATE BONDS)

Dated Date: August 1, 2020
(Interest to accrue from date of delivery)

Due: As shown on pages ii and iii

The Waco Education Finance Corporation Revenue Refunding Bonds, Baylor University Issue, Series 2020A (Tax-Exempt Fixed Rate Bonds) (the *"Series 2020A Bonds"*) and the Waco Education Finance Corporation Revenue and Refunding Bonds, Baylor University Issue, Series 2020B (Taxable Fixed Rate Bonds) (the *"Taxable Series 2020B Bonds"* and, together with the Series 2020A Bonds, the *"Series 2020 Bonds"*) are special limited obligations of the Waco Education Finance Corporation (the *"Issuer"*), payable solely from the revenues pledged for the payment thereof under a Trust Indenture dated as of April 1, 2008, as previously amended and supplemented (the *"Original Indenture"*), and as amended and supplemented by that certain Fourth Supplemental Trust Indenture dated as of August 1, 2020 (the *"Fourth Supplement"*), each between the Issuer and the Trustee (as defined herein). The Original Indenture, as amended and supplemented by the Fourth Supplement and as may be further amended or supplemented from time to time, shall be referred to herein as the *"Indenture."* The Issuer will lend the proceeds of the Series 2020 Bonds to Baylor University (*"Baylor"* or the *"Institution"*) which, together with certain other funds of Baylor, will be used to (i) refund the Refunded Bonds (as defined herein) as further identified on Schedule I attached hereto; (ii) refinance a portion of Baylor's outstanding Taxable Commercial Paper Notes, Series A; (iii) refinance such project related finance costs as may be allowed by law, including any payments related to the amendment, modification or termination of any interest rate swap agreements or other agreements entered into in connection with, relating to or associated with the Refunded Bonds; and (iv) pay the costs of issuance of the Series 2020 Bonds. See "PLAN OF FINANCE." Baylor will repay the loan received from the Issuer of the proceeds of the Series 2020 Bonds pursuant to a Loan Agreement dated as of April 1, 2008, as previously amended and supplemented (the *"Original Loan Agreement"*), and as amended and supplemented by that certain Fourth Supplemental Loan Agreement dated as of August 1, 2020 (the *"Fourth Supplemental Loan Agreement"*), each between the Issuer and Baylor. The Original Loan Agreement, as amended and supplemented by the Fourth Supplemental Loan Agreement and as may be further amended or supplemented from time to time, shall be referred to herein as the *"Loan Agreement."* Baylor's obligation to make payments under the Loan Agreement to repay such loan is a general unsecured obligation of Baylor. Capitalized terms used on the cover page hereof and not otherwise defined shall have the meaning assigned thereto in "APPENDIX C – Excerpts of Indenture and Loan Agreement."

Pursuant to the terms of the Original Indenture, the Issuer has previously issued and has outstanding its Series 2012 Bonds and Series 2017 Bonds (as each such term is hereinafter defined). The Series 2020 Bonds are being issued as Additional Bonds pursuant to the terms of the Indenture. All Outstanding Series 2012 Bonds and Series 2017 Bonds, which constitute a portion of the Refunded Bonds, are being refunded in whole with a portion of the proceeds of the Series 2020 Bonds and certain other funds of Baylor. See "PLAN OF FINANCE." Upon the issuance of the Series 2020 Bonds and the application of the proceeds thereof on the date of delivery to the initial purchasers thereof, the Series 2020 Bonds will be the only series of Bonds that are Outstanding under the Indenture. The Series 2020 Bonds, together with any Additional Bonds, when and if issued, are equally and proportionately secured by the Trust Estate established by the Indenture. See "THE INDENTURE – Additional Bonds."

OTHER THAN THE MONEYS AND INVESTMENTS HELD FROM TIME TO TIME BY THE TRUSTEE IN THE TRUST ESTATE, THE BONDS ARE NOT SECURED BY A LIEN ON OR SECURITY INTEREST IN ANY FUNDS OR OTHER ASSETS OF BAYLOR. Baylor has other unsecured obligations outstanding in addition to the Bonds. See "INTRODUCTORY STATEMENT – Other Obligations of Baylor." Further, Baylor is not restricted by the Indenture or otherwise from incurring additional indebtedness. Such additional indebtedness, if incurred, may be either secured or unsecured and may be entitled to payment prior to payment of the Bonds. See "THE LOAN AGREEMENT – Source of Payment and Security" and "BONDOWNERS' RISKS."

The Series 2020 Bonds will be issued only as fully-registered bonds and will be initially registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York (*"DTC"*), which initially will act as securities depository pursuant to a book-entry only system described herein. Beneficial ownership of the Series 2020 Bonds may be acquired in denominations of $5,000 or integral multiples thereof. Beneficial owners of the Series 2020 Bonds will not receive physical delivery of bond certificates except as described herein. For so long as Cede & Co., as nominee of DTC, is the exclusive registered owner of the Series 2020 Bonds, principal of and interest on the Series 2020 Bonds will be payable by The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, the initial Trustee for the Series 2020 Bonds, to DTC on each applicable payment date. DTC will be responsible for distributing the amounts so paid to the beneficial owners of the Series 2020 Bonds. See "THE SERIES 2020 BONDS – Clearing Systems."

The Series 2020 Bonds are subject to redemption prior to maturity as described under "THE SERIES 2020 BONDS."

MATURITY SCHEDULES
(See Pages ii and iii)

THE SERIES 2020 BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER. NONE OF THE STATE OF TEXAS (THE *"STATE"*), THE CITY OF WACO, TEXAS (THE *"CITY"*) OR ANY OTHER MUNICIPALITY OR POLITICAL SUBDIVISION OF THE STATE SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THE SERIES 2020 BONDS. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE, THE CITY, OR OF ANY OTHER MUNICIPALITY OR POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2020 BONDS. *THE ISSUER HAS NO TAXING POWER.*

The Series 2020 Bonds are offered when, as and if issued and received by the Underwriter, subject to the approval of legality and certain other matters by Bracewell LLP, Austin, Texas, Bond Counsel to the Institution, and by the Attorney General of the State of Texas, and to certain other conditions. Certain legal matters will be passed upon for the Underwriter by McCall, Parkhurst & Horton L.L.P., Austin, Texas, for Baylor by its General Counsel and by Bracewell LLP, Austin, Texas, and for the Issuer by its counsel, Naman, Howell, Smith & Lee, P.L.L.C., Waco, Texas. It is expected that delivery of the Series 2020 Bonds will be made through DTC in New York, New York on or about August 20, 2020.

Morgan Stanley

MATURITY SCHEDULES

$38,730,000
WACO EDUCATION FINANCE CORPORATION
REVENUE REFUNDING BONDS,
BAYLOR UNIVERSITY ISSUE,
SERIES 2020A
(TAX-EXEMPT FIXED RATE BONDS)

Principal Amount	Maturity (March 1)	Interest Rate	Initial Yield	CUSIP Number[1]
$2,435,000	2026	5.00%	0.560%	929833BA8
2,555,000	2027	5.00	0.740	929833BB6
2,685,000	2028	5.00	0.840	929833BC4
2,820,000	2029	5.00	0.940	929833BD2
2,960,000	2030	5.00	1.030	929833BE0
3,110,000	2031	5.00	1.120[2]	929833BF7
3,265,000	2032	5.00	1.210[2]	929833BG5
3,425,000	2033	5.00	1.310[2]	929833BH3
3,600,000	2034	5.00	1.410[2]	929833BJ9
3,780,000	2035	5.00	1.440[2]	929833BK6
3,970,000	2036	4.00	1.660[2]	929833BL4
4,125,000	2037	4.00	1.700[2]	929833BM2

Redemption. The Series 2020A Bonds are subject to redemption prior to their stated maturity as described herein. See "THE SERIES 2020 BONDS – Redemption Provisions for Series 2020A Bonds."

[1] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ LLC on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the Underwriter, the Institution, the Issuer nor the Financial Advisor are responsible for the selection or correctness of the CUSIP numbers set forth herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2020A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2020A Bonds.
[2] Yield calculated to March 1, 2030, the first optional redemption date for the respective Series 2020A Bonds.

$217,435,000
WACO EDUCATION FINANCE CORPORATION
REVENUE AND REFUNDING BONDS,
BAYLOR UNIVERSITY ISSUE,
SERIES 2020B
(TAXABLE FIXED RATE BONDS)

Principal Amount	Maturity (March 1)	Interest Rate	Initial Yield	CUSIP Number[1]
$9,070,000	2026	1.384%	1.384%	929833BN0
9,190,000	2027	1.534	1.534	929833BP5
9,330,000	2028	1.686	1.686	929833BQ3
9,490,000	2029	1.786	1.786	929833BR1
9,665,000	2030	1.886	1.886	929833BS9
9,840,000	2031	2.056	2.056	929833BT7
10,045,000	2032	2.206	2.206	929833BU4
10,265,000	2033	2.306	2.306	929833BV2
10,500,000	2034	2.406	2.406	929833BW0
10,750,000	2035	2.456	2.456	929833BX8

$55,990,000 2.844% Taxable Series 2020B Term Bond due March 1, 2040 to yield 2.844% 929833BY6[1]

$63,300,000 2.944% Taxable Series 2020B Term Bond due March 1, 2050 to yield 2.944% 929833BZ3[1]

Redemption. The Taxable Series 2020B Bonds are subject to redemption prior to their stated maturity as described herein. See "THE SERIES 2020 BONDS – Redemption Provisions for Taxable Series 2020B Bonds."

[1] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ LLC on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the Underwriter, the Institution, the Issuer nor the Financial Advisor are responsible for the selection or correctness of the CUSIP numbers set forth herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Taxable Series 2020B Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Taxable Series 2020B Bonds.

ESTIMATED SOURCES AND USES OF FUNDS

Baylor and the Issuer estimate that the proceeds from the sale of the Series 2020 Bonds and estimated amounts to be contributed by Baylor, will be applied as set forth in the following table:

	Series 2020A Bonds	Taxable Series 2020B Bonds
Sources of Funds		
Principal Amount	$38,730,000.00	$217,435,000.00
Original Issue Premium	11,412,183.00	-
Funds Provided by Baylor	675,000.00	1,090,000.00
Total Sources of Funds	$50,817,183.00	$218,525,000.00
Uses of Funds		
Deposit to Redemption Account for the Series 2011 Bonds	-	$ 75,025,430.75
Deposit to Redemption Account for the Series 2012 Bonds	-	131,088,317.03
Deposit to Redemption Account for the Series 2017 Bonds	$50,588,191.63	445,204.10
Deposit for Refinanced Notes	-	3,500,000.00
Swap Termination Payment[1]	-	7,309,344.00
Underwriter's Discount	108,563.25	650,230.06
Cost of Issuance	120,428.12	506,474.06
Total Uses of Funds	$50,817,183.00	$218,525,000.00

[1] Relates to an interest rate swap agreement associated with the Series 2017 Bonds. For additional information regarding such interest rate swap, see "APPENDIX A – Certain Information Relating to Baylor University – Section VIII – Financial – Debt."

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OFFICIAL STATEMENT

NEW ISSUE–Book–Entry–Only

Ratings:
Fitch: A+
KBRA: AA
Moody's: A1
S&P: A
(See "RATINGS" herein)

The Bonds are not obligations described in Section 103(a) of the Internal Revenue Code of 1986. See "TAX MATTERS" herein.

