



# Oregon

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**To:** Oregon Energy Facility Siting Council

**From:** Sisily Fleming, Fiscal Analyst

**Date:** November 7, 2019

**Subject:** **Agenda Item C:** Annual Financial Assurance Review for the Retirement of Energy Facilities with Site Certificates – November 22, 2019 EFSC Meeting

In May 2015 the Council approved a process for the annual approval of Bond and Letter of Credit templates and a pre-approved financial institution list for site certificate holder's use in obtaining the financial assurance instruments for the retirement of their facilities. An update is required annually to implement the procedure.

## **2020 Bond and Letter of Credit Templates**

Last year Senior Assistant Attorney General, Patrick Rowe, reviewed the Bond and Letter of Credit templates and offered substantive revisions to the Bond Template and grammatical revisions to the Letter of Credit templates. Council approved those templates, with the suggested revisions, for use in 2019. The proposed templates for 2020 are the same as those that the Council approved in 2019.

## **2020 Financial Institutions**

Attached is staff's 2020 proposed list of Approved Financial Institutions. Staff researched credit ratings on November 4, 2019. The ↑ indicates the 2019 rating is higher, and the ↓ indicates the 2019 rating is lower, than the ratings approved in October 2018. Ratings that were not found in 2019 are left blank.

All the institutions included in the proposed list have been previously approved by Council. Staff does not recommend adding any additional institutions. Bank of Tokyo-Mitsubishi, UFJ (NY Branch) was previously approved for use, however, due to a recent merger, Bank of Tokyo-Mitsubishi was acquired by MUFG Bank and has been removed from the 2020 proposed list. Bank of Tokyo-Mitsubishi is not an issuer of any of the letters of credit currently on file.

## **Requested Council Action**

Staff recommends Council approve the proposed Letter of Credit and Bond templates, and the list of proposed pre-approved financial institutions for use in 2020.

## Attachments

- Proposed Bond Template
- Proposed Letter of Credit Template
- Proposed 2020 Pre-Approved Financial Institutions