

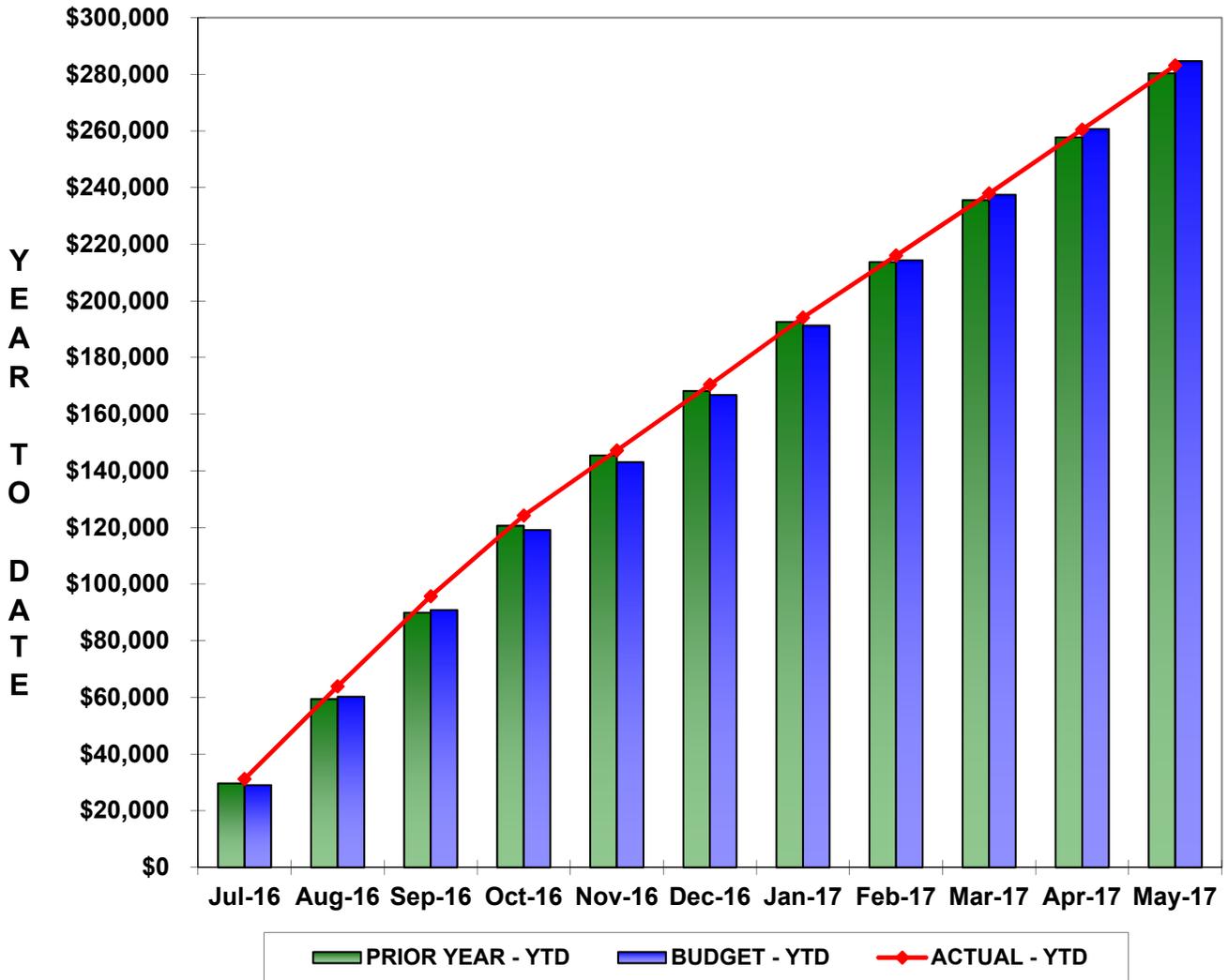
*Arts & Innovation*

# MONTHLY FINANCIAL REPORT

**May 31, 2017**



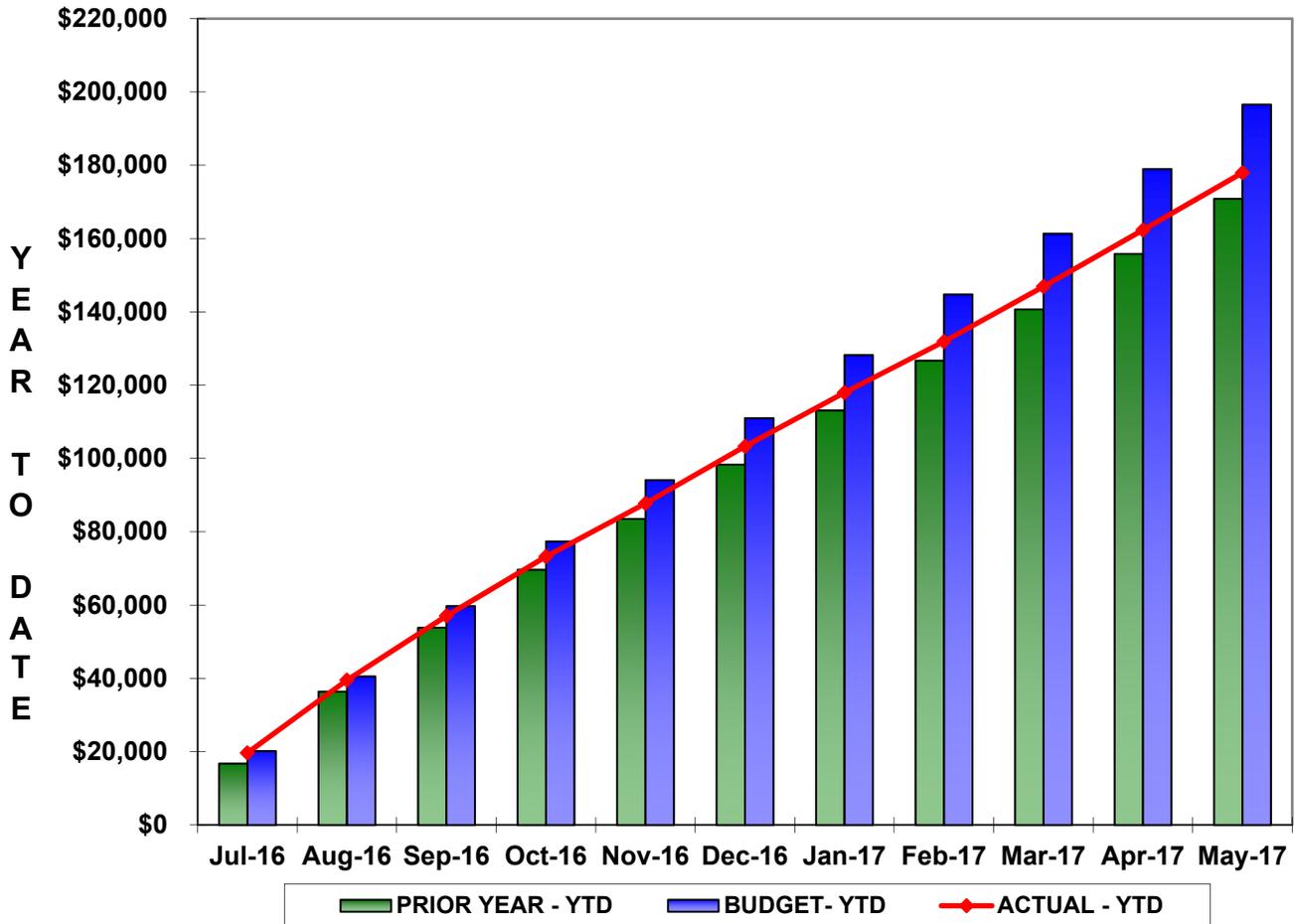
# ELECTRIC UTILITY RETAIL SALES REVENUE FOR THE PERIOD ENDED MAY 31, 2017 (In Thousands)



**Actual to Prior:** Year-to-date retail sales of \$283.1M are \$2.8M (1.0%) higher than prior year due to a 0.8% increase in consumption as a result of warmer weather during the summer season.

