



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>
<u>2017</u>						
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
<u>2018</u>						
January	301,508	1,270	1,942	174	1,847	377
February	302,653	1,145	1,969	200	1,898	378
March	303,585	932	2,242	201	1,968	376
April	305,173	1,588	2,545	197	2,031	378
May	306,852	1,679	2,794	202	2,091	383
June	308,085	1,233	3,007	204	2,161	387
July	309,570	1,485	3,400	206	2,232	395
August	311,129	1,559	3,178	214	2,320	398

* Active Accounts are meters and lights only.



Statements of Income and Patronage Capital

	MTD			YTD		
	Actual AUGUST 2018	Budget AUGUST 2018	Actual AUGUST 2017	Actual AUGUST 2018	Budget AUGUST 2018	Actual AUGUST 2017
KWH Purchased (available for sale)	743,607,000	731,732,000	659,977,000	4,629,636,000	4,286,565,000	4,114,750,000
KWH Sold	702,616,000	683,040,000	607,148,000	4,371,307,000	3,995,252,000	3,862,367,000
OPERATING REVENUES:						
Sale of Electricity	\$ 65,343,000	\$ 63,261,000	\$ 57,237,000	\$ 421,220,000	\$ 399,365,000	\$ 374,155,000
LCRA FPCRf (Over)Under	(1,219,000)	-	(172,000)	3,974,000	-	2,593,000
Power Cost Adjustment (Over)Under	459,000	-	(770,000)	4,474,000	-	1,805,000
TCOS (Over)Under	(2,742,000)	-	(2,419,000)	(4,812,000)	-	1,818,000
Other Revenue	1,294,000	1,161,000	1,274,000	9,461,000	9,219,000	8,775,000
Transmission Revenue (Lease)	441,000	442,000	442,000	3,530,000	3,539,000	3,588,000
Transmission Revenue (Access)	683,000	687,000	687,000	5,480,000	5,496,000	5,496,000
Operating Revenues - Total	64,259,000	65,551,000	56,279,000	443,327,000	417,619,000	398,230,000
OPERATING & MAINTENANCE EXPENSES:						
Purchased Power	39,025,000	38,874,000	35,344,000	255,032,000	242,663,000	228,519,000
LCRA Fuel Power Cost Recovery Factor	(1,219,000)	-	(172,000)	3,974,000	-	2,593,000
Transmission Operations	181,000	153,000	88,000	1,346,000	1,202,000	425,000
Transmission Maintenance	311,000	298,000	302,000	2,109,000	2,617,000	2,479,000
Distribution Operations	2,689,000	3,293,000	3,496,000	25,226,000	26,323,000	23,400,000
Distribution Maintenance	2,482,000	1,441,000	2,187,000	11,477,000	10,968,000	11,614,000
Consumer Accounts	1,834,000	2,270,000	2,202,000	15,394,000	17,280,000	15,748,000
Customer Service & Information	272,000	294,000	251,000	2,437,000	2,375,000	1,990,000
Economic Development	93,000	154,000	145,000	1,071,000	1,184,000	1,025,000
Administrative & General	1,898,000	2,189,000	2,095,000	16,323,000	17,814,000	17,495,000
Depreciation & Amortization Expense	4,377,000	4,371,000	4,189,000	35,281,000	34,971,000	32,078,000
Tax Expense	111,000	104,000	103,000	744,000	654,000	675,000
Operating & Maintenance Expenses - Total	52,054,000	53,441,000	50,230,000	370,414,000	358,051,000	338,041,000
MARGIN BEFORE INTEREST	12,205,000	12,110,000	6,049,000	72,913,000	59,568,000	60,189,000
INTEREST EXPENSE:	2,913,000	2,896,000	2,636,000	23,056,000	23,260,000	21,536,000
MARGIN AFTER INTEREST	9,292,000	9,214,000	3,413,000	49,857,000	36,308,000	38,653,000
OTHER INCOME (EXPENSE):	1,681,000	13,000	158,000	2,934,000	405,000	729,000
NET MARGIN (LOSS)	\$ 10,973,000	\$ 9,227,000	\$ 3,571,000	\$ 52,791,000	\$ 36,713,000	\$ 39,382,000
COMPREHENSIVE INCOME	\$ 10,973,000		\$ 3,571,000	\$ 52,791,000		\$ 39,382,000
PATRONAGE CAPITAL - BEGINNING OF PERIOD	478,702,000		438,495,000	436,438,000		402,207,000
Patronage Capital Retired	(19,000)		(31,000)	(38,000)		(42,000)
Transfers to Other Equities	(28,000)		(40,000)	437,000		448,000
PATRONAGE CAPITAL - TOTAL	\$ 489,628,000		\$ 441,995,000	\$ 489,628,000		\$ 441,995,000



