

Exhibit to Agenda Item #11

Provide the Board with the financial results from the 10-month period ended October 31, 2020.

Board of Directors Meeting

Thursday, November 19, 2020, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

September 2020 MTD– Change in Net Position

(thousands of dollars)

- Customer sales -over target 8%
 - Primarily due to higher usage by all customers and continued warm weather
 - Delinquent customer payments increasing – additional bad debt expense of \$5M in Sept
- Variance of purchased power and production cost –net \$3M under budget
- Change in net position - \$12M over budget

	Actual	Budget	Variance
Total customer sales	\$ 147,010	\$ 136,500	\$ 10,510
Other operating revenues	\$ 2,631	\$ 4,988	\$ (2,357)
Net transfer from rate stabilization fund	\$ 898	\$ -	\$ 898
Total operating revenues	\$ 150,539	\$ 141,488	\$ 9,051
Net purchased power	\$ 27,991	\$ 24,331	\$ 3,660
Net production	\$ 21,600	\$ 27,884	\$ (6,284)
Transmission and distribution	\$ 16,656	\$ 16,390	\$ 266
Other operating costs	\$ 51,648	\$ 52,593	\$ (945)
Total operating expenses	\$ 117,895	\$ 121,198	\$ (3,303)
Net operating income	\$ 32,644	\$ 20,290	\$ 12,354
Total non-operating revenues	\$ 2,465	\$ 2,765	\$ (300)
Total non-operating expenses	\$ 9,620	\$ 9,439	\$ 181
Change in Net Position	\$ 25,489	\$ 13,616	\$ 11,873

October 2020 MTD – Change in Net Position

(thousands of dollars)

- Customer sales – under target 3%
 - Primarily due to additional bad debt expense of \$5M due to increasing delinquent customer balances
 - October sales slightly above target due to higher usage of commercial customers and warm weather
- Variance of purchased power and production cost –net \$3M under budget
- Other Operating cost - \$4M under budget
- Non-operating revenues over target due to equity earnings of TANC
- Change in net position - \$11M over budget

	Actual	Budget	Variance
Total customer sales	\$ 104,339	\$ 107,617	\$ (3,278)
Other operating revenues	\$ 2,806	\$ 2,999	\$ (193)
Net transfer from rate stabilization fund	\$ 2,128	\$ -	\$ 2,128
Total operating revenues	\$ 109,273	\$ 110,616	\$ (1,343)
Net purchased power	\$ 24,777	\$ 21,749	\$ 3,028
Net production	\$ 17,681	\$ 23,645	\$ (5,964)
Transmission and distribution	\$ 14,916	\$ 13,866	\$ 1,050
Other operating costs	\$ 46,735	\$ 50,488	\$ (3,753)
Total operating expenses	\$ 104,109	\$ 109,748	\$ (5,639)
Net operating income	\$ 5,164	\$ 868	\$ 4,296
Total non-operating revenues	\$ 9,011	\$ 2,802	\$ 6,209
Total non-operating expenses	\$ 9,229	\$ 9,440	\$ (211)
Change in Net Position	\$ 4,946	\$ (5,770)	\$ 10,716

October 2020 YTD– Change in Net Position

(thousands of dollars)

- YTD customer sales – over target
 - Customers sales \$32M over budget primarily due to higher usage by residential customers and hot summer
 - Offset by increase in bad debt expense of \$20M
- Variance of purchased power and production cost –net \$14M under budget
- Other Operating cost - \$44M under budget
- Change in net position - \$106M over budget

	Actual	Budget	Variance
Total customer sales	\$1,242,991	\$ 1,230,029	\$ 12,962
Other operating revenues	\$ 33,083	\$ 37,190	\$ (4,107)
Net transfer from rate stabilization fund	\$ 16,237	\$ -	\$ 16,237
Total operating revenues	\$1,292,311	\$ 1,267,219	\$ 25,092
Net purchased power	\$ 247,507	\$ 204,693	\$ 42,814
Net production	\$ 195,916	\$ 252,275	\$ (56,359)
Transmission and distribution	\$ 148,870	\$ 142,694	\$ 6,176
Other operating costs	\$ 472,908	\$ 516,659	\$ (43,751)
Total operating expenses	\$1,065,201	\$ 1,116,321	\$ (51,120)
Net operating income	\$ 227,110	\$ 150,898	\$ 76,212
Total non-operating revenues	\$ 55,203	\$ 26,219	\$ 28,984
Total non-operating expenses	\$ 90,854	\$ 92,025	\$ (1,171)
Change in Net Position	\$ 191,459	\$ 85,092	\$ 106,367

October 2020 YTD - Energy Sources & Uses

Sources of energy

- Hydro – 55% under budget
- JPA – slightly under budget
- Purchased Power (net of surplus power sales) – 37% over budget

YTD customer usage 2% over target

- October usage 8% above target- primarily due to residential customers and warm weather

