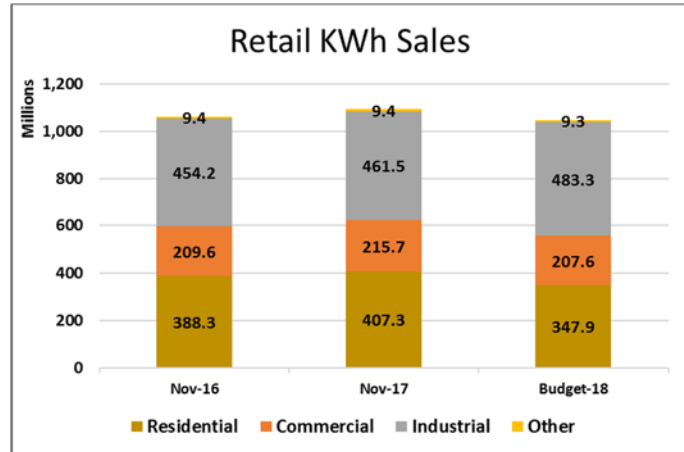
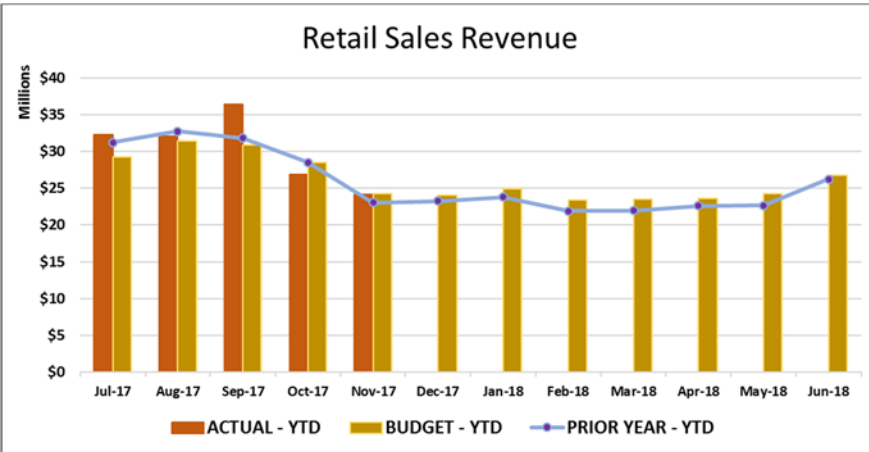


