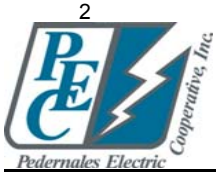


Growth Statistics

<u>YEAR/ MONTH</u>	<u>ACTIVE ACCOUNTS*</u>	<u>NET INCREASE</u>	<u>APPLICATIONS</u>	<u>TIME OF USE</u>	<u>INTER- CONNECT</u>	<u>RENEWABLE RIDER</u>
2017						
January	288,562	1,140	1,846	0	1,270	352
February	289,582	1,020	1,809	21	1,319	352
March	291,084	1,502	2,316	24	1,355	352
April	291,623	539	2,081	38	1,399	352
May	293,315	1,692	2,701	43	1,444	352
June	295,158	1,843	2,973	56	1,501	369
July	295,644	486	2,875	99	1,532	369
August	296,742	1,098	2,833	116	1,574	371
September	297,549	807	2,212	121	1,610	371
October	298,734	1,185	2,243	162	1,674	373
November	299,990	1,256	2,057	165	1,741	367
December	300,238	248	2,028	173	1,776	370

* Active Accounts are meters and lights only.



Statements of Income and Patronage Capital

	MTD			YTD		
	Actual DECEMBER 2017	Budget DECEMBER 2017	Actual DECEMBER 2016	Actual DECEMBER 2017	Budget DECEMBER 2017	Actual DECEMBER 2016
KWH Purchased (available for sale)	535,749,000	481,112,000	488,632,000	6,072,845,000	6,241,294,000	5,878,792,000
KWH Sold	500,465,000	450,974,000	468,393,000	5,686,981,000	5,836,206,000	5,559,051,000
OPERATING REVENUES:						
Sale of Electricity	\$ 46,246,000	\$ 45,982,000	\$ 40,280,000	\$ 553,893,000	\$ 577,498,000	\$ 558,783,000
LCRA FPCR (Over)Under	1,059,000	-	660,000	1,503,000	-	(5,697,000)
Power Cost Adjustment (Over)Under	653,000	-	3,000	4,027,000	-	(12,212,000)
TCOS (Over)Under	180,000	-	952,000	4,441,000	-	(2,620,000)
Other Revenue	2,762,000	2,248,000	2,244,000	27,363,000	27,329,000	27,505,000
Operating Revenues - Total	50,900,000	48,230,000	44,139,000	591,227,000	604,827,000	565,759,000
OPERATING & MAINTENANCE EXPENSES:						
Purchased Power	29,306,000	27,526,000	27,094,000	338,833,000	347,489,000	329,275,000
LCRA Fuel Power Cost Recovery Factor	1,059,000	-	660,000	1,503,000	-	(5,697,000)
Transmission Operations	35,000	70,000	31,000	644,000	858,000	559,000
Transmission Maintenance	329,000	290,000	898,000	3,690,000	3,526,000	3,521,000
Distribution Operations	3,595,000	2,794,000	4,172,000	35,702,000	34,520,000	34,138,000
Distribution Maintenance	(142,000)	1,099,000	(174,000)	15,853,000	15,784,000	15,385,000
Consumer Accounts	2,325,000	2,112,000	2,723,000	23,664,000	26,235,000	23,763,000
Customer Service & Information	379,000	303,000	233,000	3,015,000	4,016,000	2,301,000
Economic Development	170,000	134,000	226,000	1,770,000	1,784,000	1,098,000
Administrative & General	2,276,000	2,022,000	3,750,000	27,575,000	26,779,000	29,425,000
Depreciation & Amortization Expense	4,210,000	3,980,000	4,208,000	48,966,000	45,792,000	43,048,000
Tax Expense	60,000	70,000	810,000	955,000	931,000	3,197,000
Operating & Maintenance Expenses - Total	43,602,000	40,400,000	44,631,000	502,170,000	507,714,000	480,013,000
MARGIN BEFORE INTEREST	7,298,000	7,830,000	(492,000)	89,057,000	97,113,000	85,746,000
INTEREST EXPENSE:	2,469,000	2,887,000	2,796,000	31,884,000	34,601,000	30,712,000
MARGIN AFTER INTEREST	4,829,000	4,943,000	(3,288,000)	57,173,000	62,512,000	55,034,000
OTHER INCOME (EXPENSE):	1,834,000	(56,000)	(60,000)	3,979,000	1,033,000	1,765,000
NET MARGIN (LOSS)	\$ 6,663,000	\$ 4,887,000	\$ (3,348,000)	\$ 61,152,000	\$ 63,545,000	\$ 56,799,000
COMPREHENSIVE INCOME	\$ 6,663,000		\$ (3,348,000)	\$ 61,152,000		\$ 56,799,000
PATRONAGE CAPITAL - BEGINNING OF PERIOD	430,267,000		430,019,000	402,207,000		373,806,000
Patronage Capital Retired	(16,000)		(4,309,000)	(8,358,000)		(8,686,000)
Transfers to Other Equities	(20,000)		(20,155,000)	(18,105,000)		(19,712,000)
PATRONAGE CAPITAL - TOTAL	\$ 436,894,000		\$ 402,207,000	\$ 436,896,000		\$ 402,207,000



