

Rating Agency Methodology

February 7, 2022

Rating Agency

- GRU is rated by the 3 major agencies
- Investors use these ratings reports as a means to judge and compare GRU to other bonds available in the municipal market
- GRU's credit ratings directly relate to the cost of GRU's debt:
 - Fixed rate bonds: rates determined once, at pricing
 - Variable Rate bonds: cost of the credit facility supporting the variable rate debt increases as GRU's ratings are lowered
- Some reputational risk associated with a rating downgrade
- Ratings analysts do their work throughout the year

Rating Agency Process

- Three major rating agencies
 - FitchRatings
 - Standard & Poor's
 - Moody's
- Rating agencies assess publicly held companies (Pepsico) **across the globe** to include the United States government, counties, cities, utilities...
- These agencies work **on behalf of investors and bondholders – not the debt issuing entities**
- They assess financial & operational status of debt issuers in order to communicate to prospective investors the relative level of risk associated with a potential investment

Rating Agency Process

- They accomplish this financial review by analyzing the metrics of a company
 - Metrics are financial ratios that serve as measures of quantitative assessment used for assessing, comparing and tracking performance
- In determining ratings, each rating agency uses
 - slightly different metrics
 - slightly different formulas to calculate these metrics
 - applies slightly different weights to these metrics
- Agencies conduct a full review of frequent issuers annually
 - Can provide a formal report or just a generic update

Fitch Ratings

Key Ratings Drivers

REVENUE DEFENSIBILITY

- Exposure to demand volatility
- Flexibility within rate-setting framework to recover costs of service

OPERATING RISK

- Operating cost burden
- Operating cost flexibility
- Current & future capital requirements

FINANCIAL PROFILE

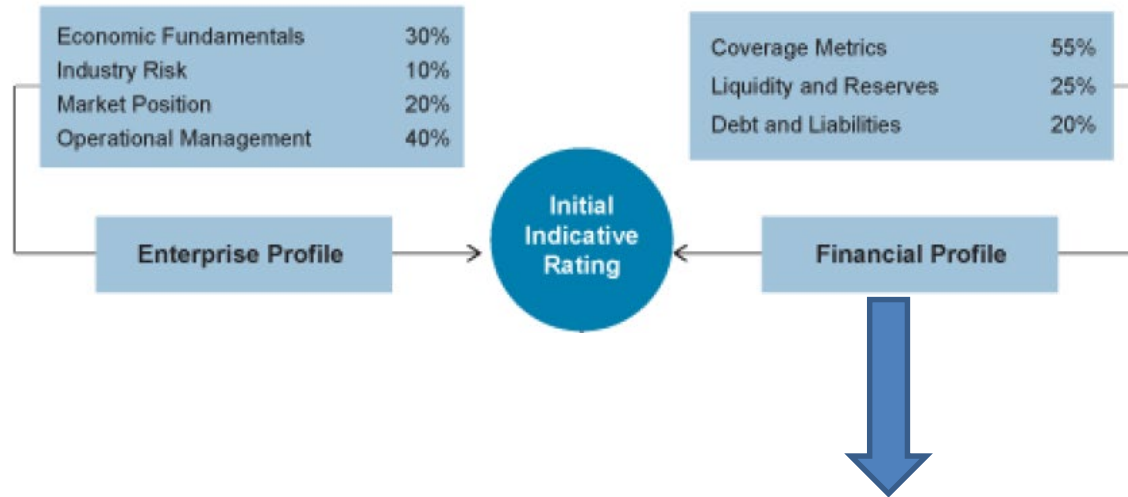
LEVERAGE PROFILE

- Net Adjusted Debt to Adjusted FADS
- Leverage ratio

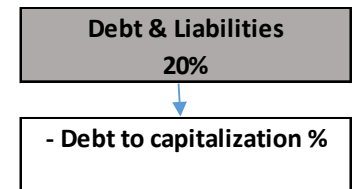
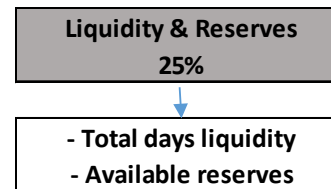
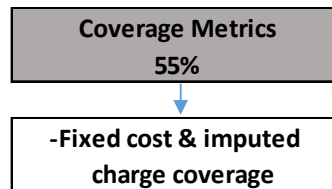
LIQUIDITY PROFILE

- Days Cash on Hand
- Liquidity Cushion: Days Liquidity on Hand
- Coverage of Full Obligations
- Debt Service Coverage

S & P Global Ratings



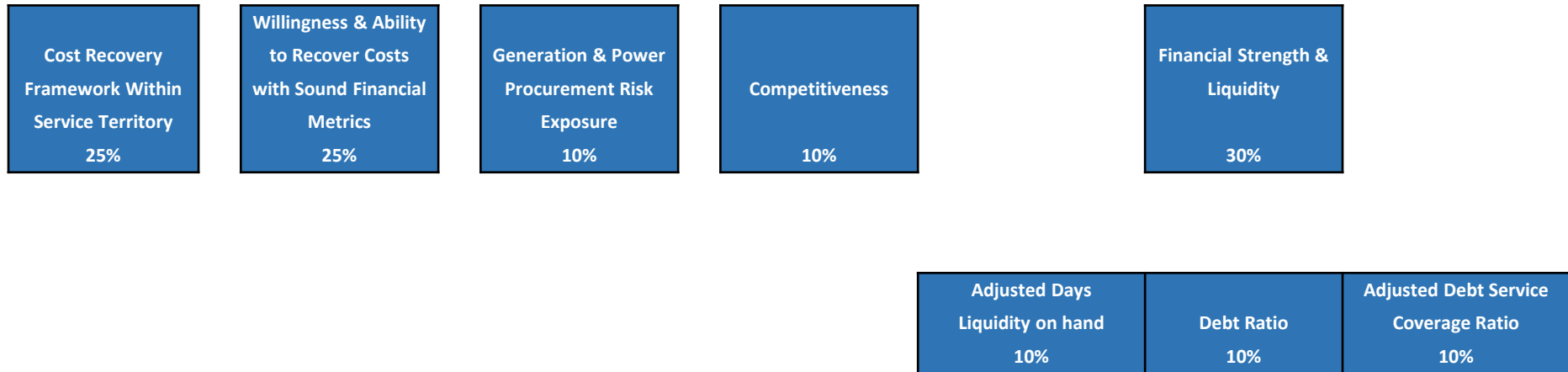
Financial Profile Assessment



Moody's

RATING METHODOLOGY

Primary Rating Factors



Criteria as of: November 2017

Rating Agency Process

- Specific analyst (and backup) is assigned to an issuer
- This analyst team conducts reviews, meets virtually and/or on site with GRU management team
- The same analyst team typically rates GRU each time
- The analyst team prepares a rating note which is presented by the lead analyst to the agency's Credit or Rating Committee
 - Credit Committee is a group constituted by the rating agency charged with assigning ratings to securities
 - Can be "cross sector" – meaning the analyst that works with the City of Gainesville could be in the committee working on GRU's ratings

Rating Agency Process

- Credit Committee issues rating and rating report
- GRU has an opportunity to comment on the report, comments that the rating agency can take into account or not at their discretion
- Rating report is disseminated to the investment community and GRU at the same time

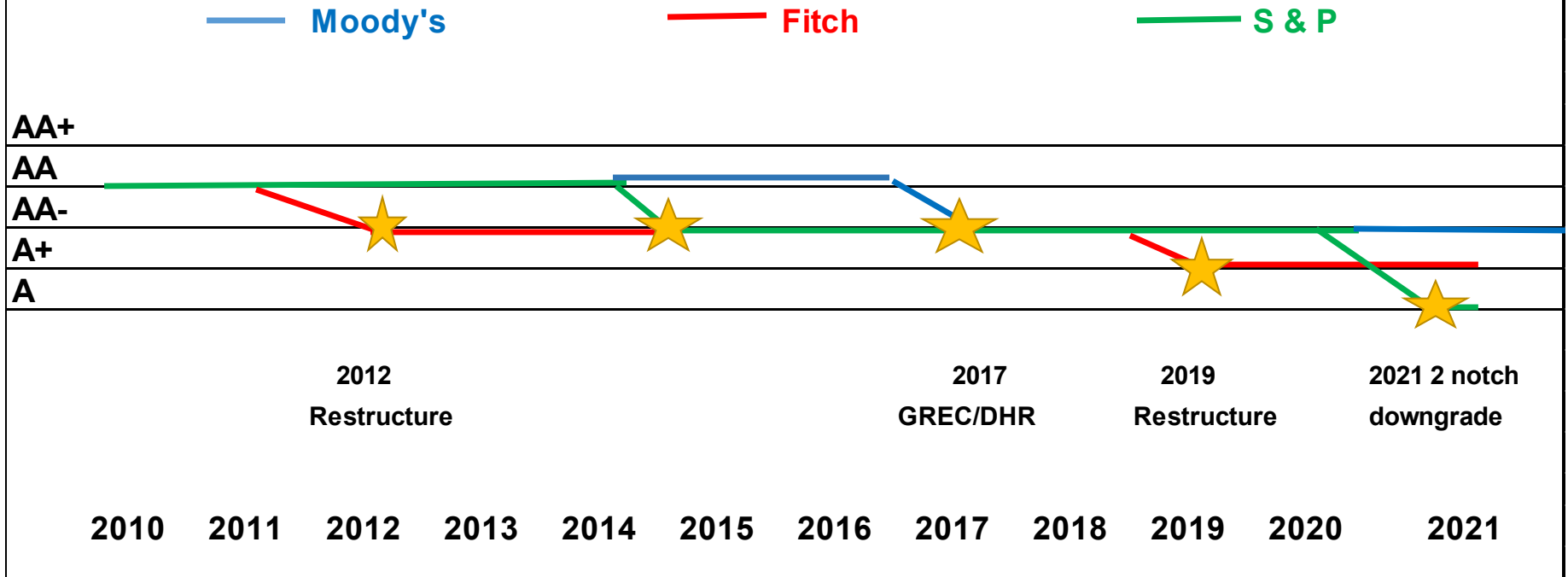
Rating Agency Process

- The system is designed to provide independence and critical review
- It is imperative that rating agencies maintain the trust and credibility of their customers in the investment community
- Again, **GRU is not their customer**

Rating Agency Process

	Moody's	S & P	Fitch
	Aaa	AAA	AAA
	Aa1	AA+	AA+
	Aa2	AA	AA
	Aa3	AA-	AA-
	A1	A+	A+
	A2	A	A
	A3	A-	A-
	Baa1	BBB+	BBB+
	Baa2	BBB	BBB
	Baa3	BBB-	BBB-
Investment Grade	Ba1	BB+	BB+
Junk Bonds	Ba2	BB	BB
	Ba3	BB-	BB-
	B1	B+	B+
	B2	B	B
	B3	B-	B-
	Caa1	CCC+	CCC
	Caa2	CCC+	
	Caa3	CCC-	
	Ca		
Default	C	D	D
Current GRU rating			
Prior ratings before downgrades			

HISTORY OF RATING DOWNGRADES



Each agency has downgraded GRU since 2010

5 downgrades over past decade

Lower credit ratings equals increased cost

- Higher cost when issuing debt
- Less refunding / restructuring savings
- Greater counterparty risk
- Collateral posting requirements (use of cash)
- Higher cost for credit facilities (bank loans & fees)

Rating Agency Process

- 5 downgrades over the past decade
 - Primary factors high leverage and high general fund transfer
- 2012 – restructure to offset bill impacts of PPA for the biomass plant
- 2019 – restructure to offset dis-savings from 2012 restructure, bolster reserves and pay cash for CIS/AMI and DH2 gas conversion

Rating Agency Process

- Important to maintain ongoing relationships with the rating agencies
- Doctrine of “No Surprises”
 - Proactively report significant issues, financial or operational
 - Before they become public knowledge if possible
 - Builds credibility with analyst and Credit Committee
- Perform quarterly ratio analysis internally to monitor our financial metrics in accordance with the metrics, formulas, and calculations of each agency

FitchRatings

September 30, 2021 Pre Audit Review

Financial Metrics

Fitch Ratings

Key Ratings Drivers

REVENUE DEFENSIBILITY

- Exposure to demand volatility
- Flexibility within rate-setting framework to recover costs of service

OPERATING RISK

- Operating cost burden
- Operating cost flexibility
- Current & future capital requirements

FINANCIAL PROFILE

LEVERAGE PROFILE

Net Adjusted Debt to Adjusted FADS

- Leverage ratio

FINANCIAL PROFILE

LIQUIDITY PROFILE

Days Cash on Hand

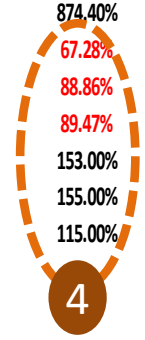
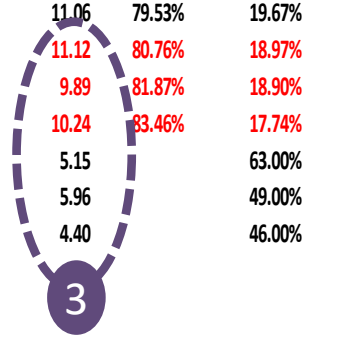
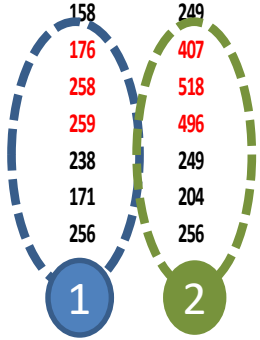
Liquidity Cushion: Days Liquidity on Hand

Coverage of Full Obligations

Debt Service Coverage

SUMMARY : FY21 FITCHRATINGS FINANCIAL METRICS

	LIQUIDITY		LEVERAGE				DEBT SERVICE COVERAGE		OTHER FINANCIAL & OPERATING METRICS				
	Days Cash On Hand	Liquidity Days On Hand	Debt/FADS	Leverage	Net Debt/Net Capital Assets	Equity/ Capitalization	Debt Service Coverage	Coverage of Full Obligations	Operating Margin	GFT/Operating Revenue	CAPEX/Dep. & Amortization	Debt Service/ Cash Op. Expense	Retail Electric Rev (cents)/KWH Sold
GRU													
FY14	226	311	9.16	10.14	79.90%	19.52%	1.88	1.55	16.17%	9.19%	67.48%	32.71%	14.66
FY15	219	297	8.56	9.61	80.77%	19.45%	1.90	1.62	13.97%	8.19%	67.47%	36.51%	14.94
FY16	228	312	8.65	9.77	76.43%	20.62%	1.83	1.55	12.41%	8.07%	77.61%	35.64%	13.71
FY17	235	315	8.43	9.43	82.85%	21.32%	1.69	1.42	13.86%	7.78%	66.12%	36.55%	16.65
FY18	158	249	9.59	11.06	79.53%	19.67%	1.89	1.51	18.29%	9.04%	874.40%	29.21%	15.00
FY19	176	407	9.46	11.12	80.76%	18.97%	2.05	1.66	20.83%	9.19%	67.28%	27.07%	14.91
FY20	258	518	9.13	9.89	81.87%	18.90%	2.11	1.71	20.12%	9.80%	88.86%	28.17%	10.35
FY21	259	496	9.43	10.24	83.46%	17.74%	2.12	1.71	18.94%	9.37%	89.47%	26.92%	9.91
Fitch 20 AA- Median	238	249		5.15		63.00%	2.04	1.38		5.74%	153.00%		
Fitch 20 A+ Median	171	204		5.96		49.00%	2.17	1.59		5.70%	155.00%		
Florida 20 peer group median	256	256		4.40		46.00%	1.99	1.87		13.66%	115.00%		



TAKE AWAY: Liquidity & coverage metrics have been consistently sound. Leverage and GFT as a % of operating revenue are high and represent the primary challenge to our rating.

Liquidity

Days Cash on Hand Liquidity Days on Hand

GRU LIQUIDITY METRICS TREND		
	DAYS CASH ON HAND	LIQUIDITY DAYS ON HAND
FY14	226	311
FY15	219	297
FY16	228	312
FY17	235	315
FY18	158	249
FY19	176	407
FY20	258	518
FY21	259	496

FY17 forward includes UPIF per Fitch updated formula

SUMMARY OF LIQUIDITY METRICS				
	GRU FY21	Fitch FY20 AA- Median	Fitch 20 A+ Median	FY20 Florida Peer Group
Days Cash on Hand	259	238	171	256
Days Liquidity on Hand	496	249	204	256

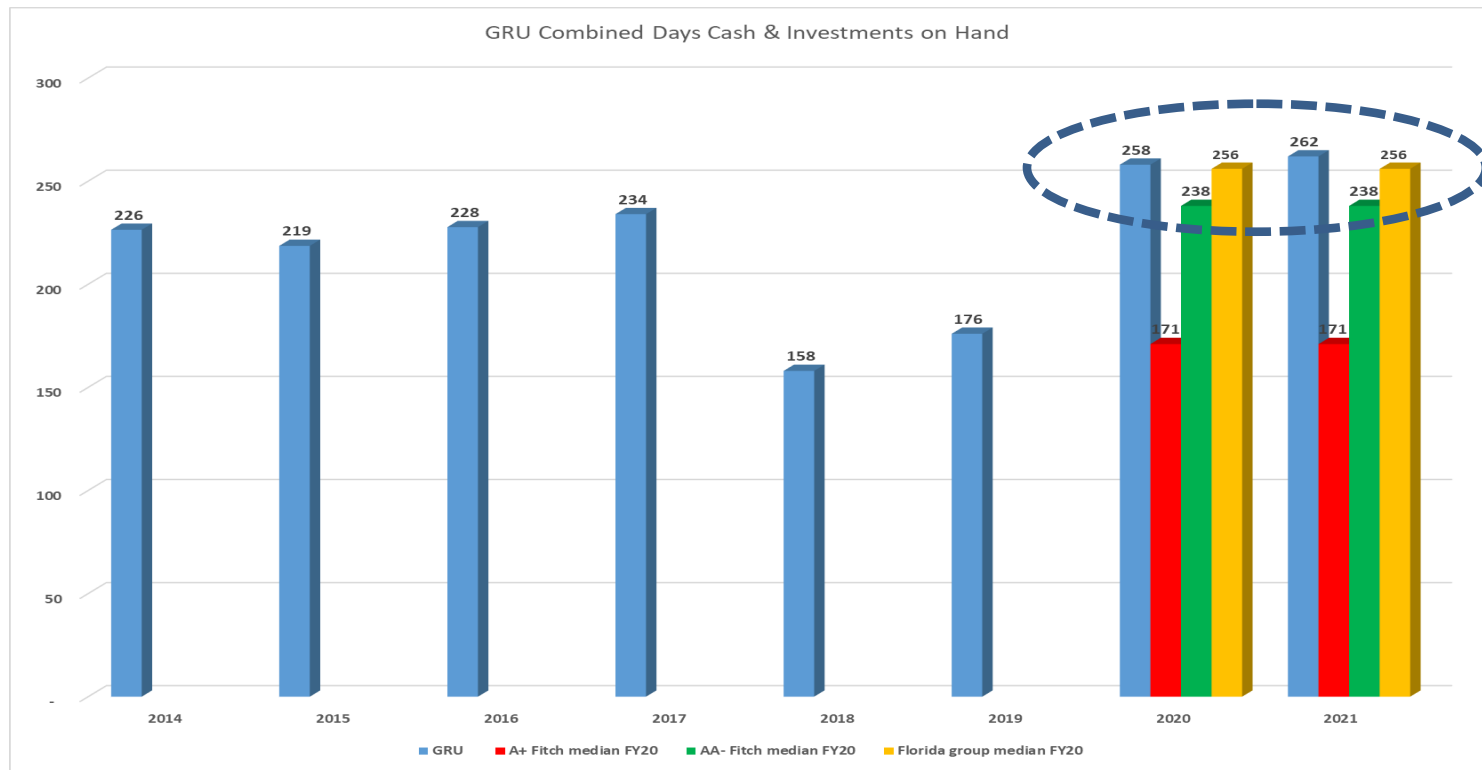
Florida peer group = JEA, OUC, Tallahassee and Lakeland

Fitch & Florida peer group medians per Fitch U.S. Public Power: Peer Review published June 21, 2021



Liquidity

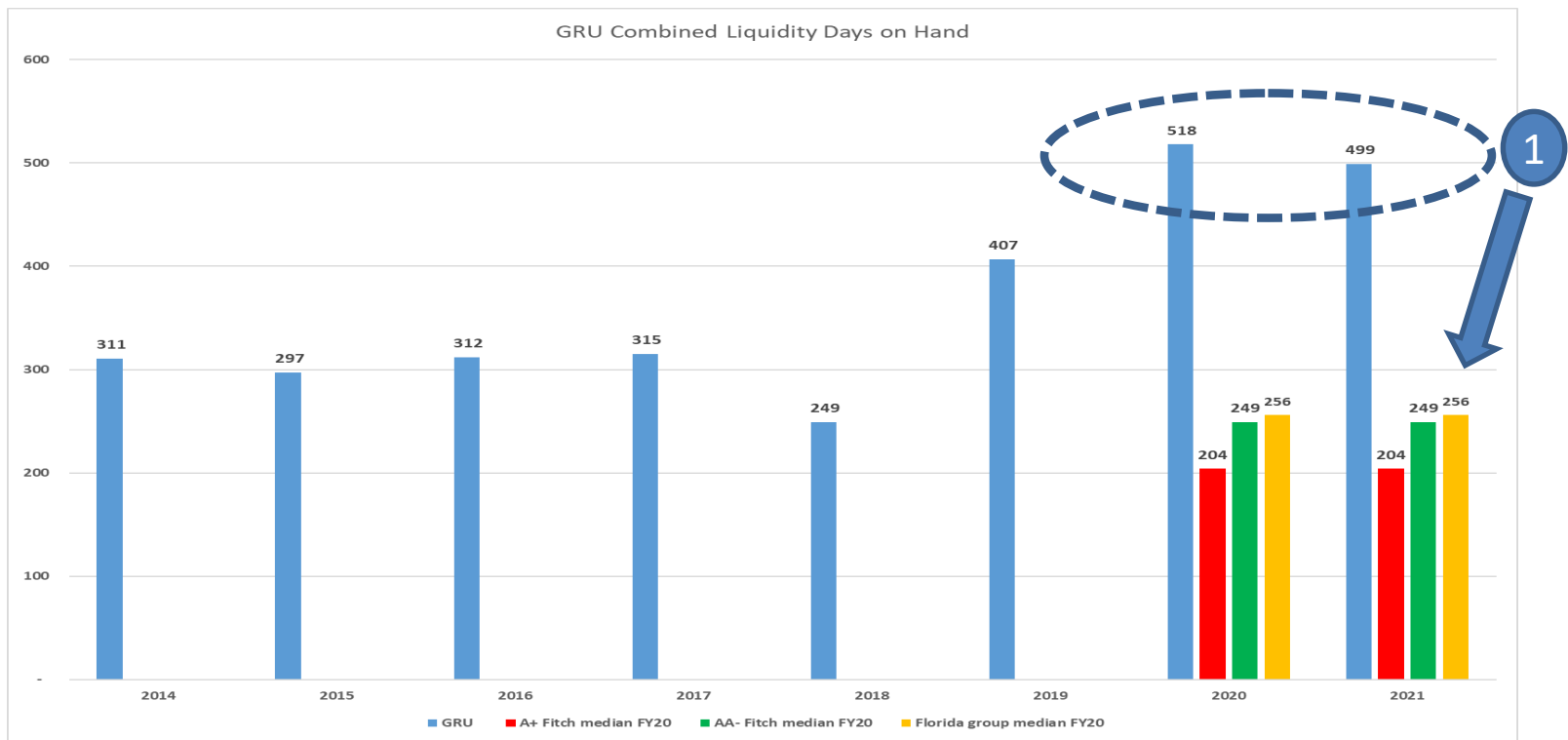
- Days cash on hand up from 258 days to 259 days
 - \$14.6M increase in unrestricted cash
 - Offset to some degree by increase in average daily expense
 - Fuel expense up \$24.7M
- Days liquidity on hand down from 518 days to 496 days
- Liquidity metrics do not include available but undrawn lines of credit (total \$75M with Truist Bank)
- Take away: GRU liquidity metrics exceed Fitch AA- medians and serve to counter the high leverage metrics



DAYS CASH ON HAND: Unrestricted Cash / Average Daily Operating Expense
COMBINED

	2014	2015	2016	2017	2018	2019	2020	2021
Unrestricted Cash								
Operating cash & investments	64,756,240	53,539,963	62,635,050	49,488,170	26,793,420	27,505,536	34,499,741	24,583,092
UPIF cash & investments	-	-	-	35,418,075	14,716,405	27,687,286	51,667,909	66,319,739
Rate Stabilization Fund cash & investments	64,030,121	72,104,746	74,262,078	62,431,906	57,703,806	56,941,703	62,945,910	74,450,555
= Unrestricted Cash	128,786,361	125,644,709	136,897,128	147,338,151	99,213,631	112,134,525	149,113,560	165,353,386
Average Daily Operating Expense								
Total operating expense	340,246,921	366,437,027	379,977,926	396,702,379	328,936,572	329,899,343	311,973,248	331,093,674
Less depreciation & amortization	(84,449,419)	(95,454,204)	(99,343,149)	(105,402,712)	(94,080,133)	(97,336,684)	(101,046,520)	(100,355,464)
Less capital lease payments - GREC	(48,200,000)	(61,200,000)	(61,200,000)	(61,200,000)	(6,300,000)	-	-	-
= Operating expense	207,597,502	209,782,823	219,434,777	230,099,667	228,556,439	232,562,659	210,926,728	230,738,210
Divided by 365 or days in FY	365	365	365	365	365	365	365	365
= Average Daily Operating Expense	568,760	574,747	601,191	630,410	626,182	637,158	577,881	632,159
Unrestricted Cash	128,786,361	125,644,709	136,897,128	147,338,151	99,213,631	112,134,525	149,113,560	165,353,386
Divided by Average Daily Operating Expense	568,760	574,747	601,191	630,410	626,182	637,158	577,881	632,159
= Days Cash on Hand	226	219	228	234	158	176	258	262

GRU Combined Liquidity Days on Hand



**DAYS LIQUIDITY ON HAND: Unrestricted Cash / Average Daily Operating Expense
COMBINED**

Unrestricted Cash

Operating cash & investments	64,756,240	53,539,963	62,635,050	49,488,170	26,793,420	27,505,536	34,499,741	24,583,092
UPIF cash & investments	-	-	-	35,418,075	14,716,405	27,687,286	51,667,909	66,319,739
Rate Stabilization Fund cash & investments	64,030,121	72,104,746	74,262,078	62,431,906	57,703,806	54,361,703	62,945,910	74,450,555
Authorized but Unissued CP/LOC	48,000,000	45,100,000	50,500,000	51,100,000	57,000,000	150,000,000	150,000,000	150,000,000
= Total Liquidity	176,786,361	170,744,709	187,397,128	198,438,151	156,213,631	259,554,525	299,113,560	315,353,386

Average Daily Operating Expense

Total operating expense	340,246,921	366,437,027	379,977,926	396,702,379	328,936,572	329,899,343	311,973,248	331,093,674
Less depreciation & amortization	(84,449,419)	(95,454,204)	(99,343,149)	(105,402,712)	(94,080,133)	(97,336,684)	(101,046,520)	(100,355,464)
Less capital lease payments - GREC	(48,200,000)	(61,200,000)	(61,200,000)	(61,200,000)	(6,300,000)	-	-	-
= Operating expense	207,597,502	209,782,823	219,434,777	230,099,667	228,556,439	232,562,659	210,926,728	230,738,210
Divided by 365	365	365	365	365	365	365	365	365
= Average Daily Operating Expense	568,760	574,747	601,191	630,410	626,182	637,158	577,881	632,159
Total Liquidity	176,786,361	170,744,709	187,397,128	198,438,151	156,213,631	259,554,525	299,113,560	315,353,386
Divided by Average Daily Operating Expense	568,760	574,747	601,191	630,410	626,182	637,158	577,881	632,159
= Days Liquidity on Hand	311	297	312	315	249	407	518	499

Leverage

Net Adjusted Debt/Adjusted Funds Available for Debt Service (Leverage)
 Total Debt/Funds Available for Debt Service
 Net Debt/Net Capital Assets
 Equity/Capitalization

GRU LEVERAGE METRICS TREND				
	DEBT/FADS	LEVERAGE	NET DEBT/NET CAPITAL ASSETS	EQUITY/CAPITALIZATION
FY14	9.16	10.14	79.90%	19.52%
FY15	8.56	9.61	80.77%	19.45%
FY16	8.65	9.77	76.43%	20.62%
FY17	8.43	9.43	82.85%	21.32%
FY18	9.59	11.06	79.53%	19.67%
FY19	9.46	11.12	80.76%	18.97%
FY20	9.13	9.89	81.87%	18.90%
FY21	9.43	10.24	83.46%	17.74%

