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## **Lodi Energy Center Project Participant Committee**

### **LEC Financial Reports**

AGENDA ITEM NO: 8

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**Date:** March 8, 2017

**To:** Lodi Energy Center Project Participant Committee

**Subject:** February 28, 2017 Financial Reports (Unaudited)

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**NORTHERN CALIFORNIA POWER AGENCY  
LODI ENERGY CENTER  
STATEMENTS OF NET POSITION  
UNAUDITED**

	February	
	2017	2016
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 71,541	\$ 71,132
Accounts receivable		
Others	-	270
Interest receivable	13,385	46,410
Inventory and supplies - at average cost	2,080,520	1,626,386
Prepaid insurance	356,733	77,579
Due from (to) Agency, net	11,054,646	16,141,434
<b>TOTAL CURRENT ASSETS</b>	<b>13,576,825</b>	<b>17,963,211</b>
<b>RESTRICTED ASSETS</b>		
Cash and cash equivalents	7,750,771	11,899,656
Investments	26,985,261	24,181,636
Interest receivable	19,661	21,005
<b>TOTAL RESTRICTED ASSETS</b>	<b>34,755,693</b>	<b>36,102,297</b>
<b>ELECTRIC PLANT</b>		
Electric plant in service	423,640,289	423,412,596
Less: accumulated depreciation	(62,071,627)	(47,467,218)
	361,568,662	375,945,378
Construction work-in-progress	102,031	95,332
<b>TOTAL ELECTRIC PLANT</b>	<b>361,670,693</b>	<b>376,040,710</b>
<b>OTHER ASSETS</b>		
Regulatory assets	20,613,027	18,235,458
<b>TOTAL OTHER ASSETS</b>	<b>20,613,027</b>	<b>18,235,458</b>
<b>TOTAL ASSETS</b>	<b>\$ 430,616,238</b>	<b>\$ 448,341,676</b>

**NORTHERN CALIFORNIA POWER AGENCY  
LODI ENERGY CENTER  
STATEMENTS OF NET POSITION  
UNAUDITED**

	February	
	2017	2016
<b>LIABILITIES &amp; NET POSITION</b>		
<b>CURRENT LIABILITIES</b>		
Accounts and retentions payable	\$ 474,915	\$ 528,009
Operating reserves	12,421,776	14,827,337
Current portion of long-term debt	9,950,000	9,480,000
Accrued interest payable	4,090,366	4,232,399
<b>TOTAL CURRENT LIABILITIES</b>	<b>26,937,057</b>	<b>29,067,745</b>
<b>NON-CURRENT LIABILITIES</b>		
Operating reserves and other deposits	1,715,405	5,491,198
Long-term debt, net	351,457,319	361,970,829
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>353,172,724</b>	<b>367,462,027</b>
<b>TOTAL LIABILITIES</b>	<b>380,109,781</b>	<b>396,529,772</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Regulatory credits	42,716,986	43,507,441
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	(21,840,585)	(20,682,102)
Restricted	16,954,351	14,495,796
Unrestricted	12,675,705	14,490,769
<b>TOTAL NET POSITION</b>	<b>7,789,471</b>	<b>8,304,463</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 430,616,238</b>	<b>\$ 448,341,676</b>

**NORTHERN CALIFORNIA POWER AGENCY  
LODI ENERGY CENTER  
STATEMENT OF REVENUES, EXPENSES  
& CHANGES IN NET POSITION  
UNAUDITED**

