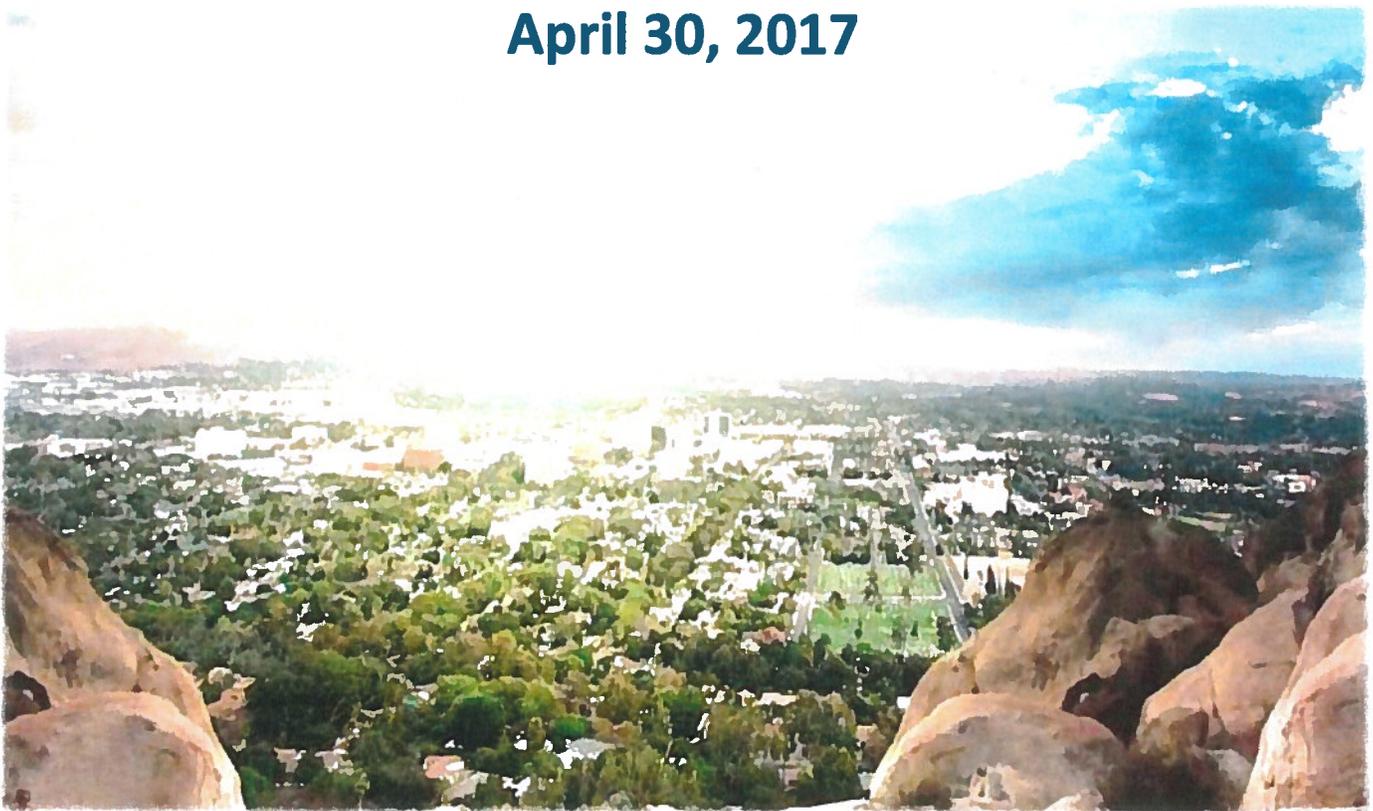


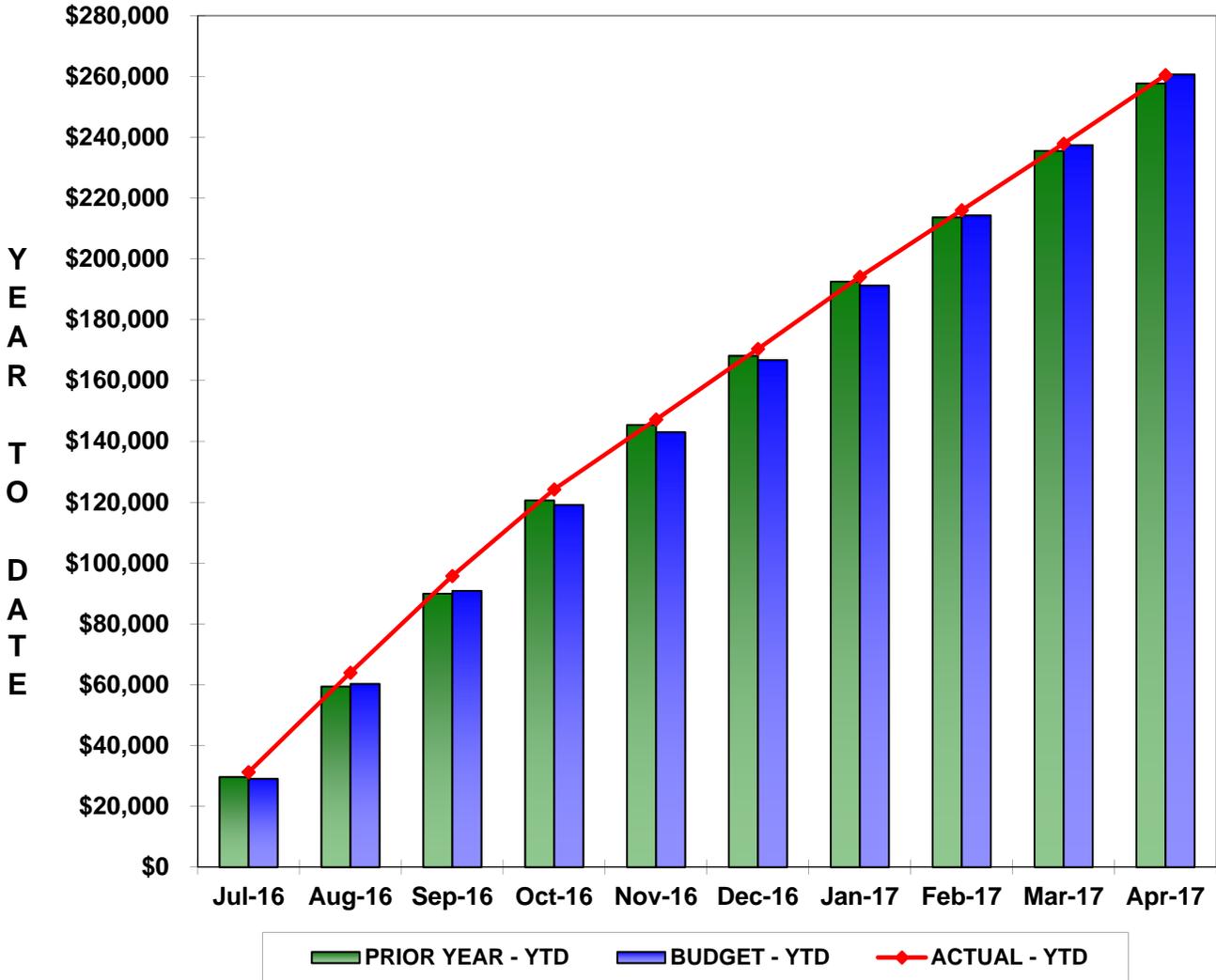
Arts & Innovation

MONTHLY FINANCIAL REPORT

April 30, 2017