# RPU FINANCIAL RESULTS

FY 2017/18 through November 30, 2017

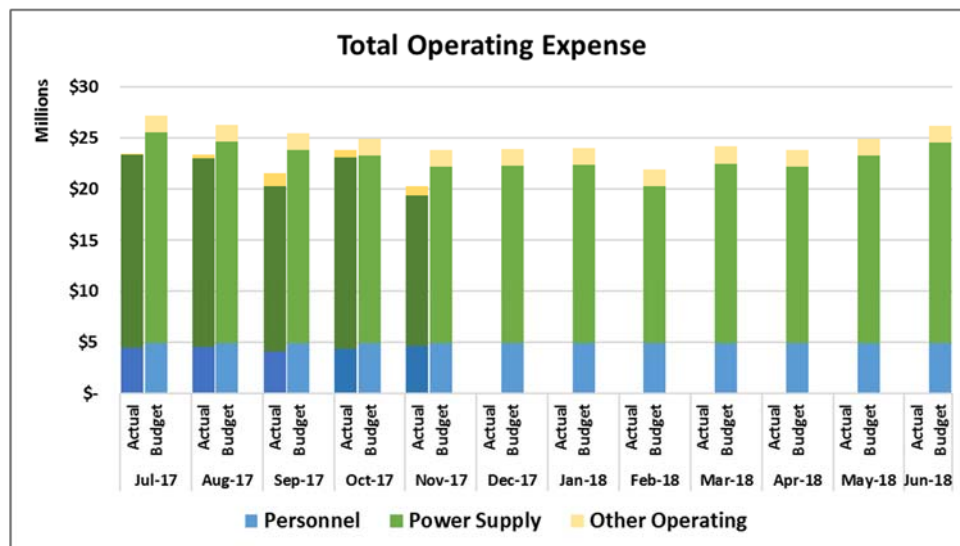
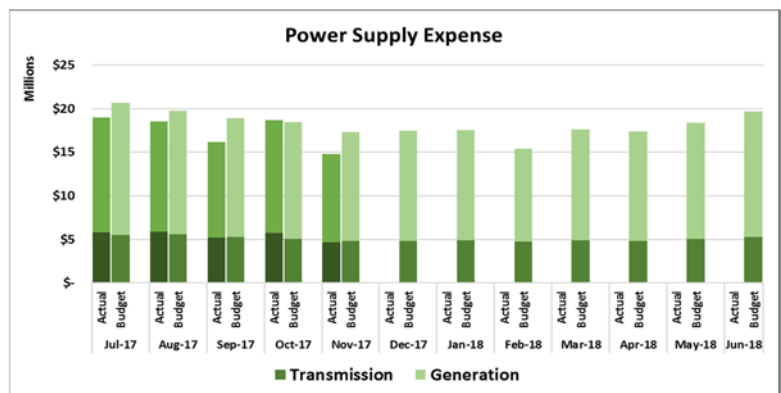
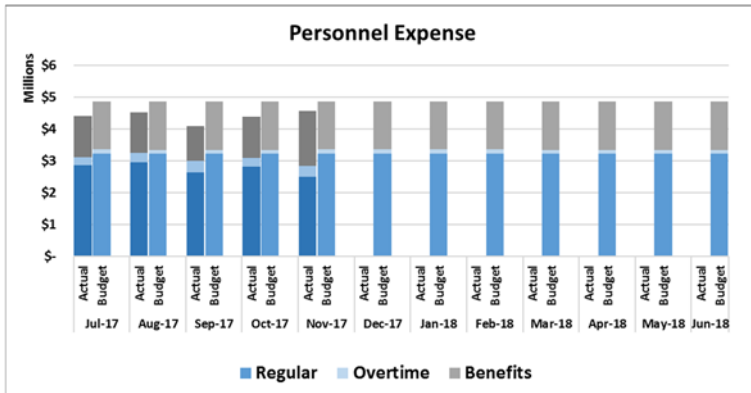
## ELECTRIC

### REVENUES



Year-to-date retail sales of \$151.6M are \$7.4M (5.1%) higher than budget and \$4.4M (3%) higher than prior year due to an increase in consumption as a result of warmer weather during the summer season. Retail kWh sales reflects 4.4% higher than budget and 3.0% higher than prior year primarily due to higher than anticipated residential and commercial consumption.

### OPERATING EXPENDITURES



**Personnel Expense:** Year-to-date personnel costs of \$22M are \$2.4M (9.9%) below budget due to various vacancies and attrition, offset by higher than budgeted overtime. Current budgeted overtime is understated and will be properly adjusted in future budgets

**Power Supply Expense:** Year-to-date power supply costs of \$87.2M are \$7.8M (8.3%) below budget due to lower than anticipated market prices, partially offset by an increase in power supply costs due to higher than expected load.

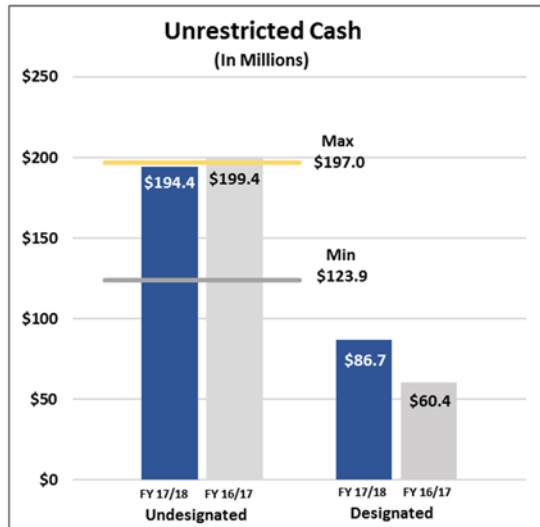
**Other Operating Expense:** Year-to-date other operating expenses of \$3.4M are \$4.8M (58.3%) below budget primarily due to timing of other operating expenditures.