SUMMARY OF LEVERAGE METRICS				
	GRU FY21	Fitch FY20 AA- Median	Fitch 20 A+ Median	FY20 Florida Peer Group
Debt/FADS	9.43			
Leverage	10.24	5.15	5.96	4.40
Net Debt/Net Capital Assets	83.46%			
Equity/Capitalization	17.74%	63.00%	49.00%	46.00%

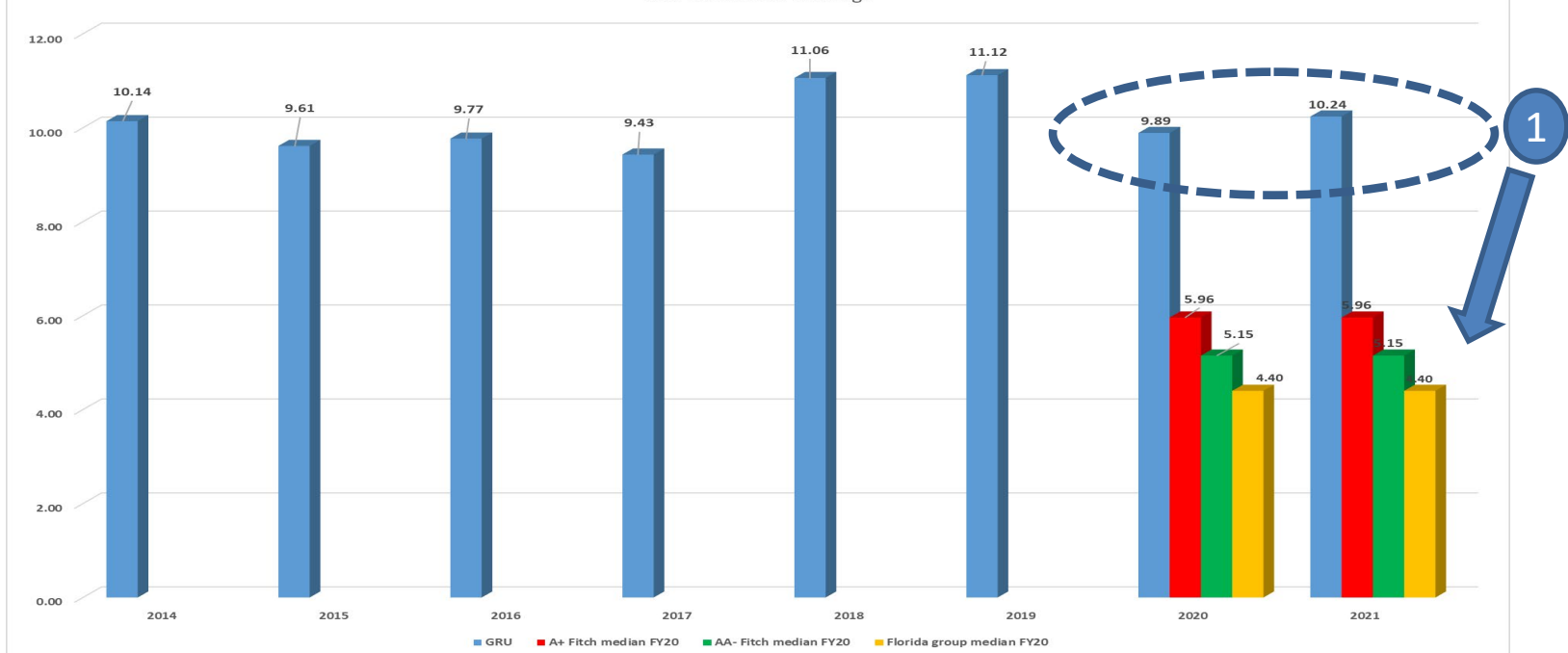
Florida peer group = JEA, OUC, Tallahassee and Lakeland

Fitch & Florida peer group medians per Fitch U.S. Public Power: Peer Review published June 21, 2021

Leverage

- All leverage ratios declined slightly from FYE20
- Approximately \$90M net increase in debt related to Series 2021A bonds
- GRU is too highly leveraged
 - leverage ratios are well above Fitch AA- and A+ medians
 - High leverage due to 2017 Biomass transaction

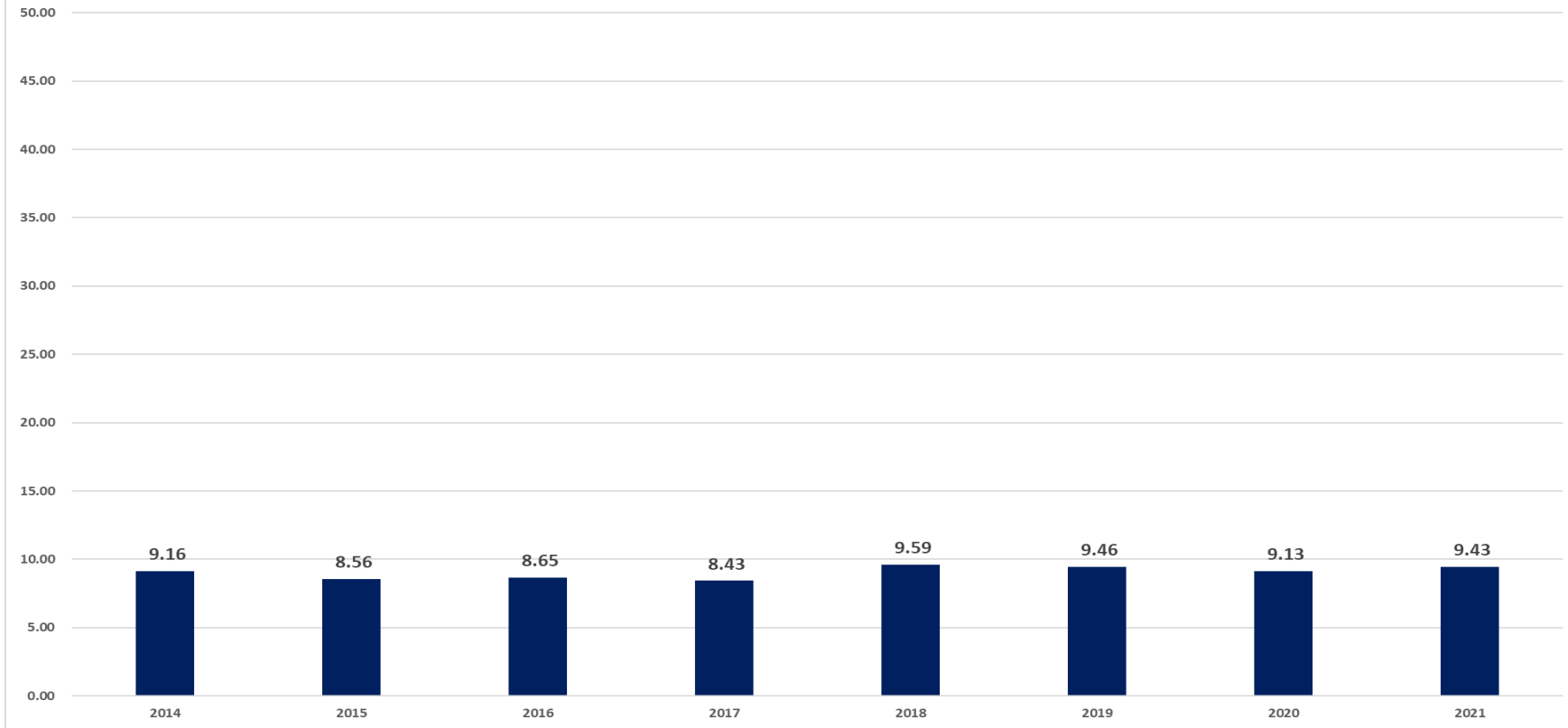
GRU Combined: Leverage



LEVERAGE: Net Adjusted Debt/Adjusted Funds Available for Debt Service
Combined

	2014	2015	2016	2017	2018	2019	2020	2021
Net Adjusted Debt								
Current Portion of Long-Term Debt	38,308,193	39,806,233	139,544,781	43,275,473	27,885,000	22,105,000	27,090,000	25,685,000
Long-Term Debt	1,846,850,085	1,848,753,852	1,722,809,071	1,775,433,598	1,506,455,000	1,665,165,000	1,637,880,000	1,707,955,000
Commercial Paper	56,900,000	59,500,000	45,900,000	53,000,000	93,000,000	-	-	-
Unamortized bond premium	10,229,836	19,078,029	17,990,208	16,902,387	83,758,385	102,411,008	91,865,654	112,666,439
=Total Debt	1,952,288,114	1,967,138,114	1,926,244,060	1,888,611,458	1,711,098,385	1,789,681,008	1,756,835,654	1,846,306,439
Fitch Adjusted Net Pension Liability	-	140,388,000	165,189,000	158,186,000	122,365,000	173,800,000	90,889,000	90,889,000
Adjustment for Purchased Power	-	-	-	-	-	19,606,000	14,718,000	13,322,040
Less Operating Cash & Investments	(64,756,240)	(53,539,963)	(62,635,050)	(49,488,170)	(26,793,426)	(27,505,536)	(34,499,741)	(24,583,092)
Less RSF Cash & Investments	(64,030,121)	(72,104,746)	(74,262,078)	(62,431,906)	(57,703,806)	(56,941,703)	(62,945,910)	(74,450,555)
Less UPIF cash & investments	-	-	-	(35,418,075)	(14,716,405)	(27,687,286)	(51,667,909)	(66,319,739)
Less Debt Service Cash & Investments	(39,682,742)	(40,816,148)	(41,714,440)	(42,322,319)	(59,269,274)	(56,094,239)	(60,083,857)	(58,412,082)
= Net Adjusted Debt	1,783,819,011	1,941,065,257	1,912,821,492	1,857,136,988	1,674,980,474	1,814,858,244	1,653,245,237	1,726,752,011
Adjusted Funds Available for Debt Service								
Operating Income	65,647,693	59,504,174	53,839,881	63,838,347	73,617,547	86,793,557	78,596,848	77,377,052
Less/Plus Transfers to/from Rate Stabilization	8,867,764	7,703,682	2,362,847	(11,708,349)	(3,839,787)	(4,954,864)	4,578,087	11,753,171
BABS Subsidy	5,350,928	5,345,162	5,372,529	5,308,201	5,259,227	5,211,950	5,154,906	5,112,590
Depreciation & Amortization	84,449,419	95,454,204	99,343,149	105,402,712	94,080,133	97,336,684	101,046,520	100,355,464
Interest Income	714,408	606,556	661,066	-	2,986,003	4,774,240	3,039,395	1,093,496
Adjustment for Purchased Power	-	-	-	-	-	2,451,000	1,840,000	-
GREC lease payment	48,200,000	61,200,000	61,210,000	61,210,000	6,300,000	-	-	-
= Funds Available for Debt Service	213,230,212	229,813,778	222,789,472	224,050,911	178,403,123	191,612,567	194,255,756	195,691,773
Less GFT	(37,316,841)	(34,892,425)	(34,994,591)	(35,814,010)	(36,379,080)	(38,285,000)	(38,285,000)	(38,285,000)
Plus Pension Expense	-	7,000,000	8,000,000	8,600,000	9,400,000	9,918,000	11,200,000	11,200,000
= Adjusted Funds Available for Debt Service	175,913,371	201,921,353	195,794,881	196,836,901	151,424,043	163,245,567	167,170,756	168,606,773
Net Adjusted Debt	1,783,819,011	1,941,065,257	1,912,821,492	1,857,136,988	1,674,980,474	1,814,858,244	1,653,245,237	1,726,752,011
Divided by Adjusted Funds Available for Debt Service	175,913,371	201,921,353	195,794,881	196,836,901	151,424,043	163,245,567	167,170,756	168,606,773
= Leverage	10.14	9.61	9.77	9.43	11.06	11.12	9.89	10.24

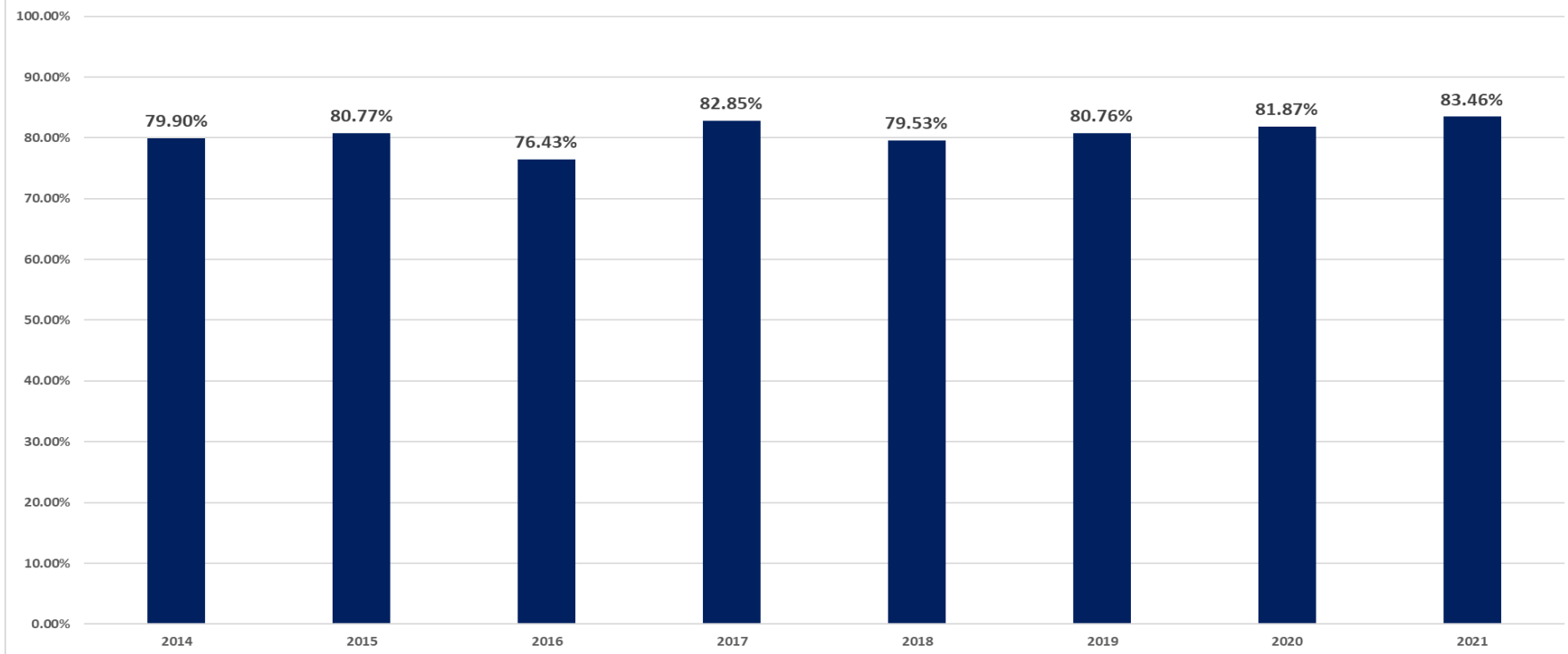
GRU Combined: Total Debt /Funds Available for Debt Service



DEBT/FUNDS AVAILABLE FOR DEBT SERVICE: Total Debt /Funds Available for Debt Service
Combined

	2014	2015	2016	2017	2018	2019	2020	2021
Total Debt								
Current Portion of Long-Term Debt (including CP)	21,480,000	22,205,000	121,135,000	24,020,000	27,885,000	22,105,000	27,090,000	25,685,000
Long-Term Debt	869,570,000	889,075,000	781,540,000	853,420,000	1,506,455,000	1,665,165,000	1,637,880,000	1,707,955,000
Commercial Paper	56,900,000	59,500,000	45,900,000	53,000,000	93,000,000	-	-	-
Capital Lease	994,108,278	977,280,085	959,678,852	941,269,071	-	-	-	-
Unamortized Bond Premium/Discount	10,229,836	19,078,029	17,990,208	16,902,387	83,758,385	102,411,008	91,865,654	112,666,439
= Total Debt	1,952,288,114	1,967,138,114	1,926,244,060	1,888,611,458	1,711,098,385	1,789,681,008	1,756,835,654	1,846,306,439
Funds Available for Debt Service								
Operating Income	65,647,693	59,504,174	53,839,881	63,838,347	73,617,547	86,793,557	78,596,848	77,377,052
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Depreciation & Amortization	84,449,419	95,454,204	99,343,149	105,402,712	94,080,133	97,336,684	101,046,520	100,355,464
Interest Income	714,408	606,556	661,066	-	2,986,003	4,774,240	3,039,395	1,093,496
GREC lease payment	48,200,000	61,200,000	61,210,000	61,210,000	6,300,000	-	-	-
= Funds Available for Debt Service	213,230,212	229,813,778	222,789,472	224,050,911	178,403,123	189,161,567	192,415,756	195,691,773
Total Debt	1,952,288,114	1,967,138,114	1,926,244,060	1,888,611,458	1,711,098,385	1,789,681,008	1,756,835,654	1,846,306,439
Divided by Funds Available for Debt Service	213,230,212	229,813,778	222,789,472	224,050,911	178,403,123	189,161,567	192,415,756	195,691,773
= Total Debt/Funds Available for Debt Service	9.16	8.56	8.65	8.43	9.59	9.46	9.13	9.43

GRU Combined: Net Debt/Net Capital Assets



NET DEBT/NET CAPITAL ASSETS: Net Debt divided by Net Capital Assets

Combined

Net Debt

Current Portion of Long-Term Debt

Long-Term Debt

Commercial Paper

Unamortized Bond Premium

= Total Debt

Less Operating Cash & investments

Less RSF Cash & investments

Less Debt Service Fund Cash & investments

Less Construction Fund Cash & Investments

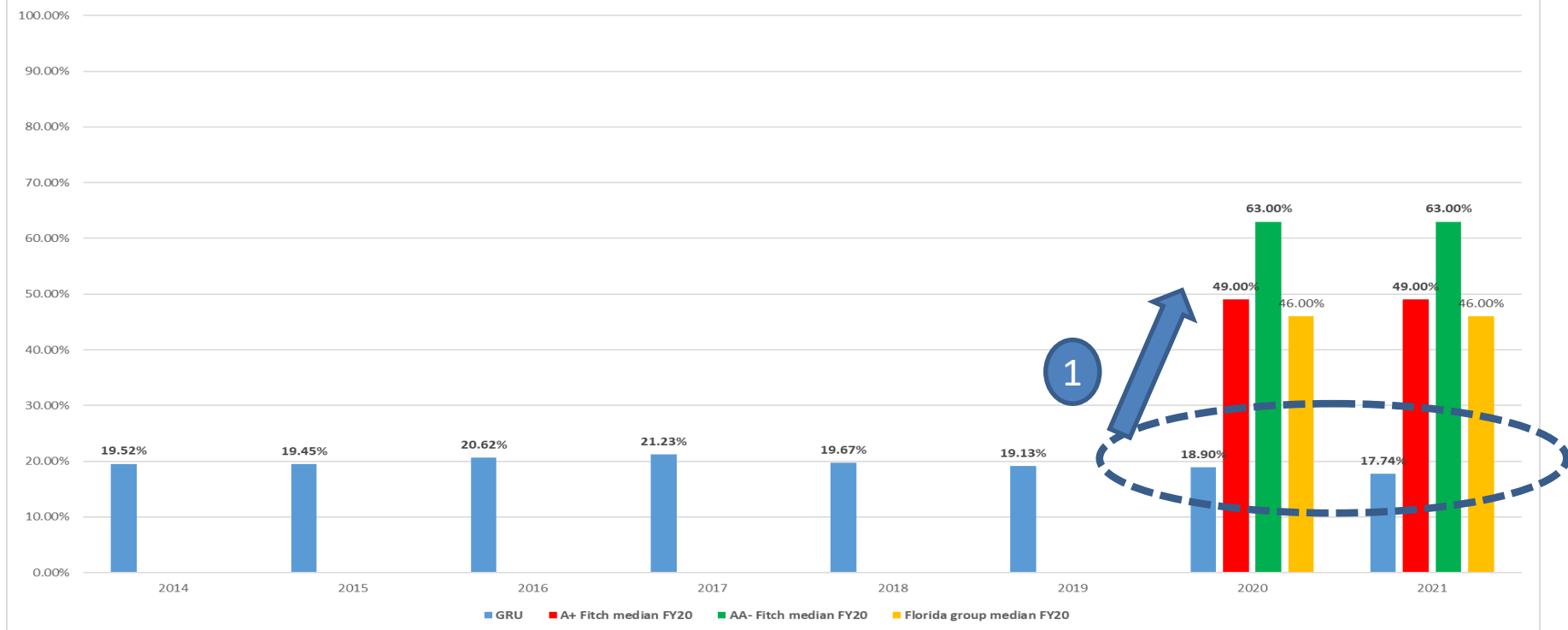
= Net Debt

Divided by Net Capital Assets

=Net Debt/Net Capital Assets

	2014	2015	2016	2017	2018	2019	2020	2021
Current Portion of Long-Term Debt	38,308,193	39,806,233	49,544,781	43,275,473	27,885,000	22,105,000	27,090,000	25,685,000
Long-Term Debt	1,846,850,085	1,848,753,852	1,722,809,071	1,775,433,598	1,506,455,000	1,665,165,000	1,637,880,000	1,707,955,000
Commercial Paper	56,900,000	59,500,000	45,900,000	53,000,000	93,000,000	-	-	-
Unamortized Bond Premium	10,229,836	19,078,029	17,990,208	16,902,387	83,758,385	102,411,008	91,865,654	112,666,439
= Total Debt	1,952,288,114	1,967,138,114	1,836,244,060	1,888,611,458	1,711,098,385	1,789,681,008	1,756,835,654	1,846,306,439
Less Operating Cash & investments	(64,756,240)	(53,539,963)	(62,635,050)	(49,488,170)	(26,793,426)	(27,505,536)	(34,499,741)	(24,583,092)
Less RSF Cash & investments	(64,030,121)	(72,104,746)	(74,262,078)	(62,431,906)	(57,703,806)	(56,941,703)	(62,945,910)	(74,450,555)
Less Debt Service Fund Cash & investments	(39,682,742)	(40,816,148)	(41,714,440)	(42,322,319)	(59,269,274)	(56,094,239)	(60,083,857)	(66,319,739)
Less Construction Fund Cash & Investments	(29,034,046)	(51,108,130)	(18,258,514)	(8,828,762)	(35,197,090)	(125,749,489)	(67,152,924)	(125,707,236)
= Net Debt	1,754,784,965	1,749,569,127	1,639,373,978	1,725,540,301	1,532,134,789	1,523,390,041	1,532,153,222	1,555,245,817
Divided by Net Capital Assets	2,196,230,910	2,166,088,317	2,144,929,363	2,082,742,196	1,926,451,932	1,886,223,139	1,871,400,482	1,863,541,611
=Net Debt/Net Capital Assets	79.90%	80.77%	76.43%	82.85%	79.53%	80.76%	81.87%	83.46%

Combined Systems: Equity/Capitalization



EQUITY / CAPITALIZATION: Net Position/ (Net Position + Total Debt)

Combined

Net Position

Total Assets & Deferred Outflows of Resources

Less Total Liabilities

Less Total Deferred Inflows of Resources

= Net Position

Total Debt

Current Portion of Long-Term Debt

Long-Term Debt

Commercial Paper

Unamortized Bond Premium

= Total Debt

Equity Capitalization = Net Position/(Net Position + Total Debt)

	2014	2015	2016	2017	2018	2019	2020	2021
Total Assets & Deferred Outflows of Resources	2,644,550,355	2,770,487,010	2,734,296,442	2,633,316,564	2,398,868,717	2,537,713,450	2,574,515,680	2,598,124,459
Less Total Liabilities	(2,106,773,954)	(2,223,666,853)	(2,177,509,800)	(2,116,114,805)	(1,901,027,352)	(2,059,001,816)	(2,099,159,993)	(2,122,207,663)
Less Total Deferred Inflows of Resources	(64,117,259)	(71,714,541)	(79,822,698)	(8,075,386)	(78,722,423)	(55,312,354)	(65,982,473)	(77,735,644)
= Net Position	473,659,142	475,105,616	476,963,944	509,126,373	419,118,942	423,399,280	409,373,214	398,181,152
Current Portion of Long-Term Debt	38,308,193	39,806,233	49,544,781	43,275,473	27,885,000	22,105,000	27,090,000	25,685,000
Long-Term Debt	1,846,850,085	1,848,753,852	1,722,809,071	1,775,433,598	1,506,455,000	1,665,165,000	1,637,880,000	1,707,955,000
Commercial Paper	56,900,000	59,500,000	45,900,000	53,000,000	93,000,000	-	-	-
Unamortized Bond Premium	10,229,836	19,078,029	17,990,208	16,902,387	83,758,385	102,411,008	91,865,654	112,666,439
= Total Debt	1,952,288,114	1,967,138,114	1,836,244,060	1,888,611,458	1,711,098,385	1,789,681,008	1,756,835,654	1,846,306,439
Equity Capitalization = Net Position/(Net Position + Total Debt)	19.52%	19.45%	20.62%	21.23%	19.67%	19.13%	18.90%	17.74%

Debt Service Coverage

Debt Service Coverage Coverage of Full Obligations

GRU DEBT SERVICE COVERAGE METRICS TREND		
	DEBT SERVICE COVERAGE	COVERAGE OF FULL OBLIGATIONS
FY14	1.88	1.55
FY15	1.90	1.62
FY16	1.83	1.55
FY17	1.69	1.42
FY18	1.89	1.51
FY19	2.05	1.66
FY20	2.11	1.71
FY21	2.12	1.71

SUMMARY OF DEBT SERVICE COVERAGE METRICS				
	GRU FY21	Fitch FY20 AA- Median	Fitch 20 A+ Median	FY20 Florida Peer Group
Debt Service Coverage	2.12	2.04	2.17	1.99
Coverage of Full Obligations	1.71	1.38	1.59	1.87

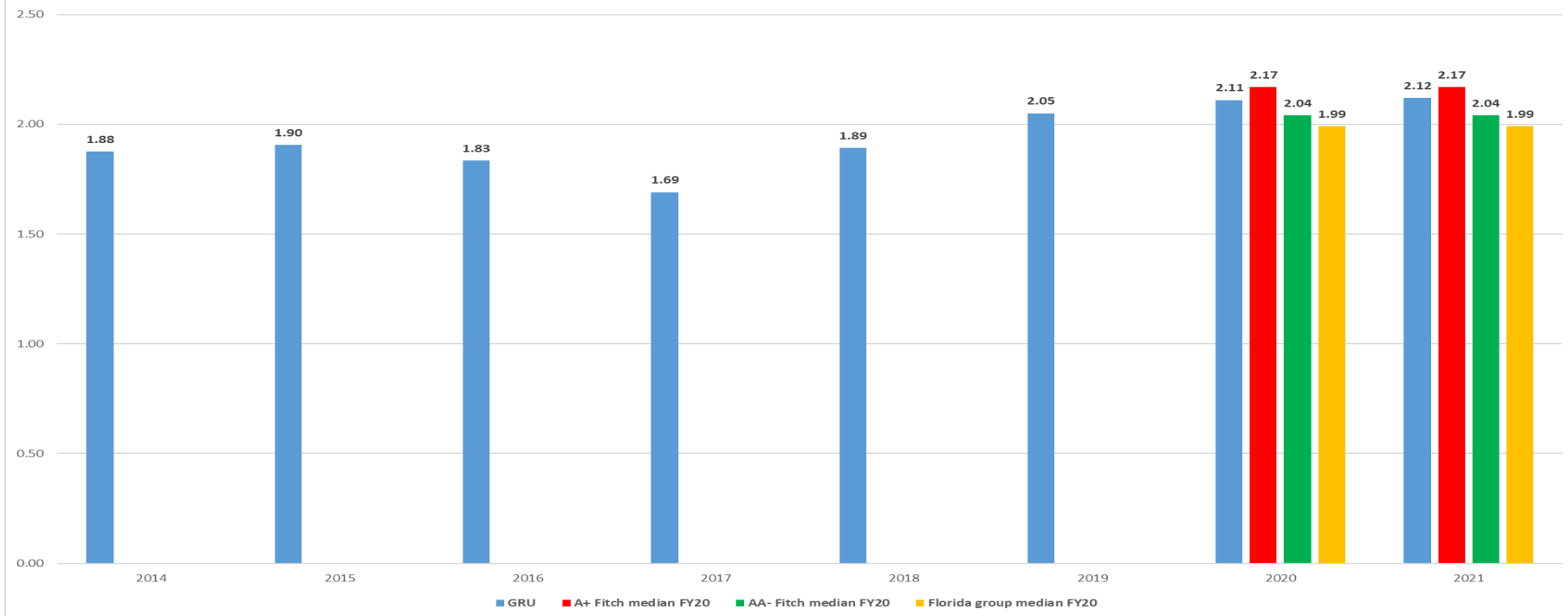
Florida peer group = JEA, OUC, Tallahassee and Lakeland

