



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
September	311,320	191	2,224	887	2,396	405
October	312,852	1,532	2,343	893	2,486	408

* Active Accounts are meters and lights only.



Statements of Income and Patronage Capital

	MTD			YTD		
	Actual OCTOBER 2018	Budget OCTOBER 2018	Actual OCTOBER 2017	Actual OCTOBER 2018	Budget OCTOBER 2018	Actual OCTOBER 2017
KWH Purchased (available for sale)	478,320,000	577,558,000	461,912,000	5,658,436,000	5,515,349,000	5,124,447,000
KWH Sold	450,899,000	537,683,000	419,678,000	5,344,236,000	5,151,834,000	4,799,895,000
OPERATING REVENUES:						
Sale of Electricity	\$ 44,876,000	\$ 52,820,000	\$ 45,004,000	\$ 517,651,000	\$ 510,164,000	\$ 468,909,000
LCRA FPCRF (Over)Under	1,217,000	-	(1,191,000)	3,732,000	-	1,911,000
Power Cost Adjustment (Over)Under	(759,000)	-	1,460,000	1,156,000	-	2,495,000
TCOS (Over)Under	589,000	-	1,023,000	(4,673,000)	-	2,809,000
Other Revenue	1,205,000	1,161,000	1,182,000	11,855,000	11,541,000	11,076,000
Transmission Revenue (Lease)	441,000	442,000	442,000	4,411,000	4,424,000	4,473,000
Transmission Revenue (Access)	683,000	687,000	687,000	6,846,000	6,870,000	6,872,000
Operating Revenues - Total	48,252,000	55,110,000	48,607,000	540,978,000	532,999,000	498,545,000
OPERATING & MAINTENANCE EXPENSES:						
Purchased Power	26,135,000	32,181,000	26,160,000	308,743,000	310,151,000	285,008,000
LCRA Fuel Power Cost Recovery Factor	1,217,000	-	(1,191,000)	3,732,000	-	1,911,000
Transmission Operations	188,000	155,000	57,000	1,712,000	1,502,000	543,000
Transmission Maintenance	183,000	308,000	300,000	2,608,000	3,287,000	3,059,000
Distribution Operations	3,720,000	3,197,000	2,963,000	32,384,000	32,591,000	29,413,000
Distribution Maintenance	1,172,000	1,177,000	1,781,000	13,767,000	13,439,000	14,668,000
Consumer Accounts	2,398,000	2,273,000	2,239,000	19,990,000	21,754,000	19,892,000
Customer Service & Information	296,000	289,000	239,000	2,975,000	2,957,000	2,434,000
Economic Development	112,000	182,000	157,000	1,301,000	1,500,000	1,346,000
Administrative & General	2,624,000	2,222,000	2,632,000	21,104,000	22,126,000	22,069,000
Depreciation & Amortization Expense	4,515,000	4,371,000	4,220,000	44,295,000	43,714,000	40,506,000
Tax Expense	176,000	87,000	72,000	1,007,000	836,000	831,000
Operating & Maintenance Expenses - Total	42,736,000	46,442,000	39,629,000	453,618,000	453,857,000	421,680,000
MARGIN BEFORE INTEREST	5,516,000	8,668,000	8,978,000	87,360,000	79,142,000	76,865,000
INTEREST EXPENSE:	2,869,000	2,878,000	2,619,000	28,802,000	29,013,000	26,818,000
MARGIN AFTER INTEREST	2,647,000	5,790,000	6,359,000	58,558,000	50,129,000	50,047,000
OTHER INCOME (EXPENSE):	53,000	11,000	355,000	2,909,000	1,290,000	2,067,000
NET MARGIN (LOSS)	\$ 2,700,000	\$ 5,801,000	\$ 6,714,000	\$ 61,467,000	\$ 51,419,000	\$ 52,114,000
COMPREHENSIVE INCOME						
PATRONAGE CAPITAL - BEGINNING OF PERIOD	\$ 2,700,000		\$ 6,714,000	\$ 61,467,000		\$ 52,114,000
Patronage Capital Retired	495,562,000		447,963,000	436,438,000		402,207,000
Transfers to Other Equities	(13,000)		(12,000)	(70,000)		(80,000)
PATRONAGE CAPITAL - TOTAL	(27,000)		(18,000)	387,000		406,000
	\$ 498,222,000		\$ 454,647,000	\$ 498,222,000		\$ 454,647,000