	Eight Months Ended February	
	2017	2016
<b>SALES FOR RESALE</b>		
Participants	\$ 24,566,235	\$ 21,129,556
Other	12,353,377	32,461,226
<b>TOTAL SALES FOR RESALE</b>	<b>36,919,612</b>	<b>53,590,782</b>
<b>OPERATING EXPENSES</b>		
Operations	12,664,731	23,682,184
Depreciation	9,737,203	9,733,605
Purchased power	2,139,042	3,934,904
Maintenance	2,647,416	4,784,982
Administrative and general	2,741,379	3,257,438
Transmission	318,674	405,109
Intercompany (sales) purchases	147,108	147,890
<b>TOTAL OPERATING EXPENSES</b>	<b>30,395,553</b>	<b>45,946,112</b>
<b>NET OPERATING REVENUES</b>	<b>6,524,059</b>	<b>7,644,670</b>
<b>OTHER REVENUES (EXPENSES)</b>		
Interest expense	(10,619,292)	(10,824,629)
Interest income	140,997	232,236
Other	7,598,726	3,460,700
<b>TOTAL OTHER REVENUES (EXPENSES)</b>	<b>(2,879,569)</b>	<b>(7,131,693)</b>
<b>FUTURE RECOVERABLE AMOUNTS</b>	<b>1,455,198</b>	<b>1,844,742</b>
<b>REFUNDS TO PARTICIPANTS</b>	<b>(277,702)</b>	<b>1,414,753</b>
<b>INCREASE IN NET POSITION</b>	<b>4,821,986</b>	<b>3,772,472</b>
<b>NET POSITION</b>		
Beginning of year	2,967,485	4,531,991
End of period	\$ 7,789,471	\$ 8,304,463

**Lodi Energy Center  
FY 2017 Operating Costs  
As of February 28, 2017**

	Annual Budget	Actual	Remaining	YTD % Remaining	Notes	
<b>Routine O&amp;M Costs</b>						
Variable	\$ 5,106,876	\$ 1,393,515	\$ 3,713,361	73%	A	
Fixed	3,250,596	2,303,454	947,142	29%		
Administration	226,663	47,530	179,133	79%		
Mandatory Costs	291,357	166,943	124,414	43%		
Inventory Stock	400,000	231,560	168,440	42%		
Routine O&M Costs without Labor	9,275,492	4,143,002	5,132,490	55%		
Labor	4,765,279	2,861,443	1,903,836	40%		
Total Routine O&M Cost	14,040,771	7,004,445	7,036,326	50%		
<b>Other Costs</b>						
Fuel	44,100,578	7,692,668	36,407,910	83%		B
CA ISO Charges	672,131	318,674	353,457	53%		
CA ISO Purchased Energy	1,702,141	2,139,042	(436,901)	0%		
Debt Service	26,437,261	17,608,112	8,829,149	33%		
Insurance	770,000	609,094	160,906	21%		
Other Costs	56,906	43,540	13,366	23%		
Generation Services Shared	343,414	161,567	181,847	53%		
Administrative & General (Allocated)	2,063,039	1,041,155	1,021,884	50%		
Power Management Allocated Costs	1,327,566	885,044	442,522	33%		
Total O&M Cost	91,513,807	37,503,341	54,010,466	59%		
<b>Projects</b>						
Operations & Maintenance	30,000	3,968	26,032	87%	C	
Capital	1,200,000	177,466	1,022,534	85%		
Maintenance Reserve	1,575,000	1,050,000	525,000	33%		
Total Projects	2,805,000	1,231,434	1,573,566	56%		
Annual Cost	94,318,807	38,734,775	55,584,032	59%		
<b>Less: Third Party Revenue</b>						
Interest Income	44,489	128,121	(83,632)	0%	E	
ISO Energy Sales	68,846,223	11,820,068	57,026,155	83%		
Ancillary Services Sales	1,302,829	533,309	769,520	59%		
Other Income	3,130	4,361,056	(4,357,926)	0%		
Total	70,196,671	16,842,554	53,354,117	76%		
<b>Net Annual Cost to Participants</b>	\$ 24,122,136	\$ 21,892,221	\$ 2,229,915	9%		

<b>Total Variable Costs</b>	51,581,726	11,543,899	40,037,827
<b>Total Fixed Costs</b>	42,737,081	27,190,876	15,546,205
<b>Total</b>	\$ 94,318,807	\$ 38,734,775	\$ 55,584,032

<b>Net Cumulative Generation (MWh)</b>	1,655,765	254,053
<b>Total O&amp;M Cost Per MWh</b>	\$ 55.27	\$ 147.62
<b>Net Annual Cost Per MWh</b>	\$ 14.57	\$ 86.17

**Footnotes:**

**General** - During the month, there were 24 days when the plant was available but did not run for economic reasons. February payroll, A&G allocation and generation services allocation are estimated.