Balance Sheet

	AUGUST 2018	DECEMBER 2017	\$ VARIANCE	% CHANGE	AUGUST 2017
ASSETS					
UTILITY PLANT:					
In Service:					
Transmission	\$ 101,644,000	\$ 101,597,000	\$ 47,000	0.05%	\$ 100,343,000
Distribution	1,443,273,000	1,405,045,000	38,228,000	2.72%	1,374,349,000
General & Electric	183,354,000	157,635,000	25,719,000	16.32%	150,288,000
Utility Plant - In service	<u>1,728,271,000</u>	<u>1,664,277,000</u>	<u>63,994,000</u>	<u>3.85%</u>	<u>1,624,980,000</u>
Long-Term Capital Projects	90,605,000	86,570,000	4,035,000	4.66%	99,732,000
Utility Plant - Total	1,818,876,000	1,750,847,000	68,029,000	3.89%	1,724,712,000
Accumulated Depreciation	(299,663,000)	(288,182,000)	(11,481,000)	3.98%	(296,792,000)
Utility Plant - Net	<u>1,519,213,000</u>	<u>1,462,665,000</u>	<u>56,548,000</u>	<u>3.87%</u>	<u>1,427,920,000</u>
LONG TERM INVESTMENTS:					
Capital Term Certificates & Other	13,714,000	12,883,000	831,000	6.45%	12,149,000
CURRENT ASSETS:					
Cash	2,263,000	21,931,000	(19,668,000)	(89.68%)	1,871,000
Accounts Receivable:					
Members	36,604,000	21,367,000	15,237,000	71.31%	35,358,000
Other	3,731,000	3,765,000	(34,000)	(0.90%)	2,650,000
LCRA Fuel Power Cost Recovery Factor	-	1,162,000	(1,162,000)	(100.00%)	72,000
Allowance for Uncollectible Accts	(529,000)	(538,000)	9,000	(1.67%)	(415,000)
Accrued Unbilled Revenue	34,515,000	26,364,000	8,151,000	30.92%	29,146,000
Materials & Supplies	19,158,000	21,008,000	(1,850,000)	(8.81%)	22,140,000
Prepayments & Other	3,510,000	2,794,000	716,000	25.63%	3,398,000
Current Assets - Total	<u>99,252,000</u>	<u>97,853,000</u>	<u>1,399,000</u>	<u>1.43%</u>	<u>94,220,000</u>
DEFERRED CHARGES & OTHER ASSETS:					
Regulatory Assets	66,255,000	66,346,000	(91,000)	(0.14%)	70,217,000
LCRA Fuel Power Cost Under-Recovery Balance	2,812,000	-	2,812,000	100.00%	-
Transmission Cost of Service Under-Recovery Balance	-	1,821,000	(1,821,000)	(100.00%)	-
Other Deferred Charges	577,000	744,000	(167,000)	(22.45%)	826,000
Deferred Charges & Other Assets - Total	<u>69,644,000</u>	<u>68,911,000</u>	<u>733,000</u>	<u>1.06%</u>	<u>71,043,000</u>
TOTAL ASSETS	<u><u>\$ 1,701,823,000</u></u>	<u><u>\$ 1,642,312,000</u></u>	<u><u>\$ 59,511,000</u></u>	<u><u>3.62%</u></u>	<u><u>\$ 1,605,332,000</u></u>



