

## MINUTES OF LINCOLN ELECTRIC SYSTEM ADMINISTRATIVE BOARD

Minutes of the regular meeting held at 9:30 a.m., Friday, October 18, 2024, at the Kevin Wailes Operations Center, 9445 Rokeby Road, Lincoln, Nebraska. Public notice of today's meeting was published in the Lincoln Journal Star on October 12, 2024.

Board Members Present: Carl Eskridge, Lucas Sabalka, Andy Hunzeker, David Spinar, Chelsea Johnson, Alyssa Martin, Kate Bolz (tardy).

Board Members Absent: Karen Griffin, Eric Schafer

LES Staff Present: Emeka Anyanwu, Shelley Sahling-Zart, Emily Koenig, Paul Crist, Trish Owen, Lisa Hale, David Malcom, Jason Fortik, Joe Cocklin, J.D. Linscott, Marc Shkolnick, Mike Mullendore, Wes Gyhra, Kelley Porter, Jim Rigg, Scott Benson, Denise Parrott, Keith Snyder, Kellie Cave.

Others Present: Ken Winston, Nathan Svatora, Bud Synhorst, Scott Williams, and numerous virtual participants via Microsoft Teams

News Media Present: None

Board Chair Andy Hunzeker declared a quorum present and called the meeting to order at approximately 9:30 a.m. A safety briefing was provided. Chair Hunzeker noted that LES conducts its meetings in compliance with the Nebraska Open Meetings Act and noted that a copy of the Act is located on the wall in the back of the room and with the Assistant Secretary. **Call to Order & Safety Briefing**

Board Chair Andy Hunzeker asked for approval of the minutes of the September 20, 2024, board meeting. Carl Eskridge moved approval of the minutes. David Spinar seconded the motion. The vote for approval of the minutes was: **Approval of Minutes**

Aye: Andy Hunzeker, Lucas Sabalka, David Spinar, Chelsea Johnson, Carl Eskridge

Nay: None

Abstain: Alyssa Martin

Absent: Kate Bolz, Karen Griffin, Eric Schafer

Ken Winston, representing Nebraska Interfaith Power & Light and Sierra Club, commented on the success of the Youth Climate **Customer Comments**

Summit held October 4<sup>th</sup> and expressed appreciation of Emeka's comments during his presentation which is available online for viewing. He expressed concern regarding how the decarbonization goal would affect low-income households and provided commentary on the rate increase and proposed changes to fixed charges. He encouraged additional funding of SEP program to incentivize electrification of homes.

Emily Koenig, Vice President of Financial Services and CFO, provided an update on LES' 2025 Operating and Capital Budget and Rates. (Exhibit I) The proposed 2025 budget of \$474.8 million includes an operating budget of \$291.1 million and a capital budget of \$183.7 million. The 2024 budget assumes a systemwide rate increase of 3.3 percent. The rate increase is primarily driven by industry cost increases and market transformation. Koenig reviewed the proposed residential rate restructuring and fixed costs as well as the potential impacts of the rate increase on the various customer classes.

**Consideration of 2025  
LES Operating and  
Capital Budget**

Emily Koenig, Vice President of Financial Services and CFO, reviewed customer feedback received at the public meeting hosted by LES on October 3 as well as other meetings with stakeholder groups. Koenig indicated customer feedback has been mostly positive among various focus groups. Once approved, the budget and rates will be submitted to the City Council for consideration and action.

**Review of Customer  
Feedback on Proposed  
2025 Budget and Rates**

Lucas Sabalka moved the adoption of 2025 Operating & Capital Budget – LES Resolution 2024-5. (Exhibit II) Alyssa Martin seconded the motion. The vote for the adoption of the resolution was:

**LES 2025 Operating and  
Capital Budget – LES  
Resolution 2024-5**

Aye: Andy Hunzeker, Alyssa Martin, Lucas Sabalka, David Spinar, Carl Eskridge

Nay: Chelsea Johnson

Absent: Kate Bolz, Karen Griffin, Eric Schafer

David Spinar moved the adoption of 2025 Rates Schedules – LES Resolution 2024-6. (Exhibit III) Lucas Sabalka seconded the motion.

**LES 2025 Rates – LES  
Resolution 2024-6**

The vote for the adoption of the resolution was:

Aye: Andy Hunzeker, Alyssa Martin, Lucas Sabalka, David Spinar, Carl Eskridge

Nay: Chelsea Johnson

Absent: Kate Bolz, Karen Griffin, Eric Schafer

David Spinar moved the adoption of 2025 Financing Authorization – LES Resolution 2024-5. (Exhibit IV) Lucas Sabalka seconded the motion. The vote for the adoption of the resolution was:

**LES Financing  
Authorization – LES  
Resolution 2024-7**

Aye: Andy Hunzeker, Alyssa Martin, Lucas Sabalka, David Spinar, Chelsea Johnson, Carl Eskridge

Nay: None

Absent: Kate Bolz, Karen Griffin, Eric Schafer

Paul Crist, Vice President of Energy Delivery, introduced Wes Gyhra, Supervisor – Transmission and Distribution Construction, who was recognized by the board for 20 years of service to LES. The board commended Gyhra on this achievement.

**Introduction and  
Recognition of Staff**

Crist also introduced Mike Mullendore, Crew Leader – Transmission and Distribution Construction, who was recognized by the board for 20 years of service to LES. The board commended Mullendore on his dedication to LES as well as to the Lincoln community.

Carl Eskridge, Chair of the Finance Committee, reported on Committee discussions held on October 18, 2024, including: 1) 2025 Proposed Budget & Rates Customer Comments Review, 2) Financing Resolution, 3) Third Quarter Financial Review & Year-end Forecast, 4) Annual Property and Casualty Insurance Review, 5) Third Quarter Internal Audit Report, 6) 2025 Internal Audit Planning Process. (Exhibit V)

**Finance Committee  
Report**

Lucas Sabalka, Chair of the Operations and Power Supply Committee, reported on Committee discussions held on October 7, 2024, including: 1) Project Agate Construction

**Operations and Power  
Supply Report**

Updates, 2) 56<sup>th</sup> Street Reliability Project 3) Generating Stations Turbine Repair Update. (Exhibit VI)

Jason Fortik, Vice President of Power Supply, provided the Power Supply report for the third quarter of 2024 (Exhibit VII). Year-to-date 2024 net power costs are 7.6% below budget. Natural gas prices were affected by severe weather in the South, affecting both supply and demand. Lincoln's average market electricity prices were close to or below budget in the third quarter despite the slightly elevated footprint of electrical generation on outages. Temperatures trended above average, with August cooling degrees days being about 6% above average and September registering 42% higher than expected. All four Terry Bundy combustion units are in service after experiencing extended outages for repairs. LES' 2024 peak load day was 784 MW on Aug. 26, lower than all-time system peak last year. Third-quarter renewable energy production was about 3% below expectations, coal resource production was about 13% below expectations and natural gas resource production was about 31% below expectations.

### **Third Quarter 2024 Power Supply Report**

Scott Benson, Manager of Resource and Transmission Planning, gave an update on the progress of the energy storage project including details of contract with project developer, WATTMORE, location and specifications of battery storage units, as well as anticipated benefits and potential drawbacks of Eos zinc batteries. Targeted commercial operation is Fall of 2025 with an 11-year term. Benson also described how the project would support transmission and distribution system reliability and strengthen the LES community microgrid. (Exhibit VIII)

### **Energy Storage Project Update**

*Kate Bolz joined meeting at approximately 10:35 am.*

Emily Koenig, Vice President of Financial Services and CFO, detailed LES' third-quarter financial performance to the Board (Exhibit IX). She relayed that results are favorable due primarily to lower-than-budgeted net power costs and interest income. Retail revenue is about \$2.5 million under budget due to lower use by commercial customers. Net power costs are below budget by \$6.5 million. Koenig stated that the year-end net revenue is forecasted to be above budget with lower-than-expected net power costs, resulting in an overall increase in net revenue. The Fixed Charge Coverage Ratio's current year-end forecast is 1.64x, higher

### **Third Quarter 2024 Financial Review**

than the budgeted 1.40x. Projections indicate that year-end debt-to-capitalization and net debt ratio forecasts are decreasing, which is considered favorable.

Emily Koenig, Vice President of Financial Services & CFO, relayed LES' progress on its key performance indicators (Exhibit X). Koenig noted that phishing test click rates were higher than expected, and net power costs were \$41.72/MWH, above the forecast of \$39.21/MWH. The average speed of answer was higher in the third quarter than in past quarters due to time spent preparing for and launching the customer portal, which went live for LES customers in September 2024. **Third Quarter 2024 Key Performance Indicators**

Lisa Hale, Vice President of Customer Services, provided the Board with insight on the work done by the customer care representatives to ensure an excellent customer experience. The increase in speed to answer was anticipated as an effect during the launch. The Customer Care team has continued to provide customers with the quality service that LES is known for.

All other KPIs are being met.

The Revenue and Expense Statements and Financial and Operating Statements for September 2024 are available. The Power Supply Division Monthly Reports for September 2024 are also available. (Exhibit XI) **Monthly Financial and Power Supply Reports**

The next regular meeting of the LES Administrative Board will be Friday, November 15, 2024, at 9:30 a.m. **Next Meeting**

Without further business before the Board, Chair Hunzeker declared the meeting adjourned at approximately 10:44 a.m. **Adjournment**

Lucas Sabalka, Secretary

BY: Kellie Cave  
Kellie Cave  
Assistant Secretary

# **Exhibit I**



Lincoln Electric System



## 2025 Proposed Budget & Rates

LES Administrative Board | October 18, 2024

Emily N. Koenig | LES  
Vice President, Financial Services & CFO

# Budget & Rate Adjustment Objectives



## LES has a long-standing history of valuing

- A resilient, safe and well-maintained system
- Reliable electric service
- Rate stability, affordability and equity
- Sustainability

## The electric utility industry is experiencing transformations and disruptions

- Market factors (generation resource adequacy, volatile pricing)
- Regulatory and policy requirements
- Electrification
- Cost increases (inflation, supply chain, workforce)



**The 2025 Proposed Budget and Rate Adjustment continue LES' focus on its values while positioning it to meet financial obligations and strategic objectives in a changing environment.**





# Budget Authorization



**Operating\***  
\$291.1M



**Capital\*\***  
\$183.7M



**Total**  
\$474.8M

## Projected Cash Flow Comparison

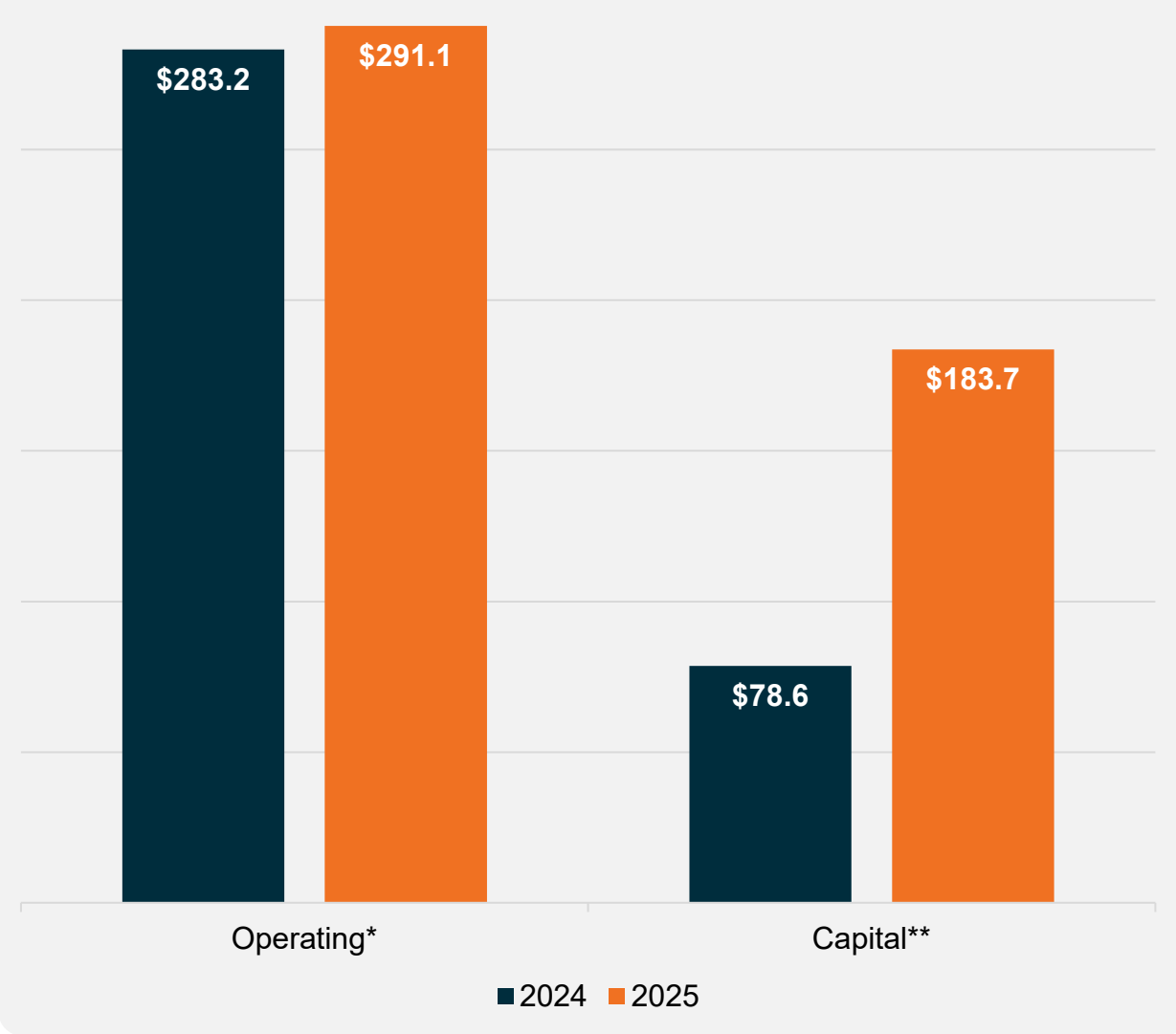
	2024	2025	Variance
Operating	\$283.2M	\$291.1M	+\$7.9M/+2.8%
Capital	\$78.6M	\$76.8M	-\$1.8M/-2.2%
<b>Total</b>	<b>\$361.7M</b>	<b>\$367.9M</b>	<b>+\$6.2M/+1.7%</b>

\*Excludes PILOT

\*\*2025 Budget represents all capital projects undertaken prior to 12/31/2026. Projects authorized through life-of-project. The 2025 authorization is the first year of the life-of-project authorization method.

## Budget Authorization

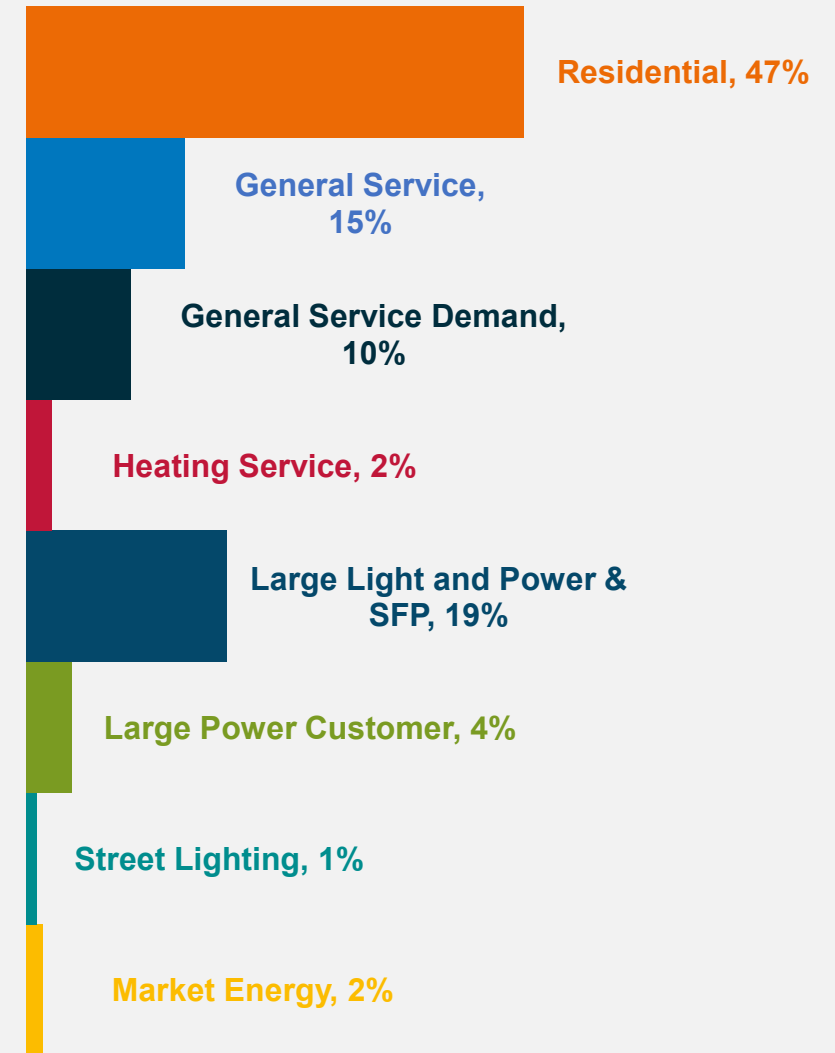
(\$ in millions)



# Proposed rate increases vary by rate class

Rate Class	2025 Rate Increase	2025 Cost of Service	2024 Cost of Service
Residential	3.3%	98.7%	99.1%
General Service	3.3%	105.0%	100.2%
General Service Demand	3.9%	101.6%	99.4%
Heating Service	10.0%	76.5%	75.5%
Large Light & Power	2.5%	105.0%	107.2%
Large Power Customer	2.1%	103.0%	101.2%
Street Lighting	6.0%	92.1%	86.2%
Market Energy	N/A	N/A	N/A
<b>Total Retail System</b>	<b>3.3%</b>	<b>100.0%</b>	<b>100.0%</b>

## Percent of Retail Revenue



Rate Targets = 95% to 105% Cost of Service

# A variety of efforts are made to share the budget and rates message

## Communication channels:

- LES.com
- Message on LES Bill
- Lincoln Journal Star
- Board & Customer Meetings
- News Releases
- Grow Lincoln Radio Interview
- Social Media

## Customer communications and meetings:

- Business Advisory Council – 9/24
- Public meeting – 10/3
- LIBA – 10/8
- Key Accounts - ongoing
- LES Call Center – ongoing

# Customer comments sparse, but primarily positive



## Public Meeting

- Five attendees at the LOC on Thursday, October 3
- 10/11 News was in attendance and conducted a short interview
- Feedback generally positive, with some questions regarding rate restructuring

## Other feedback

- Key Accounts: generally neutral to positive feedback
- Meeting comments/questions
  - “Why does LES belong to Southwest Power Pool?”
  - “What are the employee benefits changes included in the budget?”
  - “Will capital spending get out of control with new capital budget process?”
  - “How does electrification impact ability to forecast load?”
  - “What is happening with the City Dividend for Utility Ownership?”
  - “How will Google impact rates?”
  - “LES should implement a small General Service Demand rate.”



# Residential Rate Restructuring Process

Moving fixed costs to fixed charges - “A goal with an ever-moving goal post”



## ✓ Phase 1: 2016 - 2019

**Substation and Distribution Fixed Costs moved from Energy to Facilities Charge**

At the time ~\$30M moved, although costs have since increased to \$45M

## ❑ Phase 2: 2022 - On-going

**Transmission Costs Fixed Costs moved from Energy to Facilities Charge**

With 2025 rates ~\$14M moved, with ~\$11M to go



## ❑ Phase 3: To Be Determined

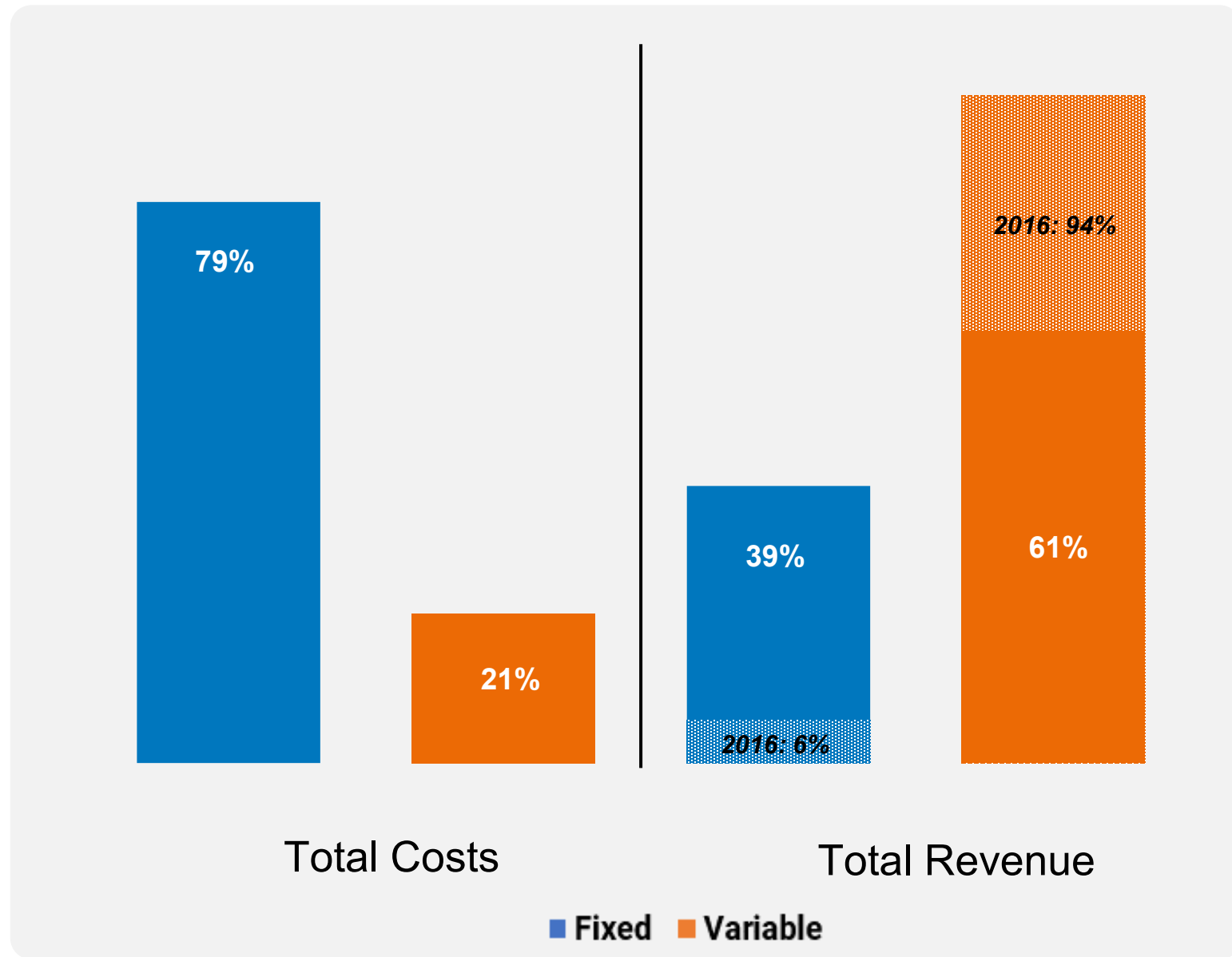
**Capacity (Generation) Costs**

In 2025 this amount is ~\$43 million



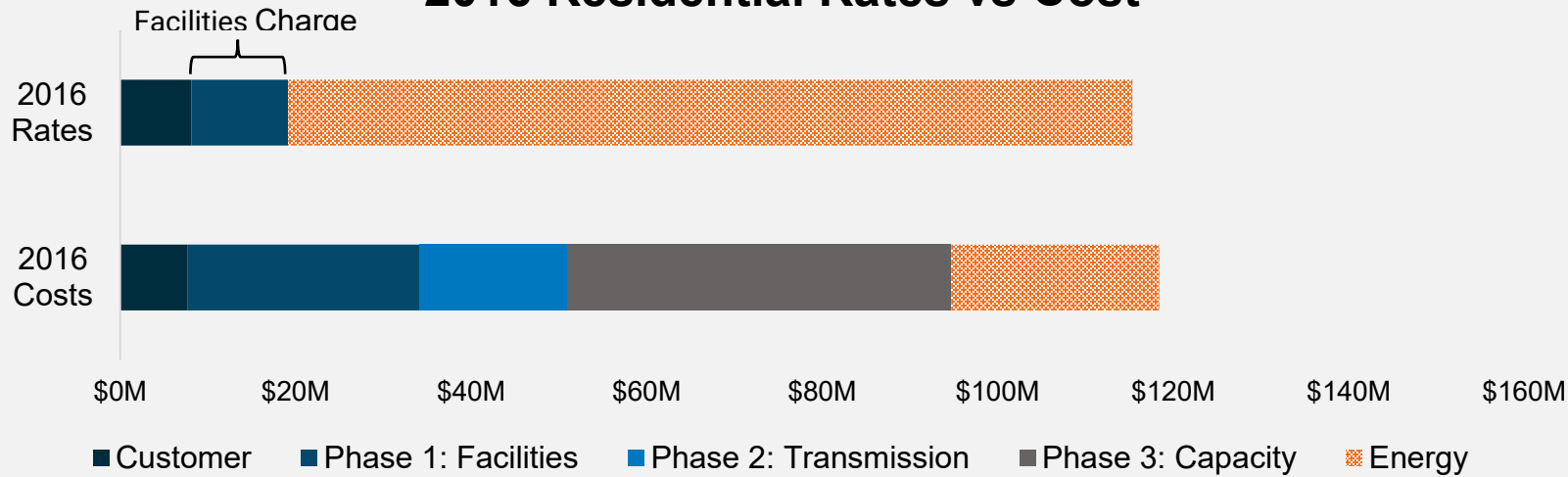
# Cost and Revenue Allocation for Non-demand Billed Classes

- 2025 will be the 10<sup>th</sup> year of the revenue neutral Rate Restructuring process to align fixed and variable cost recovery
- The cost breakdown between fixed and variable has remained unchanged over time
- Progress continues to be made. The following outlines the fixed revenue recovery percentages over time
  - 2016 – 6%
  - 2024 – 36%
  - 2025 – 39%

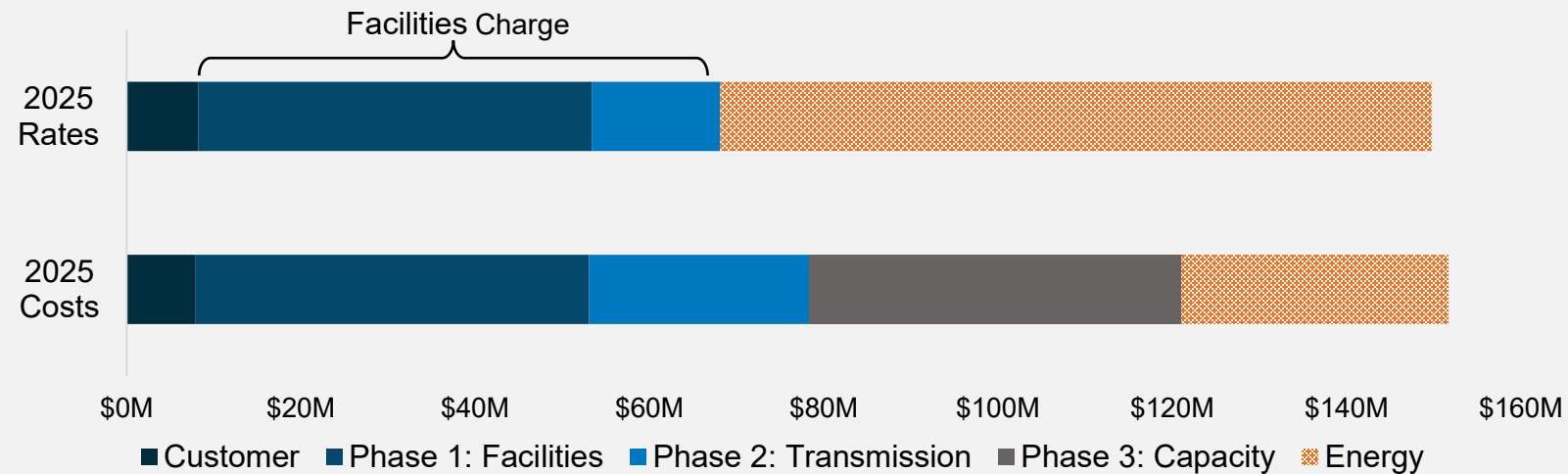


# Residential Rate Restructuring has provided improved financial stability for LES

## 2016 Residential Rates vs Cost



## 2025 Residential Rates vs Cost



Appropriately collecting fixed costs through fixed charges reduces LES' financial risk exposure as customer energy use varies

Rate Restructuring changes are revenue neutral to LES

- Implementation has been a slow, methodical approach over 10 years, taking into consideration rate increases

Note: Solid bars represent fixed costs. Patterned bars represent variable costs.