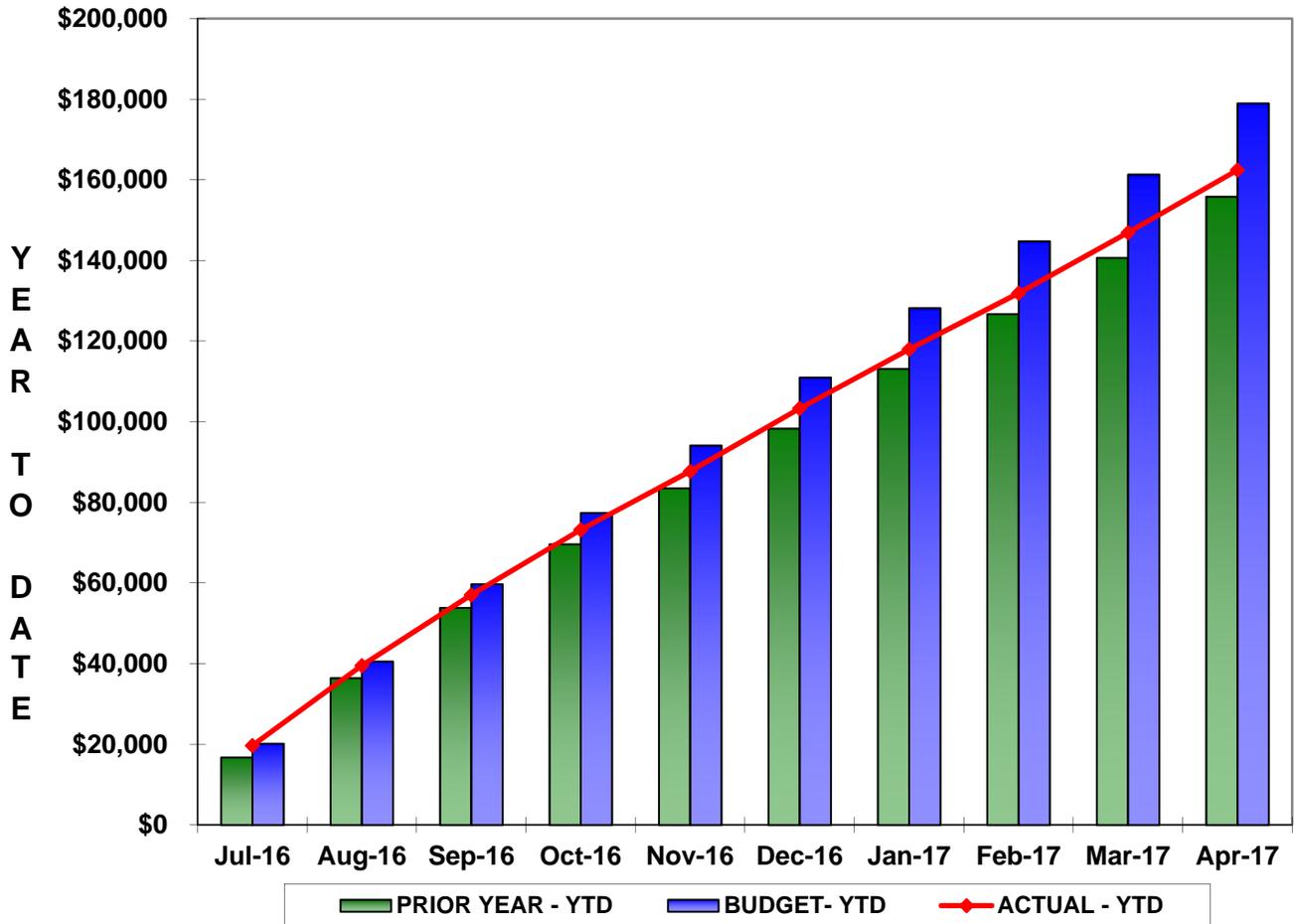
**ELECTRIC UTILITY
RETAIL SALES REVENUE
FOR THE PERIOD ENDED APRIL 30, 2017
(In Thousands)**