## CAPITAL FUNDING

CAPITAL/EQUIPMENT FUNDING (In Millions)	Nov-17	Nov-16
Capital Contributions	\$ 0.4	\$ 0.6
Rates/Reserves	5.4	9.5
<b>TOTAL</b>	<b>\$ 5.8</b>	<b>\$ 10.1</b>

Current year capital expenses (projects and equipment) of \$5.8M are \$4.3M lower than prior year primarily due to timing of expenditures related to various capital projects.

## CASH RESERVES



COMPONENTS OF CASH RESERVES (In Millions)	11/30/2017	11/30/2016
<b>Unrestricted Designated Reserves</b>		
Electric Reliability Fund	\$ 58.1	\$ 48.8
Additional Decommissioning Liability	7.3	5.6
Customer Deposits	4.4	3.8
Capital Repair/Replacement	3.1	2.0
Mission Square Improvement	0.7	0.2
Dark Fiber	1.8	-
Bond Defeasance	11.3	-
Subtotal Unrestricted Designated Reserves	\$ 86.7	\$ 60.4
<b>Unrestricted Undesignated Reserves</b>	<b>\$ 194.4</b>	<b>\$ 199.4</b>
<b>Total Unrestricted Reserves</b>	<b>\$ 281.1</b>	<b>\$ 259.8</b>
<b>Legally Restricted Reserves</b>		
Debt Service	\$ 19.1	\$ 19.4
Decommissioning Liability	70.5	79.4
Public Benefit Programs	16.7	15.2
Regulatory Requirement	18.1	12.1
<b>Total Restricted Reserves</b>	<b>\$ 124.4</b>	<b>\$ 126.1</b>
<b>Total Cash Reserves</b>	<b>\$ 405.5</b>	<b>\$ 385.9</b>

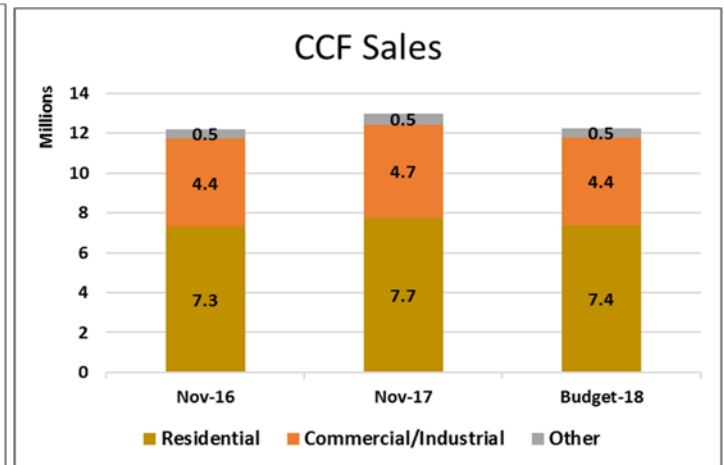
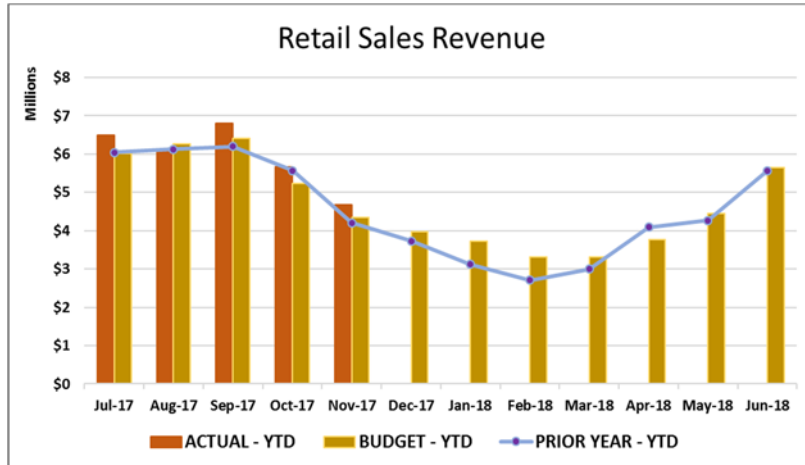
The unrestricted, undesignated reserve balance of \$194.4M is within target levels. Overall cash balances increased from prior year primarily due to positive operating results offset by use of the undesignated reserve to fund capital projects.