# 2025 Proposed Residential Rate Changes

(includes 3.3% increase and continued Rate Restructuring)

Residential Charges	Average Monthly Usage	2024	2025 Proposed	Proposed Change	Unit
Customer Charge		\$5.00	<b>\$5.00</b>	N/A	Month
Energy (Summer)		\$0.0719	<b>\$0.0709</b>	-\$0.0010	kWh
Energy (Winter)		\$0.0540	<b>\$0.0535</b>	-\$0.0005	kWh
Facilities Level 1	0 - less than 800 kWh	\$25.75	<b>\$28.50</b>	\$2.75	Month
Facilities Level 2	800 - 1,500 kWh	\$38.00	<b>\$42.00</b>	\$4.00	Month
Facilities Level 3	Greater than 1,500 kWh	\$57.75	<b>\$63.75</b>	\$6.00	Month
Facilities 3-Phase		\$57.75	<b>\$63.75</b>	\$6.00	Month



# 2025 Sample Residential Bill Changes

Facilities Level	Monthly Energy	2024 Monthly Bill	2025 Proposed Monthly Bill	Proposed Bill Change
1	100 kWh	\$36.75	\$39.43	<b>\$2.68</b>
1	700 kWh	\$72.73	\$75.01	<b>\$2.28</b>
2	800 kWh	\$90.97	\$94.44	<b>\$3.47</b>
2	1,500 kWh	\$132.95	\$135.95	<b>\$3.00</b>
3	2,000 kWh	\$182.68	\$187.35	<b>\$4.67</b>
3	4,000 kWh	\$302.62	\$305.95	<b>\$3.33</b>

Note: Customers with energy use in the lower range of their Facilities Level will see slightly higher bill changes due to not experiencing enough reduction in their Energy Charge to offset the increase in their Facilities Charge. Rate Restructuring is revenue neutral for LES.

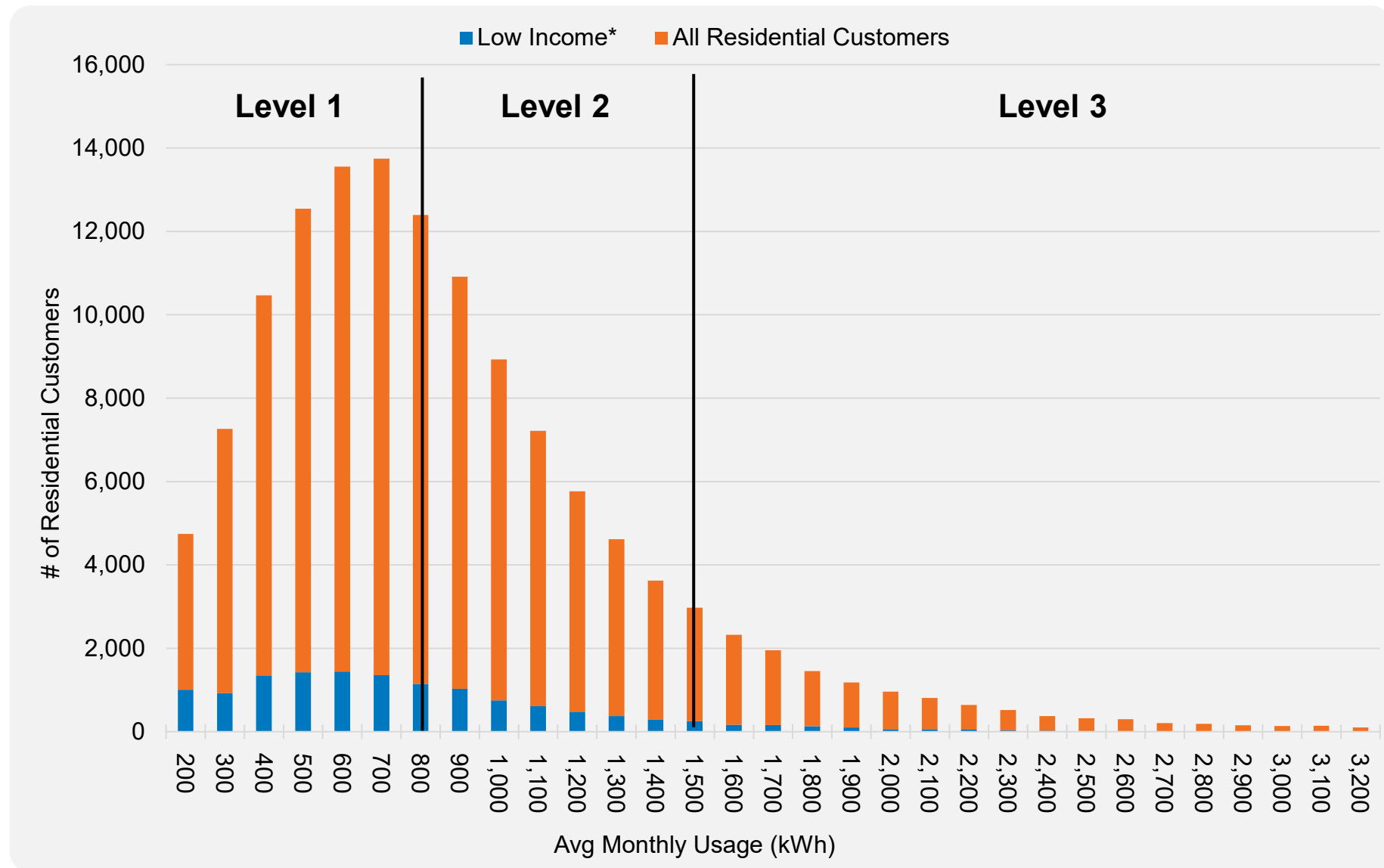
# Residential Customer Distribution

## All Residential Customers:

- Level 1: 63,000 (48%)
- Level 2: 54,000 (41%)
- Level 3: 15,000 (11%)

## Low-income\* Customers:

- Level 1: 7,500 (57%)
- Level 2: 4,600 (35%)
- Level 3: 1,100 (8%)



\*Low-income customers are defined as customers who live in a census-designated disadvantaged area where more than 30% of residents live below 200% of the Federal poverty level.

# 2025 Budget & Rates at a Glance



The 2025 operating budget is **\$7.9M** higher than the 2024 operating budget



A **3.3%** system-wide rate increase is necessary to address cost increases, industry and market transformations and continue meeting financial strategy



Projected capital spend in 2025 is down **\$1.8M** compared to the 2024 Budget, but the budget is higher due to new authorization method



Short-term **tax-exempt borrowing** is required in 2025 to maintain liquidity requirements

# 2025 Operating & Capital Budget Resolution 2024-5

2025 Budget	
Operating Budget	\$291.1M
Capital Budget	\$183.7M
<b>Total</b>	<b>\$474.8M</b>

## Resolution includes the following provisions:

- Adopt the 2025 Operating Budget
- Authorize a schedule of capital improvements that will be undertaken in the succeeding two years
- Provide LES the ability to reimburse itself for capital expenditures through the future issuance of bonds
- Provide continued eminent domain authority
- Submission of budget to the City Council for action

# 2025 Retail Rates Resolution 2024-6

## **Resolution includes the following provisions:**

Adopt 2025 Retail Rate Schedules, which include

- A system-wide 3.3% rate increase, amounts vary by rate class
- Revenue neutral changes to Residential rates to align fixed costs with fixed charges
- New rates: Multi-Tenant Shared Solar and Renewable Generation Standby Rider
- Submission of retail rates to the City Council for action

# 2025-2026 Financing Resolution 2024-7

## **Resolution includes the following provisions:**

- Gives LES authority to issue long-term debt up to \$300M through December 31, 2026
- This authority is requested regularly every two years
- LES Board will still approve specific financings

# Dates

- ✓ August 29
- ✓ September 10
- ✓ September 20
- ✓ September 23
- ✓ TBD (Sept 23-Oct 17)
- ✓ September 24
- ✓ October 3
- ✓ October 18
- ☐ **October 18**
- ☐ October 21 – October 25
- ☐ October 28, 5:30 pm
- ☐ November 4, 3:00 pm
- ☐ November 18, 5:30 pm

# Budget & Rates Schedule

- Finance Committee meeting
- Finance Committee meeting
- Board meeting – 2025 Proposed Budget & Rates presentation
- Begin customer outreach
- Customer meetings (LIBA, LJS, Chamber, Other) as requested
- Business Advisory Council
- Public meeting on proposed 2025 Budget & Rates
- Finance Committee – review public comments
- Board meeting – action on 2025 Budget and Rates**
- Individual meetings with City Council members (as requested)
- City Council first reading on 2025 Budget & Rates
- City Council public hearing on 2025 Budget & Rates
- City Council takes action on 2025 Budget & Rates

# **Exhibit II**





Lincoln Electric System

***LES RESOLUTION 2024-5***

WHEREAS, it is the responsibility of the Lincoln Electric System (LES) Administrative Board to develop and recommend to the City Council of the City of Lincoln (City) for its consideration and action each year a proposed budget for the operation of LES consisting of an operating budget and a capital budget;

WHEREAS, the LES Administrative Board is charged with the responsibility for the control and management of the personnel, property, facilities, equipment, and finances of LES and annually approves the Operating and Capital Budget to guide the financial and operational activities during the upcoming year;

WHEREAS, the Proposed Budget consists of the 2025 LES Operating Budget in the amount of \$291,104,000 and the Proposed 2025 LES Capital Budget in the amount of \$183,712,000 which was reviewed with the Finance Committee of the LES Administrative Board;

WHEREAS, on January 29, 2024, the City approved a change to the Lincoln Municipal Code Chapter 4.24.090 stating that the LES Operating Budget consists of costs for the ensuing calendar year, and the LES Capital Budget sets forth a schedule of capital improvements that will be undertaken in either of the succeeding two years;

WHEREAS, the Finance Committee met and reviewed the Proposed Operating and Capital Budget on August 29, 2024 and September 10, 2024 and were also provided customer feedback for consideration and are recommending it to the full Administrative Board for adoption;

WHEREAS, the LES Administrative Board reviewed the Operating and Capital Budget on September 20, 2024, and has been provided customer feedback on the Operating and Capital Budget for review and consideration;

WHEREAS, LES staff provided customer information and outreach on the proposed 2025 Operating and Capital Budget throughout the period September 20, 2024 to October 17, 2024, including a public meeting on October 3, 2024;

WHEREAS, LES has the obligation to make capital improvements necessary to maintain the electric system in good working order and repair, and;

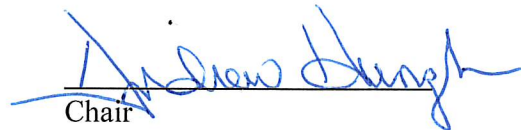
WHEREAS, those expenditures are made from revenues and may be reimbursed to the LES revenue fund or other funds from the issuance of LES electric system revenue obligations;

WHEREAS, obtaining right-of-way is an ongoing and necessary process for construction of transmission and distribution facilities that are identified in capital improvement budgets, the implementation of which on occasion requires the use of eminent domain requiring Lincoln City Council approval;

NOW, THEREFORE, BE IT RESOLVED, that pursuant to the recommendation of the Finance Committee, the LES Administrative Board hereby adopts the 2025 LES Operating and Capital Budget in the total amount of \$474,816,000 and directs the LES Chief Executive Officer to transmit said documents to the Lincoln City Council for its consideration and approval.

BE IT FURTHER RESOLVED, that to the extent capital improvements of LES are made from LES revenues, it is intended that the amount of such expenditures, which is not reasonably expected to exceed \$95 million in 2025, shall be reimbursable to the LES revenue fund and other funds through the issuance of future electric system revenue obligations, there being no funds of LES or the City reserved, allocated on a long-term basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing for the expenditures other than pursuant to the issuance of such electric system revenue obligations, this Resolution being determined to be consistent with the budgetary and financial circumstances of LES and the City as they exist or are reasonably foreseeable on the date hereof. The proper officers of LES shall keep and maintain records at least annually to determine the amount of such capital expenditures that may be reimbursed from electric system revenue bond proceeds.

BE IT FURTHER RESOLVED, that the LES Administrative Board hereby requests that the Lincoln City Council give LES ongoing eminent domain authority for those projects identified in the LES Budget.

  
Chair

Adopted: October 18, 2024

# **Exhibit III**



Lincoln Electric System

***LES RESOLUTION 2024-6***

WHEREAS, it is the responsibility of the Lincoln Electric System (LES) Administrative Board to develop and recommend to the Lincoln City Council Rate Schedules for retail electric service to ratepayers in the LES service area;

WHEREAS, LES staff is proposing several changes to the LES Rate Schedules which are identified in the attached document, including, a) a 3.3% system-wide average retail electric rate increase, b) changes to rate schedules for Residential rates to improve alignment between fixed and variable costs and rates and which are revenue neutral to LES, c) an increase of the pole attachment rate, d) updated Renewable Generation rates, e) an update in the language of the City Dividend to allow for pro-rated collection, f) the addition of a new Multi-tenant Shared Solar Rate, g) the addition of a new Renewable Generation Standby Rider, and h) the closing of the Heating Service rate to new customers ahead of discontinuing the rate no later than 2030;

WHEREAS, LES staff provided customer information and outreach on the proposed changes to the LES Rate Schedules throughout the period of September 20, 2024 to October 17, 2024;

WHEREAS, a public meeting on the proposed 2025 Budget and related changes to the LES Rate Schedules was held on October 3, 2024 to receive public input regarding these items;


WHEREAS, the LES Administrative Board has reviewed the 2025 Budget and the cost analysis with LES staff and has determined that there is sufficient justification for such change in rates including the 3.3% system-wide average retail electric rate increase, the continuation of the alignment in the Residential fixed and variable costs, an increase of the pole attachment rate, updated Renewable Generation rates, an update in the language for the City Dividend to allow for pro-rated collection, the addition of a new Multi-tenant Shared Solar Rate, the addition of a new Renewable Generation Standby Rider, and the closing of the Heating Service rate to new customers ahead of discontinuing the rate no later than 2030;

WHEREAS, it has been determined that said recommendations are consistent with the LES financial targets, financial strategy and the requirements of the City of Lincoln's Bond Ordinance for LES.

NOW, THEREFORE, BE IT RESOLVED, that the LES Administrative Board adopts and approves the recommended changes to the LES Rate Schedules, attached in substantially complete form, which includes, but is not limited to, a) a 3.3% system-wide average retail electric rate increase, b) changes to rate schedules for Residential rates to improve alignment

between fixed and variable costs and rates and which are revenue neutral to LES, c) an increase of the pole attachment rate, d) updated rates for the Renewable Generation rate, e) an update in the language of the City Dividend to allow for pro-rated collection, f) the addition of a new Multi-tenant Shared Solar Rate, g) the addition of a new Renewable Generation Standby Rider, and h) the closing of the Heating Service rate to new customers ahead of discontinuing the rate no later than 2030, all changes to be effective January 1, 2025;

BE IT FURTHER RESOLVED, that the LES Administrative Board directs the LES Chief Executive Officer to submit the LES Rate Schedules to the Lincoln City Council for its consideration and approval.

DocuSigned by:  
  
84047356E36C4A4...  
Chair

Adopted: October 18, 2024

# **Exhibit IV**



Lincoln Electric System

***LES RESOLUTION 2024-7***

WHEREAS, Ordinance No. 17879 ("General Ordinance") was adopted on July 23, 2001 by the Lincoln City Council (the "City Council") and approved by the Mayor of the City of Lincoln (the "City") on July 26, 2001, authorizing and providing for the issuance of revenue bonds to be issued for and on behalf of Lincoln Electric System ("LES") after the adoption and approval of the General Ordinance;

WHEREAS, the Board has determined it is and it will be necessary, desirable, advisable and in the best interest of LES and its customers to issue electric system revenue bonds from time-to-time to reimburse itself for prior expenditures for certain additions, extensions, improvements and betterments and to finance additions, extensions, improvements and betterments to the electric system (the "System") and to refinance previously incurred indebtedness;

WHEREAS, the Twelfth Series Ordinance, to be adopted under the General Ordinance (the "Twelfth Series Ordinance"), which is attached hereto in substantially the form that will be submitted to the City Council for approval, authorizes the issuance of LES Revenue and Refunding Bonds (the "LES Bonds") of the City for such purposes in an amount not to exceed \$300,000,000 during the period ending on December 31, 2026 (such \$300,000,000 being inclusive of any remaining issuance authority under the Eleventh Series Ordinance adopted by the City Council on December 5, 2022);

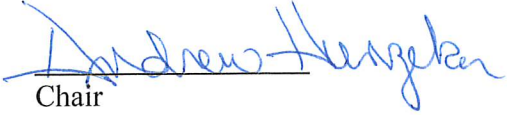
WHEREAS, the Board now wishes to express its support for and recommend passage of the Twelfth Series Ordinance to provide the Board flexibility to better manage the financial affairs of LES; and

WHEREAS, it is necessary, desirable and advisable that the LES CEO, LES staff, LES financial advisor, LES legal and bond counsel, and all other officers, employees and agents of LES be authorized to evaluate and proceed towards the issuance of LES Bonds of the City pursuant to the Twelfth Series Ordinance subject to the specific authorization of the issuance of such LES Bonds by the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board recommends passage and adoption of the Twelfth Series Ordinance by the City.

BE IT FURTHER RESOLVED, that the LES CEO and LES staff are hereby authorized and directed to take any and all action, including, but not limited to, the execution of all papers, certificates, receipts and documents as they, or any of them, may deem necessary or desirable to evaluate financing opportunities and to provide for the issuance, sale and delivery of the LES Bonds in accordance with the terms and conditions of this Resolution

and the Twelfth Series Ordinance, subject to obtaining specific approval of the Board prior and as a condition to the issuance of LES Bonds.

  
Chair

Adopted: October 18, 2024



# **Exhibit V**



## Finance Committee – October 18, 2024 (In-Person)

**Attendees:** C. Eskridge (Chair), D. Spinar, A. Hunzeker, E. Anyanwu, E. Koenig, S. Sahling-Zart, D. Malcom, B. Willnerd, J. Cocklin, D. Auman, T. Hopkins, B. Hostetler, K. Bolz (*absent*)

### 1. 2025 Proposed Budget & Rates Customer Comments Review (Emily & Joe)

**Note:** *This information will be presented at today's board meeting.*

- a. LES staff have been using various methods to communicate the 2025 proposed budget and rates increase information over the past month.
- b. Primarily customer comments have been neutral to positive, with just two customers providing concerns which were reviewed by the committee.
- c. Resolutions for the budget and rates will be considered at today's board meeting.

### 2. Financing Resolution (Emily)

**Note:** *This information will be presented at today's board meeting.*

- a. The committee briefly discussed the Financing Resolution that will be considered at today's board meeting.
- b. The resolution provides LES with the authorization to issue long-term bonds in an amount not to exceed \$300 million over the next two years.

### 3. Third Quarter Financial Review & Year-end Forecast (Emily)

**Note:** *This information will be presented at today's board meeting.*

- a. The third quarter 2024 financial results and year end forecast were reviewed with the committee.
- b. Financial metrics are currently expected to be favorable to budget at year-end due primarily to lower than budget net power costs.

### 4. Annual Property and Casualty Insurance Review (Bryan)

- a. A review of the LES 2024/2025 property and casualty insurance renewals was provided to the committee including insurance trends and LES renewals by coverage type.
- b. Recent insurance-related activities and updates were also reviewed including completion of a 3-year casualty loss control assessment and completed and upcoming trainings for LES employees to reduce casualty risk exposures.

### 5. Third Quarter Internal Audit Report (David)

- a. Internal Auditing presented the third quarter report for 2024. Included in the report were the ERM Risk Review Audit, the Contract Billing Audit, and the Physical Security Audit. All three audits received qualified opinions with minor findings and recommendations.

### 6. 2025 Internal Audit Planning Process (David)

- a. Internal Auditing has begun the planning process for 2025. The Finance Committee members were provided a packet of information regarding the planning process and a first draft of the 2025 audit plan.

**Note:** *At the end of the budget, rates, and financing presentation at the board meeting, please request approval of the related three resolutions.*

# **Exhibit VI**



## Operations and Power Supply Committee Meeting Summary October 7, 2024 (virtual)

**Attendees:** K. Griffin, A. Hunzeker, C. Johnson, L. Sabalka (Committee Chair)  
E. Anyanwu, P. Crist, J. Dagerman, J. Dutton, J. Fortik, L. Hale, T. Rajewski, F. Rumery,  
S. Sahling-Zart, N. Wischhof

### **Project Agate Construction Update (Tim Rajewski):**

- LES began providing low voltage electrical service to the Project Agate site for construction power in April 2024.
- The project has progressed into equipment procurement and delivery activities and site preparation work for the new high voltage substation that will serve the site.
- Long lead time item deliveries and the related construction work are currently on schedule to support the September 2025 contractually obligated date for the initial phase of high voltage service to the customer. Additional transmission and substation work will continue beyond this date to provide enhanced service levels to the customer.

### **South 56<sup>th</sup> Street Reliability Project (Fredrick Rumery):**

- Staff briefed the Committee on the status of the project to rebuild the 115kV transmission line along a 2.5 mile corridor on South 56th Street.
- The project scope also included rebuilding the distribution voltage level facilities located generally along this same corridor and converting them to an underground configuration.
- The distribution work is substantially complete. The transmission line construction work is scheduled to begin in November 2024.
- Vegetation management work is underway, road closures are being actively coordinated with City officials, and materials are being received to help the project maintain its anticipated Q2 2025 in service date.