CITIES OF DALLAS AND FORT WORTH, TEXAS
$1,193,985,000
Dallas Fort Worth International Airport
Joint Revenue Refunding Bonds
Taxable Series 2020C

Dated Date: August 1, 2020
Interest Accrues: Date of Initial Delivery

Due: November 1, as shown on page i

The Dallas Fort Worth International Airport Joint Revenue Refunding Bonds, Taxable Series 2020C (the "Bonds") are being issued jointly by the Cities of Dallas and Fort Worth, Texas (the "Cities") for the purpose of (1) refunding certain outstanding bonds with respect to the Dallas Fort Worth International Airport (the "Refunded Bonds") and certain Subordinate Lien Obligations in the form of commercial paper notes (the "Series I Notes," and, together with the Refunded Bonds, the "Refunded Obligations") (see **SCHEDULE I – "SCHEDULE OF REFUNDED OBLIGATIONS"**) and (2) paying the costs associated with the issuance of the Bonds. The Bonds constitute "Additional Obligations" under the Master Bond Ordinance described herein and are limited obligations of the Cities payable solely from and secured by a pledge of Pledged Revenues and Pledged Funds (as defined in the Master Bond Ordinance) derived from the ownership and operation of the Dallas Fort Worth International Airport (the "Airport"). For a description of the security for the Bonds, see "**SECURITY FOR THE BONDS**" herein. Potential investors should carefully consider the investment considerations described herein. See "**CERTAIN INVESTMENT CONSIDERATIONS**."

The Bonds are subject to redemption prior to maturity as described herein.

Interest will accrue on the Bonds from their date of initial delivery, and will be payable November 1 and May 1 of each year commencing November 1, 2020, until maturity or prior redemption. The Bonds are initially issuable only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry System described herein. Beneficial ownership may be acquired in denominations of $5,000 or integral multiples thereof within a maturity. No physical delivery of Bonds will be made to the purchasers. Principal of and interest on the Bonds will be payable by The Bank of New York Mellon Trust Company, N.A., as the initial Paying Agent/Registrar, to DTC, which will make distribution of the amounts so paid to the beneficial owners thereof. See "**THE BONDS-Book-Entry System**" herein and **APPENDIX E – "DTC BOOK-ENTRY SYSTEM AND GLOBAL CLEARANCE PROCEDURES**."

See the inside cover page for maturities, principal amounts, interest rates, prices and yields.

The Bonds are offered when, as, and if issued by the Cities and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice, the approval of legality by the Attorney General of the State of Texas, and by McCall, Parkhurst & Horton L.L.P., Dallas, Texas Bond Counsel, and certain other conditions. Certain matters will be passed upon for the Cities and the Airport by Bracewell LLP, Dallas, Texas and West & Associates L.L.P., Dallas, Texas, Co-Disclosure Counsel. Certain legal matters will be passed upon for the Underwriters by Kelly Hart & Hallman LLP, Fort Worth, Texas and Escamilla & Poneck, LLP, San Antonio, Texas. It is expected that delivery of the Bonds in book-entry form will be made through the facilities of DTC in New York, New York, on or about August 12, 2020.

MORGAN STANLEY **BARCLAYS** **GOLDMAN SACHS & CO. LLC**

CABRERA CAPITAL MARKETS LLC **JEFFERIES** **LOOP CAPITAL MARKETS** **RAYMOND JAMES**

Dated: July 30, 2020

MATURITY SCHEDULE

$1,193,985,000
Dallas Fort Worth International Airport
Joint Revenue Refunding Bonds
Taxable Series 2020C

SERIAL BONDS

Maturity (November 1)	Amount	Interest Rate (%)	Price	Initial Yield (%)	CUSIP[1]	ISIN[1]	Common Code[2]
2023	$ 8,560,000	1.041	100.00	1.041	2350366K1	US2350366K17	221682963
2024	8,650,000	1.229	100.00	1.229	2350366L9	US2350366L99	221683030
2025	42,795,000	1.329	100.00	1.329	2350366M7	US2350366M72	221683102
2026	31,225,000	1.649	100.00	1.649	2350366N5	US2350366N55	221683129
2027	22,745,000	1.749	100.00	1.749	2350366P0	US2350366P04	221683153
2028	18,135,000	1.946	100.00	1.946	2350366Q8	US2350366Q86	221683170
2029	23,495,000	2.046	100.00	2.046	2350366R6	US2350366R69	221683200
2030	18,975,000	2.096	100.00	2.096	2350366S4	US2350366S43	221683188
2031	24,370,000	2.246	100.00	2.246	2350366T2	US2350366T26	221683218
2032	39,920,000	2.416	100.00	2.416	2350366U9	US2350366U98	221683226
2033	25,885,000	2.516	100.00	2.516	2350366V7	US2350366V71	221683242
2034	26,535,000	2.696	100.00	2.696	2350366W5	US2350366W54	221683269
2035	27,255,000	2.796	100.00	2.796	2350366X3	US2350366X38	221683277
2036	108,965,000	2.896	100.00	2.896	2350366Y1	US2350366Y11	221683293

TERM BONDS

$349,120,000 Term Bond due November 1, 2040, Interest Rate 3.089%, Price 100%, CUSIP 2350366Z8, ISIN No.[1] US2350366Z85, Common Code[2] 221683307

$417,355,000 Term Bond due November 1, 2050, Interest Rate 2.919%, Price 100%, CUSIP 2350367A2, ISIN No.[1] US2350367A26, Common Code[2] 221683315

(Interest to accrue from Date of Initial Delivery)

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[1] CUSIP® is a registered trademark of the American Bankers Association. CUSIP and ISIN data herein is provided by CUSIP Global Services (CGS), which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP and ISIN numbers have been assigned by an independent company not affiliated with the Cities and are included solely for the convenience of the registered owners of the Bonds. Neither the Cities nor the Underwriters are responsible for the selection or uses of these CUSIP and ISIN numbers, and no representation is made as to their correctness on the applicable Bonds or as included herein. The CUSIP and/or ISIN number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.
[2] The Common Code is provided herein by Euroclear Bank S.A./N.V. Common Codes are provided for convenience of reference only. Neither the Cities nor the Underwriters are responsible for the selection or use of this Common Code and no representation is made as to their correctness on the Bonds or as included herein.

OBLIGATIONS"), (2) paying the costs associated with the issuance of the Bonds and (3) funding the Debt Service Reserve Fund consistent with the requirement outlined in the Master Bond Ordinance.

The principal and interest due on the Refunded Bonds are to be paid on the scheduled interest payment dates and respective maturity or redemption dates from funds to be deposited pursuant to a certain Escrow Agreement (the "Escrow Agreement") between the Cities and the Bank of New York Mellon Trust Company, N.A. (the "Escrow Agent" or "Issuing and Paying Agent"). The Fifty-Seventh Supplement provides that from a portion of the proceeds from the sale of the Bonds and other available Airport Funds, the Cities will deposit with the Escrow Agent, the amount necessary to accomplish the discharge and final payment of the Refunded Bonds on the respective maturity or redemption dates. Such funds will be held by the Escrow Agent in a special account (the "Escrow Account") and used to purchase certain "Escrowed Securities" that mature at such times and in such amounts sufficient to pay principal and accrued interest on the Refunded Bonds on the respective maturity or redemption dates. Under the Escrow Agreement, the Escrow Account is irrevocably pledged to the payment of the principal of and interest on the Refunded Bonds. The Cities will deposit to the note payment fund (the "Note Payment Fund") an amount sufficient to pay principal and interest coming due on the Series I Notes.

By the deposit of the Bond proceeds and other funds with the Escrow Agent and Issuing and Paying Agent, respectively, pursuant to the Escrow Agreement and to the Note Payment Fund, respectively, the Cities will have effected the defeasance of the Refunded Obligations in accordance with laws of the State of Texas (the "State"). As a result of such defeasance, the Refunded Obligations will be outstanding only for the purpose of receiving payments from funds on deposit in the Escrow Account and Note Payment Fund, respectively, and held for such purpose by the Escrow Agent and Issuing and Paying Agent, respectively, and such Refunded Obligations will not be deemed as being Outstanding Obligations under the Master Bond Ordinance. See "**VERIFICATION OF ARITHMETICAL AND MATHEMATICAL COMPUTATIONS**."

SOURCES AND USES OF FUNDS

The following table sets forth the estimated application of the proceeds of the Bonds and available Airport funds:

Source of Funds	Amount
Principal Amount of Bonds	$1,193,985,000.00
Available Airport Funds	12,774,458.71
Total	**$1,206,759,458.71**

Use of Funds	
Deposit to Escrow Fund	$1,024,303,743.02
Deposit to Note Payment Fund	175,147,222.22
Deposit to Debt Service Reserve Fund	1,252,927.00
Underwriters' Discount	4,347,818.72
Costs of Issuance	1,704,245.00
Additional Proceeds	3,502.75
Total	**$1,206,759,458.71**

NEW ISSUE – Book-Entry Only

RATINGS: Moody's: "Aa2"
S&P: "AA"
(See "RATINGS" herein)

Texas Health Resources

EX (W) 103

$300,000,000
TEXAS HEALTH RESOURCES
System Taxable Revenue Bonds
Series 2020

$300,000,000 2.328% Bonds due November 15, 2050, Yield 2.328%, Price 100.00%, CUSIP[©†] 882484AC2; ISIN[†] US882484AC28; Common Code[∞] 221552407

Interest Payable: May 15 and November 15 **Dated: Date of Delivery**

Texas Health Resources System Taxable Revenue Bonds, Series 2020 (the "***Series 2020 Taxable Bonds***") will be issued pursuant to the terms of a Second Amended and Restated Master Trust Indenture, dated as of October 1, 2008, as supplemented and amended to date (as so supplemented and amended, the "***Master Trust Indenture***"), between Texas Health Resources, a Texas nonprofit corporation ("***Texas Health***"), such other persons as from time to time are members of the Obligated Group and The Bank of New York Mellon Trust Company, National Association, as trustee (the "***Master Trustee***"), as further amended and supplemented by an Eighth Supplement to Second Amended and Restated Master Trust Indenture, dated as of August 1, 2020 (the "***Eighth Supplement***" and, together with the Master Trust Indenture, the "***Master Indenture***"), between Texas Health and the Master Trustee. The proceeds of the Series 2020 Taxable Bonds will be used by Texas Health and the other Obligated Group Members (as defined herein, and collectively, the "***Obligated Group***") for eligible corporate purposes and to pay the costs of issuance of the Series 2020 Taxable Bonds. See "PLAN OF FINANCING" herein.

The Series 2020 Taxable Bonds will be issued in fully registered form in denominations of $1,000 and any integral multiple thereof and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("***DTC***"). DTC will act as securities depository for the Series 2020 Taxable Bonds. Individual purchases will be made in book-entry form only, in principal amounts of $1,000 and any integral multiple thereof. Purchasers of the Series 2020 Taxable Bonds will not receive physical certificates (except under certain circumstances described in the Master Indenture) representing their ownership interests in the Series 2020 Taxable Bonds purchased.

Interest on the Series 2020 Taxable Bonds will be payable on May 15 and November 15 of each year, commencing on November 15, 2020. So long as the Series 2020 Taxable Bonds are held by DTC, the principal or Make-Whole Redemption Price (as defined herein) of and interest on the Series 2020 Taxable Bonds will be payable by wire transfer to DTC, which in turn is required to remit such principal or Make-Whole Redemption Price and interest to the DTC Participants (as defined herein) for subsequent disbursement to the Beneficial Owners (as defined herein) of the Series 2020 Taxable Bonds, as more fully described in "BOOK-ENTRY ONLY SYSTEM AND GLOBAL CLEARANCE PROCEDURES" herein.

The Series 2020 Taxable Bonds are subject to optional redemption in whole or in part prior to their stated maturity as described herein. See "THE SERIES 2020 TAXABLE BONDS – Redemption" herein.