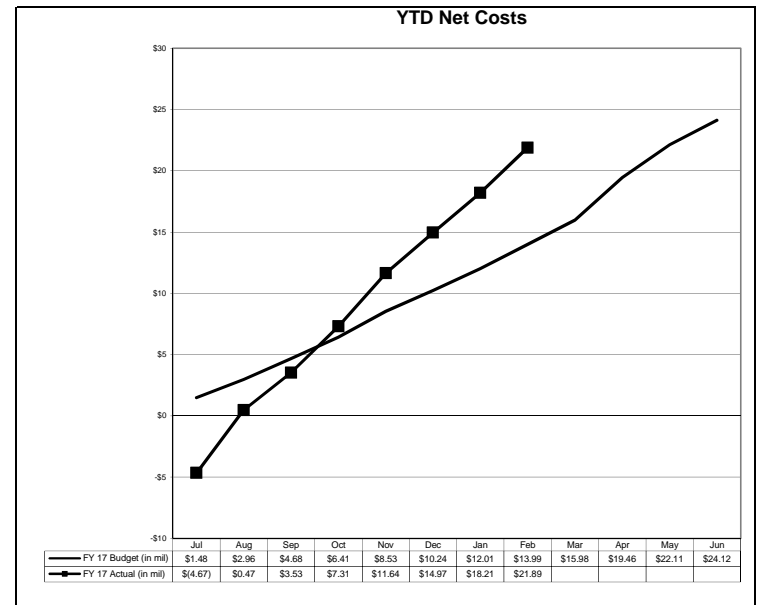
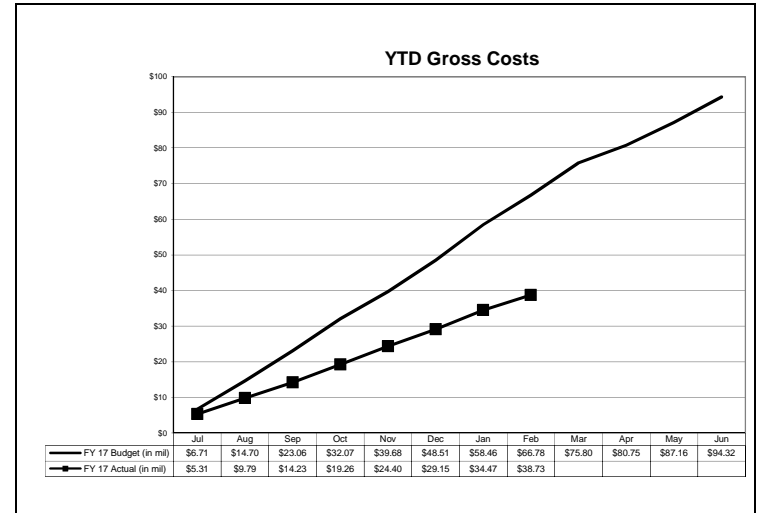
**A** - Unplanned payment for cleaning of HRSG tubes, CO catalyst and SCR catalyst related to the HRSG Stack Stratification Correction Project.

**B** - Higher than budgeted costs due to CA ISO real time settlement resulting in additional market purchases by NCPA and for Participants purchasing energy from CA ISO using LEC as the SC.

**C** - Costs reflect actual insurance paid during the year - costs projected to normalize for remainder of fiscal year.

**D** - Payments for annual bank trust fees -costs projected to normalize for remainder of fiscal year.

**E** - Other Income includes PG&E mandated CPUC refund.



**Annual Budget  
LEC Generation Analysis  
Planned vs. Actual  
FY 2017**

In MWh

**Lodi Energy Center**