### **Generation Operations Turbine Repairs Update (Jim Dutton):**

- Staff provided an overview of the repairs that were recently completed on the three combustion turbines at the Terry Bundy Generating Station.
- Due to age and operating wear and tear, plant staff had been preparing for a staged overhaul plan for the turbines that spanned multiple budget years; however, borescope inspections in late 2022 identified the need to start work on all three turbines on an accelerated timeframe.
- Repairs were conducted by a combination of the original equipment manufacturer and an authorized service provider. Material lead times and the availability of the vendors' technical service staff prolonged the repair times, but all three units were placed back in service in the January 2024 to August 2024 timeframe.

# **Exhibit VII**

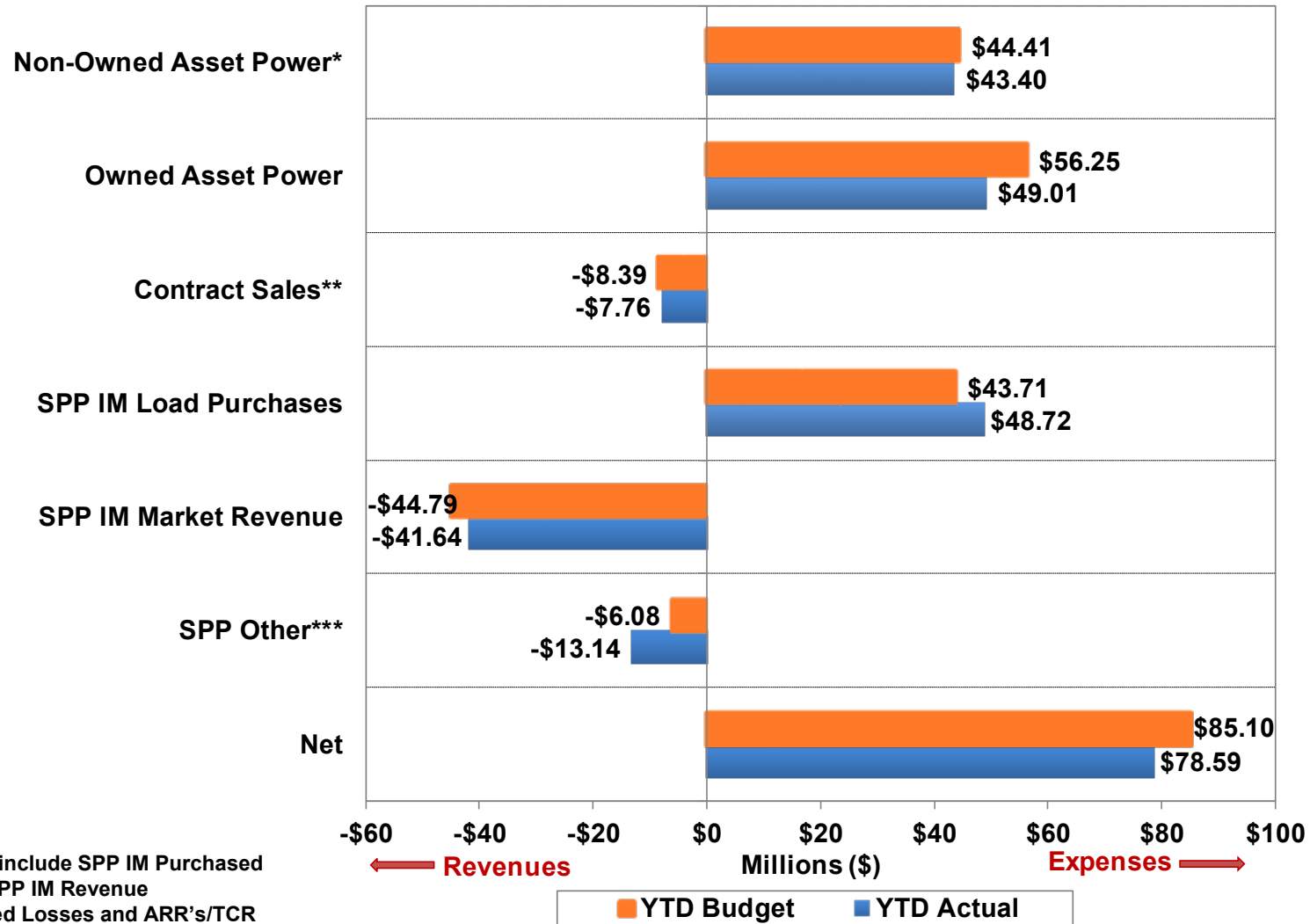
# Power Supply Division 2024 Third Quarter Update

October 18, 2024

Jason Fortik

Vice President, Power Supply

# YTD 2024 Net Power Costs are about \$6.5M (7.6%) below Budget. Lower than Budget generation expenses and higher miscellaneous market and transmission service revenues offset above Budget energy purchase expenses.

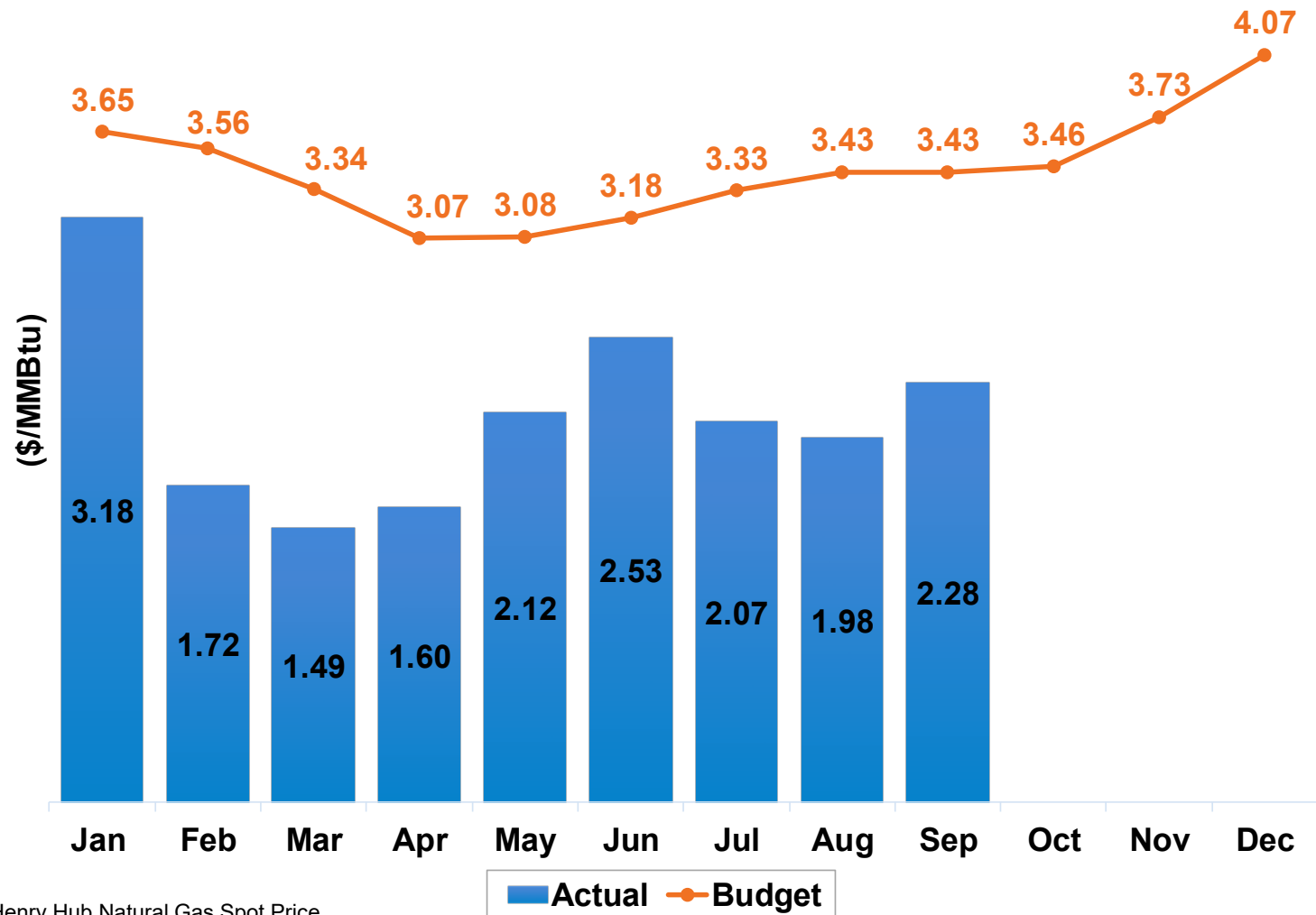


\*Non-Owned Asset Power does not include SPP IM Purchased

\*\*Contract Sales does not include SPP IM Revenue

\*\*\*SPP Other includes Over-Collected Losses and ARR's/TCR

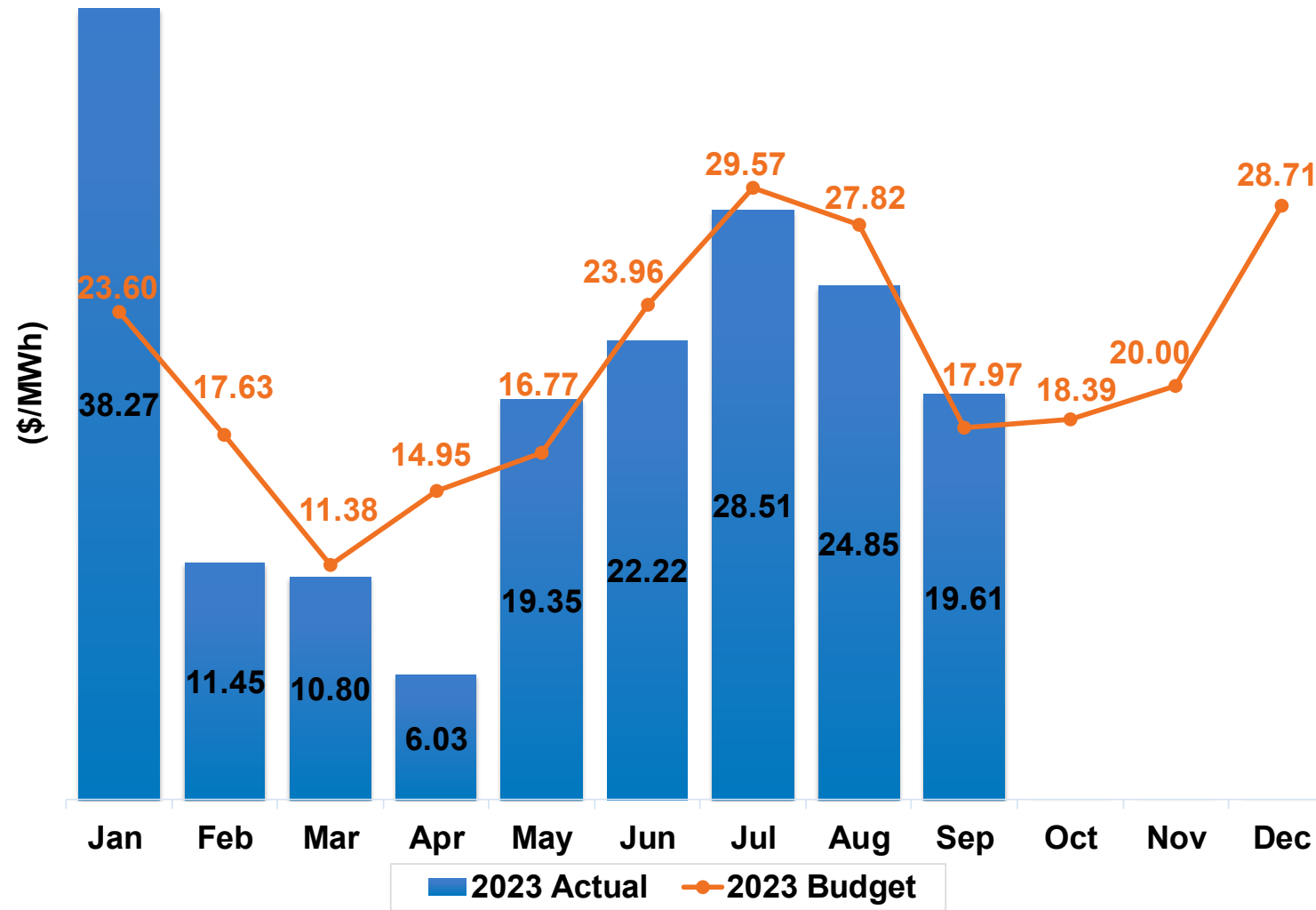
It was a quarter of mixed signals to the natural gas market, with severe weather in the south affecting both supply and demand, cooler temperatures early in the quarter decreasing demand from electrical generation, but LNG export demand trending higher. Prices remained well below Budget in Q3



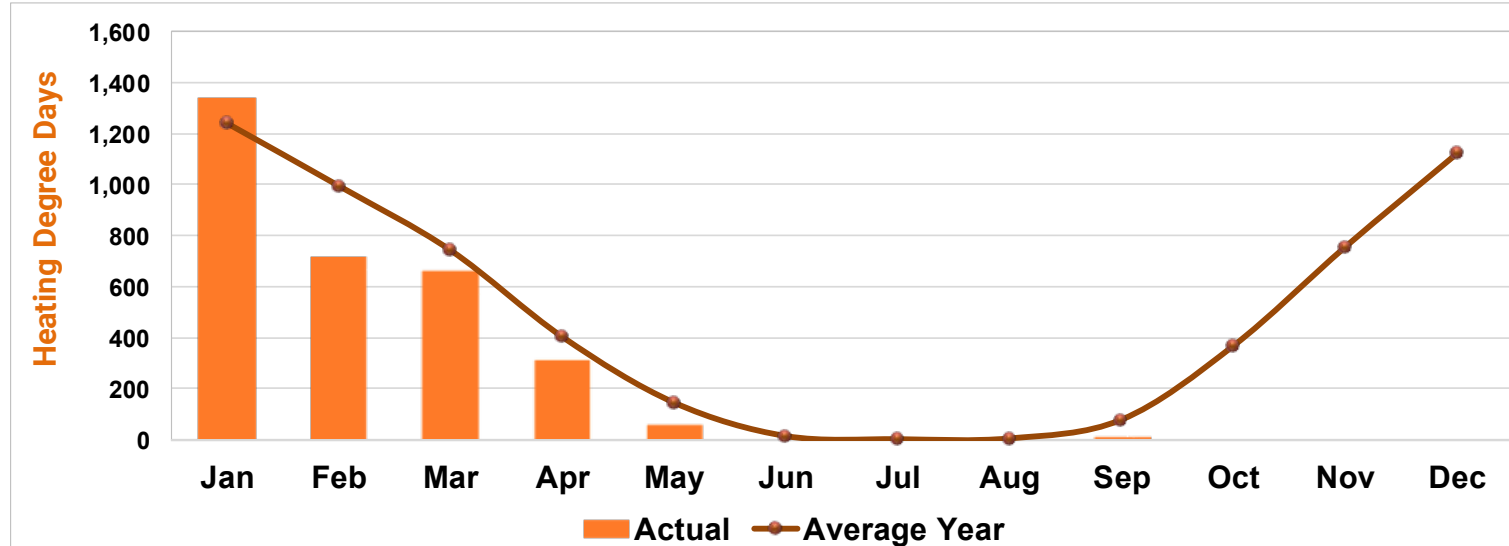
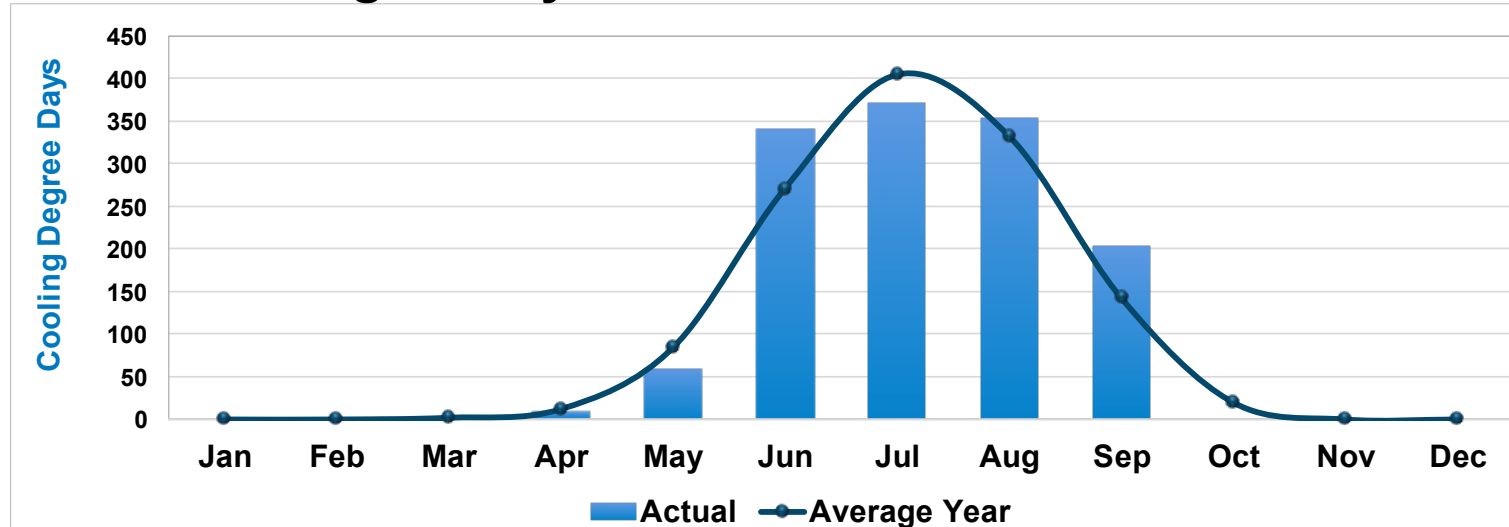
Source: U.S. Energy Information Administration – Henry Hub Natural Gas Spot Price



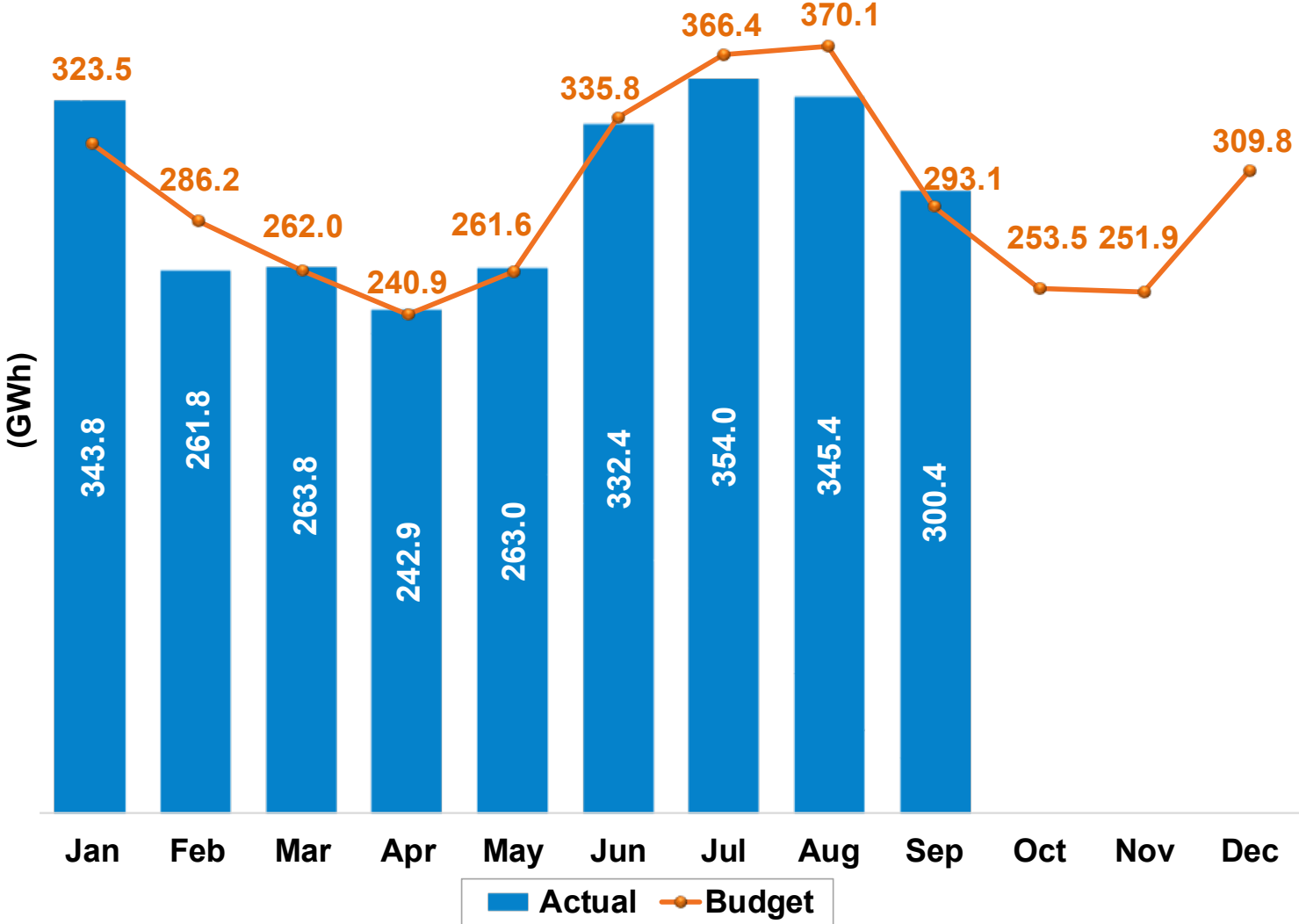
Footprint electrical generation on outage remained slightly elevated in the quarter, but the low natural gas prices, consistent wind production, and moderate load levels kept Lincoln's average market electricity prices close to or below Budget in Q3.



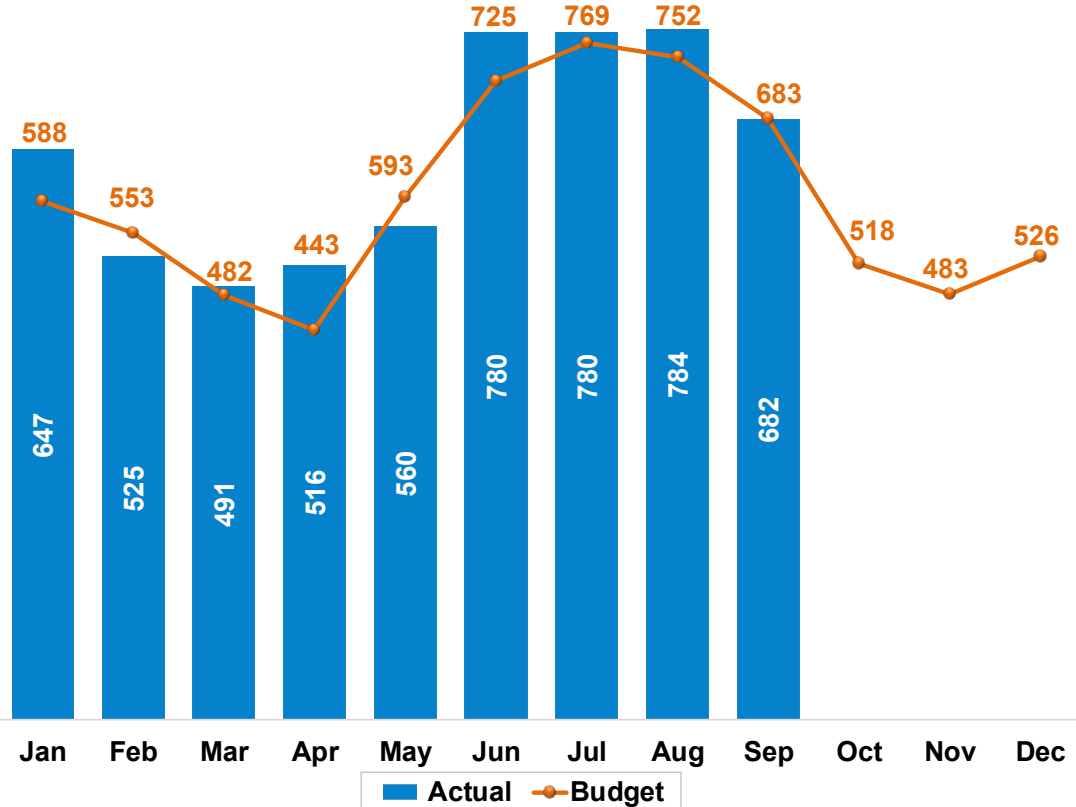
Although we experienced some extreme weather at the end of the month, July temperatures were fairly mild. August cooling degree days were 6% above normal and September cooling degree days were 42% above normal.