Interest on the Series 2020 Taxable Bonds is not excludable from gross income for federal tax purposes under existing law. See "MATERIAL UNITED STATES FEDERAL INCOME TAX MATTERS" herein.

The Series 2020 Taxable Bonds are general obligations of Texas Health, secured under the provisions of the Master Indenture, as described herein, and payable from payments made by Texas Health under the Master Indenture.

By purchase of the Series 2020 Taxable Bonds, on the date of issuance, the purchasers and Beneficial Owners (as defined herein), on behalf of themselves and all subsequent holders of the Series 2020 Taxable Bonds, irrevocably consent and will be deemed to have irrevocably consented to amendments to the Master Indenture, which amendments may become effective at such time as Texas Health obtains the additional required consents, but without any further consent of the holders of the Series 2020 Taxable Bonds. See "SUMMARY OF MASTER INDENTURE AND DEFINITIONS OF CERTAIN TERMS – SUMMARY OF THE SPRINGING AMENDMENTS" in APPENDIX C herein.

The Series 2020 Taxable Bonds are offered by the Underwriters, when, as and if issued by Texas Health, and accepted by the Underwriters, subject to the approval of legality by Bracewell LLP, Bond Counsel. Certain legal matters will be passed upon by Bracewell LLP, as special counsel for Texas Health, and Texas Health's General Counsel. In addition, certain legal matters will be passed upon for the Underwriters by their counsel, Norton Rose Fulbright US LLP. H2C Securities Inc. has acted as financial advisor to Texas Health in connection with the issuance of the Series 2020 Taxable Bonds. It is expected that the Series 2020 Taxable Bonds will be available for delivery through the facilities of DTC, on or about August 11, 2020.

MORGAN STANLEY **BOFA SECURITIES**

ESTRADA HINOJOSA

The date of this Offering Memorandum is August 4, 2020.

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∞ The Common Code is provided herein by Euroclear Bank S.A./N.V. Common Codes are provided for convenience of reference only. Neither Texas Health nor the Underwriters are responsible for the selection or use of this Common Code and no representation is made as to their correctness on the Series 2020 Taxable Bonds or as included herein.

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds for the plan of financing to be funded by the Series 2020 Taxable Bonds:

Sources of Funds:	
Principal amount	$300,000,000
Total Sources	$300,000,000
Uses of Funds:	
Proceeds Fund	$297,329,533
Costs of Issuance[(1)]	2,670,467
Total Uses	$300,000,000

(1) Includes Underwriters' discount and fees and expenses of bond counsel, counsel to the Obligated Group, counsel to the Underwriters and the financial advisor, costs of accounting services, printing, rating agencies, miscellaneous expenses and additional proceeds.

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OFFICIAL STATEMENT

NEW ISSUE–Book–Entry–Only

Ratings:
Fitch: A+
KBRA: AA
Moody's: A1
S&P: A
(See "RATINGS" herein)

In the opinion of Bond Counsel, under existing law, interest on the Bonds is excludable from gross income for federal income tax purposes under section 103 of the Internal Revenue Code of 1986 and is not a specific preference item for purposes of the alternative minimum tax. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel.

CITIES OF DALLAS AND FORT WORTH, TEXAS
$459,520,000
Dallas Fort Worth International Airport
Joint Revenue Refunding Bonds
Series 2020B
(Non-AMT)

Dated Date: August 1, 2020
Interest Accrues: Date of Initial Delivery

Due: November 1, as shown on page i

The Dallas Fort Worth International Airport Joint Revenue Refunding Bonds, Series 2020B (Non-AMT) (the "Bonds") are being issued jointly by the Cities of Dallas and Fort Worth, Texas (the "Cities") for the purpose of (1) refunding certain outstanding bonds with respect to the Dallas Fort Worth International Airport (the "Refunded Bonds") and certain Subordinate Lien Obligations in the form of commercial paper notes (the "Series I Notes," and, together with the Refunded Bonds, the "Refunded Obligations") (see **SCHEDULE I – "SCHEDULE OF REFUNDED OBLIGATIONS"**) and (2) paying the costs associated with the issuance of the Bonds. The Bonds constitute "Additional Obligations" under the Master Bond Ordinance described herein and are limited obligations of the Cities payable solely from and secured by a pledge of Pledged Revenues and Pledged Funds (as defined in the Master Bond Ordinance) derived from the ownership and operation of the Dallas Fort Worth International Airport (the "Airport"). For a description of the security for the Bonds, see "**SECURITY FOR THE BONDS**" herein. Potential investors should carefully consider the investment considerations described herein. See "**CERTAIN INVESTMENT CONSIDERATIONS**."

The Bonds are subject to redemption prior to maturity as described herein.

Interest will accrue on the Bonds from their date of initial delivery, and will be payable November 1 and May 1 of each year commencing November 1, 2020, until maturity or prior redemption. The Bonds are initially issuable only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry System described herein. Beneficial ownership may be acquired in denominations of $5,000 or integral multiples thereof within a maturity. No physical delivery of Bonds will be made to the purchasers. Principal of and interest on the Bonds will be payable by The Bank of New York Mellon Trust Company, N.A., as the initial Paying Agent/Registrar, to DTC, which will make distribution of the amounts so paid to the beneficial owners thereof. See "**THE BONDS-Book-Entry System**" herein.

See the inside cover page for maturities, principal amounts, interest rates, prices and yields.

The Bonds are offered when, as, and if issued by the Cities and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice, the approval of legality by the Attorney General of the State of Texas, and by McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Bond Counsel, and certain other conditions. Certain matters will be passed upon for the Cities and the Airport by Bracewell LLP, Dallas, Texas and West & Associates, L.L.P., Dallas, Texas, Co-Disclosure Counsel. Certain legal matters will be passed upon for the Underwriters by Kelly Hart & Hallman LLP, Fort Worth, Texas and Escamilla & Poneck, LLP, San Antonio, Texas. It is expected that delivery of the Bonds in book-entry form will be made through the facilities of DTC in New York, New York, on or about August 12, 2020.

RAMIREZ & CO., INC. **RBC CAPITAL MARKETS**

ACADEMY SECURITIES **PIPER SANDLER & CO.** **STERN BROTHERS** **WELLS FARGO SECURITIES**

Dated: July 23, 2020

MATURITY SCHEDULE

$459,520,000
Dallas Fort Worth International Airport
Joint Revenue Refunding Bonds
Series 2020B
(Non-AMT)

Maturity (November 1)	Amount	Interest Rate (%)	Price	Initial Yield (%)	CUSIP[1]
2021	$ 19,955,000	5.000	105.754	0.270	2350365N6
2022	19,250,000	5.000	110.294	0.340	2350365P1
2023	10,005,000	5.000	114.699	0.400	2350365Q9
2024	12,585,000	5.000	118.764	0.500	2350365R7
2025	20,610,000	5.000	122.402	0.630	2350365S5
2026	20,880,000	5.000	125.431	0.800	2350365T3
2027	23,600,000	5.000	127.871	0.990	2350365U0
2028	24,410,000	5.000	130.202	1.140	2350365V8
2029	24,880,000	5.000	132.864	1.220	2350365W6
2030	27,855,000	5.000	135.412	1.290	2350365X4
2031	16,240,000	5.000	134.617[2]	1.360	2350365Y2
2032	24,420,000	5.000	133.716[2]	1.440	2350365Z9
2033	39,630,000	5.000	132.710[2]	1.530	2350366A3
2034	67,260,000	4.000	121.386[2]	1.710	2350366B1
2035	71,870,000	4.000	120.969[2]	1.750	2350366C9
2036	3,005,000	4.000	120.346[2]	1.810	2350366D7
2037	3,125,000	4.000	119.933[2]	1.850	2350366E5
2038	3,250,000	4.000	119.522[2]	1.890	2350366F2
2039	3,380,000	4.000	119.113[2]	1.930	2350366G0
2040	3,515,000	4.000	118.705[2]	1.970	2350366H8

$19,795,000 4.000% Term Bond due November 1, 2045, Yield 2.120%, Price 117.189[2] CUSIP No. 2350366J4

(Interest to accrue from Date of Initial Delivery)

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[1] CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services (CGS), which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers have been assigned by an independent company not affiliated with the Cities and are included solely for the convenience of the registered owners of the Bonds. None of the Cities, the Airport, the Co-Financial Advisors or the Underwriters are responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.
[2] Priced to the first optional redemption date, November 1, 2030.

Refunded Bonds, the "Refunded Obligations") (see **SCHEDULE I – "SCHEDULE OF REFUNDED OBLIGATIONS"**) and (2) paying the costs associated with the issuance of the Bonds.

The principal and interest due on the Refunded Bonds are to be paid on the scheduled interest payment dates and respective maturity or redemption dates from funds to be deposited pursuant to a certain Escrow Agreement (the "Escrow Agreement") between the Cities and the Bank of New York Mellon Trust Company, N.A. (the "Escrow Agent" or "Issuing and Paying Agent"). The Fifty-Seventh Supplement provides that from a portion of the proceeds from the sale of the Bonds and other available Airport Funds, the Cities will deposit with the Escrow Agent, the amount necessary to accomplish the discharge and final payment of the Refunded Bonds on the respective maturity or redemption dates. Such funds will be held by the Escrow Agent in a special account (the "Escrow Account") and used to purchase certain "Escrowed Securities" that mature at such times and in such amounts sufficient to pay principal and accrued interest on the Refunded Bonds on the respective maturity or redemption dates. Under the Escrow Agreement, the Escrow Account is irrevocably pledged to the payment of the principal of and interest on the Refunded Bonds. The Cities will deposit to the note payment fund (the "Note Payment Fund") an amount sufficient to pay principal and interest coming due on the Series I Notes.

By the deposit of the Bond proceeds and other funds with the Escrow Agent and Issuing and Paying Agent, respectively, pursuant to the Escrow Agreement and to the Note Payment Fund, respectively, the Cities will have effected the defeasance of the Refunded Obligations in accordance with laws of the State of Texas (the "State"). As a result of such defeasance, the Refunded Obligations will be outstanding only for the purpose of receiving payments from funds on deposit in the Escrow Account and Note Payment Fund, respectively, and held for such purpose by the Escrow Agent and Issuing and Paying Agent, respectively, and such Refunded Obligations will not be deemed as being Outstanding Obligations under the Master Bond Ordinance. See "**VERIFICATION OF ARITHMETICAL AND MATHEMATICAL COMPUTATIONS**."

SOURCES AND USES OF FUNDS

The following table sets forth the estimated application of the proceeds of the Bonds and available Airport funds:

Source of Funds	Amount
Principal Amount of Bonds	$459,520,000.00
Premium	111,727,071.20
Release from Debt Service Reserve Fund	1,422,163.00
Issuer Contribution	69,062.50
Total	**$572,738,296.70**

Use of Funds	
Deposit to Escrow Fund	$494,772,451.18
Deposit to Note Payment Fund	75,069,062.50
Underwriters' Discount	1,684,027.93
Costs of Issuance	1,210,157.00
Additional Proceeds	2,598.09
Total	**$572,738,296.70**

OFFICIAL STATEMENT DATED AS OF JULY 21, 2020

NEW ISSUES - BOOK-ENTRY ONLY

**RATINGS: Moody's "Aaa"
S&P "AAA"
(See "RATINGS" herein)**

In the opinion of Bracewell LLP and the Hardwick Law Firm, LLC, Co-Bond Counsel, under existing law, (i) interest on the Series 2020A-1 Bonds (as defined below) is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not a specific preference item for purposes of the alternative minimum tax, and (ii) interest on the Series 2020A-2 Bonds (as defined below) is excludable from gross income for federal income tax purposes under Section 103 of the Code, except for any period during which a Series 2020A-2 Bond is held by a person who is a "substantial user" of the facilities refinanced with proceeds of the Series 2020A-2 Bonds or a "related person" to such a substantial user, each within the meaning of Section 147(a) of the Code, and is not a specific preference item for purposes of the alternative minimum tax. See "TAX MATTERS – The Series 2020A Bonds" for a discussion of the opinion of Co-Bond Counsel with respect to the Series 2020A Bonds (as defined below). Interest on the Series 2020B Bonds (as defined below) is not excludable from gross income for federal tax purposes under existing law. See "TAX MATTERS – The Series 2020B Bonds" herein. See "TAX MATTERS" for a discussion of the opinion of Co-Bond Counsel.