# RPU FINANCIAL RESULTS

FY 2017/18 through November 30, 2017

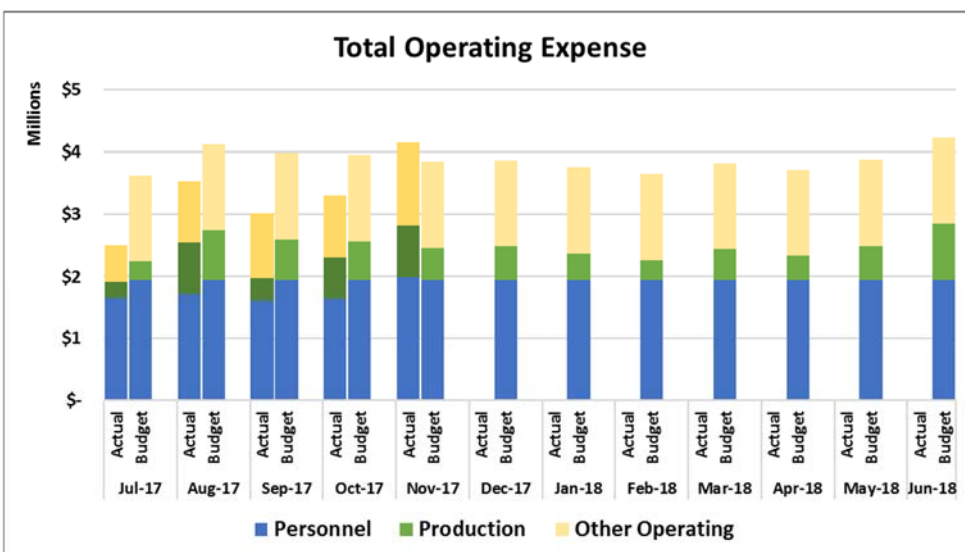
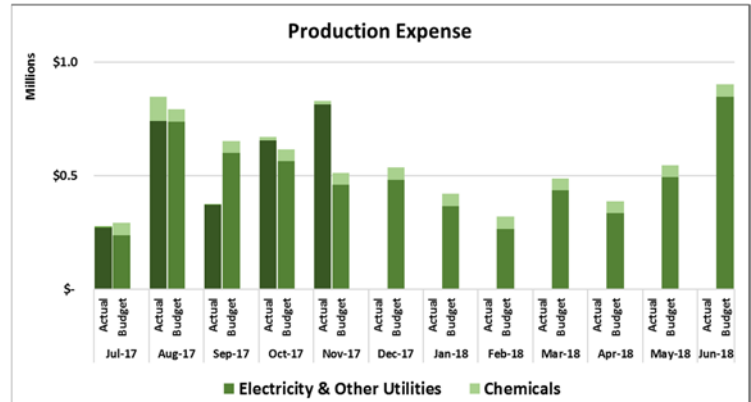
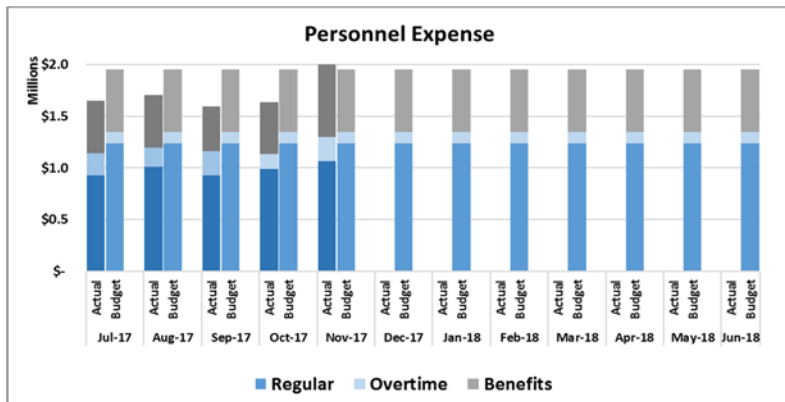
## WATER