# Control Area Energy consumption for Q3 was 30 GWh (2.9%) below Budget



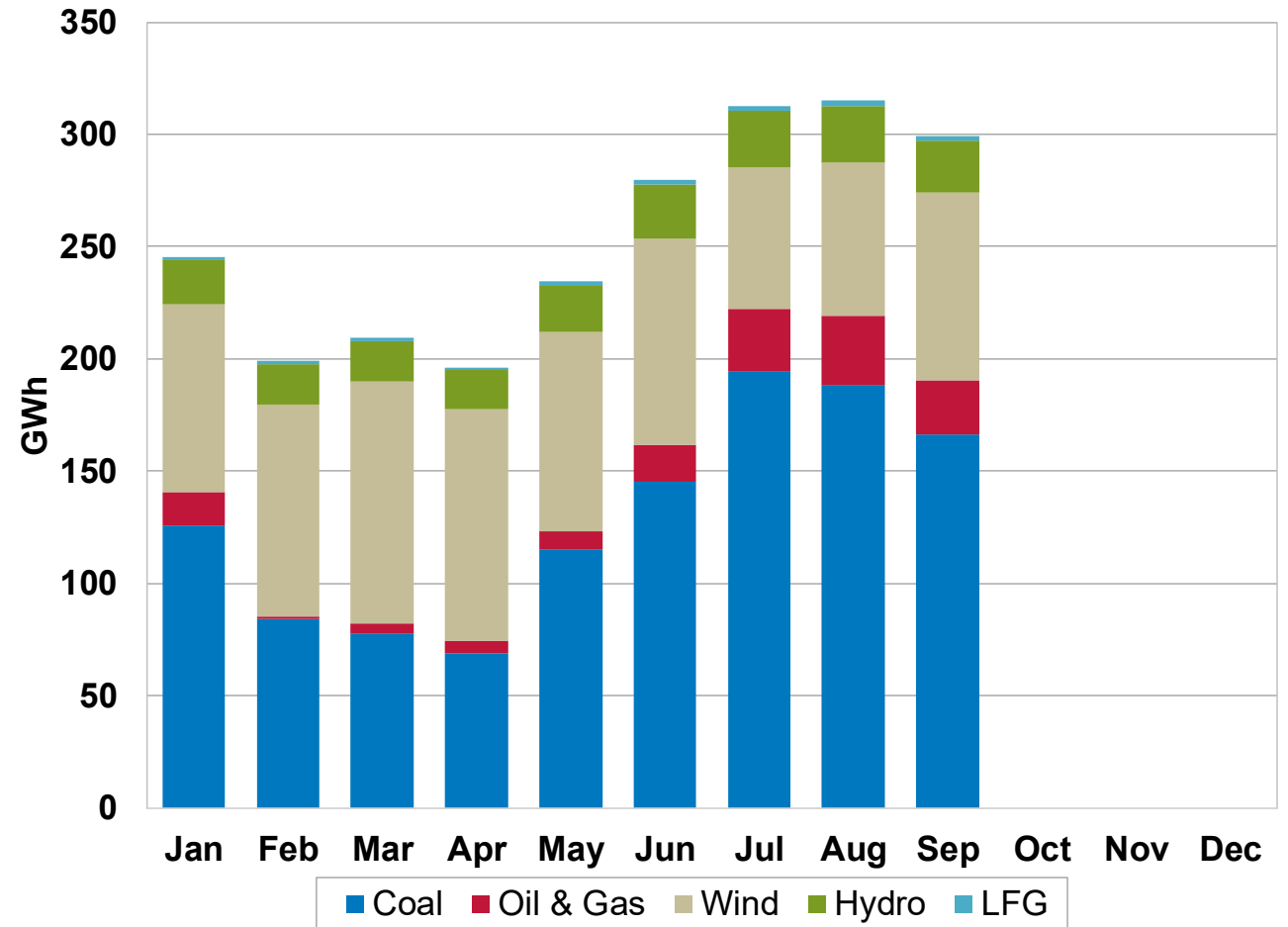
**System peak demand for each month of Q3 was either at or above Budget projections, with one of the two heat waves in August pushing the system to the 2024 peak of 784 MW.**



<b>System Peak Load</b>	<b>2024 Peak Load Day = 784 MW, 8/26/2024</b> <b>All Time System Peak = 819 MW, 8/22/2023</b>
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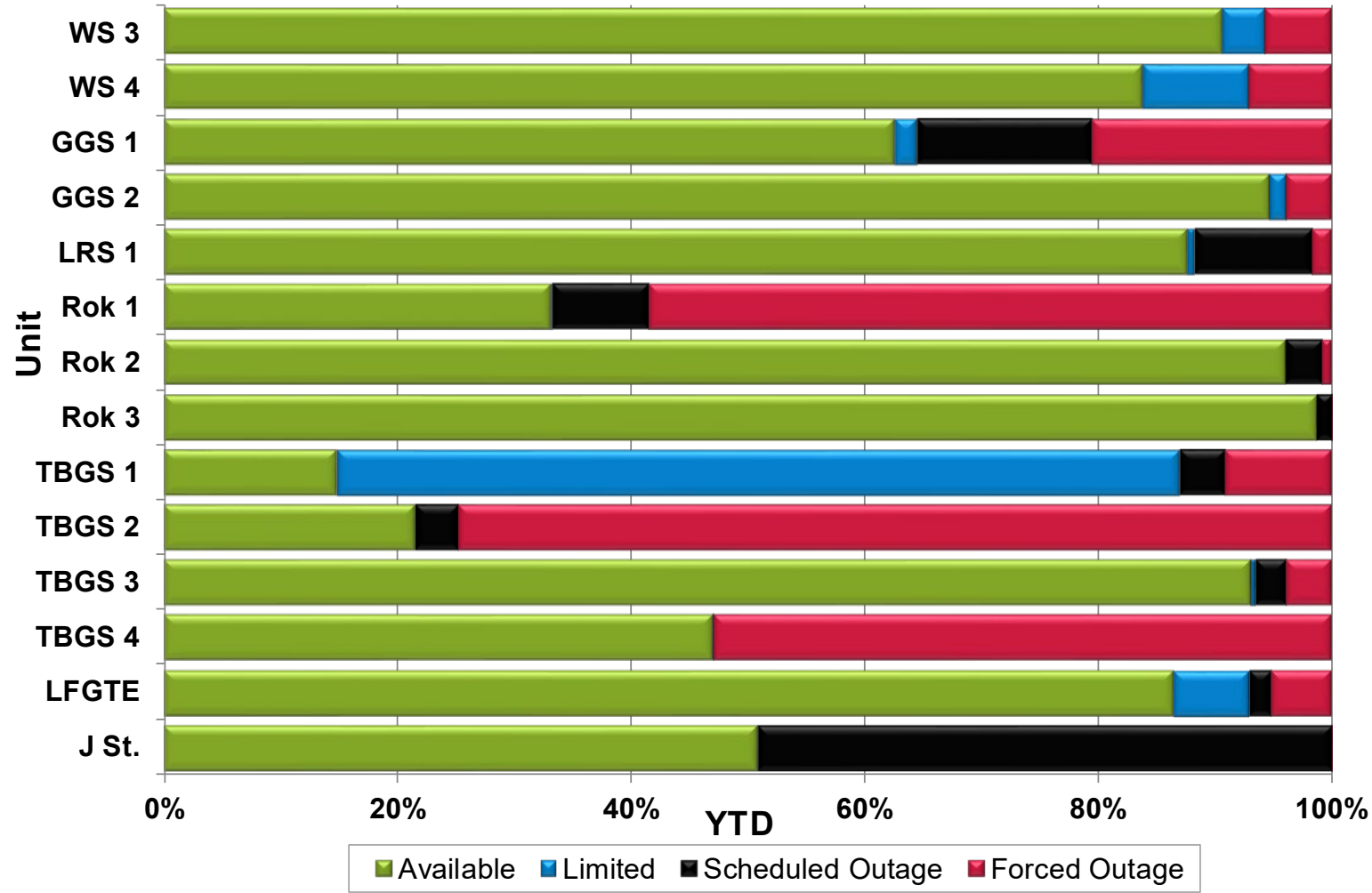
**Q3 renewable energy production was about 3% below expectations, coal resource production was about 13% below expectations due primarily to reduced output from the Laramie River Station caused by market dispatch and transmission limitations, and natural gas resource production was about 31% below expectations due in part to the remnant local plant outages.**

<b>Retail Sales</b>	<b>2024 Q3 Retail Sales:</b> Forecast = 974 GWh Actual = 948 GWh Difference = 26 GWh (-2.6%)
<b>Renewable Energy Production</b>	<b>2024 Q3 Renewable Energy Production Expressed as a Percentage of Retail Sales:</b> Forecast = 30.3% Actual = 30.0%

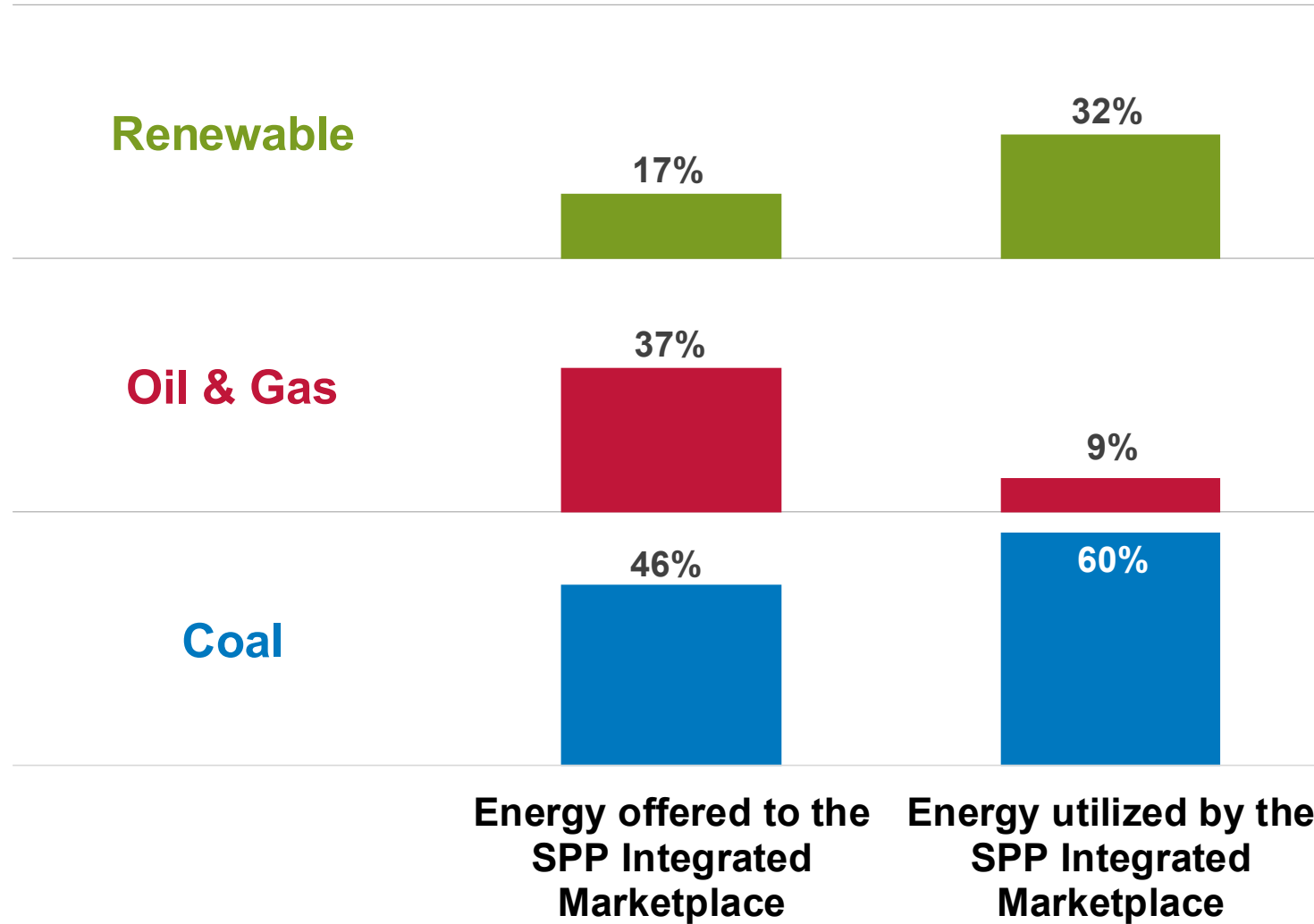


Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient.

Although the Terry Bundy units experienced some unusually long outages, all three combustion turbines are now back in service. Rokeby Unit 1 remains out of service waiting for replacement parts to be delivered.



# 2024 Market Energy Metrics (July through September)



Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient.

# **Exhibit VIII**



# Energy Storage Project Update

**Scott Benson**  
**Manager, Resource & Transmission Planning**

**October 18, 2024**

# Energy Storage Project

## *Projected benefit streams*

- 1 Support transmission and distribution system reliability by deferring load during peak periods.
- 2 Load-related energy arbitrage; charge (buy) at low market prices and discharge (sell) at higher prices.
- 3 Load-related ancillary services; assist the market with reliably balancing load and generation.
- 4 Further development of energy storage knowledge and experience within LES.
- 5 Strengthen the LES community microgrid.

# Eos Zinc Battery

*Additional advantages beyond being LES' lowest evaluated cost proposal*

## Safe

Non-flammable.  
Non-hazardous.  
Can be located in densely populated areas, indoors & near critical infrastructure.

## Simple

Long lifespan.  
Fully recyclable.  
Lower maintenance.  
No HVAC or fire suppression required.

## Durable

No calendar degradation allows a higher range of operating conditions, temperatures, and discharge speeds with few to no replacements.

## Flexible

Wide temperature range.  
Flexible charge and discharge.  
Customer can choose between prioritizing high RTE or lower Capex and higher depth of discharge.

## Local

Invented in the US.  
Manufactured in the US.  
Lower risk of supply chain disruptions.  
Lower cost, widely-available & locally-sourced materials.

Source: [Eos Energy Enterprises, Inc. – Company Overview](#), Eos Energy Enterprises, June 2022



Lincoln Electric System

LES.com

# Energy Storage Contract Timeline

## June 2023

- LES executed a power purchase agreement with the project developer, WATTMORE, for a 3 MW, 4-hour Eos zinc battery storage system.
- Targeted commercial operation in spring 2025.
- Project subsequently put on pause due to loss of WATTMORE's financing partner.

## September 2024

- LES executed an amended and restated power purchase agreement, finally putting project in motion.
- Targeted commercial operation in fall 2025 with an 11-year term.
- Made possible by WATTMORE securing new financing partner, Bridge Renewable Energy.

# New Financing Partner



## DEPLOYING RENEWABLE ENERGY AT SCALE IN REAL ESTATE

Bridge Renewable Energy develops, owns, and operates solar, battery storage and EV charging projects for our customers. We partner with commercial real estate owners, corporations, municipalities, and communities to deliver customized renewable energy solutions that meet their specific needs and enhance the value of their properties and enterprises

**BRIDGE**  
**RENEWABLE**  
**ENERGY**

Bridge Renewable Energy is an affiliate of Bridge Investment Group, a leading, alternative investment manager, diversified across specialized asset classes, with approximately \$47.7 billion of assets under management. Bridge Renewable Energy combines its renewable energy expertise with Bridge Investment Group's deep experience in commercial real estate to provide renewable energy solutions that meet the unique needs of our customers

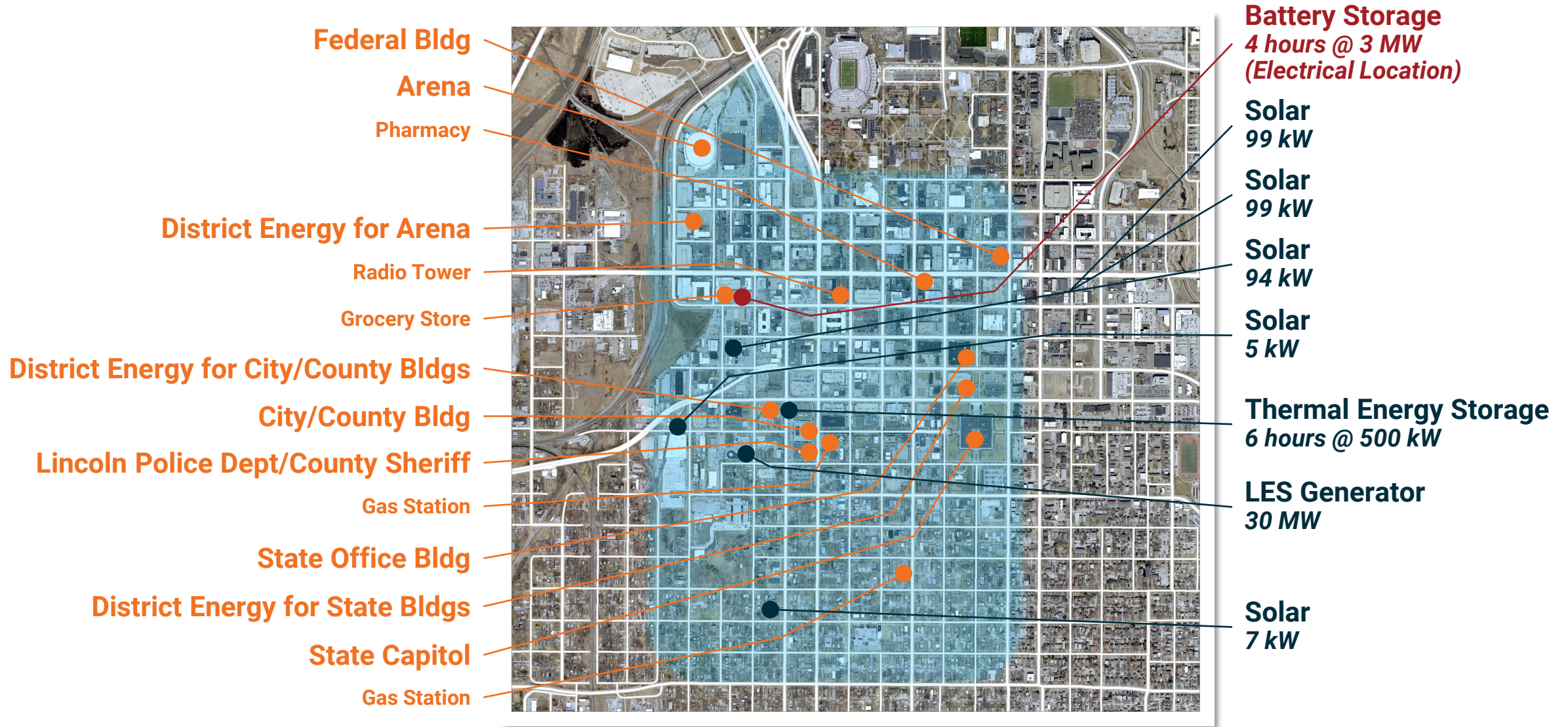
Source: [Bridge Renewable Energy](#)



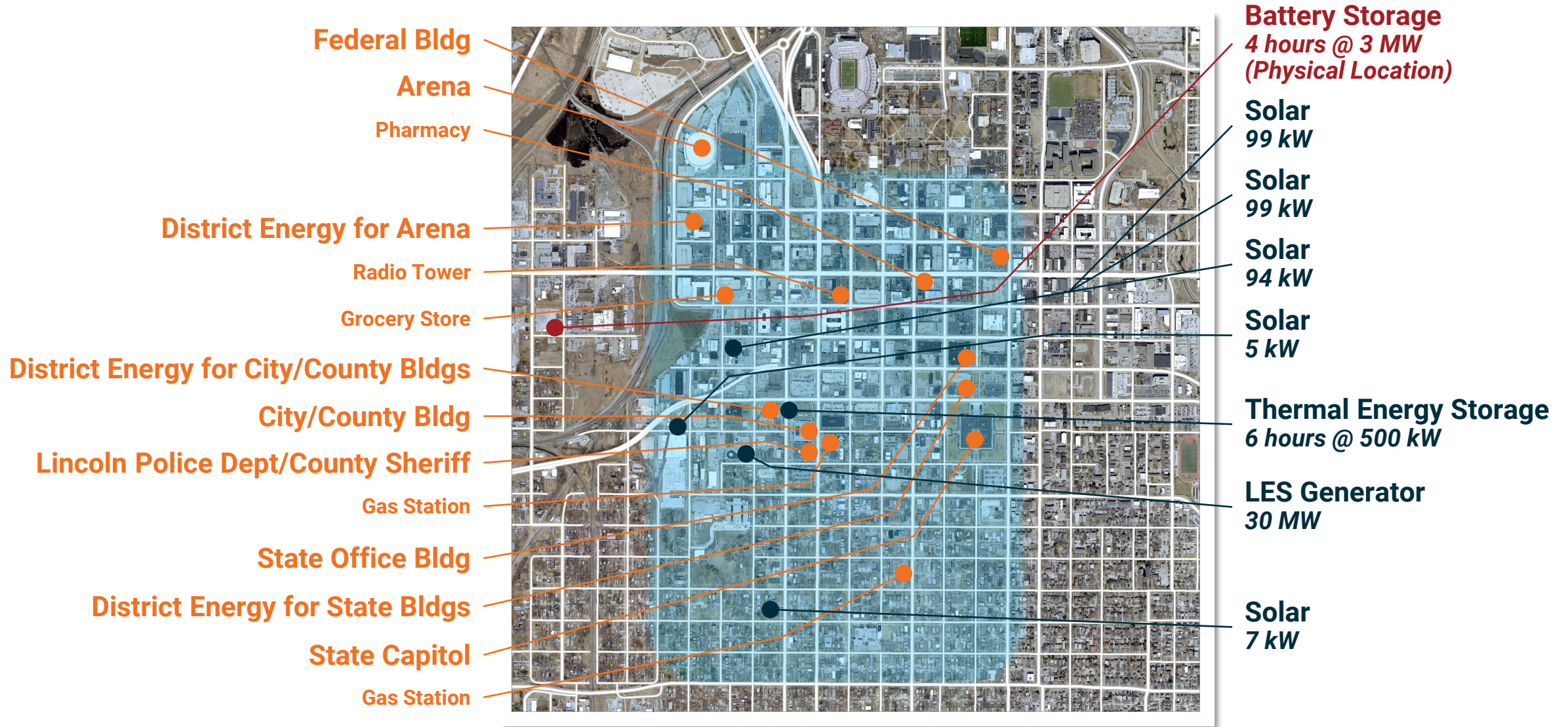
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# LES Community Microgrid



# LES Community Microgrid



# Questions?



Lincoln Electric System

[LES.com](http://LES.com)



# **Exhibit IX**



# Q3 2024 Financial Statements

LES Administrative Board | October 18, 2024

**Emily N. Koenig | LES**  
Vice President, Financial Services & CFO

# 2024 Retail Revenue - YTD

Lower use by Commercial customers comprised most of the variance and was partially offset by higher Industrial usage.



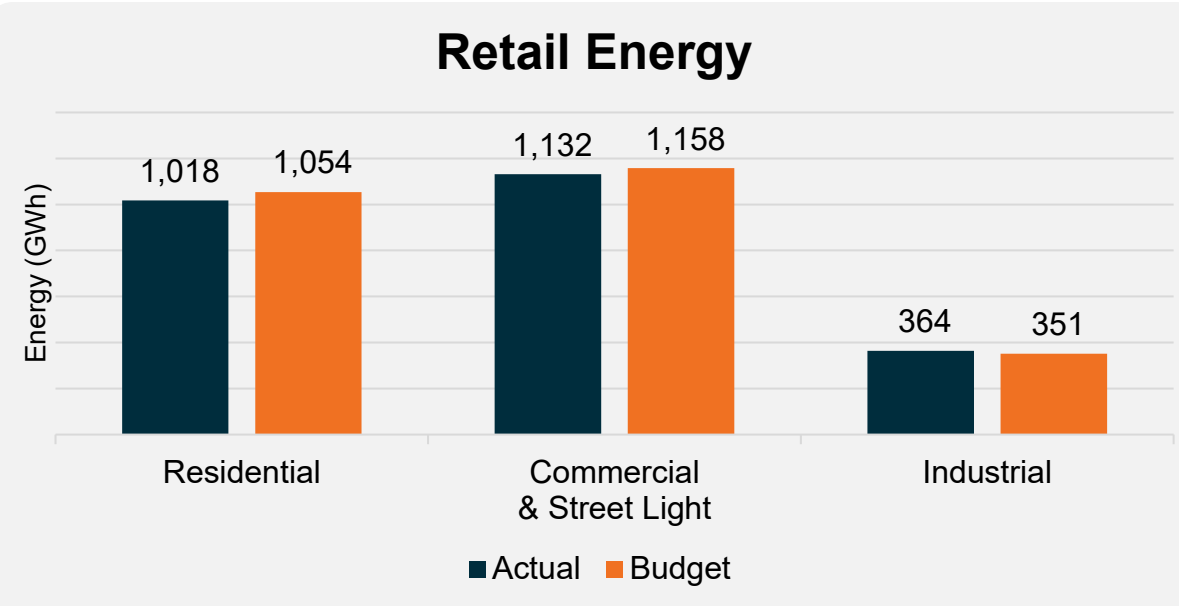
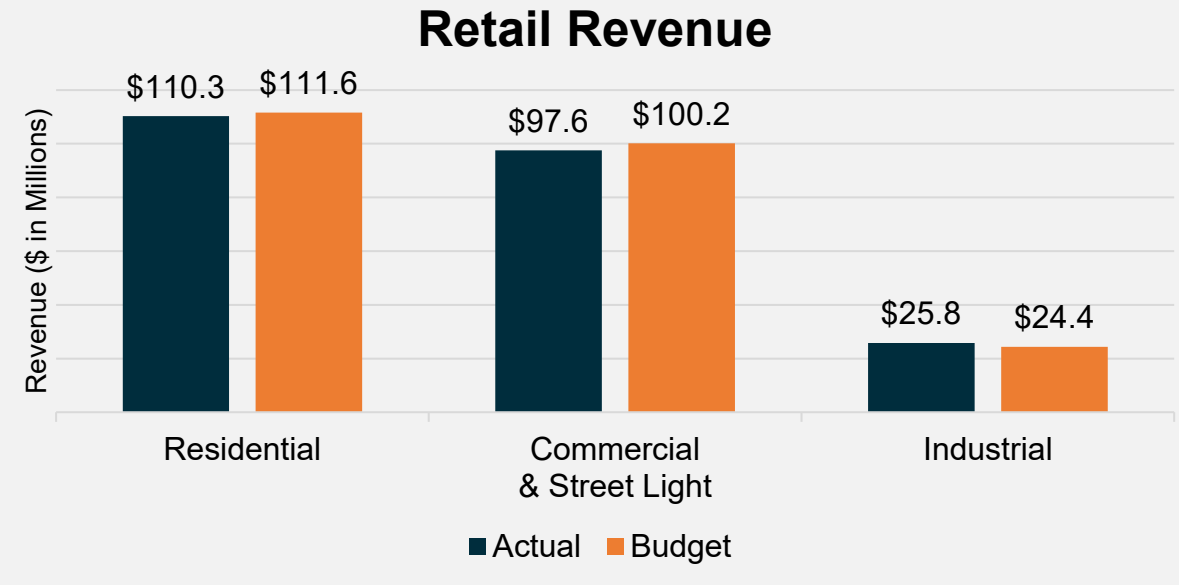
## Retail Revenue

<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
\$233.7M	\$236.2M	-\$2.5M / -1.1%



## Retail Energy

<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
2,514 GWh	2,563 GWh	-49 GWh / -1.9%



Totals and other calculations throughout this presentation may show slight inconsistencies due to rounding.