Actual to Prior: Year-to-date retail sales of \$260.5M are \$2.8M (1.1%) 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.

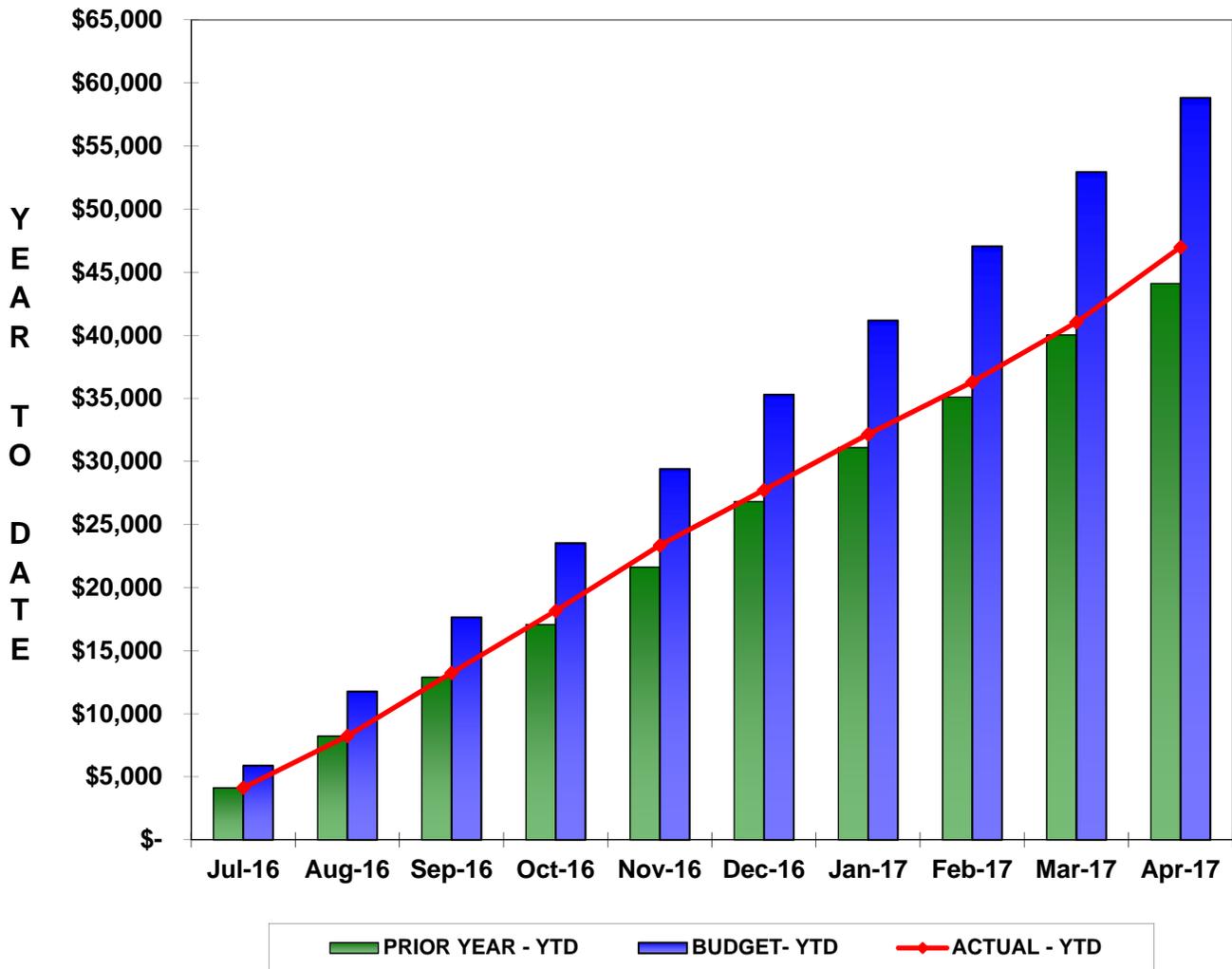
**ELECTRIC UTILITY
POWER SUPPLY EXPENSES
FOR THE PERIOD ENDED APRIL 30, 2017
(In Thousands)**



