

**CHUGACH ELECTRIC ASSOCIATION, INC.  
ANCHORAGE, ALASKA**

**AUDIT AND FINANCE COMMITTEE MEETING**

**AGENDA**

Harold Hollis, Chair  
Sam Cason, Vice Chair

Jim Henderson  
Mark Wiggin  
Bettina Chastain

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**March 31, 2021**

**4:00 p.m.**

**Chugach Board Room**

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- I. CALL TO ORDER *(4:00 p.m.)*
  - A. *Roll Call*
- II. APPROVAL OF THE AGENDA\*
- III. APPROVAL OF THE MINUTES\*
  - A. *January 20, 2021 (Bigelow)*
- IV. PERSONS TO BE HEARD
  - A. *Member Comments*
- V. CEO REPORTS AND CORRESPONDENCE *(4:05 p.m.)*
  - A. *4<sup>th</sup> Quarter 2020 Contract Status Report (Vecera)*
  - B. *4<sup>th</sup> Quarter 2020 Capital Tracking Report (Curran)*
  - C. *4<sup>th</sup> Quarter 2020 Operating Budget Status Report (Curran)*
  - D. *2020 Year-End Financial Statements and Variance Report (Curran/Harris)*
- VI. NEW BUSINESS *(scheduled) (4:15 p.m.)*
  - A. *2020 Year-End Financial Information (Harris)*
- VII. EXECUTIVE SESSION\* *(scheduled) (4:30 p.m.)*
  - A. *2020 Year-End Financial Report (Curran) (4:30 p.m.)*
  - B. *BRU ARO Investment Fund Review (5:00 p.m.)*
  - C. *Review of the 2020 Independent Audited Financial Statements (5:20 p.m.)*
  - D. *Board and Auditor Discussion (5:35 p.m.)*
  - E. *2021 Budget Analysis and Forecast Discussion (5:50 p.m.)*
- VIII. NEW BUSINESS *(none)*
- IX. DIRECTOR COMMENTS *(7:15 p.m.)*
- X. ADJOURNMENT\* *(7:30 p.m.)*

\* *Denotes Action Items*

\*\* *Denotes Possible Action Items*

3/29/2021 2:35:07 PM

**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**Anchorage, Alaska**

**January 20, 2021**  
**Wednesday**  
**4:00 p.m.**

**AUDIT AND FINANCE COMMITTEE MEETING**

Recording Secretary: Danielle Bigelow

**I. CALL TO ORDER**

Chair Hollis called the Audit and Finance Committee meeting to order at 4:00 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

*A. Roll Call*

*Committee Members Present:*

Harold Hollis, Chair

Sam Cason, Vice Chair *(via teleconference)*

Jim Henderson, Director *(via teleconference)*

Mark Wiggin, Director *(via teleconference)*

Bettina Chastain, Director *(via teleconference)*

*Board Member Present:*

Rachel Morse, Director *(via teleconference)*

Stuart Parks, Director *(via teleconference)*

*Guests and Staff Attendance Present:*

Arthur Miller

Sherri Highers

Renee Curran

Arden Quezon

*Via Teleconference:*

Connie Owens

Kathy Harris

Stephen Quinlivan,

Matthew Clarkson

Dan Walker, Consultant

Stinson LLP

Karen Griffin

Mike Hayhurst, KPMG

**II. APPROVAL OF THE AGENDA**

Director Wiggin moved and Director Cason seconded the motion to approve the agenda. The motion passed unanimously.

**III. APPROVAL OF THE MINUTES**

Director Chastain moved and Director Henderson seconded the motion to approve the December 9, 2020, Audit and Finance Committee Meeting minutes. The motion passed unanimously.

**IV. PERSONS TO BE HEARD**

- A. Member Comments*  
None

**V. CEO REPORTS AND CORRESPONDENCE**

None

**VI. NEW BUSINESS**

None

**VII. EXECUTIVE SESSION**

- A. SEC Related Matters*

At 4:03 p.m., Director Chastain moved and Director Wiggin seconded the motion that pursuant to Alaska Statute 10.25.175(c)(1) and (3) the Board of Directors' Audit and Finance Committee go into executive session to: 1) discuss and receive reports regarding financial matters, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; and, 2) to discuss legal matters with its attorneys, the immediate knowledge of which could have an adverse effect on the legal position of the cooperative. The motion passed unanimously.

*The meeting reconvened in open session at 6:43 p.m.*

**VIII. NEW BUSINESS**

- A. SEC Related Matters (Highers)*

Director Wiggin moved and Director Henderson seconded the motion that the Audit and Finance Committee recommend the Board of Directors approve Chugach's suspension as a voluntary filer with the Securities and Exchange Commission subject to additional conditions to be determined by the Board of Directors. The motion passed unanimously.

- B. Update Bank Signature Cards (Highers)*

Sherri Highers, Chief Financial Officer (CFO) and Executive V.P., Finance and Administration discussed the update Bank Signature Cards.

Director Cason moved and Director Chastain seconded the motion that the Audit and Finance Committee recommend the Board of Directors approve the attached resolution to update the approved check signers based on the change in personnel to replace the Manager of General Accounting position. The motion passed unanimously.

- C. BRU Future Natural Gas Investment Account (Highers)*

Sherri Highers, CFO and Executive V.P., Finance and Administration discussed the BRU Future Natural Gas Investment Account.

Ms. Highers and Arthur Miller, Executive V.P., Regulatory and External Affairs, responded to questions from the Committee.

Director Cason moved and Director Henderson seconded the motion that the Audit & Finance Committee recommend the Board of Directors approve the attached resolution establishing an asset management account with KEYBANC CAPITAL MARKETS INC for the future natural gas funds transferred from ML&P to Chugach associated with the acquisition. The motion passed unanimously.

**IX. DIRECTOR COMMENTS**

Director comments were made at this time.

**X. ADJOURNMENT**

At 7:08 p.m., Director Wiggin moved and Director Chastain seconded the motion to adjourn. The motion passed unanimously.

CHUGACH ELECTRIC ASSOCIATION  
CAPITAL PROJECT TRACKING REPORT  
As of December 31, 2020

CIP Ref #	Project Name <sup>1</sup>	Project Manager	BOD Project Approval Date	Estimate			Actuals			Variance		Project Completion	Comments
				Estimate	Revisions to Estimate	Revised Estimate	Spending to Date	Forecast to Completion	Total Estimated Completion Cost	Total Estimated Cost vs. Revised Estimate			
										Amount	%		
SYSTEM IMPROVEMENT PROJECTS													
Reliability													
10.0240	Retire INSS 138kV Facilities E1720055	Wendling	1/24/2018	\$2,700,000	\$0	\$2,700,000	\$1,817,435	\$882,565	\$2,700,000	\$0	100%	83%	This project will retire existing 138 kV facilities at the International Substation (INSS) and move two power transformers to new foundations with oil containment meeting fire protection and seismic requirements. The removal retirement portion of this project has been largely completed by the OELCC Time and Materials Contractor brought on the summer of 2020 as COVID mitigation. Installation of new facilities and transformer movement is planned for Spring / Summer 2021.
03.0810	Muldoon OH/UG: Northern Lights <sup>2</sup> E1613660	Miller, Mike	11/27/2017 5/27/2020	\$2,500,000	\$1,208,831	\$3,708,831	\$2,895,093	\$100,000	\$2,995,093	(\$713,738)	81%	90%	OH to UG Muldoon Road from Northern Lights to Creekside Center Drive, Pole 9755 to Pole 9782. Originally approved in the CIP on November 27, 2017, but revised due to Department of Transportation changes and design enhancements resulting in a \$1.2M increase to the estimate on May 27, 2020.
03.0810	Huffman Rd OH/UG 12.5kV&34.5kV <sup>2</sup> E2020060	Wendling	7/22/2020	\$5,121,971	\$0	\$5,121,971	\$2,733	\$5,119,238	\$5,121,971	\$0	100%	5%	Undergrounding of 12.5kV and 34.5kV overhead facilities along Huffman Road between Old Seward Highway and Lake Otis Parkway.
Retirements & Replacements													
16.0000	Land Mobile Radio Replacement C1730001	Murray	11/26/2019	\$1,995,169	\$0	\$1,995,169	\$1,254,016	\$741,153	\$1,995,169	\$0	100%	75%	Staging Acceptance Testing was completed on-site and action items are being addressed. Profile configuration and testing have begun and should be completed shortly after the new year. Field testing of radios will begin once Telecom radios have been installed in vehicles.
Operating Efficiency													
12.0213	Eklutna Hydroelectric Unit 2 Major Maintenance P1930213	Brodie	10/24/2019	\$1,047,681	\$0	\$1,047,681	\$1,146,089	\$70,056	\$1,216,145	\$168,464	116%	100%	The project was initiated by ML&P in July 2019 to complete a major overhaul of Unit 2 at the Eklutna Hydroelectric Project. Chugach's portion of the original estimate was \$0.8M but was revised to \$1.0M as damaged stay vanes repairs outside of the original estimate were identified. The project was completed, and Unit 2 was returned to service in November 2020. We are awaiting the final report from American Hydro at which time the final invoice of \$233,520 will be paid.
Totals				\$13,364,821	\$1,208,831	\$14,573,652	\$7,115,366	\$6,913,012	\$14,028,378	(\$545,274)	96%	71%	

<sup>1</sup> Report tracks projects with costs exceeding \$1M.

<sup>2</sup> Projects funded by the Undergrounding Ordinance.

**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**Anchorage, Alaska**

**January 19, 2021**

**TO:** Sherri L. Highers, CFO

**FROM:** Renee Curran, Manager, Budget & Financial Reporting

**SUBJECT:** 4<sup>th</sup> Quarter 2020 Operating Budget Status Report

The Operating Budget Status Report on page 2 reflects the budget adjustment for the fourth quarter and is outlined below.

- As a result of the Municipal Light & Power (“ML&P”) acquisition, revised revenues and expenses incorporating ML&P operations for November and December 2020.

The foregoing budget adjustment had a \$4.4 million impact on the 2020 Operating Budget.

**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**OPERATING BUDGET STATUS REPORT**  
**4TH QUARTER 2020**

CATEGORY	2020 Q3 AMENDED BUDGET	2020 Q4 BUDGET REVISIONS	2020 Q4 AMENDED BUDGET
<b>REVENUES:</b>			
<b>TOTAL REVENUE</b>	<b>\$218,368,235</b>	<b>\$25,755,489</b>	<b>\$244,123,724</b>
<b>EXPENSES:</b>			
FUEL EXPENSE	60,004,306	3,904,415	63,908,721
POWER PRODUCTION EXPENSE	21,763,699	3,267,848	25,031,547
COST OF PURCHASED POWER	19,462,415	1,267,322	20,729,737
TRANSMISSION EXPENSE	7,416,584	152,716	7,569,300
DISTRIBUTION EXPENSE-OPERATIONS	7,253,187	1,537,760	8,790,947
DISTRIBUTION EXPENSE-MAINTENANCE	9,125,276	0	9,125,276
CONSUMER ACCOUNTS EXPENSE	6,853,945	535,523	7,389,468
CUSTOMER SERVICE/INFO EXPENSE	856,021	64,722	920,743
ADMINISTRATIVE/GENERAL EXPENSE	25,445,771	1,884,221	27,329,992
<b>TOTAL OPERATIONS/MAINTENANCE EXPENSE</b>	<b>\$158,181,204</b>	<b>\$12,614,527</b>	<b>\$170,795,731</b>
DEPRECIATION/AMORTIZATION EXPENSE	31,953,849	3,579,988	35,533,837
TAX EXPENSE-OTHER	270,378	1,474,592	1,744,970
INTEREST ON DEBT	22,754,145	3,637,084	26,391,229
INTEREST ON CONSTRUCTION-CREDIT	(436,911)	0	(436,911)
OTHER DEDUCTIONS	400,000	0	400,000
<b>TOTAL COST OF ELECTRIC SERVICE</b>	<b>\$213,122,665</b>	<b>\$21,306,191</b>	<b>\$234,428,856</b>
<b>PATRONAGE CAPITAL/OPERATING MARGINS</b>	<b>\$5,245,570</b>	<b>\$4,449,298</b>	<b>\$9,694,868</b>
NON-OPERATING MARGINS-INTEREST	399,000	0	399,000
ALLOWANCE FUNDS USED DURING CONST.	145,638	0	145,638
NON-OPERATING MARGINS-OTHER	0	0	0
GENER./TRANS. CAPITAL CREDITS	0	0	0
OTHER CAPITAL CREDITS/DIVIDENDS	0	0	0
EXTRAORDINARY ITEMS	0	0	0
<b>PATRONAGE CAPITAL OR MARGINS</b>	<b>\$5,790,208</b>	<b>\$4,449,298</b>	<b>\$10,239,506</b>