**Actual to Budget:** Year-to-date actual retail sales are slightly lower than budget.

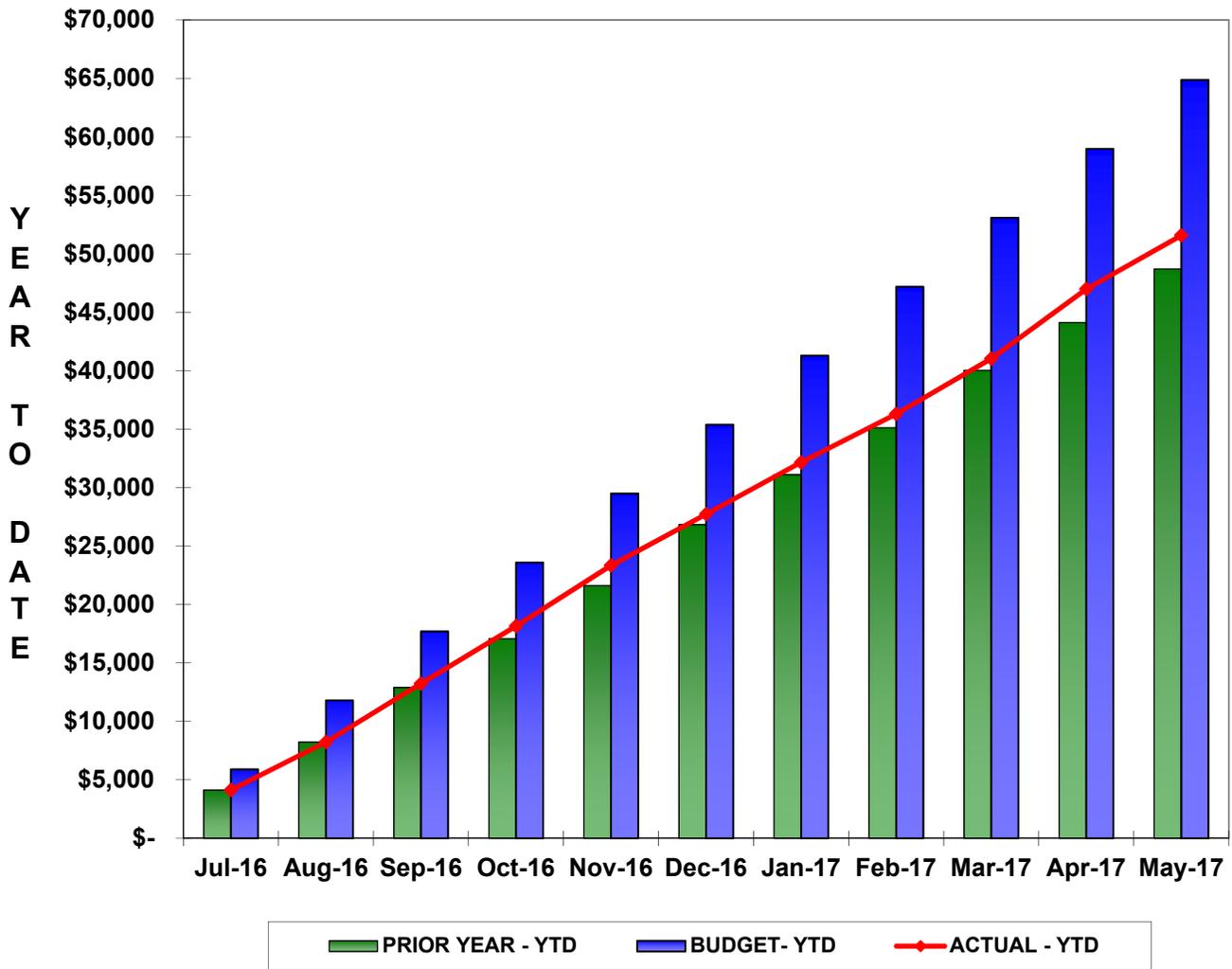
**ELECTRIC UTILITY  
POWER SUPPLY EXPENSES  
FOR THE PERIOD ENDED MAY 31, 2017  
(In Thousands)**



**Actual to Prior:** Year-to-date power supply costs of \$178.0M are \$7.1M (4.2%) higher than prior year primarily due to increase in customer consumption as a result of warmer weather during