Fitch & Florida peer group medians per Fitch U.S. Public Power: Peer Review published June 21, 2021

Debt Service Coverage

- FYE21 coverage ratios remained consistent with FYE20 levels
- Coverage levels are “strong” for a utility such as GRU

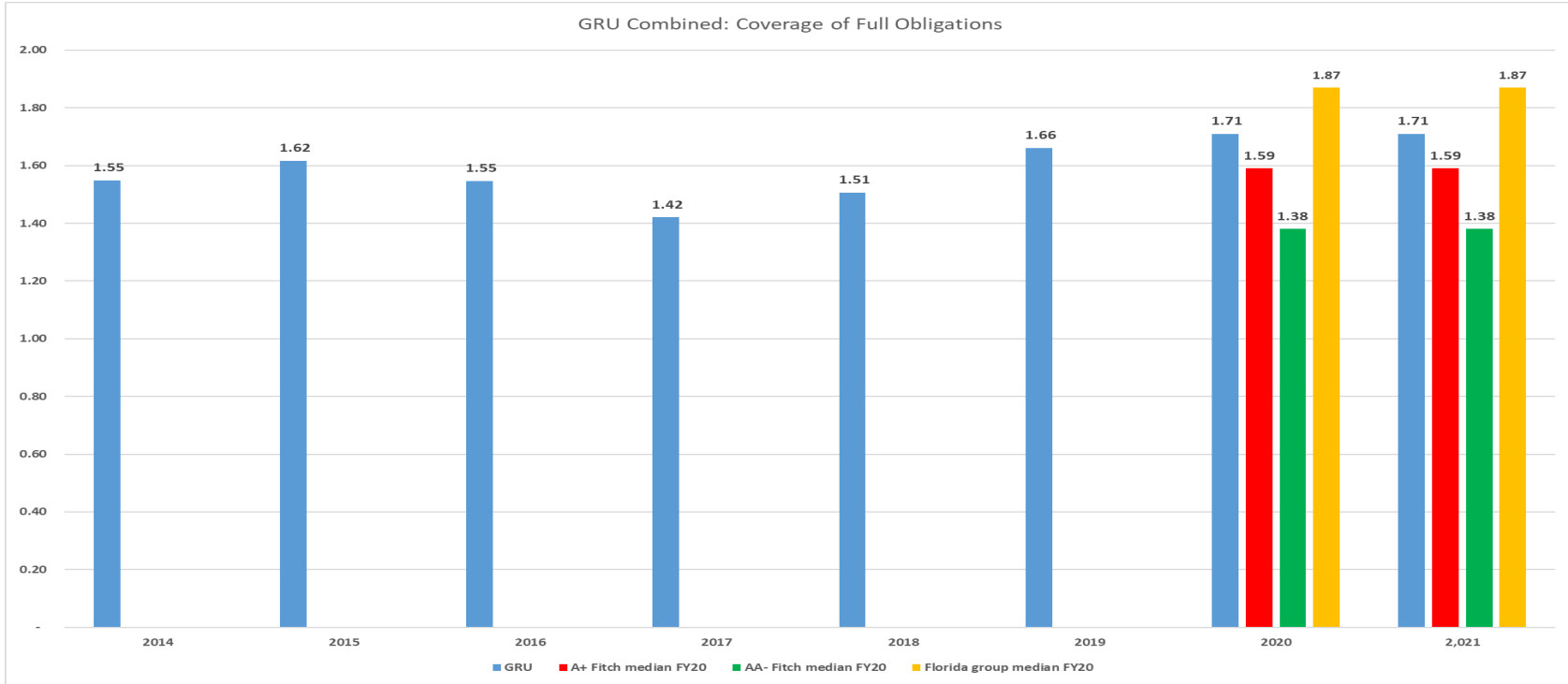
GRU Combined: Debt Service Coverage



DEBT SERVICE COVERAGE: Funds Available for Debt Service/Annual Debt Service
Combined

	2014	2015	2016	2017	2018	2019	2020	2021
Funds Available for Debt Service	213,230,212	229,813,778	222,789,472	224,050,911	178,403,123	189,161,567	192,415,756	195,691,773
Operating Income	65,647,693	59,504,174	53,839,881	63,838,347	73,617,547	86,793,557	78,596,848	77,377,052
Less/Plus Transfers to/from Rate Stabilization	8,867,764	7,703,682	2,362,847	(11,708,349)	(3,839,787)	(4,954,864)	4,578,087	11,753,171
BABS Subsidy	5,350,928	5,345,162	5,372,529	5,308,201	5,259,227	5,211,950	5,154,906	5,112,590
Depreciation & Amortization	84,449,419	95,454,204	99,343,149	105,402,712	94,080,133	97,336,684	101,046,520	100,355,464
Interest Income	714,408	606,556	661,066	-	2,986,003	4,774,240	3,039,395	1,093,496
GREC lease payment	48,200,000	61,200,000	61,210,000	61,210,000	6,300,000	-	-	-
= Funds Available for Debt Service	213,230,212	229,813,778	222,789,472	224,050,911	178,403,123	189,161,567	192,415,756	195,691,773
Annual Debt Service								
Interest paid (cash flow interest paid + cap lease interest in fuel cost)	74,089,064	82,339,699	81,701,113	82,992,140	51,018,627	-	-	-
Interest expense on long-term debt - cash flow statement						64,300,121	69,209,863	66,522,499
Prior year current maturities of debt	26,845,000	21,480,000	22,205,000	31,135,000	24,020,000	27,885,000	22,105,000	25,685,000
Prior year current maturities - capital lease	12,700,000	16,828,193	17,601,233	18,409,781	19,255,473	-	-	-
= Debt Service	113,634,064	120,647,892	121,507,346	132,536,921	94,294,100	92,185,121	91,314,863	92,207,499
Funds Available for Debt Service	213,230,212	229,813,778	222,789,472	224,050,911	178,403,123	189,161,567	192,415,756	195,691,773
Divided by Annual Debt Service	113,634,064	120,647,892	121,507,346	132,536,921	94,294,100	92,185,121	91,314,863	92,207,499
= Debt Service Coverage	1.88	1.90	1.83	1.69	1.89	2.05	2.11	2.12

GRU Combined: Coverage of Full Obligations



COVERAGE OF FULL OBLIGATIONS: Adjusted Funds Available for Debt Service/Total Fixed Obligations Combined

	2014	2015	2016	2017	2018	2019	2020	2021
Adjusted Funds Available for Debt Service								
Operating Income	65,647,693	59,504,174	53,839,881	63,838,347	73,617,547	86,793,557	78,596,848	77,377,052
Less/Plus Transfers to/from Rate Stabilization	8,867,764	7,703,682	2,362,847	(11,708,349)	(3,839,787)	(4,954,864)	4,578,087	11,753,171
BABS Subsidy	5,350,928	5,345,162	5,372,529	5,308,201	5,259,227	5,211,950	5,154,906	5,112,590
Depreciation & Amortization	84,449,419	95,454,204	99,343,149	105,402,712	94,080,133	97,336,684	101,046,520	100,355,464
Interest Income	714,408	606,556	661,066	-	2,986,003	4,774,240	3,039,395	1,093,496
GREC lease payment	48,200,000	61,200,000	61,210,000	61,210,000	6,300,000	-	-	-
= Funds Available for Debt Service	213,230,212	229,813,778	222,789,472	224,050,911	178,403,123	189,161,567	192,415,756	195,691,773
Add Fitch adjustment for purchased power & gas						2,451,000	1,840,000	-
Less GFT	(37,316,841)	(34,892,425)	(34,994,591)	(35,814,010)	(36,379,080)	(38,285,000)	(38,285,000)	(38,285,000)
= Adjusted Funds Available for Debt Service	175,913,371	194,921,353	187,794,881	188,236,901	142,024,043	153,327,567	155,970,756	157,406,773
Total Fixed Obligations								
Interest paid (cash flow interest paid + cap lease interest in fuel cost)	74,089,064	82,339,699	81,701,113	82,992,140	51,018,627	-	-	-
Interest expense on long-term debt - cash flow statement						64,300,221	69,209,863	66,522,499
Prior year current maturities of debt	26,845,000	21,480,000	22,205,000	31,135,000	24,020,000	27,885,000	22,105,000	25,685,000
Prior year current maturities - capital lease	12,700,000	16,828,193	17,601,233	18,409,781	19,255,473	-	-	-
= Debt Service	113,634,064	120,647,892	121,507,346	132,536,921	94,294,100	92,185,221	91,314,863	92,207,499
+ Purchased power adjustment	-	-	-	-	-	-	-	-
= Total Fixed Obligations	113,634,064	120,647,892	121,507,346	132,536,921	94,294,100	92,185,221	91,314,863	92,207,499
Adjusted Funds Available for Debt Service	175,913,371	194,921,353	187,794,881	188,236,901	142,024,043	153,327,567	155,970,756	157,406,773
Divided by Total Fixed Obligations	1.55	1.62	1.55	1.42	1.51	1.66	1.71	1.71
= Coverage of Full Obligations	1.55	1.62	1.55	1.42	1.51	1.66	1.71	1.71

Other Financial & Operating Metrics

- Operating Margin
- GFT/Operating Revenue
- Capex/Depreciation & Amortization
- Debt Service/Cash Operating Expense
- Retail Electric Revenue/kWH Sold

OTHER FINANCIAL & OPERATING METRICS					
	OPERATING MARGIN	GFT/OPERATING REVENUE	CAPEX/DEPRECIATION & AMORT.	DEBT SVC./CASH OPERATING EXP	RETAIL ELECTRIC REV./KWH SOLD
FY14	16.17%	9.19%	67.48%	32.71%	14.66
FY15	13.97%	8.19%	67.47%	36.51%	14.94
FY16	12.41%	8.07%	77.61%	35.64%	13.71
FY17	13.86%	7.78%	66.12%	36.55%	16.65
FY18	18.29%	9.04%	874.40%	29.21%	15.00
FY19	20.83%	9.19%	67.28%	27.07%	14.91
FY20	20.12%	9.80%	88.86%	28.65%	10.35
FY21	18.94%	9.37%	89.47%	26.92%	9.91

SUMMARY OF OTHER FINANCIAL & OPERATING METRICS				
	GRU FY21	Fitch FY20 AA- Median	Fitch 20 A+ Median	FY20 Florida Peer Group
Operating Margin	18.94%			
GFT/Total Operating Revenue	9.37%	5.74%	5.70%	13.66%
Capex/Dep. & Amort.	89.47%	153.00%	155.00%	115.00%
Debt Svc/Cash Operating Exp.	26.92%			
Electric Rev./KWH Sold	9.91			

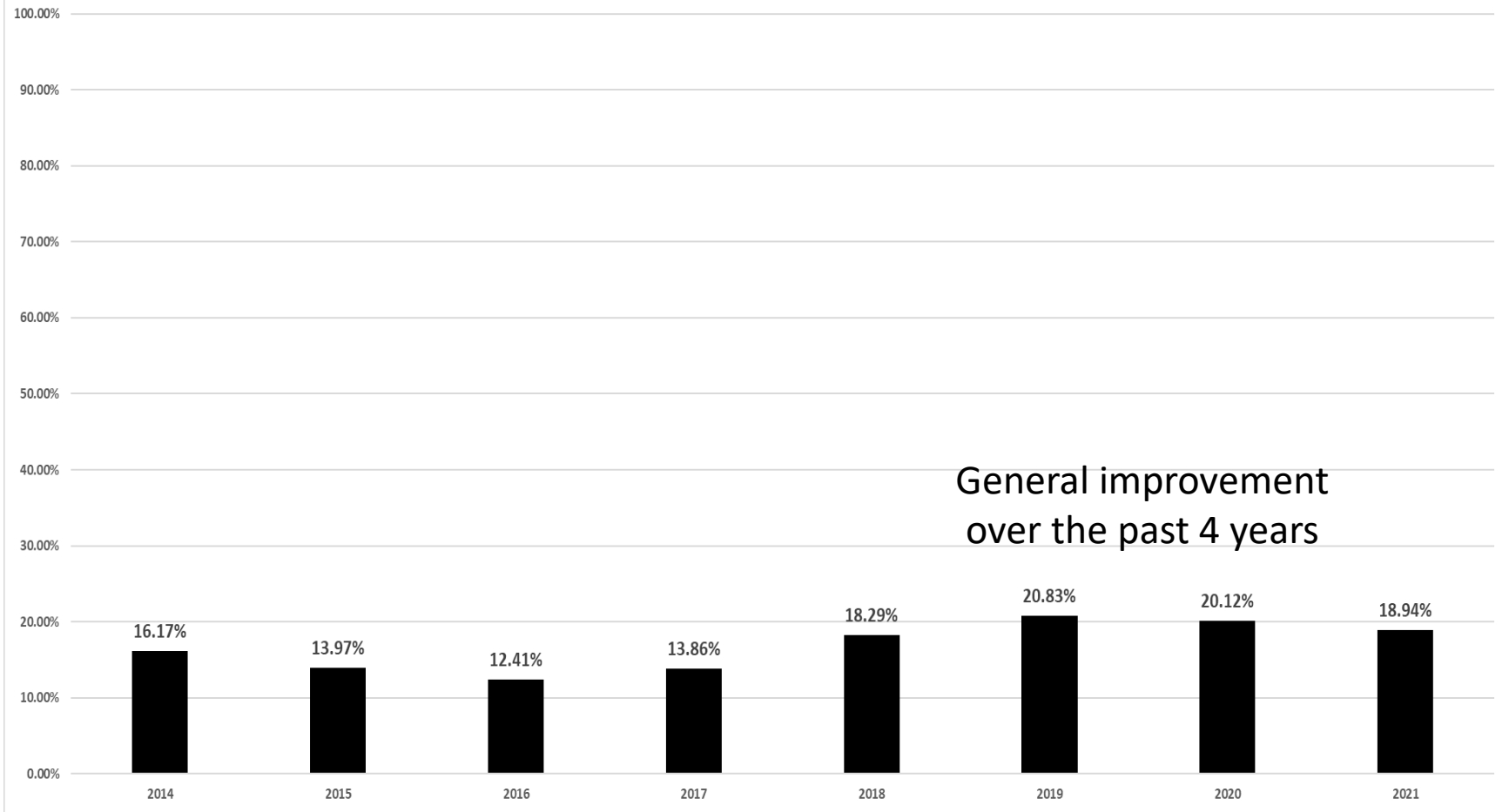
Florida peer group = JEA, OUC, Tallahassee and Lakeland

Fitch & Florida peer group medians per Fitch U.S. Public Power: Peer Review published June 21, 2021

Other Financial & Operating Metrics

- Operating margin decreased from 20.12% to 18.94%
- GFT as a % of operating revenue fell from 9.80% to 9.37%
- Debt service expense as a % of operating expense fell from 28.65% to 26.92%
- Generally, CAPEX is below peer utilities

GRU Combined: Operating Margin

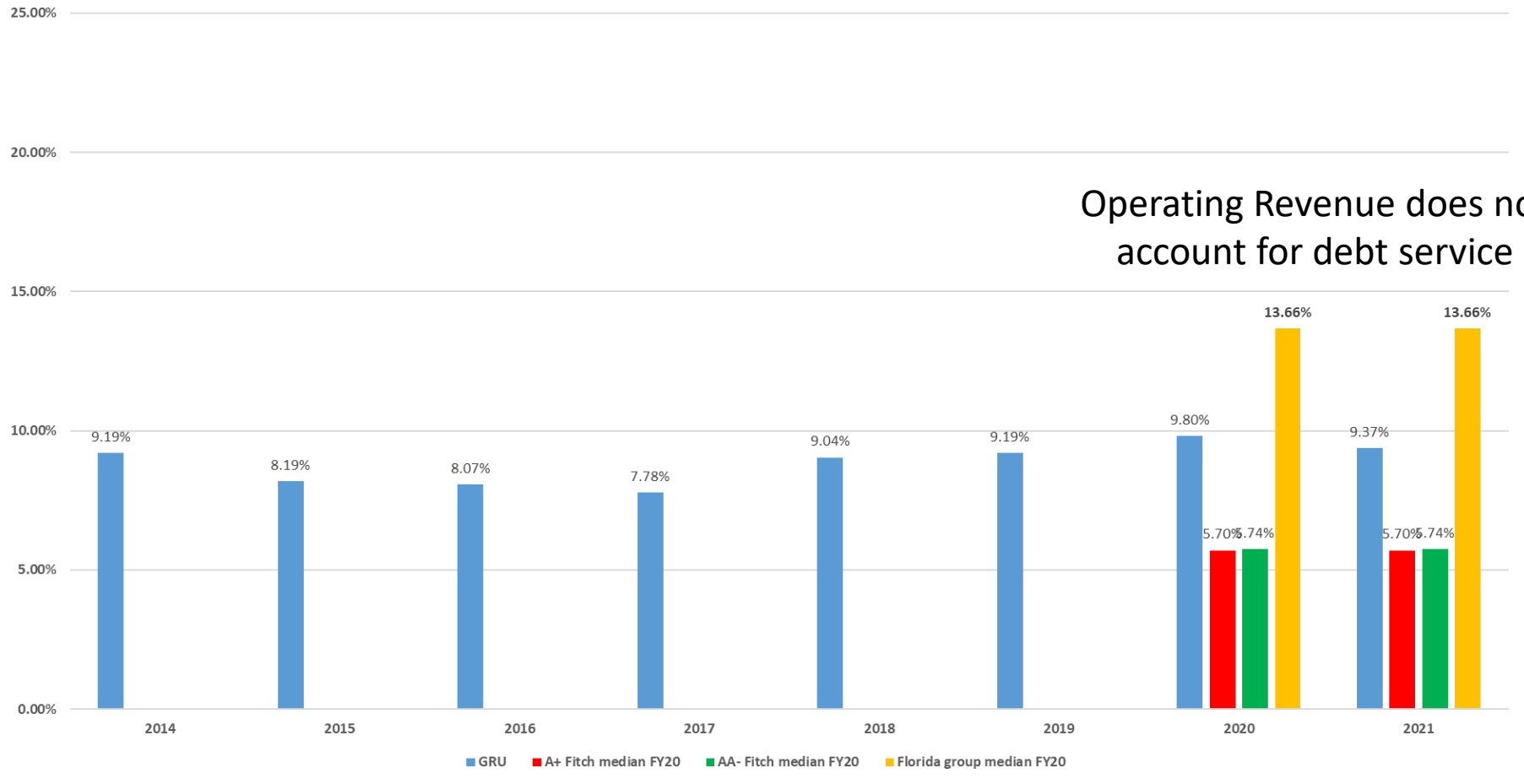


OPERATING MARGIN: Operating Income/Operating Revenue

COMBINED Operating Income
 Divided by Operating revenue
 = Operating Margin

	2014	2015	2016	2017	2018	2019	2020	2021
Operating Income	65,647,693	59,504,174	53,839,881	63,838,347	73,617,547	86,793,557	78,596,848	77,377,052
Operating Revenue	405,894,614	425,941,201	433,817,807	460,540,726	402,554,119	416,692,900	390,570,096	408,470,726
Operating Margin	16.17%	13.97%	12.41%	13.86%	18.29%	20.83%	20.12%	18.94%

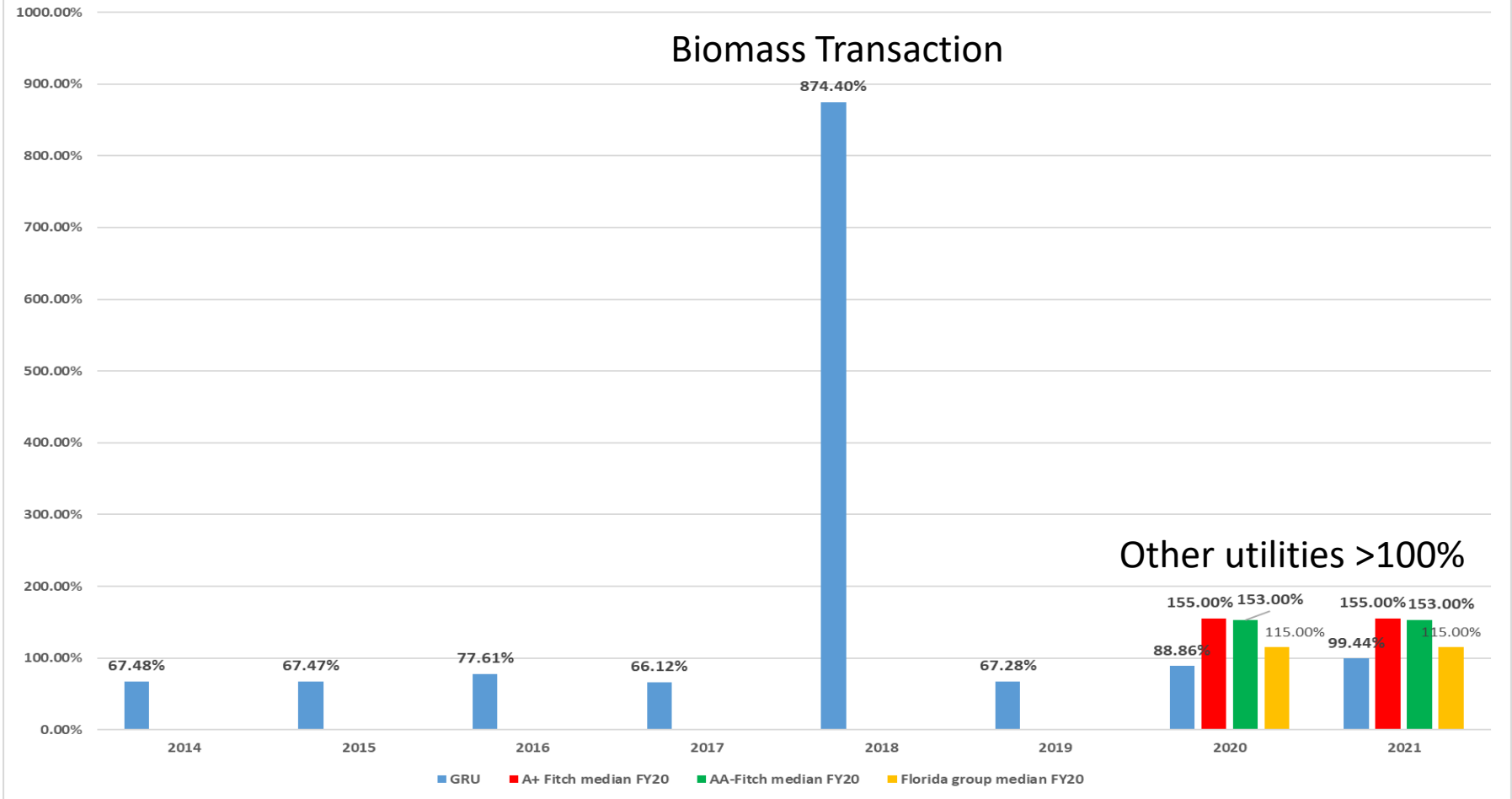
GRU Combined: GFT as a % of Total Operating Revenue



Operating Revenue does not account for debt service

	2014	2015	2016	2017	2018	2019	2020	2021
TRANSFERS AS A % OF TOTAL OPERATING REVENUE: GFT divided by total operating revenue								
<i>Combined</i> GFT	37,316,841	34,892,425	34,994,591	35,814,010	36,379,080	38,285,000	38,285,000	38,285,000
Divided by Total Operating Revenue	405,894,614	425,941,201	433,817,807	460,540,726	402,554,119	416,692,900	390,570,096	408,470,726
= GFT as a % of Total Operating Revenue	9.19%	8.19%	8.07%	7.78%	9.04%	9.19%	9.80%	9.37%

GRU Combined: Capital Expense as a % of Depreciation & Amortization

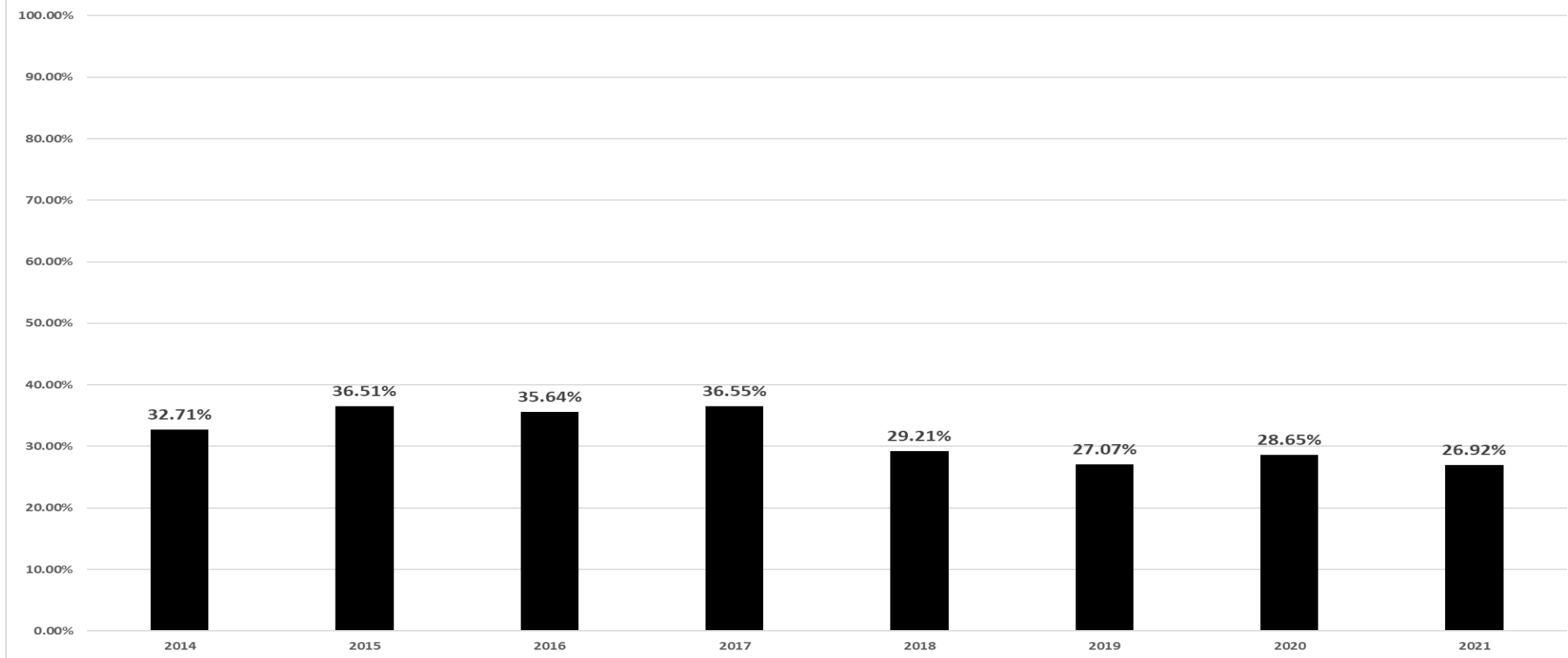


CAPEX/DEPRECIATION & AMORTIZATION: capital expense divided by depreciation & amortization

Combined Capital expense
 Divided by Depreciation & Amortization
 = CAPEX to D & A

	2014	2015	2016	2018	2019	2020	2021
Capital expense	56,990,480	64,402,846	77,099,955	822,636,979	65,485,418	89,785,174	99,792,736
Divided by Depreciation & Amortization	84,449,419	95,454,204	99,343,149	94,080,133	97,336,684	101,046,520	100,355,464
= CAPEX to D & A	67.48%	67.47%	77.61%	874.40%	67.28%	88.86%	99.44%

GRU Combined: Debt Service as a % of Cash Operating Expense



DEBT SERVICE/CASH OPERATING EXPENSE

Combined

Debt Service

Interest paid on long-term debt (cash flow)[FY20 int exp inc st]
 Interest on fuel included in capital lease (Note 5)
 Prior year current maturity of debt
 Prior year current maturity of lease payments
 = Debt Service

Cash Operating Expense

Operating expense
 Less depreciation & amortization
 Less other non-cash charges
 Plus debt service

