



# Growth Statistics

| <u>YEAR/<br/>MONTH</u> | <u>ACTIVE<br/>ACCOUNTS*</u> | <u>NET<br/>INCREASE</u> | <u>APPLICATIONS</u> |
|------------------------|-----------------------------|-------------------------|---------------------|
| <b><u>2016</u></b>     |                             |                         |                     |
| January                | 275,877                     | 595                     | 1,569               |
| February               | 276,890                     | 1,013                   | 1,822               |
| March                  | 277,667                     | 777                     | 2,134               |
| April                  | 278,855                     | 1,188                   | 2,006               |
| May                    | 279,934                     | 1,079                   | 2,320               |
| June                   | 281,291                     | 1,357                   | 2,830               |
| July                   | 282,018                     | 727                     | 2,761               |
| August                 | 283,562                     | 1,544                   | 3,007               |
| September              | 284,881                     | 1,319                   | 2,226               |
| October                | 285,751                     | 870                     | 2,060               |
| November               | 286,995                     | 1,244                   | 1,942               |
| December               | 287,422                     | 427                     | 1,932               |
| <b><u>2017</u></b>     |                             |                         |                     |
| January                | 288,562                     | 1,140                   | 1,846               |
| February               | 289,582                     | 1,020                   | 1,809               |
| March                  | 291,084                     | 1,502                   | 2,316               |
| April                  | 291,623                     | 539                     | 2,081               |

\*Active Accounts are meters and lights only.



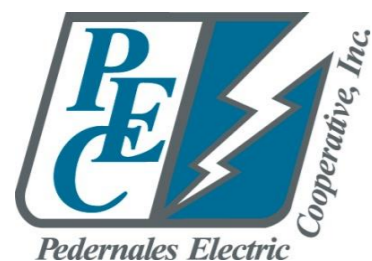
# Statements of Income and Patronage Capital