Balance Sheet

	OCTOBER 2018	DECEMBER 2017	\$ VARIANCE	% CHANGE	OCTOBER 2017
ASSETS					
UTILITY PLANT:					
In Service:					
Transmission	\$ 106,605,000	\$ 101,597,000	\$ 5,008,000	4.93%	\$ 100,343,000
Distribution	1,459,141,000	1,405,045,000	54,096,000	3.85%	1,376,588,000
General & Electric	184,333,000	157,635,000	26,698,000	16.94%	151,281,000
Utility Plant - In service	1,750,079,000	1,664,277,000	85,802,000	5.16%	1,628,212,000
Long-Term Capital Projects	79,939,000	86,570,000	(6,631,000)	(7.66%)	101,023,000
Utility Plant - Total	1,830,018,000	1,750,847,000	79,171,000	4.52%	1,729,235,000
Accumulated Depreciation	(300,122,000)	(288,182,000)	(11,940,000)	4.14%	(290,895,000)
Utility Plant - Net	1,529,896,000	1,462,665,000	67,231,000	4.60%	1,438,340,000
LONG TERM INVESTMENTS:					
Capital Term Certificates & Other	13,718,000	12,883,000	835,000	6.48%	12,750,000
CURRENT ASSETS:					
Cash	3,181,000	21,931,000	(18,750,000)	(85.50%)	1,227,000
Accounts Receivable:					
Members	26,847,000	21,367,000	5,480,000	25.65%	24,370,000
Other	2,925,000	3,765,000	(840,000)	(22.31%)	3,608,000
LCRA Fuel Power Cost Recovery Factor	-	1,162,000	(1,162,000)	(100.00%)	754,000
Allowance for Uncollectible Accts	(703,000)	(538,000)	(165,000)	30.67%	(626,000)
Accrued Unbilled Revenue	20,481,000	26,364,000	(5,883,000)	(22.31%)	22,374,000
Materials & Supplies	20,318,000	21,008,000	(690,000)	(3.28%)	21,545,000
Prepayments & Other	3,592,000	2,794,000	798,000	28.56%	3,081,000
Current Assets - Total	76,641,000	97,853,000	(21,212,000)	(21.68%)	76,333,000
DEFERRED CHARGES & OTHER ASSETS:					
Regulatory Assets	65,978,000	66,346,000	(368,000)	(0.55%)	70,054,000
LCRA Fuel Power Cost Under-Recovery Balance	2,570,000	-	2,570,000	100.00%	-
Transmission Cost of Service Under-Recovery Balance	-	1,821,000	(1,821,000)	(100.00%)	-
Other Deferred Charges	460,000	744,000	(284,000)	(38.17%)	784,000
Deferred Charges & Other Assets - Total	69,008,000	68,911,000	97,000	0.14%	70,838,000
TOTAL ASSETS	\$ 1,689,263,000	\$ 1,642,312,000	\$ 46,951,000	2.86%	\$ 1,598,261,000