the summer season and new renewable energy projects coming online.

**Actual to Budget:** Year-to-date power supply costs are \$18.6M (9.5%) below budget due to lower than anticipated market prices offset by higher than anticipated CAISO transmission access charges.

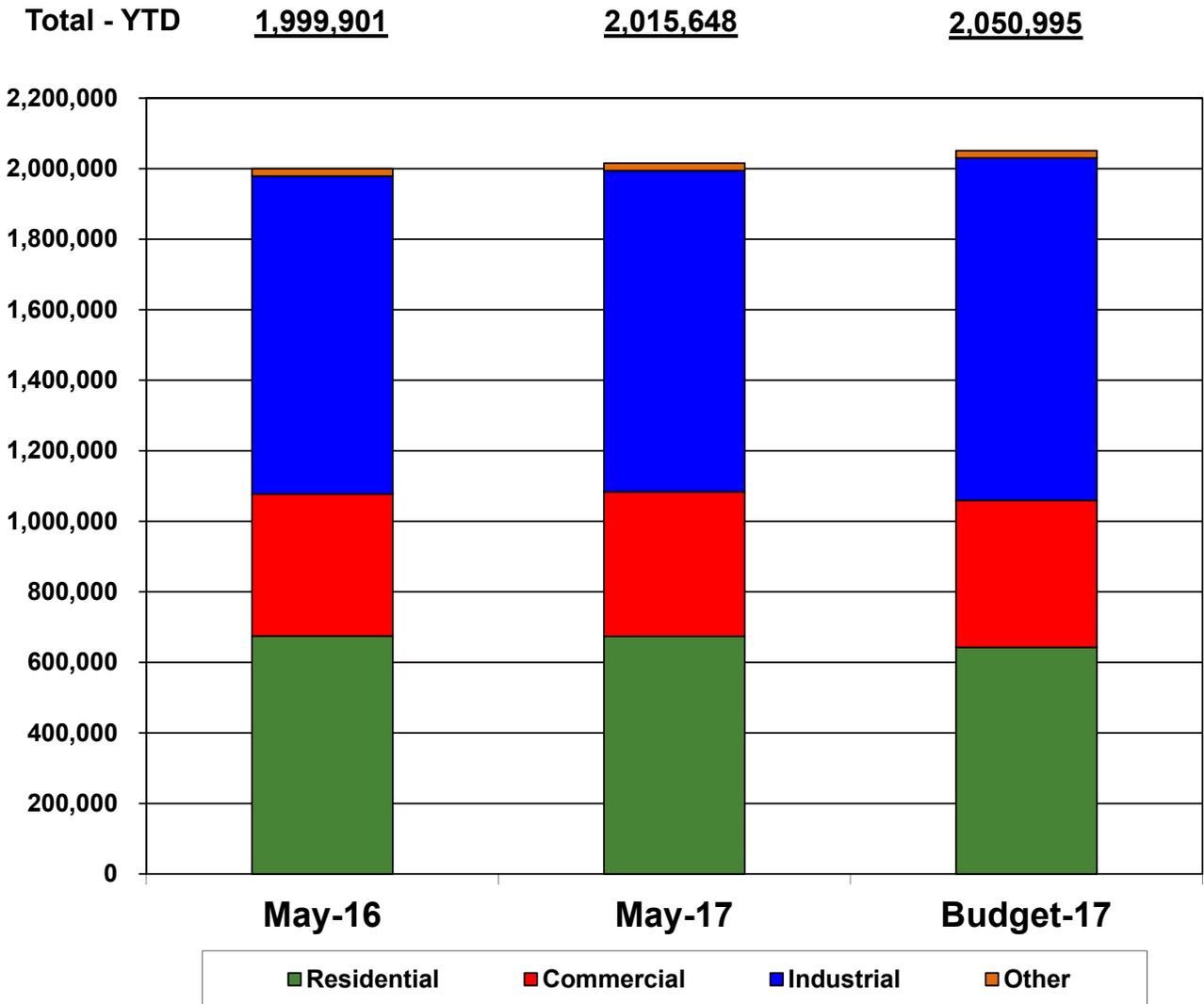
**ELECTRIC UTILITY  
DISTRIBUTION OPERATING EXPENSES  
FOR THE PERIOD ENDED MAY 31, 2017  
(In Thousands)**