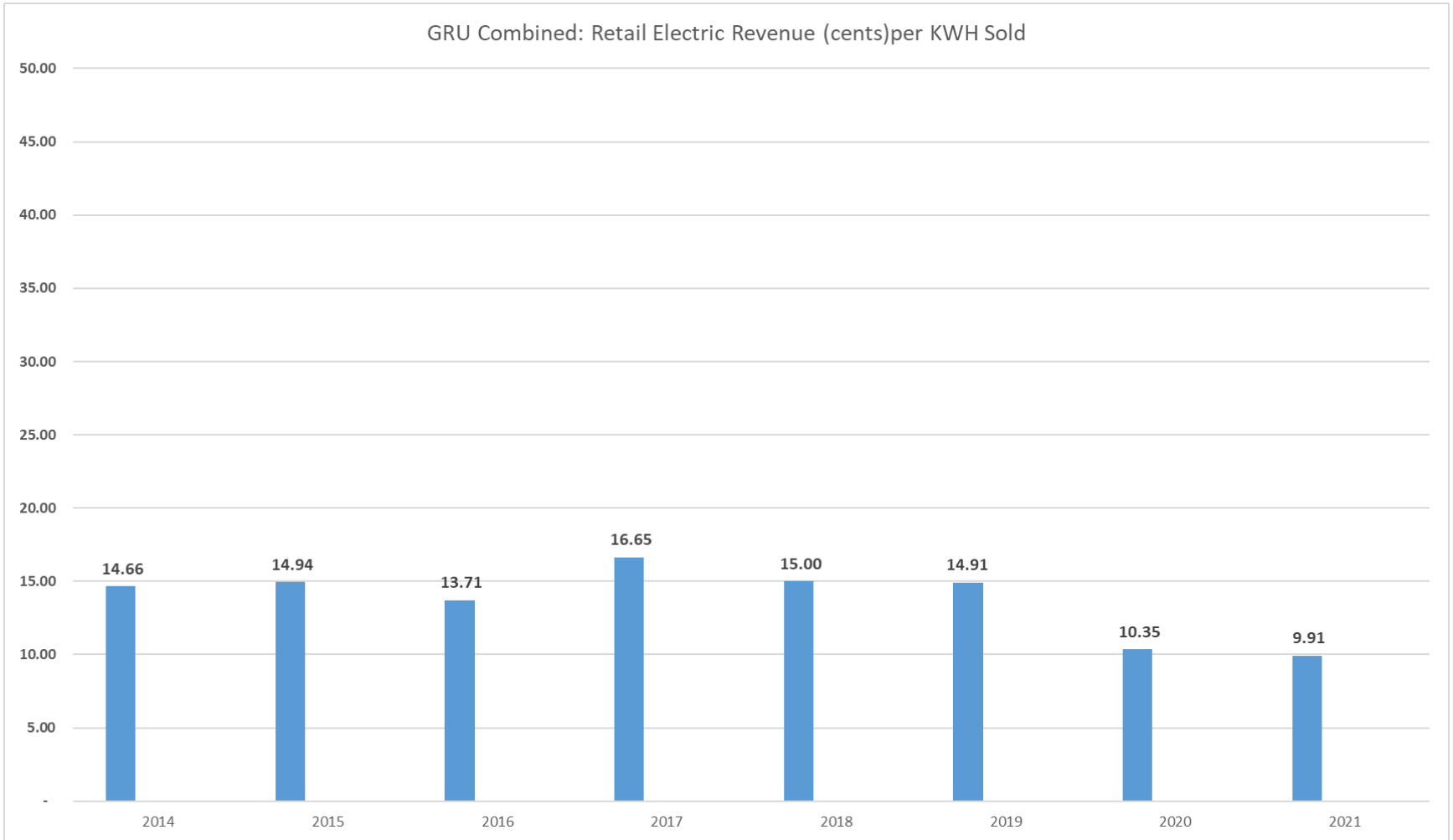
= Cash Operating Expense

Debt Service

Divided by Cash Operating Expense

= Debt Service/Cash Operating Expense

	2014	2015	2016	2017	2018	2019	2020	2021
Interest paid on long-term debt (cash flow)[FY20 int exp inc st]	38,589,064	37,939,699	38,101,113	40,192,140	46,618,627	58,440,198	62,588,476	57,906,796
Interest on fuel included in capital lease (Note 5)	35,500,000	44,400,000	43,600,000	42,800,000	4,400,000	-	-	-
Prior year current maturity of debt	26,845,000	21,480,000	22,205,000	31,135,000	24,020,000	27,885,000	22,105,000	27,090,000
Prior year current maturity of lease payments	-	16,828,193	17,601,233	18,409,781	19,255,473	-	-	-
= Debt Service	100,934,064	120,647,892	121,507,346	132,536,921	94,294,100	86,325,198	84,693,476	84,996,796
Operating expense	340,246,921	366,437,027	379,977,926	396,702,379	328,936,572	329,899,343	311,973,248	331,093,674
Less depreciation & amortization	(84,449,419)	(95,454,204)	(99,343,149)	(105,402,712)	(94,080,133)	(97,336,684)	(101,046,520)	(100,355,464)
Less other non-cash charges	(48,200,000)	(61,200,000)	(61,200,000)	(61,200,000)	(6,300,000)	-	-	-
Plus debt service	100,934,064	120,647,892	121,507,346	132,536,921	94,294,100	86,325,198	84,693,476	84,996,796
= Cash Operating Expense	308,531,566	330,430,715	340,942,123	362,636,588	322,850,539	318,887,857	295,620,204	315,735,006
Debt Service	100,934,064	120,647,892	121,507,346	132,536,921	94,294,100	86,325,198	84,693,476	84,996,796
Divided by Cash Operating Expense	308,531,566	330,430,715	340,942,123	362,636,588	322,850,539	318,887,857	295,620,204	315,735,006
= Debt Service/Cash Operating Expense	32.71%	36.51%	35.64%	36.55%	29.21%	27.07%	28.65%	26.92%

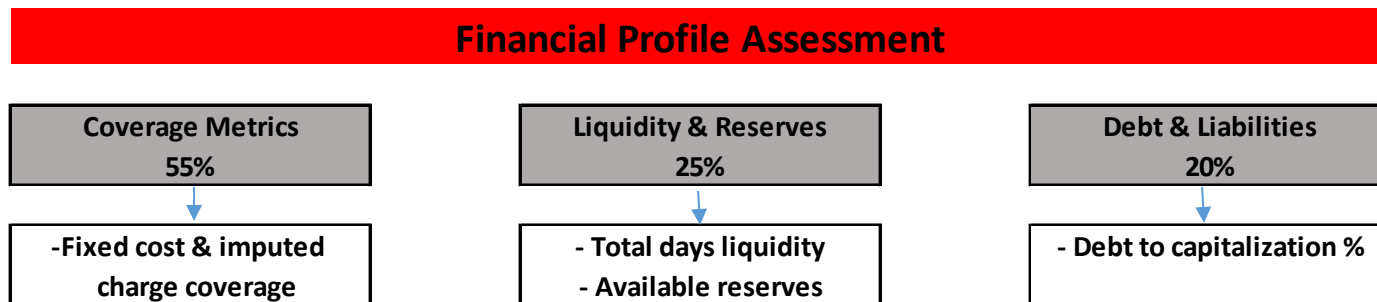


RETAIL ELECTRIC REVENUE PER KWH: Revenue divided by KWH sold

	2014	2015	2016	2017	2018	2019	2020	2021
Electric								
GRU	14.66	14.94	13.71	16.65	15.00	14.91	10.35	9.91

S & P Global Ratings
September 30, 2021 Pre Audit Review
Financial Metrics

S & P Global Ratings



SUMMARY: S & P FINANCIAL METRICS @ 9/30/21

	LIQUIDITY		COVERAGE			DEBT & LIABILITIES
	Total Days Liquidity	Available Reserves	Fixed Charge Coverage	Fixed Charge Coverage Net of transfers to/from RSF	Debt Service Coverage	Debt to Capitalization
GRU						
FY15	304	225,767,910				80.39%
FY16	320	246,189,210	1.27		1.29 2.16	79.22%
FY17	249	198,438,151	1.31		1.23 2.29	81.09%
FY18	282	181,213,637	1.59		1.55 2.10	79.52%
FY19	451	287,134,525	1.53		1.47 1.95	79.78%
FY20	647	374,113,560	1.66		1.71 2.15	80.26%
FY21	615	388,753,386	1.60		1.73 2.10	81.32%

S & P Classification

	1	2	3	4	5
Extremely strong	>= 270	>= \$250M	>= 1.6	>= 1.6	<= 50%
Very strong	150 - 270	\$100M - \$250M	1.4 - 1.6	1.4 - 1.6	50% - 60%
Strong	90 - 150	\$50M - \$100M	1.2 - 1.4	1.2 - 1.4	60% - 70%
Adequate	45 - 90	\$10M - \$50M	1.1 - 1.2	1.1 - 1.2	70% - 80%
Vulnerable	15 - 45	\$2M - \$10M	1.0 - 1.1	1.0 - 1.1	80% - 90%
Highly vulnerable	<= 15	< \$2M	<= 1.0	<= 1.0	>= 90%

TAKE AWAY: Liquidity and coverage metrics are extremely strong. High debt to capitalization ratio puts GRU in the vulnerable range for leverage.

Liquidity

Days Cash on Hand Total Days Liquidity

GRU LIQUIDITY METRICS TREND		
	TOTAL DAYS LIQUIDITY	AVAILABLE RESERVES
FY15	304	225,767,910
FY16	320	246,189,210
FY17	249	198,438,151
FY18	282	181,213,637
FY19	451	287,134,525
FY20	647	374,113,560
FY21	615	388,753,386

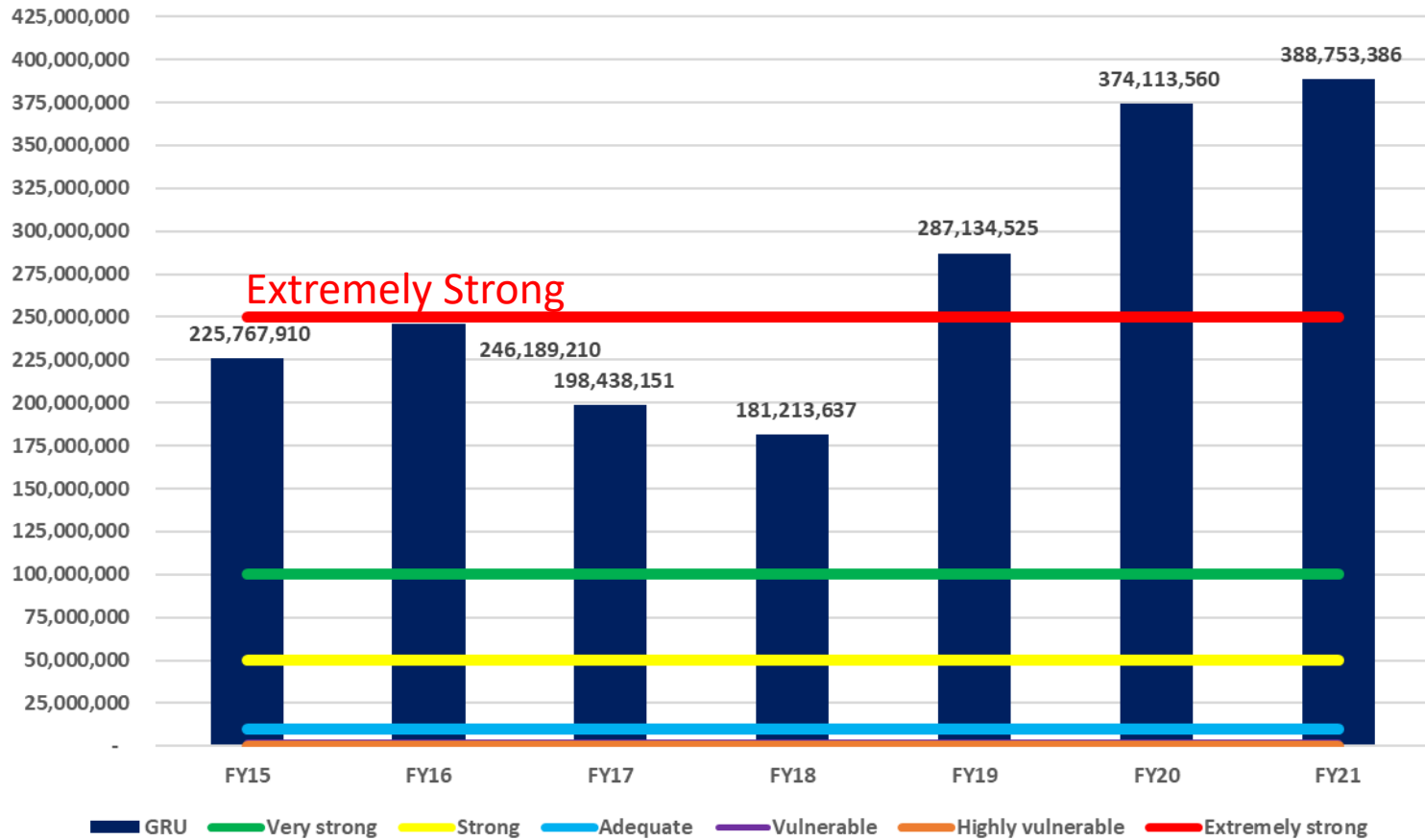
SUMMARY OF LIQUIDITY & RESERVE METRICS					
<u>Total Days Liquidity</u>			<u>Available Reserves</u>		
S&P Classification		GRU 9/30/21	S&P Classification		GRU 9/30/21
Extremely Strong	= > 270	615	Extremely Strong	= > \$250M	\$388.8M
Very Strong	150 - 270		Very Strong	\$100M - \$250M	
Strong	90 - 150		Strong	\$50M - \$100M	
Adequate	45 - 90		Adequate	\$10M - \$50M	
Vulnerable	15 - 45		Vulnerable	\$2M - \$10M	
Highly Vulnerable	<= 15		Highly Vulnerable	< \$2M	



Liquidity

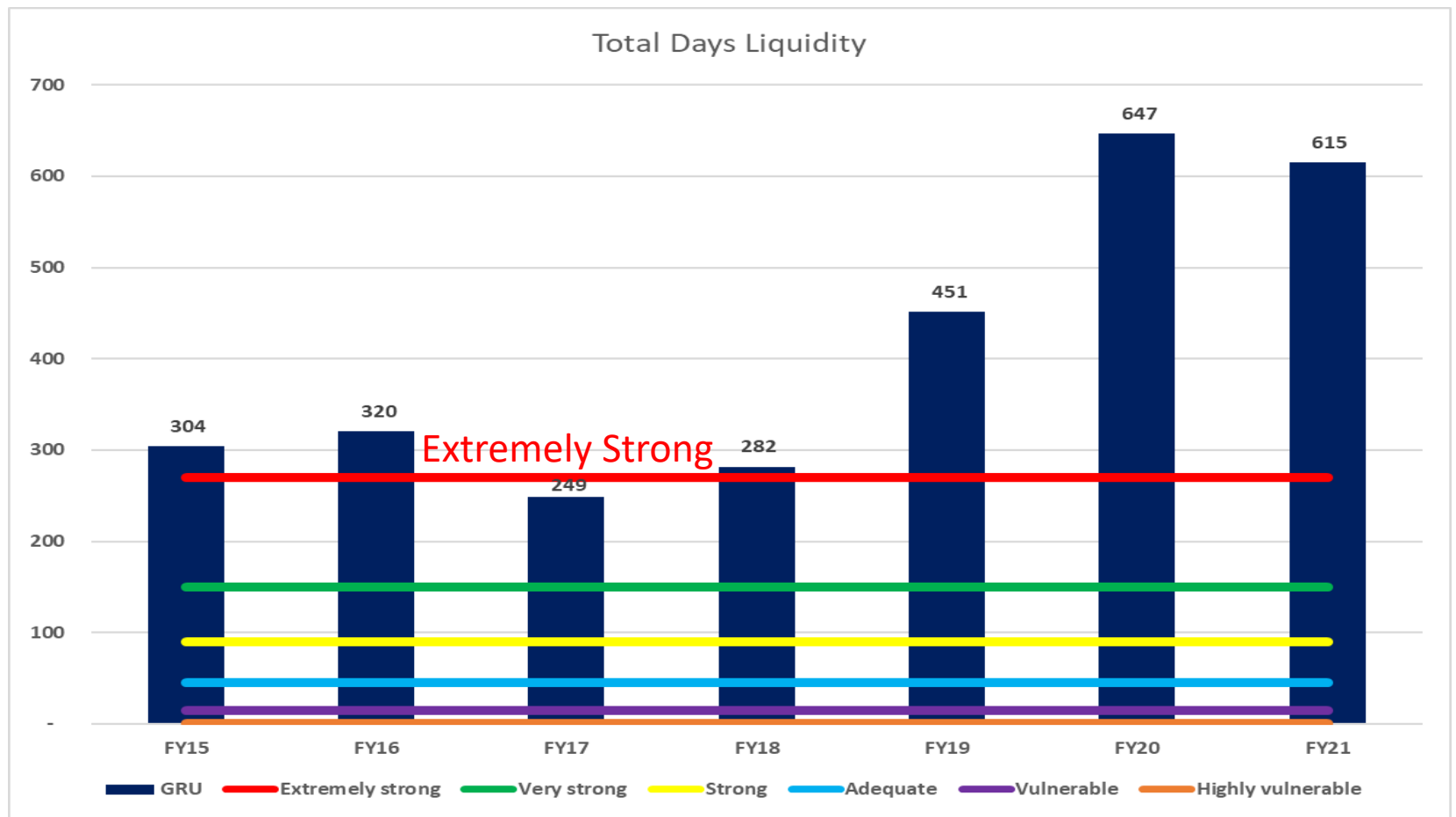
- Available reserves up \$14.6M from FY20
 - Combined operating & RSF approximately the same
 - UPIF cash & investments up \$14.6M
- Lines of credit and authorized but unissued commercial paper remained the same
- Total days liquidity fell from 647 days to 615 days
 - Increase in available reserves outweighed by increase in average daily expense (\$24.7M increase in fuel expense compared to FY20)
- These levels place GRU in S&P's "extremely strong" classification for both of these measures
 - Incredibly important to maintain as this partially offsets GRU's high leverage

Available Reserves



Available Reserves

	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Operating Cash & Investments	53,539,963	62,635,050	49,488,170	26,793,426	27,505,536	34,499,741	24,866,712
Rate Stabilization Fund Cash & investments	72,104,746	74,262,078	62,431,906	57,703,806	56,941,703	62,945,910	72,566,935
UPIF Cash & Investments	55,023,201	58,792,082	35,418,075	14,716,405	27,687,286	51,667,909	66,319,739
Undrawn Letter Of Credit - SunTrust	-	-	-	25,000,000	25,000,000	75,000,000	75,000,000
Authorized but Unissued Commercial Paper	45,100,000	50,500,000	51,100,000	57,000,000	150,000,000	150,000,000	150,000,000
= Available Reserves	225,767,910	246,189,210	198,438,151	181,213,637	287,134,525	374,113,560	388,753,386



Total Days Liquidity

	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Operating Expenses	366,437,027	379,977,926	396,702,379	328,936,572	329,899,343	311,973,248	331,093,674
Less Depreciation & Amortization	(95,454,204)	(99,343,149)	(105,402,712)	(94,080,133)	(97,336,684)	(101,046,520)	(100,355,464)
= Adjusted Operating Expense	270,982,823	280,634,777	291,299,667	234,856,439	232,562,659	210,926,728	230,738,210
Divided by 365	365	365	365	365	365	365	365
= Average Daily Expense	742,419	768,862	798,081	643,442	637,158	577,881	632,159
Available Reserves	225,767,910	246,189,210	198,438,151	181,213,637	287,134,525	374,113,560	388,753,386
Divided by Average Daily Expense	742,419	768,862	798,081	643,442	637,158	577,881	632,159
= Days Liquidity on Hand	304	320	249	282	451	647	615

Coverage

Fixed Charge Coverage

Fixed Charge Coverage Net of Transfers to and from RSF

Debt Service Coverage

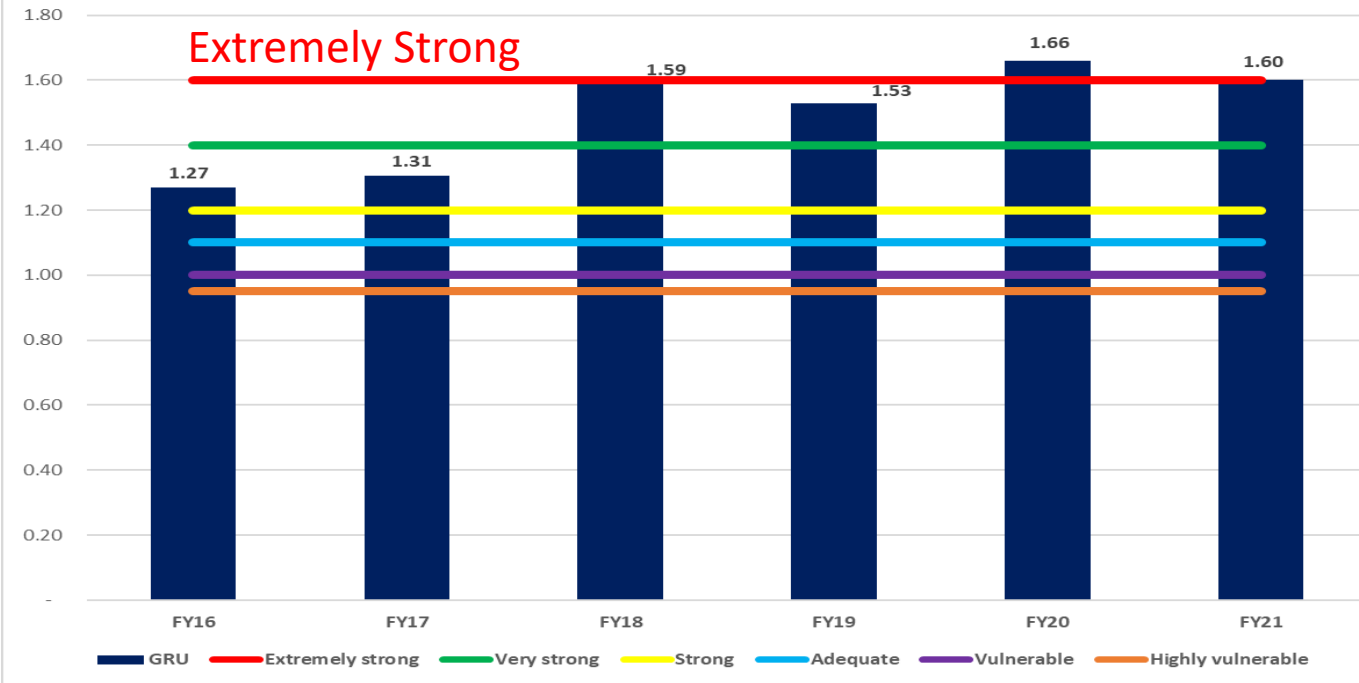
GRU COVERAGE METRICS TREND			
	FIXED CHARGE COVERAGE	FIXED CHARGE COVERAGE NET OF RSF	DEBT SERVICE COVERAGE
FY16	1.27	1.29	2.16
FY17	1.31	1.23	2.29
FY18	1.59	1.55	2.10
FY19	1.53	1.47	1.95
FY20	1.66	1.71	2.15
FY21	1.60	1.73	2.10

SUMMARY OF COVERAGE METRICS			
	S&P Classification	FIXED CHARGE COVERAGE GRU @ 9/30/21	FIXED CHARGE COVERAGE NET OF RSF GRU as of 9/31/20
	Extremely Strong	= > 1.6	1.60
	Very Strong	1.4 - 1.6	1.73
	Strong	1.2 - 1.4	
	Adequate	1.1 - 1.2	
	Vulnerable	1.0 - 1.1	
	Highly Vulnerable	<= 1.0	

Coverage

- Slight changes in coverage ratios between FYE20 and FYE21
 - Fixed Charge Coverage fell from 1.66 to 1.60
 - Fixed Charge Coverage Net of Transfers to/from RSF rose from 1.71 to 1.73
 - Debt Service Coverage fell from 2.15 to 2.10
- The Fixed Charge Coverage ratio and Fixed Charge Coverage Net of Transfers to/from RSF ratio puts us in the “extremely strong” category

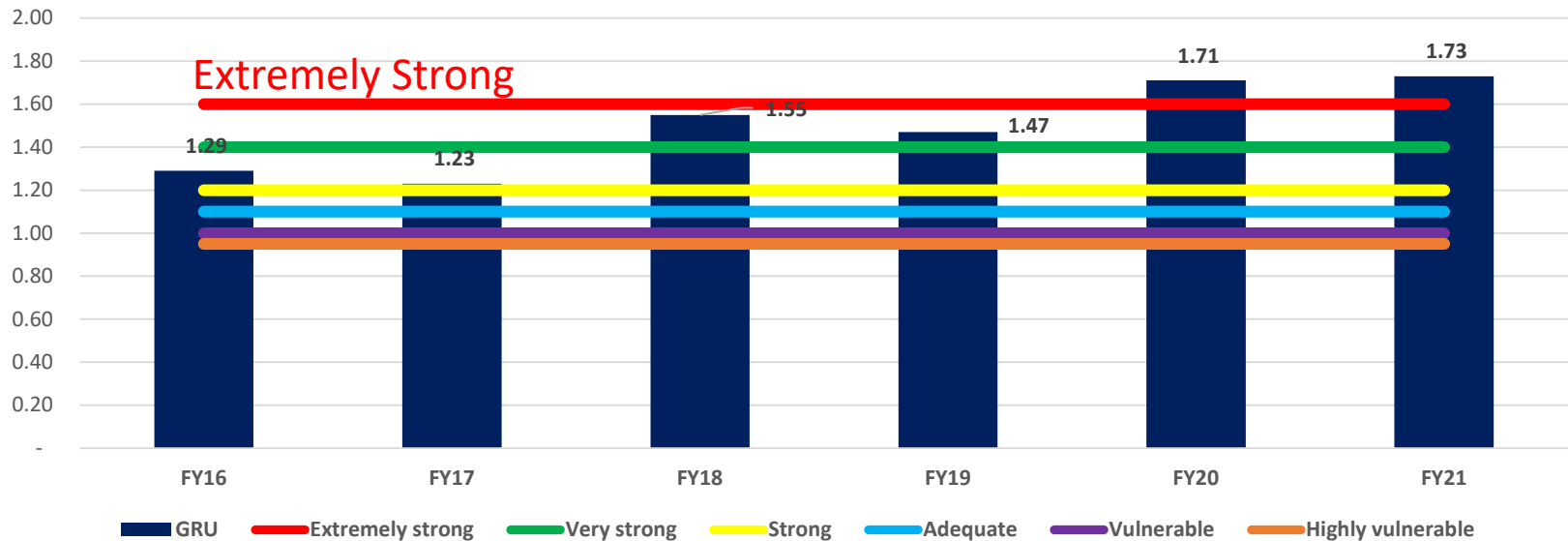
Fixed Cost & Imputed Charge Coverage



Fixed Cost & Imputed Charge Coverage

	FY16	FY17	FY18	FY19	FY20	FY21
Total Operating Revenue	433,817,807	460,540,726	402,554,119	416,692,900	390,570,096	408,470,726
Less Amounts to be Recovered from Future Revenue	(33,560,292)	(33,560,292)	(3,449,252)	(18,071,378)	(5,479,529)	(5,350,573)
Interest Income	661,066	2,798,693	2,986,003	4,774,240	3,039,395	1,093,496
Other Non Operating Income - Cash Only (BABS, Other)	15,466,000	5,308,201	5,259,227	5,211,950	5,154,906	5,112,590
= Total Revenue	416,384,581	435,087,328	407,350,097	408,607,712	393,284,868	409,326,239
Total Operating Expense	379,977,926	396,702,379	328,936,572	329,899,343	311,973,248	331,093,674
Less Depreciation & Amortization	(98,984,763)	(105,402,712)	(94,080,133)	(97,336,684)	(101,046,520)	(100,355,464)
= Operating Expense Net of Depreciation	280,993,163	291,299,667	234,856,439	232,562,659	210,926,728	230,738,210
Total Revenue	416,384,581	435,087,328	407,350,097	408,607,712	393,284,868	409,326,239
Less Operating Expense Net of Depreciation	(280,993,163)	(291,299,667)	(234,856,439)	(232,562,659)	(210,926,728)	(230,738,210)
= Net Revenue Available for Debt Service	135,391,418	143,787,661	172,493,658	176,045,053	182,358,140	178,588,029
Less GFT	(34,994,591)	(35,814,010)	(36,379,080)	(38,285,001)	(38,285,000)	(38,285,000)
= Net Revenue Available for Debt Service after Transfers	100,396,827	107,973,651	136,114,578	137,760,052	144,073,140	140,303,029
50% of purchased power cost					5,820,513	6,661,020
+ Fixed & Imputed Charges (PPA)	76,608,000	84,402,000	9,223,000	-	-	-
= Revenues Available for Debt Service & Fixed Costs	177,004,827	192,375,651	145,337,578	137,760,052	149,893,653	146,964,049
Principal Payments per Cash Flow Statement	22,205,000	23,135,000	24,020,000	27,885,000	22,105,000	27,090,000
Plus Interest Expense Net of AFUDC per Income Statement	40,463,217	39,714,579	58,034,716	62,247,527	62,588,476	57,906,796
= Debt Service per S&P	62,668,217	62,849,579	82,054,716	90,132,527	84,693,476	84,996,796
50% pf purchased power cost					5,820,513	6,661,020
+ Fixed & Imputed Charges (PPA)	76,608,000	84,402,000	9,223,000	-	-	-
= Total Debt Service & Fixed Costs	139,276,217	147,251,579	91,277,716	90,132,527	90,513,989	91,657,816
Revenues Available for Debt Service & Fixed Costs	177,004,827	192,375,651	145,337,578	137,760,052	149,893,653	146,964,049
Divided by Total Debt Service & Fixed Costs	139,276,217	147,251,579	91,277,716	90,132,527	90,513,989	91,657,816
= Fixed Charge Coverage	1.27	1.31	1.59	1.53	1.66	1.60

