

Commercial Paper and Extendable Municipal Commercial Paper

Commercial Paper - CP

The Authority has authorized a \$150 million Commercial Paper (CP) Program. The program consists of two active series - Series B \$100 million tax - exempt and Series C \$50 million taxable. This program will provide interim financing for a portion of the Authority's Capital Improvement Program. Under this program, the Authority issues fixed rate, short - term (no greater than 270 days) notes. To provide liquidity and credit support for the notes, the Authority has entered into an irrevocable letter of credit (LOC) with Landesbank Hessen - Thuringen Girozentrale, New York Branch (Helaba). The notes are rated based on the banks rating; in effect the LOC of the bank substitutes the Authority's security with the paying ability of the bank, enhancing the appeal and marketability of the notes. The notes are payable from and secured by a subordinate lien on the Authority's net revenues, as further described in the Authority's master trust indenture, as supplemented. The dealer for the commercial paper program is J. P. Morgan Securities LLC.

Extendable Municipal Commercial Paper - EMCP

The Authority has also authorized a \$100 million Extendable Municipal Commercial Paper (EMCP) Program. The program consists of one series - A, in the amount of \$100 million. This program will provide interim financing for a portion of the Authority's Capital Improvement Program. Under this program the notes are issued backed by the liquidity and credit rating of the Authority. Each Series A EMCP Note will mature on its respective "Original Maturity Date", which may range from one to 90 days from the date of issuance, unless its maturity is extended on the "Original Maturity Date" to the "Extended Maturity Date", which will be the date that is 270 days after the date of issuance of the Series A EMCP Note. The notes are payable from and secured by a subordinate lien on the Authority's net revenues, as further described in the Authority's master trust indenture as supplemented. The dealer for the EMCP program is Goldman, Sachs & Co.