Balance Sheet

	OCTOBER 2018	DECEMBER 2017	\$ VARIANCE	% CHANGE	OCTOBER 2017
EQUITY & LIABILITIES					
EQUITY:					
Membership Certificates	\$ 12,700,000	\$ 12,165,000	535,000	4.40%	\$ 12,072,000
Permanent Equity	189,447,000	189,835,000	(388,000)	(0.20%)	171,322,000
Patronage Capital	498,222,000	436,438,000	61,784,000	14.16%	454,647,000
Equity - Total	700,369,000	638,438,000	61,931,000	9.70%	638,041,000
LONG-TERM DEBT:					
02 Issue - \$450M - 2032	297,537,000	297,316,000	221,000	0.07%	310,362,000
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	5,250,000	7,500,000	(2,250,000)	(30.00%)	8,250,000
16 Issue - \$80M - 2046	75,786,000	76,979,000	(1,193,000)	(1.55%)	77,369,000
17 Issue - \$13M - 2022	7,800,000	9,750,000	(1,950,000)	(20.00%)	-
17 Issue - \$80M - 2047	77,554,000	78,624,000	(1,070,000)	(1.36%)	-
Long-Term Debt - Total	706,941,000	730,079,000	(23,138,000)	(3.17%)	661,438,000
CURRENT LIABILITIES:					
Lines of Credit	10,200,000	-	10,200,000	100.00%	30,000,000
Current Maturities of LTD	44,136,000	43,546,000	590,000	1.35%	38,656,000
Accounts Payable	36,713,000	51,436,000	(14,723,000)	(28.62%)	40,635,000
Consumer Deposits	6,333,000	6,262,000	71,000	1.13%	6,257,000
Accrued Taxes	10,591,000	10,273,000	318,000	3.10%	10,060,000
Accrued Interest	11,604,000	3,790,000	7,814,000	206.17%	11,561,000
LCRA Fuel Power Cost Recovery Liability	2,570,000	-	2,570,000	100.00%	-
Other Current Liabilities	15,343,000	12,775,000	2,568,000	20.10%	14,001,000
Current Liabilities - Total	137,490,000	128,082,000	9,408,000	7.35%	151,170,000
DEFERRED CREDITS & OTHER					
NONCURRENT LIABILITIES					
Postretirement Benefits Obligation	116,776,000	116,102,000	674,000	0.58%	103,908,000
LCRA Fuel Power Cost Over-Recovery Balance	-	1,162,000	(1,162,000)	(100.00%)	754,000
Power Cost Adjustment Over-Recovery Balance	10,540,000	11,697,000	(1,157,000)	(9.89%)	13,189,000
Transmission Cost of Service Over-Recovery Balance	2,852,000	-	2,852,000	100.00%	(189,000)
Other Deferred Credits	14,295,000	16,752,000	(2,457,000)	(14.67%)	29,950,000
Deferred Credits - Total	144,463,000	145,713,000	(1,250,000)	(0.86%)	147,612,000
TOTAL EQUITY & LIABILITIES	\$ 1,689,263,000	\$ 1,642,312,000	\$ 46,951,000	2.86%	\$ 1,598,261,000
Equity as a Percent of Assets	41.46%	38.87%			39.92%



Cash Flow Statement

	YTD	
	OCTOBER 2018	OCTOBER 2017
OPERATING ACTIVITIES:		
Net Margins	\$ 61,467,000	\$ 52,114,000
Adjustments to Reconcile Net Margins to Net Cash		
Provided by (Used in) Operating Activities:		
Depreciation & Amortization Expense	44,295,000	40,506,000
Provision for Uncollectible Accounts	(482,000)	180,000
Capital Credits	1,860,000	1,575,000
Deferred Charges for Post-Retirement Plans	1,660,000	7,288,000
Payments on Post-Retirement Benefits	(986,000)	(1,390,000)
Payments to Defined Benefit Plan	-	(9,000,000)
Changes in assets and liabilities:		
Accounts Receivable - Net	(2,831,000)	(7,883,000)
Accrued Unbilled Revenue	5,883,000	1,709,000
Materials & Supplies	690,000	879,000
Prepayments & Other Current Assets	(798,000)	(749,000)
Deferred Charges & Other Assets	(97,000)	50,000
Accrued & Accounts Payable	(14,722,000)	(12,121,000)
Consumer Deposits	71,000	366,000
Accrued Taxes	317,000	1,019,000
Accrued Interest	7,814,000	7,695,000
Other Current Liabilities	5,138,000	2,501,000
Other Deferred Credits & Liabilities	(1,924,000)	(9,519,000)
Net Cash Provided by (Used in) Operating Activities	<u>107,355,000</u>	<u>75,220,000</u>
INVESTING ACTIVITIES:		
Net Additions to Property, Plant & Equipment	(111,526,000)	(115,678,000)
Capital Credit Retirements from Associated Organizations	(2,695,000)	(2,145,000)
Net Cash Provided by (Used in) Investing Activities	<u>(114,221,000)</u>	<u>(117,823,000)</u>
FINANCING ACTIVITIES:		
Net Borrowings - Line of Credit	10,200,000	30,000,000
Proceeds from issuance of Long-Term Debt	-	-
Payments on Long-Term Debt	(22,548,000)	(19,792,000)
Retirement of Patronage Capital	(70,000)	(80,000)
Increase in Memberships - Net	534,000	458,000
Net Cash Provided by (Used in) Financing Activities	<u>\$ (11,884,000)</u>	<u>\$ 10,586,000</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (18,750,000)	\$ (32,017,000)
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	<u>\$ 21,931,000</u>	<u>\$ 33,244,000</u>
CASH AND CASH EQUIVALENTS - END OF PERIOD	<u>\$ 3,181,000</u>	<u>\$ 1,227,000</u>