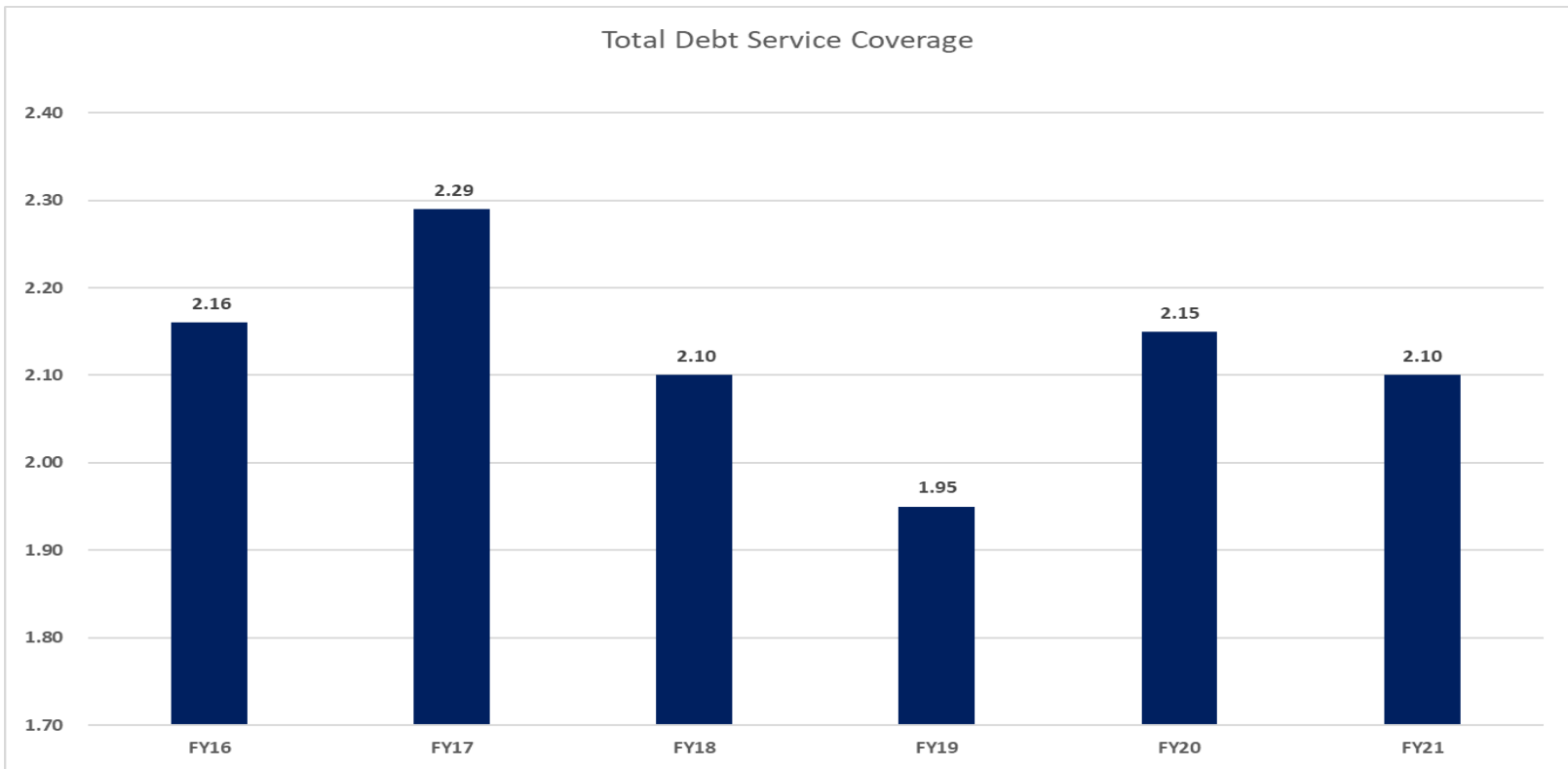
Fixed Cost & Imputed Charge Coverage, Net of RSF Transfers



Fixed Cost & Imputed Charge Coverage, Net of Transfers from RSF

	FY16	FY17	FY18	FY19	FY20	FY21
Total Operating Revenue	433,817,807	460,540,726	402,554,119	416,692,900	390,570,096	408,470,726
Less Transfers from RSF	2,662,847	(11,708,349)	(3,839,787)	(4,954,864)	4,578,087	11,753,171
Less Amounts to be Recovered from Future Revenue	(33,560,292)	(33,560,292)	(3,449,252)	(18,071,378)	(5,479,529)	(5,350,573)
Interest Income	661,066	2,798,693	2,986,003	4,774,240	3,039,395	1,093,496
Other Non Operating Income - Cash Only (BABS, Other)	15,466,000	5,308,201	5,259,227	5,211,950	5,154,906	5,112,590
= Total Revenue Net of RSF Transfers	419,047,428	423,378,979	403,510,310	403,652,848	397,862,955	421,079,410
Total Operating Expense	379,977,926	396,702,379	328,936,572	329,899,343	311,973,248	331,093,674
Less Depreciation & Amortization	(98,984,763)	(105,402,712)	(94,080,133)	(97,336,684)	(101,046,520)	(100,355,464)
= Operating Expense Net of Depreciation	280,993,163	291,299,667	234,856,439	232,562,659	210,926,728	230,738,210
Total Revenue Net of RSF Transfers	419,047,428	423,378,979	403,510,310	403,652,848	397,862,955	421,079,410
Less Operating Expense Net of Depreciation	(280,993,163)	(291,299,667)	(234,856,439)	(232,562,659)	(210,926,728)	(230,738,210)
= Net Revenue Available for Debt Service Net of RSF Transfers	138,054,265	132,079,312	168,653,871	171,090,189	186,936,227	190,341,200
Less GFT	(34,994,591)	(35,814,010)	(36,379,080)	(38,285,001)	(38,285,000)	(38,285,000)
= Net Revenue Available for Debt Service after Transfers	103,059,674	96,265,302	132,274,791	132,805,188	148,651,227	152,056,200
50% of purchased power					5,820,513	6,661,020
+ Fixed & Imputed Charges (PPA)	76,608,000	84,402,000	9,223,000	-	-	-
= Revenues Available for Debt Service & Fixed Costs Net of RSF	179,667,674	180,667,302	141,497,791	132,805,188	154,471,740	158,717,220
Principal Payments per Cash Flow Statement	22,205,000	23,135,000	24,020,000	27,885,000	22,105,000	27,090,000
Plus Interest Expense Net of AFUDC per Income Statement	40,463,217	39,714,579	58,034,716	62,247,527	62,588,476	57,906,796
= Debt Service per S&P	62,668,217	62,849,579	82,054,716	90,132,527	84,693,476	84,996,796
50% of purchased power					5,820,513	6,661,020
+ Fixed & Imputed Charges (PPA)	76,608,000	84,402,000	9,223,000	-	-	-
= Total Debt Service & Fixed Costs	139,276,217	147,251,579	91,277,716	90,132,527	90,513,989	91,657,816
= Revenues Available for Debt Service & Fixed Costs	179,667,674	180,667,302	141,497,791	132,805,188	154,471,740	158,717,220
Divided by Total Debt Service & Fixed Costs	139,276,217	147,251,579	91,277,716	90,132,527	90,513,989	91,657,816
= Fixed Charge Coverage Net of RSF Transfers	1.29	1.23	1.55	1.47	1.71	1.73

Total Debt Service Coverage




Total Debt Service Coverage

	FY16	FY17	FY18	FY19	FY20	FY21
Total Operating Revenue	433,817,807	460,540,726	402,554,119	416,692,900	390,570,096	408,470,726
Less Amounts to be Recovered from Future Revenue	(33,560,292)	(33,560,292)	(3,449,252)	(18,071,378)	(5,479,529)	(5,350,573)
Interest Income	661,066	2,798,693	2,986,003	4,774,240	3,039,395	1,093,496
Other Non Operating Income - Cash Only (BABS, Other)	15,466,000	5,308,201	5,259,227	5,211,950	5,154,906	5,112,590
= Total Revenue	416,384,581	435,087,328	407,350,097	408,607,712	393,284,868	409,326,239
Total Operating Expense	379,977,926	396,702,379	328,936,572	329,899,343	311,973,248	331,093,674
Less Depreciation & Amortization	(98,984,763)	(105,402,712)	(94,080,133)	(97,336,684)	(101,046,520)	(100,355,464)
= Operating Expense Net of Depreciation	280,993,163	291,299,667	234,856,439	232,562,659	210,926,728	230,738,210
Total Revenue	416,384,581	435,087,328	407,350,097	408,607,712	393,284,868	409,326,239
Less Operating Expense Net of Depreciation	(280,993,163)	(291,299,667)	(234,856,439)	(232,562,659)	(210,926,728)	(230,738,210)
= Net Revenue Available for Debt Service	135,391,418	143,787,661	172,493,658	176,045,053	182,358,140	178,588,029
Principal Payments per Cash Flow Statement	22,205,000	23,135,000	24,020,000	27,885,000	22,105,000	27,090,000
Plus Interest Expense Net of AFUDC per Income Statement	40,463,217	39,714,579	58,034,716	62,247,527	62,588,476	57,906,796
= Debt Service per S&P	62,668,217	62,849,579	82,054,716	90,132,527	84,693,476	84,996,796
Net Revenue Available for Debt Service	135,391,418	143,787,661	172,493,658	176,045,053	182,358,140	178,588,029
Divided by Debt Service per S&P	62,668,217	62,849,579	82,054,716	90,132,527	84,693,476	84,996,796
= Total Debt Service Coverage	2.16	2.29	2.10	1.95	2.15	2.10

Debt & Liabilities

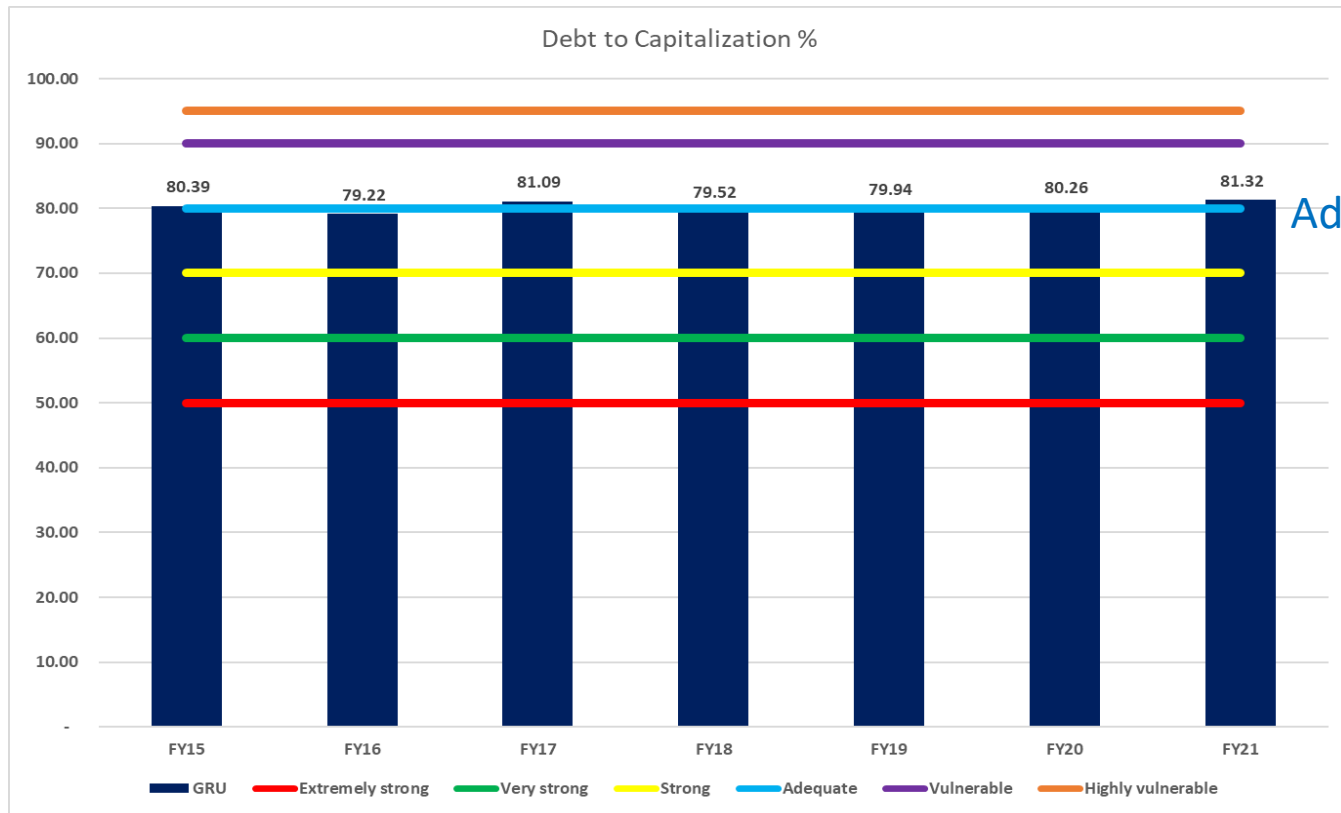
Debt to Capitalization

GRU DEBT & LIABILITIES METRICS TREND	
	DEBT TO CAPITALIZATION %
FY15	80.39
FY16	79.22
FY17	81.09
FY18	79.52
FY19	79.78
FY20	80.26
FY21	81.32

SUMMARY OF DEBT & LIABILITIES METRICS		
S&P Classification		Debt to Capitalization % GRU 9/30/21
Extremely Strong	< = 50	
Very Strong	50 - 60	
Strong	60 - 70	
Adequate	70 - 80	
 Vulnerable	80 - 90	81.32
Highly Vulnerable	= > 90	

Debt to Capitalization

- S & P's measure of leverage
- Ratio has been relatively steady over the past six years between 79% and 81%
- FYE21 ratio of 81.32% places us in S & P's "vulnerable" range



Debt to Capitalization

	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Revenue Bonds - Current	22,205,000	17,535,000	18,120,000	27,885,000	22,105,000	27,090,000	25,685,000
Capital Lease - Current	17,601,233	18,409,781	19,255,473	-	-	-	-
Commercial Paper - Current	-	13,600,000	5,900,000	-	-	-	-
Revenue Bonds - Long Term	889,075,000	781,540,000	853,420,000	1,506,455,000	1,665,165,000	1,637,880,000	1,707,955,000
Capital Lease - Long term	959,678,852	941,269,071	922,013,598	-	-	-	-
Commercial Paper - Long term	59,500,000	45,900,000	53,000,000	93,000,000	-	-	-
Total Debt	1,948,060,085	1,818,253,852	1,871,709,071	1,627,340,000	1,687,270,000	1,664,970,000	1,733,640,000
+ Net Position	475,105,616	476,963,944	436,496,373	419,118,942	423,399,280	409,373,214	398,181,152
= Total Capitalization	2,423,165,701	2,295,217,796	2,308,205,444	2,046,458,942	2,110,669,280	2,074,343,214	2,131,821,152
Total Debt	1,948,060,085	1,818,253,852	1,871,709,071	1,627,340,000	1,687,270,000	1,664,970,000	1,733,640,000
Divided by Total Capitalization	2,423,165,701	2,295,217,796	2,308,205,444	2,046,458,942	2,110,669,280	2,074,343,214	2,131,821,152
= Debt to Capitalization Ratio	80.39%	79.22%	81.09%	79.52%	79.94%	80.26%	81.32%

Moody's Investor Service
September 30, 2021 Pre Audit Review
Financial Metrics

MOODY'S RATING METHODOLOGY

Primary Rating Factors

Cost Recovery
Framework Within
Service Territory
25%

Willingness & Ability
to Recover Costs
with Sound Financial
Metrics
25%

Generation & Power
Procurement Risk
Exposure
10%

Competitiveness
10%

Financial Strength &
Liquidity
30%

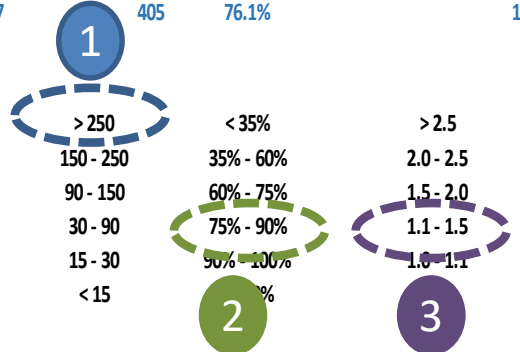
Adjusted Days Liquidity on hand 10%	Debt Ratio 10%	Adjusted Debt Service Coverage Ratio 10%
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SUMMARY : MOODY'S FINANCIAL METRICS FY21

	LIQUIDITY		LEVERAGE	COVERAGE				
	Days Cash On Hand	Adjusted Days Liquidity on Hand	Debt Ratio	Fixed Obligation Charge Coverage	Debt Service Coverage Senior Lien Debt	Debt Service Coverage Total Debt	Adjusted Debt Service Coverage - Senior Lien Debt	Adjusted Debt Service Coverage - Total Debt
GRU								
FY12	182	267	69.5%	1.64	2.35	2.14	1.80	1.64
FY13	196	278	68.6%	1.55	2.52	2.08	1.88	1.55
FY14	196	264	79.5%	1.54	2.39	2.18	1.69	1.54
FY15	182	242	79.4%	1.62	2.48	2.23	1.81	1.62
FY16	192	259	78.6%	1.71	2.52	2.27	1.90	1.71
FY17	162	230	80.7%	1.95	2.50	2.24	2.18	1.95
FY18	146	235	74.6%	1.49	1.88	1.86	1.51	1.49
FY19	150	395	74.9%	1.77	1.89	1.87	1.79	1.77
FY20	178	429	75.1%	1.39	1.85	1.85	1.39	1.39
FY21	167	405	76.1%	1.55	1.94	1.94	1.55	1.55

Moody's categories

- Moody's Aaa
- Moody's Aa
- Moody's A
- Moody's Baa
- Moody's Ba
- Moody's B



TAKE AWAY: Strong liquidity ratios & solid coverage ratios. High leverage places GRU in Moody's Baa classification for this metric.

Liquidity

Adjusted Days Liquidity on Hand Days Cash on Hand

GRU LIQUIDITY METRICS TREND		
	ADJUSTED DAYS LIQUIDITY ON HAND	DAYS CASH ON HAND
FY12	267	182
FY13	278	196
FY14	264	196
FY15	242	182
FY16	259	192
FY17	230	162
FY18	235	146
FY19	395	150
FY20	429	178
FY21	405	167

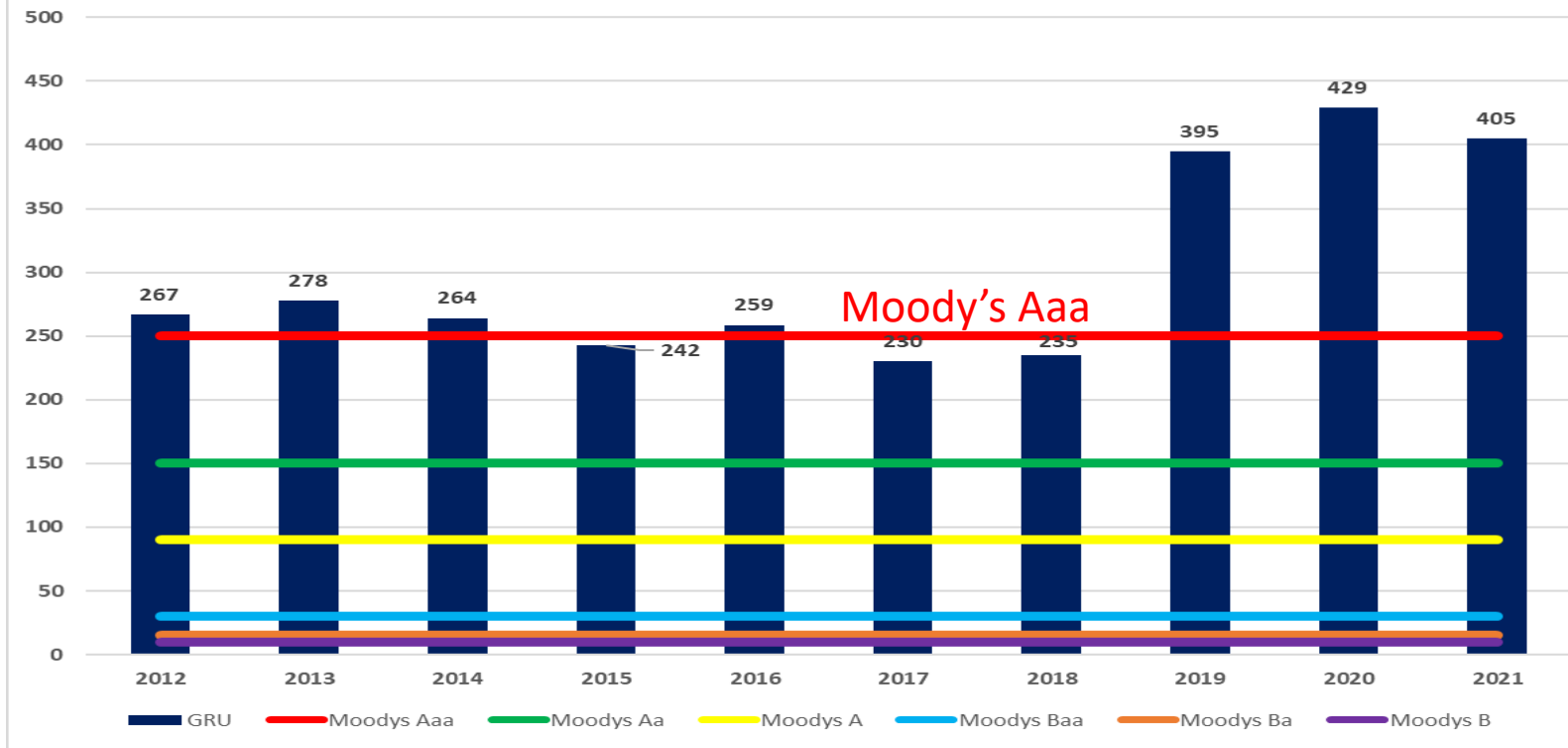
SUMMARY OF LIQUIDITY METRICS							
	Moody's Aaa	Moody's Aa	Moody's A	Moody's Baa	Moody's Ba	Moody's B	GRU FY21
Adjusted Days Liquidity on Hand	> 250	150 - 250	90 - 150	30 - 90	15 - 30	< 15	405
Days Cash on Hand							167



Liquidity

- Liquidity metrics declined from FYE20
 - Adjusted Days Liquidity on Hand from 429 days to 405 days
 - Days Cash on Hand from 178 days to 167 days
- Unrestricted cash approximately the same
 - Moody's definition = operating cash, RSF & utility deposits
- Average daily expense up \$36,000
 - Fuel expense up \$24.7M
- Moody's liquidity metrics do not include authorized but undrawn lines of credit (total \$75M with Truist Bank)

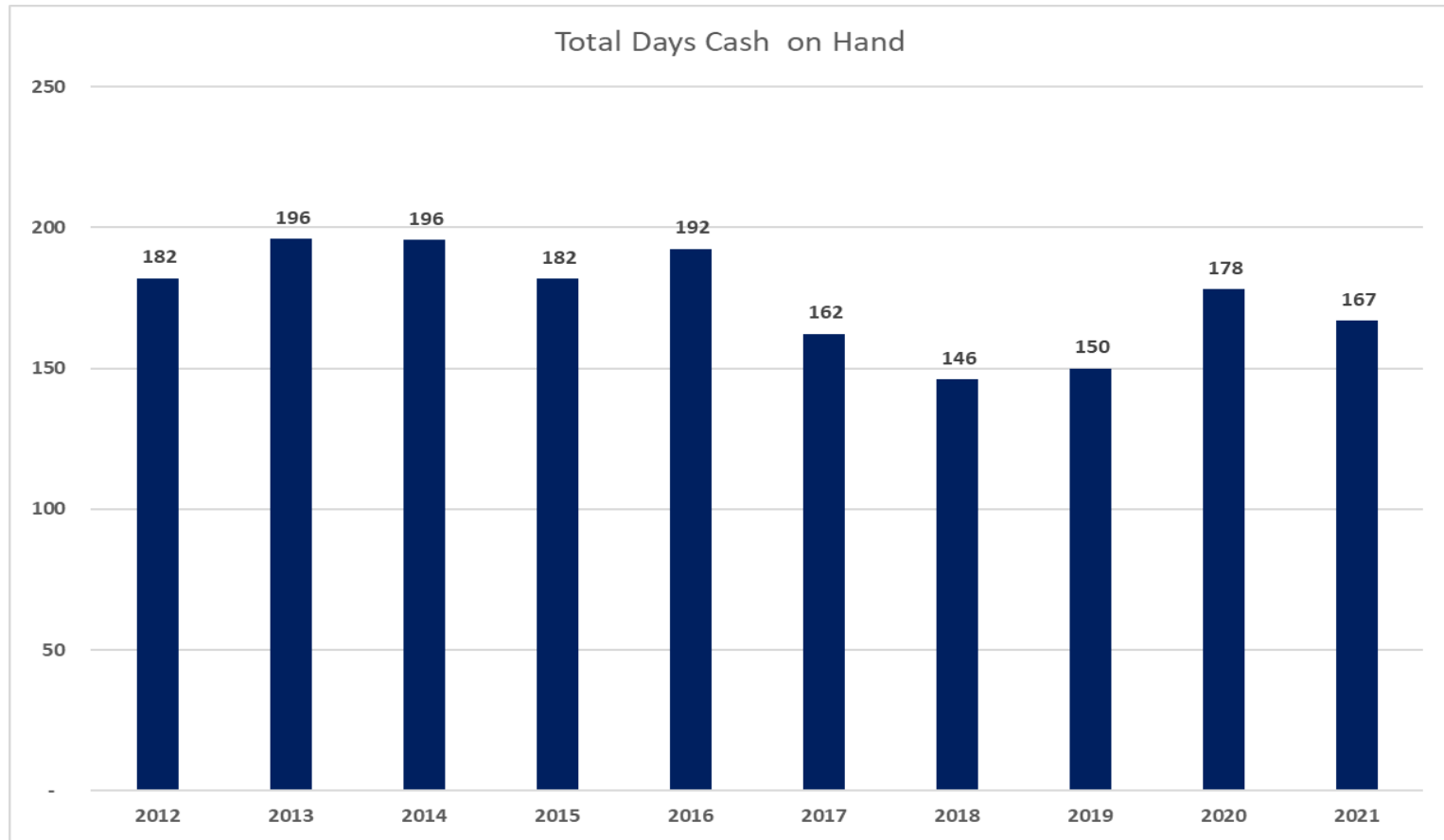
Adjusted Days Liquidity on Hand



Adjusted Days Liquidity on Hand

	2012	2013	2014	2015	2016	2017	2018	FY19	FY20	FY21
Operating Cash	32,464,543	50,725,104	64,756,240	53,539,963	62,635,050	49,488,170	26,793,426	27,505,536	34,499,741	24,866,712
Utility Deposits	8,067,395	8,314,035	8,322,368	9,256,442	9,891,380	9,998,718	9,078,180	7,663,091	8,481,812	8,411,696
Rate Stabilization Fund Cash	62,735,370	56,154,695	64,030,121	72,104,746	74,262,078	62,431,906	57,703,806	56,941,703	62,945,910	72,566,935
= Unrestricted Cash	103,267,308	115,193,834	137,108,729	134,901,151	146,788,508	121,918,794	93,575,412	92,110,330	105,927,463	105,845,343
Plus Authorized but Unissued Commercial Paper	48,000,000	48,000,000	48,000,000	45,100,000	50,500,000	51,100,000	57,000,000	150,000,000	150,000,000	150,000,000
= Total Liquidity	151,267,308	163,193,834	185,108,729	180,001,151	197,288,508	173,018,794	150,575,412	242,110,330	255,927,463	255,845,343
Operating Expense	262,522,653	273,601,369	340,246,921	366,437,027	379,977,926	396,702,379	328,936,572	329,899,343	311,973,248	331,093,674
Less Depreciation & Amortization	(55,382,057)	(59,135,363)	(84,449,419)	(95,454,204)	(99,343,149)	(105,402,712)	(94,080,133)	(97,336,684)	(101,046,520)	(100,355,464)
Plus Moody's Pension Adjustment	-	-	-	-	(2,228,000)	(17,026,000)	(980,439)	(8,816,659)	6,657,000	-
= Adjusted Expense	207,140,596	214,466,006	255,797,502	270,982,823	278,406,777	274,273,667	233,876,000	223,746,000	217,583,728	230,738,210
Divided by 365	365	365	365	365	365	365	365	365	365	365
= Average Daily Expense	567,508.48	587,578.10	700,815.07	742,418.69	762,758.29	751,434.70	640,756.16	613,002.74	596,119.80	632,159.48
Total Liquidity	151,267,308	163,193,834	185,108,729	180,001,151	197,288,508	173,018,794	150,575,412	242,110,330	255,927,463	255,845,343
Divided by Average Daily Expense	567,508.48	587,578.10	700,815.07	742,418.69	762,758.29	751,434.70	640,757.37	613,002.74	596,119.80	632,159.48
= Days Liquidity on Hand	267	278	264	242	259	230	235	395	429	405