Actual to Prior: Year-to-date power supply costs of \$162.4M are \$6.6M (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 \$16.6M (9.3%) 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 APRIL 30, 2017 (In Thousands)

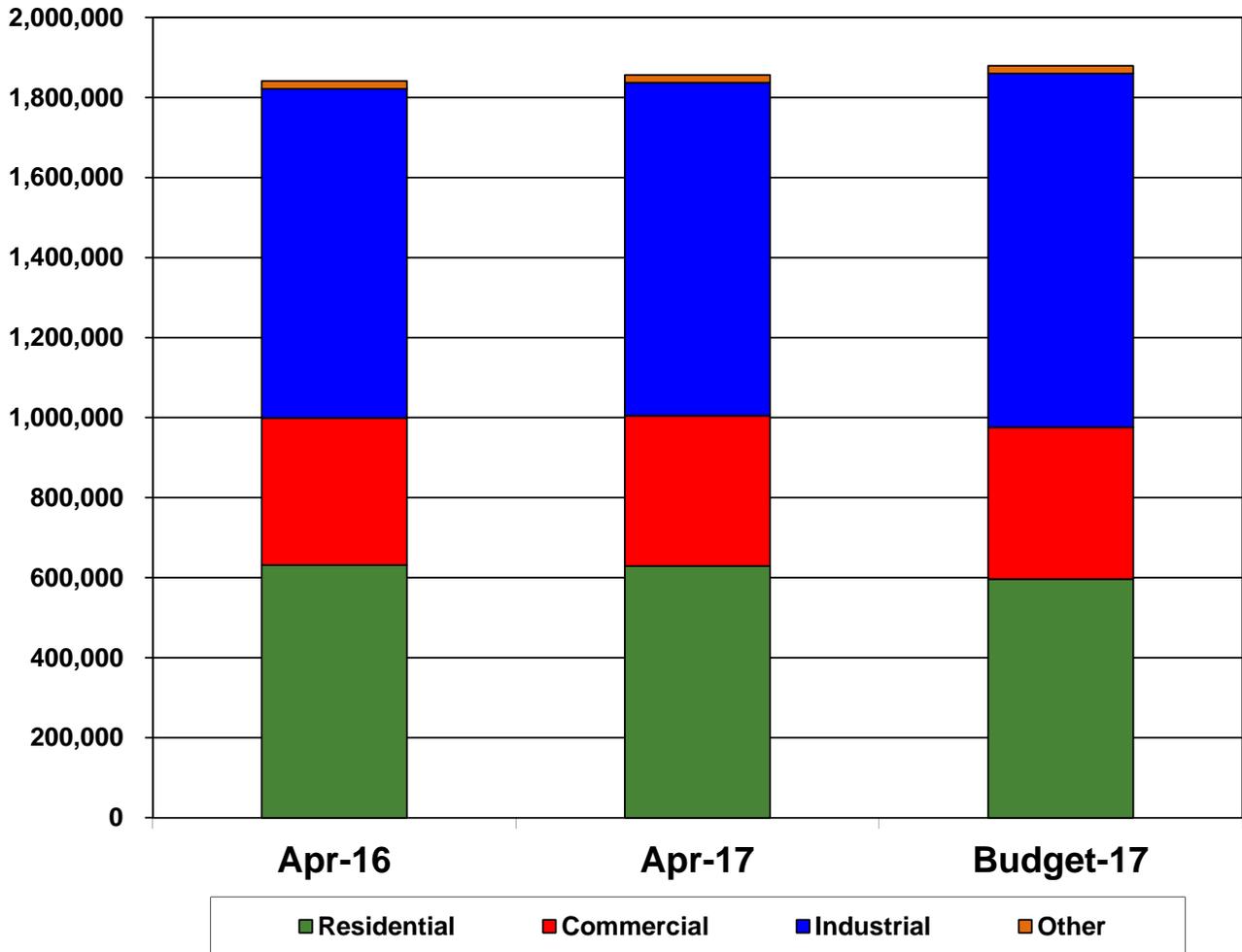


Actual to Prior: Year-to-date distribution operating expenses of \$47.0M are \$2.9M (6.5%) higher than prior year primarily due to an increase in general operating expenses.