|   | MTD                   |                      |                       | YTD                   |                      |                       |
|---|-----------------------|----------------------|-----------------------|-----------------------|----------------------|-----------------------|
|   | Actual<br>APRIL 2017  | Budget<br>APRIL 2017 | Actual<br>APRIL 2016  | Actual<br>APRIL 2017  | Budget<br>APRIL 2017 | Actual<br>APRIL 2016  |
| KWH Purchased (available for sale)                  | 406,830,000           | 398,167,000          | 383,123,000           | 1,623,543,000         | 1,796,245,000        | 1,634,702,000         |
| KWH Sold  | 388,339,000           | 370,247,000          | 391,661,000           | 1,549,861,000         | 1,677,566,000        | 1,565,243,000         |
| <b>OPERATING REVENUES:</b>                          |                       |                      |                       |                       |                      |                       |
| Sale of Electricity                                 | \$ 41,560,000         | \$ 39,266,000        | \$ 40,685,000         | \$ 163,517,000        | \$ 171,279,000       | \$ 160,727,000        |
| LCRA Fuel Power Cost Recovery Factor                | (497,000)             | -                    | (752,000)             | 255,000               | -                    | 546,000               |
| Other Revenue                                       | 3,092,000             | 2,529,000            | 2,654,000             | 8,723,000             | 9,344,000            | 8,754,000             |
| <b>Operating Revenues - Total</b>                   | <b>44,155,000</b>     | <b>41,795,000</b>    | <b>42,587,000</b>     | <b>172,495,000</b>    | <b>180,623,000</b>   | <b>170,027,000</b>    |
| <b>OPERATING &amp; MAINTENANCE EXPENSES:</b>        |                       |                      |                       |                       |                      |                       |
| Purchased Power                                     | 23,901,000            | 23,156,000           | 23,974,000            | 95,804,000            | 101,560,000          | 94,497,000            |
| LCRA Fuel Power Cost Recovery Factor                | (497,000)             | -                    | (752,000)             | 255,000               | -                    | 546,000               |
| Transmission Operations                             | 48,000                | 56,000               | 70,000                | 181,000               | 243,000              | 208,000               |
| Transmission Maintenance                            | 398,000               | 283,000              | 130,000               | 1,500,000             | 1,168,000            | 619,000               |
| Distribution Operations                             | 2,598,000             | 2,604,000            | 2,854,000             | 10,479,000            | 10,826,000           | 9,397,000             |
| Distribution Maintenance                            | 1,201,000             | 1,310,000            | 1,317,000             | 4,611,000             | 5,384,000            | 4,975,000             |
| Consumer Accounts                                   | 1,831,000             | 2,045,000            | 2,190,000             | 6,994,000             | 8,544,000            | 6,810,000             |
| Customer Service & Information                      | 205,000               | 317,000              | 248,000               | 829,000               | 1,178,000            | 545,000               |
| Economic Development                                | 99,000                | 162,000              | 55,000                | 477,000               | 627,000              | 251,000               |
| Administrative & General                            | 2,122,000             | 2,145,000            | 4,770,000             | 8,645,000             | 8,940,000            | 9,791,000             |
| Depreciation & Amortization Expense                 | 3,852,000             | 3,742,000            | 3,463,000             | 15,364,000            | 14,801,000           | 13,800,000            |
| Tax Expense   | 72,000                | 62,000               | 419,000               | 288,000               | 279,000              | 1,803,000             |
| <b>Operating &amp; Maintenance Expenses - Total</b> | <b>35,830,000</b>     | <b>35,882,000</b>    | <b>38,738,000</b>     | <b>145,427,000</b>    | <b>153,550,000</b>   | <b>143,242,000</b>    |
| <b>MARGIN BEFORE INTEREST</b>                       | <b>8,325,000</b>      | <b>5,913,000</b>     | <b>3,849,000</b>      | <b>27,068,000</b>     | <b>27,073,000</b>    | <b>26,785,000</b>     |
| <b>INTEREST EXPENSE:</b>                            | <b>2,700,000</b>      | <b>2,814,000</b>     | <b>2,588,000</b>      | <b>10,915,000</b>     | <b>11,310,000</b>    | <b>10,275,000</b>     |
| <b>MARGIN AFTER INTEREST</b>                        | <b>5,625,000</b>      | <b>3,099,000</b>     | <b>1,261,000</b>      | <b>16,153,000</b>     | <b>15,763,000</b>    | <b>16,510,000</b>     |
| <b>OTHER INCOME (EXPENSE):</b>                      | <b>21,000</b>         | <b>11,000</b>        | <b>(11,000)</b>       | <b>283,000</b>        | <b>45,000</b>        | <b>51,000</b>         |
| <b>NET MARGIN (LOSS)</b>                            | <b>\$ 5,646,000</b>   | <b>\$ 3,110,000</b>  | <b>\$ 1,250,000</b>   | <b>\$ 16,436,000</b>  | <b>\$ 15,808,000</b> | <b>\$ 16,561,000</b>  |
| <b>COMPREHENSIVE INCOME</b>                         | <b>\$ 5,646,000</b>   |                      | <b>\$ 1,250,000</b>   | <b>\$ 16,436,000</b>  |                      | <b>\$ 16,561,000</b>  |
| <b>PATRONAGE CAPITAL - BEGINNING OF PERIOD</b>      | <b>413,662,000</b>    |                      | <b>388,957,000</b>    | <b>402,207,000</b>    |                      | <b>373,806,000</b>    |
| Patronage Capital Retired                           | (16,000)              |                      | 116,000               | 64,000                |                      | 43,000                |
| Transfers to Other Equities                         | (23,000)              |                      | 688,000               | 562,000               |                      | 601,000               |
| <b>PATRONAGE CAPITAL - TOTAL</b>                    | <b>\$ 419,269,000</b> |                      | <b>\$ 391,011,000</b> | <b>\$ 419,269,000</b> |                      | <b>\$ 391,011,000</b> |



