



**Lodi Energy Center Project Participant Committee**

**LEC Financial Reports**

AGENDA ITEM NO.: 8

---

**Date:** December 11, 2017

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

**Subject:** November 30, 2017 Financial Reports (Unaudited)

---

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

	November	
	2017	2016
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 72,037	\$ 71,419
Interest receivable	38	62
Inventory and supplies - at average cost	2,110,855	1,881,416
Prepaid insurance	4,412	-
Due from (to) Agency, net	19,168,623	10,329,669
<b>TOTAL CURRENT ASSETS</b>	<b>21,355,965</b>	<b>12,282,566</b>
<b>RESTRICTED ASSETS</b>		
Cash and cash equivalents	3,850,623	15,188,718
Investments	35,725,259	24,214,646
Interest receivable	151,896	53,030
<b>TOTAL RESTRICTED ASSETS</b>	<b>39,727,778</b>	<b>39,456,394</b>
<b>ELECTRIC PLANT</b>		
Electric plant in service	423,757,557	423,630,069
Less: accumulated depreciation	(73,029,422)	(58,420,103)
	350,728,135	365,209,966
Construction work-in-progress	107,024	102,031
<b>TOTAL ELECTRIC PLANT</b>	<b>350,835,159</b>	<b>365,311,997</b>
<b>OTHER ASSETS</b>		
Regulatory assets	22,373,464	20,197,256
<b>TOTAL OTHER ASSETS</b>	<b>22,373,464</b>	<b>20,197,256</b>
<b>TOTAL ASSETS</b>	<b>\$ 434,292,366</b>	<b>\$ 437,248,213</b>

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

	November	
	2017	2016
<b>LIABILITIES &amp; NET POSITION</b>		
<b>CURRENT LIABILITIES</b>		
Accounts and retentions payable	\$ 3,245,137	\$ 509,466
Operating reserves	13,208,514	12,044,811
Current portion of long-term debt	10,355,000	9,950,000
Accrued interest payable	11,137,599	11,327,937
<b>TOTAL CURRENT LIABILITIES</b>	<b>37,946,250</b>	<b>33,832,214</b>
<b>NON-CURRENT LIABILITIES</b>		
Operating reserves and other deposits	1,715,995	1,715,394
Long-term debt, net	340,762,287	351,582,189
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>342,478,282</b>	<b>353,297,583</b>
<b>TOTAL LIABILITIES</b>	<b>380,424,532</b>	<b>387,129,797</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Regulatory credits	41,861,971	42,779,061
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	(19,770,635)	(16,908,668)
Restricted	14,840,638	17,076,371
Unrestricted	16,935,860	7,171,652
<b>TOTAL NET POSITION</b>	<b>12,005,863</b>	<b>7,339,355</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 434,292,366</b>	<b>\$ 437,248,213</b>

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

	Five Months Ended November	
	2017	2016
<b>SALES FOR RESALE</b>		
Participants	\$ 13,181,031	\$ 14,499,303
Other	26,410,994	8,314,231
<b>TOTAL SALES FOR RESALE</b>	<b>39,592,025</b>	<b>22,813,534</b>
<b>OPERATING EXPENSES</b>		
Operations	16,832,946	7,932,759
Depreciation	6,088,044	6,085,679
Purchased power	2,431,498	1,334,244
Maintenance	1,577,775	1,862,438
Administrative and general	1,895,546	1,664,356
Transmission	508,569	227,272
Intercompany (sales) purchases	88,311	96,140
<b>TOTAL OPERATING EXPENSES</b>	<b>29,422,689</b>	<b>19,202,888</b>
<b>NET OPERATING REVENUES</b>	<b>10,169,336</b>	<b>3,610,646</b>
<b>OTHER REVENUES (EXPENSES)</b>		
Interest expense	(6,500,755)	(6,633,294)
Interest income	299,823	69,666
Other	1,108,854	6,285,443
<b>TOTAL OTHER REVENUES (EXPENSES)</b>	<b>(5,092,078)</b>	<b>(278,185)</b>
<b>FUTURE RECOVERABLE AMOUNTS</b>	721,009	1,039,427
<b>REFUNDS TO PARTICIPANTS</b>	(35)	(18)
<b>INCREASE IN NET POSITION</b>	5,798,232	4,371,870
<b>NET POSITION</b>		
Beginning of year	6,207,631	2,967,485
End of period	\$ 12,005,863	\$ 7,339,355