Balance Sheet

	AUGUST 2018	DECEMBER 2017	\$ VARIANCE	% CHANGE	AUGUST 2017
EQUITY & LIABILITIES					
EQUITY:					
Membership Certificates	\$ 12,600,000	\$ 12,165,000	435,000	3.58%	\$ 11,989,000
Permanent Equity	189,399,000	189,835,000	(436,000)	(0.23%)	171,280,000
Patronage Capital	489,628,000	436,438,000	53,190,000	12.19%	441,995,000
Equity - Total	691,627,000	638,438,000	53,189,000	8.33%	625,264,000
LONG-TERM DEBT:					
02 Issue - \$450M - 2032	297,493,000	297,316,000	177,000	0.06%	310,318,000
08 Issue - \$300M - 2043	198,099,000	202,024,000	(3,925,000)	(1.94%)	203,308,000
15 Issue - \$25M - 2045	23,339,000	23,715,000	(376,000)	(1.59%)	23,837,000
15 Issue - \$78M - 2020	21,576,000	34,171,000	(12,595,000)	(36.86%)	38,312,000
16 Issue - \$15M - 2021	6,000,000	7,500,000	(1,500,000)	(20.00%)	9,000,000
16 Issue - \$80M - 2046	75,786,000	76,979,000	(1,193,000)	(1.55%)	77,369,000
17 Issue - \$13M - 2022	8,450,000	9,750,000	(1,300,000)	(13.33%)	-
17 Issue - \$80M - 2047	77,554,000	78,624,000	(1,070,000)	(1.36%)	-
Long-Term Debt - Total	708,297,000	730,079,000	(21,782,000)	(2.98%)	662,144,000
CURRENT LIABILITIES:					
Lines of Credit	24,600,000	-	24,600,000	100.00%	39,000,000
Current Maturities of LTD	44,136,000	43,546,000	590,000	1.35%	38,656,000
Accounts Payable	50,308,000	51,436,000	(1,128,000)	(2.19%)	49,897,000
Consumer Deposits	6,423,000	6,262,000	161,000	2.57%	6,231,000
Accrued Taxes	8,239,000	10,273,000	(2,034,000)	(19.80%)	6,895,000
Accrued Interest	5,831,000	3,790,000	2,041,000	53.85%	6,037,000
LCRA Fuel Power Cost Recovery Liability	2,812,000	-	2,812,000	100.00%	-
Other Current Liabilities	13,174,000	12,775,000	399,000	3.12%	12,921,000
Current Liabilities - Total	155,523,000	128,082,000	27,441,000	21.42%	159,637,000
DEFERRED CREDITS & OTHER NONCURRENT LIABILITIES					
Postretirement Benefits Obligation	121,615,000	116,102,000	5,513,000	4.75%	111,461,000
LCRA Fuel Power Cost Over-Recovery Balance	-	1,162,000	(1,162,000)	(100.00%)	72,000
Power Cost Adjustment Over-Recovery Balance	7,223,000	11,697,000	(4,474,000)	(38.25%)	13,879,000
Transmission Cost of Service Over-Recovery Balance	2,991,000	-	2,991,000	100.00%	803,000
Other Deferred Credits	14,547,000	16,752,000	(2,205,000)	(13.16%)	32,072,000
Deferred Credits - Total	146,376,000	145,713,000	663,000	0.46%	158,287,000
TOTAL EQUITY & LIABILITIES	\$ 1,701,823,000	\$ 1,642,312,000	\$ 59,511,000	3.62%	\$ 1,605,332,000
Equity as a Percent of Assets	40.64%	38.87%			38.95%



Cash Flow Statement

	YTD	
	AUGUST 2018	AUGUST 2017
OPERATING ACTIVITIES:		
Net Margins	\$ 52,791,000	\$ 39,382,000
Adjustments to Reconcile Net Margins to Net Cash		
Provided by (Used in) Operating Activities:		
Depreciation & Amortization Expense	35,281,000	32,078,000
Provision for Uncollectible Accounts	(243,000)	415,000
Capital Credits	1,860,000	381,000
Deferred Charges for Post-Retirement Plans	6,350,000	5,831,000
Payments on Post-Retirement Benefits	(837,000)	(1,379,000)
Payments to Defined Benefit Plan	-	-
Changes in assets and liabilities:		
Accounts Receivable - Net	(13,808,000)	(17,676,000)
Accrued Unbilled Revenue	(8,150,000)	(5,062,000)
Materials & Supplies	1,850,000	284,000
Prepayments & Other Current Assets	(717,000)	(1,066,000)
Deferred Charges & Other Assets	(734,000)	(155,000)
Accrued & Accounts Payable	(1,127,000)	(2,860,000)
Consumer Deposits	161,000	340,000
Accrued Taxes	(2,034,000)	(2,146,000)
Accrued Interest	2,041,000	2,171,000
Other Current Liabilities	3,211,000	1,423,000
Other Deferred Credits & Liabilities	(4,849,000)	(6,399,000)
Net Cash Provided by (Used in) Operating Activities	<u>71,046,000</u>	<u>45,562,000</u>
INVESTING ACTIVITIES:		
Net Additions to Property, Plant & Equipment	(91,829,000)	(96,830,000)
Capital Credit Retirements from Associated Organizations	(2,690,000)	(351,000)
Net Cash Provided by (Used in) Investing Activities	<u>(94,519,000)</u>	<u>(97,181,000)</u>
FINANCING ACTIVITIES:		
Net Borrowings - Line of Credit	24,600,000	39,000,000
Proceeds from issuance of Long-Term Debt	-	-
Payments on Long-Term Debt	(21,192,000)	(19,086,000)
Retirement of Patronage Capital	(38,000)	(42,000)
Increase in Memberships - Net	435,000	374,000
Net Cash Provided by (Used in) Financing Activities	<u>\$ 3,805,000</u>	<u>\$ 20,246,000</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (19,668,000)	\$ (31,373,000)
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	\$ 21,931,000	\$ 33,244,000
CASH AND CASH EQUIVALENTS - END OF PERIOD	\$ <u>2,263,000</u>	\$ <u>1,871,000</u>



