

TRUCKEE MEADOWS WATER AUTHORITY UTILITY ACQUISITION

Truckee Meadows Water Authority (TMWA) is a joint powers authority formed to acquire the water utility previously owned and operated by the Sierra Pacific Power Company (Sierra). With the assistance of EES Consulting, TMWA purchased water rights, storage, treatment, distribution and hydroelectric facilities from Sierra to serve approximately 75,000 customers in the Reno-Sparks metropolitan area.

EES Consulting's involvement in this utility acquisition began prior to the formation of TMWA and continued through the transition of ownership. In addition to serving as the lead consultant and overall project manager for the acquisition, EES Consulting staff provided a broad range of services to TMWA throughout the acquisition process, including:

- Assisted in formation and development of TMWA
- Performed feasibility studies related to the acquisition of Sierra water-utility facilities
- Assisted in the development of official offer to purchase Sierra's water-utility facilities
- Participated in negotiation of asset purchase agreement
- Participated in and coordinated financial, engineering and operational due diligence efforts
- Developed an initial business and operating plan for TMWA
- Negotiated a series of transition services agreements to ensure a seamless transfer of ownership for the newly acquired TMWA customers and employees
- Provided expert witness testimony in the regulatory approval process in support of the transaction
- Authored a Financial Feasibility Study and met with rating agencies, bond insurers and institutional investors in support of TMWA's initial \$450 million bond issue
- Provided post-closing assistance to finalize negotiated contract costs

After the closing of the transaction, EES Consulting has continued to provide support to TMWA through its formative and successful transition to a fully independent utility. To date, TMWA continues to operate successfully and its financial results are consistent with projections provided by EES Consulting to its client and to investors that purchased TMWA's bonds.