PORT OF HOUSTON AUTHORITY OF HARRIS COUNTY, TEXAS

$6,550,000 UNLIMITED TAX REFUNDING BONDS, SERIES 2020A-1 (NON-AMT)	$222,925,000 UNLIMITED TAX REFUNDING BONDS, SERIES 2020A-2 (NON-AMT)	$19,490,000 UNLIMITED TAX REFUNDING BONDS, SERIES 2020B (TAXABLE)

(A political subdivision of the State of Texas having boundaries generally coterminous with Harris County)

Interest Accrual Date: Date of Delivery **CUSIP Prefix: 734260** **Due: October 1 (see pages i, ii and iii)**

The Port of Houston Authority of Harris County, Texas, Unlimited Tax Refunding Bonds, Series 2020A-1 (Non-AMT) (the "Series 2020A-1 Bonds") and Port of Houston Authority of Harris County, Texas, Unlimited Tax Refunding Bonds, Series 2020A-2 (Non-AMT) (the "Series 2020A-2 Bonds" and, together with the Series 2020A-1 Bonds, the "Series 2020A Bonds") and Unlimited Tax Refunding Bonds, Series 2020B (Taxable) (the "Series 2020B Bonds," and collectively with the Series 2020A Bonds, the "Bonds") are hereby offered for sale by the Port of Houston Authority of Harris County, Texas (the "Authority"). The Bonds are payable from the receipts of an annual ad valorem tax levied, without legal limit as to rate or amount, on all taxable property within the Authority. **The Bonds are not obligations of Harris County, Texas or the City of Houston, Texas.** See "DESCRIPTION OF THE BONDS—Source of Payment of the Bonds" and "AUTHORITY AD VALOREM TAXES" herein.

The Bonds are issued pursuant to the constitution and laws of the State of Texas, including particularly (i) Article XVI, Section 59 of the Texas Constitution, (ii) Chapter 5007, Texas Special District Local Laws Code, as amended, (iii) Chapter 1201, Texas Government Code, as amended, (iv) Chapter 1207, Texas Government Code, as amended, and (v) Chapter 1371, Texas Government Code, as amended, and orders adopted by the Port Commission of the Authority and the Commissioners Court of Harris County, Texas (together, the "Order"). In the Order, the Port Commission and the Commissioners Court delegated the authority to certain officials to execute pricing certificates that evidence the final pricing terms of the Bonds.

Interest on the Bonds will accrue from the later of their Date of Delivery (as defined below) to the underwriters identified below (the "Underwriters") or the most recent interest payment date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months, payable on October 1, 2020, and each April 1 and October 1 thereafter until maturity or earlier redemption by check mailed to the registered owner of record as of the 15th day of the month next preceding each interest payment date. The Bonds will be issued only in fully-registered form in the denomination of $5,000 principal amount, or integral multiples thereof. See "DESCRIPTION OF THE BONDS."

The Bonds will be initially registered solely in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York, acting as securities depository for the Bonds, until DTC resigns or is discharged. The Bonds initially will be available to purchasers in book-entry form only. So long as Cede & Co., as nominee for DTC, is the registered owner of the Bonds, the Bonds will be payable by Zions Bancorporation, National Association, Amegy Bank Division, Houston, Texas (the "Paying Agent/Registrar") from amounts paid by the Authority to Cede & Co., which will, in turn, remit such amounts to DTC participants for subsequent disbursement to the beneficial owners of the Bonds. See "APPENDIX B — BOOK-ENTRY-ONLY SYSTEM."

Proceeds of the Bonds will be used to (i) refund certain outstanding bonds of the Authority (the "Refunded Bonds") in order to achieve debt service savings; and (ii) pay the costs of issuance of the Bonds and the costs of refunding the Refunded Bonds. See "PLAN OF FINANCING" and "DESCRIPTION OF THE BONDS – Refunded Bonds" and "SCHEDULE I – DESCRIPTION OF REFUNDED BONDS."

The Series 2020A-2 Bonds and Series 2020B Bonds are subject to redemption prior to their maturity as provided herein. See "DESCRIPTION OF THE BONDS – Redemption." The Series 2020A-1 Bonds are not subject to redemption prior to maturity.

SEE PAGES i, ii AND iii FOR THE MATURITY AND PRICING SCHEDULES AND REDEMPTION PROVISIONS

The Bonds are offered for delivery, when, as, and if issued by the Authority, subject to the approving opinion of the Attorney General of Texas, and the opinions of Bracewell LLP, Houston, Texas, and the Hardwick Law Firm LLC, Houston, Texas, Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by Orrick Herrington & Sutcliffe LLP, Houston, Texas and Sara Leon & Associates, LLC, Houston, Texas, co-counsel to the Underwriters. Certain legal matters will be passed upon for the Authority by Bracewell LLP, Houston, Texas and the Hardwick Law Firm LLC, Houston, Texas, as Co-Disclosure Counsel to the Authority. The Bonds are expected to be available for delivery through the facilities of the DTC in New York, New York on or about August 12, 2020 (the "Date of Delivery").

JEFFERIES

BOFA SECURITIES **CITIGROUP** **GOLDMAN SACHS & CO. LLC**

STERN BROTHERS **UBS**

MATURITY AND PRICING SCHEDULE AND REDEMPTION PROVISIONS

PORT OF HOUSTON AUTHORITY OF HARRIS COUNTY, TEXAS

**$6,550,000
UNLIMITED TAX REFUNDING BONDS
SERIES 2020A-1 (NON-AMT)**

CUSIP PREFIX: 734260[a]

Maturity (October 1)[b]	Principal Amount	Interest Rate	Initial Yield[c]	CUSIP Suffix[a]
2021	$1,530,000	5.000%	0.160%	5S7
2022	1,605,000	5.000%	0.200%	5T5
2023	785,000	5.000%	0.220%	5U2
2024	835,000	5.000%	0.290%	5V0
2025	875,000	5.000%	0.390%	5W8
2026	920,000	5.000%	0.520%	5X6

[a] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the Underwriters, the Authority, nor the Financial Advisor is responsible for the selection or correctness of the CUSIP numbers set forth herein.
[b] The Series 2020A-1 Bonds are not subject to redemption prior to maturity.
[c] The initial yields were established by and are the sole responsibility of the Underwriters, and may subsequently be changed.

Refunded Bonds, and such Refunded Bonds will be deemed to be fully paid and no longer outstanding except for the purpose of being paid from funds provided therefor, in the Escrow Agreement.

SOURCES AND USES OF FUNDS

The proceeds from the sale of the Bonds will be applied approximately as follows:

	Series 2020A-1 Bonds (Non-AMT)	Series 2020A-2 Bonds (Non-AMT)	Series 2020B Bonds (Taxable)	Total
Sources of Funds:				
Principal Amount	$6,550,000.00	$222,925,000.00	$19,490,000.00	$248,965,000.00
Original Issue Premium	980,404.10	60,790,046.30	1,196,189.40	62,966,639.80
Transfer from Debt Service Fund	135,457.64	5,041,466.77	335,755.73	5,512,680.14
Total Sources of Funds	$7,665,861.74	$288,756,513.07	$21,021,945.13	$317,444,319.94
Uses of Funds:				
Deposit with Escrow Agent	$7,612,863.24	$287,207,754.74	$20,889,076.06	$315,709,694.04
Underwriters' Discount	21,259.83	891,032.90	64,366.45	976,659.18
Costs of Issuance[1]	31,738.67	657,725.43	68,502.62	757,966.72
Total Uses of Funds	$7,665,861.74	$288,756,513.07	$21,021,945.13	$317,444,319.94

[1] Includes legal fees of the Authority, financial advisory fees, rating agency fees, fees of the Paying Agent/Registrar, Escrow Agent and Verification Agent, and other costs of issuance.

DESCRIPTION OF THE BONDS

General

The Bonds will be dated as set forth in the Order, but will bear interest from the later of their date of delivery to the Underwriters or the most recent interest payment date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months, at the per annum rates shown on pages i and ii hereof. Interest on the Bonds will be payable on October 1, 2020, and each April 1 and October 1 thereafter until maturity or earlier redemption.

The Bonds will initially be registered only in the name of Cede & Co., the nominee of The Depository Trust Company ("DTC"), New York, New York, pursuant to the book-entry-only system described in APPENDIX B to this Official Statement. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 principal amount or integral multiples thereof within a maturity. No physical delivery of the Bonds will be made to the Beneficial Owners (as defined in APPENDIX B) thereof. Principal of and interest on the Bonds will be payable by the Paying Agent/Registrar, initially Zions Bancorporation, National Association, Amegy Bank Division, Houston, Texas, to Cede & Co., which will make distributions of the payments to the participating members of DTC for subsequent remittance to the Beneficial Owners. See "APPENDIX B – BOOK-ENTRY-ONLY SYSTEM."

In the event that any date for payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday or day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment will be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which such banking institutions are authorized to close. Payment on such later date will not increase the amount of interest due and will have the same force and effect as if made on the original date payment was due. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book-entry at a securities depository for the Bonds, any

OFFICIAL STATEMENT

NEW ISSUE–Book–Entry–Only

Ratings:
Fitch: A+
KBRA: AA
Moody's: A1
S&P: A
(See "RATINGS" herein)

In the opinion of Bond Counsel, under existing law, interest on the Bonds is excludable from gross income for federal income tax purposes under section 103 of the Internal Revenue Code of 1986 and is not a specific preference item for purposes of the alternative minimum tax. See "TAX MATTERS" for a discussion of the opinion of Bond Counsel.

CITIES OF DALLAS AND FORT WORTH, TEXAS
\$391,755,000
Dallas Fort Worth International Airport Joint Revenue Refunding Bonds Series 2020A (Non-AMT)

Dated Date: August 1, 2020
Interest Accrues: Date of Initial Delivery

Due: November 1, as shown on page i

The Dallas Fort Worth International Airport Joint Revenue Refunding Bonds, Series 2020A (Non-AMT) (the "Bonds") are being issued jointly by the Cities of Dallas and Fort Worth, Texas (the "Cities") for the purpose of (1) refunding certain outstanding bonds with respect to the Dallas Fort Worth International Airport (the "Refunded Bonds") (see **SCHEDULE I – "SCHEDULE OF REFUNDED BONDS"**) and (2) paying the costs associated with the issuance of the Bonds. The Bonds constitute "Additional Obligations" under the Master Bond Ordinance described herein and are limited obligations of the Cities payable solely from and secured by a pledge of Pledged Revenues and Pledged Funds (as defined in the Master Bond Ordinance) derived from the ownership and operation of the Dallas Fort Worth International Airport (the "Airport"). For a description of the security for the Bonds, see **"SECURITY FOR THE BONDS"** herein. Potential investors should carefully consider the investment considerations described herein. See **"CERTAIN INVESTMENT CONSIDERATIONS."**

The Bonds are subject to redemption prior to maturity as described herein.

