

Green Bond Fact Sheet

Sacramento Municipal Utility District			Date: 21/05/2020
Issue date: 07-05-2020 Maturity date: 15-08-2050 Tenor: 30.3			
Issuer name	Sacramento Municipal Utility District	Amount issued	USD400m
Country of risk	USA	CBI Database	Included
Issuer type ¹	Government-Backed Entity	Bond type	US Muni
Green bond framework	N/A	Second party opinion	Kestrel Verifiers
Certification Standard	Not certified	Assurance report	N/A
Certification verifier	N/A	Green bond rating	N/A
Use of Proceeds			
<input checked="" type="checkbox"/> Energy	<input checked="" type="checkbox"/> Solar <input type="checkbox"/> Onshore wind <input type="checkbox"/> Offshore wind <input type="checkbox"/> Geothermal <input checked="" type="checkbox"/> Hydro	<input type="checkbox"/> Tidal <input type="checkbox"/> Biofuels <input type="checkbox"/> Bioenergy <input type="checkbox"/> District heating <input type="checkbox"/> Electricity grid	<input type="checkbox"/> Energy storage <input type="checkbox"/> Energy performance <input checked="" type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input checked="" type="checkbox"/> Buildings	<input type="checkbox"/> Certified Buildings <input type="checkbox"/> HVAC systems <input type="checkbox"/> Energy performance	<input type="checkbox"/> Water performance <input type="checkbox"/> Energy storage/meters <input type="checkbox"/> Other energy related	<input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Transport	<input type="checkbox"/> Electric vehicles <input type="checkbox"/> Low emission vehicles <input type="checkbox"/> Bus rapid transit <input type="checkbox"/> Passenger trains <input type="checkbox"/> Urban rail	<input type="checkbox"/> Freight rolling stock <input type="checkbox"/> Coach / public bus <input type="checkbox"/> Bicycle infrastructure <input type="checkbox"/> Energy performance	<input type="checkbox"/> Transport logistics <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Water & wastewater	<input type="checkbox"/> Water distribution <input type="checkbox"/> Water treatment <input type="checkbox"/> Wastewater treatment <input type="checkbox"/> Water storage	<input type="checkbox"/> Storm water mgmt <input type="checkbox"/> Flood protection <input type="checkbox"/> Desalination plants <input type="checkbox"/> Erosion control <input type="checkbox"/> Energy performance	<input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience

<input type="checkbox"/> Waste management	<input type="checkbox"/> Recycling <input type="checkbox"/> Waste prevention <input type="checkbox"/> Pollution control	<input type="checkbox"/> Landfill, energy capture <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure	<input type="checkbox"/> Waste to energy <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Land use & agriculture	<input type="checkbox"/> Afforestation/parks <input type="checkbox"/> FSC Forestry <input type="checkbox"/> FSC Cellulose & paper	<input type="checkbox"/> Land remediation <input type="checkbox"/> Energy/water efficiency	<input type="checkbox"/> Sustainable agriculture <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Other	<input type="checkbox"/> Adaptation & resilience	<input type="checkbox"/> ICT	<input type="checkbox"/> Industry: process
Issue details			
Reporting	<p>Because the proceeds from the Green Bonds will be used to reimburse SMUD for expenditures previously made with respect to the green bond projects, no additional reporting on or monitoring of the status of the green bonds projects is anticipated. However, SMUD currently produces and annual sustainability report, available on SMUD’s website. SMUD commits to posting continuing disclosures to the MSRB EMMA system. SMUD produces and annual sustainability report highlighting climate readiness, environmental leadership and impact through greenhouse gas reductions. This will include important sustainability and impact metrics including energy, water, natural gas usage, and GHG emissions moving towards SMUD’s goal of a 40% reduction.</p>		
Company information	<p>SMUD is a community-owned not-for-profit electric service. It has served Sacramento for over 70 years and is the 6th largest community-owned electric utility in the country. The organisation also has a sustainability strategy in place.</p>		
Firsts, records and certifications			
Proceeds description	<p>SMUD will use proceeds of the green bonds in the amount of approximately USD33m to reimburse itself for expenditures previously made. These expenditures went towards upgrading and renovating its historic headquarters building, repairing and improving two hydroelectric powerhouses in its Upper American River Project and constructing certain transmission infrastructure. The latter enabled it to take delivery of power generated by a solar PV project sited on its property at the closed Rancho Seco Nuclear Generating Station.</p>		
Climate Bonds view	<p>The issuer provides very specific information which projects will be financed and how much will be invested in each of them. This level of transparency is not very common amongst US Munis and therefore highly encouraged. The issuer also has a sustainability strategy in place and benefits from an SPO which is less common on the Muni space. Post-issuance transparency in form of sustainability reporting will also be disclosed.</p>		
Underwriters	citi		
Deal comments			
Credit rating	AA (S&P) AA (Fitch)		
Pricing summary	<ul style="list-style-type: none"> • Yield: 2.530% • Coupon: 5.000% • Price: 122.216% 		

Investors summary

¹ Issuer categories: ABS, development bank, financial corporate, government-backed entity, loan, local government, non-financial corporate, sovereign