MFI/I	1.25	1.39
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**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**OPERATING BUDGET STATUS REPORT**  
**3RD QUARTER 2020**

CATEGORY	2020 Q2 AMENDED BUDGET	2020 Q3 BUDGET REVISIONS	2020 Q3 AMENDED BUDGET
<b>REVENUES:</b>			
<b>TOTAL REVENUE</b>	<b>\$218,368,235</b>	<b>\$0</b>	<b>\$218,368,235</b>
<b>EXPENSES:</b>			
FUEL EXPENSE	60,004,306	0	60,004,306
POWER PRODUCTION EXPENSE	21,763,699	0	21,763,699
COST OF PURCHASED POWER	19,462,415	0	19,462,415
TRANSMISSION EXPENSE	7,416,584	0	7,416,584
DISTRIBUTION EXPENSE-OPERATIONS	7,253,187	0	7,253,187
DISTRIBUTION EXPENSE-MAINTENANCE	9,125,276	0	9,125,276
CONSUMER ACCOUNTS EXPENSE	6,853,945	0	6,853,945
CUSTOMER SERVICE/INFO EXPENSE	856,021	0	856,021
ADMINISTRATIVE/GENERAL EXPENSE	25,445,771	0	25,445,771
<b>TOTAL OPERATIONS/MAINTENANCE EXPENSE</b>	<b>\$158,181,204</b>	<b>\$0</b>	<b>\$158,181,204</b>
DEPRECIATION/AMORTIZATION EXPENSE	31,953,849	0	31,953,849
TAX EXPENSE-OTHER	270,378	0	270,378
INTEREST ON DEBT	22,754,145	0	22,754,145
INTEREST ON CONSTRUCTION-CREDIT	(436,911)	0	(436,911)
OTHER DEDUCTIONS	400,000	0	400,000
<b>TOTAL COST OF ELECTRIC SERVICE</b>	<b>\$213,122,665</b>	<b>\$0</b>	<b>\$213,122,665</b>
<b>PATRONAGE CAPITAL/OPERATING MARGINS</b>	<b>\$5,245,570</b>	<b>\$0</b>	<b>\$5,245,570</b>
NON-OPERATING MARGINS-INTEREST	399,000	0	399,000
ALLOWANCE FUNDS USED DURING CONST.	145,638	0	145,638
NON-OPERATING MARGINS-OTHER	0	0	0
GENER./TRANS. CAPITAL CREDITS	0	0	0
OTHER CAPITAL CREDITS/DIVIDENDS	0	0	0
EXTRAORDINARY ITEMS	0	0	0
<b>PATRONAGE CAPITAL OR MARGINS</b>	<b>\$5,790,208</b>	<b>\$0</b>	<b>\$5,790,208</b>
MFI/I	1.25		1.25



**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**OPERATING BUDGET STATUS REPORT**  
**2ND QUARTER 2020**

CATEGORY	2020 Q1 AMENDED BUDGET	2020 Q2 BUDGET REVISIONS	2020 Q2 AMENDED BUDGET
<b>REVENUES:</b>			
<b>TOTAL REVENUE</b>	<b>\$218,368,235</b>	<b>\$0</b>	<b>\$218,368,235</b>
<b>EXPENSES:</b>			
FUEL EXPENSE	60,004,306	0	60,004,306
POWER PRODUCTION EXPENSE	21,763,699	0	21,763,699
COST OF PURCHASED POWER	19,462,415	0	19,462,415
TRANSMISSION EXPENSE	7,416,584	0	7,416,584
DISTRIBUTION EXPENSE-OPERATIONS	7,253,187	0	7,253,187
DISTRIBUTION EXPENSE-MAINTENANCE	9,125,276	0	9,125,276
CONSUMER ACCOUNTS EXPENSE	6,853,945	0	6,853,945
CUSTOMER SERVICE/INFO EXPENSE	856,021	0	856,021
ADMINISTRATIVE/GENERAL EXPENSE	25,445,771	0	25,445,771
<b>TOTAL OPERATIONS/MAINTENANCE EXPENSE</b>	<b>\$158,181,204</b>	<b>\$0</b>	<b>\$158,181,204</b>
DEPRECIATION/AMORTIZATION EXPENSE	31,953,849	0	31,953,849
TAX EXPENSE-OTHER	270,378	0	270,378
INTEREST ON DEBT	22,754,145	0	22,754,145
INTEREST ON CONSTRUCTION-CREDIT	(436,911)	0	(436,911)
OTHER DEDUCTIONS	400,000	0	400,000
<b>TOTAL COST OF ELECTRIC SERVICE</b>	<b>\$213,122,665</b>	<b>\$0</b>	<b>\$213,122,665</b>
<b>PATRONAGE CAPITAL/OPERATING MARGINS</b>	<b>\$5,245,570</b>	<b>\$0</b>	<b>\$5,245,570</b>
NON-OPERATING MARGINS-INTEREST	399,000	0	399,000
ALLOWANCE FUNDS USED DURING CONST.	145,638	0	145,638
NON-OPERATING MARGINS-OTHER	0	0	0
GENER./TRANS. CAPITAL CREDITS	0	0	0
OTHER CAPITAL CREDITS/DIVIDENDS	0	0	0
EXTRAORDINARY ITEMS	0	0	0
<b>PATRONAGE CAPITAL OR MARGINS</b>	<b>\$5,790,208</b>	<b>\$0</b>	<b>\$5,790,208</b>
MFI/I	1.25		1.25

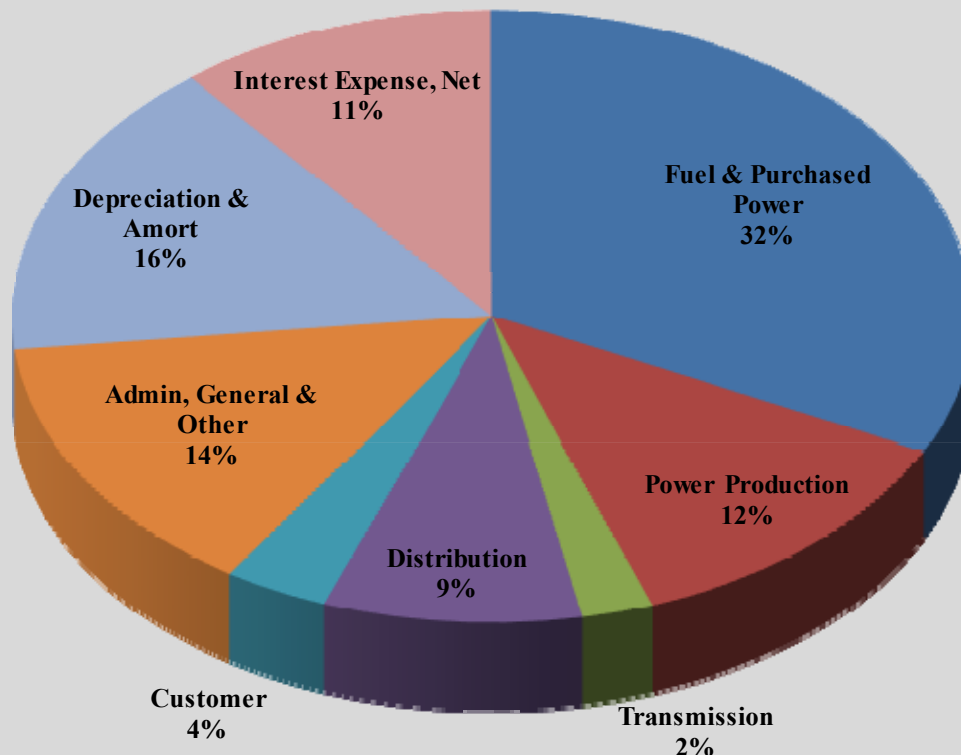
**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**OPERATING BUDGET STATUS REPORT**  
**1ST QUARTER 2020**

<b>CATEGORY</b>	<b>2020 APPROVED BUDGET</b>	<b>2020 Q1 BUDGET REVISIONS</b>	<b>2020 Q1 AMENDED BUDGET</b>
<b>REVENUES:</b>			
<b>TOTAL REVENUE</b>	<b>\$227,256,742</b>	<b>(\$8,888,507)</b>	<b>\$218,368,235</b>
<b>EXPENSES:</b>			
FUEL EXPENSE	68,747,863	(8,743,557)	60,004,306
POWER PRODUCTION EXPENSE	21,763,699	0	21,763,699
COST OF PURCHASED POWER	19,607,365	(144,950)	19,462,415
TRANSMISSION EXPENSE	7,416,584	0	7,416,584
DISTRIBUTION EXPENSE-OPERATIONS	7,253,187	0	7,253,187
DISTRIBUTION EXPENSE-MAINTENANCE	9,125,276	0	9,125,276
CONSUMER ACCOUNTS EXPENSE	6,853,945	0	6,853,945
CUSTOMER SERVICE/INFO EXPENSE	856,021	0	856,021
ADMINISTRATIVE/GENERAL EXPENSE	25,445,771	0	25,445,771
<b>TOTAL OPERATIONS/MAINTENANCE EXPENSE</b>	<b>\$167,069,711</b>	<b>(\$8,888,507)</b>	<b>\$158,181,204</b>
DEPRECIATION/AMORTIZATION EXPENSE	31,953,849	0	31,953,849
TAX EXPENSE-OTHER	270,378	0	270,378
INTEREST ON DEBT	22,754,145	0	22,754,145
INTEREST ON CONSTRUCTION-CREDIT	(436,911)	0	(436,911)
OTHER DEDUCTIONS	400,000	0	400,000
<b>TOTAL COST OF ELECTRIC SERVICE</b>	<b>\$222,011,172</b>	<b>(\$8,888,507)</b>	<b>\$213,122,665</b>
<b>PATRONAGE CAPITAL/OPERATING MARGINS</b>	<b>\$5,245,570</b>	<b>\$0</b>	<b>\$5,245,570</b>
NON-OPERATING MARGINS-INTEREST	399,000	0	399,000
ALLOWANCE FUNDS USED DURING CONST.	145,638	0	145,638
NON-OPERATING MARGINS-OTHER	0	0	0
GENER./TRANS. CAPITAL CREDITS	0	0	0
OTHER CAPITAL CREDITS/DIVIDENDS	0	0	0
EXTRAORDINARY ITEMS	0	0	0
<b>PATRONAGE CAPITAL OR MARGINS</b>	<b>\$5,790,208</b>	<b>\$0</b>	<b>\$5,790,208</b>
MFI/I	1.25		1.25