**Actual to Prior:** Year-to-date distribution operating expenses of \$51.6M are \$2.9M (5.9%) higher than prior year primarily due to an increase in general operating expenses.

**Actual to Budget:** Year-to-date operating expenses are \$13.3M (20.5%) below anticipated levels primarily due to timing of expenditures and savings in personnel costs and other general operating expenses.

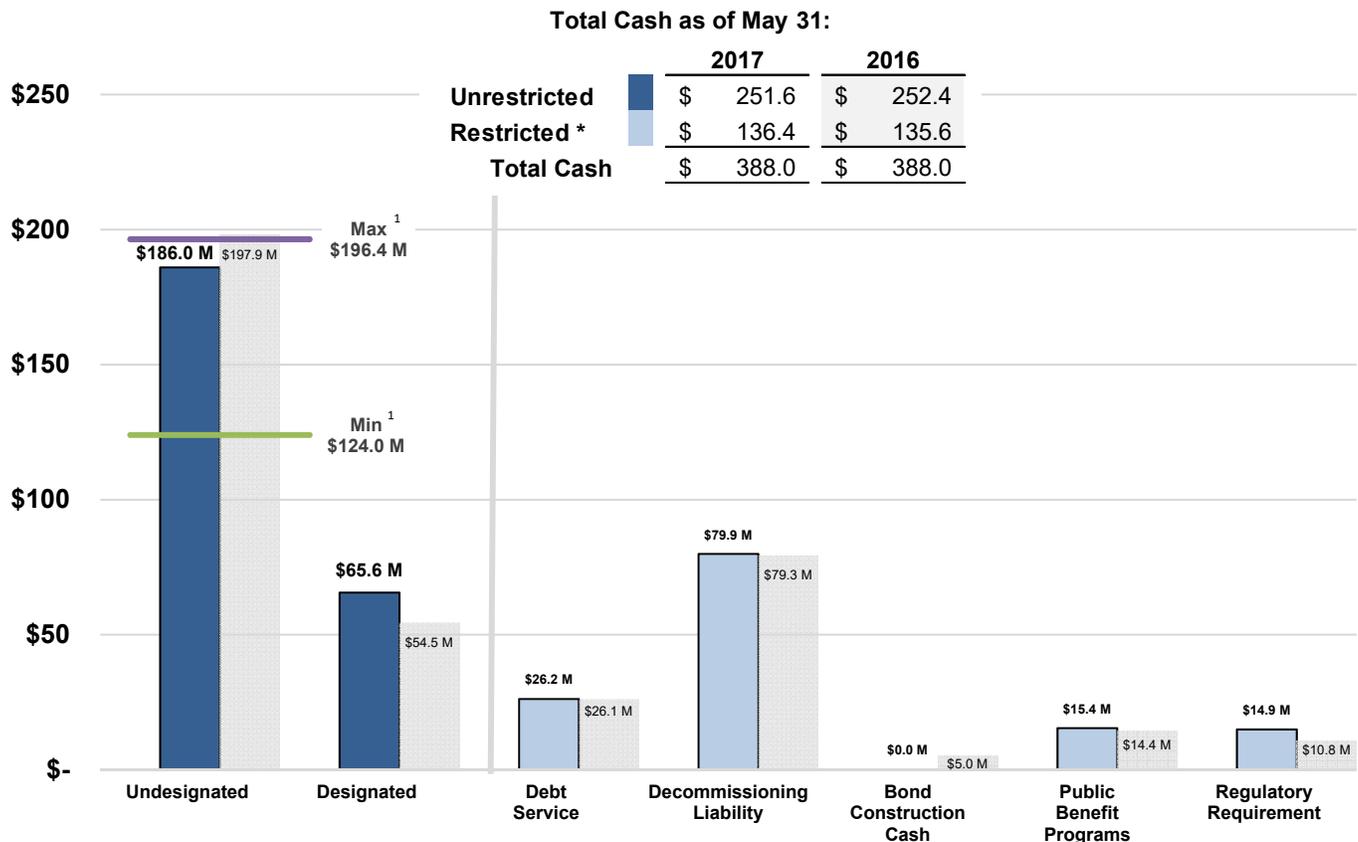
**ELECTRIC UTILITY  
RETAIL KWH SALES (In Thousands)  
FOR THE PERIOD ENDED MAY 31, 2017**