## Balance Sheet

|   | APRIL 2017              | DECEMBER 2016           | \$ VARIANCE           | % CHANGE       | APRIL 2016              |
|---|-------------------------|-------------------------|-----------------------|----------------|-------------------------|
| <b>ASSETS</b>                               |                         |                         |                       |                |                         |
| <b>UTILITY PLANT:</b>                       |                         |                         |                       |                |                         |
| In Service:                                 |                         |                         |                       |                |                         |
| Transmission                                | \$ 100,303,000          | \$ 100,303,000          | \$ -                  | 0.00%          | \$ 102,582,000          |
| Distribution                                | 1,360,316,000           | 1,344,293,000           | 16,023,000            | 1.19%          | 1,273,260,000           |
| General & Electric                          | 150,826,000             | 146,848,000             | 3,978,000             | 2.71%          | 130,359,000             |
| Utility Plant - In service                  | 1,611,445,000           | 1,591,444,000           | 20,001,000            | 1.26%          | 1,506,201,000           |
| Long-Term Capital Projects                  | 75,656,000              | 58,035,000              | 17,621,000            | 30.36%         | 72,332,000              |
| Utility Plant - Total                       | 1,687,101,000           | 1,649,479,000           | 37,622,000            | 2.28%          | 1,578,533,000           |
| Accumulated Depreciation                    | (294,401,000)           | (286,311,000)           | (8,090,000)           | 2.83%          | (297,434,000)           |
| Utility Plant - Net                         | 1,392,700,000           | 1,363,168,000           | 29,532,000            | 2.17%          | 1,281,099,000           |
| <b>LONG TERM INVESTMENTS:</b>               |                         |                         |                       |                |                         |
| Capital Term Certificates & Other           | 12,139,000              | 12,179,000              | (40,000)              | (0.33%)        | 11,729,000              |
| <b>CURRENT ASSETS:</b>                      |                         |                         |                       |                |                         |
| Cash  | 487,000                 | 33,244,000              | (32,757,000)          | (98.54%)       | 6,309,000               |
| Accounts Receivable:                        |                         |                         |                       |                |                         |
| Members                                     | 19,947,000              | 15,940,000              | 4,007,000             | 25.14%         | 18,834,000              |
| Other                                       | 6,088,000               | 5,510,000               | 578,000               | 10.49%         | 10,873,000              |
| Allowance for Uncollectible Accts           | (838,000)               | (1,046,000)             | 208,000               | (19.89%)       | (1,087,000)             |
| Accrued Unbilled Revenue                    | 19,086,000              | 24,084,000              | (4,998,000)           | (20.75%)       | 20,989,000              |
| Materials & Supplies                        | 24,452,000              | 22,423,000              | 2,029,000             | 9.05%          | 27,668,000              |
| Prepayments & Other                         | 1,612,000               | 2,332,000               | (720,000)             | (30.87%)       | 2,956,000               |
| Current Assets - Total                      | 70,834,000              | 102,487,000             | (31,653,000)          | (30.88%)       | 86,542,000              |
| <b>DEFERRED CHARGES &amp; OTHER ASSETS:</b> |                         |                         |                       |                |                         |
| Regulatory Assets                           | 69,947,000              | 69,924,000              | 23,000                | 0.03%          | 69,221,000              |
| Other Deferred Charges                      | 879,000                 | 964,000                 | (85,000)              | (8.82%)        | 4,250,000               |
| Deferred Charges & Other Assets - Total     | 70,826,000              | 70,888,000              | (62,000)              | (0.09%)        | 73,471,000              |
| <b>TOTAL ASSETS</b>                         | <b>\$ 1,546,499,000</b> | <b>\$ 1,548,722,000</b> | <b>\$ (2,223,000)</b> | <b>(0.14%)</b> | <b>\$ 1,452,841,000</b> |