# 2024 Weather - YTD

YTD temperatures have been warmer than usual, with heating degree days 14.8% below average and cooling degree days surpassing a regular year by 6.5%.

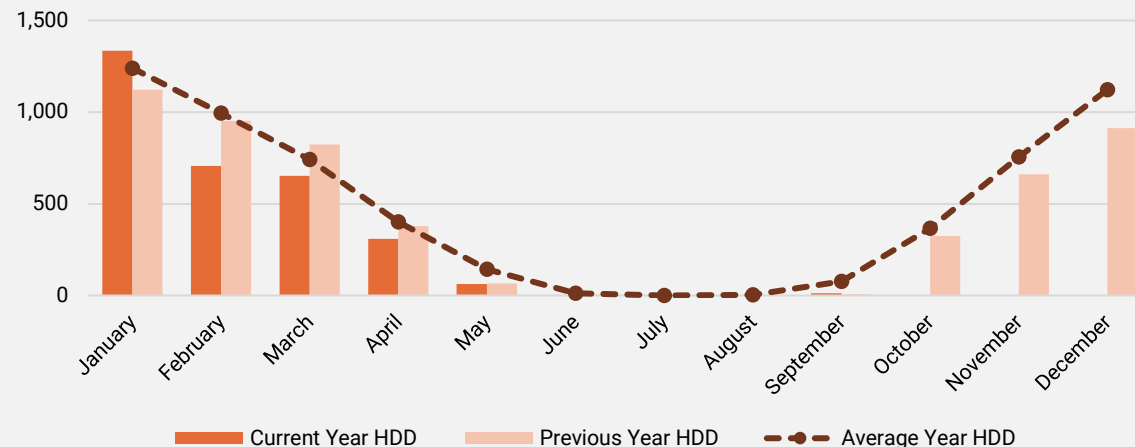


Warm weather from February through September offset January's cold temperatures, resulting in fewer heating degree days than average.

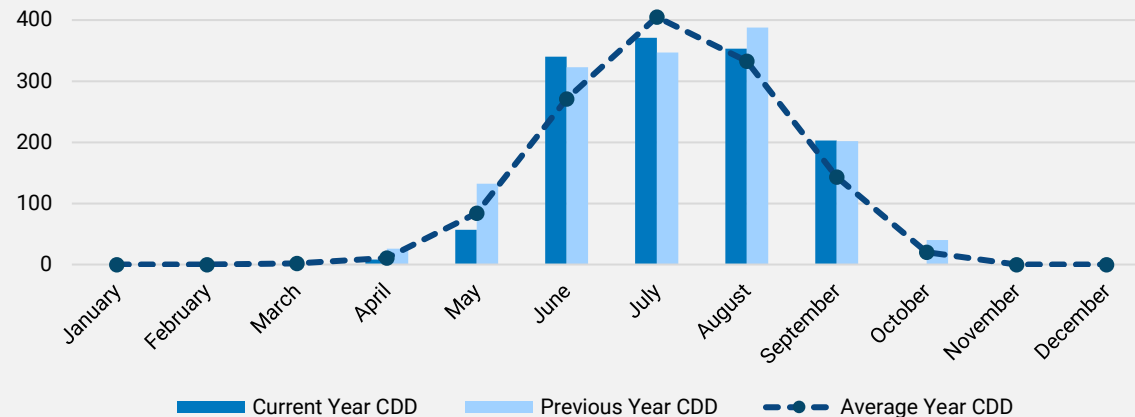


Summer temperatures arriving early and lingering led to higher-than-average cooling degree days YTD.

## 2024 Heating Degree Days



## 2024 Cooling Degree Days



# 2024 Operating Expenses\* - YTD



## O&M Expenses

Actual	Budget	Variance
\$32.1M	\$31.1M	+\$0.9M/+2.9%



## A&G Expenses

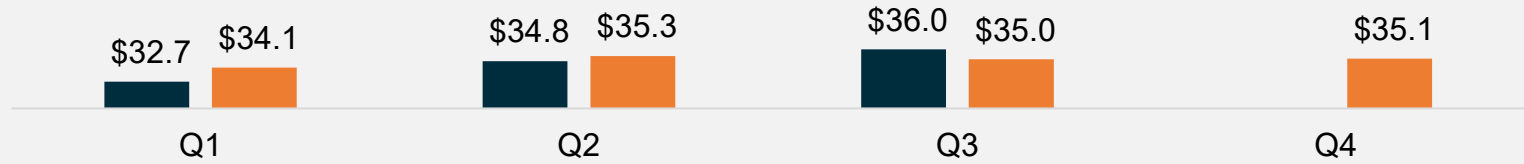
Actual	Budget	Variance
\$44.7M	\$44.6M	+\$0.1M/+0.2%

\*Excludes Power Cost

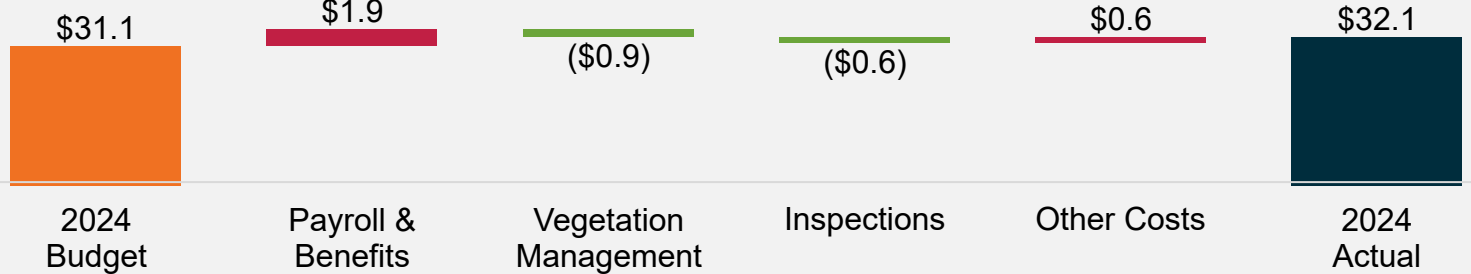
## Actual vs Budget

(\$ in millions)

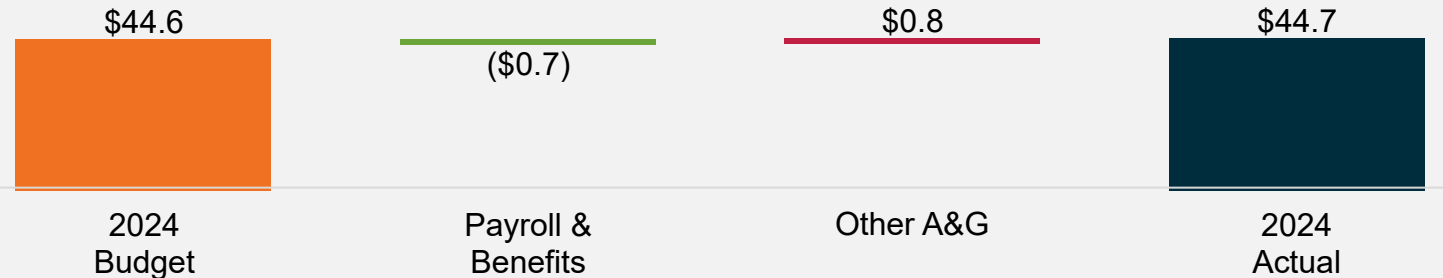
■ Actual ■ Budget



## Operations & Maintenance YTD Variances



## Administrative & General YTD Variances



Lincoln Electric System

# 2024 Net Power Cost - YTD

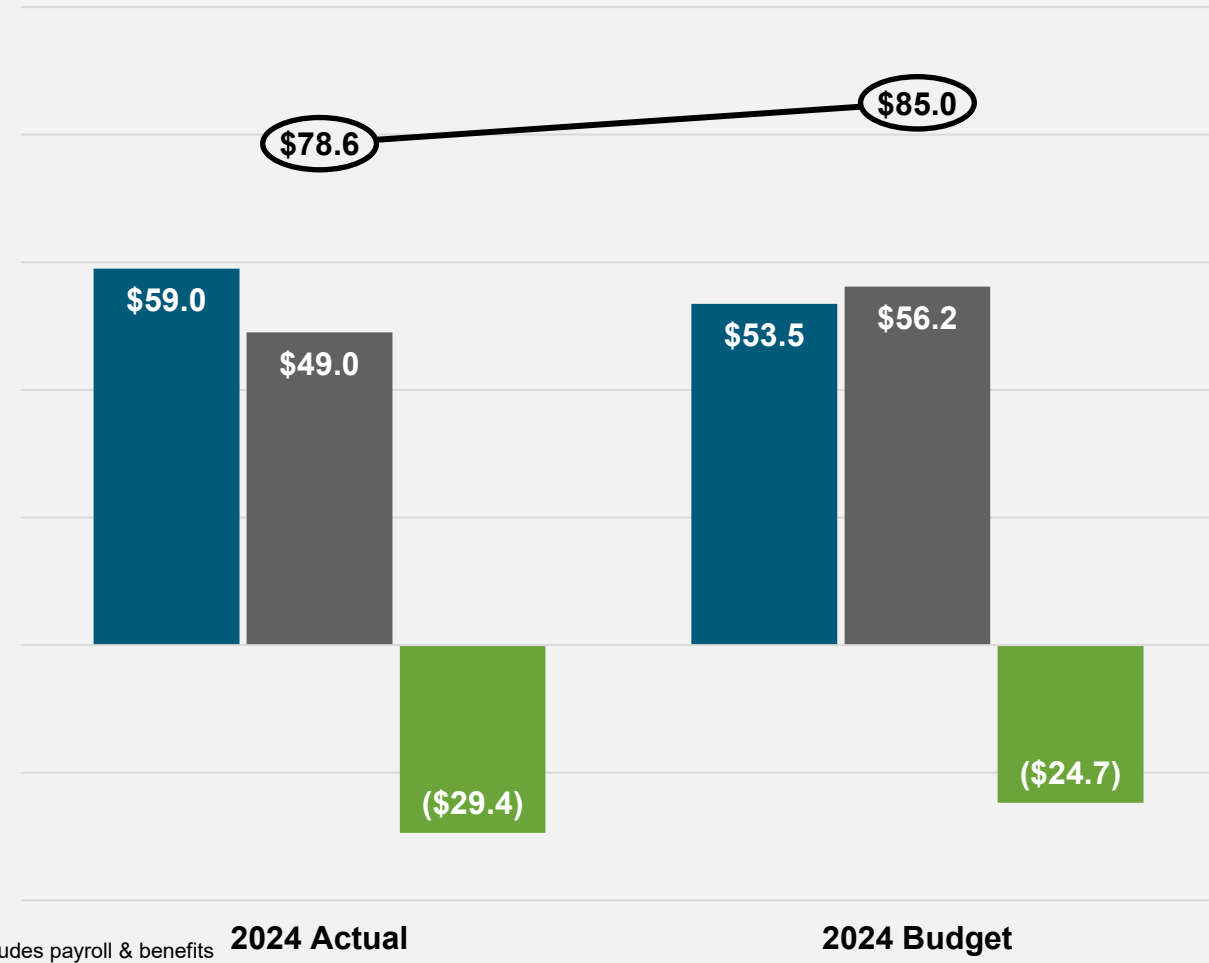
Actual	Budget	Variance
\$78.6M	\$85.0M	-\$6.5M / -7.7%

- Purchased power was over budget by \$5.4M, or 10%, due to higher SPP purchases partially offset by lower energy output at Walter Scott #3 & Gerald Gentleman.
- Produced power was \$7.2M, or 13%, under budget due to lower costs at Laramie River Station, Rokeby Generation Station, and Terry Bundy Generation Station.
- Wholesale revenue has exceeded budget by \$4.7M, or 19%, due to revenues from SPP activities.

## 2024 Net Power Cost\* - YTD

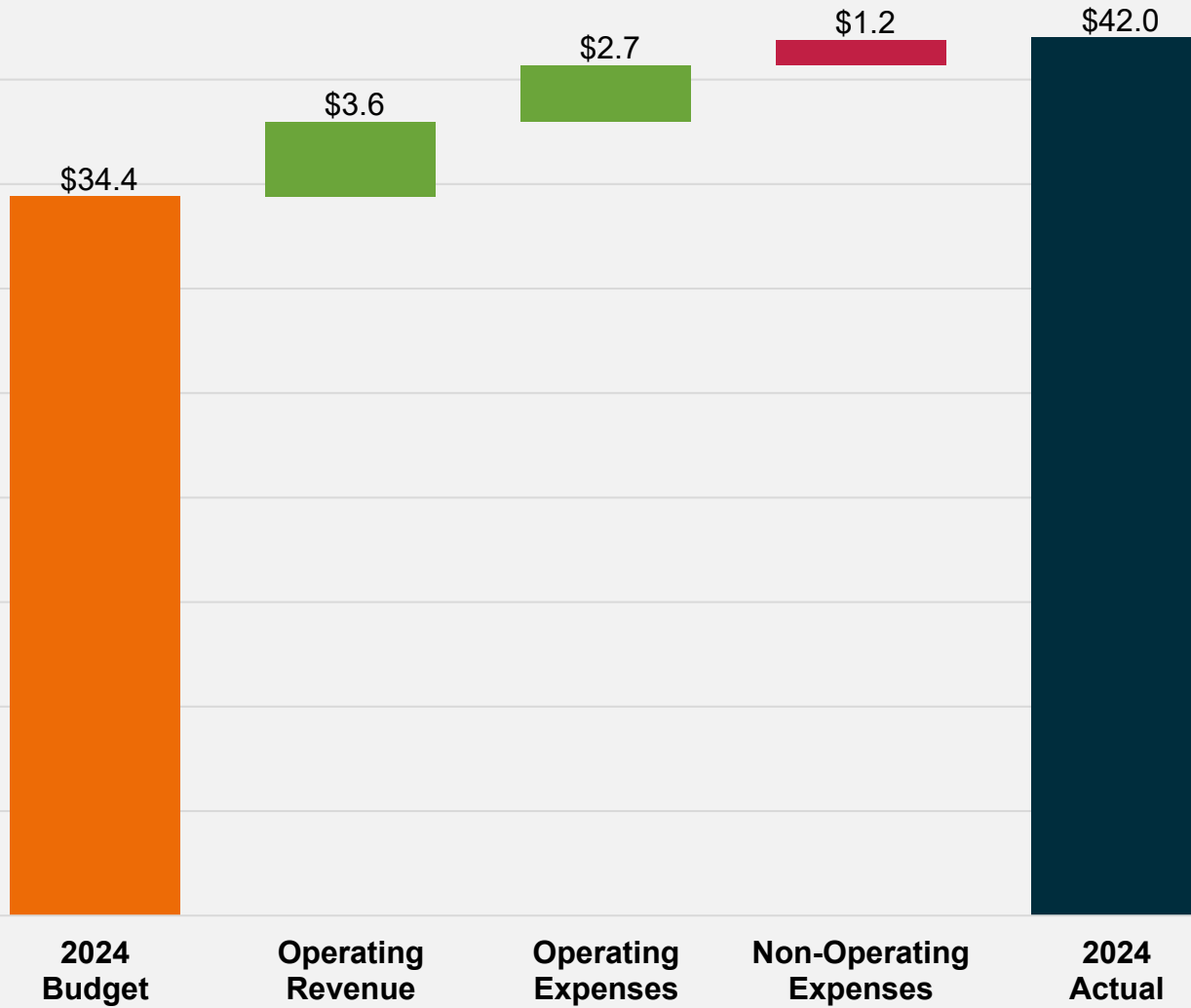
(\$ in Millions)

■ Purchased Power      ■ Produced Power  
■ Wholesale Revenue      — Net Power Cost



## Change in Net Position

(\$ in Millions)



## Change in YTD Net Position or "Net Revenue"

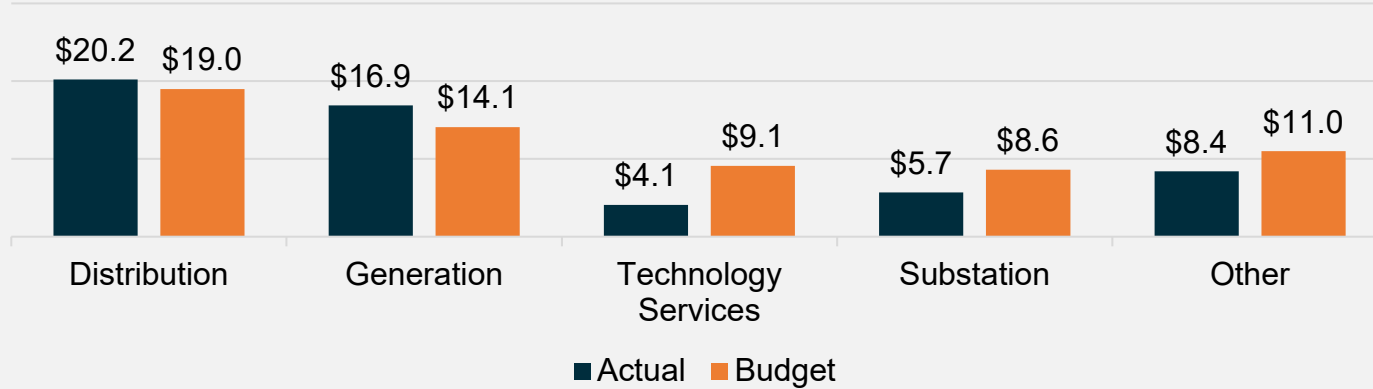
Actual	Budget	Variance
\$42.0M	\$34.4M	+\$7.6M / +21.9%

Lower than expected Net Power Cost result in an overall increase in Net Revenue.

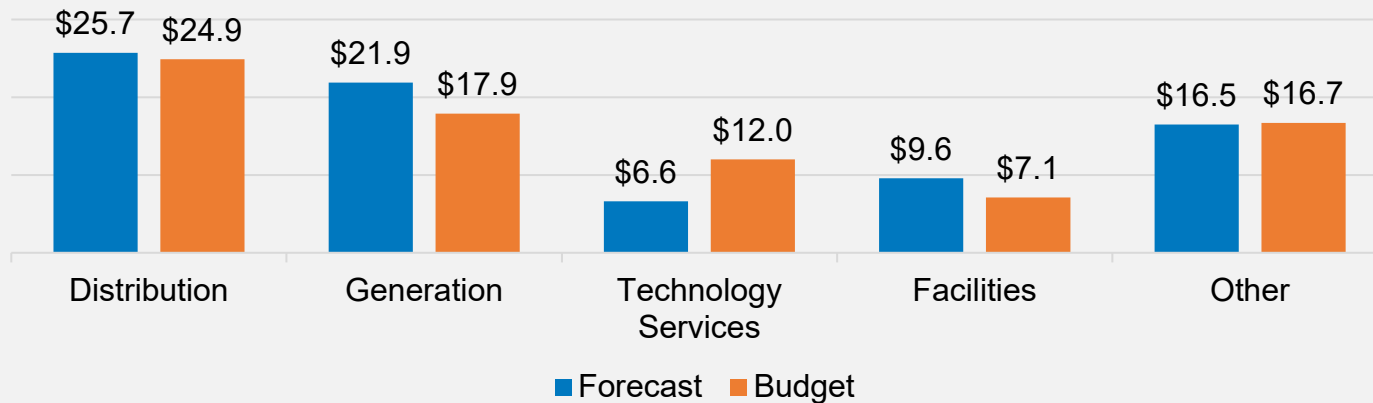


# 2024 Capital Expenditures

## YTD Capital Expenditures (\$ in millions)



## YE Capital Expenditures Forecast (\$ in millions)



YTD Capital spending is below budget, however the YE forecast projects a 2% overrun.

YTD Actuals	Budget	Variance
\$55.3M	\$61.8M	-\$6.5M / -11%

YTD variance driven by timing of large Technology Services, Substation, and Transmission projects.

Forecast	Budget	Variance
\$80.3M	\$78.6M	+\$1.7M / +2%

YE forecast includes higher costs for TBGS Unit 2 and several Substation projects in addition to an acceleration of costs for the Service Center HVAC upgrades.



# Financial Metrics

LES has minimum target values for financial ratios when setting customer rates.

## Fixed Charge Coverage Ratio

YE Forecast	Budget	Variance
1.64x	1.40x	0.24x

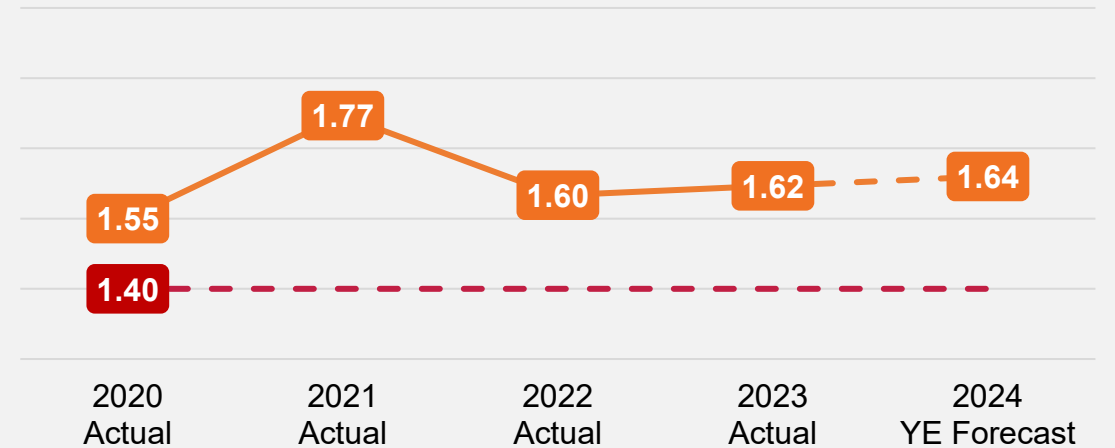
Higher or increasing values are considered favorable.

## Days Cash on Hand

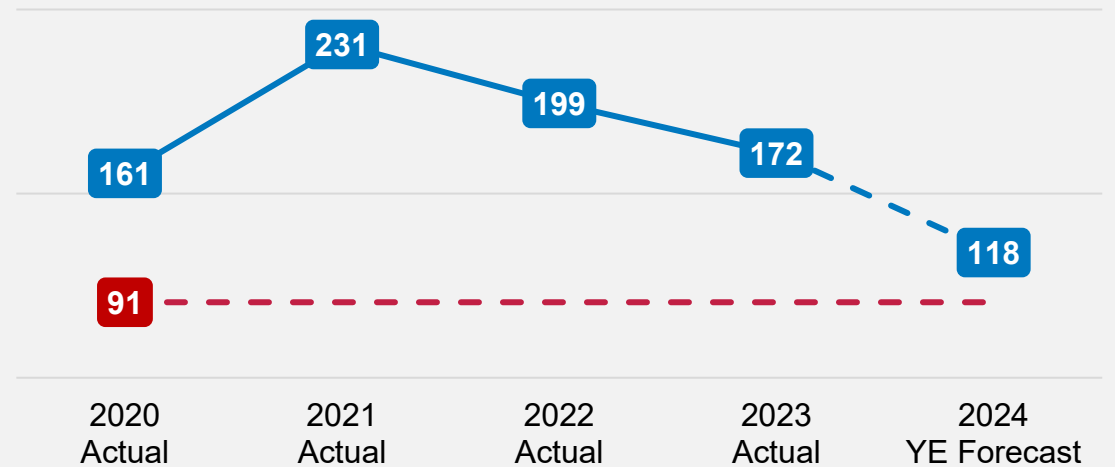
YE Forecast	Budget	Variance
118	116	+2

When LES approaches the minimum target, short or long-term borrowings are utilized to replenish the cash balance.