## STATEMENT OF OPERATIONS

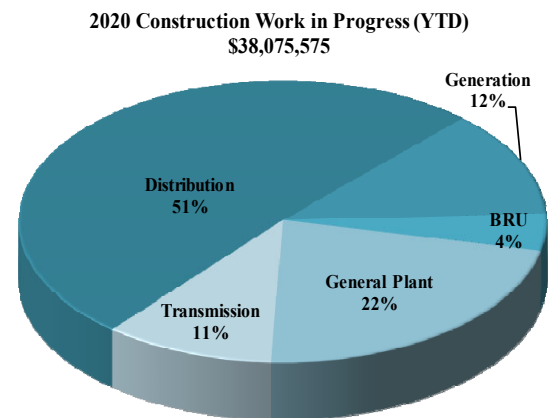
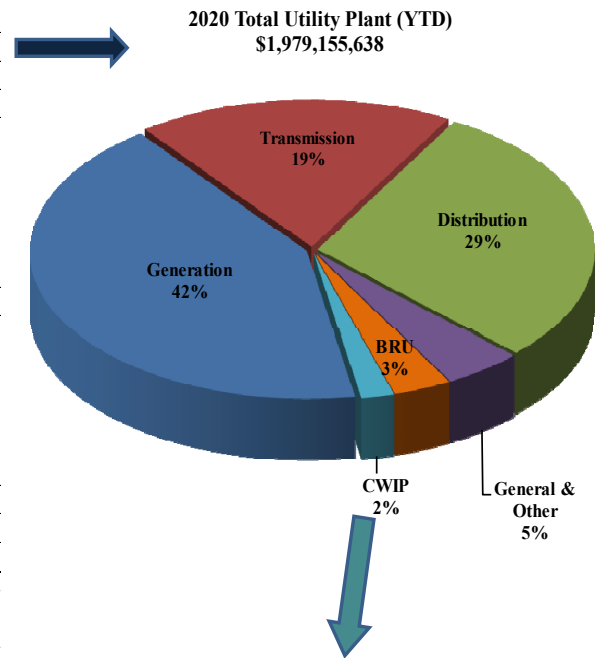
CATEGORY	2020 MTD ACTUAL	2020 MTD BUDGET	2020 MTD VARIANCE
<b>Operating Revenue and Patronage Capital</b>	<b>\$ 32,972,223</b>	<b>\$ 34,492,680</b>	<b>\$ (1,520,457)</b>
Fuel and Purchased Power Expense	10,318,518	10,627,299	(308,781)
Power Production Expense	3,975,299	3,516,128	459,171
Transmission Expense	769,619	674,983	94,636
Distribution Expense	2,795,985	2,295,868	500,117
Customer Expense	1,120,975	948,048	172,927
Administrative, General and Other	4,516,517	3,814,958	701,559
Depreciation & Amortization Expense	5,110,901	4,478,331	632,570
Interest Expense, Net	3,472,658	3,644,250	(171,592)
<b>Total Cost of Electric Service</b>	<b>\$ 32,080,472</b>	<b>\$ 29,999,865</b>	<b>\$ 2,080,607</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 891,751</b>	<b>\$ 4,492,815</b>	<b>\$ (3,601,064)</b>
Non-Operating Margins - Interest	29,448	33,250	(3,802)
Allowance for Funds Used During Construction	27,448	19,448	8,000
Non-Operating Margins - Other	10,944	-	10,944
<b>Patronage Capital or Margins</b>	<b>\$ 959,591</b>	<b>\$ 4,545,513</b>	<b>\$ (3,585,922)</b>

## Total Cost of Electric Service (MTD Actual)



## BALANCE SHEET

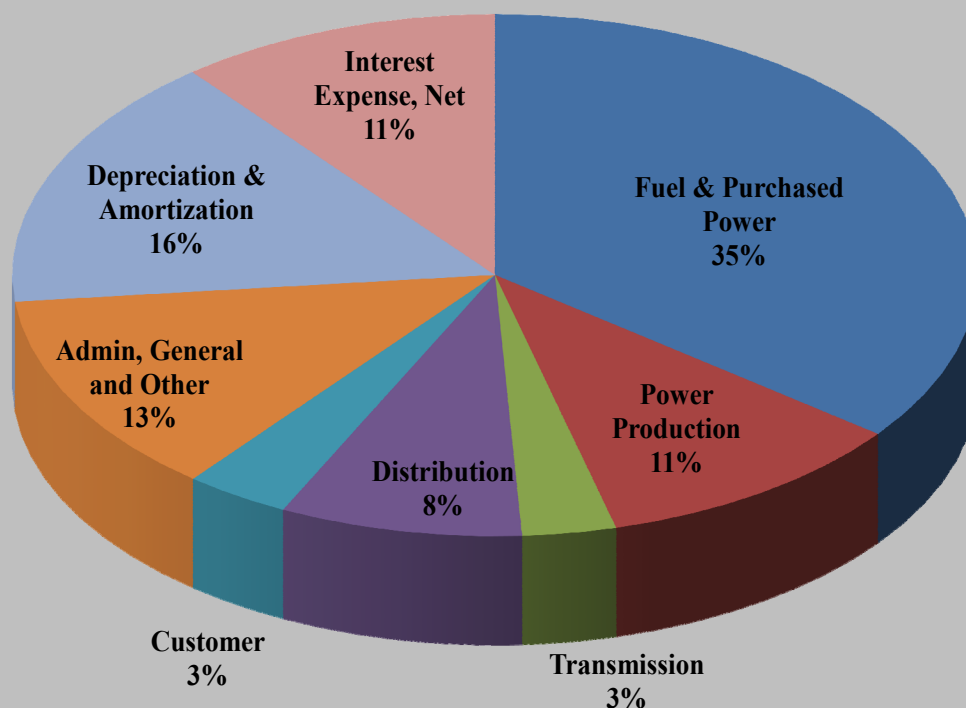
ASSETS & OTHER DEBITS	12/31/2020	12/31/2019
Electric Plant in Service	1,941,080,063	1,242,523,092
Construction Work in Progress	38,075,575	16,966,608
<b>Total Utility Plant</b>	<b>\$ 1,979,155,638</b>	<b>\$ 1,259,489,700</b>
Accum. Prov. for Depreciation/Amortization	(581,506,871)	(556,209,740)
<b>Net Utility Plant</b>	<b>\$ 1,397,648,767</b>	<b>\$ 703,279,960</b>
Nonutility Property - Net	76,889	76,889
Financing & Operating Lease Right-of-Use Assets	4,102,328	958,111
Investment in Assoc. Organizations	7,595,197	8,148,426
Special Funds	19,862,119	2,603,505
Restricted Cash Equivalents & Other	64,310	108,000
Long-term Prepayments	423,404	-
<b>Total Other Property &amp; Investments</b>	<b>\$ 32,124,247</b>	<b>\$ 11,894,931</b>
Cash & Restricted Cash	60,392,108	8,515,975
Special Deposits and Marketable Securities	58,300	248,483
Accounts Receivable - Net	53,679,921	30,120,230
Materials and Supplies, Fuel Stock	62,430,009	30,265,047
Prepayments	4,672,489	2,699,308
Other Current & Accrued Assets	241,983	1,680,885
<b>Total Current &amp; Accrued Assets</b>	<b>\$ 181,474,810</b>	<b>\$ 73,529,928</b>
Deferred Debits	110,489,123	45,880,452
<b>Total Assets &amp; Other Debits</b>	<b>\$ 1,721,736,947</b>	<b>\$ 834,585,271</b>
LIABILITIES & OTHER CREDITS	12/31/2020	12/31/2019
Memberships	1,908,432	1,776,592
Pat. Capital, Margins & Equities	196,940,981	192,690,321
<b>Total Margins &amp; Equities</b>	<b>\$ 198,849,413</b>	<b>\$ 194,466,913</b>
Long-Term Debt - Bonds	1,211,683,330	449,999,997
Long-Term Debt - Other	26,904,000	30,552,000
Unamortized Debt Issuance Costs	(6,179,476)	(2,684,537)
Operating Lease Liabilities	3,866,092	738,713
Finance Lease Liabilities	7,302	-
<b>Total Long-Term Debt</b>	<b>\$ 1,236,281,248</b>	<b>\$ 478,606,173</b>
Notes Payable	52,197,115	51,056,065
Accounts Payable	19,170,493	8,316,375
Consumer Deposits	5,249,272	4,294,770
Other Current & Accrued Liabilities	53,612,254	32,498,394
<b>Total Current &amp; Accrued Liabilities</b>	<b>\$ 130,229,134</b>	<b>\$ 96,165,604</b>
Deferred Compensation	1,821,222	1,775,759
Other Liabilities, Non-Current	548,570	398,790
Deferred Liabilities	36,899,176	903,870
Cost of Removal Obligation	117,108,184	62,268,162
<b>Total Liabilities &amp; Other Credits</b>	<b>\$ 1,721,736,947</b>	<b>\$ 834,585,271</b>



**COMPARATIVE FINANCIAL REPORT  
STATEMENT OF OPERATIONS  
2020 ACTUAL TO BUDGET VARIANCE**

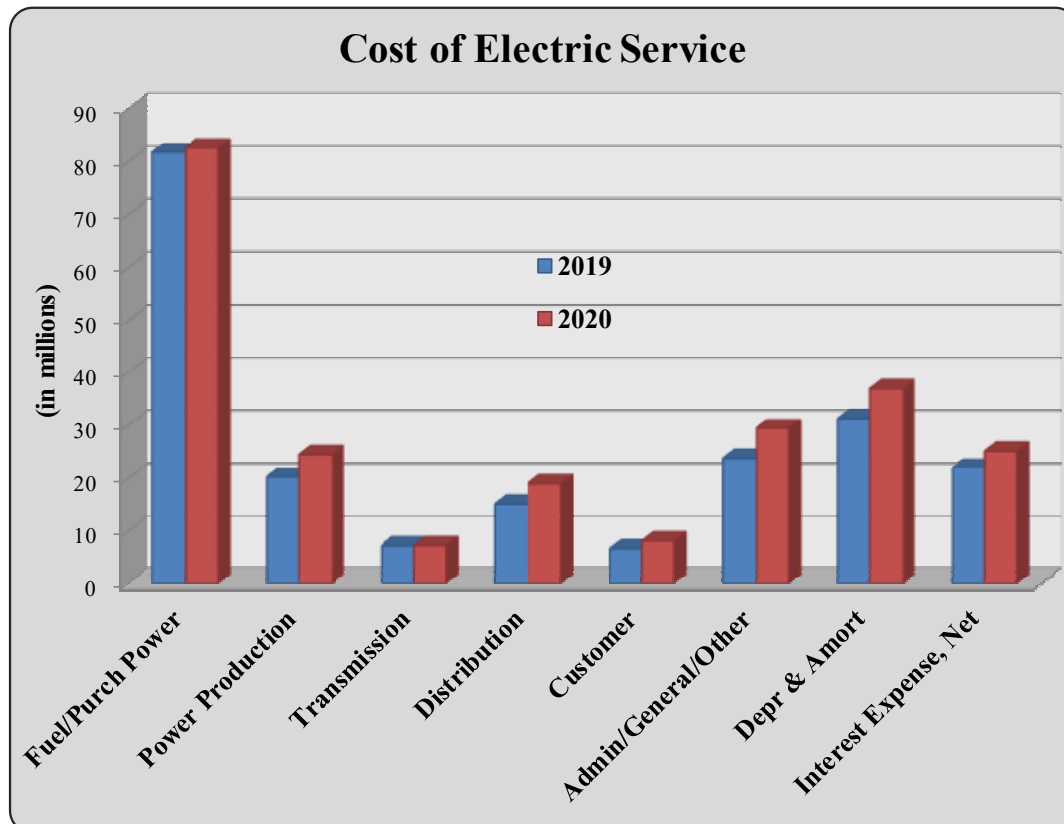
CATEGORY	2020 YTD ACTUAL	2020 YTD BUDGET	2020 YTD VARIANCE
<b>Operating Revenue and Patronage Capital</b>	<b>\$ 237,428,680</b>	<b>\$ 244,123,724</b>	<b>\$ (6,695,044)</b>
Fuel and Purchased Power Expense	82,503,397	84,638,458	(2,135,061)
Power Production Expense	24,556,922	25,031,547	(474,625)
Transmission Expense	7,323,776	7,569,300	(245,524)
Distribution Expense	18,914,383	17,916,223	998,160
Customer Expense	8,199,828	8,310,211	(110,383)
Administrative, General and Other	29,398,871	29,474,962	(76,091)
Depreciation & Amortization Expense	36,874,892	35,533,837	1,341,055
Interest Expense, Net	25,173,733	25,954,318	(780,585)
<b>Total Cost of Electric Service</b>	<b>\$ 232,945,802</b>	<b>\$ 234,428,856</b>	<b>\$ (1,483,054)</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 4,482,878</b>	<b>\$ 9,694,868</b>	<b>\$ (5,211,990)</b>
Non-Operating Margins - Interest	369,386	399,000	(29,614)
Allowance Funds Used During Const.	147,223	145,638	1,585
Non-Operating Margins - Other	(2,606)	-	(2,606)
<b>Patronage Capital or Margins</b>	<b>\$ 4,996,881</b>	<b>\$ 10,239,506</b>	<b>\$ (5,242,625)</b>
MFI/I	1.20	1.39	
TIER	1.20	1.41	

