



# 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>
<b><u>2017</u></b>						
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
<b><u>2018</u></b>						
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
September	311,320	191	2,224	887	2,396	405
October	312,852	1,532	2,343	893	2,486	408
November	314,773	1,921	2,119	900	2,590	414
December	314,855	82	2,003	903	2,641	425
<b><u>2019</u></b>						
January	316,120	1,265	2,065	907	2,734	430

\* Active Accounts are meters and lights only.



# Statements of Income and Patronage Capital

	Actual DECEMBER 2018	MTD Budget DECEMBER 2018	Actual DECEMBER 2017	Actual DECEMBER 2018	YTD Budget DECEMBER 2018	Actual DECEMBER 2017
KWH Purchased (available for sale)	538,572,224	467,106,148	535,748,822	6,669,289,235	6,410,032,823	6,072,844,597
KWH Sold	524,121,687	436,766,704	500,465,335	6,309,810,351	5,990,971,368	5,686,980,680
<b>OPERATING REVENUES:</b>						
Sale of Electricity	\$ 51,017,983	\$ 45,511,509	\$ 46,246,033	\$ 612,838,460	\$ 598,114,982	\$ 553,892,564
LCRA Fuel Power Cost Recovery Factor (Over)Under	(1,264,435)	-	1,059,315	2,432,446	1,503,251	
Power Cost Adjustment (Over)Under	(1,571,919)	-	197,317	(329,419)	3,571,282	
Transmission Cost of Service (TCOS) (Over)Under	(324,384)	-	180,126	(4,270,004)	4,441,231	
Other Revenue	1,403,075	1,160,858	1,632,355	14,372,562	14,991,932	13,759,021
Transmission Revenue (Lease)	440,514	442,400	442,399	5,291,822	4,866,400	5,357,862
Transmission Revenue (Access)	682,766	687,000	686,999	8,211,424	7,557,000	8,245,662
Operating Revenues - Total	\$ 50,383,600	\$ 47,801,767	\$ 50,444,545	\$ 638,547,291	\$ 625,530,314	\$ 590,770,873
<b>COST OF POWER:</b>						
Purchased Power	\$ 28,869,351	\$ 27,196,062	\$ 29,305,994	\$ 364,139,664	\$ 362,578,831	\$ 338,833,049
LCRA Fuel Power Cost Recovery Factor	(1,264,435)	-	1,059,315	2,432,446	-	1,503,251
Cost of Power - Total	\$ 27,604,916	\$ 27,196,062	\$ 30,365,309	\$ 366,572,110	\$ 362,578,831	\$ 340,336,300
<b>GROSS MARGIN</b>	\$ 22,778,684	\$ 20,605,705	\$ 20,079,236	\$ 271,975,181	\$ 262,951,483	\$ 250,434,573
<b>OPERATING &amp; MAINTENANCE EXPENSES:</b>						
Transmission Operations	163,164	146,690	35,411	2,059,774	1,797,241	644,178
Transmission Maintenance	336,446	506,198	329,046	3,138,411	4,106,250	3,689,955
Distribution Operations	8,437,809	3,169,713	3,595,440	44,326,767	39,085,256	35,702,368
Distribution Maintenance	1,432,861	1,506,001	(141,901)	17,272,361	16,231,556	15,853,366
Consumer Accounts	2,510,728	2,147,357	2,325,302	24,943,442	25,998,570	23,663,671
Customer Service & Information	403,617	214,894	379,087	3,678,407	3,454,134	3,015,446
Economic Development	128,127	133,935	169,837	1,673,283	1,791,253	1,769,626
Administrative & General	2,555,703	2,419,094	2,275,790	25,849,420	26,661,857	27,575,134
Depreciation & Amortization Expense	4,558,514	4,371,429	4,209,512	53,392,308	52,457,126	48,966,498
Tax Expense	884,929	74,520	60,150	2,062,305	981,050	955,323
Operating & Maintenance Expenses - Total	\$ 21,411,899	\$ 14,689,831	\$ 13,237,674	\$ 178,396,479	\$ 172,564,293	\$ 161,835,565
<b>MARGIN BEFORE INTEREST</b>	\$ 1,366,785	\$ 5,915,874	\$ 6,841,562	\$ 93,578,702	\$ 90,387,190	\$ 88,599,008
<b>INTEREST EXPENSE:</b>						
Interest on Long - Term Debt	\$ 2,930,732	\$ 2,969,902	\$ 3,081,398	\$ 36,342,026	\$ 36,732,126	\$ 34,463,135
Interest Charged to Construction	(132,022)	(190,000)	(614,668)	(2,140,472)	(2,280,000)	(2,984,935)
Interest Expense - Other	132,810	2,158	2,416	421,055	231,896	405,519
Interest Expense - Total	\$ 2,931,520	\$ 2,782,060	\$ 2,469,146	\$ 34,622,609	\$ 34,684,022	\$ 31,883,719
<b>MARGIN AFTER INTEREST</b>	\$ (1,564,735)	\$ 3,133,814	\$ 4,372,416	\$ 58,956,093	\$ 55,703,168	\$ 56,715,289
<b>OTHER INCOME (EXPENSE):</b>						
Interest Income - Other	\$ 13,745	\$ 11,836	\$ 47,736	\$ 267,146	\$ 164,360	\$ 226,299
Other Capital Credits	130,462	135,080	134,266	1,990,368	1,318,000	1,709,064
Other Income (Expense)	(2,191,374)	(105,094)	1,651,794	(1,344,193)	(139,474)	2,043,558
Other Income (Expense) - Total	\$ (2,047,167)	\$ 41,822	\$ 1,833,796	\$ 913,321	\$ 1,342,886	\$ 3,978,921
<b>NET MARGIN (LOSS)</b>	\$ (3,611,902)	\$ 3,175,636	\$ 6,206,212	\$ 59,869,414	\$ 57,046,054	\$ 60,694,210
<b>COMPREHENSIVE INCOME</b>	\$ (3,611,902)	\$ 6,206,212	\$ 59,869,414	\$ 60,694,210		
<b>PATRONAGE CAPITAL - BEGINNING OF PERIOD</b>	462,002,445	430,267,365	436,437,823	402,206,786		
Patronage Capital Retired	(25,443)	(15,630)	(11,897,907)	(8,358,300)		
Transfers to Other Equities	(33,981)	(20,124)	(26,078,211)	(18,104,873)		
<b>PATRONAGE CAPITAL - TOTAL</b>	\$ 458,331,119	\$ 436,437,823	\$ 458,331,119	\$ 436,437,823		