**Actual to Prior:** Retail kWh sales are slightly higher than prior year.

**Actual to Budget:** Retail kWh sales are 1.7% below budget primarily due to lower than anticipated industrial consumption, partially offset by higher than anticipated residential consumption.

# ELECTRIC UTILITY CASH BALANCE MAY 31, 2017 AND 2016 (In Millions)



\* Legally restricted for specific purposes.

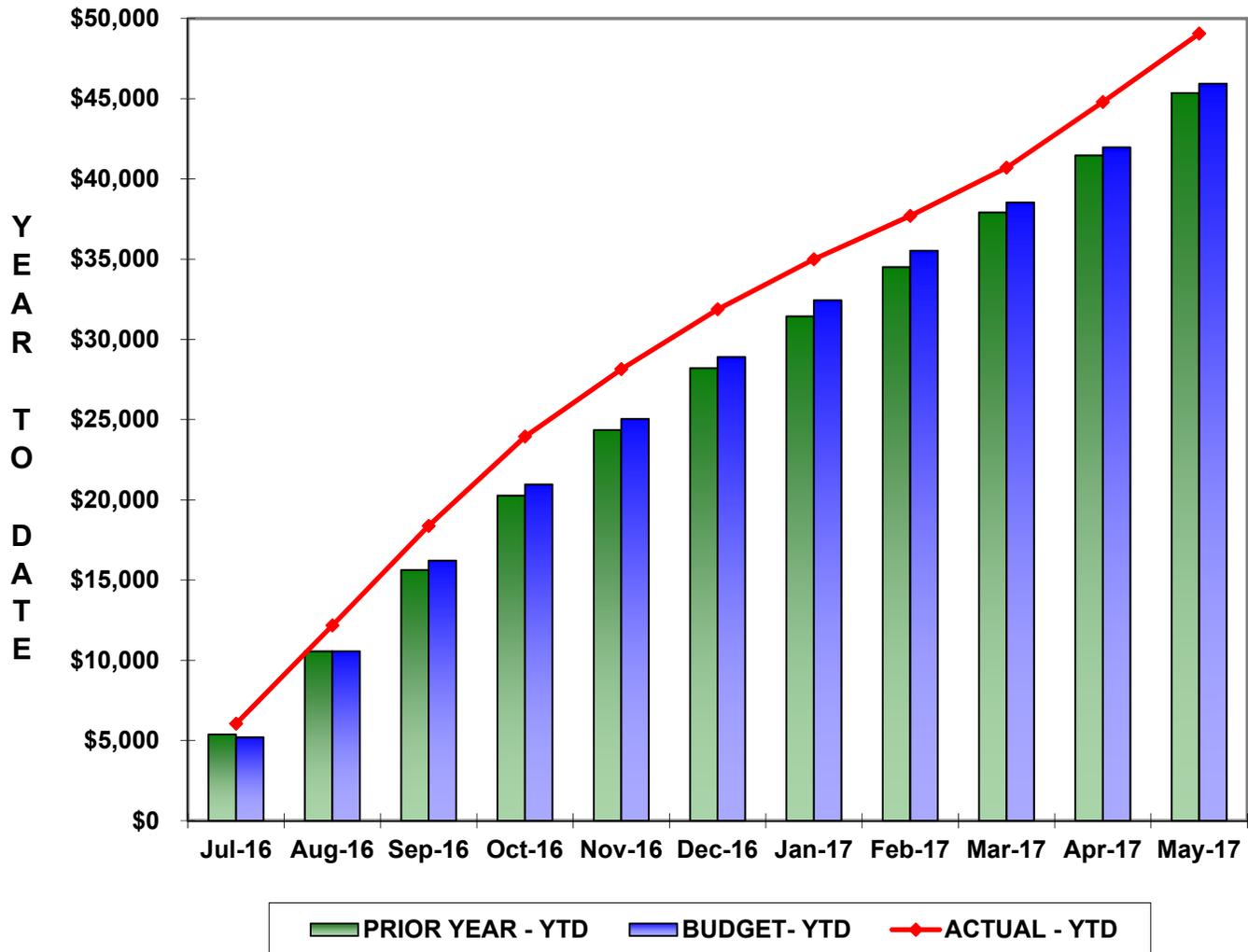
The components of Unrestricted Designated Reserves are:

	FY 16/17	FY 15/16
Electric Reliability Fund	\$ 53.2	\$ 43.9
Add'l Decommissioning Liability Reserve	\$ 6.4	\$ 4.8
Customer Deposits Reserve	\$ 3.8	\$ 3.6
Capital Repair/Replacement Reserve	\$ 2.0	\$ 2.0
Mission Square Improvement Fund	\$ 0.2	\$ 0.2
<b>Total Designated Reserves</b>	<u>\$ 65.6</u>	<u>\$ 54.5</u>

Overall cash balances are consistent with prior year and the unrestricted, undesignated reserve balance of \$186.0M is within target levels. This balance is lower than prior year primarily due to use of the undesignated reserve to fund capital projects.

1. In accordance with Cash Reserve Policy, target minimum / maximum is determined annually at 6/30 in conjunction with year-end financial results.

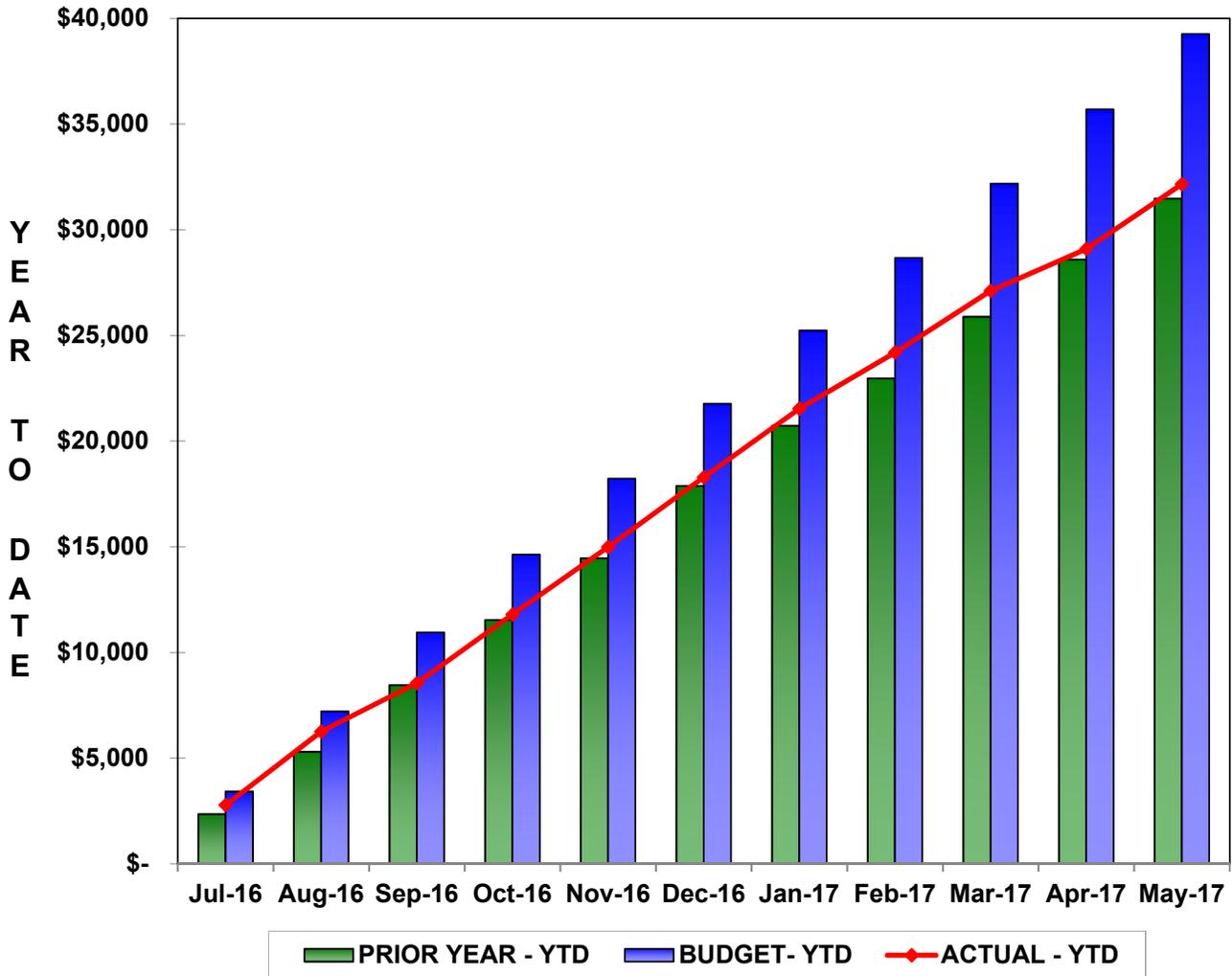
## WATER UTILITY RETAIL SALES REVENUE FOR THE PERIOD ENDED MAY 31, 2017 (In Thousands)



**Actual to Prior:** Year-to-date actual retail sales of \$49.1M are \$3.7M (8.2%) higher than prior year primarily due to a 7.5% increase in consumption as a result of the lifting of water restriction mandates and warmer weather during the summer season.