**Total Cost of Electric Service (YTD Actual)**



## COMPARATIVE FINANCIAL REPORT STATEMENT OF OPERATIONS CURRENT TO PRIOR ACTUAL

CATEGORY	2020 YTD ACTUAL	2019 YTD ACTUAL
<b>Operating Revenue and Patronage Capital</b>	<b>\$ 237,428,680</b>	<b>\$ 212,516,561</b>
Fuel and Purchased Power Expense	82,503,397	81,669,391
Power Production Expense	24,556,922	20,201,534
Transmission Expense	7,323,776	7,260,615
Distribution Expense	18,914,383	15,222,079
Customer Expense	8,199,828	6,730,109
Administrative, General and Other	29,398,871	23,864,202
Depreciation and Amortization Expense	36,874,892	31,299,685
Interest Expense, Net	25,173,733	21,999,964
<b>Total Cost of Electric Service</b>	<b>\$ 232,945,802</b>	<b>\$ 208,247,579</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 4,482,878</b>	<b>\$ 4,268,982</b>
Non-Operating Margins - Interest	369,386	585,039
Allowance for Funds Used During Construction	147,223	152,930
Non-Operating Margins - Other	(2,606)	112,676
<b>Patronage Capital or Margins</b>	<b>\$ 4,996,881</b>	<b>\$ 5,119,627</b>
MFI/I	1.20	1.23
TIER	1.20	1.24

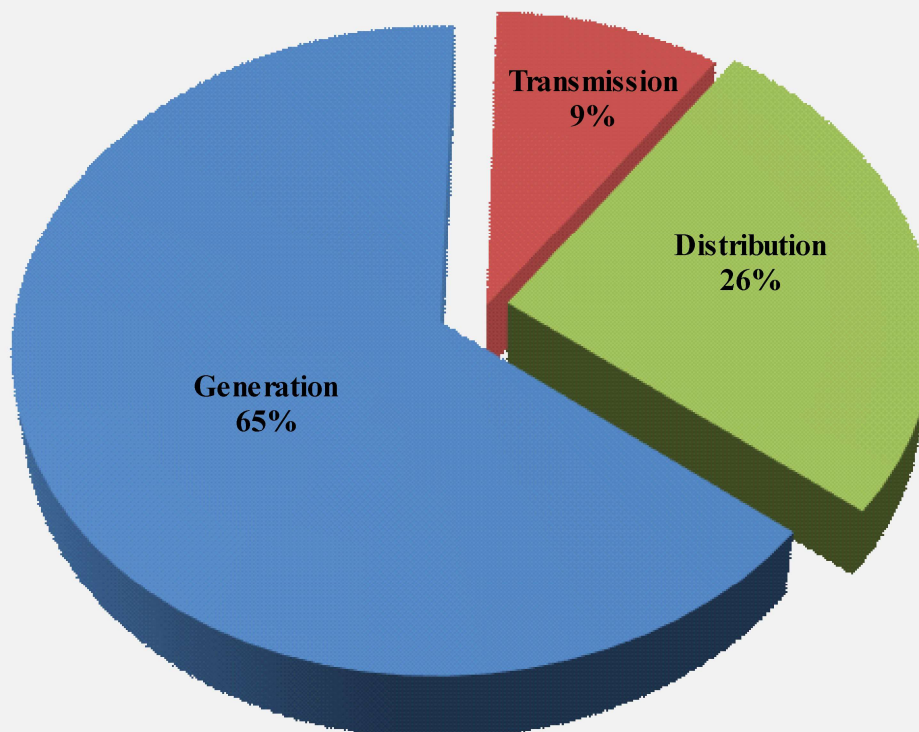


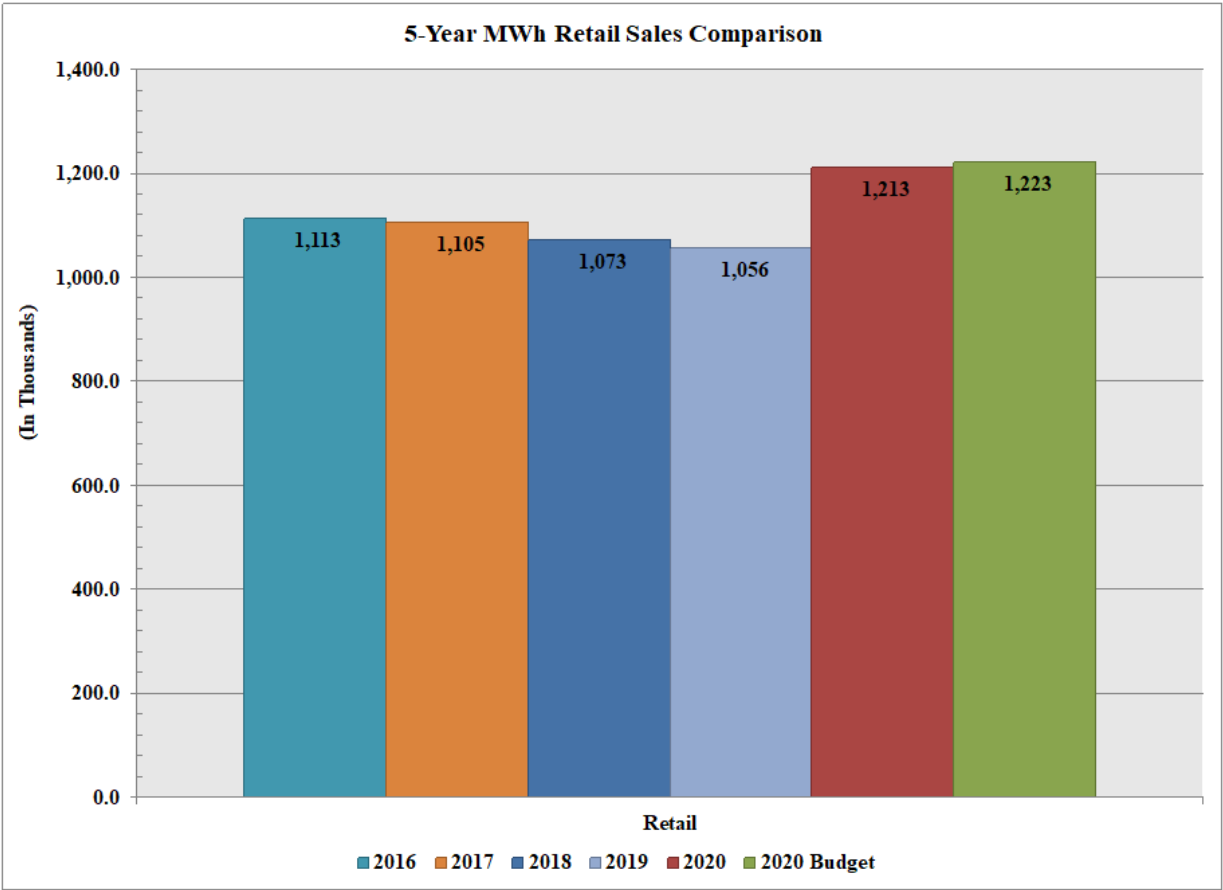
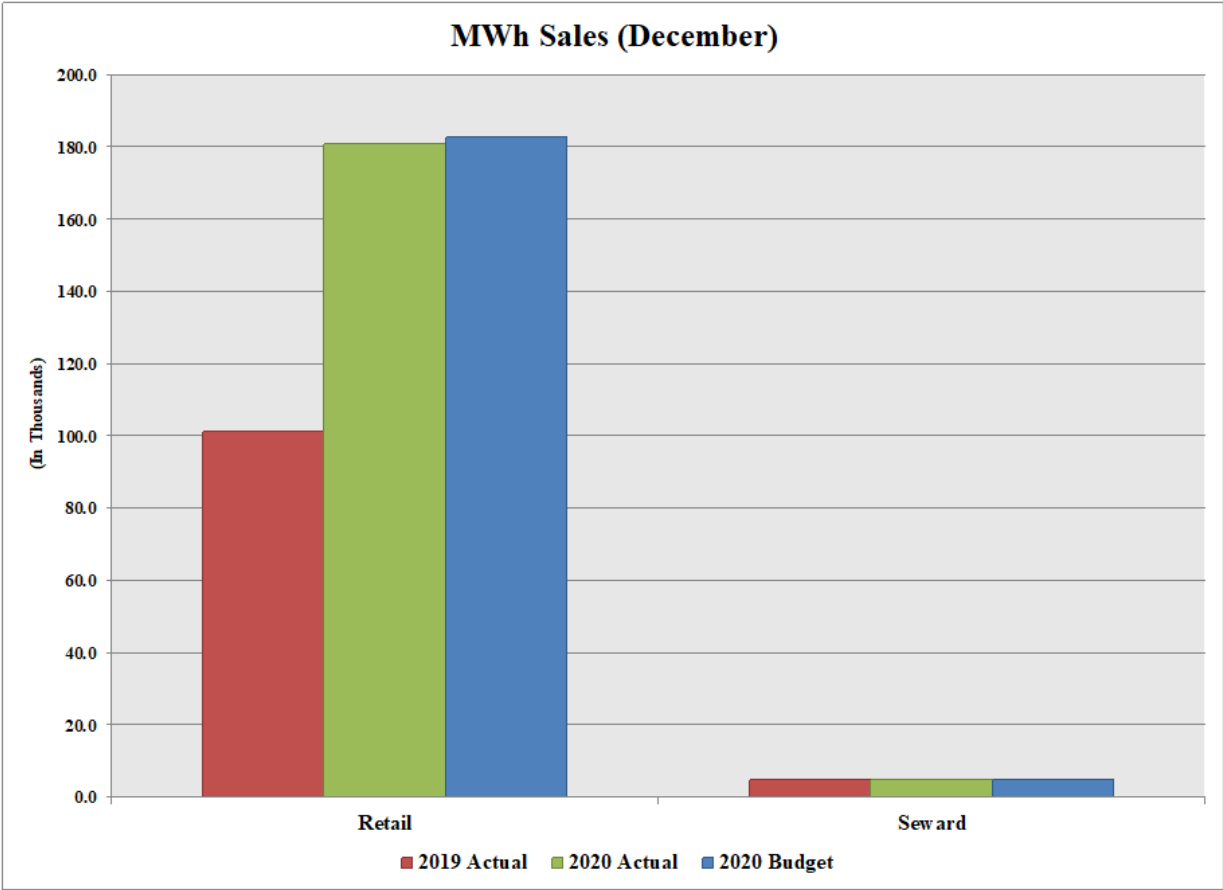
## FUNCTIONAL STATEMENT OF OPERATIONS