## Balance Sheet

	DECEMBER 2018	DECEMBER 2017	\$ VARIANCE	% CHANGE
<b>ASSETS</b>				
<b>UTILITY PLANT:</b>				
In Service:				
Transmission	\$ 108,110,511	\$ 101,597,553	\$ 6,512,958	6.41%
Distribution	1,479,943,124	1,405,044,718	74,898,406	5.33%
General & Electric	196,104,602	157,635,093	38,469,509	24.40%
Utility Plant - In service	1,784,158,237	1,664,277,364	119,880,873	7.20%
Long-Term Capital Projects	63,663,465	86,569,719	(22,906,254)	(26.46%)
Utility Plant - Total	1,847,821,702	1,750,847,083	96,974,619	5.54%
Accumulated Depreciation	(298,206,899)	(288,182,436)	(10,024,463)	3.48%
Utility Plant - Net	1,549,614,803	1,462,664,647	86,950,156	5.94%
<b>LONG TERM INVESTMENTS:</b>				
Capital Term Certificates & Other	13,845,105	12,883,443	961,662	7.46%
<b>CURRENT ASSETS:</b>				
Cash	2,354,840	21,930,694	(19,575,854)	(89.26%)
Short-Term Investments	-	-	-	-
Accounts Receivable:				
Members	22,625,021	21,367,494	1,257,527	5.89%
Other	3,302,457	3,764,872	(462,415)	(12.28%)
LCRA Fuel Power Cost Recovery Receivable	0	1,161,535	(1,161,535)	(100.00%)
Allowance for Uncollectible Accts	(937,896)	(538,105)	(399,791)	74.30%
Accrued Unbilled Revenue	27,772,229	26,364,201	1,408,028	5.34%
Materials & Supplies	19,443,659	21,008,122	(1,564,463)	(7.45%)
Prepayments & Other	3,407,276	2,793,794	613,482	21.96%
Current Assets - Total	77,967,586	97,852,607	(19,885,021)	(20.32%)
<b>DEFERRED CHARGES &amp; OTHER ASSETS:</b>				
Regulatory Assets	60,663,121	66,345,984	(5,682,863)	(8.57%)
LCRA Fuel Power Cost Recovery Under-Recovery	1,270,911	-	1,270,911	100.00%
Transmission Cost of Service (TCOS) Under-Recovery	-	1,820,938	(1,820,938)	(100.00%)
Other Deferred Charges	417,793	743,515	(325,722)	(43.81%)
Deferred Charges & Other Assets - Total	62,351,825	68,910,437	(6,558,612)	(9.52%)
<b>TOTAL ASSETS</b>	<b>\$ 1,703,779,319</b>	<b>\$ 1,642,311,134</b>	<b>\$ 61,468,185</b>	<b>3.74%</b>



