Bond Case Briefs

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Iowa Municipal Gas Utilities Execute $949 Million Prepay Transaction.

On June 4, PEFA Inc. issued $949 million in Gas Project Revenue Bonds – Series 2026A.

The proceeds of the bonds will be used to prepay the costs of the acquisition of a fixed quantity of natural gas (purchased at a discount to Index) to be delivered over 30 years from the gas supplier.

There were a total of 104 participating municipal gas utilities from 9 different states (42 from Iowa) which are expected to save approximately $3.2 million annually.

The gas supply will come from the Goldman Sachs Group, Inc. through its natural gas supplier, J. Aron & Company LLC.

The Gas Manager for the project is Clayton Energy Corporation while Ahlers & Cooney, P.C. served as the Bond Counsel for PEFA, Inc.

PEFA, Inc., the Issuer, is a separate legal entity and a nonprofit public benefit corporation organized and existing under the laws of the State of Iowa, was organized by the Public Energy Facilities Authority, an Iowa joint powers authority formed pursuant to Chapter 28E of the Iowa Code, to finance the Gas Project.

American Public Power Association

by Paul Ciampoli

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