



Growth Statistics

<u>YEAR/ MONTH</u>	<u>ACTIVE ACCOUNTS*</u>	<u>NET INCREASE</u>	<u>APPLICATIONS</u>
<u>2016</u>			
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
<u>2017</u>			
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
May	293,315	1,692	2,701
June	295,158	1,843	2,973
July	295,644	486	2,875

*Active Accounts are meters and lights only.



Statements of Income and Patronage Capital

	MTD			YTD		
	Actual JULY 2017	Budget JULY 2017	Actual JULY 2016	Actual JULY 2017	Budget JULY 2017	Actual JULY 2016
KWH Purchased (available for sale)	698,142,000	668,157,000	694,699,000	3,383,484,000	3,470,238,000	2,660,858,000
KWH Sold	687,875,000	626,093,000	660,184,000	3,255,219,000	3,246,300,000	3,162,319,000
OPERATING REVENUES:						
Sale of Electricity	\$ 62,538,000	\$ 58,738,000	\$ 61,081,000	\$ 329,339,000	\$ 323,239,000	\$ 317,152,000
LCRA Fuel Power Cost Recovery Factor	1,044,000	-	(2,523,000)	2,765,000	-	(4,573,000)
Other Revenue	2,245,000	2,248,000	2,316,000	15,456,000	16,088,000	15,653,000
Operating Revenues - Total	65,827,000	60,986,000	60,874,000	347,560,000	339,327,000	328,232,000
OPERATING & MAINTENANCE EXPENSES:						
Purchased Power	37,597,000	36,015,000	35,151,000	193,176,000	193,328,000	190,214,000
LCRA Fuel Power Cost Recovery Factor	1,044,000	-	(2,523,000)	2,765,000	-	(4,573,000)
Transmission Operations	53,000	89,000	44,000	337,000	483,000	332,000
Transmission Maintenance	133,000	290,000	164,000	2,177,000	2,053,000	1,196,000
Distribution Operations	3,128,000	2,885,000	2,741,000	19,904,000	20,066,000	17,967,000
Distribution Maintenance	1,333,000	1,611,000	2,018,000	9,427,000	8,969,000	9,736,000
Consumer Accounts	1,892,000	2,149,000	2,262,000	13,546,000	15,172,000	12,962,000
Customer Service & Information	263,000	351,000	171,000	1,740,000	2,422,000	1,017,000
Economic Development	152,000	131,000	75,000	879,000	1,079,000	491,000
Administrative & General	2,060,000	2,222,000	2,500,000	15,400,000	15,797,000	16,905,000
Depreciation & Amortization Expense	4,806,000	3,829,000	3,503,000	27,889,000	26,199,000	24,295,000
Tax Expense	104,000	95,000	104,000	572,000	526,000	2,073,000
Operating & Maintenance Expenses - Total	52,565,000	49,667,000	46,210,000	287,812,000	286,094,000	272,615,000
MARGIN BEFORE INTEREST	13,262,000	11,319,000	14,664,000	59,748,000	53,233,000	55,617,000
INTEREST EXPENSE:	2,645,000	2,972,000	2,434,000	18,900,000	19,898,000	17,816,000
MARGIN AFTER INTEREST	10,617,000	8,347,000	12,230,000	40,848,000	33,335,000	37,801,000
OTHER INCOME (EXPENSE):	(291,000)	14,000	(172,000)	570,000	282,000	239,000
NET MARGIN (LOSS)	\$ 10,326,000	\$ 8,361,000	\$ 12,058,000	\$ 41,418,000	\$ 33,617,000	\$ 38,040,000
COMPREHENSIVE INCOME	\$ 10,326,000		\$ 12,058,000	\$ 41,418,000		\$ 38,040,000
PATRONAGE CAPITAL - BEGINNING OF PERIOD	433,836,000		400,298,000	402,207,000		373,806,000
Patronage Capital Retired	(21,000)		(21,000)	(10,000)		(40,000)
Transfers to Other Equities	(37,000)		(29,000)	489,000		500,000
PATRONAGE CAPITAL - TOTAL	\$ 444,104,000		\$ 412,306,000	\$ 444,104,000		\$ 412,306,000