## Fixed Charge Coverage Ratio



## Days Cash on Hand



# Financial Metrics

## Debt to Capitalization

<b>YE Forecast</b>	<b>Budget</b>	<b>Variance</b>
48%	50%	-2%

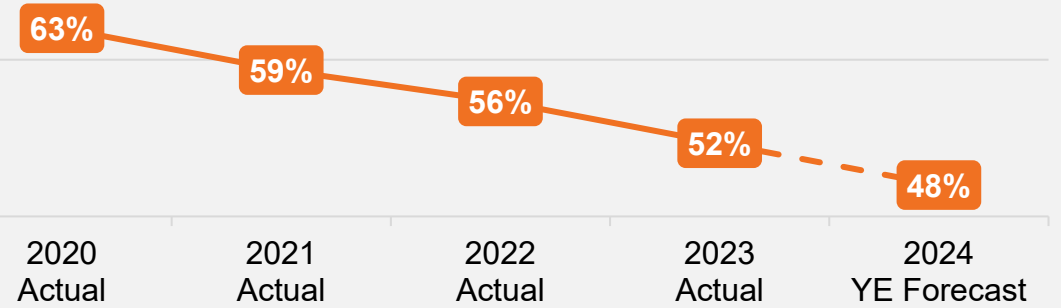
Lower or decreasing values are considered favorable.

## Net Debt Ratio

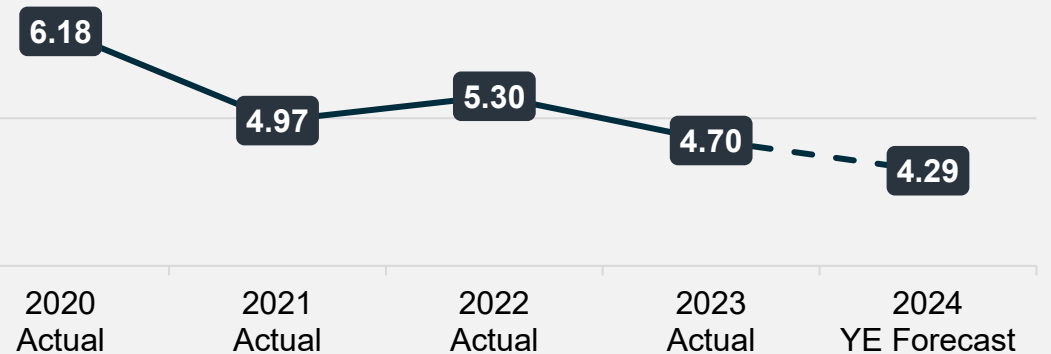
<b>YE Forecast</b>	<b>Budget</b>	<b>Variance</b>
4.29x	5.30x	-1.01x

Lower or decreasing values are considered favorable.

## Debt to Capitalization



## Net Debt Ratio



# **Exhibit X**

# Performance Indicators

## 3<sup>rd</sup> Quarter 2024

Administrative Board  
October 18, 2024

# Integrity & Fiscal Responsibility

Performance Indicator	Actual/ Projection	Forecast/ Target	Indicator	Previous Year Actual/ Projection*	Industry Average
Retail Energy Sales (GWH)	948	974	✓	948	
Projected Debt Coverage (YE)	2.42x	2.10x	✓	2.41x	2.16x <sup>1</sup>
Net Power Costs (\$/MWH)	\$41.72	\$39.21	!	\$39.16	
SPP Lincoln Locational Marginal Price (\$/MWH)	\$24.32	\$25.12	✓	\$30.13	
Phishing Test Click Rate	5.54%	<5.00%	!	1.89%	5.00%
Suspicious Emails	690		✓	163	
Cyber Events Reported (Opened/Closed)	0/0		✓	4/4	
Cyber Security Risk Assessments (New/Open/Closed)	7/6/9		✓	11/9/15	

<sup>1</sup> 2023 Peer Study Average

\*Numbers represent 2023 3<sup>rd</sup> Quarter unless specifically notated as YTD or YE in the Performance Indicator title


# Sustainability and Environmental Responsibility

Performance Indicator	Actual/ Projection	Forecast/ Target	Indicator	Previous Year Actual/ Projection*	Industry Average
Sustainable Energy Program (Obligated YTD \$)	\$1.7M	\$1.9M	✓	\$1.7M	
SEP Demand Reduction (YTD MW)	5.3	5.6	✓	5.4	
Renewable Energy (Expressed as an Equivalent % of Retail Sales) <sup>2</sup>	30.0%	30.3%	✓	30.2%	
CO <sub>2</sub> Emissions (Thousands of Metric Tons) <sup>3</sup>	622	748	✓	766	
CO <sub>2</sub> Produced (Metric Tons/MWh) <sup>2,3</sup>	0.68	0.71	✓	0.75	



<sup>2</sup> LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources, and the renewable attributes are transferred to the REC recipient

<sup>3</sup> Preliminary estimate based on emissions rates for the previous calendar year

# Safety and Employer of Choice

Performance Indicator	Actual/ Projection	Forecast/ Target	Indicator	Previous Year Actual/ Projection*	Industry Average
DART (YTD # of incidents per 100 employees that result in Days Away, Restricted, Transferred)	1.54			1.72	

# Reliability and Customer Service

Average Speed of Answer	4 min	30 sec		28.8 sec	37.0 sec
Annual Average Outage Time (SAIDI) Per Customer (Normal Weather) (12-month rolling)	20.4	30.0		17.6	123.0 <sup>4</sup>

<sup>4</sup> Rolling 5-Year national Average from available EIA date

\*Numbers represent 2023 3<sup>rd</sup> Quarter unless specifically notated as YTD or YE in the Performance Indicator title

# **Exhibit XI**





## Revenue & Expense Statement (Condensed)

### SEPTEMBER 2024

Year-to-date financial results were favorable due primarily to lower than budgeted net power costs

(Dollar amounts in 000)

YEAR TO DATE	2024 Actual	2024 Budget	Difference	Percentage Difference	Comments
1) Total Revenue	\$279,854	\$276,225	\$3,629	1%	Wholesale revenue exceeded budget by 19% (\$4.7M), primarily due to higher than expected revenues from SPP IM activities. Retail revenue was under budget by 1% (\$2.5M). Other revenue was over budget by 21% (\$1.2M) due to natural gas capacity releases, funds received from the City of Lincoln for heat pump incentives (offset by A&G expenses) and SPP transmission revenue.
2) Power Costs	107,973	109,792	(1,819)	-2%	Produced power was 13% (\$7.2M) under budget due primarily to lower than budgeted energy costs for LRS, TBGS, WS4 & Landfill Gas; lower operations expenses for LRS, Rokeby, J St. & TBGS; and lower maintenance expenses for LRS, Renewables & WS4. Purchased power was over budget by 10% (\$5.4M) due to higher SPP purchases.
3) Other Operating Expenses	76,749	75,724	1,025	1%	Other operating expenses were slightly over budget, primarily due to increased payroll and benefits expenses (\$1.2M) partially due to the July 31 storm, and transmission expenses (\$290K); offset by lower vegetation management expenses due to the availability of crews (\$900K), pole inspection expenses (\$550K), and transformer expenses (\$100K).
4) Depreciation	26,790	28,731	(1,941)	-7%	
5) Total Expenses	<u>211,512</u>	<u>214,247</u>	<u>(2,735)</u>	-1%	
6) Operating Income	68,342	61,978	6,364	10%	
7) Non-Operating Expense (Income)	<u>26,357</u>	<u>27,547</u>	<u>(1,190)</u>	-4%	
8) Change in Net Position (Net Revenue)	<u>\$41,985</u>	<u>\$34,431</u>	<u>\$7,554</u>	22%	
	<u>Year End Projection</u>	<u>Year End Budget</u>			
9) Fixed Charge Coverage	1.64x	1.40x			
10) Debt Service Coverage	2.42x	2.10x			
	<u>Month End Actual</u>	<u>Month End Budget</u>			
11) Days Cash on Hand (Days)	122	130			

# LINCOLN ELECTRIC SYSTEM

## FINANCIAL AND OPERATING STATEMENT

September 2024



## INDEX

REVENUE & EXPENSE STATEMENT - CURRENT MONTH -----	1
REVENUE & EXPENSE STATEMENT - YEAR-TO-DATE -----	2
REVENUES, ENERGY & CUSTOMERS - CURRENT MONTH-----	3
REVENUES, ENERGY & CUSTOMERS - YEAR-TO-DATE-----	4
OPERATING EXPENSE STATEMENT - CURRENT MONTH-----	5
OPERATING EXPENSE STATEMENT - YEAR-TO-DATE -----	6
BALANCE SHEET-----	7
STATEMENT OF CASH FLOWS-----	8
DEBT SERVICE COVERAGE-----	9

NOTE: Federal Energy Regulatory Commission accounting guidance for the Southwest Power Pool Integrated Market (SPP IM) transactions (purchases, sales and other charges) requires netting together these transactions based on the time increments. If, during the time increment, sales to SPP are greater than purchases from SPP, the net amount is recorded as wholesale revenue. If, during the time increment, purchases from SPP are greater than sales to SPP, the net amount is recorded as purchased power cost. Because of this netting process, the energy (MWH's) amounts no longer directly correlate to wholesale revenue.



**REVENUE & EXPENSE STATEMENT**

**CURRENT MONTH**

**SEPTEMBER 2024**

DESCRIPTION	CURRENT MONTH	CURRENT MONTH	VARIANCE FROM BUDGET		LAST YEAR MONTH	VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	AMOUNT	%
<b>OPERATING REVENUES</b>							
1. Retail	\$27,947,698	\$26,235,299	\$1,712,399	6.5%	\$27,347,052	\$600,646	2.2%
2. Wholesale	4,093,978	2,575,933	1,518,045	58.9%	2,997,261	1,096,717	36.6%
3. Other Revenue	468,325	1,038,174	(569,849)	-54.9%	1,008,725	(540,400)	-53.6%
4. CDFUO (a)	1,167,060	1,110,954	56,106	5.1%	1,113,667	53,393	4.8%
5. Total Operating Revenues	33,677,061	30,960,360	2,716,701	8.8%	32,466,705	1,210,356	3.7%
<b>OPERATING EXPENSES</b>							
6. Purchased Power	6,128,701	5,405,451	723,250	13.4%	6,534,501	(405,800)	-6.2%
7. Produced Power	7,448,275	5,858,586	1,589,689	27.1%	5,585,696	1,862,579	33.3%
8. Operations	2,396,483	2,440,053	(43,570)	-1.8%	2,129,237	267,246	12.6%
9. Maintenance	1,366,051	1,048,496	317,555	30.3%	1,632,827	(266,776)	-16.3%
10. Admin. & General	4,843,797	5,114,673	(270,876)	-5.3%	4,780,754	63,043	1.3%
11. Depreciation	2,998,532	3,188,557	(190,025)	-6.0%	2,930,314	68,218	2.3%
12. Total Operating Expenses	25,181,839	23,055,816	2,126,023	9.2%	23,593,329	1,588,510	6.7%
<b>13. OPERATING INCOME</b>	<b>8,495,222</b>	<b>7,904,544</b>	<b>590,678</b>	<b>7.5%</b>	<b>8,873,376</b>	<b>(378,154)</b>	<b>-4.3%</b>
<b>NONOPERATING EXPENSES (INCOME)</b>							
14. Interest Expense (b)	1,392,331	1,403,138	(10,807)	-0.8%	1,440,129	(47,798)	-3.3%
15. PILOT (c)	1,373,914	1,456,256	(82,342)	-5.7%	1,413,988	(40,074)	-2.8%
16. CDFUO Expense (a)	1,143,204	1,110,954	32,250	2.9%	1,046,389	96,815	9.3%
17. Other Expense	1	0	1	--	0	1	--
18. Total Other Nonoperating Expense	3,909,450	3,970,348	(60,898)	-1.5%	3,900,506	8,944	0.2%
19. Other (Income)	(45,498)	(43,269)	(2,229)	5.2%	(41,691)	(3,807)	9.1%
20. Interest (Income)	(1,305,222)	(484,960)	(820,262)	169.1%	(795,658)	(509,564)	64.0%
21. Total Other Nonoperating (Income)	(1,350,720)	(528,229)	(822,491)	155.7%	(837,349)	(513,371)	61.3%
22. Total Nonoperating Expenses (Income)	2,558,730	3,442,119	(883,389)	-25.7%	3,063,157	(504,427)	-16.5%
<b>23. Income Before Contributions</b>	<b>5,936,492</b>	<b>4,462,425</b>	<b>1,474,067</b>	<b>33.0%</b>	<b>5,810,219</b>	<b>126,273</b>	<b>2.2%</b>
<b>CONTRIBUTED CAPITAL</b>							
24. Contributed Capital Received	546,043	182,756	363,287	198.8%	31,396	514,647	1639.2%
25. Contributed Capital Used (d)	(546,043)	(182,756)	(363,287)	-198.8%	(31,396)	(514,647)	-1639.2%
26. Net Contributed Capital	0	0	0	--	0	0	--
<b>27. CHANGE IN NET POSITION</b>	<b>\$5,936,492</b>	<b>\$4,462,425</b>	<b>\$1,474,067</b>	<b>33.0%</b>	<b>\$5,810,219</b>	<b>\$126,273</b>	<b>2.2%</b>

(a) City Dividend for Utility Ownership.

(b) Bond Interest \$1,477,519 + Software Agreements Interest \$6,025 + Variable Interest \$184,977 + Amortization of Issuance Costs on Outstanding Debt \$90,861 + Amortization of Loss on Refunded Debt \$107,776 - Amortization of Discount/

(c) Payment In Lieu of Tax.

(d) Reduction of Plant Costs Recovered through Contributions.



**REVENUE & EXPENSE STATEMENT**

**YEAR-TO-DATE**

**SEPTEMBER 2024**

DESCRIPTION	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE FROM BUDGET		LAST YEAR YEAR TO DATE ACTUAL	VARIANCE FROM LAST YEAR	
			AMOUNT	%		AMOUNT	%
<b>OPERATING REVENUES</b>							
1. Retail	\$233,671,676	\$236,168,341	(\$2,496,665)	-1.1%	\$226,084,279	\$7,587,397	3.4%
2. Wholesale	29,382,538	24,687,793	4,694,745	19.0%	32,297,320	(2,914,782)	-9.0%
3. Other Revenue	7,032,281	5,802,740	1,229,541	21.2%	6,127,659	904,622	14.8%
4. CDFUO (a)	9,767,396	9,566,453	200,943	2.1%	8,897,163	870,233	9.8%
5. Total Operating Revenues	279,853,891	276,225,327	3,628,564	1.3%	273,406,421	6,447,470	2.4%
<b>OPERATING EXPENSES</b>							
6. Purchased Power	58,966,612	53,542,920	5,423,692	10.1%	57,682,198	1,284,414	2.2%
7. Produced Power	49,006,035	56,249,476	(7,243,441)	-12.9%	47,095,307	1,910,728	4.1%
8. Operations	20,884,490	21,679,159	(794,669)	-3.7%	19,326,775	1,557,715	8.1%
9. Maintenance	11,171,834	9,460,030	1,711,804	18.1%	8,968,128	2,203,706	24.6%
10. Admin. & General	44,692,278	44,584,481	107,797	0.2%	43,067,537	1,624,741	3.8%
11. Depreciation	26,789,535	28,730,989	(1,941,454)	-6.8%	26,286,956	502,579	1.9%
12. Total Operating Expenses	211,510,784	214,247,055	(2,736,271)	-1.3%	202,426,901	9,083,883	4.5%
<b>13. OPERATING INCOME</b>	<b>68,343,107</b>	<b>61,978,272</b>	<b>6,364,835</b>	<b>10.3%</b>	<b>70,979,520</b>	<b>(2,636,413)</b>	<b>-3.7%</b>
<b>NONOPERATING EXPENSES (INCOME)</b>							
14. Interest Expense (b)	12,780,096	12,808,212	(28,116)	-0.2%	13,068,423	(288,327)	-2.2%
15. PILOT (c)	10,745,038	11,256,380	(511,342)	-4.5%	10,257,594	487,444	4.8%
16. CDFUO Expense (a)	9,514,316	9,482,066	32,250	0.3%	8,751,509	762,807	8.7%
17. Other Expense	4	0	4	--	153	(149)	-97.4%
18. Total Other Nonoperating Expense	33,039,454	33,546,658	(507,204)	-1.5%	32,077,679	961,775	3.0%
19. Other (Income)	(409,607)	(400,167)	(9,440)	2.4%	(394,923)	(14,684)	3.7%
20. Interest (Income)	(6,273,006)	(5,599,159)	(673,847)	12.0%	(5,987,358)	(285,648)	4.8%
21. Total Other Nonoperating (Income)	(6,682,613)	(5,999,326)	(683,287)	11.4%	(6,382,281)	(300,332)	4.7%
22. Total Nonoperating Expenses (Income)	26,356,841	27,547,332	(1,190,491)	-4.3%	25,695,398	661,443	2.6%
<b>23. Income Before Contributions</b>	<b>41,986,266</b>	<b>34,430,940</b>	<b>7,555,326</b>	<b>21.9%</b>	<b>45,284,122</b>	<b>(3,297,856)</b>	<b>-7.3%</b>
<b>CONTRIBUTED CAPITAL</b>							
24. Contributed Capital Received	2,596,180	1,644,809	951,371	57.8%	1,322,751	1,273,429	96.3%
25. Contributed Capital Used (d)	(2,596,180)	(1,644,809)	(951,371)	-57.8%	(1,322,751)	(1,273,429)	-96.3%
26. Net Contributed Capital	0	0	0	--	0	0	--
<b>27. CHANGE IN NET POSITION</b>	<b>\$41,986,266</b>	<b>\$34,430,940</b>	<b>\$7,555,326</b>	<b>21.9%</b>	<b>\$45,284,122</b>	<b>(\$3,297,856)</b>	<b>-7.3%</b>

(a) City Dividend for Utility Ownership.

(b) Bond Interest \$13,734,448 + Software Agreements Interest \$51,751 + Variable Interest \$1,706,320 + Amortization of Issuance Costs on Outstanding Debt \$748,365 + Amortization of Loss on Refunded Debt \$969,986 - Amortization of Discount/

(c) Payment In Lieu of Tax.

(d) Reduction of Plant Costs Recovered through Contributions.



**REVENUES, ENERGY & CUSTOMERS**

**CURRENT MONTH**

**SEPTEMBER 2024**

DESCRIPTION	CURRENT	CURRENT	VARIANCE FROM		LAST YEAR	VARIANCE FROM	
	MONTH	MONTH	BUDGET	%	MONTH	LAST YEAR	%
	ACTUAL	BUDGET	AMOUNT		ACTUAL	AMOUNT	
<b>REVENUE</b>							
1. Residential	\$13,201,797	\$12,197,014	\$1,004,783	8.2%	\$12,971,074	\$230,723	1.8%
2. Commercial & Street Light	11,814,179	11,295,962	518,217	4.6%	11,546,636	267,543	2.3%
3. Industrial	<u>2,931,722</u>	<u>2,742,323</u>	<u>189,399</u>	6.9%	<u>2,829,342</u>	<u>102,380</u>	3.6%
4. Total Retail	27,947,698	26,235,299	1,712,399	6.5%	27,347,052	600,646	2.2%
5. SPP Sales	2,273,997	1,518,280	755,717	49.8%	1,904,218	369,779	19.4%
6. Contract Sales	<u>1,819,981</u>	<u>1,057,653</u>	<u>762,328</u>	72.1%	<u>1,093,043</u>	<u>726,938</u>	66.5%
7. Total Wholesale	<u>4,093,978</u>	<u>2,575,933</u>	<u>1,518,045</u>	58.9%	<u>2,997,261</u>	<u>1,096,717</u>	36.6%
8. Total	\$32,041,676	\$28,811,232	\$3,230,444	11.2%	\$30,344,313	\$1,697,363	5.6%
<b>ENERGY (MWH'S)</b>							
9. Residential	110,833	105,299	5,534	5.3%	118,403	(7,570)	-6.4%
10. Commercial & Street Light	127,509	124,198	3,311	2.7%	128,884	(1,375)	-1.1%
11. Industrial	<u>39,744</u>	<u>39,236</u>	<u>508</u>	1.3%	<u>40,819</u>	<u>(1,075)</u>	-2.6%
12. Total Retail	278,086	268,733	9,353	3.5%	288,106	(10,020)	-3.5%
13. SPP Sales	44,235	43,715	520	1.2%	42,457	1,778	4.2%
14. Contract Sales	<u>27,066</u>	<u>23,239</u>	<u>3,827</u>	16.5%	<u>32,203</u>	<u>(5,137)</u>	-16.0%
15. Total Wholesale	<u>71,301</u>	<u>66,954</u>	<u>4,347</u>	6.5%	<u>74,660</u>	<u>(3,359)</u>	-4.5%
16. Total	349,387	335,687	13,700	4.1%	362,766	(13,379)	-3.7%
<b>CUSTOMERS - AT MONTH END</b>							
17. Residential	135,327	131,903	3,424	2.6%	132,700	2,627	2.0%
18. Commercial & Street Light	17,935	17,761	174	1.0%	17,804	131	0.7%
19. Industrial	<u>232</u>	<u>233</u>	<u>(1)</u>	-0.4%	<u>236</u>	<u>(4)</u>	-1.7%
20. Total Retail	153,494	149,897	3,597	2.4%	150,740	2,754	1.8%
21. Wholesale	<u>6</u>	<u>6</u>	<u>0</u>	0.0%	<u>7</u>	<u>(1)</u>	-14.3%
22. Total	153,500	149,903	3,597	2.4%	150,747	2,753	1.8%



**REVENUES, ENERGY & CUSTOMERS**

**YEAR-TO-DATE**

**SEPTEMBER 2024**

DESCRIPTION	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE FROM BUDGET		LAST YEAR YEAR TO DATE ACTUAL	VARIANCE FROM LAST YEAR	
			AMOUNT	%		AMOUNT	%
<b>REVENUE</b>							
1. Residential	\$110,310,006	\$111,555,409	(\$1,245,403)	-1.1%	\$107,917,200	\$2,392,806	2.2%
2. Commercial & Street Light	97,595,159	100,196,217	(2,601,058)	-2.6%	93,982,365	3,612,794	3.8%
3. Industrial	<u>25,766,511</u>	<u>24,416,715</u>	<u>1,349,796</u>	5.5%	<u>24,184,714</u>	<u>1,581,797</u>	6.5%
4. Total Retail	233,671,676	236,168,341	(2,496,665)	-1.1%	226,084,279	7,587,397	3.4%
5. SPP Sales	21,620,162	16,295,787	5,324,375	32.7%	23,986,434	(2,366,272)	-9.9%
6. Contract Sales	<u>7,762,376</u>	<u>8,392,006</u>	<u>(629,630)</u>	-7.5%	<u>8,310,886</u>	<u>(548,510)</u>	-6.6%
7. Total Wholesale	<u>29,382,538</u>	<u>24,687,793</u>	<u>4,694,745</u>	19.0%	<u>32,297,320</u>	<u>(2,914,782)</u>	-9.0%
8. Total	\$263,054,214	\$260,856,134	\$2,198,080	0.8%	\$258,381,599	4,672,615	1.8%
<b>ENERGY (MWH'S)</b>							
9. Residential	1,017,857	1,054,125	(36,268)	-3.4%	1,055,420	(37,563)	-3.6%
10. Commercial & Street Light	1,132,287	1,157,829	(25,542)	-2.2%	1,141,430	(9,143)	-0.8%
11. Industrial	<u>363,501</u>	<u>350,616</u>	<u>12,885</u>	3.7%	<u>353,238</u>	<u>10,263</u>	2.9%
12. Total Retail	2,513,645	2,562,570	(48,925)	-1.9%	2,550,088	(36,443)	-1.4%
13. SPP Sales	252,480	271,935	(19,455)	-7.2%	381,012	(128,532)	-33.7%
14. Contract Sales	<u>204,475</u>	<u>183,834</u>	<u>20,641</u>	11.2%	<u>233,103</u>	<u>(28,628)</u>	-12.3%
15. Total Wholesale	<u>456,955</u>	<u>455,769</u>	<u>1,186</u>	0.3%	<u>614,115</u>	<u>(157,160)</u>	-25.6%
16. Total	2,970,600	3,018,339	(47,739)	-1.6%	3,164,203	(193,603)	-6.1%
<b>CUSTOMERS AVERAGE</b>							
17. Residential	134,622	131,538	3,084	2.3%	131,898	2,724	2.1%
18. Commercial & Street Light	17,899	17,700	199	1.1%	17,721	178	1.0%
19. Industrial	<u>237</u>	<u>233</u>	<u>4</u>	1.7%	<u>231</u>	<u>6</u>	2.6%
20. Total Retail	152,758	149,471	3,287	2.2%	149,850	2,908	1.9%
21. Wholesale	<u>6</u>	<u>6</u>	<u>0</u>	0.0%	<u>7</u>	<u>(1)</u>	-14.3%
22. Total	152,764	149,477	3,287	2.2%	149,857	2,907	1.9%