Actual to Budget: Year-to-date operating expenses are \$11.8M (20.1%) 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 APRIL 30, 2017

Total - YTD 1,841,522 1,856,819 1,879,463

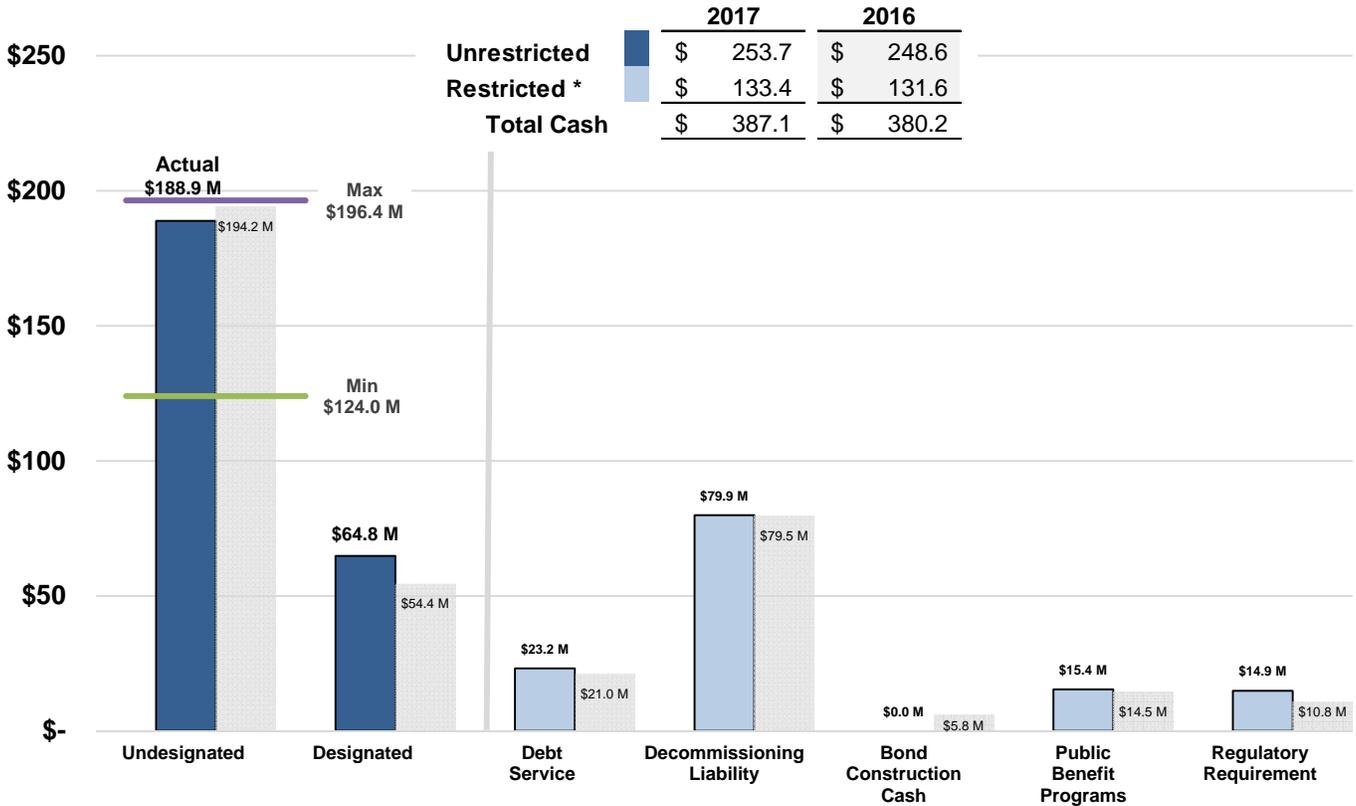


Actual to Prior: Retail kWh sales are 0.8% higher than prior year due to an increase in consumption as a result of warmer weather during the summer season.

Actual to Budget: Retail kWh sales are 1.2% below budget primarily due to lower than anticipated industrial consumption, partially offset by higher than anticipated residential consumption.

ELECTRIC UTILITY CASH BALANCE APRIL 30, 2017 AND 2016 (In Millions)

Total Cash as of April 30:



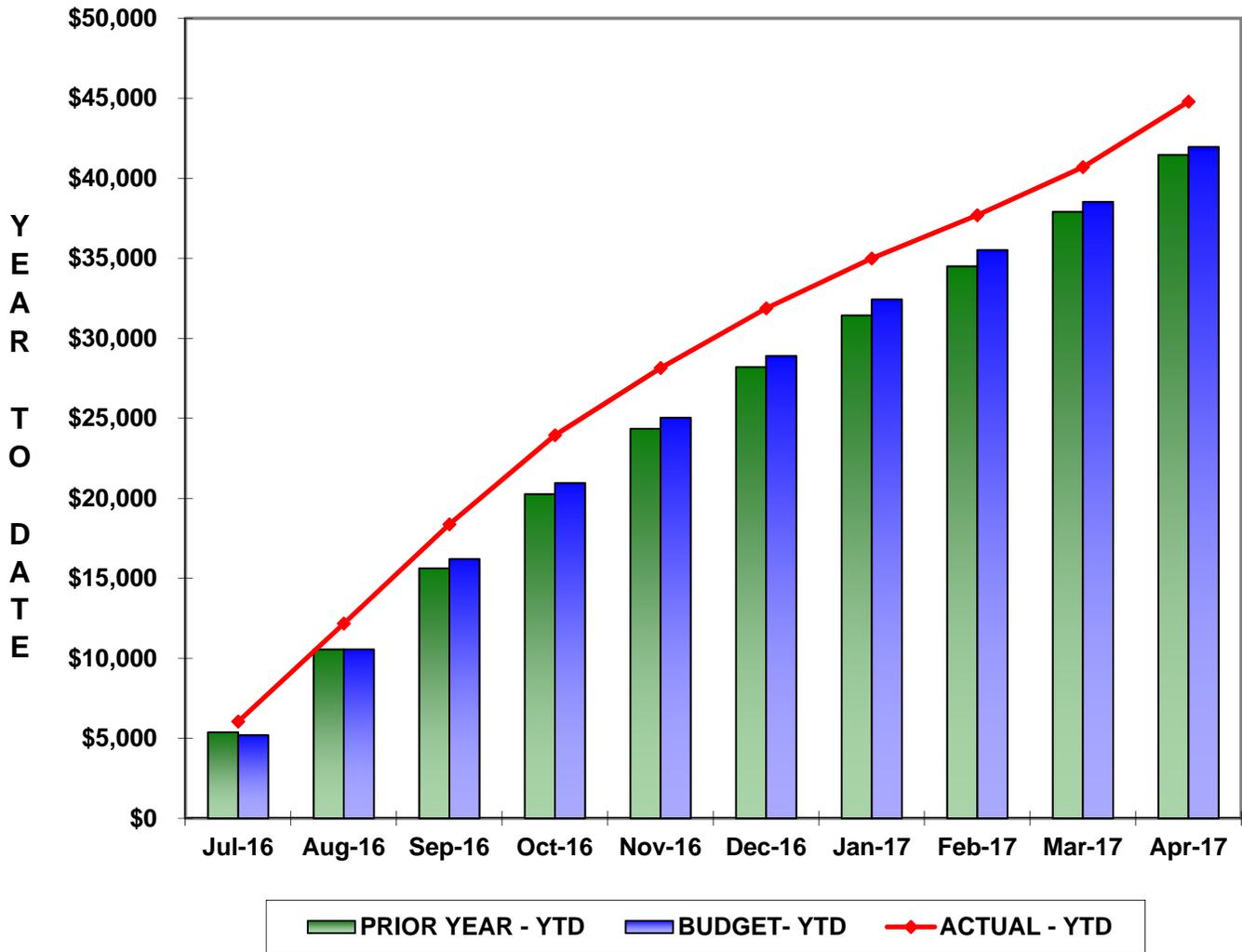
* Legally restricted for specific purposes.

The components of Unrestricted Designated Reserves are:

	FY 16/17	FY 15/16
Electric Reliability Fund	\$ 52.5	\$ 43.9
Add'l Decommissioning Liability Reserve	\$ 6.3	\$ 4.7
Customer Deposits Reserve	\$ 3.8	\$ 3.6
Capital Repair/Replacement Reserve	\$ 2.0	\$ 2.0
Mission Square Improvement Fund	\$ 0.2	\$ 0.2
Total Designated Reserves	\$ 64.8	\$ 54.4

Overall cash balances are \$6.9M higher than prior year and the unrestricted, undesignated reserve balance of \$189.0M is within target levels. The increase in total cash over prior year is primarily due to the settlement recoveries and liquidated damages received in the last quarter of the prior fiscal year and positive operating results. This is offset by the funding of capital projects with undesignated reserves.

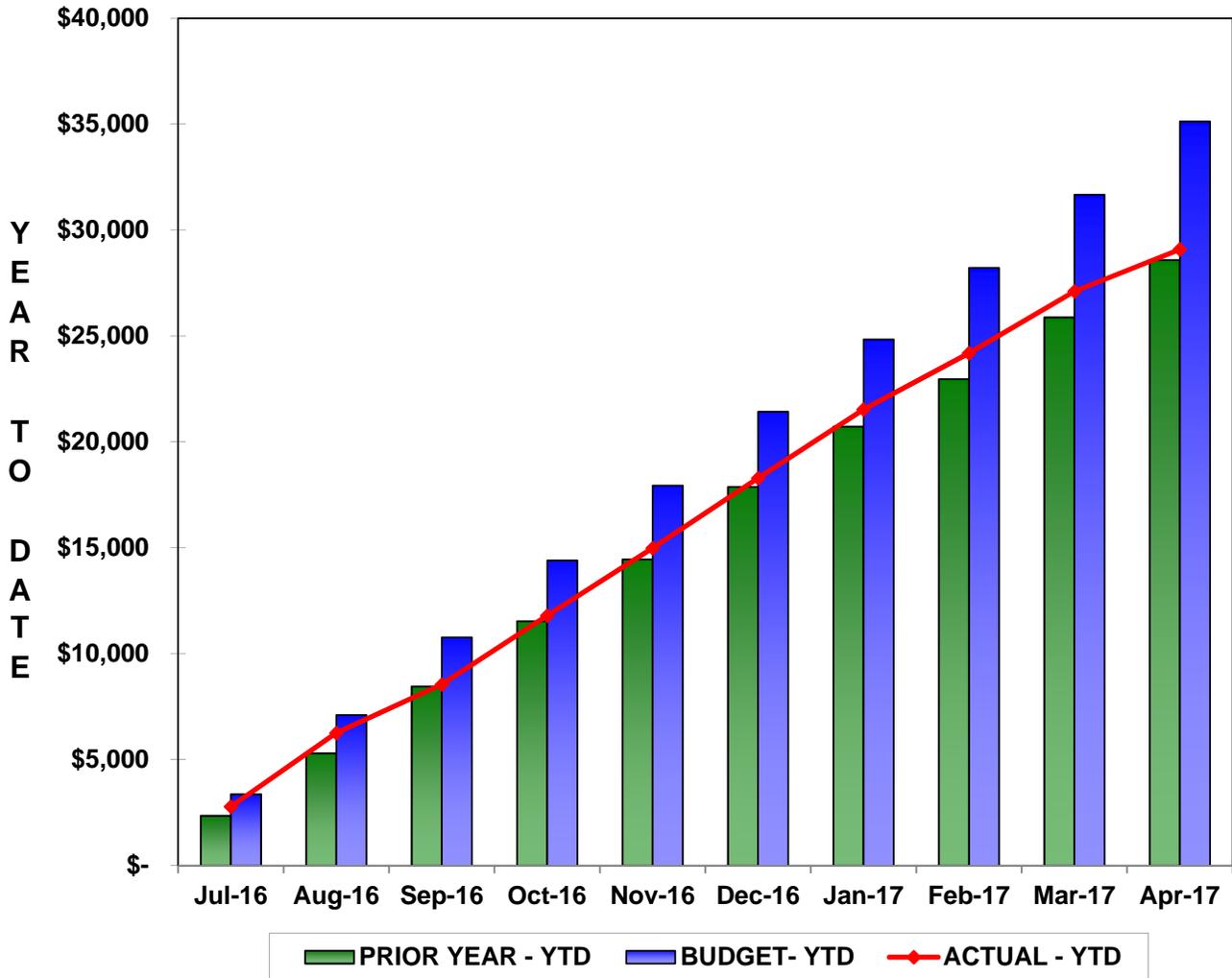
WATER UTILITY RETAIL SALES REVENUE FOR THE PERIOD ENDED APRIL 30, 2017 (In Thousands)



