





MEMORANDUM

March 10, 2023

To: Board of Directors

From: Foster Hildreth, General Manager

Re: 2022 Year End Unaudited Financial Report

Please see attached the full 2022 Year End Unaudited financial report. Included in the report package are the Statement of Revenues and Margins (along with a notable driver analysis), Balance Sheet, Statement of Cash Flows (GAAP), and capital projects budget tracking.

2022 was a year of recovery and preparation for the next big challenge of adjusting to a decarbonized power world. We brought our team back into the office in August and opened the doors to the public again in September. Our team worked with members in arrears post-COVID and has receivables and bad debt under control again. There were still significant pandemic barriers to overcome, including contractor availability (especially ROW clearing) labor shortages (seven unfilled positions – see chart on page 21) and supply issues that have delayed capital projects. Even shorthanded, the OPALCO team made it through the year maintaining a reliability rating of 99.87% for 2022 while Team Rock Island kept the internet up 99.99% of the year.

The energy charge adjustment (ECA) collected a net \$1.4k from the membership through year end 2022. The impact of COVID-19 on our commercial members has appeared to waned as commercial revenue was above budget by ~\$503k. Overall operating revenue was higher than budget as kWh sales came in over budget.

The table below provides a summary of the financial results of 2022.

Income Statement Summary (in thousands)	Year End 2022 (unaudited)		
	Budget	Projected	Variance
Operating Revenue	\$ 34,267	\$ 35,679	\$ 1,412
ECA Surcharge / (Credit)*	\$ -	\$ 1	\$ 1
Revenue	\$ 34,267	\$ 35,680	\$ 1,413
Expenses:			
Cost of Purchased Power	\$ 9,496	\$ 9,756	\$ 260
Transmission & Distribution Expense	7,091	7,739	648
General & Administrative Expense	6,058	5,762	(296)
Depreciation, Tax, Interest & Other	8,585	8,874	289
Total Expenses	31,230	32,131	901
Operating Margin	3,037	3,549	512
Non-op margin	285	439	154
Net Margin*	3,322	\$ 3,988	666
OTIER**	2.49	2.75	0.27
TIER**	2.64	2.97	0.33
Equity %	39.9%	40.0%	0.1%
HDD	1,375	1,543	168
kWh Purchases	220,000	241,802	21,802
kWh Sales	206,800	226,041	19,241
Capital Expenditures	10,320	8,929	(1,391)

\* The ECA collected \$1k from members through the full year of 2022.

For more details, please note the following key points:

- Heating Degree Days (HDD) were ~12% above budgeted levels (actual of 1,543 vs. budget of 1,375). Overall kWh sales were ~19.2M kWh above budget (226M vs. budget of 206.8M).
- 2022 power purchases were \$260k higher than budgeted due to a combination of higher overall kWh purchases and large peak charges. Actual kWh purchases were 21.8M kWh above budget (241.8M vs. budget of 220M).
- Excluding purchased power, 2022 operating expenses were approximately \$641k over budgeted amounts. See budget notable drivers within the financial packet for specific account details.
- The ECA for 2022 was a net charge to members (and increase to operating revenue) of \$1.4k, or \$.89 for a member using 1000 kWh/month.
- The year ended with staffing down by seven full time employees. Hiring is challenging in the current environment and competition in the industry is high. The qualified and dedicated team has managed to maintain reliability, but adequate staffing that management continue to address.
- Rock Island Communications 2022 Financials included in separate packet.

OPALCO 2022 Financial Package under separate cover.