**Actual to Budget:** Year-to-date actual retail sales are \$3.1M (6.8%) higher than budget due to an increase in consumption levels as a result of the lifting of water restriction mandates and warmer weather.

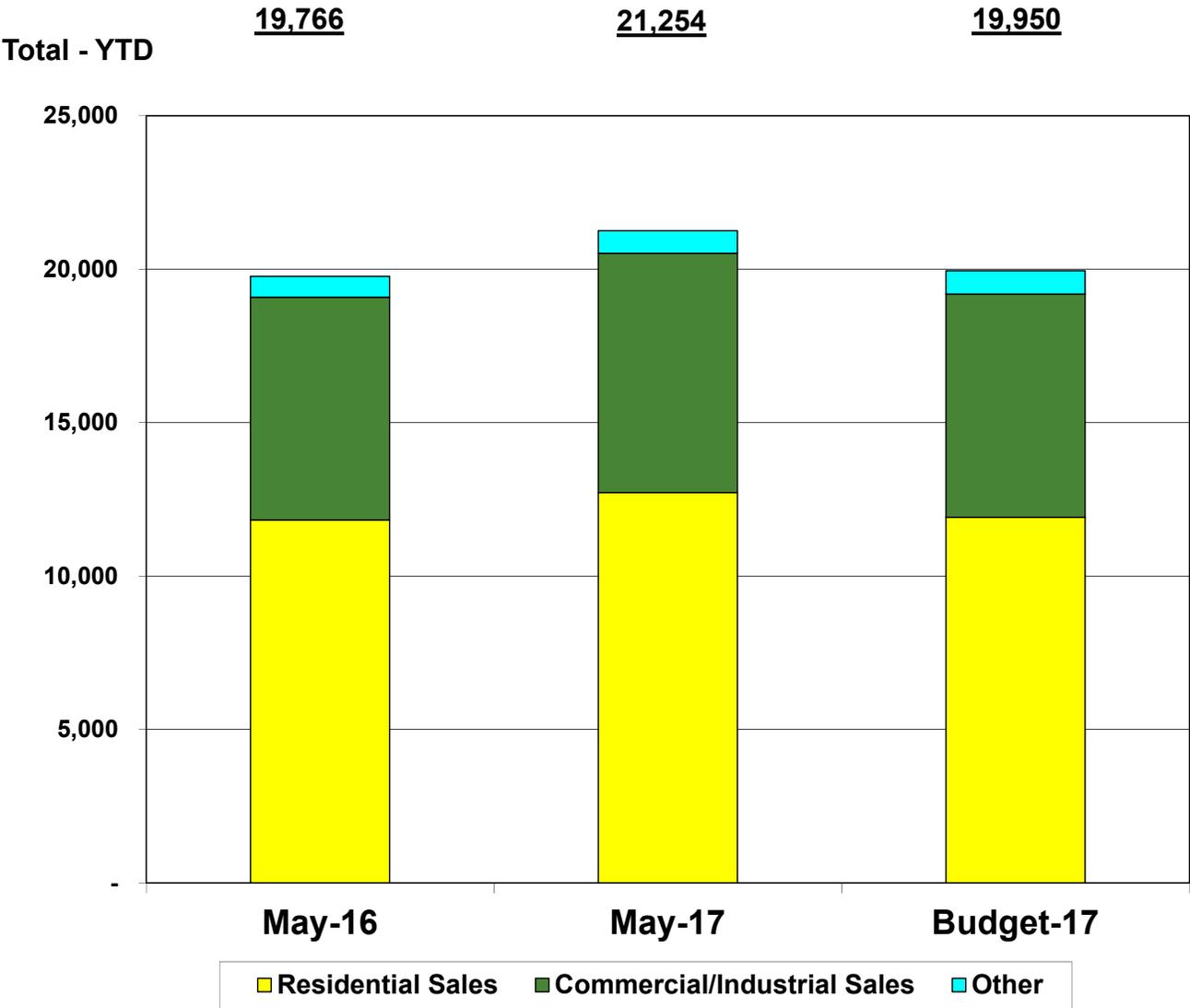
## WATER UTILITY DISTRIBUTION OPERATING EXPENSES FOR THE PERIOD ENDED MAY 31, 2017 (In Thousands)



**Actual to Prior:** Year-to-date distribution operating expenses of \$32.2M are \$0.7M (2.2%) higher than prior year due to an increase in production costs resulting from higher consumption and general operating expenses.