Balance Sheet

	DECEMBER 2017	DECEMBER 2016	\$ VARIANCE	% CHANGE
ASSETS				
UTILITY PLANT:				
In Service:				
Transmission	\$ 101,597,000	\$ 100,303,000	\$ 1,294,000	1.29%
Distribution	1,405,045,000	1,344,293,000	60,752,000	4.52%
General & Electric	157,635,000	146,848,000	10,787,000	7.35%
Utility Plant - In service	1,664,277,000	1,591,444,000	72,833,000	4.58%
Long-Term Capital Projects	86,570,000	58,035,000	28,535,000	49.17%
Utility Plant - Total	1,750,847,000	1,649,479,000	101,368,000	6.15%
Accumulated Depreciation	(288,182,000)	(286,311,000)	(1,871,000)	0.65%
Utility Plant - Net	1,462,665,000	1,363,168,000	99,497,000	7.30%
LONG TERM INVESTMENTS:				
Capital Term Certificates & Other	12,883,000	12,179,000	704,000	5.78%
CURRENT ASSETS:				
Cash	21,931,000	33,244,000	(11,313,000)	(34.03%)
Accounts Receivable:				
Members	21,367,000	15,940,000	5,427,000	34.05%
Other	3,765,000	2,845,000	920,000	32.34%
LCRA Fuel Power Cost Recovery Factor	1,162,000	2,665,000	(1,503,000)	(56.40%)
Allowance for Uncollectible Accts	(538,000)	(1,046,000)	508,000	(48.57%)
Accrued Unbilled Revenue	26,364,000	24,084,000	2,280,000	9.47%
Materials & Supplies	21,008,000	22,423,000	(1,415,000)	(6.31%)
Prepayments & Other	2,794,000	2,332,000	462,000	19.81%
Current Assets - Total	97,853,000	102,487,000	(4,634,000)	(4.52%)
DEFERRED CHARGES & OTHER ASSETS:				
Regulatory Assets	66,346,000	69,924,000	(3,578,000)	(5.12%)
Other Deferred Charges	744,000	964,000	(220,000)	(22.82%)
Deferred Charges & Other Assets - Total	67,090,000	70,888,000	(3,798,000)	(5.36%)
TOTAL ASSETS	\$ 1,640,491,000	\$ 1,548,722,000	\$ 91,769,000	5.93%



