



Lodi Energy Center Project Participant Committee

LEC Financial Reports

AGENDA ITEM NO: 8

Date: April 5, 2017

To: Lodi Energy Center Project Participant Committee

Subject: March 31, 2017 Financial Reports (Unaudited)

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

	March	
	2017	2016
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 71,541	\$ 71,132
Interest receivable	24,029	8,234
Inventory and supplies - at average cost	2,084,236	1,626,386
Prepaid insurance	318,073	66,110
Due from (to) Agency, net	9,423,263	14,515,503
TOTAL CURRENT ASSETS	11,921,142	16,287,365
RESTRICTED ASSETS		
Cash and cash equivalents	5,550,691	12,804,439
Investments	31,389,172	24,182,470
Interest receivable	28,616	30,676
TOTAL RESTRICTED ASSETS	36,968,479	37,017,585
ELECTRIC PLANT		
Electric plant in service	423,640,289	423,412,596
Less: accumulated depreciation	(63,289,640)	(48,683,919)
	360,350,649	374,728,677
Construction work-in-progress	106,360	95,332
TOTAL ELECTRIC PLANT	360,457,009	374,824,009
OTHER ASSETS		
Regulatory assets	20,820,913	18,466,050
TOTAL OTHER ASSETS	20,820,913	18,466,050
TOTAL ASSETS	\$ 430,167,543	\$ 446,595,009

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

	March	
	2017	2016
LIABILITIES & NET POSITION		
CURRENT LIABILITIES		
Accounts and retentions payable	\$ 245,435	\$ 1,557,522
Operating reserves	12,485,628	10,629,317
Current portion of long-term debt	9,950,000	9,480,000
Accrued interest payable	5,460,655	5,643,109
TOTAL CURRENT LIABILITIES	28,141,718	27,309,948
NON-CURRENT LIABILITIES		
Operating reserves and other deposits	1,715,405	5,491,307
Long-term debt, net	351,415,696	361,913,198
TOTAL NON-CURRENT LIABILITIES	353,131,101	367,404,505
TOTAL LIABILITIES	381,272,819	394,714,453
DEFERRED INFLOWS OF RESOURCES		
Regulatory credits	42,581,324	43,372,228
NET POSITION		
Invested in capital assets, net of related debt	(22,669,098)	(21,475,367)
Restricted	17,796,502	13,962,294
Unrestricted	11,185,996	16,021,401
TOTAL NET POSITION	6,313,400	8,508,328
TOTAL LIABILITIES AND NET POSITION	\$ 430,167,543	\$ 446,595,009

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

	Nine Months Ended March	
	2017	2016
SALES FOR RESALE		
Participants	\$ 26,406,659	\$ 23,427,251
Other	12,752,807	35,980,255
TOTAL SALES FOR RESALE	39,159,466	59,407,506
OPERATING EXPENSES		
Operations	13,431,083	25,693,907
Depreciation	10,955,216	10,950,306
Purchased power	2,365,999	4,400,994
Maintenance	2,962,384	5,598,038
Administrative and general	3,072,637	3,525,269
Transmission	333,990	456,764
Intercompany (sales) purchases	167,540	163,951
TOTAL OPERATING EXPENSES	33,288,849	50,789,229
NET OPERATING REVENUES	5,870,617	8,618,277
OTHER REVENUES (EXPENSES)		
Interest expense	(11,947,958)	(12,177,708)
Interest income	164,933	258,186
Other	7,872,941	3,787,603
TOTAL OTHER REVENUES (EXPENSES)	(3,910,084)	(8,131,919)
FUTURE RECOVERABLE AMOUNTS	1,663,084	2,075,335
REFUNDS TO PARTICIPANTS	(277,702)	1,414,644
INCREASE IN NET POSITION	3,345,915	3,976,337
NET POSITION		
Beginning of year	2,967,485	4,531,991
End of period	\$ 6,313,400	\$ 8,508,328