Balance Sheet

	JULY 2017	DECEMBER 2016	\$ VARIANCE	% CHANGE	JULY 2016
ASSETS					
UTILITY PLANT:					
In Service:					
Transmission	\$ 100,334,000	\$ 100,303,000	\$ 31,000	0.03%	\$ 102,582,000
Distribution	1,369,765,000	1,344,293,000	25,472,000	1.89%	1,280,177,000
General & Electric	149,619,000	146,848,000	2,771,000	1.89%	129,609,000
Utility Plant - In service	<u>1,619,718,000</u>	<u>1,591,444,000</u>	<u>28,274,000</u>	<u>1.78%</u>	<u>1,512,368,000</u>
Long-Term Capital Projects	94,835,000	58,035,000	36,800,000	63.41%	98,692,000
Utility Plant - Total	<u>1,714,553,000</u>	<u>1,649,479,000</u>	<u>65,074,000</u>	<u>3.95%</u>	<u>1,611,060,000</u>
Accumulated Depreciation	(294,246,000)	(286,311,000)	(7,935,000)	2.77%	(302,715,000)
Utility Plant - Net	<u>1,420,307,000</u>	<u>1,363,168,000</u>	<u>57,139,000</u>	<u>4.19%</u>	<u>1,308,345,000</u>
LONG TERM INVESTMENTS:					
Capital Term Certificates & Other	12,135,000	12,179,000	(44,000)	(0.36%)	11,597,000
CURRENT ASSETS:					
Cash	1,888,000	33,244,000	(31,356,000)	(94.32%)	4,365,000
Accounts Receivable:					
Members	34,382,000	15,940,000	18,442,000	115.70%	34,044,000
Other	2,604,000	5,510,000	(2,906,000)	(52.74%)	14,693,000
Allowance for Uncollectible Accts	(540,000)	(1,046,000)	506,000	(48.37%)	(970,000)
Accrued Unbilled Revenue	34,109,000	24,084,000	10,025,000	41.63%	32,566,000
Materials & Supplies	22,292,000	22,423,000	(131,000)	(0.58%)	25,977,000
Prepayments & Other	2,430,000	2,332,000	98,000	4.20%	2,874,000
Current Assets - Total	<u>97,165,000</u>	<u>102,487,000</u>	<u>(5,322,000)</u>	<u>(5.19%)</u>	<u>113,549,000</u>
DEFERRED CHARGES & OTHER ASSETS:					
Regulatory Assets	70,220,000	69,924,000	296,000	0.42%	67,987,000
Other Deferred Charges	816,000	964,000	(148,000)	(15.35%)	4,115,000
Deferred Charges & Other Assets - Total	<u>71,036,000</u>	<u>70,888,000</u>	<u>148,000</u>	<u>0.21%</u>	<u>72,102,000</u>
TOTAL ASSETS	<u>\$ 1,600,643,000</u>	<u>\$ 1,548,722,000</u>	<u>\$ 51,921,000</u>	<u>3.35%</u>	<u>\$ 1,505,593,000</u>