### REVENUES



Year-to-date retail sales of \$29.7M are \$1.5 million (5.1%) higher than budget and \$1.6 million (5.6%) over prior year due to an increase in consumption as a result of the lifting of water restriction mandates and warmer than anticipated weather. CCF sales reflect a 5.8% higher than budget and 6% higher than prior year due to higher than anticipated consumption.

### OPERATING EXPENDITURES



**Personnel Expense:** Year-to-date personnel costs of \$8.6M are \$1.2M (12.1%) below budget due to various vacancies and attrition, offset by higher than budgeted overtime. Current budgeted overtime is understated and will be properly adjusted in future budgets.

**Production Expense:** Year-to-date production costs of \$3.0M are \$0.1M (4.6%) below budget due to timing of expenditures.

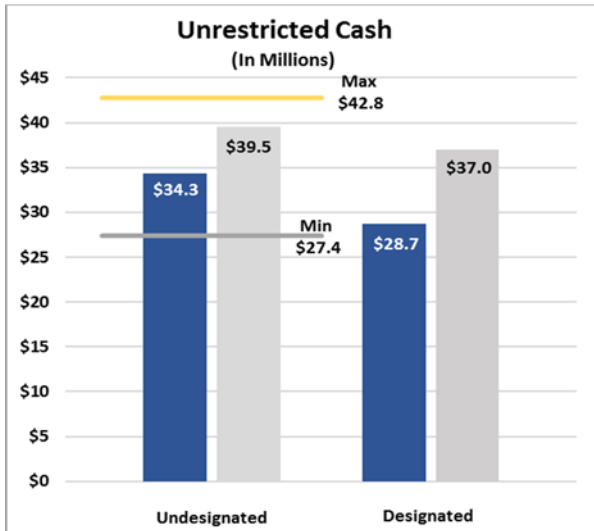
**Other Operating Expense:** Year-to-date other operating expenses of \$5.0M are \$2.0M (28.29%) below budget primarily due to timing of expenditures and savings in other general operating expenses.

## CAPITAL FUNDING

CAPITAL/EQUIPMENT FUNDING (In Millions)	Nov-17	Nov-16
Capital Contributions	\$ 1.1	\$ 0.3
Rates/Reserves	8.9	4.5
<b>TOTAL</b>	<b>\$ 10.0</b>	<b>\$ 4.8</b>

Current year capital expenses (projects and equipment) of \$10M are \$5.2M higher than prior year primarily due to an increase in main replacements and recycled water projects.

## CASH RESERVES



COMPONENTS OF CASH RESERVES (In Millions)	11/30/2017	11/30/2016
<b>Unrestricted Designated Reserves</b>		
Property	\$ 17.3	\$ 26.0
Recycled Water	9.4	9.8
Customer Deposits	0.5	\$ 0.4
Capital Repair/Replacement	1.5	\$ 0.8
Subtotal Unrestricted Designated Reserves	\$ 28.7	\$ 37.0
<b>Unrestricted Undesignated Reserves</b>	<b>\$ 34.3</b>	<b>\$ 39.5</b>
<b>Total Unrestricted Reserves</b>	<b>\$ 63.0</b>	<b>\$ 76.5</b>
<b>Legally Restricted Reserves</b>		
Debt Service	\$ 2.3	\$ 2.3
Equipment Lease	2.3	-
Water Conservation Programs	2.4	2.9
<b>Total Restricted Reserves</b>	<b>\$ 7.0</b>	<b>\$ 5.2</b>
<b>Total Cash Reserves</b>	<b>\$ 70.0</b>	<b>\$ 81.7</b>

The unrestricted, undesignated reserve balance of \$34.3M is within target levels. Overall cash balances are lower than prior year primarily due to use of the undesignated reserve to fund capital projects.