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

	Annual Budget	Actual	Remaining	YTD % Remaining	Notes	
Routine O&M Costs						
Variable	\$ 5,106,876	\$ 1,444,603	\$ 3,662,273	72%	A	
Fixed	3,250,596	2,616,982	633,614	19%		
Administration	226,663	49,737	176,926	78%		
Mandatory Costs	291,357	176,354	115,003	39%		
Inventory Stock	400,000	235,276	164,724	41%		
Routine O&M Costs without Labor	9,275,492	4,522,952	4,752,540	51%		
Labor	4,765,279	3,200,193	1,565,086	33%		
Total Routine O&M Cost	14,040,771	7,723,145	6,317,626	45%		
Other Costs						
Fuel	44,100,578	7,943,244	36,157,334	82%	B	
CA ISO Charges	672,131	333,990	338,141	50%		
CA ISO Purchased Energy	1,702,141	2,365,999	(663,858)	0%	C	
Debt Service	26,437,261	19,810,380	6,626,881	25%		
Insurance	770,000	609,094	160,906	21%		
Other Costs	56,906	43,540	13,366	23%		
Generation Services Shared	343,414	179,999	163,415	48%		
Administrative & General (Allocated)	2,063,039	1,187,297	875,742	42%		
Power Management Allocated Costs	1,327,566	995,675	331,891	25%		
Total O&M Cost	91,513,807	41,192,363	50,321,444	55%		
Projects						
Operations & Maintenance	30,000	3,968	26,032	87%		D
Capital	1,200,000	181,795	1,018,205	85%		
Maintenance Reserve	1,575,000	1,181,250	393,750	25%		
Total Projects	2,805,000	1,367,013	1,437,987	51%		
Annual Cost	94,318,807	42,559,376	51,759,431	55%		
Less: Third Party Revenue						
Interest Income	44,489	142,963	(98,474)	0%	D	
ISO Energy Sales	68,846,223	12,190,766	56,655,457	82%		
Ancillary Services Sales	1,302,829	562,041	740,788	57%		
Other Income	3,130	4,361,056	(4,357,926)	0%		
	70,196,671	17,256,826	52,939,845	75%		
Net Annual Cost to Participants	\$ 24,122,136	\$ 25,302,550	\$ (1,180,414)	0%		

Total Variable Costs	51,581,726	12,087,836	39,493,890
Total Fixed Costs	42,737,081	30,471,540	12,265,541
	<u>\$ 94,318,807</u>	<u>\$ 42,559,376</u>	<u>\$ 51,759,431</u>

Net Cumulative Generation (MWh)	1,655,765	261,140
Total O&M Cost Per MWh	\$ 55.27	\$ 157.74
Net Annual Cost Per MWh	\$ 14.57	\$ 96.89

Footnotes:

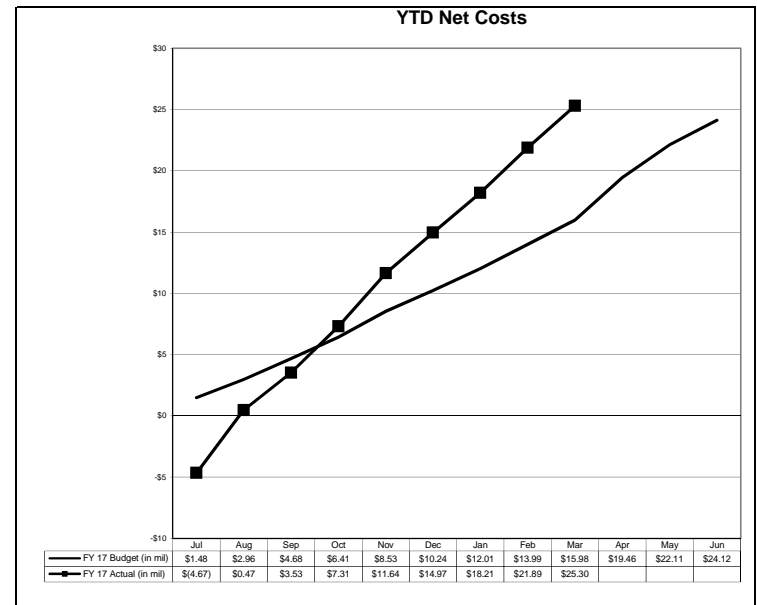
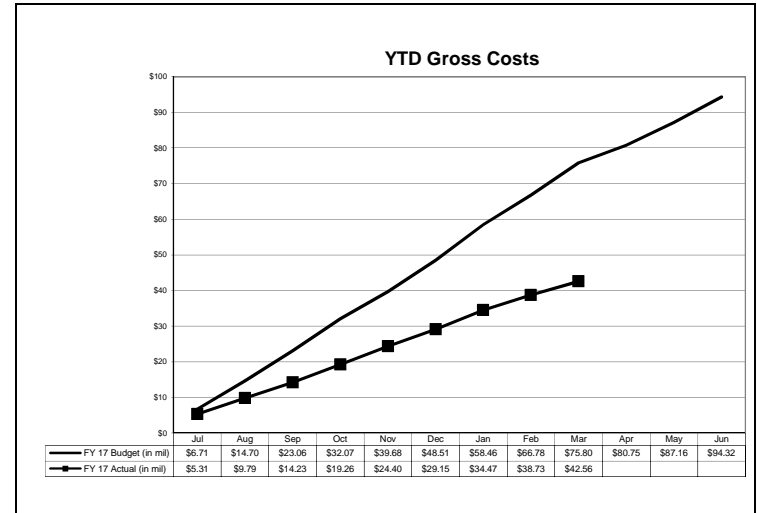
General - During the month, there were 26 days when the plant was available but did not run for economic reasons. March payroll, A&G allocation and generation services allocation are estimated.

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 - Other Income includes PG&E mandated CPUC refund.



Annual Budget LEC Generation Analysis Planned vs. Actual FY 2017

In MWh

Lodi Energy Center