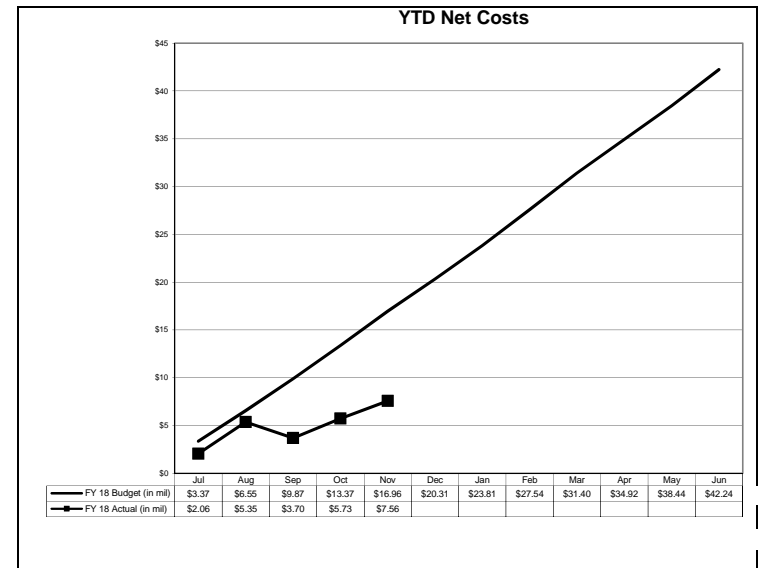
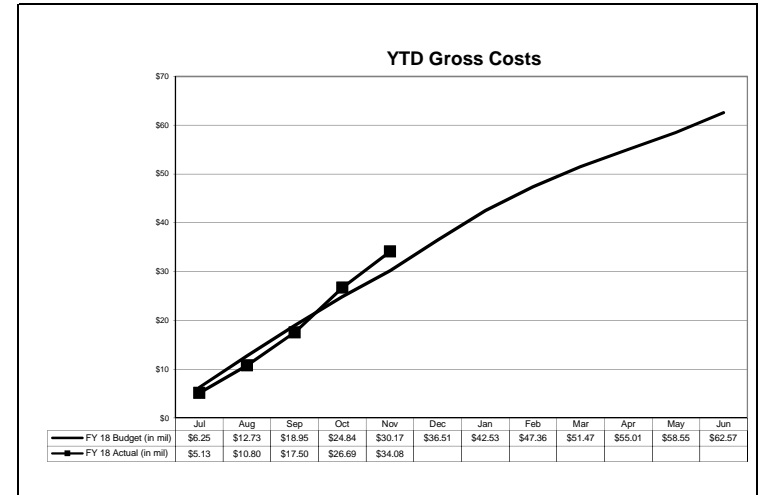
**Lodi Energy Center  
FY 2018 Operating Costs  
As of November 30, 2017**

	Annual Budget	Actual	Remaining	YTD % Remaining	Notes
<b>Routine O&amp;M Costs</b>					
Variable	\$ 1,263,067	\$ 1,734,891	\$ (471,824)	0%	A
Fixed	3,336,592	1,167,385	2,169,207	65%	
Administration	230,934	32,656	198,278	86%	
Mandatory Costs	291,959	226,292	65,667	22%	B
<b>Routine O&amp;M Costs without Labor</b>	5,122,552	3,161,224	1,961,328	38%	
<b>Labor</b>	5,051,714	1,909,314	3,142,400	62%	
<b>Total Routine O&amp;M Cost</b>	10,174,266	5,070,538	5,103,728	50%	
<b>Other Costs</b>					
Fuel	14,877,170	12,708,008	2,169,162	15%	C
CA ISO Charges	196,309	508,569	(312,260)	0%	D
CA ISO Purchased Energy	3,724,590	2,431,498	1,293,092	35%	E
Debt Service	26,416,640	11,006,933	15,409,707	58%	
Insurance	765,367	4,525	760,842	99%	
Other Costs	54,826	19,616	35,210	64%	
Generation Services Shared	359,388	113,311	246,077	68%	
Administrative & General (Allocated)	1,883,356	715,126	1,168,230	62%	
Power Management Allocated Costs	1,479,117	616,299	862,818	58%	
<b>Total O&amp;M Cost</b>	59,931,029	33,194,423	26,736,606	45%	
<b>Projects</b>					
Operations & Maintenance	63,652	50,361	13,291	21%	F
Capital	560,000	-	560,000	100%	
Maintenance Reserve	2,012,800	838,667	1,174,133	58%	
<b>Total Projects</b>	2,636,452	889,028	1,747,424	66%	
<b>Annual Cost</b>	62,567,481	34,083,451	28,484,030	46%	
<b>Less: Third Party Revenue</b>					
Interest Income	171,889	115,577	56,312	33%	G
ISO Energy Sales	19,760,321	25,768,453	(6,008,132)	0%	
Ancillary Services Sales	396,879	642,541	(245,662)	0%	
	20,329,089	26,526,964	(6,197,875)	0%	
<b>Net Annual Cost to Participants</b>	\$ 42,238,392	\$ 7,556,487	\$ 34,681,905	82%	
<b>Total Variable Costs</b>	20,061,136	17,382,966	2,678,170		
<b>Total Fixed Costs</b>	42,506,345	16,700,485	25,805,860		
	\$ 62,567,481	\$ 34,083,451	\$ 28,484,030		

<b>Net Cumulative Generation (MWh)</b>	377,711	464,243
<b>Total O&amp;M Cost Per MWh</b>	\$ 158.67	\$ 71.50
<b>Net Annual Cost Per MWh</b>	\$ 111.83	\$ 16.28