# ORCAS POWER AND LIGHT COOPERATIVE

## STATEMENT OF OPERATIONS EXECUTIVE SUMMARY

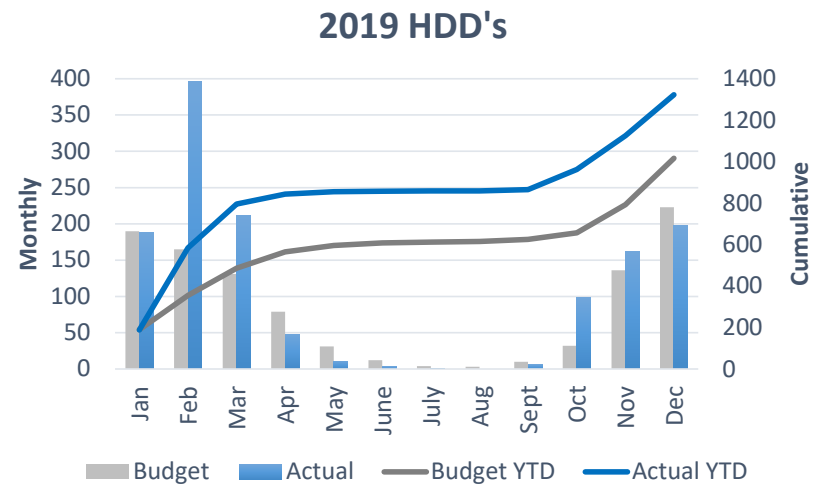
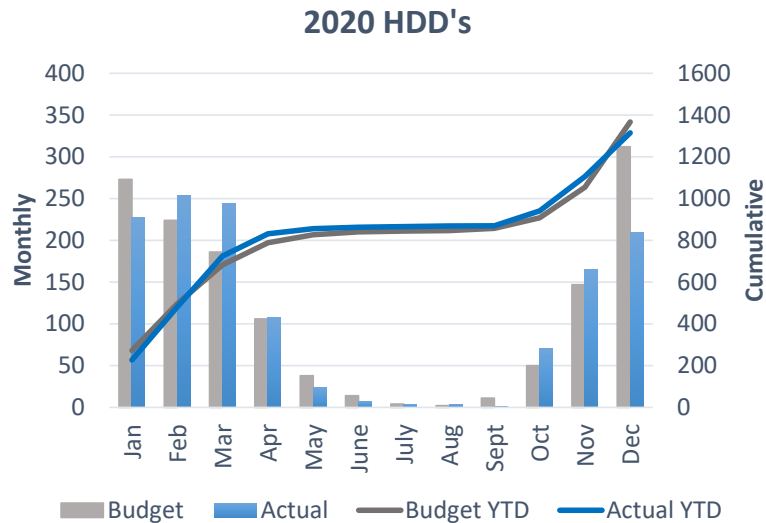
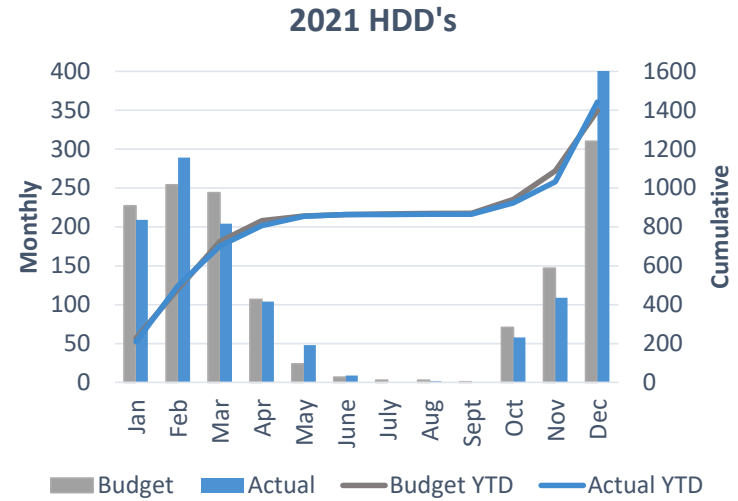
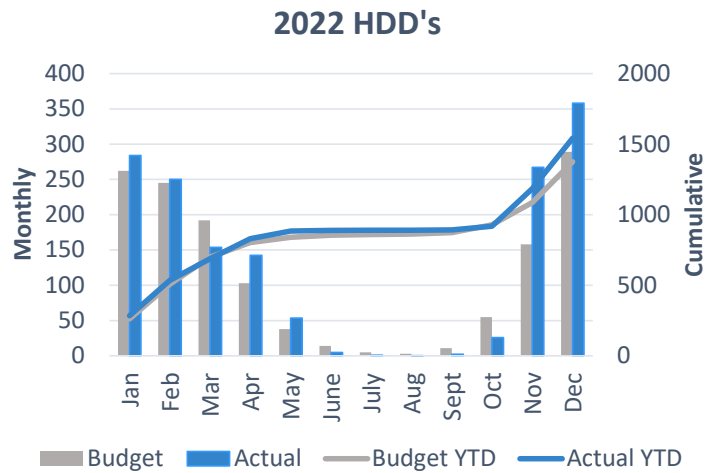
		A. Audited Year End 12/31/2020	B. Audited Year End 12/31/2021	C. Budget Year End 12/31/2022	D. Unaudited Year End 12/31/2022	E. Budget \$ Change (D - C)	F. Budget % Change (D - C)
1	kWh Purchases	225,413,000	238,379,768	220,000,000	<b>241,801,858</b>	21,801,858	9.9%
2	Gross Operating Revenue	32,577,000	34,893,000	34,267,000	<b>35,679,000</b>	1,412,000	4.1%
3	Energy Charge Adjustment	(651,000)	(1,294,000)	-	<b>1,000</b>	1,000	
4	Net Operating Revenue Total	31,926,000	33,599,000	34,267,000	<b>35,680,000</b>	1,413,000	4.1%
5	Cost of power	9,513,000	9,935,000	9,496,000	<b>9,756,000</b>	260,000	2.7%
6	Operations & G&A	12,076,000	12,035,000	13,140,000	<b>13,501,000</b>	361,000	2.7%
7	Depr, Int, Taxes & Other	8,374,000	8,348,000	8,573,000	<b>8,874,000</b>	301,000	3.5%