Total Days Cash on Hand



Total Days Cash on Hand

	2012	2013	2014	2015	2016	2017	2018	FY19	FY20	FY21
Operating Cash	32,464,543	50,725,104	64,756,240	53,539,963	62,635,050	49,488,170	26,793,426	27,505,536	34,499,741	24,866,712
Utility Deposits	8,067,395	8,314,035	8,322,368	9,256,442	9,891,380	9,998,718	9,078,180	7,663,091	8,481,812	8,411,696
Rate Stabilization Fund Cash	62,735,370	56,154,695	64,030,121	72,104,746	74,262,078	62,431,906	57,703,806	56,941,703	62,945,910	72,566,935
= Unrestricted Cash	103,267,308	115,193,834	137,108,729	134,901,151	146,788,508	121,918,794	93,575,412	92,110,330	105,927,463	105,845,343
Operating Expense	262,522,653	273,601,369	340,246,921	366,437,027	379,977,926	396,702,379	328,936,572	329,899,343	311,973,248	331,093,674
Less Depreciation & Amortization	(55,382,057)	(59,135,363)	(84,449,419)	(95,454,204)	(99,343,149)	(105,402,712)	(94,080,133)	(97,336,684)	(101,046,520)	(100,355,464)
Plus Moody's Pension Adjustment	-	-	-	-	(2,228,000)	(17,026,000)	(980,439)	(8,816,659)	6,657,000	-
= Adjusted Expense	207,140,596	214,466,006	255,797,502	270,982,823	278,406,777	274,273,667	233,876,000	223,746,000	217,583,728	230,738,210
Divided by 365	365	365	365	365	365	365	365	365	365	365.0
= Average Daily Expense	567,508.48	587,578.10	700,815.07	742,418.69	762,758.29	751,434.70	640,756.16	613,002.74	596,119.80	632,159.48
Unrestricted Cash	103,267,308	115,193,834	137,108,729	134,901,151	146,788,508	121,918,794	93,575,412	92,110,330	105,927,463	105,845,343
Divided by Average Daily Expense	567,508	587,578	700,815	742,419	762,758	751,434.70	640,756	613,002.74	596,119.80	632,159.48
= Days Cash on Hand	182	196	196	182	192	162	146	150	178	167

Leverage

Debt Ratio

GRU LEVERAGE METRICS TREND	
	DEBT RATIO
FY12	69.5%
FY13	68.6%
FY14	79.5%
FY15	79.4%
FY16	78.6%
FY17	80.7%
FY18	74.6%
FY19	74.9%
FY20	75.1%
FY21	76.1%

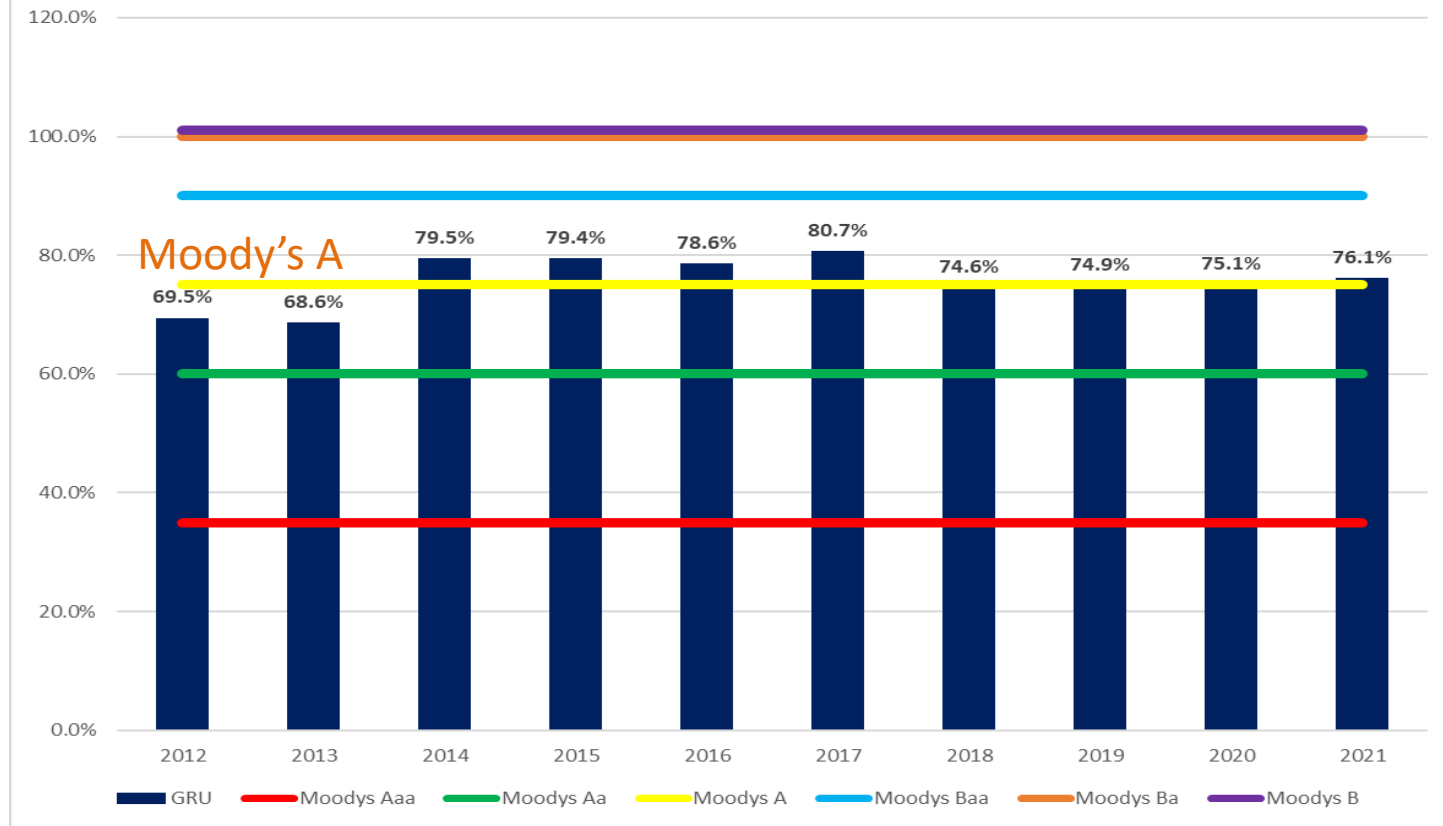
SUMMARY OF LEVERAGE METRICS							
	Moody's Aaa	Moody's Aa	Moody's A	Moody's Baa	Moody's Ba	Moody's B	GRU FY21
Debt Ratio	< 35%	35% - 60%	60% - 75%	75% - 90%	90% - 100%	> 100%	76.1%



Leverage

- Debt ratio, which under the Moody's formula is debt as a percentage of fixed assets net of depreciation plus net working capital, has remained relatively constant over the past several years
 - FY19 74.9%
 - FY20 75.1%
 - FY21 76.1%
- This 76.1% ratio places us in Moody's Baa category

Debt Ratio



Debt Ratio

	2012	2013	2014	2015	2016	2017	2018	FY19	FY20	FY21
Total Debt	1,006,694,998	974,795,000	1,942,058,278	1,948,060,085	1,908,253,852	1,871,709,071	1,627,340,000	1,687,270,000	1,664,970,000	1,733,640,000
Less Debt Service Funds	(52,496,078)	(45,852,407)	(39,682,742)	(40,816,148)	(41,714,440)	(42,322,319)	(59,269,274)	(56,094,239)	(60,083,857)	(58,412,082)
Less Interest Payable	-	-	-	-	-	-	-	-	-	-
= Debt	954,198,920	928,942,593	1,902,375,536	1,907,243,937	1,866,539,412	1,829,386,752	1,568,070,726	1,631,175,761	1,604,886,143	1,675,227,918
Fixed Assets Net of Depreciation(Net Capital Assets)	1,202,100,960	1,207,642,644	2,196,230,910	2,166,088,317	2,144,929,363	2,082,742,196	1,926,451,932	1,886,223,139	1,871,400,482	1,863,541,611
Plus Net Working Capital	171,727,000	146,187,000	196,658,000	234,559,000	229,806,000	184,217,000	176,022,000	291,048,374	264,446,468	337,262,766
= Adjusted Assets	1,373,827,960	1,353,829,644	2,392,888,910	2,400,647,317	2,374,735,363	2,266,959,196	2,102,473,932	2,177,271,513	2,135,846,950	2,200,804,377
Debt	954,198,920	928,942,593	1,902,375,536	1,907,243,937	1,866,539,412	1,829,386,752	1,568,070,726	1,631,175,761	1,604,886,143	1,675,227,918
Divided by Adjusted Assets	1,373,827,960	1,353,829,644	2,392,888,910	2,400,647,317	2,374,735,363	2,266,959,196	2,102,473,932	2,177,271,513	2,135,846,950	2,200,804,377
= Debt Ratio	69.5%	68.6%	79.5%	79.4%	78.6%	80.7%	74.6%	74.9%	75.1%	76.1%

Coverage Metrics

- Fixed Obligation Charge Coverage
- Debt Service Coverage – Senior Lien
- Debt Service Coverage – Total Debt
- Adjusted Debt Service Coverage – Senior Lien
- Adjusted Debt Service Coverage – Total Debt

GRU COVERAGE METRICS TREND					
	FIXED OBLIGATION CHARGE COVERAGE	DEBT SERVICE COVERAGE SENIOR LIEN DEBT	DEBT SERVICE COVERAGE TOTAL DEBT	ADJ. DEBT SERVICE COVERAGE SENIOR LIEN DEBT	ADJ. DEBT SERVICE COVERAGE TOTAL DEBT
FY12	1.64	2.35	2.14	1.80	1.64
FY13	1.55	2.52	2.08	1.88	1.55
FY14	1.54	2.39	2.18	1.69	1.54
FY15	1.62	2.48	2.23	1.81	1.62
FY16	1.71	2.52	2.27	1.90	1.71
FY17	1.95	2.50	2.24	2.18	1.95
FY18	1.49	1.88	1.86	1.51	1.49
FY19	1.77	1.89	1.87	1.79	1.77
FY20	1.39	1.85	1.85	1.39	1.39
FY21	1.55	1.94	1.94	1.55	1.55

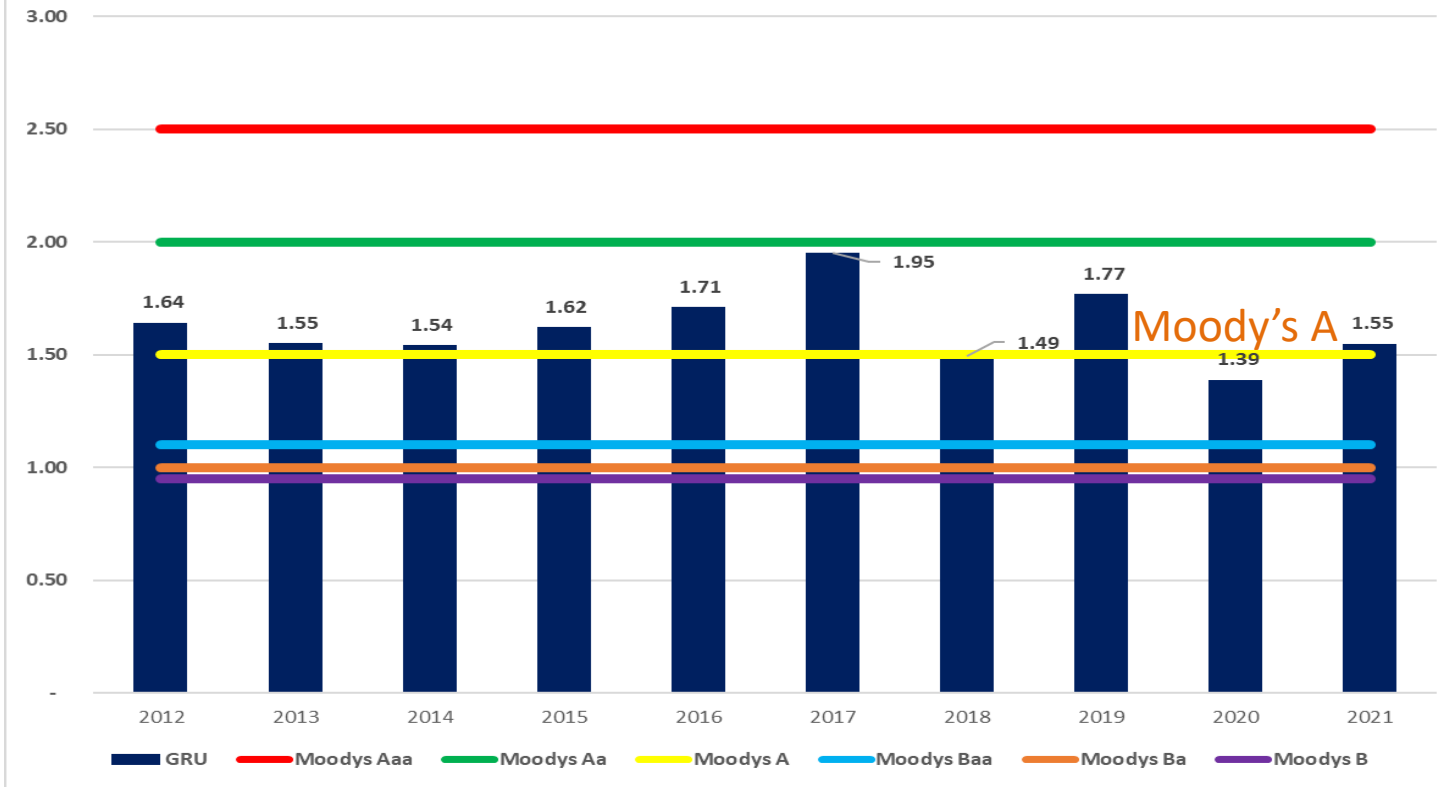
SUMMARY OF COVERAGE METRICS							
	Moody's Aaa	Moody's Aa	Moody's A	Moody's Baa	Moody's Ba	Moody's B	GRU FY21
Fixed Obligation Charge	> 2.5	2.0 - 2.5	1.5 - 2.0	1.1 - 1.5	1 - 1.1	< 1.0	1.55
Debt Service - Senior Lien							1.94
Debt Service - Total Debt							1.94
Adjusted Debt Service - Senior Lien							1.55
Adjusted Debt Service - Total							1.55



Coverage Metrics

- All five of our Moody's coverage ratios have improved between FYE20 and FYE21, driven largely by lower actual debt service expense per Moody's debt service formula in FY21 vs FY20
- FY21 actual debt service approximately \$4.5M less than FY20, driven by decline in interest rates on variable rate debt. For FY21 vs FY20
 - Principal down \$1.8M
 - Interest down \$5.7M
 - Net swap payments up \$3.0M

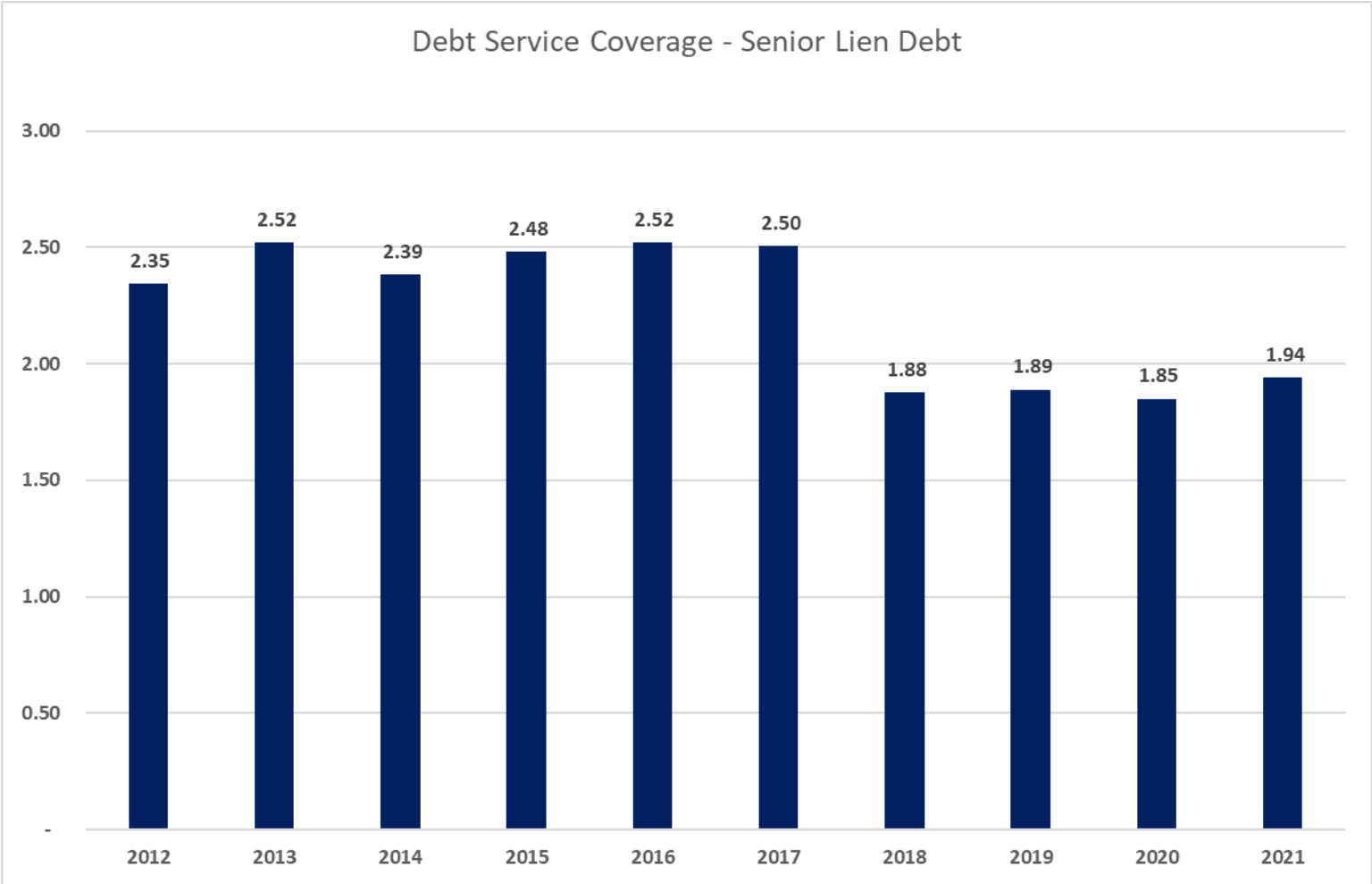
Fixed Obligation Charge Coverage



Fixed Obligation Charge Coverage

	2012	2013	2014	2015	2016	2017	2018	FY19	FY20	FY21
Total Operating Revenues	348,857,506	348,776,253	405,894,614	425,941,201	433,817,807	460,540,726	402,554,119	416,692,900	390,570,096	408,460,726
Less Amount to be Recovered	-	-	(26,433,241)	(33,560,292)	(33,560,292)	(33,560,292)	-	-	-	-
Less GFT	(36,004,958)	(36,656,458)	(37,316,841)	(34,892,425)	(34,994,591)	(35,814,010)	(36,379,080)	(38,285,001)	(38,285,000)	(38,285,000)
Plus BABS Rebate	5,766,086	5,515,262	5,350,928	5,345,162	5,372,529	5,308,201	5,259,227	5,211,950	5,154,906	5,112,590
Interest income								10,440,000	1,894,000	1,093,496
Plus Other Income (Expense)	3,184,630	2,117,935	924,180	8,290,546	13,987,579	(82,960)	(3,030,651)	(9,029,009)	(7,582,534)	(2,792,815)
= Gross Revenues & Income	321,803,264	319,752,992	348,419,640	371,124,192	384,623,032	396,391,665	368,403,615	385,030,840	351,751,468	373,588,997
Less Total Operating Expenses Net of Dep. & Amort.	(207,140,596)	(214,466,006)	(255,797,502)	(270,982,823)	(280,634,777)	(291,299,667)	(234,856,439)	(232,562,659)	(210,926,728)	(230,738,210)
Plus Moody's Pension Adjustment	-	-	-	-	2,228,000	17,026,000	980,439	8,817,000	(6,657,000)	-
= Funds Available to Meet Fixed Obligations	114,662,668	105,286,986	92,622,138	100,141,369	106,216,255	122,117,998	134,527,615	161,285,181	134,167,740	142,850,787
Divided by Total Debt Service	69,793,875	67,889,965	60,042,322	61,638,072	62,027,441	62,571,817	90,095,336	91,095,669	96,710,070	92,312,499
= Fixed Obligation Charge Coverage	1.64	1.55	1.54	1.62	1.71	1.95	1.49	1.77	1.39	1.55

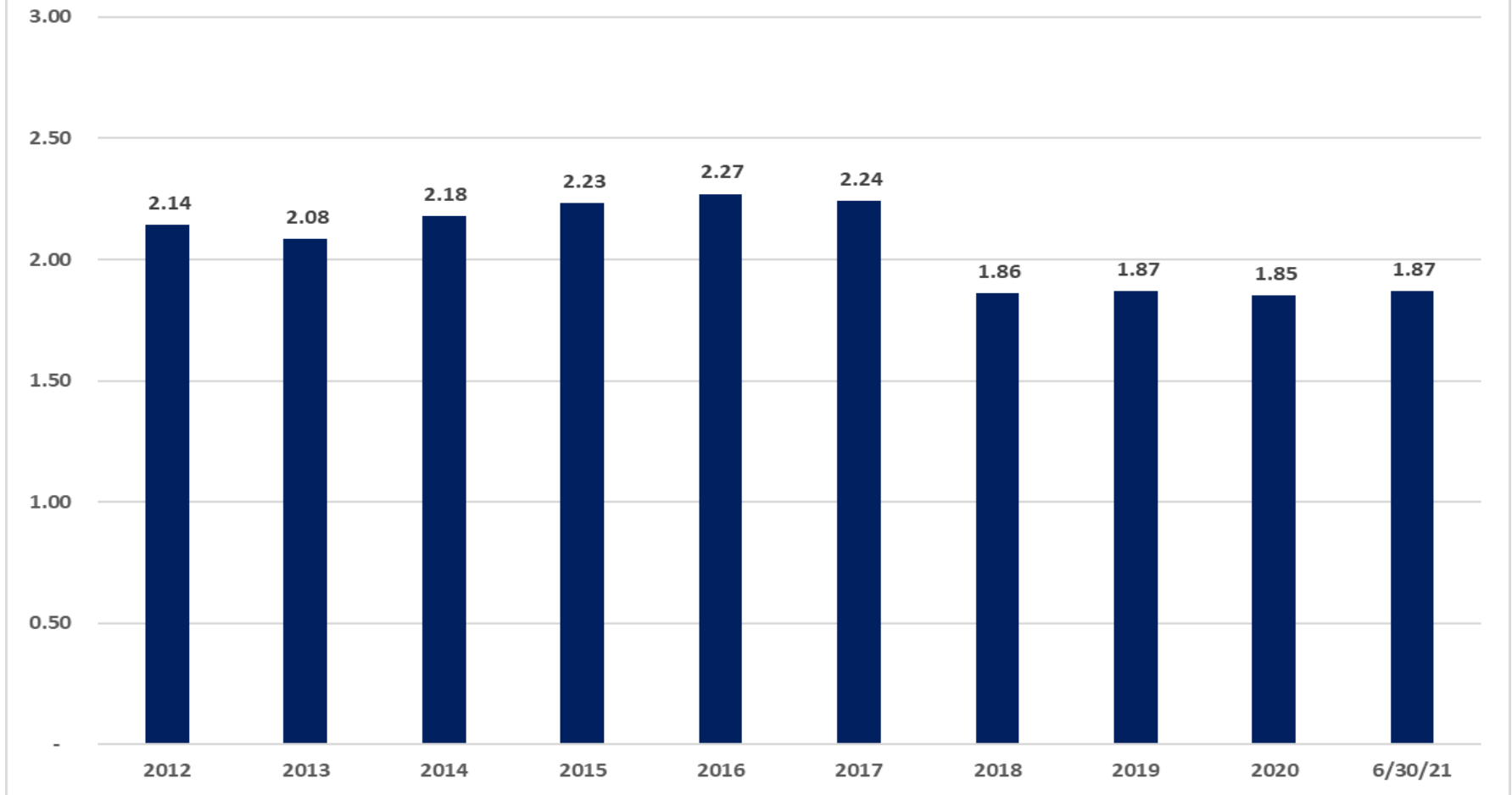
Debt Service Coverage - Senior Lien Debt



Debt Service Coverage - Senior Lien Debt

	2012	2013	2014	2015	2016	2017	2018	FY19	FY20	FY21
Net Revenue in Accordance with Bond Resolution (F/S)	149,549,879	141,497,780	130,842,529	137,657,063	140,800,171	140,243,923	167,594,969	170,665,082	178,852,341	178,950,973
Senior Lien Debt Service	63,755,940	56,101,372	54,860,040	55,461,104	55,821,582	55,988,596	89,235,841	90,191,176	96,710,070	92,312,499
Debt Service Coverage - Senior Lien Debt	2.35	2.52	2.39	2.48	2.52	2.50	1.88	1.89	1.85	1.94