Actual to Prior: Year-to-date actual retail sales of \$44.8M are \$3.3M (8.0%) higher than prior year primarily due to a 7.0% 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 \$2.8M (6.7%) higher than budget due to an increase in consumption levels as a result of the lifting of water restriction mandates and warmer weather.

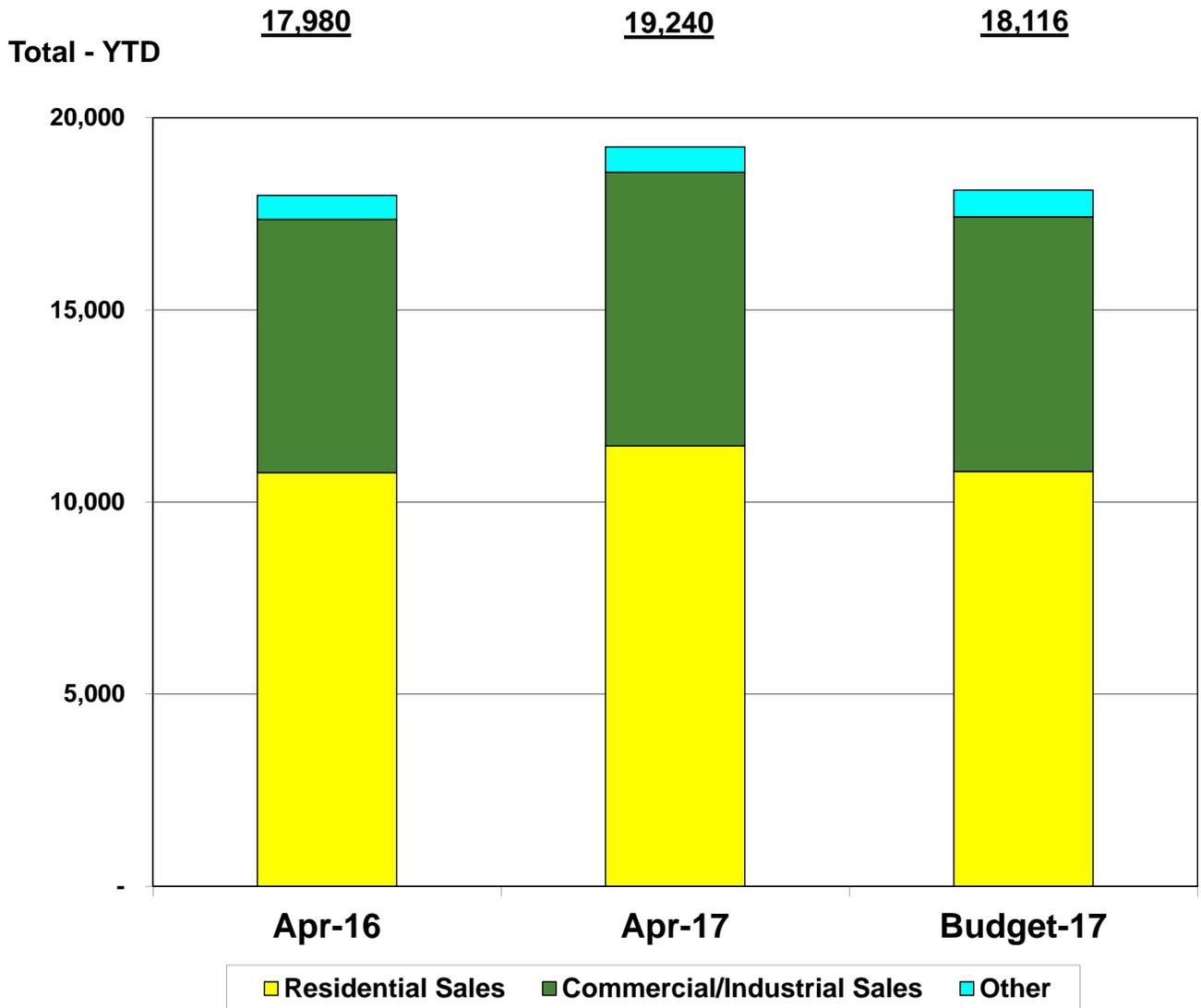
WATER UTILITY DISTRIBUTION OPERATING EXPENSES FOR THE PERIOD ENDED APRIL 30, 2017 (In Thousands)