**Footnotes:**

- General** - The plant ran each day of the month.  
November payroll, A&G allocation and generation services allocation are estimated.
- A - Higher variable maintenance and chemical costs due to higher year to date generation.
  - B - Payments for annual CEC fee and Air Resources Board fee were higher than expected.
  - C - Higher fuel costs due to higher generation and higher natural gas costs per mmBtu.
  - D - Higher than budgeted CA ISO costs due to higher than anticipated GMC costs and transmission costs due to volume.
  - E - 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.
  - F - Engineering costs for relay replacements - costs projected to normalize for remainder of fiscal year.
  - G - Higher than budgeted interest income due to increase in short term interest rates.

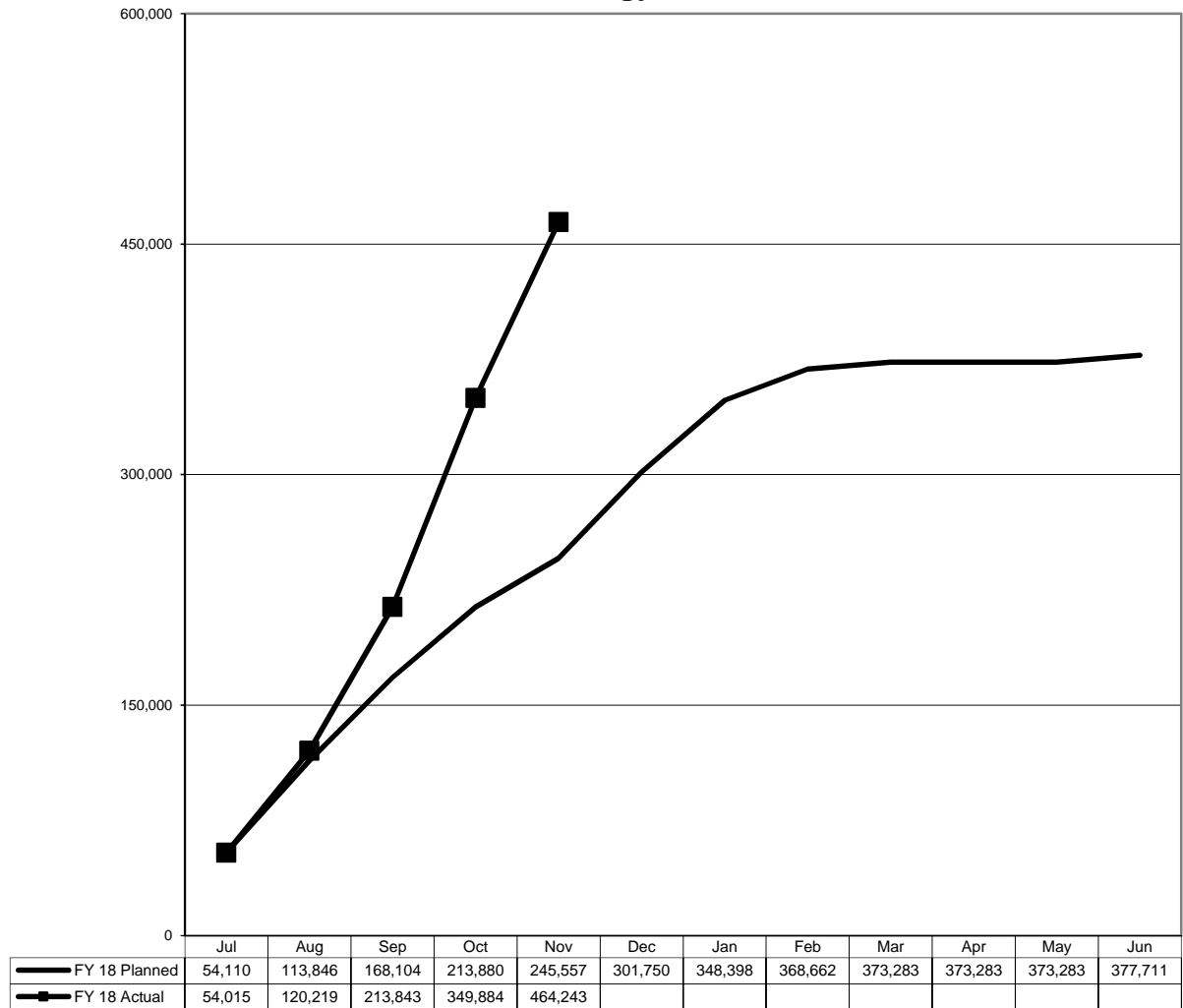


**Note:** Decrease in September net costs due to adjustment of energy sales in prior periods.

**Annual Budget  
LEC Generation Analysis  
Planned vs. Actual  
FY 2018**

In MWh

**Lodi Energy Center**



**Note:** Increase in generation due to decrease in gas transmission costs, making it economical for the plant to run.