Interest will accrue on the Bonds from their date of initial delivery, and will be payable November 1 and May 1 of each year commencing November 1, 2020, until maturity or prior redemption. The Bonds are initially issuable only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry System described herein. Beneficial ownership may be acquired in denominations of \$5,000 or integral multiples thereof within a maturity. No physical delivery of Bonds will be made to the purchasers. Principal of and interest on the Bonds will be payable by The Bank of New York Mellon Trust Company, N.A., as the initial Paying Agent/Registrar, to DTC, which will make distribution of the amounts so paid to the beneficial owners thereof. See **"THE BONDS-Book-Entry System"** herein.

See the inside cover page for maturities, principal amounts, interest rates, prices and yields.

The Bonds are offered when, as, and if issued by the Cities and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice, the approval of legality by the Attorney General of the State of Texas, and by McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Bond Counsel, and certain other conditions. Certain matters will be passed upon for the Cities and the Airport by Bracewell LLP, Dallas, Texas and West & Associates, L.L.P., Dallas, Texas, Co-Disclosure Counsel. Certain legal matters will be passed upon for the Underwriters by Kelly Hart & Hallman LLP, Fort Worth, Texas and Escamilla & Poneck, LLP, San Antonio, Texas. It is expected that delivery of the Bonds in book-entry form will be made through the facilities of DTC in New York, New York, on or about August 4, 2020.

SIEBERT WILLIAMS SHANK & CO., LLC **UBS**

CABRERA CAPITAL MARKETS LLC **LOOP CAPITAL MARKETS** **RICE FINANCIAL PRODUCTS COMPANY**

Dated: July 14, 2020

MATURITY SCHEDULE

$391,755,000
Dallas Fort Worth International Airport
Joint Revenue Refunding Bonds
Series 2020A
(Non-AMT)

Maturity (November 1)	Amount	Interest Rate (%)	Price	Initial Yield (%)	CUSIP[1]
2023	$ 15,135,000	5.000	114.068	0.610	2350364Y3
2024	26,580,000	5.000	117.847	0.720	2350364Z0
2025	14,110,000	5.000	121.344	0.830	2350365A4
2026	30,070,000	5.000	124.143	1.000	2350365B2
2027	29,520,000	5.000	126.596	1.160	2350365C0
2028	32,345,000	5.000	128.916	1.290	2350365D8
2029	24,750,000	5.000	131.508	1.360	2350365E6
2030	27,240,000	5.000	133.784	1.440	2350365F3
2031	34,770,000	5.000	133.223[2]	1.490[2]	2350365G1
2032	25,565,000	5.000	132.330[2]	1.570[2]	2350365H9
2033	37,430,000	5.000	131.556[2]	1.640[2]	2350365J5
2034	45,510,000	4.000	120.179[2]	1.830[2]	2350365K2
2035	48,730,000	4.000	119.663[2]	1.880[2]	2350365L0

(Interest to accrue from Date of Initial Delivery)

[1] CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services (CGS), which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers have been assigned by an independent company not affiliated with the Cities and are included solely for the convenience of the registered owners of the Bonds. Neither the Cities nor the Underwriters are responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.
[2] Priced to the first optional redemption date, November 1, 2030.

The principal and interest due on the Refunded Bonds are to be paid on the scheduled interest payment dates and respective maturity or redemption dates from funds to be deposited pursuant to a certain Escrow Agreement (the "Escrow Agreement") between the Cities and the Bank of New York Mellon Trust Company, N.A. (the "Escrow Agent"). The Fifty- Seventh Supplement provides that from a portion of the proceeds from the sale of the Bonds and other available Airport Funds, the Cities will deposit with the Escrow Agent, the amount necessary to accomplish the discharge and final payment of the Refunded Bonds on the respective maturity or redemption dates. Such funds will be held by the Escrow Agent in a special account (the "Escrow Account") and used to purchase certain "Escrowed Securities" that mature at such times and in such amounts sufficient to pay principal and accrued interest on the Refunded Bonds on the respective maturity or redemption dates. Under the Escrow Agreement, the Escrow Account is irrevocably pledged to the payment of the principal of and interest on the Refunded Bonds.

By the deposit of the Bond proceeds and other funds with the Escrow Agent pursuant to the Escrow Agreement, the Cities will have effected the defeasance of the Refunded Bonds in accordance with laws of the State of Texas (the "State"). As a result of such defeasance, the Refunded Bonds will be outstanding only for the purpose of receiving payments from funds on deposit in the Escrow Account and held for such purpose by the Escrow Agent, and such Refunded Bonds will not be deemed as being Outstanding Obligations under the Master Bond Ordinance. See "**VERIFICATION OF ARITHMETICAL AND MATHEMATICAL COMPUTATIONS.**"

SOURCES AND USES OF FUNDS

The following table sets forth the estimated application of the proceeds of the Bonds and available Airport funds:

Source of Funds	Amount
Principal Amount of Bonds	$391,755,000.00
Premium	101,742,829.10
Debt Service Reserve Fund Transfer	11,439,083.00
Total	$504,936,912.10
Use of Funds	
Deposit to Escrow Fund	$501,611,228.00
Underwriters' Discount	1,436,437.98
Costs of Issuance	1,886,664.00
Additional Proceeds	2,532.12
Total	$504,936,912.10

THE BONDS

Interest Payments

The Bonds will accrue interest from their date of initial delivery, which interest shall be payable on November 1 and May 1 of each year, commencing November 1, 2020, until maturity or prior redemption. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

OFFICIAL STATEMENT DATED JULY 15, 2020

NEW ISSUE - Book-Entry-Only

RATINGS: *Fitch: "AAA"*
Kroll: "AAA"
Moody's: "Aaa"

The Bonds are not obligations described in Section 103(a) of the Internal Revenue Code of 1986. Interest on the Bonds is not excludable from gross income for federal income tax purposes under existing law. See "TAX MATTERS" herein.

Texas Department of Transportation

$1,270,690,000
TEXAS TRANSPORTATION COMMISSION
STATE OF TEXAS GENERAL OBLIGATION MOBILITY FUND REFUNDING BONDS, TAXABLE SERIES 2020

Dated: Date of Initial Delivery

Due: October 1, as shown on page (i)

The Texas Transportation Commission State of Texas General Obligation Mobility Fund Refunding Bonds, Taxable Series 2020 (the "Bonds") are general obligations of the State of Texas (the "State") issued by the Texas Transportation Commission (the "Commission"), the governing body of the Texas Department of Transportation (the "Department"), an agency of the State. The Bonds are being issued pursuant to the authority granted to the Commission by Article III, Section 49-k of the Texas Constitution (the "Constitutional Provision") and Subchapter M of Chapter 201, Texas Transportation Code, as amended (the "Act"); Chapters 1207 and 1371, Texas Government Code, as amended; a Master Resolution adopted by minute order of the Commission on May 4, 2005, as amended as described herein (the "Master Resolution"); and the Thirteenth Supplemental Resolution authorizing the Bonds, adopted by minute order of the Commission on July 25, 2019, together with an Award Certificate approving the final terms of the Bonds as authorized therein (collectively, the "Thirteenth Supplemental Resolution").

Proceeds of the Bonds will be used to advance refund certain Outstanding Parity Debt (as defined herein), as further identified in "SCHEDULE I – REFUNDED BONDS" attached hereto (collectively, the "Refunded Bonds"), to achieve debt service savings, and to pay the costs of issuing the Bonds. See "INTRODUCTION – Purpose" and "PLAN OF FINANCE."

The Bonds are initially issuable and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC") pursuant to the book-entry-only system described herein. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 and integral multiples thereof. No physical delivery of the Bonds will be made to the purchasers thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the "Paying Agent/Registrar," initially U.S. Bank National Association, to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent remittance to the owners of the beneficial interests in the Bonds. See "DESCRIPTION OF THE BONDS – Paying Agent/Registrar" and "APPENDIX D – DTC BOOK-ENTRY-ONLY SYSTEM AND GLOBAL CLEARANCE PROCEDURES."

Obligations that are payable from the Mobility Fund (as defined herein) created under the Constitutional Provision and secured on a first lien basis by the "Security" (as defined herein) are "Parity Debt" obligations. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Other Sources of Payment – Pledge of Security" for a description of the Security. The Bonds are being issued as Parity Debt. See "MOBILITY FUND FINANCING PROGRAM" and "DESCRIPTION OF THE BONDS – Additional Parity Debt" for information concerning previously issued Outstanding Parity Debt and the issuance of additional Parity Debt or other obligations pursuant to the Master Resolution. **THE BONDS ARE GENERAL OBLIGATIONS OF THE STATE AND ARE SECURED BY THE FULL FAITH AND CREDIT OF THE STATE.** See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

This cover page contains information for quick reference only. It is not a summary of the Bonds. Potential investors must read this entire Official Statement to obtain information essential to making an informed investment decision.

MATURITY SCHEDULE, INTEREST RATES, INITIAL YIELDS AND CUSIP NUMBERS
See page (i)

The Bonds are offered for delivery when, as, and if issued by the Commission and accepted by the underwriters of the Bonds shown below (the "Underwriters"). The issuance of the Bonds is subject to the approval of the Attorney General of the State and the opinion of McCall, Parkhurst & Horton L.L.P., Austin, Texas, Bond Counsel to the Commission. Certain legal matters will be passed upon for the Commission by the General Counsel to the Commission and by Bracewell LLP, Austin, Texas, Disclosure Counsel to the Commission. Certain legal matters will be passed upon for the Underwriters by their co-counsel, Winstead PC, Austin, Texas, and Bates & Coleman, PC, Houston, Texas. It is expected that the Bonds will be delivered on or about August 5, 2020 (the "Date of Initial Delivery"), through the facilities of DTC.

Morgan Stanley **Barclays**

RBC Capital Markets **BofA Securities** **Frost Bank**

Goldman Sachs & Co. LLC **Jefferies** **Loop Capital Markets**

MATURITY SCHEDULE

$1,270,690,000
TEXAS TRANSPORTATION COMMISSION
STATE OF TEXAS GENERAL OBLIGATION MOBILITY FUND REFUNDING BONDS, TAXABLE SERIES 2020

Maturity (October 1)	Principal Amount	Interest Rate	Initial Yield	Initial Price	CUSIP[1]	ISIN[1]	Common Code[2]
2021	$22,830,000	0.255%	0.255%	100%	882830AQ5	US882830AQ56	220932575
2022	22,900,000	0.335%	0.335%	100%	882830AR3	US882830AR30	220932591
2023	22,985,000	0.410%	0.410%	100%	882830AS1	US882830AS13	220932583
2024	23,100,000	0.617%	0.617%	100%	882830AT9	US882830AT95	220932605
2025	23,260,000	0.737%	0.737%	100%	882830AU6	US882830AU68	220932621
***	***	***	***	***	***	***	***
2027	20,270,000	1.123%	1.123%	100%	882830AV4	US882830AV42	220932613
2028	92,495,000	1.383%	1.383%	100%	882830AW2	US882830AW25	220932630
2029	94,575,000	1.533%	1.533%	100%	882830AX0	US882830AX08	220932656
2030	180,565,000	1.583%	1.583%	100%	882830AY8	US882830AY80	220932648
2031	10,115,000	1.713%	1.713%	100%	882830AZ5	US882830AZ55	220932672
2032	10,290,000	1.783%	1.783%	100%	882830BA9	US882830BA95	220932699
2033	66,505,000	1.833%	1.833%	100%	882830BB7	US882830BB78	220932664
2034	67,755,000	1.883%	1.883%	100%	882830BC5	US882830BC51	220932729
2035	30,350,000	1.913%	1.913%	100%	882830BD3	US882830BD35	220932737
2036	7,150,000	1.963%	1.963%	100%	882830BE1	US882830BE18	220932702
2037	7,295,000	2.013%	2.013%	100%	882830BF8	US882830BF82	220932753
2038	7,445,000	2.063%	2.063%	100%	882830BG6	US882830BG65	220932761
***	***	***	***	***	***	***	***
2044	560,805,000	2.472%	2.472%	100%	882830BH4	US882830BH49	220932745

Interest. The Bonds will bear interest at the respective rates shown above, as applicable, calculated on the basis of a 360-day year composed of twelve 30-day months. The Bonds will mature in the respective principal amounts and on the respective dates shown above. The Bonds will bear interest from the Date of Initial Delivery, and such interest will be payable semiannually on each April 1 and October 1, commencing October 1, 2020. See "DESCRIPTION OF THE BONDS."