## Balance Sheet

	DECEMBER 2018	DECEMBER 2017	\$ VARIANCE	% CHANGE
<b>EQUITY &amp; LIABILITIES</b>				
<b>EQUITY:</b>				
Membership Certificates	\$ 12,784,618	\$ 12,165,328	\$ 619,290	5.09%
Permanent Equity	215,912,624	189,834,413	26,078,211	13.74%
Patronage Capital	458,331,119	436,437,823	21,893,296	5.02%
Equity - Total	687,028,361	638,437,564	48,590,797	7.61%
<b>LONG-TERM DEBT:</b>				
02 Issue - \$450M - 2032	283,726,168	297,316,028	(13,589,860)	(4.57%)
08 Issue - \$300M - 2043	196,764,986	202,024,399	(5,259,413)	(2.60%)
15 Issue - \$25M - 2045	23,211,486	23,714,486	(503,000)	(2.12%)
15 Issue - \$78M - 2020	17,319,818	34,171,092	(16,851,274)	(49.31%)
16 Issue - \$15M - 2021	4,500,000	7,500,000	(3,000,000)	(40.00%)
16 Issue - \$80M - 2046	75,380,479	76,978,910	(1,598,431)	(2.08%)
17 Issue - \$13M - 2022	7,150,000	9,750,000	(2,600,000)	(26.67%)
17 Issue - \$80M - 2047	77,190,152	78,624,073	(1,433,921)	(1.82%)
Long-Term Debt - Total	685,243,090	730,078,988	(44,835,898)	(6.14%)
<b>CURRENT LIABILITIES:</b>				
Lines of Credit	51,500,000	-	51,500,000	100.00%
Current Maturities of LTD	45,101,040	43,546,071	1,554,969	3.57%
Accounts Payable	50,270,028	51,435,487	(1,165,459)	(2.27%)
Consumer Deposits	6,332,614	6,261,953	70,661	1.13%
Accrued Taxes	11,460,895	10,273,183	1,187,712	11.56%
Accrued Interest	3,648,042	3,790,049	(142,007)	(3.75%)
LCRA Fuel Power Cost Recovery Liability	1,270,911	-	1,270,911.00	100.00%
Other Current Liabilities	13,634,018	12,775,005	859,013	6.72%
Current Liabilities - Total	183,217,547	128,081,748	55,135,799	43.05%
<b>DEFERRED CREDITS &amp; OTHER</b>				
<b>NONCURRENT LIABILITIES</b>				
Postretirement Benefits Obligation	81,905,157	116,102,431	(34,197,274)	(29.45%)
LCRA Fuel Power Cost Over-Recovery Balance	0	1,161,535	(1,161,535)	(100.00%)
Power Cost Adjustment Over-Recovery Balance	12,026,220	11,696,801	329,419	2.82%
Transmission Cost of Service Over-Recovery Balance	2,449,066	0	2,449,066	100.00%
Other Deferred Credits	51,909,877	16,752,067	35,157,810	209.87%
Deferred Credits - Total	148,290,320	145,712,834	2,577,486	1.77%
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>\$ 1,703,779,319</b>	<b>\$ 1,642,311,134</b>	<b>\$ 61,468,185</b>	<b>3.74%</b>
Equity as a Percent of Assets	40.32%	38.87%		



# Cash Flow Statement

YTD

DECEMBER 2018 DECEMBER 2017

## OPERATING ACTIVITIES:

Net Margins	\$ 59,869,414	\$ 60,694,210
Adjustments to Reconcile Net Margins to Net Cash		
Provided by (Used in) Operating Activities:		
Depreciation & Amortization Expense	\$ 53,392,308	\$ 48,966,498
Provision for Uncollectible Accounts	\$ (669,219)	\$ 316,661
Capital Credits	\$ 1,990,368	\$ (1,709,064)
Deferred Charges for Post-Retirement Plans	\$ (26,767,908)	\$ 20,255,340
Payments on Post-Retirement Benefits	\$ (1,151,564)	\$ (2,162,324)
Payments to Defined Benefit Plan	\$ (6,277,802)	\$ (9,000,000)
Changes in assets and liabilities:		
Accounts Receivable - Net	\$ 1,435,433	\$ (5,669,063)
Accrued Unbilled Revenue	\$ (1,408,028)	\$ (2,280,690)
Materials & Supplies	\$ 1,564,463	\$ 1,415,349
Prepayments & Other Current Assets	\$ (613,482)	\$ (461,478)
Deferred Charges & Other Assets	\$ 6,558,612	\$ 1,977,450
Accrued & Accounts Payable	\$ (1,165,459)	\$ (1,320,577)
Consumer Deposits	\$ 70,661	\$ 371,073
Accrued Taxes	\$ 1,187,712	\$ 1,232,061
Accrued Interest	\$ (142,007)	\$ (75,685)
Other Current Liabilities	\$ 2,129,924	\$ 1,276,732
Other Deferred Credits & Liabilities	\$ 36,774,760	\$ (23,613,236)
Net Cash Provided by (Used in) Operating Activities	\$ 126,778,185	\$ 90,213,257