Balance Sheet

	JULY 2017	DECEMBER 2016	\$ VARIANCE	% CHANGE	JULY 2016
EQUITY & LIABILITIES					
EQUITY:					
Membership Certificates	\$ 11,936,000	\$ 11,614,000	322,000	2.77%	\$ 11,399,000
Permanent Equity	171,240,000	171,730,000	(490,000)	(0.29%)	151,518,000
Patronage Capital	444,104,000	402,207,000	41,897,000	10.42%	412,306,000
Equity - Total	627,280,000	585,551,000	41,729,000	7.13%	575,223,000
LONG-TERM DEBT:					
02 Issue - \$450M - 2032	310,296,000	310,141,000	155,000	0.05%	325,480,000
08 Issue - \$300M - 2043	204,579,000	207,086,000	(2,507,000)	(1.21%)	209,545,000
15 Issue - \$78M - 2020	23,959,000	24,198,000	(239,000)	(0.99%)	24,433,000
15 Issue - \$25M - 2045	42,425,000	50,567,000	(8,142,000)	(16.10%)	58,598,000
16 Issue - \$15M - 2021	9,000,000	11,250,000	(2,250,000)	(20.00%)	-
16 Issue - \$80M - 2046	77,756,000	78,518,000	(762,000)	(0.97%)	-
Long-Term Debt - Total	668,015,000	681,760,000	(13,745,000)	(2.02%)	618,056,000
CURRENT LIABILITIES:					
Lines of Credit	31,000,000	-	31,000,000	100.00%	33,000,000
Current Maturities of LTD	38,478,000	38,126,000	352,000	0.92%	32,645,000
Accounts Payable	54,324,000	52,756,000	1,568,000	2.97%	53,138,000
Consumer Deposits	6,106,000	5,891,000	215,000	3.65%	5,763,000
Accrued Taxes	8,668,000	9,041,000	(373,000)	(4.13%)	8,150,000
Accrued Interest	6,572,000	3,866,000	2,706,000	69.99%	6,258,000
Other Current Liabilities	11,348,000	11,498,000	(150,000)	(1.30%)	10,073,000
Current Liabilities - Total	156,496,000	121,178,000	35,318,000	29.15%	149,027,000
DEFERRED CREDITS & OTHER					
NONCURRENT LIABILITIES					
Postretirement Benefits Obligation	110,990,000	107,009,000	3,981,000	3.72%	111,322,000
Other Deferred Credits	37,862,000	53,224,000	(15,362,000)	(28.86%)	51,965,000
Deferred Credits - Total	148,852,000	160,233,000	(11,381,000)	(7.10%)	163,287,000
TOTAL EQUITY & LIABILITIES	\$ 1,600,643,000	\$ 1,548,722,000	\$ 51,921,000	3.35%	\$ 1,505,593,000
Equity as a Percent of Assets	39.19%	37.81%			38.21%
Equity Capitalization	47.03%	44.85%			46.92%



Cash Flow Statement

	YTD	
	JULY 2017	JULY 2016
OPERATING ACTIVITIES:		
Net Margins	\$ 41,418,000	\$ 38,040,000
Adjustments to Reconcile Net Margins to Net Cash		
Provided by (Used in) Operating Activities:		
Depreciation & Amortization Expense	27,889,000	24,295,000
Provision for Uncollectible Accounts	(188,000)	(299,000)
Capital Credits	296,000	211,000
Deferred Charges for Post-Retirement Plans	5,102,000	5,133,000
Payments on Post-Retirement Benefits	(1,121,000)	-
Changes in assets and liabilities:		
Accounts Receivable - Net	(15,854,000)	(12,843,000)
Accrued Unbilled Revenue	(10,026,000)	(9,496,000)
Materials & Supplies	132,000	1,599,000
Prepayments & Other Current Assets	(97,000)	(1,157,000)
Deferred Charges & Other Assets	(148,000)	2,563,000
Accrued & Accounts Payable	1,568,000	(745,000)
Consumer Deposits	215,000	48,000
Accrued Taxes	(373,000)	519,000
Accrued Interest	2,706,000	2,922,000
Other Current Liabilities	(151,000)	580,000
Other Deferred Credits & Liabilities	(15,361,000)	2,300,000
Net Cash Provided by (Used in) Operating Activities	<u>36,007,000</u>	<u>53,670,000</u>
INVESTING ACTIVITIES:		
Net Additions to Property, Plant & Equipment	(85,029,000)	(76,745,000)
Capital Credit Retirements from Associated Organizations	(252,000)	(67,000)
Net Cash Provided by (Used in) Investing Activities	<u>(85,281,000)</u>	<u>(76,812,000)</u>
FINANCING ACTIVITIES:		
Net Borrowings - Line of Credit	31,000,000	33,000,000
Payments on Long-Term Debt	(13,394,000)	(6,300,000)
Retirement of Patronage Capital	(10,000)	460,000
Increase in Memberships - Net	322,000	272,000
Net Cash Provided by (Used in) Financing Activities	<u>\$ 17,918,000</u>	<u>\$ 27,432,000</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (31,356,000)	\$ 4,290,000
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	\$ 33,244,000	\$ 75,000
CASH AND CASH EQUIVALENTS - END OF PERIOD	\$ <u>1,888,000</u>	\$ <u>4,365,000</u>