December 31, 2020

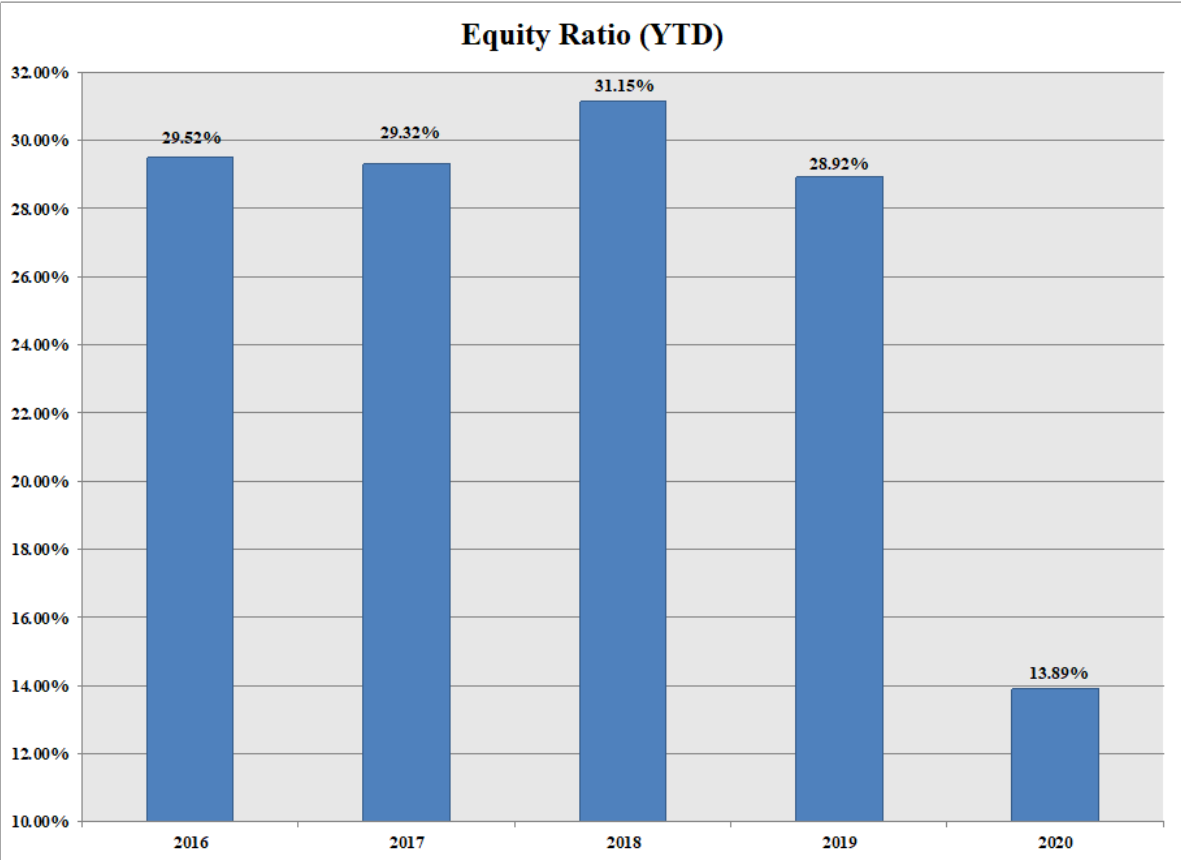
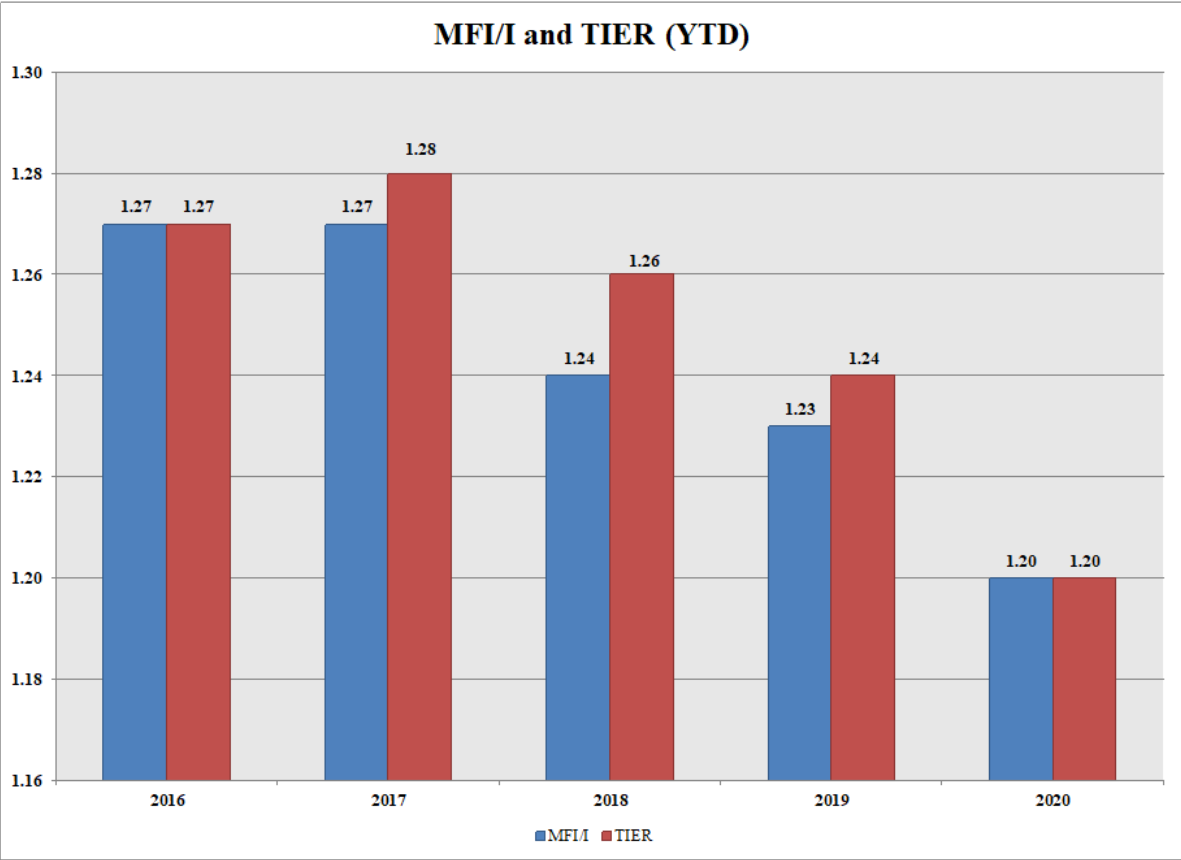
CATEGORY	2020 YTD TOTAL	2020 YTD GEN	2020 YTD TRANS	2020 YTD DIST
<b>Operating Revenue and Patronage Capital</b>	<b>\$ 237,428,680</b>	<b>\$ 153,972,499</b>	<b>\$ 22,365,782</b>	<b>\$ 61,090,399</b>
Fuel and Purchased Power Expense	82,503,397	82,503,397	-	-
Power Production Expense	24,556,922	24,556,922	-	-
Transmission Expense	7,323,776	-	7,323,776	-
Distribution Expense	18,914,383	-	-	18,914,383
Customer Expense	8,199,828	-	-	8,199,828
Administrative, General and Other	29,398,871	9,976,526	3,978,721	15,443,624
Depreciation & Amortization Expense	36,874,892	18,416,297	5,416,045	13,042,550
Interest Expense, Net	25,173,733	15,606,411	5,215,365	4,351,957
<b>Total Cost of Electric Service</b>	<b>\$ 232,945,802</b>	<b>\$ 151,059,553</b>	<b>\$ 21,933,907</b>	<b>\$ 59,952,342</b>
<b>Patronage Capital &amp; Operating Margins</b>	<b>\$ 4,482,878</b>	<b>\$ 2,912,946</b>	<b>\$ 431,875</b>	<b>\$ 1,138,057</b>
Non-Operating Margins - Interest	369,386	184,481	54,254	130,651
Allowance for Funds Used During Construction	147,223	8,451	8,903	129,869
Non-Operating Margins - Other	(2,606)	(797)	(345)	(1,464)
<b>Patronage Capital or Margins</b>	<b>\$ 4,996,881</b>	<b>\$ 3,105,081</b>	<b>\$ 494,687</b>	<b>\$ 1,397,113</b>

## Total Cost of Electric Service









## ENERGY SALES (kWh)

	<u>2020 Actual</u>	<u>2020 Budget</u>	<u>2019 Actual</u>
Retail Energy Sales	1,212,683,710	1,222,695,610	1,055,695,458
Wholesale Energy Sales	<u>57,155,837</u>	<u>56,641,238</u>	<u>56,705,627</u>
Total Firm Energy Sales	1,269,839,547	1,279,336,848	1,112,401,085
Economy Energy Sales	<u>7,027,000</u>	<u>0</u>	<u>195,400</u>
Total Energy Sales	1,276,866,547	1,279,336,848	1,112,596,485

Firm energy sales in 2020 totaled 1,269,839,547 kWh, which was a 0.7% unfavorable variance compared to budget. As a result of COVID-19, commercial sales decreased but were somewhat offset by an increase in residential sales caused by members working from home. The acquisition of ML&P accounts for the 14.2% favorable firm energy variance compared to 2019.

Economy energy sales in 2020 totaled 7,027,000 kWh which was a favorable variance from budget and 2019 due to unanticipated sales, primarily to Golden Valley Electric Association (GVEA).

## ENERGY REVENUE (in millions)

	<u>2020 Actual</u>	<u>2020 Budget</u>	<u>2019 Actual</u>
Retail Revenue	\$ 226.5	\$ 235.2	\$ 200.2
Wholesale Revenue	<u>5.6</u>	<u>6.0</u>	<u>5.9</u>
Total Firm Revenue	232.1	241.2	206.1
Economy Energy/Capacity Revenue	0.5	0.0	0.0
Other Operating Revenue	<u>4.8</u>	<u>2.9</u>	<u>6.4</u>
Total Revenue	\$ 237.4	\$ 244.1	\$ 212.5

Revenue from firm sales in 2020 totaled \$232.1 million compared to \$241.2 million in the budget and \$206.1 million in 2019. The unfavorable variance from the 2020 budget was primarily due to lower than anticipated energy sales and fuel costs recovered through the fuel and purchased power recovery adjustment process. The favorable variance from 2019 is primarily due to the acquisition of ML&P, resulting in increased revenues in all retail customer classes.

Unanticipated sales to GVEA generated the majority of economy energy revenue of \$505.7 thousand in 2020 creating the favorable variance compared to budget and from 2019.

Other operating revenue includes late fees, pole rental, wheeling, microwave, BRU sales and miscellaneous service and other electric revenue. Other operating revenue in 2020 totaled \$4.8 million compared to \$2.9 million in the budget and \$6.4 million in 2019. This favorable variance compared to budget is primarily due to higher than anticipated wheeling revenue from Bradley Lake. The unfavorable variance from 2019 was primarily due to less wheeling and a decrease in late fee revenue in 2020, as a result of COVID-19 relief legislation.

## FUEL AND PURCHASED POWER (in millions)

	<u>2020 Actual</u>	<u>2020 Budget</u>	<u>2019 Actual</u>
Fuel	\$ 60.1	\$ 63.9	\$ 59.0
Purchased Power	<u>22.4</u>	<u>20.7</u>	<u>22.6</u>
Total	\$ 82.5	\$ 84.6	\$ 81.6

Fuel expense includes fuel, storage, transportation, and BRU operating costs. Fuel expense in 2020 was \$60.1 million compared to \$63.9 million in the budget and \$59.0 million in 2019. Actual 2020 fuel expense was 5.9% lower than budgeted and 1.8% higher than 2019. The favorable variance from budget was primarily due to less fuel purchased for power production and a lower average effective price delivered, as well as lower than anticipated storage and transportation expense. This variance was somewhat offset by higher than anticipated BRU operating costs, as a result of the ML&P acquisition, which also contributed to less fuel purchased as more fuel was used from BRU. The unfavorable variance from 2019 was primarily due to costs associated with storage and BRU operations, as a result of the ML&P acquisition. More fuel from the BRU caused less fuel to be purchased for power production somewhat offsetting this variance.