## INVESTING ACTIVITIES:

Net Additions to Property, Plant & Equipment	\$ (140,342,464)	\$ (148,463,125)
Capital Credit Retirements from Associated Organizations	\$ (2,952,030)	\$ 1,004,668
Net Cash Provided by (Used in) Investing Activities	\$ (143,294,493)	\$ (147,458,457)

## FINANCING ACTIVITIES:

Net Borrowings - Line of Credit	\$ 51,500,000	\$ -
Proceeds from issuance of Long-Term Debt	\$ -	\$ 93,000,000
Payments on Long-Term Debt	\$ (43,280,929)	\$ (39,260,728)
Retirement of Patronage Capital	\$ (11,897,907)	\$ (8,358,323)
Increase in Memberships - Net	\$ 619,290	\$ 551,195
Net Cash Provided by (Used in) Financing Activities	\$ (3,059,546)	\$ 45,932,144

## INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD

CASH AND CASH EQUIVALENTS - END OF PERIOD

\$ (19,575,854)	\$ (11,313,056)
\$ 21,930,694	\$ 33,243,750
<u>\$ 2,354,840</u>	<u>\$ 21,930,694</u>



# DECEMBER 2018

## Key Indicators & Ratios

	MTD		YTD	
	DECEMBER 2018	DECEMBER 2017	DECEMBER 2018	DECEMBER 2017
Net margins	\$ (3,611,902)	\$ 6,206,212	\$ 59,869,414	\$ 60,694,210
Margin as a % of total operating revenue	-7.17%	12.30%	9.38%	10.27%
Total Operating Revenue per total mile of line	\$ 2,230	\$ 2,255	\$ 28,262	\$ 26,410
Members connected	5,052	5,738	76,782	70,746
Total miles of line:				
Transmission			304.28	304.28
Distribution overhead			17,130.81	17,053.36
Distribution underground			5,158.74	5,011.63
Total miles energized			22,593.83	22,369.27
Total active accounts			314,855	300,238
Total memberships			263,677	251,534
Meters per mile			13.94	13.42
Full-time employees			780	720
Average bill				
Residential	\$ 121	\$ 110	\$ 1,565	\$ 1,470
Small power	\$ 210	\$ 199	\$ 2,672	\$ 2,561
Large power/industrial	\$ 5,614	\$ 5,493	\$ 74,303	\$ 69,885
Public	\$ 1,749	\$ 1,681	\$ 23,927	\$ 21,422
Revenue per kWh				
Residential	\$ 0.1055	\$ 0.1068	\$ 0.1032	\$ 0.1036
Small power	\$ 0.1007	\$ 0.1009	\$ 0.0987	\$ 0.0986
Large power/industrial	\$ 0.0752	\$ 0.0748	\$ 0.0756	\$ 0.0747
Public	\$ 0.0751	\$ 0.0744	\$ 0.0747	\$ 0.0738
Average kWh usage				
Residential	1,145	1,028	15,169	14,194
Small power	2,082	1,972	27,062	25,973
Large power/industrial	74,651	73,431	983,077	935,755
Public	23,286	22,595	320,318	290,342
Electrical bad debt write-off	\$ 64,808	\$ 65,312	\$ 631,078	\$ 887,133
Power bill invoices paid	\$ 28,867,058	\$ 29,227,106	\$ 364,246,045	\$ 337,345,931
Power bill invoices kWh	539,035,338	536,159,766	6,674,909,508	6,078,038,563
Cost per kWh	\$ 0.0536	\$ 0.0545	\$ 0.0546	\$ 0.0555
kWh purchased (available for sale)	538,572,224	535,748,822	6,669,289,235	6,072,844,597
kWh sold	524,121,687	500,465,335	6,309,810,351	5,686,980,680
kWh PEC system use	463,114	410,944	5,620,273	5,193,966
kWh line loss YTD			359,478,884	385,863,917
kWh line loss % YTD			5.39%	6.35%
Equity as a % of total assets	40.32%	38.87%	40.32%	38.87%
% Cost of power to sale of electricity revenue	57.68%	63.68%	60.03%	60.41%
LTD as a % of total utility plant	39.52%	44.19%	39.52%	44.19%
<u><b>Rolling 12-month calculations:</b></u>				
Margin as a % of revenue			9.38%	
Times Interest Earned Ratio			2.65%	
Rate of Return			3.86%	
<u><b>Percent capitalization</b></u>				
Long-term debt			51.53%	
Equity			48.47%	
Member active account growth rate			4.87%	4.46%
Percentage of operating revenue change			8.09%	5.22%
Percentage of operating and maintenance expense change			9.85%	1.53%
Distribution operating expenses per average meter			382.85	374.05
Change in net utility plant			5.92%	7.30%