8		29,963,000	30,318,000	31,209,000	<b>32,131,000</b>	922,000	3.0%
9	Net Operating Margins	\$ 1,963,000	\$ 3,281,000	\$ 3,058,000	<b>\$ 3,549,000</b>	491,000	16.1%
10	Non-Operating Margins (Note 1)	\$ 416,000	\$ 2,058,000	\$ 285,000	<b>\$ 439,000</b>	154,000	54.0%
11	Net Margin	<u>\$ 2,379,000</u>	<u>\$ 5,339,000</u>	<u>\$ 3,343,000</u>	<u><b>\$ 3,988,000</b></u>	645,000	19.3%
12	OTIER	1.97	2.62	2.50	<b>2.75</b>	0.26	
13	TIER	2.18	3.63	2.64	<b>2.97</b>	0.34	
14	Equity % of Total Cap	36.0%	39.3%	39.9%	<b>40.0%</b>	0%	
15	Equity	38,341,000	42,130,000	44,584,435	<b>44,990,000</b>	405,565	0.9%
16	Total Debt	69,876,000	67,076,000	69,651,000	<b>69,195,000</b>	(456,000)	-0.7%
17	Capital Spending	(7,050,000)	(6,243,027)	(10,320,000)	<b>(8,929,000)</b>	1,391,000	-13.5%
18	Capital Credit Retirement (net)	(1,151,000)	(1,100,000)	(1,051,000)	<b>(1,189,000)</b>	(138,000)	13.1%
19	Annual HDD	1,315	1,442	1,375	<b>1,543</b>	168	12.2%
Notes							
1	2021 - PPP loan forgiveness of \$1.79M						