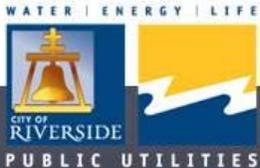
**Actual to Budget:** Year-to-date operating expenses are \$7.1M (18.1%) below anticipated levels due to timing of expenditures and savings in personnel costs and other general operating expenses.

**WATER UTILITY  
CCF SALES (In Thousands)  
FOR THE PERIOD ENDED MAY 31, 2017**



**Actual to Prior:** Retail CCF sales are 7.5% higher than prior year due to an increase in consumption as a result of the lifting of water restriction mandates and warmer weather during the summer season.

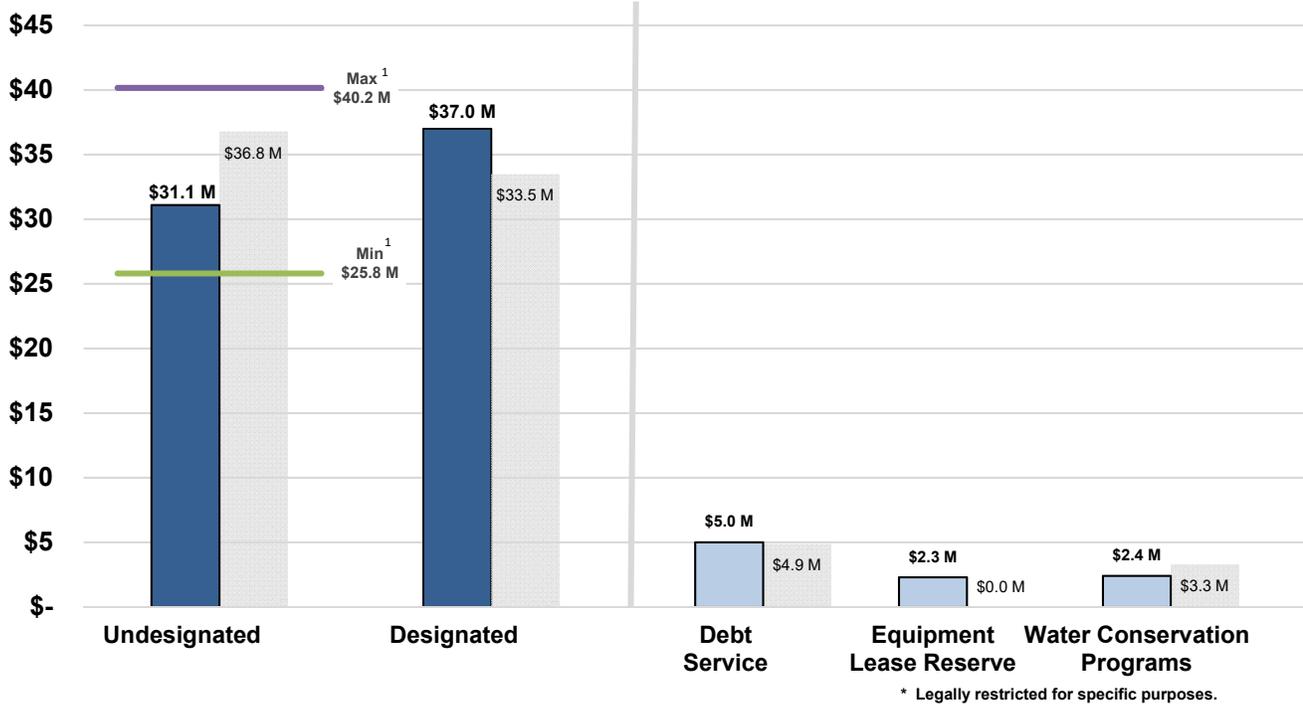
**Actual to Budget:** Retail CCF sales are 6.5% above budget due to increased consumption levels primarily due to the lifting of water restrictions and warmer weather.



# WATER UTILITY CASH BALANCE MAY 31, 2017 AND 2016 (In Millions)

**Total Cash as of May 31:**

	2017	2016
<b>Unrestricted</b>	\$ 68.1	\$ 70.3
<b>Restricted *</b>	\$ 9.7	\$ 8.2
<b>Total Cash</b>	<b>\$ 77.8</b>	<b>\$ 78.5</b>



The components of Unrestricted Designated Reserves are:

	FY 16/17	FY 15/16
Property Reserve	\$ 26.0	\$ 26.0
Recycled Water Reserve	\$ 9.8	\$ 6.4
Capital Repair/Replacement Reserve	\$ 0.8	\$ 0.8
Customer Deposits Reserve	\$ 0.4	\$ 0.3
<b>Total Designated Reserves</b>	<b>\$ 37.0</b>	<b>\$ 33.5</b>

Overall cash balances are \$0.7M lower than prior year primarily due to the use of unrestricted, undesignated reserves for capital projects traditionally funded by bonds. This is partially offset by positive operating results and an increase in restricted reserves for proceeds received for the lease purchase financing of water heavy vehicles.

1. In accordance with Cash Reserve Policy, target minimum / maximum is determined annually at 6/30 in conjunction with year-end financial results.