Actual fuel purchased for power production in 2020 was 6,307,755 Mcf, which did not include 557,574 Mcf fuel recorded as purchased power expense, at an average effective delivered price of \$8.40 per Mcf. The budget included 6,687,159 Mcf of fuel purchased for power production at an average effective delivered price of \$8.57 per Mcf. Actual fuel purchased for power production in 2019 was 6,608,643 Mcf, which did not include 826,625 Mcf of fuel recorded as purchased power expense, at an average effective delivered price of \$8.25 per Mcf.

Purchased power expense represents energy purchased from Bradley Lake, Fire Island, and other utilities as needed, as well as costs associated with dispatching. Purchased power expense in 2020 was \$22.4 million compared to \$20.7 million in the budget and \$22.6 million in 2019. The unfavorable variance from budget was primarily due to higher than anticipated purchases from ML&P and MEA. The favorable variance from 2019 was primarily due to a lower average effective price caused by more energy available from Bradley Lake, which was somewhat offset by more energy purchased and increased costs associated with the ML&P acquisition.

In 2020, Chugach purchased 306,384 MWh of energy at an average effective price of 5.94 cents per kWh compared to 218,394 MWh of energy at an average effective price of 7.62 cents per kWh in the budget and 250,874 MWh at 7.65 cents per kWh in 2019.

## POWER PRODUCTION (in millions)

	<u>2020 Actual</u>	<u>2020 Budget</u>	<u>2019 Actual</u>
Power Production	\$ 24.6	\$ 25.0	\$ 20.2

Power production expense was \$24.6 million compared to \$25.0 million in the budget. The favorable variance from budget is primarily due to lower than anticipated maintenance costs at SPP and amortization associated with Cooper Lake, which was somewhat offset by higher than anticipated costs charged to this financial category associated with the ML&P acquisition. The unfavorable variance from 2019 is primarily due to increased costs associated with the ML&P acquisition.

## TRANSMISSION OPERATIONS AND MAINTENANCE (in millions)

	<u>2020 Actual</u>	<u>2020 Budget</u>	<u>2019 Actual</u>
Transmission	\$ 7.3	\$ 7.6	\$ 7.3

Transmission operations and maintenance expense was \$7.3 million compared to \$7.6 million in the budget and \$7.3 million in 2019. This favorable variance from budget is primarily due to lower than anticipated helicopter services and engineering studies, which was somewhat offset by higher than anticipated costs charged to this financial category associated with the ML&P acquisition. There was no significant variance in 2020 from 2019.

## DISTRIBUTION OPERATIONS AND MAINTENANCE (in millions)

	<u>2020 Actual</u>	<u>2020 Budget</u>	<u>2019 Actual</u>
Distribution	\$ 18.9	\$ 17.9	\$ 15.2

Distribution operations and maintenance expense was \$18.9 million compared to \$17.9 million in the budget and \$15.2 million in 2019. The unfavorable variance from budget is primarily due to higher than anticipated line maintenance labor costs. The unfavorable variance from 2019 is primarily due to increased costs associated with the ML&P acquisition.

## CONSUMER ACCOUNTS / CUSTOMER INFORMATION (in millions)

	<u>2020 Actual</u>	<u>2020 Budget</u>	<u>2019 Actual</u>
Consumer/Customer Information	\$ 8.2	\$ 8.3	\$ 6.7

Consumer accounts and customer information expense was \$8.2 million compared to \$8.3 million in the budget and \$6.7 million in 2019. The favorable variance from budget is primarily due to lower than anticipated labor charged to this financial category, which was somewhat offset by an increase in uncollectible debt expense. The unfavorable variance from 2019 is due to higher costs associated with the ML&P acquisition and uncollectible debt expense, as a result of COVID-19.

## ADMINISTRATIVE, GENERAL AND OTHER (in millions)

	<u>2020 Actual</u>	<u>2020 Budget</u>	<u>2019 Actual</u>
Administrative, General and Other	\$ 29.4	\$ 29.5	\$ 23.9

Administrative, general and other expense includes tax, donations, other deductions associated with preliminary survey and investigation charges of projects, and obsolete inventory write-offs that are not attributable to operating or maintenance accounts. Administrative, general and other expense was \$29.4 million compared to \$29.5 million in the budget and \$23.9 million in 2019. The favorable variance from budget is primarily due to lower than anticipated costs associated with travel, legal, information services, and human resources initiatives, which were somewhat offset by higher than anticipated labor, project write-offs and insurance costs. The unfavorable variance from 2019 is primarily due to increased costs associated with the ML&P acquisition. Amortization of the secondary regulatory asset and Payment in Lieu of Taxes (PILT) also contributed to this variance.

**SUMMARY**

Depreciation, interest, and interest during construction expense in 2020 totaled \$62.0 million compared to \$61.5 million in the budget and \$53.3 million in 2019. The unfavorable variance from budget was primarily due to higher than anticipated depreciation associated with the North district generation assets, which was somewhat offset by lower than anticipated interest expense. The unfavorable variance from 2019 is primarily due to the acquisition of ML&P, resulting in increased depreciation and amortization and interest on long-term debt.

All of the foregoing expenses resulted in total cost of electric service in 2020 of \$232.9 million compared to \$234.4 million in the budget and \$208.2 million in 2019.

Non-operating margins include allowance for funds used during construction (AFUDC), capital credit and patronage capital allocations, extraordinary items, and interest income. Non-operating margins in 2020 totaled \$0.5 million compared to \$0.5 million in the budget, with no significant variance. Non-operating margins in 2019 totaled \$0.9 million. This unfavorable variance from 2019 is due to less dividend and interest income, as well as the change in value of marketable securities. Chugach sold its marketable securities at the end of December 2020, at the time they had an annualized rate of return of 4.33%.

The net result of revenue and expenses in 2020 was margins of \$5.0 million compared to projected margins of \$10.2 million in the budget and margins of \$5.1 million in 2019. This resulted in an MFI/I of 1.20, a TIER of 1.20, and an equity-to-total capitalization ratio of 13.9%. The year-end current ratio was 1.39:1.

# CHUGACH ELECTRIC ASSOCIATION, INC.

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December 2020 Financial Information  
March 31, 2021



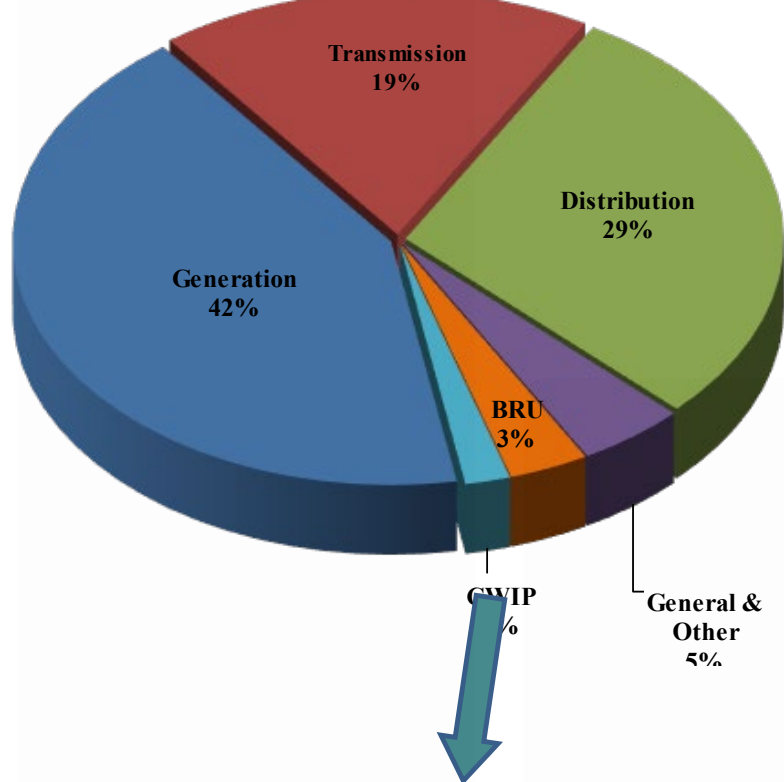
# December 2020 Financial Information

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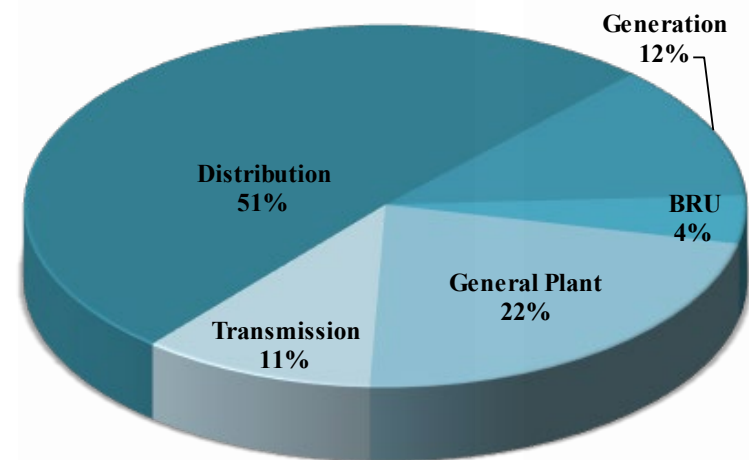
- ▶ MWH Sales
- ▶ Statement of Operations
- ▶ Balance Sheet
- ▶ Statements of Cash Flows

ant	\$ 1,397,648,767	\$ 703,279,960
Property - Net	76,889	76,889
Operating Lease Right-of-Use Assets	4,102,328	958,111
Assoc. Organizations	7,595,197	8,148,426
	19,862,119	2,603,505
h Equivalents & Other	64,310	108,000
payments	423,404	-
<b>Property &amp; Investments</b>	<b>\$ 32,124,247</b>	<b>\$ 11,894,931</b>
ected Cash	60,392,108	8,515,975
its and Marketable Securities	58,300	248,483
ivable - Net	53,679,921	30,120,230
Supplies, Fuel Stock	62,430,009	30,265,047
	4,672,489	2,699,308
& Accrued Assets	241,983	1,680,885
<b>t &amp; Accrued Assets</b>	<b>\$ 181,474,810</b>	<b>\$ 73,529,928</b>
ts	110,489,123	45,880,452
<b>&amp; Other Debits</b>	<b>\$ 1,721,736,947</b>	<b>\$ 834,585,271</b>

<b>ILITIES &amp; OTHER CREDITS</b>	<b>12/31/2020</b>	<b>12/31/2019</b>
	1,908,432	1,776,592
Margins & Equities	196,940,981	192,690,321
<b>s &amp; Equities</b>	<b>\$ 198,849,413</b>	<b>\$ 194,466,913</b>
ebt - Bonds	1,211,683,330	449,999,997
ebt - Other	26,904,000	30,552,000
Debt Issuance Costs	(6,179,476)	(2,684,537)
se Liabilities	3,866,092	738,713
Liabilities	7,302	-
<b>term Debt</b>	<b>\$ 1,236,281,248</b>	<b>\$ 478,606,173</b>
e	52,197,115	51,056,065
able	19,170,493	8,316,375
osits	5,249,272	4,294,770
& Accrued Liabilities	53,612,254	32,498,394
<b>t &amp; Accrued Liabilities</b>	<b>\$ 130,229,134</b>	<b>\$ 96,165,604</b>
ensation	1,821,222	1,775,759
s, Non-Current	548,570	208,700