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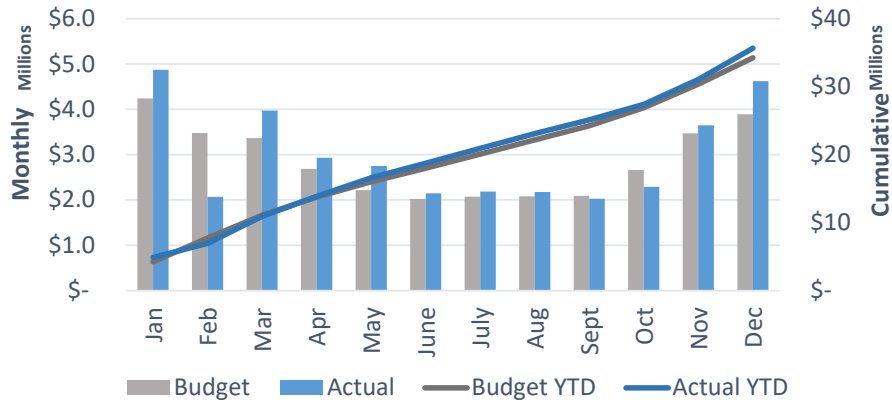
# 2022 Q4 Financial Highlights

## 2022 Budget to Actual: Heating Degree Days

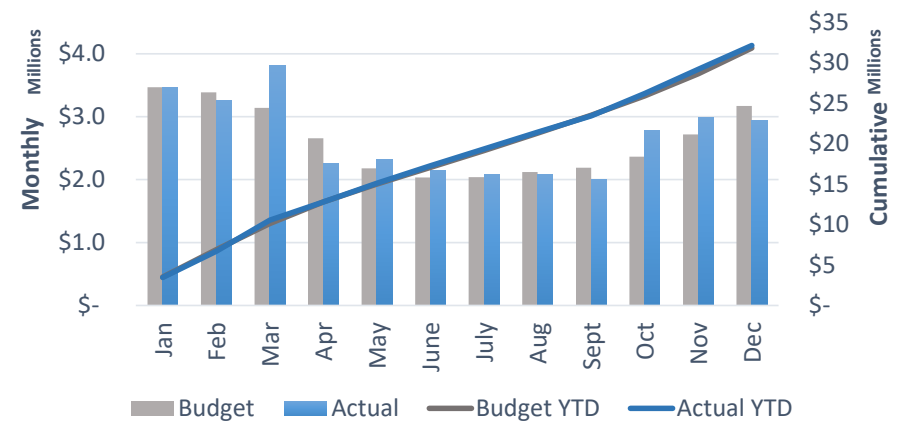


## 2022 Budget to Actual: Revenue

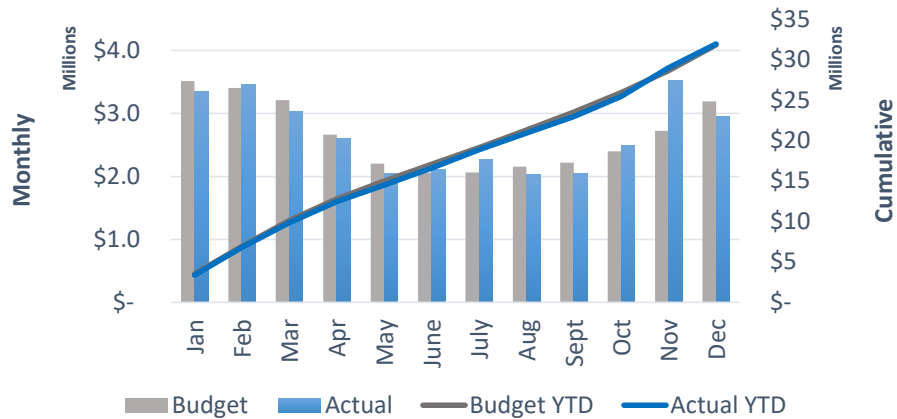
### 2022 Revenue



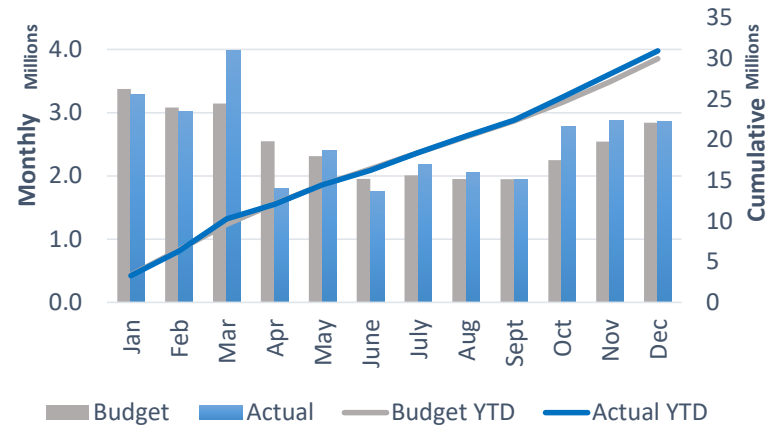
### 2021 Revenue



### 2020 Revenue



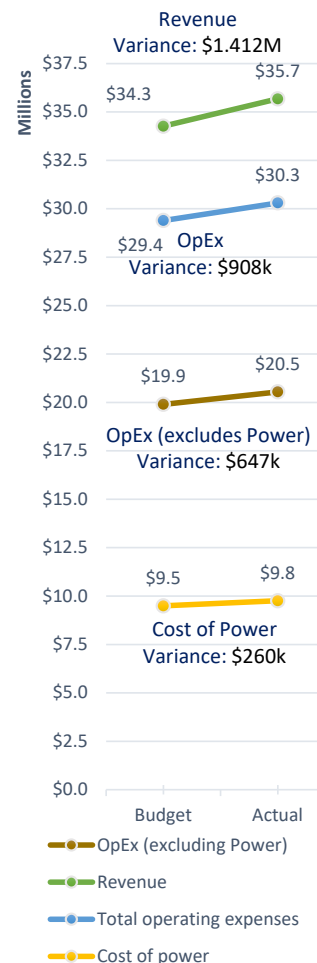
### 2019 Revenue



\* Revenue net of ECA

# 2022 Q4 Budget to Actual: Statement of Operations

	A. Audited Year End 12/31/2020	B. Audited Year End 12/31/2021	C. Budget Year End 12/31/2022	D. Unaudited Year End 12/31/2022	E. Budget Variance (E - D)
1 OPERATING REVENUES					
2 Residential	\$ 24,062,590	\$ 25,597,555	\$ 25,697,862	\$ 26,565,416	867,554
3 Commercial	7,714,074	7,880,616	8,338,411	8,841,060	502,649
4 Other					
5 Penalties and fees	75,175	59,492	170,390	213,648	43,258
6 Other	73,596	61,697	60,463	59,501	(962)
7 Total operating revenue	31,925,435	33,599,361	34,267,126	35,679,624	1,412,498
8					
9 OPERATING EXPENSES					
10 Cost of power	9,512,760	9,934,871	9,496,026	9,756,442	260,416
11 Transmission	388,576	402,069	598,130	730,538	132,408
12 Distribution - operations	3,570,350	3,625,309	3,646,738	3,900,840	254,102
13 Distribution - maintenance	2,825,081	2,564,054	2,846,288	3,107,333	261,045
14 Consumer accounts	1,093,791	1,093,181	1,157,086	1,113,268	(43,818)
15					
16 General and administration					
17 Administration	3,739,823	4,057,726	4,499,480	4,316,867	(182,613)
18 Energy services	369,201	200,205	296,023	239,843	(56,180)
19 Subsidiary charges (RIC network mgt services)	89,284	92,062	96,665	92,039	(4,626)
20 Total general and administration	4,198,308	4,349,993	4,892,168	4,648,749	(243,419)
21					