JULY 2017 Key Indicators & Ratios

	MTD		YTD	
	JULY 2017	JULY 2016	JULY 2017	JULY 2016
Net Margins	\$ 10,326,000	\$ 12,058,000	\$ 41,418,000	\$ 38,040,000
Margin as a % of Total Operating Revenue	15.69%	19.81%	11.92%	11.59%
Total Operating Revenue per total mile of line	\$ 2,973	\$ 2,789	\$ 15,699	\$ 15,036
Members connected	6,854	6,189	41,795	36,199
Total Miles of Line:				
Transmission	304.28	304.28	304.28	304.28
Distribution Overhead	16,969.03	16,885.80	16,969.03	16,885.80
Distribution Underground	4,866.10	4,639.25	4,866.10	4,639.25
Total Miles energized	22,139.41	21,829.33	22,139.41	21,829.33
Total Active Accounts			295,644	282,018
Total Memberships			247,454	236,869
Meters per mile			13.35	12.92
Full time employees			726	701
Average bill				
Residential	\$ 166	\$ 174	\$ 831	\$ 868
Small Power	\$ 263	\$ 273	\$ 1,493	\$ 1,555
Large Power/Industrial	\$ 6,359	\$ 6,978	\$ 39,792	\$ 42,644
Public	\$ 2,237	\$ 2,598	\$ 12,890	\$ 13,303
Revenue per kWh				
Residential	\$ 0.0984	\$ 0.1001	\$ 0.1046	\$ 0.1077
Small Power	\$ 0.0947	\$ 0.0964	\$ 0.0991	\$ 0.1028
Large Power/Industrial	\$ 0.0736	\$ 0.0769	\$ 0.0748	\$ 0.0772
Public	\$ 0.0730	\$ 0.0737	\$ 0.0740	\$ 0.0765
Average kWh usage				
Residential	1,689	1,734	7,947	8,064
Small Power	2,774	2,834	15,064	15,127
Large Power/Industrial	86,428	90,732	531,661	552,200
Public	30,645	35,236	174,293	173,950
Electrical bad debt write-off	\$ 49,560	\$ 68,781	\$ 406,999	\$ 492,692
Power bill invoices paid	\$ 37,546,204	\$ 35,181,315	\$ 191,831,017	\$ 190,412,854
Power bill invoices kWh	698,552,535	695,191,412	3,386,412,202	3,358,575,107
Cost per kWh	\$ 0.0537	\$ 0.0506	\$ 0.0566	\$ 0.0567
kWh Purchased (available for sale)	698,141,849	694,698,515	3,383,483,839	3,355,556,520
kWh Sold	687,874,929	660,184,229	3,255,218,642	3,162,319,405
kWh PEC system use	410,686	492,897	2,928,363	3,018,587
kWh Line loss YTD			128,265,197	193,237,115
kWh Line loss % YTD			3.79%	5.76%
Equity as a % of total assets	39.19%	38.21%	39.19%	38.21%
% Cost of Power to Sale of Electricity Revenue	60.12%	57.55%	58.66%	59.98%
LTD as a % of Total Utility Plant	41.21%	40.39%	41.21%	40.39%