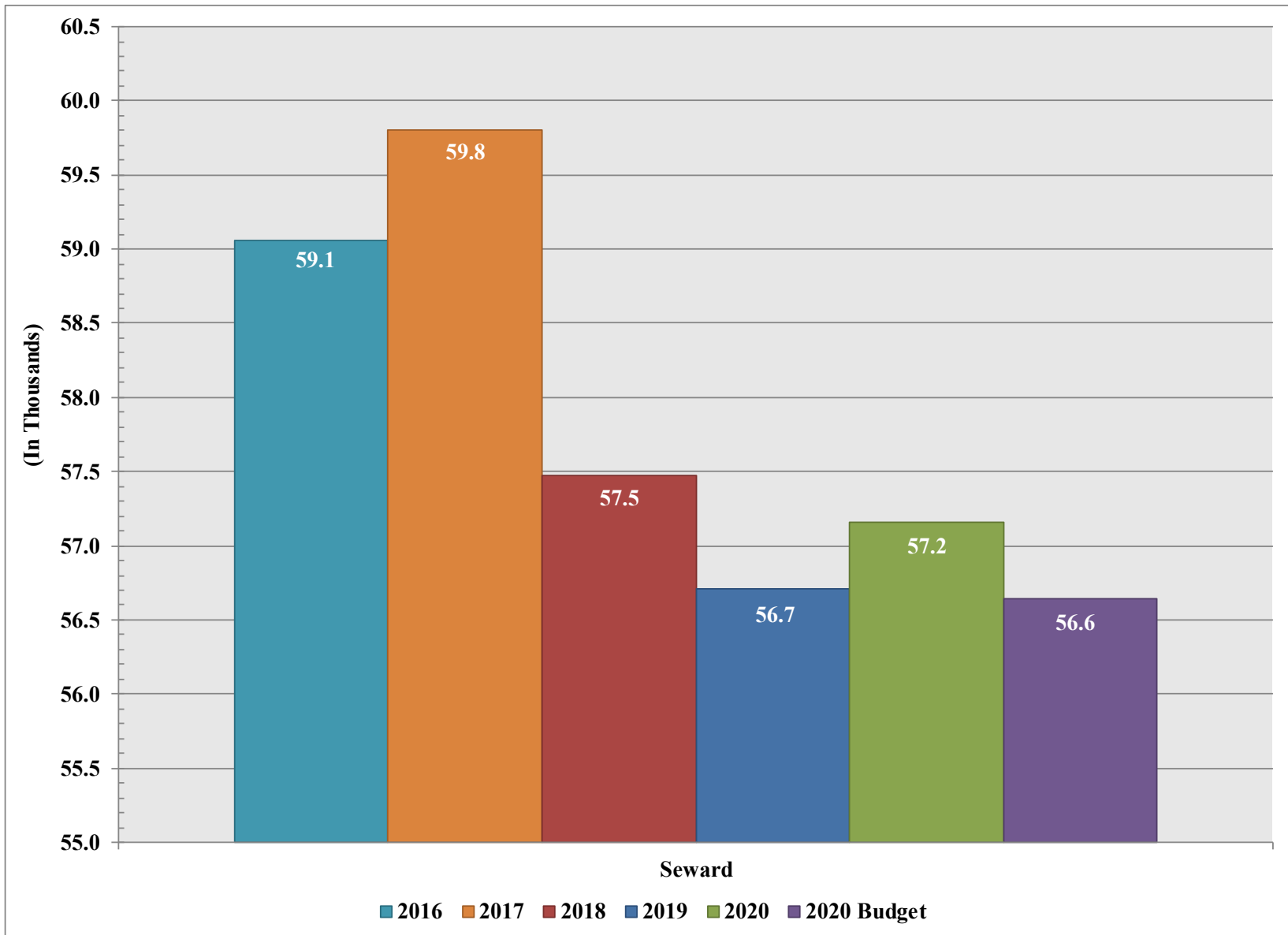
**2020 Construction Work in Progress (YTD)**  
\$38,075,575





# December 2020 Financial Information

## 5 Year Seward MWh Sales Comparison



# December 2020 Financial Information

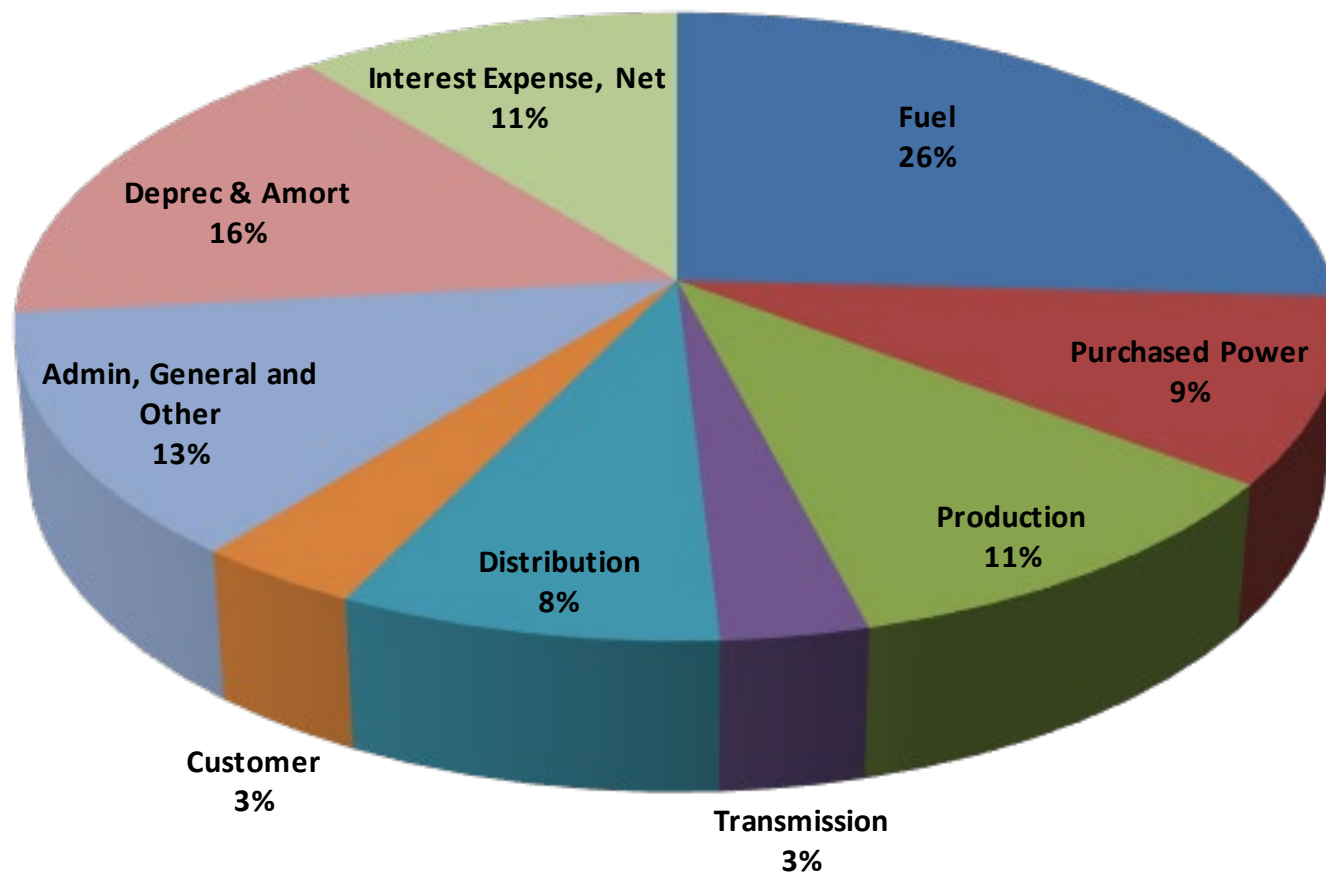
## Comparative Statement of Operations



CATEGORY	ACTUAL	BUDGET	VARIANCE
<b>Operating Revenues</b>	<b>\$ 237,428,680</b>	<b>\$ 244,123,724</b>	<b>\$ (6,695,044)</b>
Fuel	60,122,978	63,908,721	(3,785,743)
Production	24,556,922	25,031,547	(474,625)
Purchased Power	22,380,419	20,729,737	1,650,682
Transmission	7,323,776	7,569,300	(245,524)
Distribution	18,914,383	17,916,223	998,160
Consumer Accounts	8,199,828	8,310,211	(110,383)
Administrative, General and Other	29,398,871	29,474,962	(76,091)
Depreciation and Amortization	36,874,892	35,533,837	1,341,055
<b>Total Operating Expenses</b>	<b>\$ 207,772,069</b>	<b>\$ 208,474,538</b>	<b>\$ (702,469)</b>
Interest Expense, Long-Term and Other	25,546,831	26,391,229	(844,398)
Interest Charged to Construction	(373,098)	(436,911)	63,813
<b>Net Interest Expense</b>	<b>\$ 25,173,733</b>	<b>\$ 25,954,318</b>	<b>\$ (780,585)</b>
<b>Net Operating Margins</b>	<b>\$ 4,482,878</b>	<b>\$ 9,694,868</b>	<b>\$ (5,211,990)</b>
Interest Income	369,386	399,000	(29,614)
Allowance Funds Used During Const.	147,223	145,638	1,585
Capital Credits, Patronage Dividends, Other	(2,606)	0	(2,606)
<b>Patronage Capital or Margins</b>	<b>\$ 4,996,881</b>	<b>\$ 10,239,506</b>	<b>\$ (5,242,625)</b>
MFI/I	1.20	1.39	
TIER	1.20	1.41	

# December 2020 Financial Information

## Total Operating and Interest Expense



# December 2020 Financial Information

## Comparative Balance Sheet, Assets & Other Debits

ASSETS & OTHER DEBITS	12/31/20	12/31/19	CHANGE
Electric Plant in Service	1,941,080,063	1,242,523,092	698,556,971
Construction Work in Progress	38,075,575	16,966,608	21,108,967
<b>Total Utility Plant</b>	<b>\$ 1,979,155,638</b>	<b>\$ 1,259,489,700</b>	<b>\$ 719,665,938</b>
Accumulated Depreciation	(581,506,871)	(556,209,740)	(25,297,131)
<b>Net Utility Plant</b>	<b>\$ 1,397,648,767</b>	<b>\$ 703,279,960</b>	<b>\$ 694,368,807</b>
Nonutility Property	76,889	76,889	0
Financing & Operating Lease Right-of-Use Assets	4,102,328	958,111	3,144,217
Investment in Assoc. Organizations	7,595,197	8,148,426	(553,229)
Special Funds	19,862,119	2,603,505	17,258,614
Restricted Cash Equivalents & Other	64,310	108,000	(43,690)
Long-term Prepayments	423,404	0	423,404
<b>Total Other Property &amp; Investments</b>	<b>\$ 32,124,247</b>	<b>\$ 11,894,931</b>	<b>\$ 20,229,316</b>
Cash and Restricted Cash	60,392,108	8,515,975	51,876,133
Special Deposits and Marketable Securities	58,300	248,483	(190,183)
Accounts Receivable - Net	53,679,921	30,120,230	23,559,691
Materials and Supplies, Fuel Stock	62,430,009	30,265,047	32,164,962
Prepayments	4,672,489	2,699,308	1,973,181
Other Current Assets	241,983	1,680,885	(1,438,902)
<b>Total Current Assets</b>	<b>\$ 181,474,810</b>	<b>\$ 73,529,928</b>	<b>\$ 107,944,882</b>
Deferred Charges, Net	110,489,123	45,880,452	64,608,671
<b>Total Assets</b>	<b>\$ 1,721,736,947</b>	<b>\$ 834,585,271</b>	<b>\$ 887,151,676</b>