**OPERATING EXPENSE STATEMENT**

**CURRENT MONTH**

**SEPTEMBER 2024**

DESCRIPTION	CURRENT	CURRENT	VARIANCE FROM		LAST YEAR	VARIANCE FROM	
	MONTH	MONTH	BUDGET	%	MONTH	LAST YEAR	%
	ACTUAL	BUDGET	AMOUNT		ACTUAL	AMOUNT	
<b>POWER COST</b>							
1. SPP Purchased Power	\$1,088,483	\$765,944	\$322,539	42.1%	\$1,530,819	(\$442,336)	-28.9%
2. Non-Owned Asset Power	<u>5,040,218</u>	<u>4,639,507</u>	<u>400,711</u>	8.6%	<u>5,003,682</u>	<u>36,536</u>	0.7%
3. Total Purchased Power	6,128,701	5,405,451	723,250	13.4%	6,534,501	(405,800)	-6.2%
4. Produced Power	<u>7,448,275</u>	<u>5,858,586</u>	<u>1,589,689</u>	27.1%	<u>5,585,696</u>	<u>1,862,579</u>	33.3%
5. Total Power Cost	13,576,976	11,264,037	2,312,939	20.5%	12,120,197	1,456,779	12.0%
<b>OPERATION &amp; MAINTENANCE (O&amp;M)</b>							
6. Energy Delivery	2,587,971	2,450,109	137,862	5.6%	2,839,448	(251,477)	-8.9%
7. Transmission	<u>1,174,563</u>	<u>1,038,440</u>	<u>136,123</u>	13.1%	<u>922,616</u>	<u>251,947</u>	27.3%
8. Total O & M Expense	3,762,534	3,488,549	273,985	7.9%	3,762,064	470	0.0%
<b>ADMINISTRATIVE &amp; GENERAL (A&amp;G)</b>							
9. Administration	269,261	320,919	(51,658)	-16.1%	225,637	43,624	19.3%
10. Communication & Corporate Records	224,387	233,978	(9,591)	-4.1%	200,728	23,659	11.8%
11. Corporate Operations	1,055,007	983,340	71,667	7.3%	1,021,398	33,609	3.3%
12. Customer Services	982,173	1,055,831	(73,658)	-7.0%	1,044,542	(62,369)	-6.0%
13. Financial Services	592,481	490,983	101,498	20.7%	459,352	133,129	29.0%
14. Power Supply	428,478	514,196	(85,718)	-16.7%	436,163	(7,685)	-1.8%
15. Technology Services	<u>1,292,010</u>	<u>1,515,426</u>	<u>(223,416)</u>	-14.7%	<u>1,392,934</u>	<u>(100,924)</u>	-7.2%
16. Total A & G Expense	4,843,797	5,114,673	(270,876)	-5.3%	4,780,754	63,043	1.3%
<b>17. DEPRECIATION</b>	2,998,532	3,188,557	(190,025)	-6.0%	2,930,314	68,218	2.3%
<b>18. TOTAL OPERATING EXPENSE</b>	\$25,181,839	\$23,055,816	\$2,126,023	9.2%	\$23,593,329	\$1,588,510	6.7%





**OPERATING EXPENSE STATEMENT**

**YEAR-TO-DATE**

**SEPTEMBER 2024**

DESCRIPTION	YEAR TO DATE		VARIANCE FROM BUDGET		LAST YEAR YEAR TO DATE		VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	AMOUNT	%	
<b>POWER COST</b>								
1. SPP Purchased Power	\$15,564,211	\$9,135,205	\$6,429,006	70.4%	\$13,947,548	\$1,616,663	11.6%	
2. Non-Owned Asset Power	<u>43,402,401</u>	<u>44,407,715</u>	<u>(1,005,314)</u>	-2.3%	<u>43,734,650</u>	<u>(332,249)</u>	-0.8%	
3. Total Purchased Power	58,966,612	53,542,920	5,423,692	10.1%	57,682,198	1,284,414	2.2%	
4. Produced Power	<u>49,006,035</u>	<u>56,249,476</u>	<u>(7,243,441)</u>	-12.9%	<u>47,095,307</u>	<u>1,910,728</u>	4.1%	
5. Total Power Cost	107,972,647	109,792,396	(1,819,749)	-1.7%	104,777,505	3,195,142	3.0%	
<b>OPERATION &amp; MAINTENANCE (O&amp;M)</b>								
6. Energy Delivery	22,405,659	21,777,676	627,983	2.9%	19,612,934	2,792,725	14.2%	
7. Transmission	<u>9,650,665</u>	<u>9,361,513</u>	<u>289,152</u>	3.1%	<u>8,681,969</u>	<u>968,696</u>	11.2%	
8. Total O & M Expense	32,056,324	31,139,189	917,135	2.9%	28,294,903	3,761,421	13.3%	
<b>ADMINISTRATIVE &amp; GENERAL (A&amp;G)</b>								
9. Administration	2,445,830	2,571,453	(125,623)	-4.9%	2,196,372	249,458	11.4%	
10. Communication & Corporate Records	2,010,290	2,005,877	4,413	0.2%	1,803,765	206,525	11.4%	
11. Corporate Operations	9,269,939	8,793,846	476,093	5.4%	10,393,297	(1,123,358)	-10.8%	
12. Customer Services	9,590,099	9,643,098	(52,999)	-0.5%	8,868,607	721,492	8.1%	
13. Financial Services	4,417,460	4,252,144	165,316	3.9%	3,976,365	441,095	11.1%	
14. Power Supply	3,912,174	4,293,886	(381,712)	-8.9%	3,531,727	380,447	10.8%	
15. Technology Services	<u>13,046,486</u>	<u>13,024,177</u>	<u>22,309</u>	0.2%	<u>12,297,404</u>	<u>749,082</u>	6.1%	
16. Total A & G Expense	44,692,278	44,584,481	107,797	0.2%	43,067,537	1,624,741	3.8%	
<b>17. DEPRECIATION</b>	26,789,535	28,730,989	(1,941,454)	-6.8%	26,286,956	502,579	1.9%	
<b>18. TOTAL OPERATING EXPENSE</b>	\$211,510,784	\$214,247,055	(\$2,736,271)	-1.3%	\$202,426,901	\$9,083,883	4.5%	



**BALANCE SHEET  
SEPTEMBER 2024**

**ASSETS & DEFERRED OUTFLOWS OF RESOURCES**

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION**

DESCRIPTION	END OF MONTH BALANCE	VARIANCE SINCE JANUARY 1	DESCRIPTION	END OF MONTH BALANCE	VARIANCE SINCE JANUARY 1
<b>CURRENT ASSETS:</b>			<b>CURRENT LIABILITIES:</b>		
1. Revenue Fund (includes CDFUO)	\$57,461,493	(\$39,974,813)	<b>OTHER LIABILITIES</b>		
2. Payment in Lieu of Tax Fund	9,170,955	(3,077,203)	1. Accounts Payable	\$28,120,417	\$6,480,245
3. Rate Stabilization Fund	41,272,606	2,028,459	2. Accrued Payments in Lieu of Taxes	10,587,411	(2,532,124)
4. Bond Principal & Interest Funds	5,993,004	(12,816,824)	3. City Dividend for Utility Ownership Payable	1,143,204	(3,042,352)
5. Other Restricted/Designated Funds (a)	4,404,984	298,135	4. Commercial Paper Notes	65,500,000	0
6. Restricted/Designated Funds Total	51,670,594	(10,490,230)	5. Accrued Software Interest	15,608	(10,218)
7. Total Current Asset Funds (b)	118,303,042	(53,542,246)	6. Accrued Liabilities	18,923,389	2,282,214
8. Receivables Less Uncollectible Allowance	33,054,961	9,957,463	7. Total Other Liabilities	124,290,029	3,177,765
9. Unbilled Revenue	19,634,636	2,016,486	<b>CURRENT LIABILITIES - RESTRICTED ASSETS</b>		
10. Accrued Interest Receivable	569,239	(1,723,433)	8. Current Portion of Long-Term Debt	35,740,000	(2,060,000)
11. Materials, Supplies & Fuel Inventory	35,737,079	4,010,145	9. Accrued Interest	1,519,860	(4,855,191)
12. Plant Operation Assets	18,493,805	704,148	10. Other Current Liabilities (d)	965,495	60,079
13. Other Current Assets	4,414,619	(132,031)	11. Total Current Liabilities - Restricted Assets	38,225,355	(6,855,112)
14. Total Current Assets	230,207,381	(38,709,468)	12. Total Current Liabilities	162,515,384	(3,677,347)
<b>NONCURRENT ASSETS:</b>			<b>NONCURRENT LIABILITIES:</b>		
15. Bond Reserve Funds	9,392,362	(6,497)	13. 2013 Bonds	12,385,000	(16,680,000)
16. Self-Funded Benefits Reserve Fund (IBNP)	887,617	113,350	14. 2015A Bonds	70,605,000	(795,000)
17. Segregated Funds (c)	25,695,463	9,863,261	15. 2016 Bonds	65,960,000	0
18. Restricted Funds Total (b)	35,975,442	9,970,114	16. 2018 Bonds	121,205,000	0
19. Unamortized Debt Expense	1,831,282	(249,935)	17. 2020A Bonds	72,200,000	0
21. Accrued Lease Interest	121,103	35,441	18. 2020B Bonds	151,300,000	(20,325,000)
22. Other Noncurrent Assets	6,976,837	5,421,594	19. Total Revenue Bonds	493,655,000	(37,800,000)
23. Total Noncurrent Assets	\$51,835,363	\$14,906,507	20. Less Current Maturities	35,740,000	(2,060,000)
<b>CAPITAL ASSETS:</b>			21. Less Unamortized Discounts/Premiums	(30,223,821)	4,430,773
24. Utility Plant in Service	1,861,559,652	18,569,417	22. Note Purchase Agreement	0	0
25. Accumulated Depreciation & Amortization	(960,487,981)	(24,649,496)	23. Revolving Credit Agreement	0	0
26. Construction Work in Progress	143,061,408	38,329,664	24. Net Long Term Debt	488,138,821	(40,170,773)
27. Total Capital Assets	1,044,133,079	32,249,585	25. Liabilities Payable from Segregated Funds (e)	25,216,483	9,384,393
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			26. Asset Retirement Obligation	3,883,451	(1,306,669)
28. Deferred Loss on Refunded Debt	7,157,240	(969,985)	27. Software Liabilities	1,654,901	215,401
29. Deferred Costs for Asset Retirement Obligations	3,883,451	(1,306,669)	28. Other Noncurrent Liabilities	35,789,688	136,524
30. Total Deferred Outflows of Resources	11,040,691	(2,276,654)	29. Total Liabilities	717,198,728	(35,418,471)
			<b>DEFERRED INFLOWS OF RESOURCES:</b>		
			30. Deferred Inflow of Resource	6,429,667	(397,825)
			31. Total Deferred Inflows of Resources	6,429,667	(397,825)
			<b>NET POSITION:</b>		
			32. Net Investment in Capital Assets	468,318,264	72,505,549
			33. Restricted for Debt Service	5,000,393	(7,640,547)
			34. Restricted for Employee Health Insurance Claims	2,285,030	(660,176)
			35. Unrestricted	137,984,432	(22,218,560)
			36. Total Net Position	613,588,119	41,986,266
<b>31. TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$1,337,216,514</b>	<b>\$6,169,970</b>	<b>37. TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; NET POSITION</b>	<b>\$1,337,216,514</b>	<b>\$6,169,970</b>



**STATEMENT OF CASH FLOWS**  
**SEPTEMBER 2024**

	CURRENT MONTH	YEAR-TO-DATE
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
1. Received from Sales to Customers and Users	\$33,697,023	\$282,454,416
2. Sales Tax Receipts	\$1,639,186	\$12,910,126
3. Paid to Suppliers for Goods & Services	(\$19,056,323)	(\$168,767,347)
4. Paid to Employees for Services	(\$1,685,015)	(\$16,193,431)
5. Payments for Sales Tax	(1,825,193)	(12,442,053)
<b>6. Cash Flow from Operating Activities (a)</b>	<b>12,769,678</b>	<b>97,961,711</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
7. Payment in Lieu of Tax	0	(13,277,162)
8. City Dividend for Utility Ownership Payments	0	(12,556,668)
9. Other	0	0
<b>10. Cash Flow from (used for) Noncapital Financing Activities</b>	<b>0</b>	<b>(25,833,830)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
11. Net (Purchases) Sales of Investments	(9,707,335)	43,241,425
12. Interest Income	900,158	6,339,521
<b>13. Cash Flow from (used for) Investing Activities</b>	<b>(8,807,177)</b>	<b>49,580,946</b>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>		
14. Acquisition and Construction of Capital Assets	(8,101,849)	(64,860,806)
15. Salvage on Retirement of Plant	0	120,077
16. Cost of Removal of Property Retired	(164,000)	(1,521,381)
17. Debt Issuance Cost Paid	0	0
18. Debt Premiums Collected	0	0
19. Net Capital Contributions	67,063	980,573
20. Capital Contributions Recv'd in Advance	0	0
21. Cash Received from Leases	42,979	385,815
23. Net Proceeds from Issuance of Long-Term Debt	0	0
24. Principal Payments on Long-Term Debt	(37,800,000)	(37,800,000)
25. Interest Payments on Debt	(9,358,707)	(20,295,958)
<b>26. Cash Flow from (used for) Capital Financing Activities</b>	<b>(55,314,514)</b>	<b>(122,991,680)</b>
26. Cash Flow from (used for) Capital Financing Activities	(51,352,013)	(1,282,853)
27. Net Increase (Decrease) in Cash and Cash Equivalents	84,521,884	35,018,728
<b>28. Cash and Cash Equivalents Beginning of Period</b>	<b>\$33,169,871</b>	<b>\$33,735,875</b>
<b>STATEMENT OF CASH FLOW FOOTNOTES</b>		
<b>(a) Reconciliation of operating income to cash flows from operating activities</b>		
1. Net Operating Revenue	\$8,495,222	\$68,343,107
2. Noncash items included in operating income	3,098,140	27,674,938
3. Changes in Assets & Liabilities Increase/(Decrease)	1,176,316	1,943,666
<b>4. Net cash flows from operating activities</b>	<b>\$12,769,678</b>	<b>\$97,961,711</b>
<b>(b) Cash and cash equivalents are defined as cash and investments with original maturities of three months or less.</b>		



**DEBT SERVICE COVERAGE**

**SEPTEMBER 2024**

DESCRIPTION	----- CURRENT MONTH -----			----- YEAR-TO-DATE -----		
	ACTUAL THIS YEAR	BUDGET THIS YEAR	ACTUAL LAST YEAR	ACTUAL THIS YEAR	BUDGET THIS YEAR	ACTUAL LAST YEAR
1. Total Operating Revenues	\$33,677,061	\$30,960,360	\$32,466,705	\$279,853,891	\$276,225,327	\$273,406,421
2. Total Operating Expenses	25,181,839	23,055,816	23,593,329	211,510,784	214,247,055	202,426,901
3. Less Depreciation	(2,998,532)	(3,188,557)	(2,930,314)	(26,789,535)	(28,730,989)	(26,286,956)
4. Operating Expense Net of Depreciation	22,183,307	19,867,259	20,663,015	184,721,249	185,516,066	176,139,945
5. Net Operating Revenue for Debt Service	11,493,754	11,093,101	11,803,690	95,132,642	90,709,261	97,266,476
6. Interest Income (a)	801,177	371,765	628,051	4,582,685	4,587,158	4,804,111
7. Other Income	45,498	43,269	41,691	409,607	400,167	394,923
8. Rate Stabilization Fund	0	0	0	0	0	0
<b>9. AVAILABLE FOR DEBT SERVICE</b>	<b>12,340,429</b>	<b>11,508,135</b>	<b>12,473,432</b>	<b>100,124,934</b>	<b>95,696,586</b>	<b>102,465,510</b>
<b>10. DEBT SERVICE (b)</b>	<b>\$4,455,852</b>	<b>\$4,455,851</b>	<b>\$4,682,116</b>	<b>\$41,912,781</b>	<b>\$41,912,764</b>	<b>\$37,644,495</b>
<b>11. DEBT SERVICE COVERAGE</b>	<b>2.77</b>	<b>2.58</b>	<b>2.66</b>	<b>2.39</b>	<b>2.28</b>	<b>2.72</b>

(a) Excludes Interest from Rate Stabilization Fund.

(b) Includes Bond Principal & Interest only.

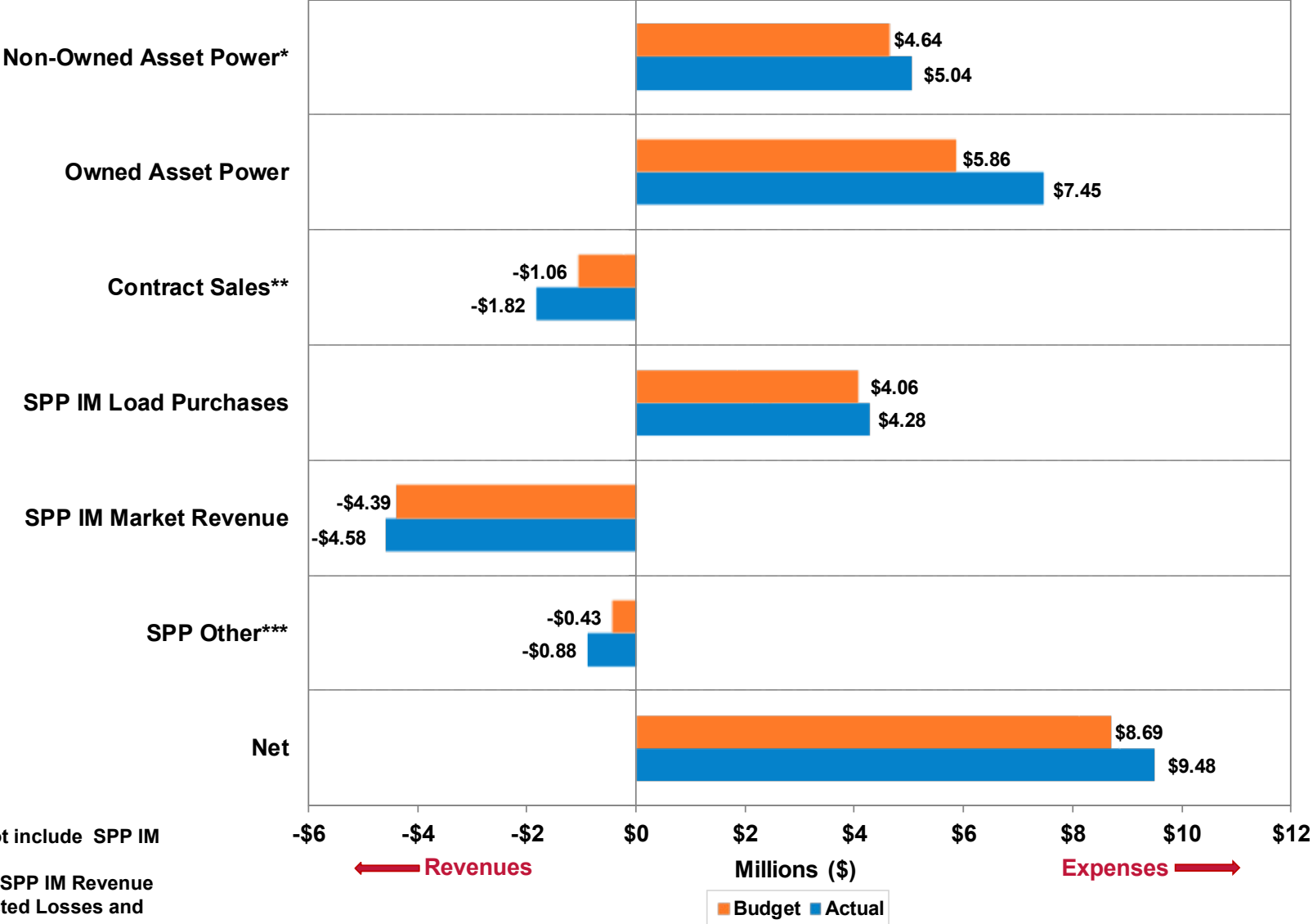
# **Power Supply Division 2024 September Monthly Report**

**October 18, 2024**

**Jason Fortik**

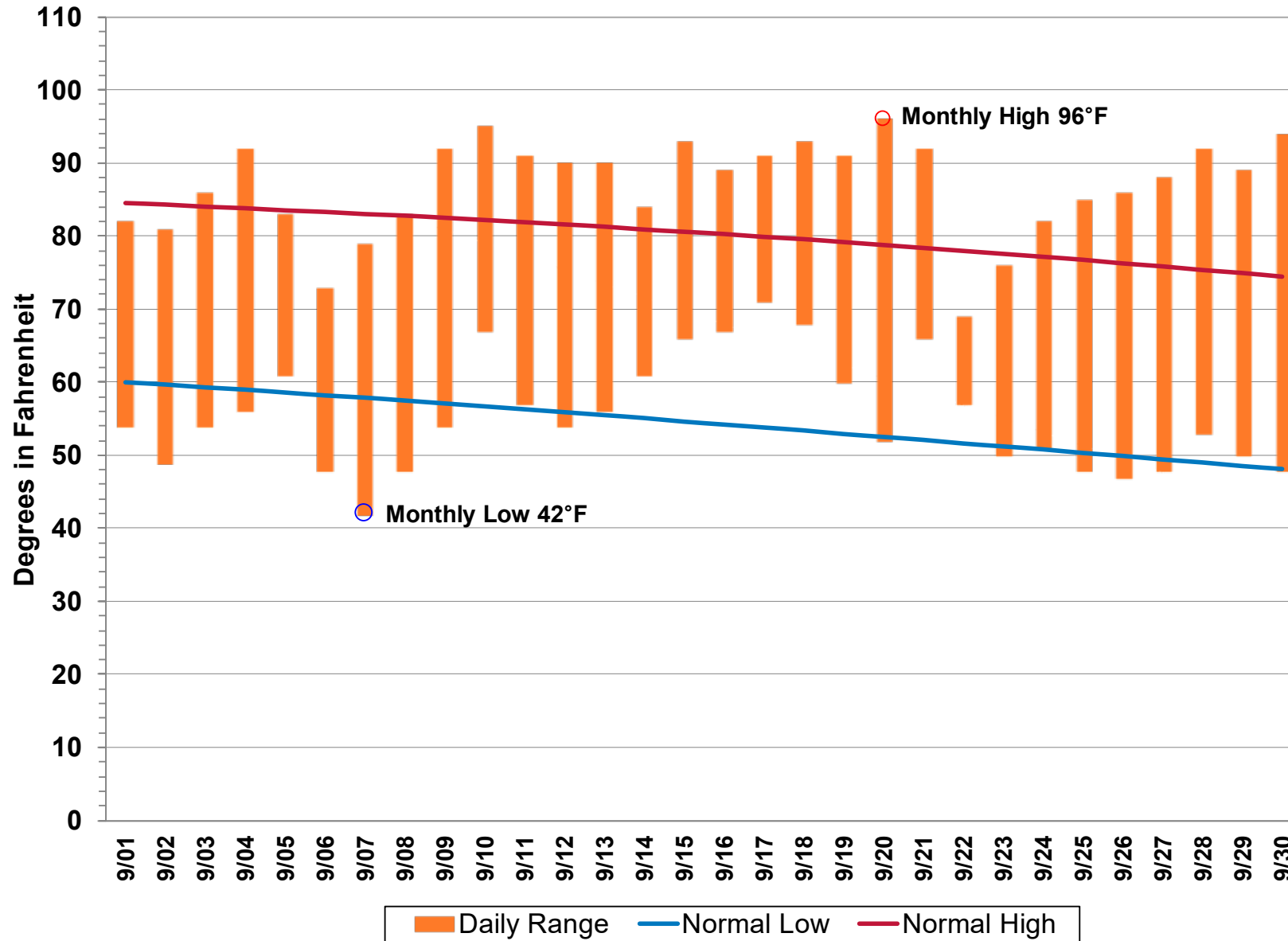
**Vice President, Power Supply**

# Monthly Actual vs. Budget

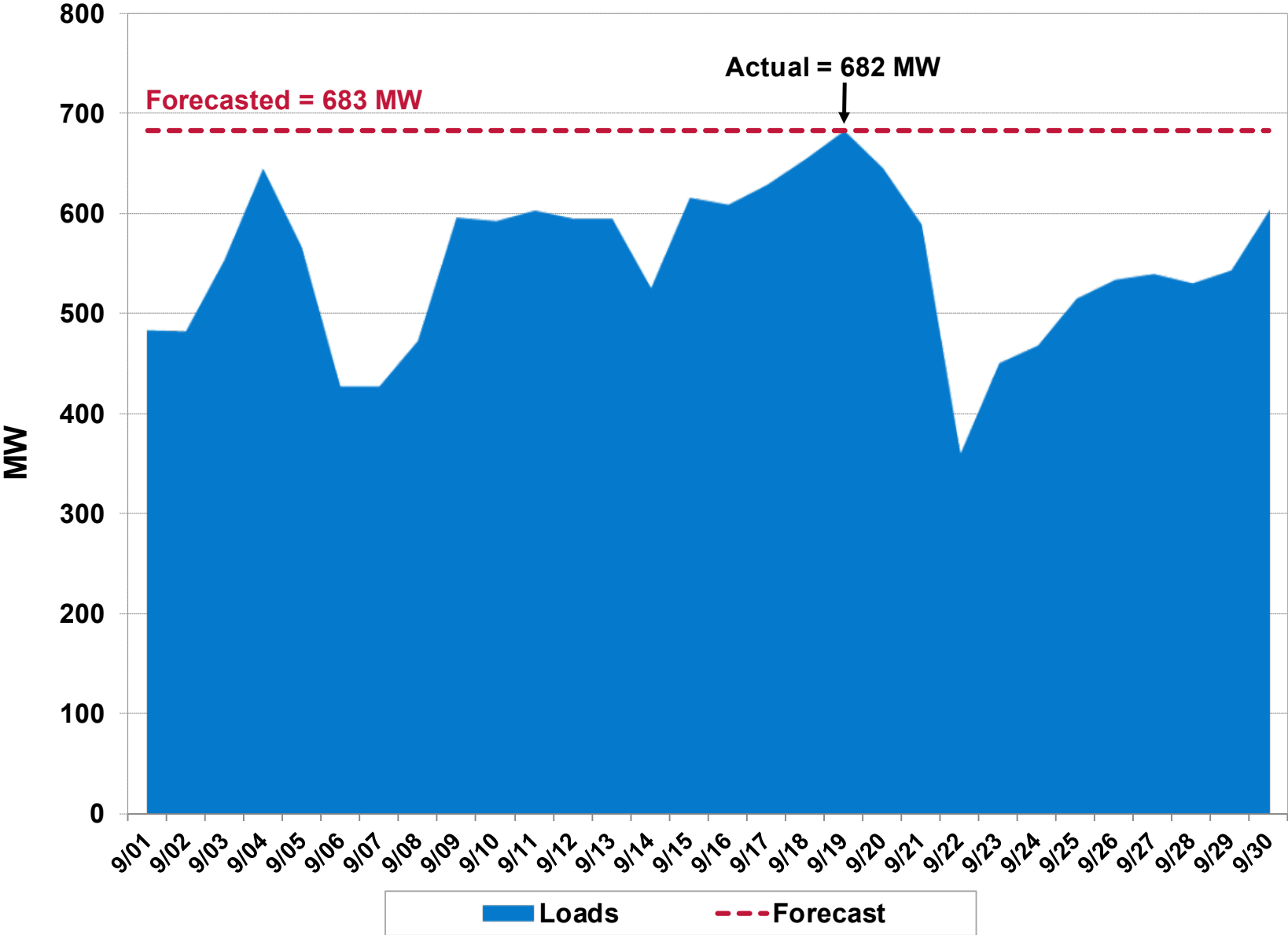


\*Non-Owned Asset Power does not include SPP IM Purchased  
 \*\*Contract Sales does not include SPP IM Revenue  
 \*\*\*SPP Other includes Over-Collected Losses and ARR's/TCR