Actual to Prior: Year-to-date distribution operating expenses of \$29.1M are \$0.5M (1.8%) 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 \$6.0M (17.2%) 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 APRIL 30, 2017



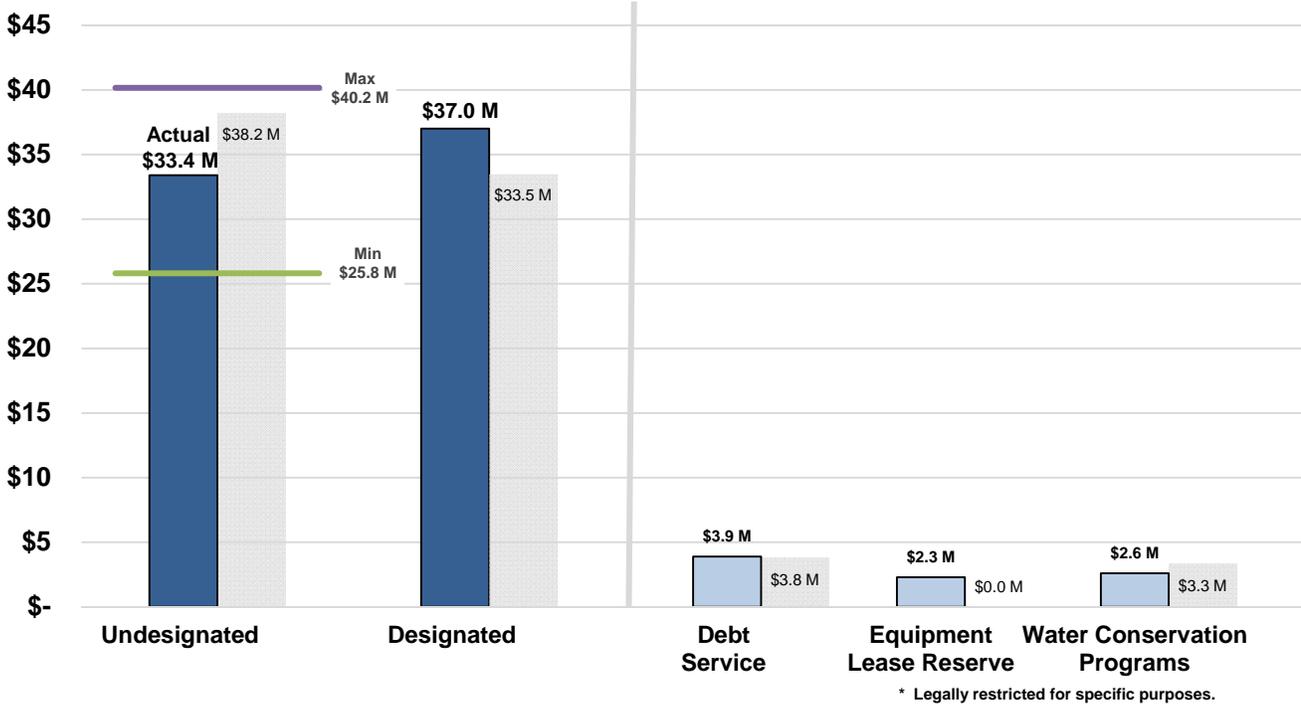
Actual to Prior: Retail CCF sales are 7.0% higher than prior year due to an increase in consumption as a result of the lifting of water restriction mandates and warmer weather during the summer season.

Actual to Budget: Retail CCF sales are 6.2% above budget due to increased consumption levels primarily due to the lifting of water restrictions and warmer weather.

WATER UTILITY CASH BALANCE APRIL 30, 2017 AND 2016 (In Millions)

Total Cash as of April 30:

	2017	2016
Unrestricted	\$ 70.4	\$ 71.7
Restricted *	\$ 8.8	\$ 7.1
Total Cash	\$ 79.2	\$ 78.8



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
Total Designated Reserves	\$ 37.0	\$ 33.5

Overall cash balances are \$0.4M higher than prior year primarily due to positive operating results and an increase in restricted reserves for proceeds received for the lease purchase financing of water heavy vehicles. This is partially offset by the use of unrestricted, undesignated reserves for capital projects traditionally funded by bonds.