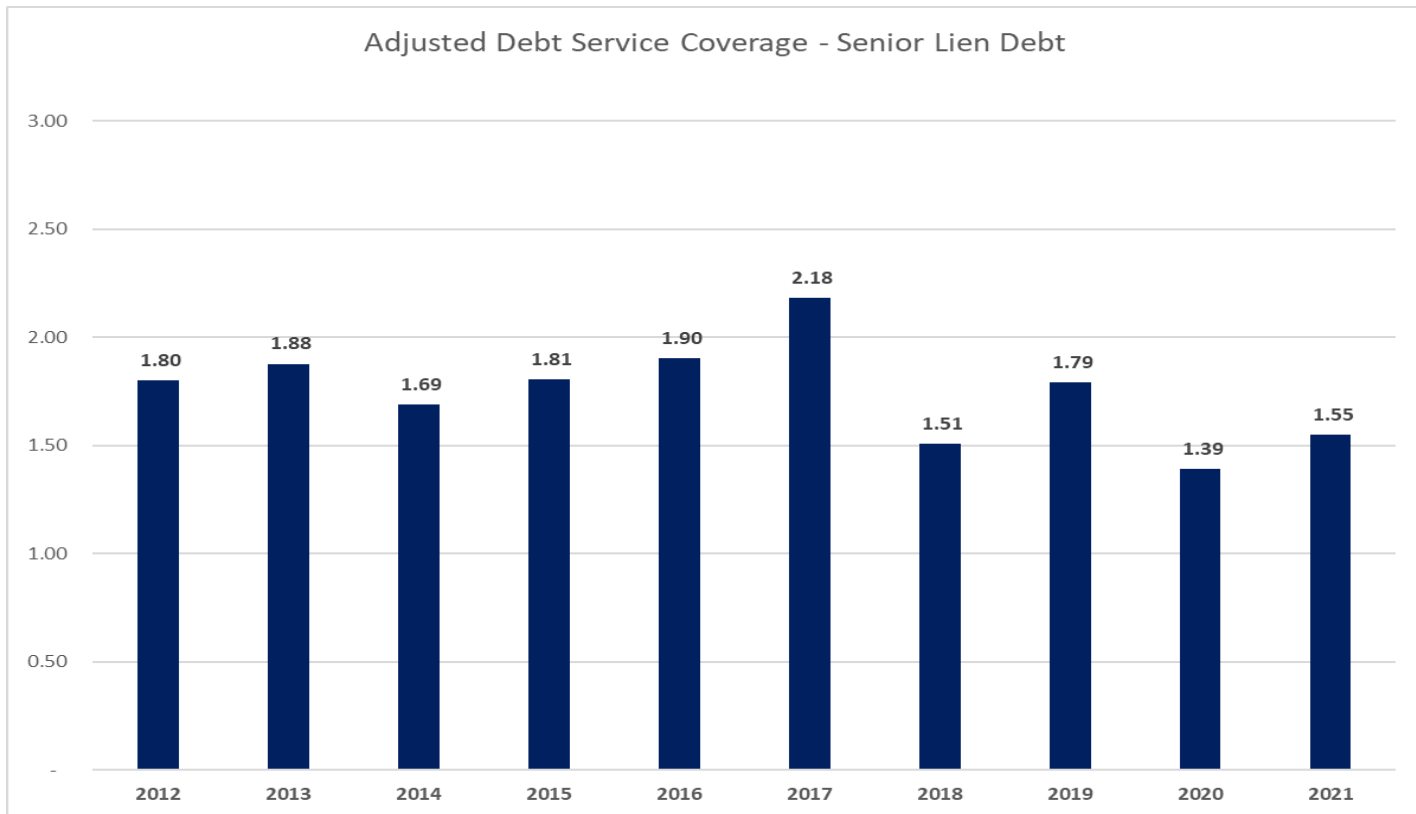
Debt Service Coverage - Total Debt



Debt Service Coverage - Total Debt

	2012	2013	2014	2015	2016	2017	2018	FY19	FY20	6/30/21
Net Revenue in Accordance with Bond Resolution	149,549,879	141,497,780	130,842,529	137,657,063	140,800,171	140,243,923	167,594,969	170,665,082	178,852,341	134,845,965
Total Debt Service	69,793,875	67,889,965	60,042,322	61,638,702	62,027,441	62,571,817	90,095,336	91,095,669	96,710,070	72,203,825
Debt Service Coverage - Total Debt	2.14	2.08	2.18	2.23	2.27	2.24	1.86	1.87	1.85	1.87

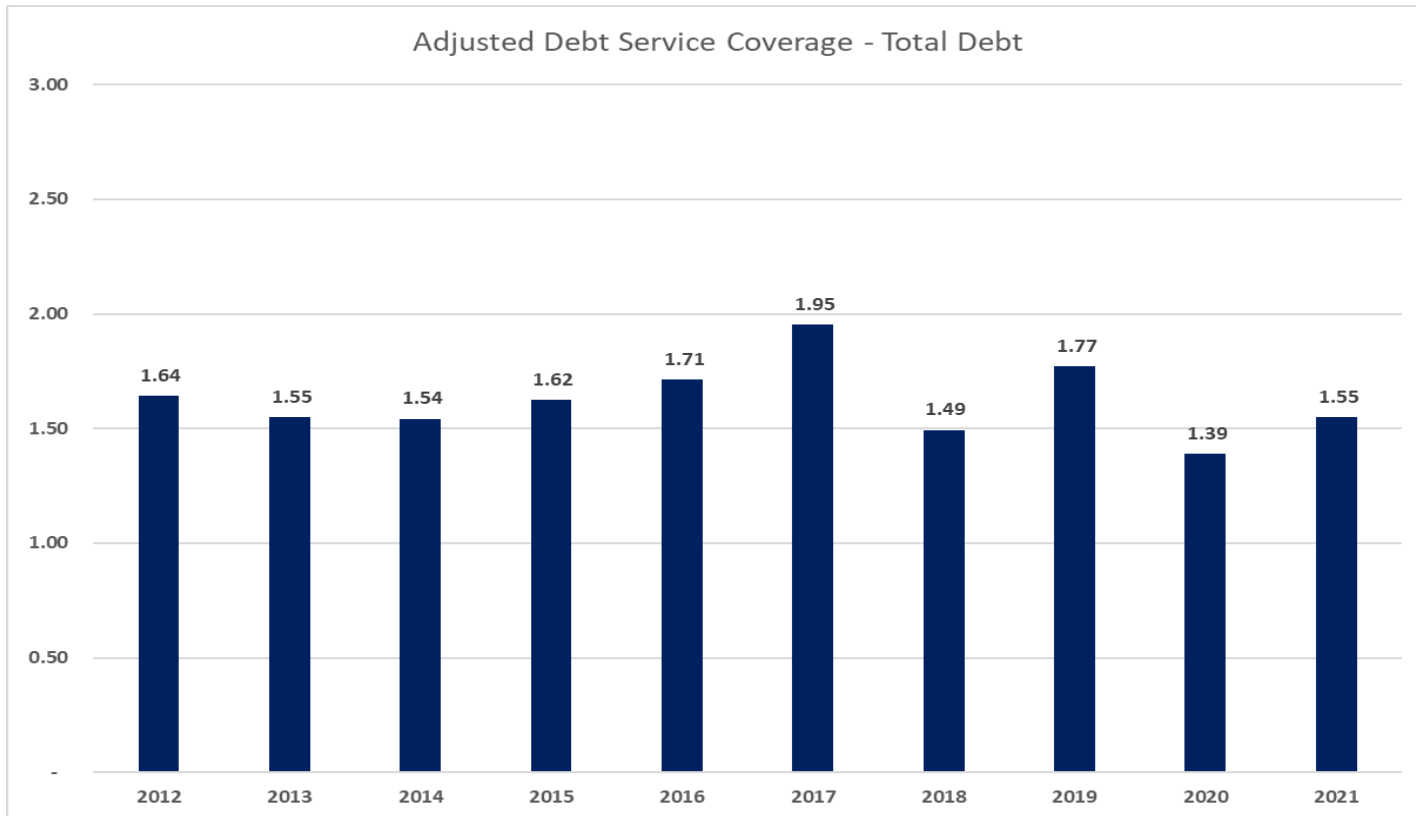
Adjusted Debt Service Coverage - Senior Lien Debt



Adjusted Debt Service Coverage - Senior Lien Debt

	2012	2013	2014	2015	2016	2017	2018	FY19	FY20	FY21
Total Operating Revenues	348,857,506	348,776,253	405,894,614	425,941,201	433,817,807	460,540,726	402,554,119	416,692,900	390,570,096	408,460,726
Less Amount to be Recovered	-	-	(26,433,241)	(33,560,292)	(33,560,292)	(33,560,292)	-	-	-	-
Less GFT	(36,004,958)	(36,656,458)	(37,316,841)	(34,892,425)	(34,994,591)	(35,814,010)	(36,379,080)	(38,285,001)	(38,285,000)	(38,285,000)
Plus BABS Rebate	5,766,086	5,515,262	5,350,928	5,345,162	5,372,529	5,308,201	5,259,227	5,211,950	5,154,906	5,112,590
Interest income								10,440,000	1,894,000	1,093,496
Plus Other Income (Expense)	3,184,630	2,117,935	924,180	8,290,546	13,987,579	(82,960)	(3,030,651)	(9,029,009)	(7,582,534)	(2,792,815)
= Gross Revenues & Income	321,803,264	319,752,992	348,419,640	371,124,192	384,623,032	396,391,665	368,403,615	385,030,840	351,751,468	373,588,997
Less Total Operating Expenses Net of Dep. & Amort.	(207,140,596)	(214,466,006)	(255,797,502)	(270,982,823)	(280,634,777)	(291,299,667)	(234,856,439)	(232,562,659)	(210,926,728)	(230,738,210)
Plus Moody's Pension Adjustment	-	-	-	-	2,228,000	17,026,000	980,439	8,817,000	(6,657,000)	-
= Net Revenues	114,662,668	105,286,986	92,622,138	100,141,369	106,216,255	122,117,998	134,527,615	161,285,181	134,167,740	142,850,787
Divided by Senior Lien Debt Service	63,755,940	56,101,372	54,860,040	55,461,104	55,821,582	55,988,596	89,235,841	90,191,176	96,710,070	92,312,499
= Adjusted Debt Service Coverage - Senior Lien Debt	1.80	1.88	1.69	1.81	1.90	2.18	1.51	1.79	1.39	1.55

Adjusted Debt Service Coverage - Total Debt



Adjusted Debt Service Coverage - Total Debt

	2012	2013	2014	2015	2016	2017	2018	FY19	FY20	FY21
Total Operating Revenues	348,857,506	348,776,253	405,894,614	425,941,201	433,817,807	460,540,726	402,554,119	416,692,900	390,570,096	408,460,726
Less Amount to be Recovered	-	-	(26,433,241)	(33,560,292)	(33,560,292)	(33,560,292)	-	-	-	-
Less GFT	(36,004,958)	(36,656,458)	(37,316,841)	(34,892,425)	(34,994,591)	(35,814,010)	(36,379,080)	(38,285,001)	(38,285,000)	(38,285,000)
Plus BABS Rebate	5,766,086	5,515,262	5,350,928	5,345,162	5,372,529	5,308,201	5,259,227	5,211,950	5,154,096	5,112,590
Interest income								10,440,000	1,894,000	1,093,496
Plus Other Income (Expense)	3,184,630	2,117,935	924,180	8,290,546	13,987,579	(82,960)	(3,030,651)	(9,029,009)	(7,582,534)	(2,792,815)
= Gross Revenues & Income	321,803,264	319,752,992	348,419,640	371,124,192	384,623,032	396,391,665	368,403,615	385,030,840	351,750,658	373,588,997
Less Total Operating Expenses Net of Dep. & Amort.	(207,140,596)	(214,466,006)	(255,797,502)	(270,982,823)	(280,634,777)	(291,299,667)	(234,856,439)	(232,562,659)	(210,926,728)	(230,738,210)
Plus Moody's Pension Adjustment	-	-	-	-	2,228,000	17,026,000	980,439	8,817,000	(6,657,000)	-
= Net Revenues	114,662,668	105,286,986	92,622,138	100,141,369	106,216,255	122,117,998	134,527,615	161,285,181	134,166,930	142,850,787
Divided by Total Debt Service	69,793,875	67,889,965	60,042,322	61,638,072	62,027,441	62,571,817	90,095,336	91,095,669	96,710,070	92,312,499
= Adjusted Debt Service Coverage - Total Debt	1.64	1.55	1.54	1.62	1.71	1.95	1.49	1.77	1.39	1.55

Appendix

Gainesville Regional Utilities

2021 Series A

Fitch Ratings

June 11, 2021



Participants

Issuer: Gainesville Regional Utilities

Participant	Position	Contact Information
Lauren Poe	Mayor	(352) 334-5016
Ed Bielarski	General Manager for Utilities	(352) 393-1032
Thomas Brown	Chief Operating Officer	(352) 393-1032
Claudia Rasnick	Chief Financial Officer	(352) 393-1313

Financial Advisor: Public Financial Management, Inc.

Participant	Position	Contact Information
Chris Lover	Managing Director	(704) 319-7922
Rohil Chekuri	Senior Analyst	(704) 319-7940

2021 Series A Co-Senior Manager and Bookrunner: Barclays

Participant	Position	Contact Information
Brian Middlebrook	Director	(212) 526-4194
Chaffin Snider	Director	(212) 526-4914
Jinuk Hah	Vice President	(212) 412-3189

2021 Series A Co-Senior Manager: BofA Securities

Participant	Position	Contact Information
Andrew Hildreth	Director	(646) 743-1607
Jill Sternthall	Associate	(646) 743-1417

Transaction Overview

	Utilities System Revenue Bonds 2021 Series A	Utilities System Forward Delivery Direct Purchase Bonds, 2022 Series A
Par*	\$101.525 million	\$66.075 million
Lien	Senior	Senior
Tax Status	Tax-exempt	Tax-exempt
Expected Amortization*	2024 – 2031; 2042-2051	2023 – 2028
Interest	Fixed Rate First Interest Payment on October 1, 2021	Direct Purchase
Purpose	<ul style="list-style-type: none"> • Paying the costs of the acquisition, construction and equipping of certain capital improvements to the System • Paying the costs related to the issuance of the 2021 Series A Bonds 	<ul style="list-style-type: none"> • Forward current refunding of 2012 Series A Bonds
Co-Senior Managers	Barclays, BofA Securities	TBD
Co-Managers	Citi, Goldman Sachs, Wells Fargo Securities	N/A
Selling Group	TD Securities, JP Morgan	N/A
Pricing*	Tuesday, July 20, 2021	Tuesday, July 20, 2021
Closing*	Wednesday, August 11, 2021	Wednesday, August 3, 2022

*Preliminary subject to change

City and GRU Governance



Desmon
Duncan-Walker
Commissioner
(Dist. 1)



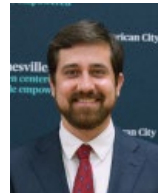
Harvey Ward
Commissioner
(Dist. II)



David Arreola
Commissioner
(Dist. III)



Lauren Poe
Mayor



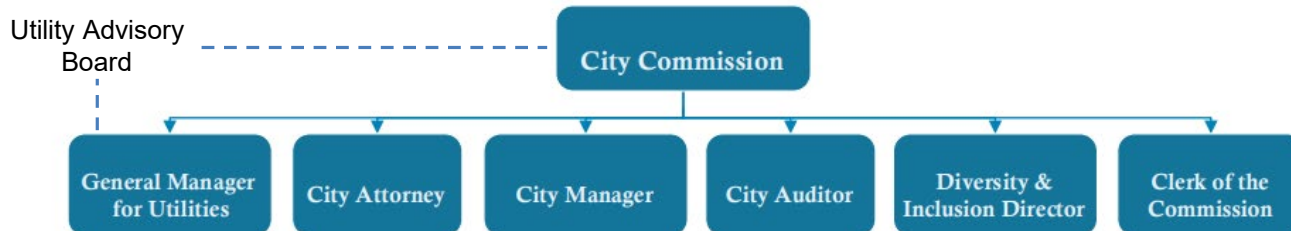
Adrian
Hayes-Santos
Commissioner
(Dist. IV)



Reina Saco
Commissioner
(At-large)

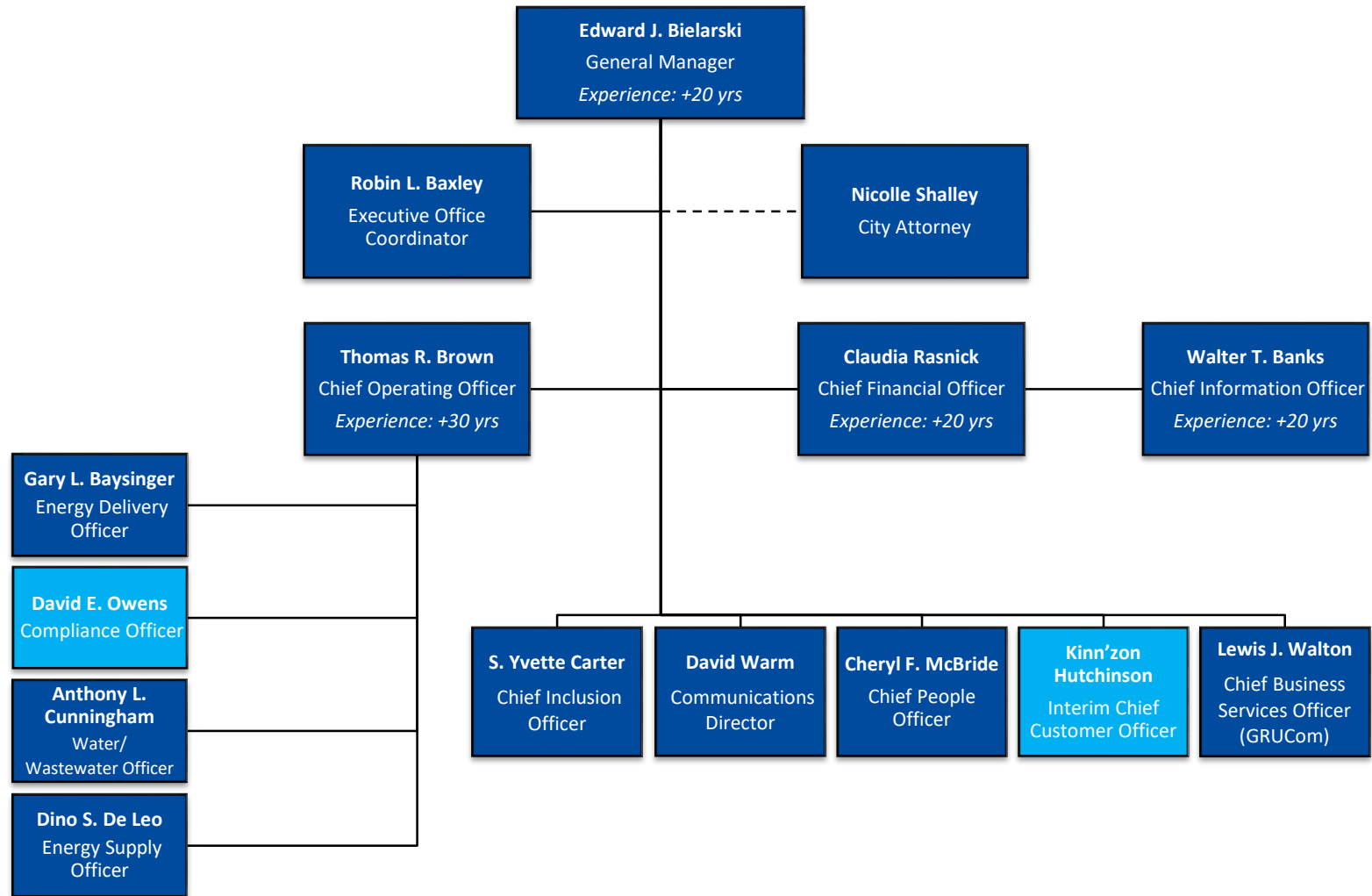


Gail Johnson
Commissioner
(At-large)



- Gainesville's City Commission performs such duties as passing the City's budget, setting the millage rate and approving the ordinances and resolutions.
- The Commission consists of seven members: four Commissioners are elected from single member districts, two Commissioners are elected at-large, and one member is elected as Mayor.
- In the spring of 1998, Gainesville citizens voted for their first elected mayor in 72 years.

The Management Team has Extensive GRU and Utility Experience



GRU is in a State of Renewal

- ✓ Completed Electric System upgrade at Murphree Water Plant (60 year-old system)
- ✓ Replaced 56 year-old turbine generator at original power plant (Kelly)
- ✓ Retrofitted DH2 coal plant to operate at 100% natural gas
- ✓ Plans approved to replace over 200,000 meters as part of AMI program
- ✓ Plans to upgrade Customer Information System software (13 year-old system)
- ✓ Replaced older debt through refinancing which saved \$134 million in future debt
- ✓ Responded to COVID by waiving customer fees and extending payment terms
- ✓ Executed a 20-year solar PPA with Origis

Outline

- Resiliency and Reliability
- Strategic Focus on Renewables
- Service Territory and Customers
- 2021 Budget (Forecasts, rates and financial metrics)
- Debt Management and Plan of Finance
- Summary

Resilience and Reliability

COVID Impacts

- Minimal impact on unit sales
 - Slight increase in residential sales, minimal decrease in commercial sales
- Increased liquidity with additional \$50 million taxable line of credit
- Refined & improved continuity plans
- Seamless transition to remote work
- Waived customer fees, extended payment terms, offered installment payment plans

COVID Impacts on Unit Sales

FY20 UNIT SALES

	Approved Budget	Post – COVID Budget (April, 2020)	Actual	Volume Difference		% Difference	
				vs Approved	vs Post-COVID	vs Approved	vs Post-COVID
ELECTRIC SYSTEM MWH							
Residential	839,303.7	846,598.3	847,561.8	8,258.1	963.5	0.98%	0.11%
Non-Residential	961,301.3	918,011.2	932,543.4	(28,757.9)	14,532.2	-2.99%	1.58%
WATER SYSTEM KGAL							
Residential	4,369,304.3	4,347,029.6	4,332,503.0	(36,801.3)	(14,526.6)	-0.84%	-0.33%
Non-Residential	2,894,928.3	2,734,073.1	2,781,977.0	(112,951.3)	47,903.9	-3.90%	1.75%
WASTEWATER SYSTEM KGAL							
Residential	3,307,208.1	3,278,989.3	3,257,003.0	(50,205.1)	(21,986.3)	-1.52%	-0.67%
Non-Residential	1,518,351.7	1,450,208.3	1,356,706.0	(161,645.7)	(93,502.3)	-10.65%	-6.45%
GAS SYSTEM THERMS							
Residential	8,157,961.6	8,174,733.6	7,124,150.0	(1,033,811.6)	(1,050,583.6)	-12.67%	-12.85%
Non-Residential	14,287,773.0	13,243,813.9	13,420,412.0	(867,361.0)	176,598.1	-6.07%	1.33%

Risk Management – Gas Supply and Plant Winterization

- GRU's diversity of fuel sources paid dividends during the Florida 2020 winter event spawned by Texas power crisis.
 - Remain less dependent on Natural Gas electric generation (State - 87%, GRU 62%)
 - Unable to purchase gas for five days due minimal allocation. GRU switched to liquid fuel, wood and coal and remained on solid fuel the entire time
 - Continued to supply gas to our LDC customers
 - Able to export 100 MW's of excess generation capacity during the event netting additional revenue
 - Participated in ERCOT lessons learned discussions as applicable to Florida
 - Revisited the winterization protocols and procedures being used at the generation facilities

Hurricane Preparation

- Hurricane preparation is a year round effort
- Looking for 2021 to return to normal hurricane response protocols
- Pandemic and continuity of business plans have all been updated
- GRU participates in the Statewide hurricane table top drills
- Physical storm inventories have been checked for adequacy
- Working with FEMA funds to remove tree cables in certain sections, hardening those areas
- Maintain a \$3 million tree trimming program to control vegetation outages
- Hurricane planning group meets regularly
- All employees assigned gray sky roles
- Managers participate in incident command workshops and training per FEMA guidelines

Cybersecurity

GRU continues to take a proactive approach

- Incident Response Playbooks & Tabletop Exercises
- Quarterly review and maintenance of Business Critical
- Diversification and Resilience of Internet Connectivity with a 3d party
- Aligning current policies, guidelines and standards to NIST Cybersecurity Framework 1.1
- Coordinate & Facilitate Vulnerability Assessment's and Penetration testing
- Monthly Department of Homeland Security Cybersecurity & Infrastructure Agency External Vulnerability Assessments and also planned Bi-Annual Internal Penetration Testing
- Implement Real-Time Reporting aligned to Policy Requirements
- Getting the word out! Through communications and training across GRU
 - April's Cybersecurity Week: 4 breakout sessions with cybersecurity topics, 5 separate communications
 - October: National Cybersecurity Awareness Month: 8 or more breakout sessions with a guest speaker closing the event
 - Continue to focus on training, both staff as well as the IT team

Strategic Focus on Renewables

Continued Evolution to Net-zero Carbon Emissions

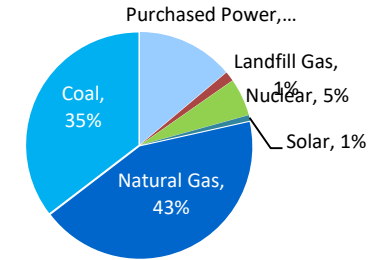
- State-wide leader producing over 30% of our generation from net-zero carbon sources in April 2021
- Plans haven't stopped there:
 - By 6/30/21 - DH-2 conversion to 100% gas capability expected to be completed by 6/30/21 projecting to reduce CO2 production by 40%
 - By 6/15/21 - The retrofit of Kelly CC will reduce GRU's overall emissions and increase efficiency of the steam turbine and add an additional 4 to 6 MW's of output
 - By 12/31/22 - 50 MW Origis solar project expected be in commercial operations
- Future Plans:
 - Celebrate success of significantly reducing carbon footprint
 - Educate community about the next technological step required (e.g. energy storage)
 - Remove barriers towards reaching 2045 net-zero carbon emission goal

Electric System: Promoting Fuel Diversification and Renewables

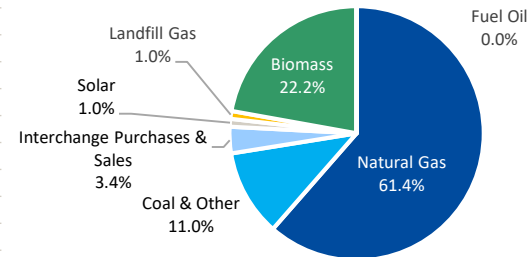
Existing Generating Resources					
Plant	Primary Fuel	Alternative Fuel	In-Service Date	Expected Retirement	Net Summer Capacity (MW)
Owned Resources					
J. R. Kelly					
Steam Unit 8	Waste Heat	-	1965 / 2001	2035	36.0
Combustion Turbine 4	Natural Gas	Distillate Fuel Oil	2001	2051	72.0
Total					108.0
Deerhaven Generating Station					
Steam Unit 2	Bituminous Coal	-	1981	2031	228.0
Steam Unit 1	Natural Gas	Residual Fuel Oil	1982	2022	75.0
Combustion Turbine 3	Natural Gas	Distillate Fuel Oil	1996	2046	71.0
Combustion Turbine 2	Natural Gas	Distillate Fuel Oil	1976	2026	17.5
Combustion Turbine 1	Natural Gas	Distillate Fuel Oil	1976	2026	17.5
Total					409.0
South Energy Center					
SEC-1	Natural Gas	-	2009	2039	3.8
SEC-2	Natural Gas	-	2017	2047	7.4
Total					11.2
Deerhaven Renewable (DHR Biomass Plant)					
	Biomass	-	2013	2043	103.0
Total Owned Resources					631.2
Power Purchase Agreements					
Baseline Landfill	Landfill Gas	-	-	-	3.7
Total Available Capacity¹					634.9
Peak Load²					425.0

1. Planned plant retirements expected to reduce available capacity to 559 MW over next five years
2. FY20 peak load. Max projected load over next five years is 425.0 MW
3. Net Energy Requirement by Fuel Source for the Period Ended March 31, 2021

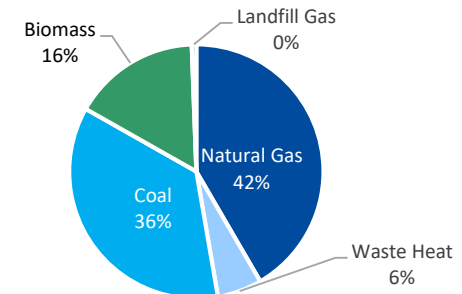
FY 2012 Dispatch by Fuel Source



Net Energy Requirements by Fuel Source³



FY 2021 Capacity by Fuel Source



Existing Renewable Energy

GRU Has a Very Strong Renewable Energy Portfolio

- GRU has a very strong renewable portfolio, which accounts for over 20% of delivered energy
 - The Southeast is well behind with the penetration of renewables at ~6%
- Since 2006, renewable energy and carbon management strategies became a major component of GRU's long-term power supply acquisition program
- These renewable resources include the purchase of energy generated by landfill gas, biomass and solar
- First utility in the nation to adopt a European-style solar feed in tariff (“FIT”) in March 2009. Approximately 18.6 MW of solar PV capacity was installed and continues to supply energy to the System

Dispatch by Fuel Source Comparison ¹				
Fuel	U.S.	Southeast	Florida	GRU
Coal	18.8%	14.9%	6.7%	11.0%
Petroleum	0.4%	0.3%	0.7%	0.0%
Natural Gas	39.6%	48.7%	76.0%	64.8%
Nuclear	19.2%	25.1%	11.9%	0.0%
Renewable (incl. Hydro)	22.8%	8.8%	6.6%	24.2%

1. U.S., Southeast, and Florida data from 2020 Energy Information Administration; GRU data from 2021

Significant Shift in Carbon Intensity Since 2010

	2010	2018	2019	2020
CO2 from Owned Generation (metric tons)	1,639,854	1,059,529	986,535	940,383
CO2 from Contracted Generation (metric tons)	127,486	8,309	33,181	37,926
Total CO2 emissions (metric tons)	1,767,340	1,067,838	1,019,716	978,309
Change since 2010				-45%
Energy from Coal Resources (MWh)	1,322,924 MWh	460,291 MWh	449,200 MWh	215,493 MWh
Change since 2010				-84%