22 Depreciation and amortization	5,015,406	5,047,791	5,164,706	5,416,108	251,402
23 Taxes	1,514,553	1,502,418	1,593,704	1,629,555	35,851
24					
25 Total operating expenses	28,118,825	28,519,686	29,394,846	30,302,833	907,987
26					
27 Operating margins before fixed charges	3,806,610	5,079,674	4,872,280	5,376,791	504,511
28					
29 FIXED CHARGES					
30 Interest on long-term debt	1,966,936	1,932,928	1,943,958	1,958,757	14,799
31					
32 Operating margins after fixed charges	1,839,673	3,146,747	2,928,322	3,418,035	489,713
33					
34 PATRONAGE CAPITAL CREDITS	122,952	135,327	129,784	130,840	1,056
35					
36 Net operating margins	1,962,625	3,282,073	3,058,106	3,548,875	490,769
37					
38 NON-OPERATING MARGINS					
39 Interest income	89,550	69,515	69,833	260,916	191,083
40 Other income (loss)	157,313	1,799,001	26,186	(11,287)	(37,473)
41 Total Opalco non-operating margins	246,863	1,868,516	96,019	249,629	153,610
42					
43 Non-operating margins from Subsidiary					
44 Interest Income (RIC loan)	79,471	79,516	79,575	79,572	(3)
45 Other income (use of OPALCO backbone)	89,976	109,740	109,740	109,740	-
46 Total non-operating margins from Subsidiary	169,447	189,256	189,315	189,312	(3)
47					
48 Net non-operating margins	416,309	2,057,772	285,334	438,941	153,607
49					
50 NET MARGINS	\$ 2,378,935	\$ 5,339,845	\$ 3,343,440	\$ 3,987,816	644,376
51					
52					
53					
54					
55					
56					
57 OTIER	1.97	2.62	2.50	2.75	0.26
58 TIER	2.18	3.63	2.64	2.97	0.34
59 Equity % of Total Cap	35.9%	39.3%	39.9%	40.0%	0.1%



## Notes:

Through Q4 the ECA collected a net \$1.4k from the membership

**Note:** Due to the 1-month between the calculation of the ECA and impact on member bills, the ECA collected \$598k in January 2022, related to the calculation based on December 2021 factors.