Redemption. Certain of the Bonds are subject to redemption prior to their stated maturity as described herein. See "DESCRIPTION OF THE BONDS – Redemption Provisions of the Bonds."

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(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP and ISIN data herein is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Global Services. The CUSIP and/or ISIN number for a specific maturity is subject to being changed after the execution and delivery of the Bonds as a result of various subsequent actions, including but not limited to, a refunding in whole or in part of such maturity, or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Bonds. None of the Department, the Commission, the Financial Advisor or the Underwriters shall be responsible for the selection or the correctness of the CUSIP and ISIN numbers shown herein.

(2) The Common Code is provided herein by Euroclear Bank S.A./N.V. and is provided for convenience of reference only. None of the Department, the Commission, the Financial Advisor or the Underwriters shall be responsible for the selection or the correctness of the Common Code shown herein.

Sources and Uses of Funds

The proceeds from the sale of the Bonds, together with other lawfully available funds of the Commission, are estimated to be applied as follows:

Sources of Funds

Principal Amount	$1,270,690,000.00
Commission Contribution for Refunded Bonds	18,259,792.28
Total Sources	$1,288,949,792.28

Uses of Funds

Deposit to Escrow Fund	$1,283,201,681.62
Underwriters' Discount	4,843,479.45
Costs of Issuance	904,631.21
Total Uses	$1,288,949,792.28

DESCRIPTION OF THE BONDS

General

The Bonds will be issued in book-entry form pursuant to the book-entry-only system described below. Beneficial owners of Bonds will not receive physical delivery of Bond certificates. The Bonds will be issued in fully registered form and purchases of Bonds are required to be in the denomination of $5,000 or any integral multiple thereof. The Bonds will be prepared as one fully registered bond certificate for each maturity and will be initially registered in the name of and delivered only to Cede & Co., as nominee for The Depository Trust Company ("DTC"), pursuant to the book-entry-only system described herein. DTC will act as securities depository for the Bonds. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar (as defined herein) to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds (see "APPENDIX D - DTC BOOK-ENTRY-ONLY SYSTEM AND GLOBAL CLEARANCE PROCEDURES"). The Bonds will mature in the respective principal amounts, on the respective dates, and will bear interest at the respective rates, all as shown on page (i) of this Official Statement. The Bonds will bear interest from their date of initial delivery (the "Date of Initial Delivery"), calculated on the basis of a 360-day year composed of twelve 30-day months, and such interest will be payable semiannually on each April 1 and October 1 (each an "Interest Payment Date"), commencing October 1, 2020.

Payment of the Bonds

The principal of, redemption premium, if any, and interest on the Bonds due and payable by reason of maturity, redemption, or otherwise, will be payable only to the owner thereof appearing on the Security Register (the "Owner"), and, to the extent permitted by law, neither the Commission nor the Paying Agent/Registrar, nor any agent of either, will be affected by notice to the contrary.

Principal and redemption premium, if any, and interest on the Bonds will be payable only upon the presentation and surrender of said Bonds to the Paying Agent/Registrar at its designated office. Interest on the Bonds will be paid to the Owner whose name appears in the Security Register at the close of business on the Record Date for such Bonds and will be paid (i) by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, by the Paying Agent/Registrar to the address of the Owner appearing in the Security Register on the Record Date for such Bonds or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested in writing by, and at the risk and expense of, the Owner. Notwithstanding the foregoing, so long as Cede & Co. (or other DTC nominee) is the registered owner of the Bonds, all payments will be made as described in "APPENDIX D – DTC BOOK-ENTRY-ONLY SYSTEM AND GLOBAL CLEARANCE PROCEDURES."

OFFICIAL STATEMENT DATED JULY 8, 2020

NEW ISSUE - BOOK-ENTRY ONLY

RATINGS:
Fitch: F1+
Moody's: MIG1

See "RATINGS" herein

In the opinion of Holland & Knight LLP, Special Tax Counsel, assuming compliance with certain arbitrage rebate and other tax requirements referred to herein, under existing law, interest on the Notes is excludable from gross income for federal income tax purposes and will not be treated as an item of tax preference in computing the federal alternative minimum tax imposed on individuals. Holders of Notes could be subject to the consequences of other provisions of the Internal Revenue Code of 1986, as amended, as further described herein. See "TAX MATTERS" herein.

\$230,000,000
City of Houston, Texas
Tax and Revenue Anticipation Notes
Series 2020

Excluded

Interest Accrual: Date of Delivery **Due: June 30, 2021**

The City of Houston, Texas Tax and Revenue Anticipation Notes, Series 2020, (the "Notes") are payable from Pledged Revenues of the City collected in Fiscal Year 2021 (defined herein). Pledged Revenues consist of ad valorem taxes levied for general purposes, sales and use taxes, franchise charges and fees, and other general revenues of the City for Fiscal Year 2021 that remain after the deduction of all interest on debt obligations of the City to be paid out of such revenues for Fiscal Year 2021 and deduction of the sums required to be paid out of such revenues into any sinking fund, special fund or special trust fund of the City. Pledged Revenues exclude revenues derived from certain enterprise systems and pledged to the payment of certain debt obligations of the City, including revenues of the Houston Airport System, Combined Utility System, Convention and Entertainment Facilities Department, revenues derived from the hotel occupancy tax remitted to the City and the City's Dedicated Drainage and Street Renewal Fund (each an "Enterprise Fund" and collectively, the "Enterprise Funds").

Proceeds of the Notes shall be used to finance the City's general operating expenditures for Fiscal Year 2021 in anticipation of the collection of taxes and revenues for Fiscal Year 2021. Interest on the Notes will accrue from their Date of Delivery. Principal of and interest on the Notes are payable on June 30, 2021 upon presentation and surrender of the Notes to UMB Bank, N.A., Paying Agent/Registrar. **The Notes are not subject to redemption prior to maturity.**

All Notes are issued in fully registered form and in denominations or maturity amounts of \$100,000 or integral multiples thereof, and when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Notes. The Notes will be available to purchasers in book-entry form only. For as long as Cede & Co. is the sole registered owner of the Notes, the principal of and interest on the Notes will be payable by the Paying Agent/Registrar to DTC, which will be solely responsible for making such payments to DTC Participants (as defined herein) for subsequent remittance to the owners of beneficial interests in the Notes. The purchasers will not receive certificates representing their beneficial ownership interests.

The Purchasers are identified in APPENDIX E.

The Notes are offered when, as and if issued, subject to the approving opinion of Holland & Knight LLP, Houston, Texas and Law Offices of Francisco G. Medina, Houston, Texas, as Co-Bond Counsel and Special Co-Disclosure Counsel to the City, as to the validity of the issuance of the Notes under the Constitution and laws of the State of Texas and the opinion of Holland & Knight LLP, Houston, Texas, as Special Tax Counsel, as described above. It is expected that the Notes will be available through the facilities of DTC on or about July 21, 2020 ("Date of Delivery").

APPENDIX E

PURCHASERS

Purchasers	Principal Amount	Interest Rate	Reoffering Yield	CUSIP 442331[+]
BofA Securities	$50,000,000	5.00%	0.28%	6B5
PNC Capital Markets	20,000,000	4.00%	0.26%	5Z3
Wells Fargo Bank, National Association	30,000,000	4.00%	0.26%	5Z3
Goldman Sachs & Co. LLC	50,000,000	3.00%	0.31%	6A7
Morgan Stanley*	50,000,000	5.00%	0.29%	6B5
RBC Capital Markets	25,000,000	4.00%	0.30%	5Z3
JPMorgan Securities	5,000,000	5.00%	0.30%	6B5

(Interest calculated on the basis of a 365 day year)

* Morgan Stanley & Co. LLC, an underwriter of the Bonds, has entered into a distribution agreement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Bonds.

(+) CUSIP numbers are included solely for the convenience of the owners of the Notes. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the Purchasers, the City, or the Co-Financial Advisors is responsible for the selection or correctness of the CUSIP numbers set forth herein.

OFFICIAL STATEMENT DATED JULY 8, 2020

NEW ISSUE - BOOK-ENTRY ONLY

RATINGS:
Fitch: F1+
Moody's: MIG1
See "RATINGS" herein

In the opinion of Holland & Knight LLP, Special Tax Counsel, assuming compliance with certain arbitrage rebate and other tax requirements referred to herein, under existing law, interest on the Notes is excludable from gross income for federal income tax purposes and will not be treated as an item of tax preference in computing the federal alternative minimum tax imposed on individuals. Holders of Notes could be subject to the consequences of other provisions of the Internal Revenue Code of 1986, as amended, as further described herein. See "TAX MATTERS" herein.

$230,000,000
City of Houston, Texas
Tax and Revenue Anticipation Notes
Series 2020

Interest Accrual: Date of Delivery **Due: June 30, 2021**

The City of Houston, Texas Tax and Revenue Anticipation Notes, Series 2020, (the "Notes") are payable from Pledged Revenues of the City collected in Fiscal Year 2021 (defined herein). Pledged Revenues consist of ad valorem taxes levied for general purposes, sales and use taxes, franchise charges and fees, and other general revenues of the City for Fiscal Year 2021 that remain after the deduction of all interest on debt obligations of the City to be paid out of such revenues for Fiscal Year 2021 and deduction of the sums required to be paid out of such revenues into any sinking fund, special fund or special trust fund of the City. Pledged Revenues exclude revenues derived from certain enterprise systems and pledged to the payment of certain debt obligations of the City, including revenues of the Houston Airport System, Combined Utility System, Convention and Entertainment Facilities Department, revenues derived from the hotel occupancy tax remitted to the City and the City's Dedicated Drainage and Street Renewal Fund (each an "Enterprise Fund" and collectively, the "Enterprise Funds").

Proceeds of the Notes shall be used to finance the City's general operating expenditures for Fiscal Year 2021 in anticipation of the collection of taxes and revenues for Fiscal Year 2021. Interest on the Notes will accrue from their Date of Delivery. Principal of and interest on the Notes are payable on June 30, 2021 upon presentation and surrender of the Notes to UMB Bank, N.A., Paying Agent/Registrar. **The Notes are not subject to redemption prior to maturity.**

All Notes are issued in fully registered form and in denominations or maturity amounts of $100,000 or integral multiples thereof, and when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Notes. The Notes will be available to purchasers in book-entry form only. For as long as Cede & Co. is the sole registered owner of the Notes, the principal of and interest on the Notes will be payable by the Paying Agent/Registrar to DTC, which will be solely responsible for making such payments to DTC Participants (as defined herein) for subsequent remittance to the owners of beneficial interests in the Notes. The purchasers will not receive certificates representing their beneficial ownership interests.