# Daily Temperature Range

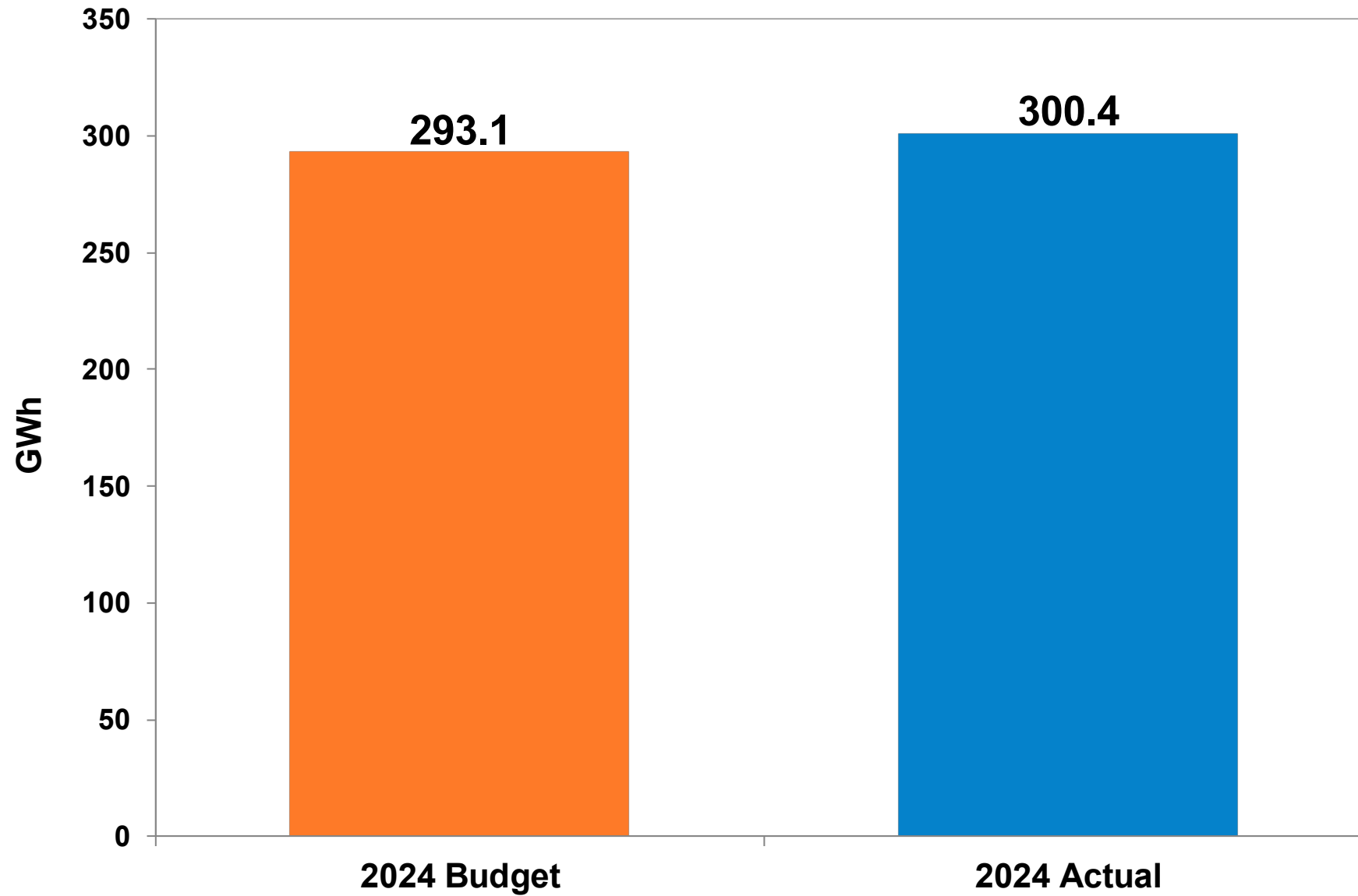


# Loads

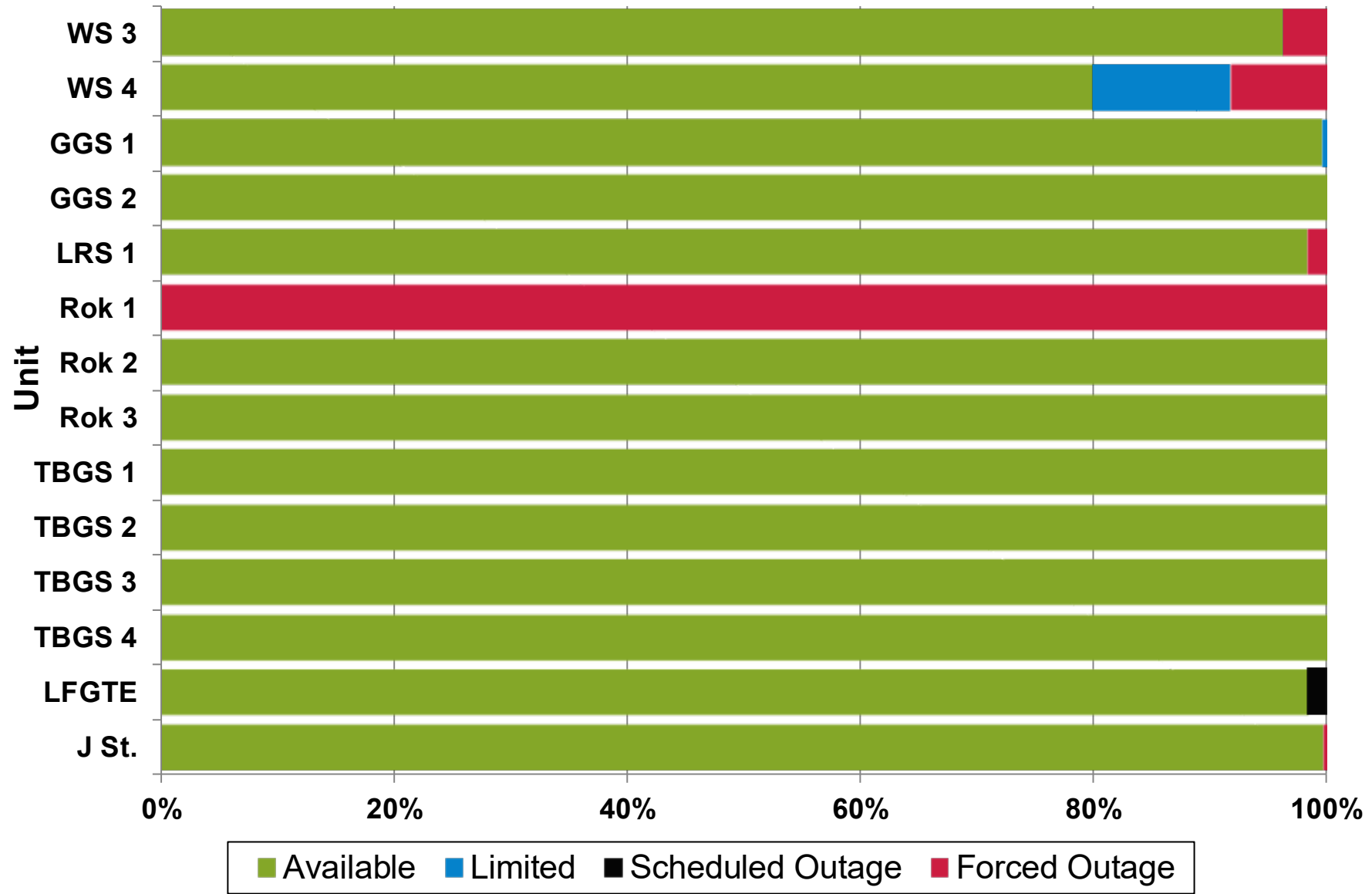




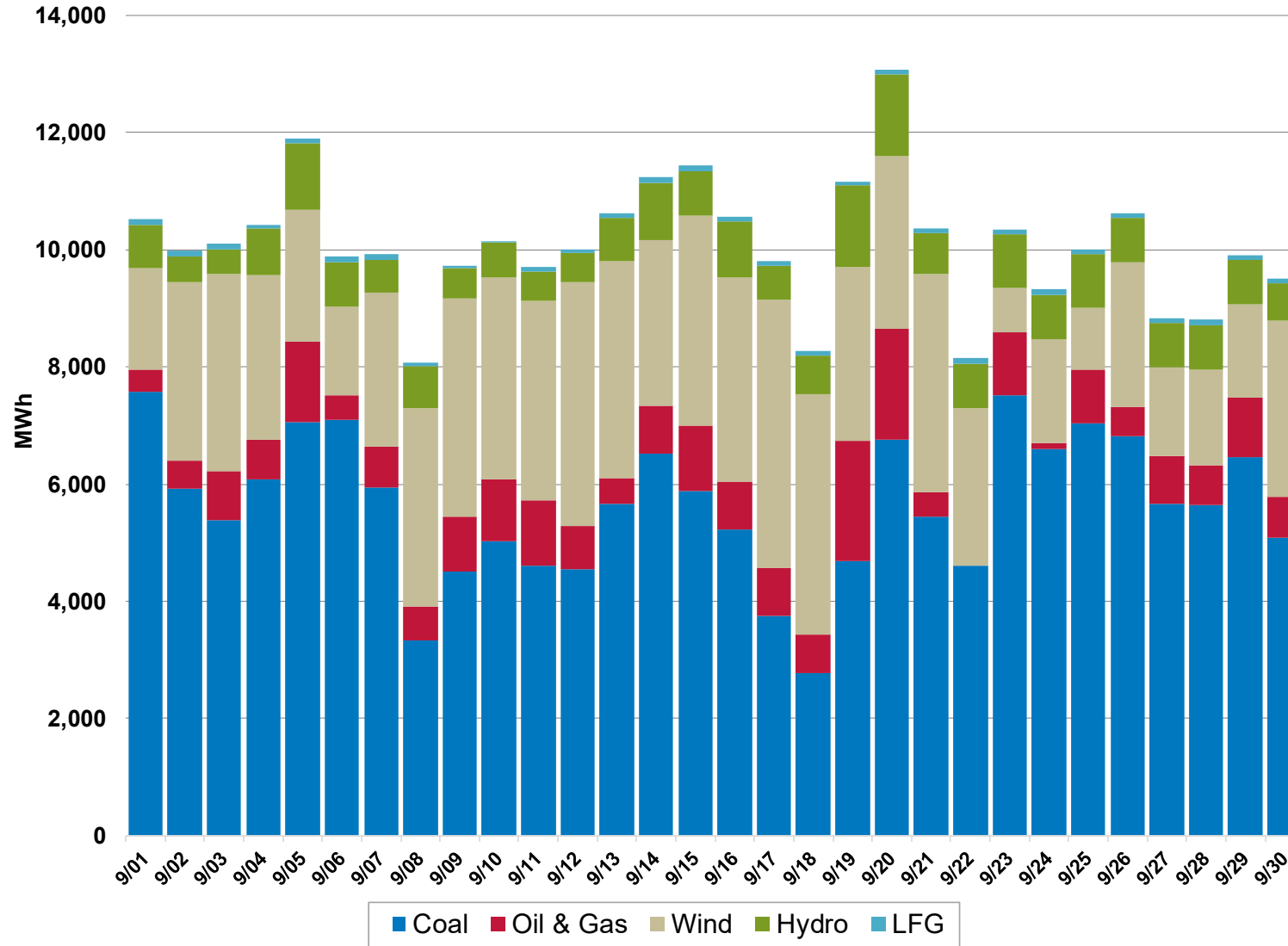
# Customer Energy Consumption



# Unit Equivalent Availability

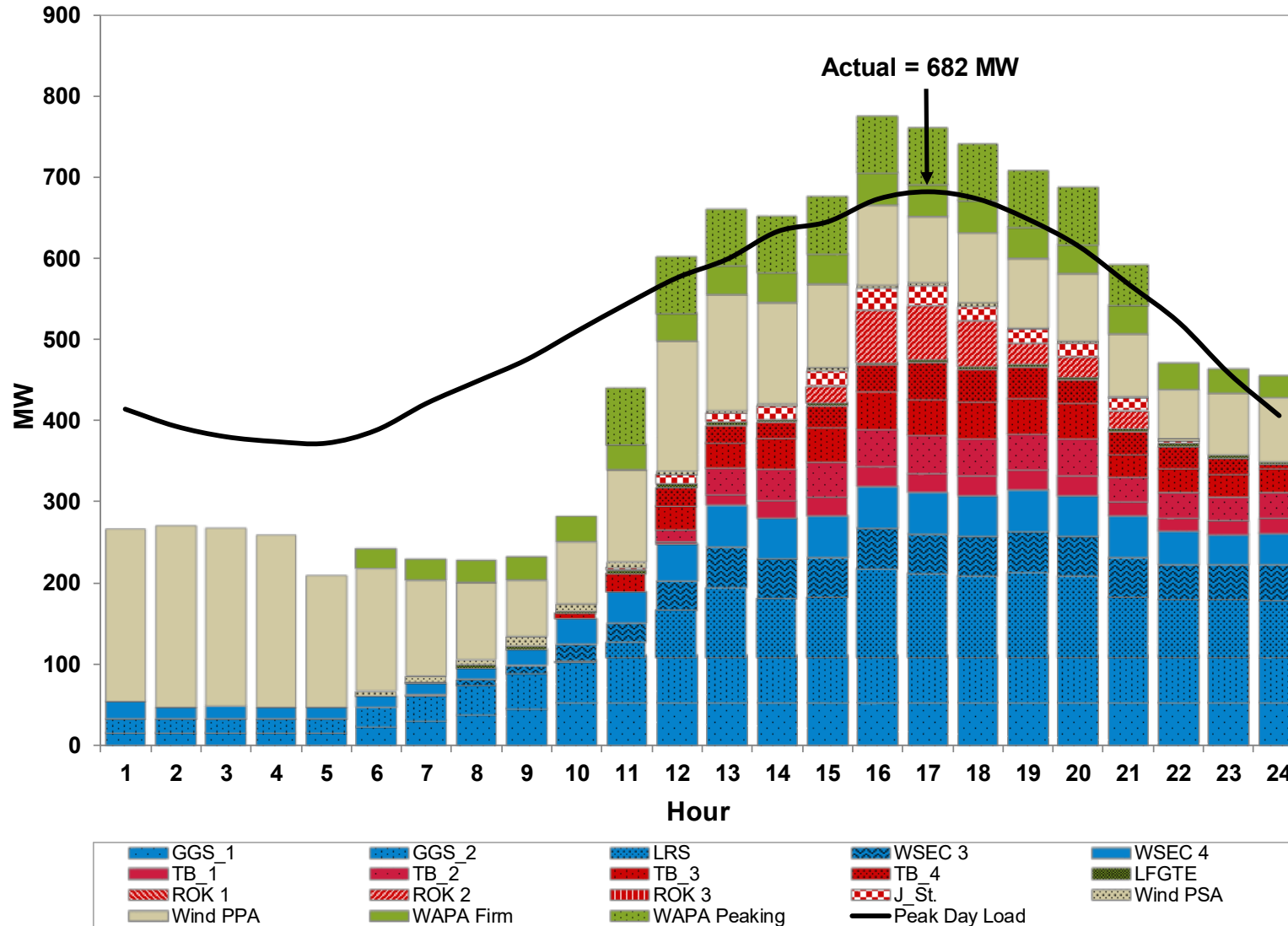


# Resource Energy



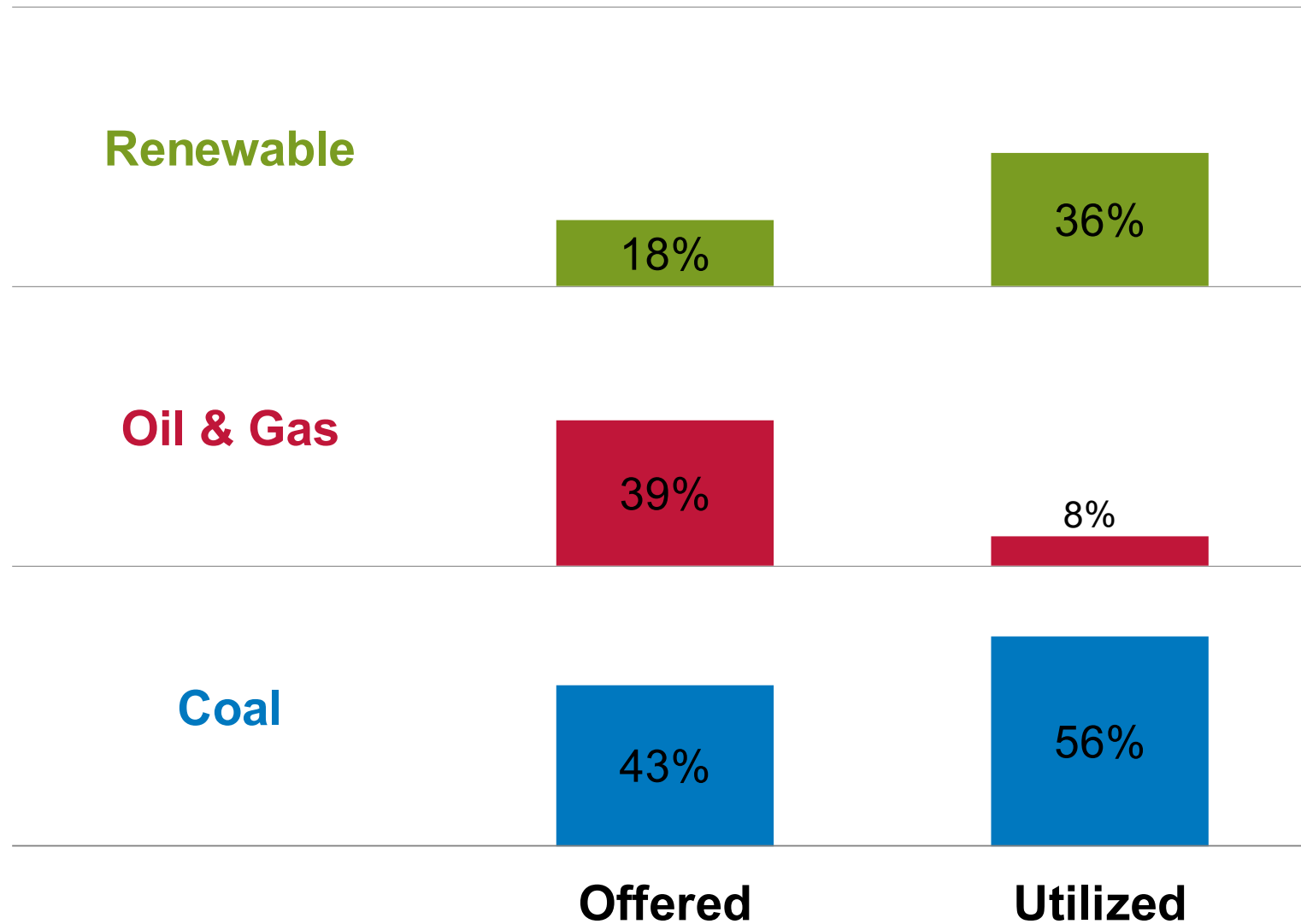
Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient.

# Peak Load Day – October 19, 2024



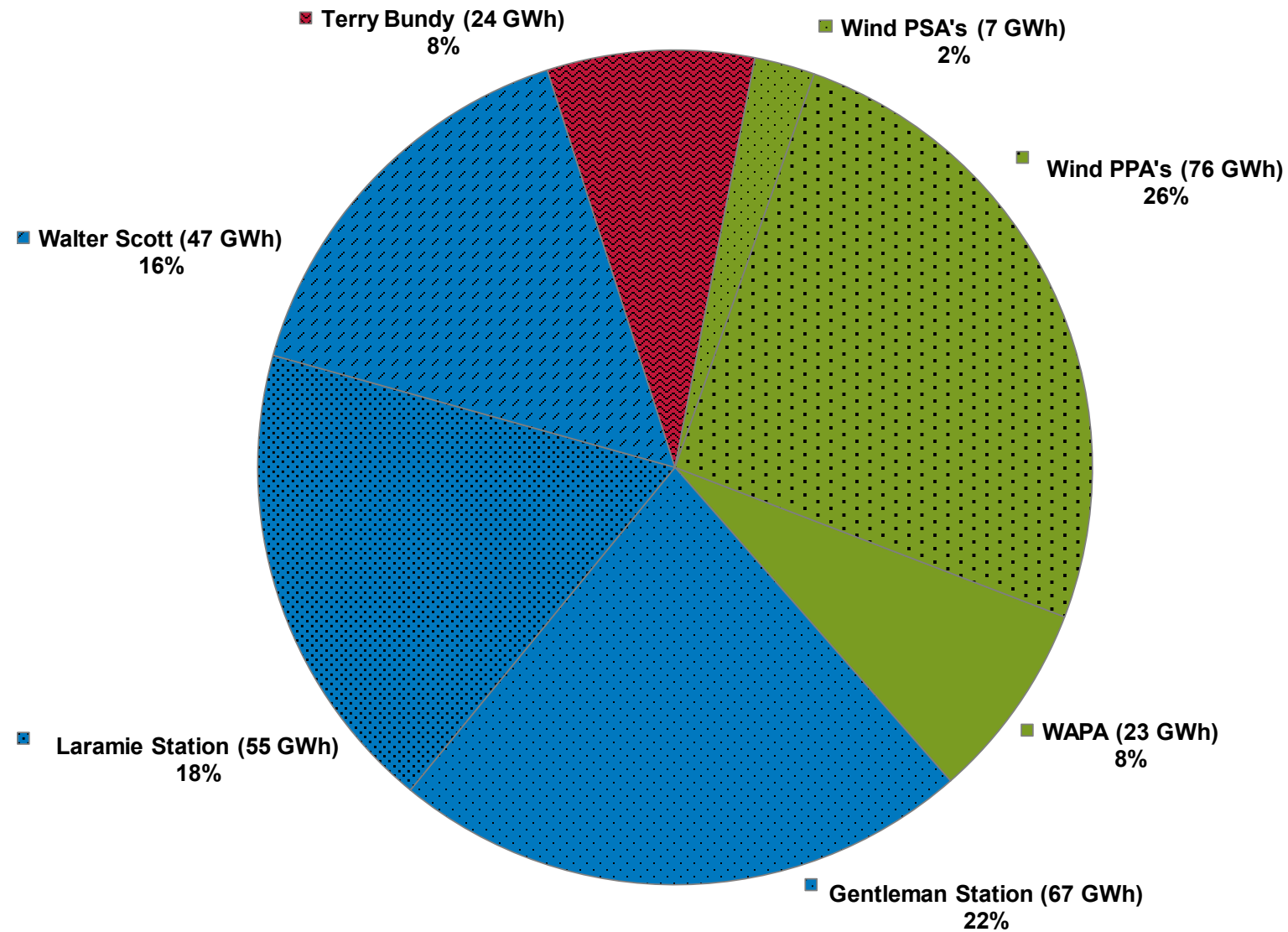
Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient.

# Energy Offered and Utilized by the SPP Integrated Marketplace (Fuel Type)



Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient. Total percentage may not add up to 100% due to rounding

# Energy Utilized by the SPP Integrated Marketplace



Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient. Total percentage may not add up to 100% due to rounding