AUGUST 2018

Key Indicators & Ratios

	MTD		YTD	
	AUGUST 2018	AUGUST 2017	AUGUST 2018	AUGUST 2017
Net margins	\$ 10,973,000	\$ 3,571,000	\$ 52,791,000	\$ 39,382,000
Margin as a % of total operating revenue	17.08%	6.35%	11.91%	9.89%
Total Operating Revenue per total mile of line	\$ 2,844	\$ 2,530	\$ 19,622	\$ 17,900
Members connected	7,772	6,814	54,835	48,609
Total miles of line:				
Transmission	304.28	304.28	304.28	304.28
Distribution overhead	17,130.81	17,017.95	17,130.81	17,017.95
Distribution underground	5,158.74	4,924.91	5,158.74	4,924.91
Total miles energized	22,593.83	22,247.14	22,593.83	22,247.14
Total active accounts			311,129	296,742
Total memberships			260,312	248,415
Meters per mile			13.77	13.34
Full-time employees			729	717
Average bill				
Residential	\$ 177	\$ 176	\$ 1,074	\$ 1,001
Small power	\$ 249	\$ 273	\$ 1,794	\$ 1,758
Large power/industrial	\$ 7,283	\$ 6,708	\$ 49,800	\$ 46,268
Public	\$ 2,471	\$ 2,228	\$ 15,947	\$ 14,473
Revenue per kWh				
Residential	\$ 0.0985	\$ 0.0975	\$ 0.1025	\$ 0.1033
Small power	\$ 0.0866	\$ 0.0942	\$ 0.0968	\$ 0.0983
Large power/industrial	\$ 0.0760	\$ 0.0740	\$ 0.0752	\$ 0.0747
Public	\$ 0.0738	\$ 0.0728	\$ 0.0745	\$ 0.0738
Average kWh usage				
Residential	1,795	1,801	10,479	9,691
Small power	2,876	2,899	18,531	17,884
Large power/industrial	95,857	90,659	662,316	619,221
Public	33,494	30,612	214,162	196,191
Electrical bad debt write-off	\$ 53,408	\$ 35,890	\$ 471,535	\$ 442,888
Power bill invoices paid	\$ 39,033,843	\$ 35,240,339	\$ 255,115,485	\$ 227,071,357
Power bill invoices kWh	744,110,475	660,478,573	4,633,441,096	4,118,180,744
Cost per kWh	\$ 0.0525	\$ 0.0534	\$ 0.0551	\$ 0.0551
kWh purchased (available for sale)	743,606,675	659,976,602	4,629,636,471	4,114,750,410
kWh sold	702,616,283	607,147,951	4,371,306,818	3,862,366,593
kWh PEC system use	503,800	501,971	3,804,625	3,430,334
kWh line loss YTD			258,329,653	252,383,817
kWh line loss % YTD			5.58%	6.13%
Equity as a % of total assets	40.64%	38.87%	40.64%	38.87%
% Cost of power to sale of electricity revenue	61.13%	65.28%	60.96%	60.76%
LTD as a % of total utility plant	41.37%	44.19%	41.37%	44.19%
Rolling 12-month calculations:				
Margin as a % of revenue			11.65%	
Times Interest Earned Ratio			3.06%	
Rate of Return			4.88%	
Percent capitalization				
Long-term debt			52.11%	
Equity			47.89%	
Member active account growth rate			4.85%	4.65%
Percentage of operating revenue change			9.79%	3.11%
Percentage of operating and maintenance expense change			0.22%	5.50%
Change in net utility plant			6.39%	8.59%