# December 2020 Financial Information

## Comparative Balance Sheet, Liabilities & Other Credits

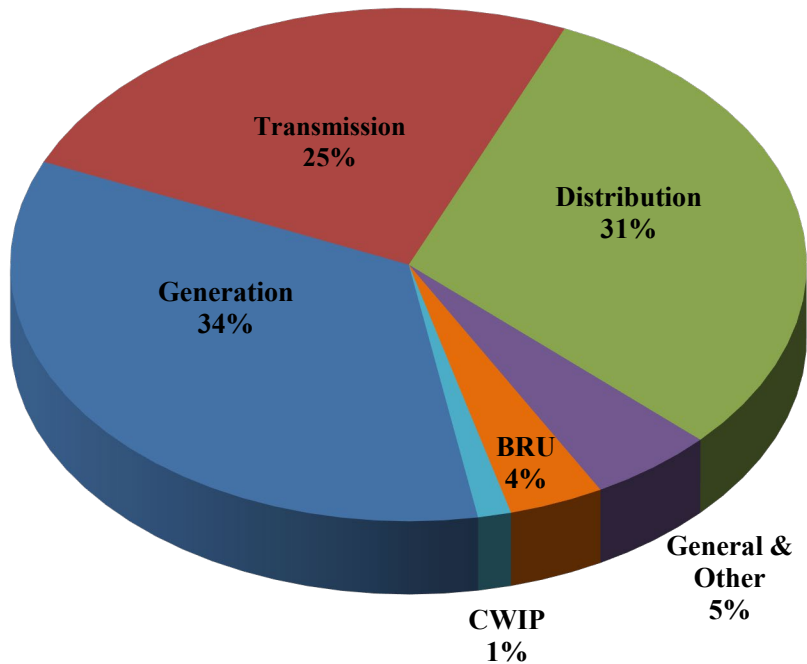


LIABILITIES & OTHER CREDITS	12/31/20	12/31/19	CHANGE
Memberships	1,908,432	1,776,592	131,840
Patronage Capital	181,564,419	177,380,964	4,183,455
Other	15,376,562	15,309,357	67,205
<b>Total Equities and Margins</b>	<b>\$ 198,849,413</b>	<b>\$ 194,466,913</b>	<b>\$ 4,382,500</b>
Bonds Payable	1,211,683,330	449,999,997	761,683,333
National Bank for Cooperatives	26,904,000	30,552,000	(3,648,000)
Unamortized Debt Issuance Costs	(6,179,476)	(2,684,537)	(3,494,939)
Operating & Finance Lease Liabilities	3,873,394	738,713	3,134,681
<b>Total Long-Term Obligations</b>	<b>\$ 1,236,281,248</b>	<b>\$ 478,606,173</b>	<b>\$ 757,675,075</b>
Current Installments of Long-Term Obligations	42,197,115	27,056,065	15,141,050
Commercial Paper	10,000,000	24,000,000	(14,000,000)
Accounts Payable	19,170,493	8,316,375	10,854,118
Consumer Deposits	5,249,272	4,294,770	954,502
Other Current & Accrued Liabilities	53,612,254	32,498,394	21,113,860
<b>Total Current Liabilities</b>	<b>\$ 130,229,134</b>	<b>\$ 96,165,604</b>	<b>\$ 34,063,530</b>
Deferred Compensation	1,821,222	1,775,759	45,463
Other Liabilities, Non-Current	548,570	398,790	149,780
Deferred Liabilities	36,899,176	903,870	35,995,306
Cost of Removal Obligation / ARO	117,108,184	62,268,162	54,840,022
<b>Total Liabilities, Equities and Margins</b>	<b>\$ 1,721,736,947</b>	<b>\$ 834,585,271</b>	<b>\$ 887,151,676</b>

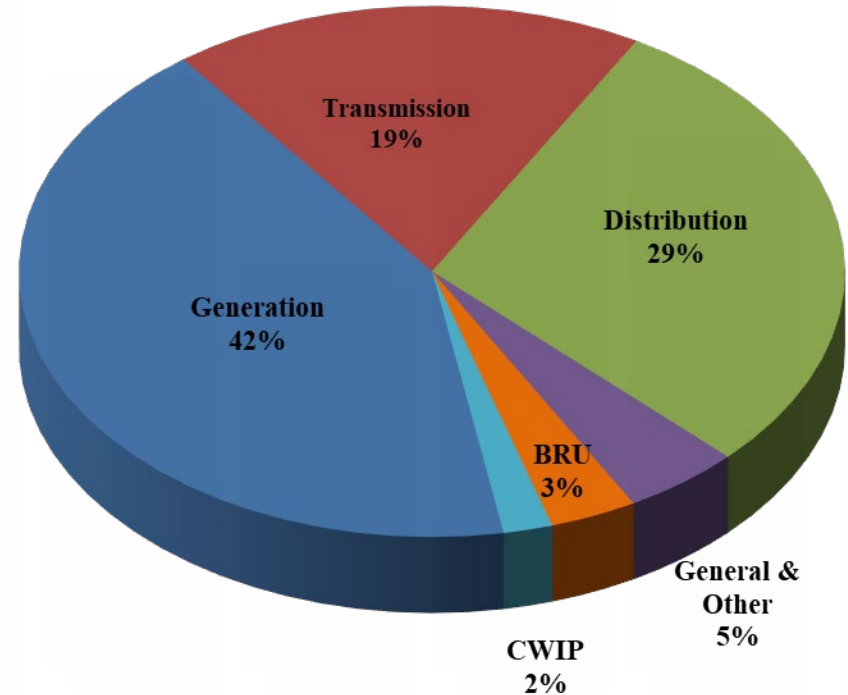
# December 2020 Financial Information

## 2019 vs 2020 Utility Plant Breakdown

**2019 Total Utility Plant (YTD)**  
**\$1,259,489,700**

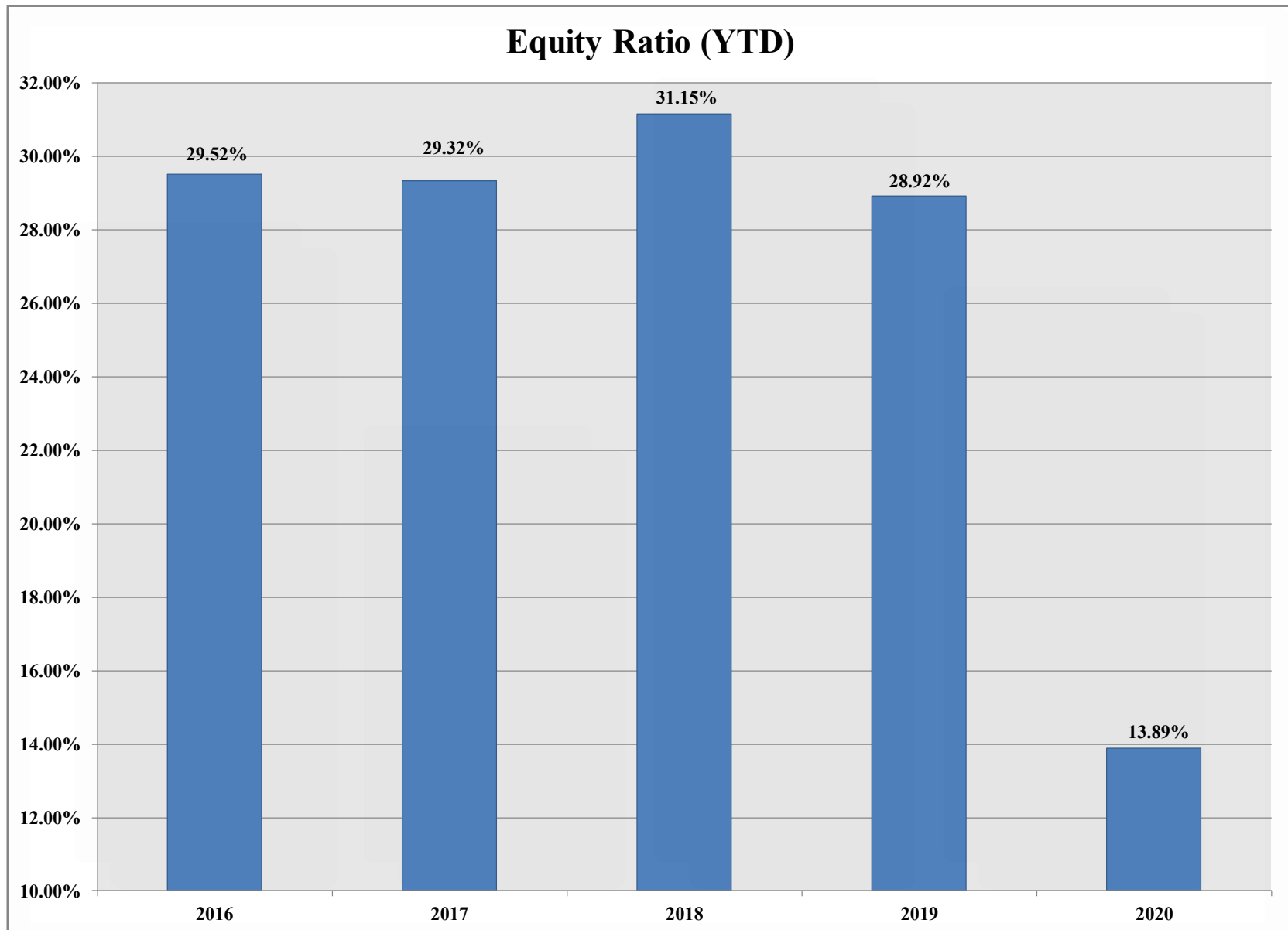


**2020 Total Utility Plant (YTD)**  
**\$1,979,155,638**



# December 2020 Financial Information

## 5 Year Equity Ratio



# December 2020 Financial Information

## Statements of Cash Flows

	12/31/20	12/31/19
<b>1. Cash flows from operating activities:</b>		
Assignable margins	\$ 4,996,881	\$ 5,119,627
Adjustments to reconcile assignable margins to net cash provided (used) by operating activities:		
Depreciation and amortization	44,847,928	38,701,212
Allowance for funds used during construction	(147,223)	(152,930)
Other	1,218,395	463,298
Increase in assets	(42,878,647)	(18,266,695)
Increase (Decrease) in liabilities	9,557,539	(6,160,511)
<b>Net cash provided by operating activities:</b>	<b>\$ 17,594,873</b>	<b>\$ 19,704,001</b>
<b>2. Cash flows from investing activities:</b>		
Return of capital from investment in associated organizations	557,852	421,899
Investment in and proceeds from special funds	93,393	(288,568)
Investment in marketable securities and investments-other	(6,600)	(216,453)
Investment in ML&P acquisition	(699,527,862)	0
Proceeds from the sale of marketable securities	205,408	6,437,508
Extension and replacement of plant	(27,107,529)	(33,441,408)
<b>Net cash used in investing activities:</b>	<b>\$ (725,785,338)</b>	<b>\$ (27,087,022)</b>
<b>3. Cash flows from financing activities:</b>		
Payments for debt issue costs	(3,761,491)	(515,455)
Net increase (decrease) in short-term obligations	(14,000,000)	(37,000,000)
Net increase (decrease) in long-term obligations	773,163,333	48,391,333
Net increase (decrease) in consumer advances/retired patronage/other	4,621,066	(2,297,851)
<b>Net cash provided by financing activities:</b>	<b>\$ 760,022,908</b>	<b>\$ 8,578,027</b>
Net change in cash, cash equivalents & restricted cash	51,832,443	1,195,006
<b>4. Cash, cash equivalents &amp; restricted cash at beginning of period</b>	<b>\$ 8,623,975</b>	<b>\$ 7,428,969</b>
<b>5. Cash, cash equivalents and restricted cash at end of period</b>	<b>\$ 60,456,418</b>	<b>\$ 8,623,975</b>



Questions?