Balance Sheet

	DECEMBER 2017	DECEMBER 2016	\$ VARIANCE	% CHANGE
EQUITY & LIABILITIES				
EQUITY:				
Membership Certificates	\$ 12,165,000	\$ 11,614,000	551,000	4.74%
Permanent Equity	189,835,000	171,730,000	18,105,000	10.54%
Patronage Capital	436,894,000	402,207,000	34,687,000	8.62%
Equity - Total	638,894,000	585,551,000	53,343,000	9.11%
LONG-TERM DEBT:				
02 Issue - \$450M - 2032	297,316,000	310,141,000	(12,825,000)	(4.14%)
08 Issue - \$300M - 2043	202,024,000	207,086,000	(5,062,000)	(2.44%)
15 Issue - \$25M - 2045	23,715,000	24,198,000	(483,000)	(2.00%)
15 Issue - \$78M - 2020	34,171,000	50,567,000	(16,396,000)	(32.42%)
16 Issue - \$15M - 2021	7,500,000	11,250,000	(3,750,000)	(33.33%)
16 Issue - \$80M - 2046	76,979,000	78,518,000	(1,539,000)	(1.96%)
17 Issue - \$13M - 2022	9,750,000	-	9,750,000	100.00%
17 Issue - \$80M - 2047	78,624,000	-	78,624,000	100.00%
Long-Term Debt - Total	730,079,000	681,760,000	48,319,000	7.09%
CURRENT LIABILITIES:				
Lines of Credit	-	-	-	0.00%
Current Maturities of LTD	43,546,000	38,126,000	5,420,000	14.22%
Accounts Payable	51,436,000	52,756,000	(1,320,000)	(2.50%)
Consumer Deposits	6,262,000	5,891,000	371,000	6.30%
Accrued Taxes	10,273,000	9,041,000	1,232,000	13.63%
Accrued Interest	3,790,000	3,866,000	(76,000)	(1.97%)
Other Current Liabilities	12,775,000	11,498,000	1,277,000	11.11%
Current Liabilities - Total	128,082,000	121,178,000	6,904,000	5.70%
DEFERRED CREDITS & OTHER				
NONCURRENT LIABILITIES				
Postretirement Benefits Obligation	116,102,000	107,009,000	9,093,000	8.50%
LCRA Fuel Power Cost Recovery Over(Under)	1,162,000	2,665,000	(1,503,000)	(56.40%)
Power Cost Adjustment Over(Under)	11,657,000	15,685,000	(4,028,000)	(25.68%)
Transmission Cost of Service Over(Under)	(1,821,000)	2,620,000	(4,441,000)	(169.50%)
Other Deferred Credits	16,336,000	32,254,000	(15,918,000)	(49.35%)
Deferred Credits - Total	143,436,000	160,233,000	(16,797,000)	(10.48%)
TOTAL EQUITY & LIABILITIES	\$ 1,640,491,000	\$ 1,548,722,000	\$ 91,769,000	5.93%
Equity as a Percent of Assets	38.95%	37.81%		
Equity Capitalization	45.23%	44.85%		



Cash Flow Statement

	YTD	
	DECEMBER 2017	DECEMBER 2016
OPERATING ACTIVITIES:		
Net Margins	\$ 61,150,000	\$ 56,799,000
Adjustments to Reconcile Net Margins to Net Cash		
Provided by (Used in) Operating Activities:		
Depreciation & Amortization Expense	48,966,000	43,298,000
Provision for Uncollectible Accounts	317,000	136,000
Capital Credits	1,709,000	(1,233,000)
Deferred Charges for Post-Retirement Plans	20,255,000	12,824,000
Payments on Post-Retirement Benefits	(2,162,000)	(1,968,000)
Payments to Defined Benefit Plan	(9,000,000)	(9,600,000)
Changes in assets and liabilities:		
Accounts Receivable - Net	(5,669,000)	14,085,000
Accrued Unbilled Revenue	(2,281,000)	(1,014,000)
Materials & Supplies	1,415,000	5,153,000
Prepayments & Other Current Assets	(461,000)	(615,000)
Deferred Charges & Other Assets	3,798,000	626,000
Accrued & Accounts Payable	(1,321,000)	(1,127,000)
Consumer Deposits	371,000	175,000
Accrued Taxes	1,232,000	1,410,000
Accrued Interest	(76,000)	530,000
Other Current Liabilities	1,277,000	2,005,000
Other Deferred Credits & Liabilities	(25,889,000)	3,541,000
Net Cash Provided by (Used in) Operating Activities	93,631,000	125,025,000
INVESTING ACTIVITIES:		
Net Additions to Property, Plant & Equipment	(148,463,000)	(150,321,000)
Capital Credit Retirements from Associated Organizations	(2,413,000)	795,000
Net Cash Provided by (Used in) Investing Activities	(150,876,000)	(149,526,000)
FINANCING ACTIVITIES:		
Net Borrowings - Line of Credit	-	-
Proceeds from issuance of Long-Term Debt	93,000,000	94,250,000
Payments on Long-Term Debt	(39,261,000)	(28,381,000)
Retirement of Patronage Capital	(8,358,000)	(8,686,000)
Increase in Memberships - Net	551,000	487,000
Net Cash Provided by (Used in) Financing Activities	\$ 45,932,000	\$ 57,670,000
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (11,313,000)	\$ 33,169,000
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	\$ 33,244,000	\$ 75,000
CASH AND CASH EQUIVALENTS - END OF PERIOD	\$ 21,931,000	\$ 33,244,000