- GRU has seen significant reductions in CO2 emissions since 2010 (-45%)
- Energy provided by coal is 84% lower in 2020 versus a decade ago
- Transition continues in earnest
 - Continued integration of Deerhaven Renewables
 - Solar development (50MWs)
 - Gasification of Deerhaven 2
- Efforts of UAB and City Commission to move to 100% renewable by 2045

Service Territory and Customers

Top Customers

Diverse Customer Base with Limited Concentration

- The top 10 and top 20 customers across all systems account for 17.1% and 21.5% of revenues respectively

Electric System		
#	Customer	% of Electric Revenue
1	GRU	2.8%
2	SHANDS	2.2%
3	Alachua County Public Schools	2.1%
4	VA Medical Center	1.7%
5	City of Gainesville	1.7%
6	North FL Regional Medical Center	1.7%
7	Publix Super Markets Inc	1.7%
8	University of Florida	1.5%
9	Alachua County Board of Comm	1.2%
10	Sivance, LLC	0.7%
Top 10 Electric Customers		17.3%
FY20 Electric Revenue¹ (000)		\$274,426

Gas System		
#	Customer	% of Gas Revenue
1	University of Florida	7.1%
2	VA Medical Center	3.2%
3	North FL Regional Medical Ctr	2.7%
4	WCA of Florida, LLC	2.1%
5	Alachua County Board of Comm	1.4%
6	Florida Power Corporation	1.4%
7	Sivance, LLC	1.2%
8	SHANDS	1.2%
9	Preferred materials Inc	1.1%
10	Ology Bioservices Inc	1.1%
Top 10 Gas Customers		22.5%
FY20 Gas Revenue¹ (000)		\$24,819

Water System		
#	Customer	% of Water Revenue
1	University of Florida	5.4%
2	GRU	1.4%
3	North FL Regional Medical CTR	0.8%
4	City of Gainesville	0.6%
5	SHANDS	0.6%
6	Alachua County Public Schools	0.6%
7	VA Medical Center	0.6%
8	Celebration Pointe Holdings LLC	0.5%
9	Alachua County Board of Comm	0.5%
10	Sivance LLC	0.4%
Top 10 Water Customers		11.3%
FY20 Water Revenue¹ (000)		\$37,355

Wastewater System		
#	Customer	% of Wastewater Revenue
1	University of Florida	1.0%
2	North FL Regional Medical Center	0.9%
3	Sivance LLC	0.7%
4	SHANDS	0.7%
5	Alachua County Board of Comm	0.6%
6	City of Gainesville	0.6%
7	ST of FL Dept of CH & Fam SVC	0.5%
8	Beazer East Inc	0.5%
9	Celebration Pointe Holdings, LLC	0.4%
10	Cabot Carbon Oper Jump Start	0.4%
Top 10 Wastewater Customers		6.3%
FY20 Wastewater Revenue¹ (000)		\$45,503

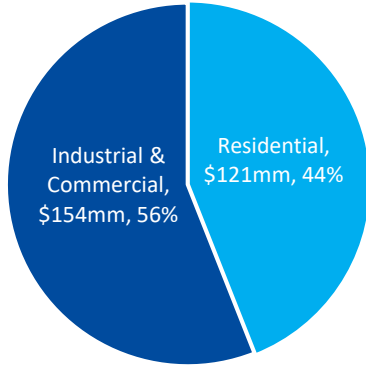
GRUCom		
#	Customer	% of GRUCom Revenue
1	Alachua County Board of Comm	9.6%
2	GRU	9.0%
3	City of Gainesville	7.1%
4	Verizon Wireless Personall Comm	6.9%
5	Alachua County Public Schools	6.9%
6	AT&T Wireless	5.1%
7	T-Mobile USA Inc	4.4%
8	Interstate Fibernet Inc	2.8%
9	Florida Phone Systems	2.3%
10	Accelerationnet	2.0%
Top 10 GRUCom Customers		56.1%
FY20 GRUCom Revenue¹ (000)		\$13,363

1. Management prepared breakout of each business unit revenues (unaudited)

Customer Mix

Electric System¹

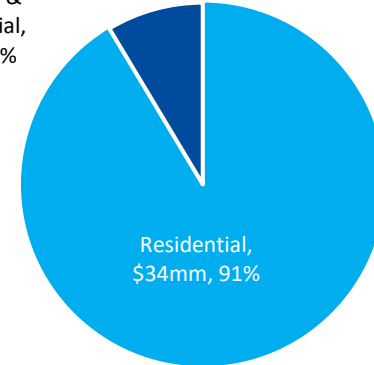
Total: \$274.4mm



Water System¹

Total: \$37.3mm

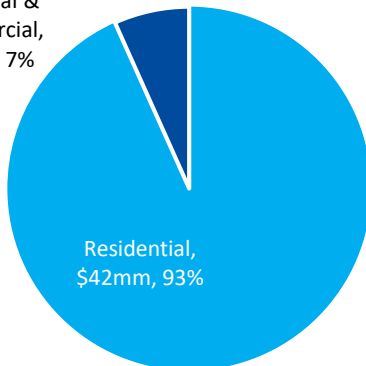
Industrial & Commercial, \$3mm, 9%



Wastewater System¹

Total: \$45.5mm

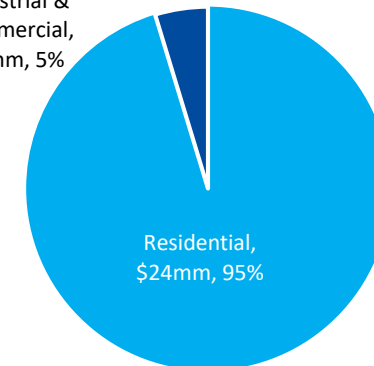
Industrial & Commercial, \$3mm, 7%



Natural Gas¹

Total: \$24.8mm

Industrial & Commercial, \$1mm, 5%



1. Management prepared breakout of each business unit revenues (unaudited) for FY20

2. Numbers may not add due to rounding

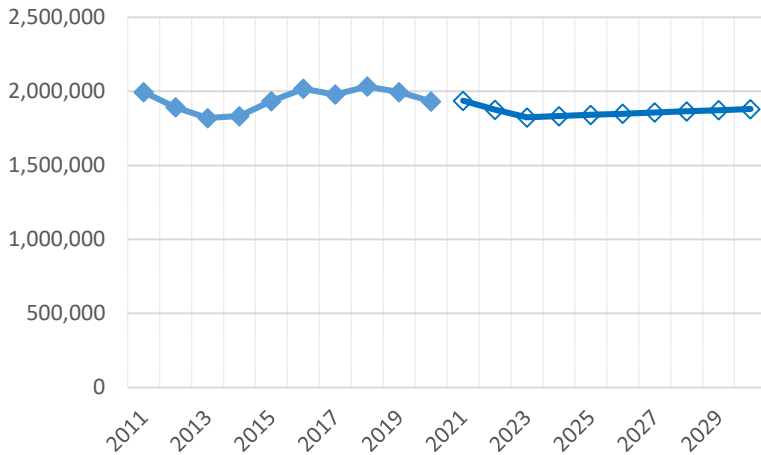
2021 Budget

(Forecasts, Rates and Financial Metrics)

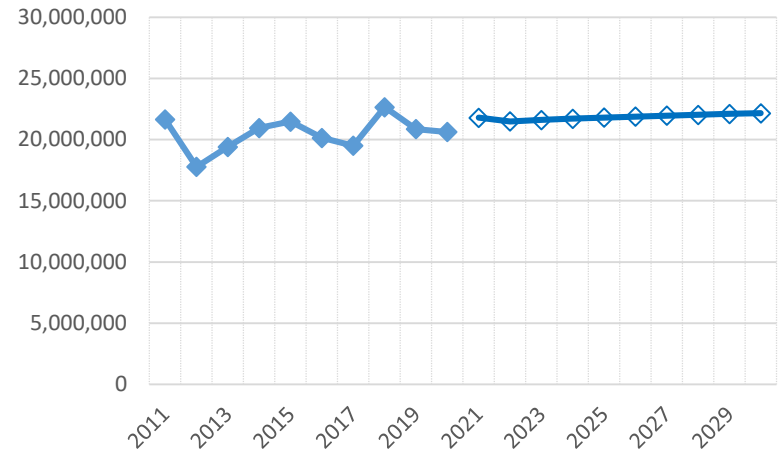
Sales History and 2021 Forecast

Promoting Conservative Budgeting

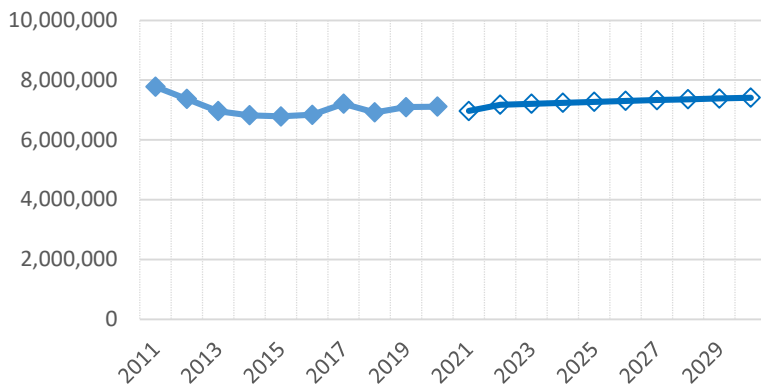
Electric Sales (MWh)



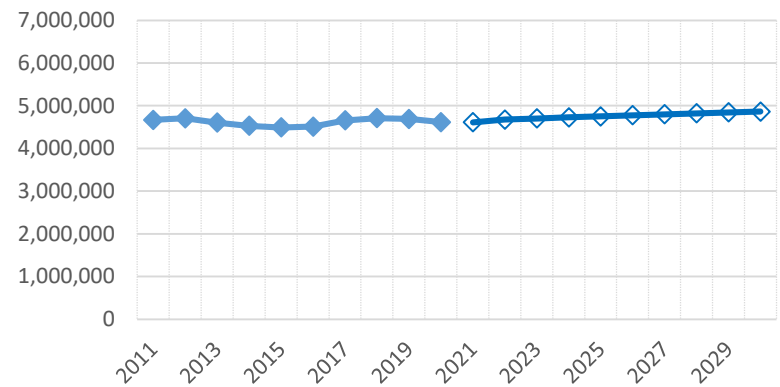
Natural Gas Sales (Therms)



Water Sales (kGal)

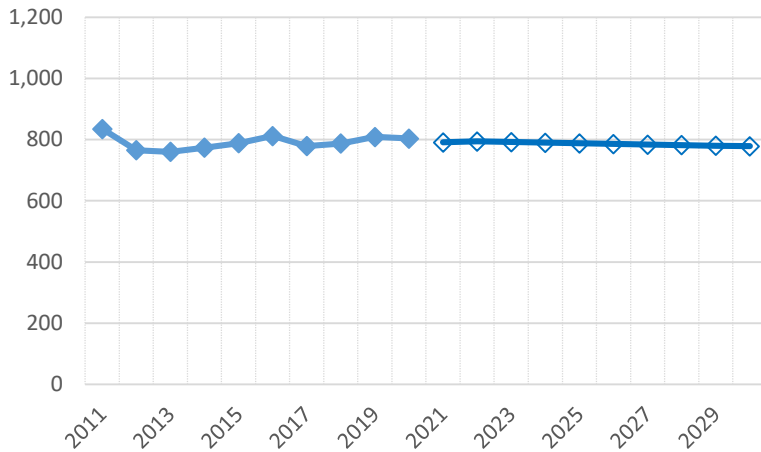


Wastewater Sales (kGal)

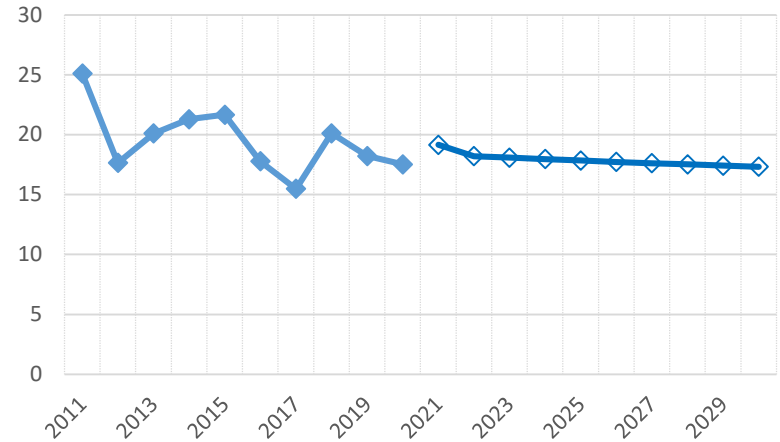


Residential Average Use

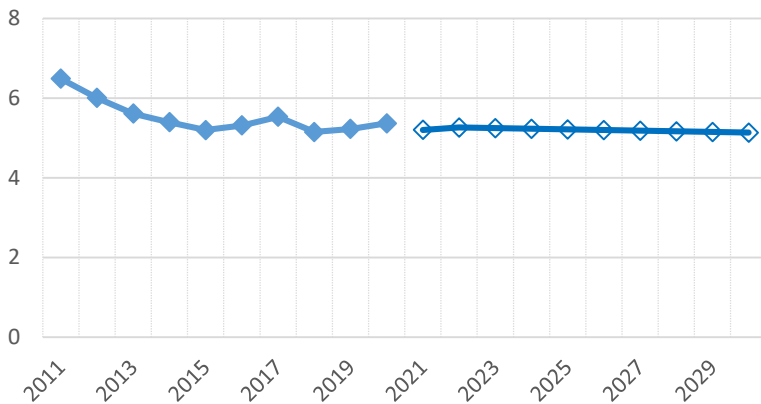
Residential Electric (kWh/Customer)



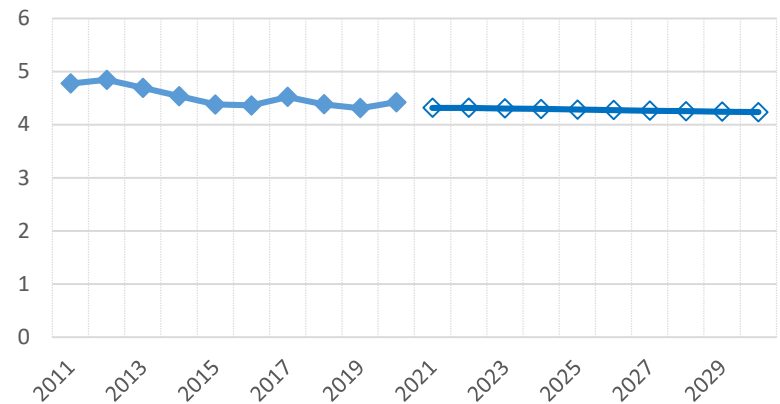
Residential Natural Gas (Therms/Customer)



Residential Water (kGal/Customer)



Residential Wastewater (kGal/Customer)



Electric System

Historical and Projected Bill Increases (%)

Total Residential Bill Percentage Increase/(Decrease) ¹	
Historical (Fiscal Year Beginning):	
October, 1 2015	(5.24)%
October, 1 2016	(2.04)%
October, 1 2017	0.88%
February, 1 2018 ²	(8.02)%
October, 1 2018	1.55%
October, 1 2019	7.13%
October, 1 2020	(6.46)%
Projected (Fiscal Year Beginning):³	
October, 1 2021	5.78%
October, 1 2022	2.76%
October, 1 2023	2.76%
October, 1 2024	2.77%
October, 1 2025	2.77%

1. Based on residential monthly bill at 1,000 kwh.

2. Changes resulting from the acquisition of the DHR Biomass Plant

3. All changes in the System's revenue requirements are subject to approval by the City Commission, which usually occurs in conjunction with its approval of the System's annual budget

Florida Utility Rate Comparison

Addressing Rate Competitiveness

Total Monthly Cost of Electric, Gas, Water and Wastewater Services for Residential Customers in Selected Florida Locales¹

	Based Upon Typical Average Usage by Residential Customers of the System ²	Based Upon Standard Industry Usage Benchmarks ³
Pensacola	\$223.01	\$286.33
Clay County	\$201.70	\$241.42
Ocala	\$201.39	\$239.85
Ft. Pierce	\$199.49	\$252.96
Orlando	\$195.11	\$238.42
Jacksonville	\$192.26	\$240.47
Lakeland	\$190.85	\$232.65
Tallahassee	\$189.76	\$240.22
Kissimmee	\$186.80	\$227.78
Tampa	\$184.74	\$235.94
Gainesville Regional Utilities	\$184.26	\$239.92

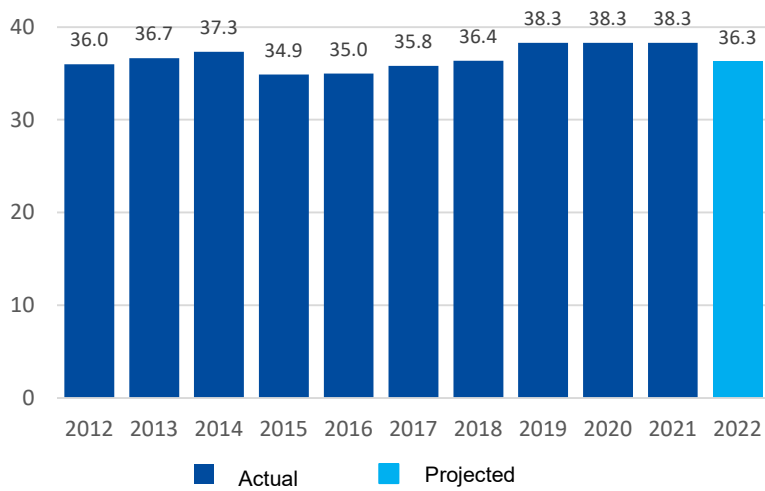
1. Based upon rates in effect for January 2021 by the actual providers of the specified services in the indicated locales, applied to the noted billing units. Excludes public utility taxes, sales taxes, surcharges, and franchise fees.
2. Monthly costs of service have been calculated based upon typical average annual usage by residential customers of the System as follows: for electric service: 800 kWh; for natural gas service: 20 therms; for water service: 5,000 gallons of metered water; and for wastewater service: 4,000 gallons of wastewater treated.
3. Monthly costs of service have been calculated based upon standard industry benchmarks for average annual usage by residential customers, as follows: for electric service: 1,000 kWh; for natural gas service: 25 therms; for water service: 7,000 gallons of metered water; and for wastewater service: 7,000 gallons of wastewater treated.

General Fund Transfers

General Fund Transfer Formula

- The City Commission established a General Fund transfer formula for FY15 through FY19
- The formula established the base amount in FY15, less the amount of ad valorem revenue received annually by the City from the DHR Biomass Plant
- The FY15 base transfer amount increases each fiscal year by 1.5% through FY19
- The City Commission established the transfer amount at \$38,285,000 for FY20 and FY21
- The City Commission has established the transfer amount at \$36,283,000 for FY22
- During the FY22 budget hearings, the City Commission has asked staff to come back to the Commission with a resolution to reduce the transfer by \$2 million per year, each year through FY27

General Fund Transfers (\$mm)



FY19 General Fund Transfer as % of Operating Revenue¹

Tallahassee	17.4
Orlando Utilities Commission	13.2
Lakeland	12.2
Kissimmee	9.4
Gainesville Regional Utilities	9.2
Leesburg	8.7
JEA	7.2
Lincoln Neb. Electric System	6.3
Fort Pierce	6.0
Winter Park	5.7
Jacksonville Beach Combined Utility	4.2
Colorado Springs Utilities	4.1
Chattanooga Electric Power Board	3.4
Springfield Mo. Public Utility	3.3
Springfield Mo. Public Utility	3.3

1. Source: Fitch Public Power FACT 2020


Financial Metrics

	2019	2020	2021	2022	2023	2024
Total Revenue	410,203	395,465	411,600	422,962	427,948	431,369
Total O&M Expenses	239,538	216,613	235,427	243,416	243,423	248,965
Net Revenues	170,665	178,852	176,173	179,546	184,525	182,404
Uses of Net Revenues						
Debt Service	91,096	96,711	94,213	97,013	102,387	100,552
UPIF	41,284	43,857	43,675	44,248	43,853	43,567
General Fund Transfer	38,285	38,285	38,285	38,285	38,285	38,285
Total Uses of Net Revenues	170,665	178,853	176,173	179,546	184,525	182,404
Revenues in Excess of Targets	-	-	-	-	-	-
Debt Service Coverage	1.87	1.85	1.87	1.85	1.80	1.81
Fixed Charge Coverage	1.45	1.45	1.46	1.46	1.43	1.43
Operating Cash	27,506	34,500	27,506	27,506	27,506	27,506
Rate Stabilization Fund Cash	56,942	62,946	50,703	63,179	67,535	78,042
UPIF Cash	27,687	51,668	47,320	18,336	11,939	19,106
Total Cash	112,135	149,114	125,529	109,021	106,980	124,654
Total Days Cash on Hand	176	258	195	163	160	183
Total Cash	112,135	149,114	125,529	109,021	106,980	124,654
Authorized but Unissued Commercial Paper	150,000	150,000	150,000	150,000	150,000	150,000
Authorized but Undrawn Lines of Credit	25,000	75,000	75,000	75,000	75,000	75,000
Total Liquidity	287,135	374,114	350,529	334,021	331,980	349,654
Total Liquidity Days on Hand	451	647	543	501	498	513

Debt Management and Plan of Finance

Future Capital Plans and Funding Sources

Summary of Capital Improvement Program – Sources and Uses						
	2021	2022	2023	2024	2025	Total
Use of Funds:						
Construction Projects:						
Electric	38,302,466	59,384,613	43,713,757	29,796,717	32,393,436	203,590,989
Gas	10,239,566	4,490,414	3,195,132	3,146,139	3,502,900	24,574,151
Water	19,936,447	12,127,680	10,922,117	11,852,500	11,777,500	66,616,244
Wastewater	31,307,711	25,516,492	29,908,552	28,172,000	24,226,000	139,130,755
GRUCom	1,563,810	1,180,801	1,110,442	2,032,644	3,100,164	8,987,861
Total Construction	101,350,000	102,700,000	88,850,000	75,000,000	75,000,000	442,900,000
Sources of Funds:						
Bond Financing	38,600,000	38,600,000	38,600,000	38,600,000	38,600,000	193,000,000
Revenues	62,750,000	64,100,000	50,250,000	36,400,000	36,400,000	249,900,000
Total Sources	101,350,000	102,700,000	88,850,000	75,000,000	75,000,000	442,900,000

 = Funded with 2021 Series A

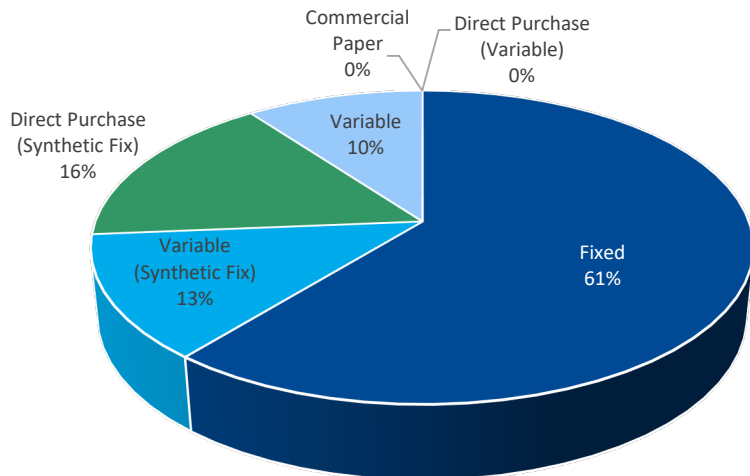
Debt Management

Moving Towards a More Fixed Rate Portfolio

- GRU's overall debt structure remains rooted in a majority of fixed rate bonds
- Fixed and synthetically fixed debt accounts for 90% of total pro-forma debt

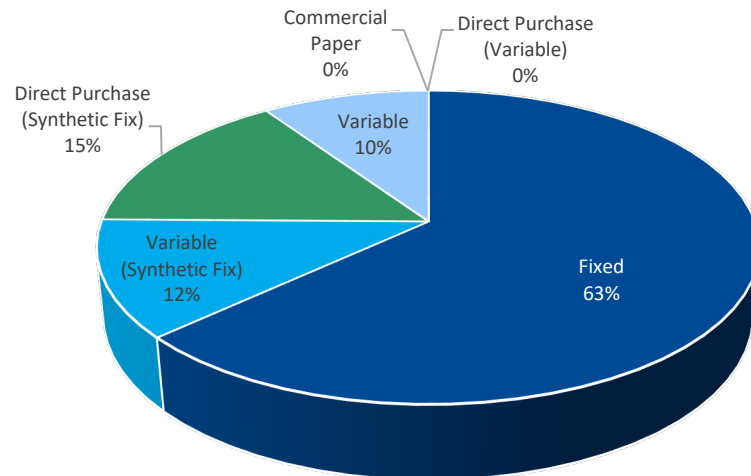
Pre-2021 Series A

Total: \$1.638 billion



Post-2021 Series A

Total: \$1.739 billion



2021 Series A Transaction

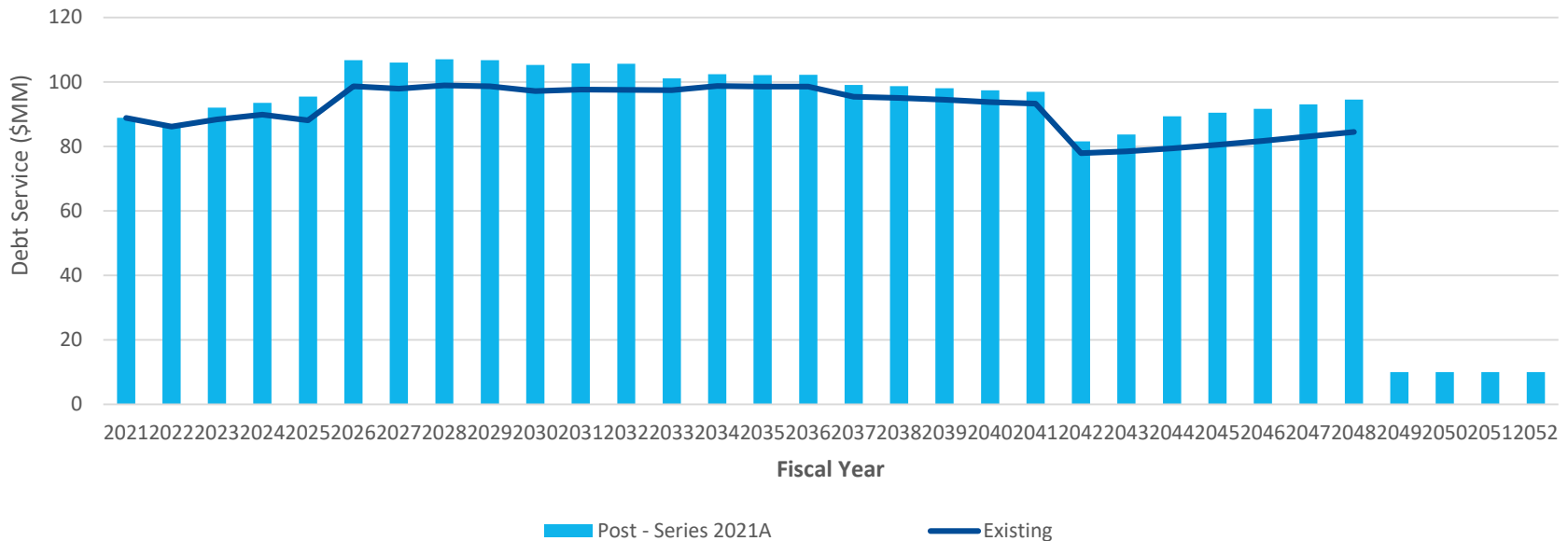
Purpose of 2021 Series A Transaction

- GRU's 2021 Series A financing will provide funds for
 - paying the costs of the acquisition, construction and equipping of certain capital improvements to the System
 - paying the costs of issuance related to the transaction
- Ratings are expected by July 9, 2021

Anticipated Schedule¹

Roadshow / POS Available	• July 12
Pricing	• July 20
Closing	• August 11

Debt Service¹



1. Preliminary and subject to change

Summary

Summary

GRU Continues to Adapt and Excel

- Providing resiliency and reliable service through COVID protocols, storm preparedness and cybersecurity
- Employing strategic focus on renewables
- Improving rate competitiveness
- Continuing to serve diverse and growing customer base

GRU Continues to Maintain its Historical Credit Strengths

- Continual support of the City Commission
- Strong debt service coverage and days cash (reflecting City Commission Cash Balance Study)
- Resourcing a significant portion of capital needs internally
- Continuing to exceed established liquidity targets
- Prudent mix of fixed and variable rate debt