## Balance Sheet

|  | APRIL 2017              | DECEMBER 2016           | \$ VARIANCE           | % CHANGE       | APRIL 2016              |
|--|-------------------------|-------------------------|-----------------------|----------------|-------------------------|
| <b>EQUITY &amp; LIABILITIES</b>                            |                         |                         |                       |                |                         |
| <b>EQUITY:</b>   |                         |                         |                       |                |                         |
| Membership Certificates                                    | \$ 11,781,000           | \$ 11,614,000           | 167,000               | 1.44%          | \$ 11,266,000           |
| Permanent Equity   | 171,168,000             | 171,730,000             | (562,000)             | (0.33%)        | 151,416,000             |
| Patronage Capital  | 419,269,000             | 402,207,000             | 17,062,000            | 4.24%          | 391,011,000             |
| Equity - Total   | <u>602,218,000</u>      | <u>585,551,000</u>      | <u>16,667,000</u>     | <u>2.85%</u>   | <u>553,693,000</u>      |
| <b>LONG-TERM DEBT:</b>                                     |                         |                         |                       |                |                         |
| 02 Issue - \$450M - 2032                                   | 310,229,000             | 310,141,000             | 88,000                | 0.03%          | 325,480,000             |
| 08 Issue - \$300M - 2043                                   | 205,839,000             | 207,086,000             | (1,247,000)           | (0.60%)        | 210,757,000             |
| 15 Issue - \$78M - 2020                                    | 24,079,000              | 24,198,000              | (119,000)             | (0.49%)        | 24,549,000              |
| 15 Issue - \$25M - 2045                                    | 46,510,000              | 50,567,000              | (4,057,000)           | (8.02%)        | 62,572,000              |
| 16 Issue - \$15M - 2021                                    | 9,750,000               | 11,250,000              | (1,500,000)           | (13.33%)       | -                       |
| 16 Issue - \$80M - 2046                                    | 78,139,000              | 78,518,000              | (379,000)             | (0.48%)        | -                       |
| Long-Term Debt - Total                                     | <u>674,546,000</u>      | <u>681,760,000</u>      | <u>(7,214,000)</u>    | <u>(1.06%)</u> | <u>623,358,000</u>      |
| <b>CURRENT LIABILITIES:</b>                                |                         |                         |                       |                |                         |
| Lines of Credit  | 5,000,000               | -                       | 5,000,000             | 100.00%        | 10,000,000              |
| Current Maturities of LTD                                  | 38,301,000              | 38,126,000              | 175,000               | 0.46%          | 32,488,000              |
| Accounts Payable   | 37,359,000              | 52,756,000              | (15,397,000)          | (29.19%)       | 42,034,000              |
| Consumer Deposits  | 5,995,000               | 5,891,000               | 104,000               | 1.77%          | 5,799,000               |
| Accrued Taxes  | 5,714,000               | 9,041,000               | (3,327,000)           | (36.80%)       | 5,037,000               |
| Accrued Interest   | 11,498,000              | 3,866,000               | 7,632,000             | 197.41%        | 11,390,000              |
| Other Current Liabilities                                  | 12,158,000              | 11,498,000              | 660,000               | 5.74%          | 10,559,000              |
| Current Liabilities - Total                                | <u>116,025,000</u>      | <u>121,178,000</u>      | <u>(5,153,000)</u>    | <u>(4.25%)</u> | <u>117,307,000</u>      |
| <b>DEFERRED CREDITS &amp; OTHER NONCURRENT LIABILITIES</b> |                         |                         |                       |                |                         |
| Postretirement Benefits Obligation                         | 109,340,000             | 107,009,000             | 2,331,000             | 2.18%          | 108,935,000             |
| Other Deferred Credits                                     | 44,370,000              | 53,224,000              | (8,854,000)           | (16.64%)       | 49,548,000              |
| Deferred Credits - Total                                   | <u>153,710,000</u>      | <u>160,233,000</u>      | <u>(6,523,000)</u>    | <u>(4.07%)</u> | <u>158,483,000</u>      |
| <b>TOTAL EQUITY &amp; LIABILITIES</b>                      | <u>\$ 1,546,499,000</u> | <u>\$ 1,548,722,000</u> | <u>\$ (2,223,000)</u> | <u>(0.14%)</u> | <u>\$ 1,452,841,000</u> |
| Equity as a Percent of Assets                              | 38.94%                  | 37.81%                  |                       |                | 38.11%                  |
| Equity Capitalization                                      | 45.79%                  | 44.85%                  |                       |                | 45.78%                  |