OCTOBER 2018 Key Indicators & Ratios

	MTD		YTD	
	OCTOBER 2018	OCTOBER 2017	OCTOBER 2018	OCTOBER 2017
Net margins	\$ 2,700,000	\$ 6,714,000	\$ 61,467,000	\$ 52,114,000
Margin as a % of total operating revenue	5.60%	13.81%	11.36%	10.45%
Total Operating Revenue per total mile of line	\$ 2,136	\$ 2,178	\$ 23,944	\$ 22,337
Members connected	5,646	5,734	65,918	60,486
Total miles of line:				
Transmission	304.28	304.28	304.28	304.28
Distribution overhead	17,130.81	17,036.92	17,130.81	17,036.92
Distribution underground	5,158.74	4,978.31	5,158.74	4,978.31
Total miles energized	22,593.83	22,319.51	22,593.83	22,319.51
Total active accounts			312,852	298,734
Total memberships			262,126	249,969
Meters per mile			13.85	13.38
Full-time employees			759	722
Average bill				
Residential	\$ 122	\$ 126	\$ 1,352	\$ 1,266
Small power	\$ 217	\$ 217	\$ 2,279	\$ 2,186
Large power/industrial	\$ 6,187	\$ 6,176	\$ 63,129	\$ 58,923
Public	\$ 2,005	\$ 2,341	\$ 20,340	\$ 18,554
Revenue per kWh				
Residential	\$ 0.1053	\$ 0.1034	\$ 0.1024	\$ 0.1029
Small power	\$ 0.0998	\$ 0.0990	\$ 0.0981	\$ 0.0981
Large power/industrial	\$ 0.0774	\$ 0.0744	\$ 0.0756	\$ 0.0747
Public	\$ 0.0754	\$ 0.0731	\$ 0.0745	\$ 0.0736
Average kWh usage				
Residential	1,154	1,215	13,199	12,298
Small power	2,178	2,197	23,240	22,268
Large power/industrial	79,968	83,059	835,474	789,263
Public	26,594	32,009	272,937	251,927
Electrical bad debt write-off	\$ 26,096	\$ 24,511	\$ 534,370	\$ 485,528
Power bill invoices paid	\$ 26,066,080	\$ 26,384,617	\$ 308,783,492	\$ 283,726,023
Power bill invoices kWh	478,744,936	462,342,606	5,663,175,033	5,128,869,107
Cost per kWh	\$ 0.0544	\$ 0.0571	\$ 0.0545	\$ 0.0553
kWh purchased (available for sale)	478,320,327	461,912,110	5,658,436,079	5,124,447,411
kWh sold	450,899,031	419,677,865	5,344,236,042	4,799,895,341
kWh PEC system use	424,609	430,496	4,738,954	4,421,696
kWh line loss YTD			314,200,037	324,552,070
kWh line loss % YTD			5.55%	6.33%
Equity as a % of total assets	41.46%	38.87%	41.46%	38.87%
% Cost of power to sale of electricity revenue	59.56%	53.93%	60.34%	60.26%
LTD as a % of total utility plant	41.04%	44.19%	41.04%	44.19%
<u>Rolling 12-month calculations:</u>				
Margin as a % of revenue			11.06%	
Times Interest Earned Ratio			2.93%	
Rate of Return			4.58%	
<u>Percent capitalization</u>				
Long-term debt			51.75%	
Equity			48.25%	
Member active account growth rate			4.73%	4.54%
Percentage of operating revenue change			9.46%	2.19%
Percentage of operating and maintenance expense change			-0.28%	6.94%
Distribution operating expenses per average meter			357.36	375.65
Change in net utility plant			6.37%	7.59%