Purchasers	Principal Amount	Interest Rate	Reoffering Yield	CUSIP 442331(1)
BofA Securities	$50,000,000	5.00%	0.28%	6B5
PNC Capital Markets	20,000,000	4.00%	0.26%	5Z3
Wells Fargo Securities	30,000,000	4.00%	0.26%	5Z3
Goldman Sachs	50,000,000	3.00%	0.31%	6A7
Morgan Stanley	50,000,000	5.00%	0.29%	6B5
RBC Capital Markets	25,000,000	4.00%	0.30%	5Z3
JPMorgan Securities	5,000,000	5.00%	0.30%	6B5

(Interest calculated on the basis of a 365 day year)

(1) CUSIP numbers are included solely for the convenience of the owners of the Notes. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the Purchasers, the City, or the Co-Financial Advisors is responsible for the selection or correctness of the CUSIP numbers set forth herein.

The Notes are offered when, as and if issued, subject to the approving opinion of Holland & Knight LLP, Houston, Texas and Law Offices of Francisco G. Medina, Houston, Texas, as Co-Bond Counsel and Special Co-Disclosure Counsel to the City, as to the validity of the issuance of the Notes under the Constitution and laws of the State of Texas and the opinion of Holland & Knight LLP, Houston, Texas, as Special Tax Counsel, as described above. It is expected that the Notes will be available through the facilities of DTC on or about July 21, 2020 ("Date of Delivery").

PLAN OF FINANCE

Purpose

As in prior fiscal years, the City expects to issue tax and revenue anticipation notes for the Fiscal Year beginning July 1, 2020 and ending June 30, 2021 ("Fiscal Year 2021"). For Fiscal Year 2021, the City is authorized to issue parity tax and revenue anticipation notes in an aggregate amount not to exceed $400,000,000. The Notes are payable solely from Pledged Revenues collected in Fiscal Year 2021 and shall be paid on or before the end of Fiscal Year 2021. See "—Pledged Revenues." The aggregate principal amount of parity tax and revenue anticipation notes outstanding at any time during a Fiscal Year may not exceed the greatest amount by which the City's estimated proposed expenditures for such Fiscal Year exceed certain estimated revenues.

The Notes are issued to finance the City's general operating expenditures for Fiscal Year 2021 in anticipation of the collection of taxes and revenues, a significant portion of which will be collected in the latter half of Fiscal Year 2021. The Notes accrue interest from the Date of Delivery, mature on June 30, 2021, and are issued in fully registered form, in denominations of $100,000 or any integral multiple thereof. Interest on the Notes is calculated on the basis of a 365-day year at the rates set forth on the cover page hereof.

UMB Bank, N.A., is the initial paying agent/registrar (the "Paying Agent/Registrar"). **The Notes are not subject to redemption prior to maturity.**

The following table provides the principal amount of parity tax and revenue anticipation notes issued in Fiscal Years 2017 through 2020 and the proposed principal amount of the Notes for Fiscal Year 2021, along with the corresponding percentage of such amount relative to Pledged Revenues.

Table 1: Tax and Revenue Anticipation Notes

Fiscal Year	Amount	Percentage of Pledged Revenues
2017	$230,000,000	11.3%
2018	200,000,000	9.7
2019	225,000,000	11.1
2020[a]	200,000,000	10.1
2021[b]	230,000,000	11.4[c]

[a] Projection based on information reported in the City's Monthly Financial Report as of April 30, 2020.
[b] Projection based on information reported in the City's Fiscal Year 2021 Budget.
[c] If the City issued the entire authorized amount of parity tax and revenue anticipation notes, the percentage of Pledged Revenues would be approximately 19.8%.

Ownership

The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Note is registered (the "Registered Owner") as the absolute owner of such Note for the purpose of making and receiving payment of the principal thereof and the interest thereon and for all other purposes, whether or not such Note is overdue. Neither the City nor the Paying Agent/Registrar will be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Registered Owner of any Note in accordance with the Ordinance will be valid and effectual and will discharge the liability of the City and the Paying Agent/Registrar for such Note to the extent of the sums paid.

OFFICIAL STATEMENT DATED JUNE 30, 2020

NEW ISSUE - Book-Entry-Only

RATINGS:
Fitch: "AA-"
Moody's: "Aa3"
S&P: "AA-"
(see "RATINGS" herein)

In the opinion of Bond Counsel (identified below), assuming continuing compliance by the City (defined below) after the date of initial delivery of the 2020A Bonds (defined below) with certain covenants contained in the Tax-Exempt Ordinance (defined herein) and subject to the matters set forth under "TAX MATTERS – 2020A BONDS" herein, interest on the 2020A Bonds for federal income tax purposes under existing statutes, regulations, published rulings, and court decisions (1) will be excludable from the gross income of the owners thereof pursuant to section 103 of the Internal Revenue Code of 1986, as amended to the date of initial delivery of the 2020A Bonds, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof (see "TAX MATTERS – 2020A BONDS" herein). Interest on the Taxable 2020B Bonds (as defined below) is not excluded from gross income for federal income tax purposes under Section 103 of the Code (see "TAX MATTERS – TAXABLE 2020B BONDS" herein).

CITY OF CORPUS CHRISTI, TEXAS

(A political subdivision of the State of Texas located primarily in Nueces County, Texas)

$133,765,000 **UTILITY SYSTEM JUNIOR LIEN REVENUE IMPROVEMENT AND REFUNDING BONDS, SERIES 2020A**	**$183,635,000** **UTILITY SYSTEM JUNIOR LIEN REVENUE REFUNDING BONDS, TAXABLE SERIES 2020B**

Dated: July 15, 2020 (interest accrues from the Delivery Date)

Due: July 15 in the years shown on pages ii and iii

The City of Corpus Christi, Texas (the "City") is issuing its $133,765,000 Utility System Junior Lien Revenue Improvement and Refunding Bonds, Series 2020A (the "2020A Bonds") and $183,635,000 Utility System Junior Lien Revenue Refunding Bonds, Taxable Series 2020B (the "Taxable 2020B Bonds", and together with the 2020A Bonds, the "Obligations"). The Obligations are being issued pursuant to the Constitution and the general laws of the State of Texas, including particularly Chapters 1207, 1371, and 1502, each as amended, Texas Government Code, the City's Home Rule Charter, and separate ordinances authorizing the issuance of each respective series of Obligations (each, an "Ordinance"; the ordinance authorizing the 2020A Bonds is referred to herein as the "Tax-Exempt Ordinance"; and the ordinance authorizing the issuance of the Taxable 2020B Bonds, the "Taxable Ordinance") adopted by the City Council of the City (the "City Council") on May 19, 2020. As permitted by Chapters 1207 and 1371, each as amended, Texas Government Code, the City Council, in the Ordinance, delegated to certain City officials the authority to establish the final terms of sale of each series of Obligations, which final sales terms are evidenced in a separate "Approval Certificate", each relating to its respective series of Obligations and were executed by an Authorized Official on June 30, 2020. Proceeds from the sale of the 2020A Bonds will be used for the purposes of (i) designing, planning, building, improving, extending, enlarging, and repairing the City's Combined Utility System (defined herein); (ii) refunding a portion of the City's outstanding debt obligations as further identified as the "2020A Refunded Obligations" in Schedule I-A hereto for debt service savings; and (iii) paying the costs of issuance relating to the 2020A Bonds. Proceeds from the sale of the Taxable 2020B Bonds will be used for the purposes of (i) refunding a portion of the City's outstanding debt obligations as further identified as the "Taxable 2020B Refunded Obligations" in Schedule I-B hereto for debt service savings; and (ii) paying the costs of issuance relating to the Taxable 2020B Bonds (see "PLAN OF FINANCING" herein).

The Obligations are special obligations of the City payable as to principal and interest solely from and equally and ratably secured, together with the currently outstanding Junior Lien Obligations (defined herein) and any Additional Junior Lien Obligations (defined herein) hereafter issued by the City, by a lien on and pledge of the Junior Lien Pledged Revenues (defined herein) of the City's Combined Utility System. The Obligations do not constitute an indebtedness or general obligation of the City and are not payable from funds raised or to be raised by taxation by the City or any other political subdivision of the State of Texas. As further described herein under "THE OBLIGATIONS – Source and Security of Payment", the Obligations are secured by a lien on and pledge of the Junior Lien Pledged Revenues, consisting primarily of a lien on and pledge of the Net Revenues that is subordinate and inferior to the lien on and pledge thereof securing the payment of the Priority Bonds (defined herein). **Upon issuance of the Obligations, all Priority Bonds will have been redeemed, defeased or repaid, no Priority Bonds will remain outstanding, and the then-outstanding Junior Lien Obligations, including the Obligations, will be elevated (and thereafter enjoy) a first and prior lien position relative to the lien on and pledge of the Net Revenues included in the definition of Junior Lien Pledged Revenues serving as the primary source of security and repayment therefor.**

Interest on the Obligations will accrue from the Delivery Date (defined below) and will be payable on January 15 and July 15 of each year, commencing January 15, 2021, until stated maturity or prior redemption, and will be calculated on the basis of a 360-day year of twelve 30-day months. The definitive Obligations will be issued as fully registered obligations in book-entry form only and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Obligations for so long as the Obligations are maintained in DTC's Book-Entry-Only System. Book-entry interests in the Obligations will be made available for purchase in the principal amount of $5,000 or any integral multiple thereof. Purchasers of the Obligations (the "Beneficial Owners") will not receive physical delivery of certificates representing their interest in the Obligations purchased. So long as DTC or its nominee is the registered owner of the Obligations, the principal of and interest on the Obligations will be payable by The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, as Paying Agent/Registrar, to the securities depository, which will in turn remit such principal and interest to its participants, which will in turn remit such principal and interest to the Beneficial Owners of the Obligations (see "BOOK-ENTRY-ONLY SYSTEM" herein).

See Maturity Schedules, Interest Rates, Initial Yields, CUSIP Numbers and Redemption Provisions on the following pages

THIS COVER PAGE IS NOT INTENDED TO BE A SUMMARY OF THE TERMS OR THE SECURITY FOR THE OBLIGATIONS. INVESTORS ARE ADVISED TO READ THE OFFICIAL STATEMENT IN ITS ENTIRETY TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION.

The 2020A Bonds and Taxable 2020B Bonds are being concurrently offered by the City under a common Official Statement but are separate and distinct securities offerings being issued and sold independently except for this Official Statement. While the Obligations share certain common attributes, each issue is separate from the other and should be reviewed and analyzed independently, including without limitation the type of obligation being offered, its terms for payment, the rights of the City to redeem the Obligations of each series, the federal, state, or local tax consequences of the purchase, ownership, or disposition of the Obligations and other features.

OTHER DEBT ISSUANCE IN CLOSE PROXIMITY TO THE OBLIGATIONS. . . In close proximity to the sale and delivery of the Obligations, the City expects to sell its $80,385,000 General Improvement Bonds, Series 2020A, $26,595,000 General Improvement Refunding Bonds, Series 2020B (Forward Delivery), and $67,320,000 General Improvement Refunding Bonds, Taxable Series 2020C (collectively, the "General Obligation Bonds"), which are expected to close on July 15, 2020 (with its General Improvement Bonds, Series 2020B (Forward Delivery) being delivered on or about December 2, 2020). The General Obligation Bonds were publicly offered under a separate offering document. This Official Statement relates only to the sale of the Obligations and not to the sale of the General Obligation Bonds.