# Cash Flow Statement

|  | YTD             |               |
|--|-----------------|---------------|
|  | APRIL 2017      | APRIL 2016    |
| <b>OPERATING ACTIVITIES:</b>                             |                 |               |
| Net Margins  | \$ 16,436,000   | \$ 16,561,000 |
| Adjustments to Reconcile Net Margins to Net Cash         |                 |               |
| Provided by (Used in) Operating Activities:              |                 |               |
| Depreciation & Amortization Expense                      | 15,364,000      | 13,800,000    |
| Provision for Uncollectible Accounts                     | 688,000         | (213,000)     |
| Deferred Charges for Post-Retirement Plans               | 2,915,000       | 3,200,000     |
| Payments on Post-Retirement Benefits                     | (585,000)       | -             |
| Changes in assets and liabilities:                       |                 |               |
| Accounts Receivable - Net                                | (5,481,000)     | 6,305,000     |
| Accrued Unbilled Revenue                                 | 4,998,000       | 2,080,000     |
| Materials & Supplies                                     | (2,029,000)     | (92,000)      |
| Prepayments & Other Current Assets                       | 720,000         | (1,239,000)   |
| Deferred Charges & Other Assets                          | (57,000)        | 1,329,000     |
| Accrued & Accounts Payable                               | (15,397,000)    | (11,849,000)  |
| Consumer Deposits  | 103,000         | 83,000        |
| Accrued Taxes  | (3,327,000)     | (2,594,000)   |
| Accrued Interest   | 7,632,000       | 8,054,000     |
| Other Current Liabilities                                | 660,000         | 1,066,000     |
| Other Deferred Credits & Liabilities                     | (8,734,000)     | (168,000)     |
| Net Cash Provided by (Used in) Operating Activities      | 13,906,000      | 36,323,000    |
| <b>INVESTING ACTIVITIES:</b>                             |                 |               |
| Net Additions to Property, Plant & Equipment             | (44,896,000)    | (39,003,000)  |
| Capital Credit Retirements from Associated Organizations | 41,000          | 12,000        |
| Net Cash Provided by (Used in) Investing Activities      | (44,855,000)    | (38,991,000)  |
| <b>FINANCING ACTIVITIES:</b>                             |                 |               |
| Net Borrowings - Line of Credit                          | 5,000,000       | 10,000,000    |
| Payments on Long-Term Debt                               | (7,039,000)     | (1,041,000)   |
| Retirement of Patronage Capital                          | 64,000          | (158,000)     |
| Increase in Memberships - Net                            | 167,000         | 101,000       |
| Net Cash Provided by (Used in) Financing Activities      | \$ (1,808,000)  | \$ 8,902,000  |
| <b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>  | \$ (32,757,000) | \$ 6,234,000  |
| <b>CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD</b>   | \$ 33,244,000   | \$ 75,000     |
| <b>CASH AND CASH EQUIVALENTS - END OF PERIOD</b>         | \$ 487,000      | \$ 6,309,000  |



