

South Tahoe

Public Utility District

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For Immediate Release

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MEDIA RELEASE

UTILITY DISTRICT'S CREDIT RATING UPGRADED

South Lake Tahoe – Contrary to most of the recent financial news, the South Tahoe Public Utility District (District) announced today that the Fitch credit rating agency has upgraded the credit rating of the District from an AA to an AA+. The new credit rating allows the District access to more favorable funding options such as loans or bond issuance. Lower interest on District debt can provide more funding available for infrastructure improvements and replacements.

Paul Hughes, Chief Financial Officer for the District explains, "Rating agencies, such as Fitch, analyze Board direction and actions, management of District assets, anticipation of future demand on District assets, and the ability to maintain, replace, and develop infrastructure to keep up with customer demand as part of their rating process. Having access to available credit does not mean the District will immediately issue debt. To the contrary, District staff will continue to monitor its' short and long-range capital needs, other budget considerations, local economics, and market activity to determine appropriate debt levels." Mr. Hughes concluded, "Most importantly, the upgraded credit rating confirms the District's financial house is in order, and that is good news for all District customers."

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