The Obligations are offered for delivery, when issued to the initial purchasers thereof named below (the "Underwriters"), subject to the approving opinions of the Attorney General of the State of Texas and the approval of certain legal matters by Norton Rose Fulbright US LLP, San Antonio, Texas, Bond Counsel for the City (see "LEGAL MATTERS" and "TAX MATTERS" herein). Certain legal matters will be passed upon for the City by the City Attorney and for the Underwriters by their counsel, McCall, Parkhurst & Horton L.L.P., San Antonio, Texas. It is anticipated that the definitive Obligations will be tendered for delivery through the services of DTC on or about July 22, 2020 (the "Delivery Date").

CITIGROUP

HUNTINGTON CAPITAL MARKETS

BARCLAYS	**BLAYLOCK VAN, LLC**	**JEFFERIES**
RAMIREZ & CO., INC.	**RBC CAPITAL MARKETS**	**HILLTOPSECURITIES**

$133,765,000
CITY OF CORPUS CHRISTI, TEXAS
UTILITY SYSTEM JUNIOR LIEN REVENUE IMPROVEMENT AND REFUNDING BONDS, SERIES 2020A

MATURITY SCHEDULE, INTEREST RATES, INITIAL YIELDS, CUSIP NUMBERS, AND REDEMPTION PROVISIONS

CUSIP Prefix: 220245

$83,510,000 Serial Bonds

Maturity (July 15)	Principal Amount	Interest Rate	Initial Price or Yield[2]	CUSIP[1] Suffix	Maturity (July 15)	Principal Amount	Interest Rate	Initial Price or Yield[2]	CUSIP[1] Suffix
2021	$ 1,620,000	5.000%	0.320%	G32	2031	$ 4,300,000	5.000%	1.340% [3]	H56
2022	1,630,000	5.000%	0.390%	G40	2032	4,520,000	5.000%	1.420% [3]	H64
2023	1,710,000	5.000%	0.480%	G57	2033	4,745,000	5.000%	1.510% [3]	H72
2024	1,795,000	5.000%	0.550%	G65	2034	4,980,000	5.000%	1.560% [3]	H80
2025	1,885,000	5.000%	0.640%	G73	2035	5,225,000	4.000%	1.780% [3]	H98
2026	4,115,000	5.000%	0.810%	G81	2036	5,440,000	4.000%	1.820% [3]	J21
2027	4,320,000	5.000%	0.950%	G99	2037	5,655,000	4.000%	1.860% [3]	J39
2028	4,540,000	5.000%	1.080%	H23	2038	5,880,000	3.000%	2.120% [3]	J47
2029	4,770,000	5.000%	1.180%	H31	2039	6,055,000	3.000%	2.160% [3]	J54
2030	4,095,000	5.000%	1.250%	H49	2040	6,230,000	3.000%	2.200% [3]	J62

$50,255,000 Terms Bonds

$25,860,000 4.00% Term Bonds due July 15, 2045, Yield 2.130%[2][3]; CUSIP Suffix J70[1]

$24,395,000 3.00% Term Bonds due July 15, 2050, Yield 2.480%[2][3]; CUSIP Suffix J88[1]

(Interest to Accrue from the Delivery Date)

REDEMPTION

The City reserves the right, at its option, to redeem the 2020A Bonds having a stated maturity on or after July 15, 2031, in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on July 15, 2030, or any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption (see "THE OBLIGATIONS - Redemption of the Obligations – Optional Redemption of the Obligations" herein). The 2020A Bonds maturing on July 15, in each of the years 2045 and 2050 (the "Term Bonds"), are also subject to mandatory sinking fund redemption as described herein (see "THE OBLIGATIONS – Redemption of the Obligations – Mandatory Redemption of the 2020A Term Bonds" herein).

[1] CUSIP numbers are included solely for the convenience of owners of the Obligations. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the City, the Financial Advisor, or the Underwriters is responsible for the selection or correctness of the CUSIP numbers set forth herein.
[2] Yield represents the initial offering yield to the public which has been established by the Underwriters for offers to the public and which may be subsequently changed by the Underwriters and is the sole responsibility of the Underwriters.
[3] Yield calculated based upon the assumption that the 2020A Bonds designated and sold at a premium will be redeemed on July 15, 2030, the first optional redemption date for the 2020A Bonds, at a redemption price of par plus accrued interest to the redemption date.

$183,635,000
CITY OF CORPUS CHRISTI, TEXAS
UTILITY SYSTEM JUNIOR LIEN REVENUE REFUNDING BONDS,
TAXABLE SERIES 2020B

MATURITY SCHEDULE, INTEREST RATES, INITIAL YIELDS, CUSIP NUMBERS, AND REDEMPTION PROVISIONS

CUSIP Prefix: 220245

$110,515,000 Serial Bonds

Maturity (July 15)	Principal Amount	Interest Rate	Initial Price or Yield[2]	CUSIP[1] Suffix	Maturity (July 15)	Principal Amount	Interest Rate	Initial Price or Yield[2]	CUSIP[1] Suffix
2021	$ 3,625,000	0.550%	0.550%	J96	2029	$ 9,635,000	1.806%	1.806%	K94
2022	960,000	0.700%	0.700%	K29	2030	9,810,000	1.966%	1.966%	L28
2023	605,000	0.820%	0.820%	K37	2031	10,000,000	2.066%	2.066%	L36
2024	9,230,000	1.035%	1.035%	K45	2032	5,390,000	2.166%	2.166%	L44
2025	5,200,000	1.135%	1.135%	K52	2033	10,475,000	2.306%	2.306%	L51
2026	5,090,000	1.389%	1.389%	K60	2034	10,720,000	2.356%	2.356%	L69
2027	9,335,000	1.489%	1.489%	K78	2035	10,970,000	2.406%	2.406%	L77
2028	9,470,000	1.706%	1.706%	K86					

$73,120,000 Taxable Term Bonds

$48,830,000 2.809% Taxable Term Bonds due July 15, 2040, Yield 2.809%[2]; CUSIP Suffix L85[1]

$24,290,000 2.859% Taxable Term Bonds due July 15, 2043, Yield 2.859%[2]; CUSIP Suffix L93[1]

(Interest to Accrue from the Delivery Date)

REDEMPTION

The City reserves the right, at its option, to redeem the Taxable 2020B Bonds having a stated maturity on or after July 15, 2030, in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on July 15, 2029, or any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption (see "THE OBLIGATIONS - Redemption of the Obligations – Optional Redemption of the Obligations" herein). The Taxable 2020B Bonds maturing on July 15, in each of the years 2040 and 2043 (the "Taxable Term Bonds"), are also subject to mandatory sinking fund redemption as described herein (see "THE OBLIGATIONS – Redemption of the Obligations – Mandatory Redemption of the Taxable 2020B Term Bonds" herein).

[1] CUSIP numbers are included solely for the convenience of owners of the Obligations. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the City, the Financial Advisor, or the Underwriters is responsible for the selection or correctness of the CUSIP numbers set forth herein.

[2] Yield represents the initial offering yield to the public which has been established by the Underwriters for offers to the public and which may be subsequently changed by the Underwriters and is the sole responsibility of the Underwriters.

respective Refunded Obligations. Such maturing principal of and interest on the Federal Securities and uninvested cash will not be available to pay debt service on any of the Obligations.

Prior to, or simultaneously with, the issuance of the Obligations, the City will give irrevocable instructions to provide notice to the owners of the Refunded Obligations that certain Refunded Obligations will be redeemed prior to stated maturity on which date money will be made available to redeem the Refunded Obligations from money held under the respective Escrow Agreement.

Ritz & Associates PA, Bloomington, Minnesota (the "Verification Agent") will verify that as of the Delivery Date, the mathematical accuracy of the schedules that demonstrate the Federal Securities will mature and pay interest in such amounts which, together with uninvested funds, in the Escrow Fund, will be sufficient to pay, when due, the principal of and interest on the Taxable 2020B Refunded Obligations (see "OTHER INFORMATION – Verification of Arithmetical and Mathematical Computations" herein). Estrada Hinojosa & Company, Inc., as financial advisor, will deliver as of the Delivery Date, a sufficiency certificate (the "Sufficiency Certificate") representing that the cash deposited in the Escrow Fund will be sufficient to pay, when due, the principal of and interest on the 2020A Refunded Obligations.

By the deposit of a portion of the proceeds of the 2020A Bonds and Taxable 2020B Bonds and cash from the City (if any) with the Escrow Agent pursuant to each Escrow Agreement, and the investment of a portion thereof in the Federal Securities, the City will have effectuated the defeasance of the Refunded Obligations pursuant to the terms of the City ordinances authorizing their issuance. It is the opinion of Bond Counsel (defined herein) that, as a result of such defeasance, and in reliance upon the Report (hereinafter defined), with respect to the Taxable 2020B Refunded Obligations, and the Sufficiency Certificate, with respect to the 2020A Refunded obligations, the Refunded Obligations will no longer be payable from the pledge of Net Revenues, but will be payable solely from the amounts on deposit in the applicable Escrow Fund and held for such purpose by the Escrow Agent, and that the Refunded Obligations will be defeased and are not to be included in or considered to be indebtedness of the City for the purpose of a limitation of indebtedness or for any other purpose.

The City has covenanted in each Escrow Agreement to make timely deposits to such Escrow Fund, from lawfully available funds, of any additional amounts required to pay the principal of and interest on the Refunded Obligations, if for any reason, the cash balances on deposit or scheduled to be on deposit in such Escrow Fund are insufficient to make such payment.

SOURCES AND USES OF FUNDS

The proceeds of the Obligations and the City's cash contribution will be applied approximately as follows:

Sources of Funds:	2020A Bonds	Taxable 2020B Bonds	Total
Principal Amount	$ 133,765,000.00	$ 183,635,000.00	$ 317,400,000.00
Reoffering Premium	23,802,046.90	-	23,802,046.90
Issuer Contribution	6,200,992.32	157,301.06	6,358,293.38
Total Sources of Funds	$ 163,768,039.22	$ 183,792,301.06	$ 347,560,340.28
Uses of Funds:			
Deposit to Project Fund	$ 110,000,000.00	$ -	$ 110,000,000.00
Deposit to Escrow Fund	52,551,965.47	182,120,731.54	234,672,697.01
Costs of Issuance	517,266.89	732,922.88	1,250,189.77
Underwriters' Discount	698,806.86	938,646.64	1,637,453.50
Total Uses of Funds	$ 163,768,039.22	$ 183,792,301.06	$ 347,560,340.28

THE OBLIGATIONS

The following is a summary of certain provisions of the Obligations. Reference is hereby made to each Ordinance for the detailed provisions thereof (see "APPENDIX A – SELECTED PROVISIONS OF THE ORDINANCE" attached hereto).

GENERAL

The Obligations are each dated July 15, 2020 (the "Dated Date"). Each series of the Obligations will accrue interest from their date of initial delivery thereof to the Underwriters, which is anticipated to occur on July 22, 2020 (the "Delivery Date"), and such interest shall be payable on January 15 and July 15 in each year, commencing January 15, 2021, until maturity or prior redemption. The Obligations will mature on the dates, in the principal amounts, and will bear interest at the rates set forth, as applicable, on pages ii and iii, respectively, of this Official Statement.

The Obligations will be issued in fully registered form and will be in principal denominations of $5,000 or any integral multiple thereof for each maturity. Principal of and interest on the Obligations are payable in the manner described herein under "BOOK-ENTRY-ONLY SYSTEM." In the event the Book-Entry-Only System is discontinued, the interest on the Obligations payable on an interest payment date will be payable to the registered owner as shown on the security register maintained by the Paying Agent/Registrar (the "Registered Owner"), as of the Record Date (defined herein), by check, mailed first-class, postage prepaid, to the address of such person on the security register or by such other method acceptable to the Paying Agent/Registrar requested in writing by and at the risk and expense of the Registered Owner. In the event the Book-Entry-