# APRIL 2017

## Key Indicators & Ratios

|  | MTD           |               | YTD           |               |
|--|---------------|---------------|---------------|---------------|
|  | APRIL 2017    | APRIL 2016    | APRIL 2017    | APRIL 2016    |
| Net Margins                                    | \$ 5,646,000  | \$ 1,250,000  | \$ 16,436,000 | \$ 16,561,000 |
| Margin as a % of Total Operating Revenue       | 12.79%        | 2.94%         | 9.53%         | 9.74%         |
| Total Operating Revenue per total mile of line | \$ 1,994      | \$ 1,958      | \$ 7,791      | \$ 7,819      |
| Members connected                              | 5,467         | 4,916         | 20,357        | 18,208        |
| Total Miles of Line:                           |               |               |               |               |
| Transmission                                   | 304.28        | 304.28        | 304.28        | 304.28        |
| Distribution Overhead                          | 16,969.03     | 16,864.98     | 16,969.03     | 16,864.98     |
| Distribution Underground                       | 4,866.10      | 4,576.11      | 4,866.10      | 4,576.11      |
| Total Miles energized                          | 22,139.41     | 21,745.37     | 22,139.41     | 21,745.37     |
| Total Active Accounts                          |               |               | 291,623       | 278,855       |
| Total Memberships                              |               |               | 244,211       | 234,416       |
| Meters per mile                                |               |               | 13.17         | 12.82         |
| Full time employees                            |               |               | 732           | 696           |
| Average bill                                   |               |               |               |               |
| Residential                                    | \$ 99         | \$ 97         | \$ 433        | \$ 465        |
| Small Power                                    | \$ 197        | \$ 198        | \$ 804        | \$ 855        |
| Large Power/Industrial                         | \$ 5,695      | \$ 5,931      | \$ 21,788     | \$ 23,830     |
| Public   | \$ 1,766      | \$ 1,640      | \$ 6,769      | \$ 6,517      |
| Revenue per kWh                                |               |               |               |               |
| Residential                                    | \$ 0.1098     | \$ 0.1142     | \$ 0.1071     | \$ 0.1111     |
| Small Power                                    | \$ 0.1015     | \$ 0.1068     | \$ 0.1007     | \$ 0.1066     |
| Large Power/Industrial                         | \$ 0.0747     | \$ 0.0765     | \$ 0.0750     | \$ 0.0782     |
| Public   | \$ 0.0740     | \$ 0.0763     | \$ 0.0742     | \$ 0.0784     |
| Average kWh usage                              |               |               |               |               |
| Residential                                    | 903           | 849           | 4,040         | 4,189         |
| Small Power                                    | 1,936         | 1,851         | 7,987         | 8,023         |
| Large Power/Industrial                         | 76,233        | 77,492        | 290,416       | 304,628       |
| Public   | 23,879        | 21,508        | 91,198        | 83,134        |
| Electrical bad debt write-off                  | \$ 42,048     | \$ 60,540     | \$ 305,258    | \$ 327,011    |
| Power bill invoices paid                       | \$ 23,813,137 | \$ 24,009,873 | \$ 95,059,108 | \$ 94,617,032 |
| Power bill invoices kWh                        | 407,190,326   | 383,507,588   | 1,625,203,905 | 1,636,433,020 |
| Cost per kWh                                   | \$ 0.0585     | \$ 0.0626     | \$ 0.0585     | \$ 0.0578     |
| kWh Purchased (available for sale)             | 406,830,066   | 383,123,385   | 1,623,543,415 | 1,634,701,819 |
| kWh Sold                                       | 388,338,808   | 391,661,059   | 1,549,860,511 | 1,565,243,163 |
| kWh PEC system use                             | 360,260       | 384,203       | 1,660,490     | 1,731,201     |
| kWh Line loss                                  |               |               | 73,682,904    | 69,458,656    |
| kWh Line loss %                                |               |               | 4.54%         | 4.25%         |
| Equity as a % of total assets                  | 38.94%        | 38.11%        | 38.94%        | 38.11%        |
| % Cost of Power to Sale of Electricity Revenue | 57.51%        | 58.93%        | 58.59%        | 58.79%        |
| LTD as a % of Total Utility Plant              | 42.25%        | 41.55%        | 42.25%        | 41.55%        |