



Lodi Energy Center Project Participant Committee
LEC Financial Reports

AGENDA ITEM NO.: 8

Date: October 3, 2017

To: Lodi Energy Center Project Participant Committee

Subject: August 31, 2017 Financial Reports (Unaudited)

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

	August	
	2017	2016
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 71,843	\$ 71,311
Interest receivable	113	66
Inventory and supplies - at average cost	2,110,855	1,848,960
Prepaid insurance	156,232	59,047
Due from (to) Agency, net	14,627,454	15,037,111
TOTAL CURRENT ASSETS	16,966,497	17,016,495
RESTRICTED ASSETS		
Cash and cash equivalents	1,642,450	5,431,313
Investments	28,214,416	24,213,665
Interest receivable	82,159	34,373
TOTAL RESTRICTED ASSETS	29,939,025	29,679,351
ELECTRIC PLANT		
Electric plant in service	423,640,289	423,556,932
Less: accumulated depreciation	(69,376,092)	(54,768,613)
	354,264,197	368,788,319
Construction work-in-progress	107,024	102,031
TOTAL ELECTRIC PLANT	354,371,221	368,890,350
OTHER ASSETS		
Regulatory assets	22,012,959	19,573,600
TOTAL OTHER ASSETS	22,012,959	19,573,600
TOTAL ASSETS	\$ 423,289,702	\$ 435,159,796

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

	August	
	2017	2016
LIABILITIES & NET POSITION		
CURRENT LIABILITIES		
Accounts and retentions payable	\$ 2,116,483	\$ 1,013,760
Operating reserves	12,740,146	11,651,061
Current portion of long-term debt	10,355,000	9,950,000
Accrued interest payable	4,008,173	4,107,274
TOTAL CURRENT LIABILITIES	29,219,802	26,722,095
NON-CURRENT LIABILITIES		
Operating reserves and other deposits	1,715,973	1,715,384
Long-term debt, net	340,866,410	351,707,058
TOTAL NON-CURRENT LIABILITIES	342,582,383	353,422,442
TOTAL LIABILITIES	371,802,185	380,144,537
DEFERRED INFLOWS OF RESOURCES		
Regulatory credits	42,049,664	43,128,444
NET POSITION		
Invested in capital assets, net of related debt	(16,886,894)	(14,412,731)
Restricted	12,181,333	14,519,990
Unrestricted	14,143,414	11,779,556
TOTAL NET POSITION	9,437,853	11,886,815
TOTAL LIABILITIES AND NET POSITION	\$ 423,289,702	\$ 435,159,796

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

	Two Months Ended August	
	2017	2016
SALES FOR RESALE		
Participants	\$ 8,356,698	\$ 8,749,580
Other	5,648,228	4,929,369
TOTAL SALES FOR RESALE	14,004,926	13,678,949
OPERATING EXPENSES		
Operations	4,582,735	3,592,676
Depreciation	2,434,714	2,434,189
Purchased power	454,267	364,974
Maintenance	534,803	565,257
Administrative and general	836,752	474,810
Transmission	285,559	48,465
Intercompany (sales) purchases	40,317	28,658
TOTAL OPERATING EXPENSES	9,169,147	7,509,029
NET OPERATING REVENUES	4,835,779	6,169,920
OTHER REVENUES (EXPENSES)		
Interest expense	(2,600,302)	(2,652,314)
Interest income	194,837	(7,147)
Other	439,418	4,993,107
TOTAL OTHER REVENUES (EXPENSES)	(1,966,047)	2,333,646
FUTURE RECOVERABLE AMOUNTS	360,504	415,771
REFUNDS TO PARTICIPANTS	(14)	(7)
INCREASE IN NET POSITION	3,230,222	8,919,330
NET POSITION		
Beginning of year	6,207,631	2,967,485
End of period	\$ 9,437,853	\$ 11,886,815

**Lodi Energy Center
FY 2018 Operating Costs
As of August 31, 2017**

	Annual Budget	Actual	Remaining	YTD % Remaining	Notes
Routine O&M Costs					
Variable					
Fixed	\$ 1,263,067	\$ 115,469	\$ 1,147,598	91%	
Administration	3,336,592	353,216	2,983,376	89%	
Mandatory Costs	230,934	16,403	214,531	93%	
Routine O&M Costs without Labor	291,959	172,253	119,706	41%	A
Labor	5,122,552	657,341	4,465,211	87%	
Total Routine O&M Cost	5,051,714	730,436	4,321,278	86%	
Other Costs	10,174,266	1,387,777	8,786,489	86%	
Fuel					B
CA ISO Charges	14,877,170	3,591,217	11,285,953	76%	C
CA ISO Purchased Energy	196,309	49,014	147,295	75%	
Debt Service	3,724,590	454,267	3,270,323	88%	
Insurance	26,416,640	4,402,773	22,013,867	83%	
Other Costs	765,367	-	765,367	100%	
Generation Services Shared	54,826	10,677	44,149	81%	
Administrative & General (Allocated)	359,388	40,317	319,071	89%	
Power Management Allocated Costs	1,883,356	278,402	1,604,954	85%	
Total O&M Cost	1,479,117	246,520	1,232,597	83%	
Projects	59,931,029	10,460,964	49,470,065	83%	
Operations & Maintenance	63,652	-	63,652	100%	
Capital	560,000	-	560,000	100%	
Maintenance Reserve	2,012,800	335,467	1,677,333	83%	
Total Projects	2,636,452	335,467	2,300,985	87%	
Annual Cost	62,567,481	10,796,431	51,771,050	83%	
Less: Third Party Revenue					
Interest Income	171,889	35,362	136,527	79%	
ISO Energy Sales	19,760,321	5,315,184	14,445,137	73%	
Ancillary Services Sales	396,879	96,499	300,380	76%	
	20,329,089	5,447,250	14,881,839	73%	
Net Annual Cost to Participants	\$ 42,238,392	\$ 5,349,181	\$ 36,889,211	87%	

Total Variable Costs	20,061,136	4,209,967	15,851,169
Total Fixed Costs	42,506,345	6,586,464	35,919,881
	<u>\$ 62,567,481</u>	<u>\$ 10,796,431</u>	<u>\$ 51,771,050</u>

Net Cumulative Generation (MWh)	377,711	120,219
Total O&M Cost Per MWh	\$ 158.67	\$ 87.02
Net Annual Cost Per MWh	\$ 111.83	\$ 44.50

Footnotes:

General - During the month, there were 7 days when the plant was available but did not run for economic reasons.

A - Payments for annual CEC fee and Air Resources Board fee were higher than expected.

B - Higher fuel costs due to higher generation and higher natural gas costs per mmBtu.

C - Higher than budgeted CA ISO costs due to higher than anticipated GMC costs.