DECEMBER 2017 Key Indicators & Ratios

	MTD		YTD	
	DECEMBER 2017	DECEMBER 2016	DECEMBER 2017	DECEMBER 2016
Net Margins	\$ 6,663,000	\$ (3,348,000)	\$ 61,150,000	\$ 56,799,000
Margin as a % of Total Operating Revenue	13.09%	-7.59%	10.34%	10.04%
Total Operating Revenue per total mile of line	\$ 2,275	\$ 2,400	\$ 26,430	\$ 30,766
Members connected	5,738	4,862	70,746	62,724
Total Miles of Line:				
Transmission	304.28	304.28	304.28	304.28
Distribution Overhead	17,053.36	15,129.84	17,053.36	15,129.84
Distribution Underground	5,011.63	2,954.73	5,011.63	2,954.73
Total Miles energized	22,369.27	18,388.85	22,369.27	18,388.85
Total Active Accounts			300,238	287,422
Total Memberships			251,534	240,932
Meters per mile			13.42	15.63
Full time employees			720	723
Average bill				
Residential	\$ 110	\$ 95	\$ 1,470	\$ 1,507
Small Power	\$ 199	\$ 171	\$ 2,561	\$ 2,654
Large Power/Industrial	\$ 5,493	\$ 4,515	\$ 69,885	\$ 71,936
Public	\$ 1,681	\$ 1,490	\$ 21,422	\$ 21,175
Revenue per kWh				
Residential	\$ 0.1068	\$ 0.0910	\$ 0.1036	\$ 0.1040
Small Power	\$ 0.1009	\$ 0.0850	\$ 0.0986	\$ 0.0979
Large Power/Industrial	\$ 0.0748	\$ 0.0630	\$ 0.0747	\$ 0.0755
Public	\$ 0.0744	\$ 0.0588	\$ 0.0738	\$ 0.0599
Average kWh usage				
Residential	1,028	1,042	14,194	14,499
Small Power	1,972	2,015	25,973	27,104
Large Power/Industrial	73,431	71,658	935,755	952,621
Public	22,595	25,344	290,342	353,347
Electrical bad debt write-off	\$ 39,431	\$ 65,312	\$ 553,131	\$ 887,133
Power bill invoices paid	\$ 29,227,106	\$ 27,034,494	\$ 337,345,931	\$ 330,181,750
Power bill invoices kWh	536,159,766	489,076,751	6,078,038,563	5,884,087,975
Cost per kWh	\$ 0.0545	\$ 0.0553	\$ 0.0555	\$ 0.0561
kWh Purchased (available for sale)	535,748,822	488,631,878	6,072,844,597	5,878,791,718
kWh Sold	500,465,335	468,393,315	5,686,980,680	5,559,050,774
kWh PEC system use	410,944	444,873	5,193,966	5,296,287
kWh Line loss YTD			385,863,917	319,740,944
kWh Line loss % YTD			6.35%	5.44%
Equity as a % of total assets	38.95%	37.81%	38.95%	37.81%
% Cost of Power to Sale of Electricity Revenue	63.37%	69.20%	61.17%	57.25%
LTD as a % of Total Utility Plant	44.19%	43.64%	44.19%	43.64%