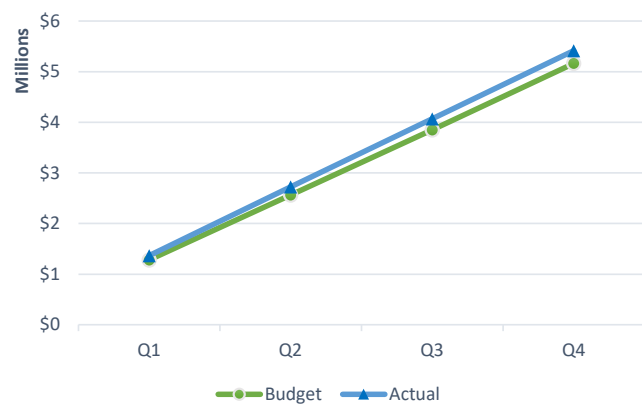
Net Operating Margin: \$3.549M (\$491k increase)

Net Margin: \$3.988M (\$645k increase)

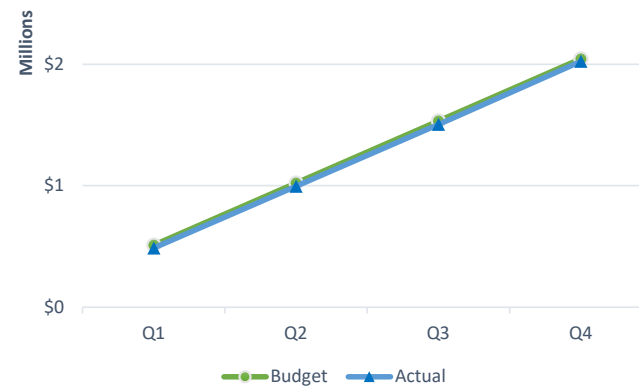


## 2022 Q4 Budget to Actual: Financial Metrics

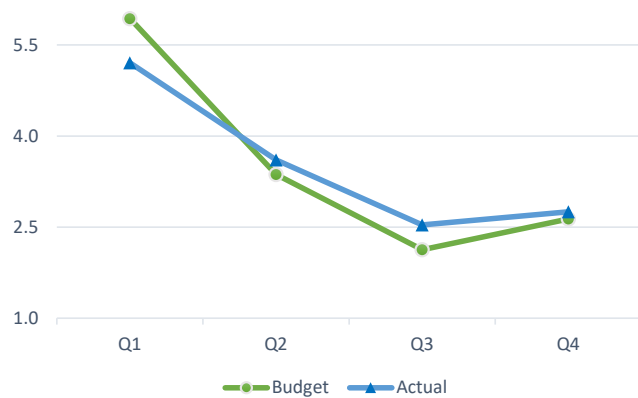
### Depreciation & Amortization



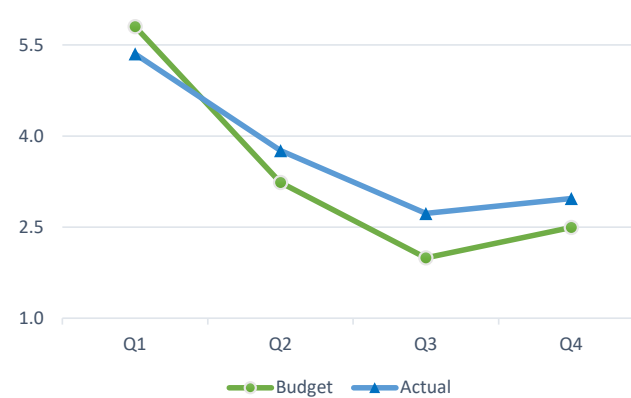
### Interest



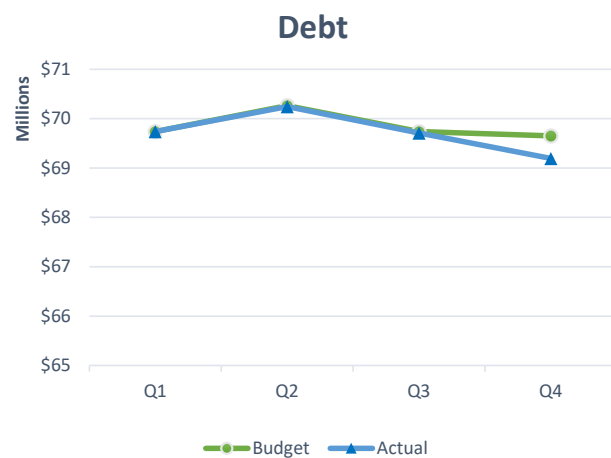
### OTIER



### TIER

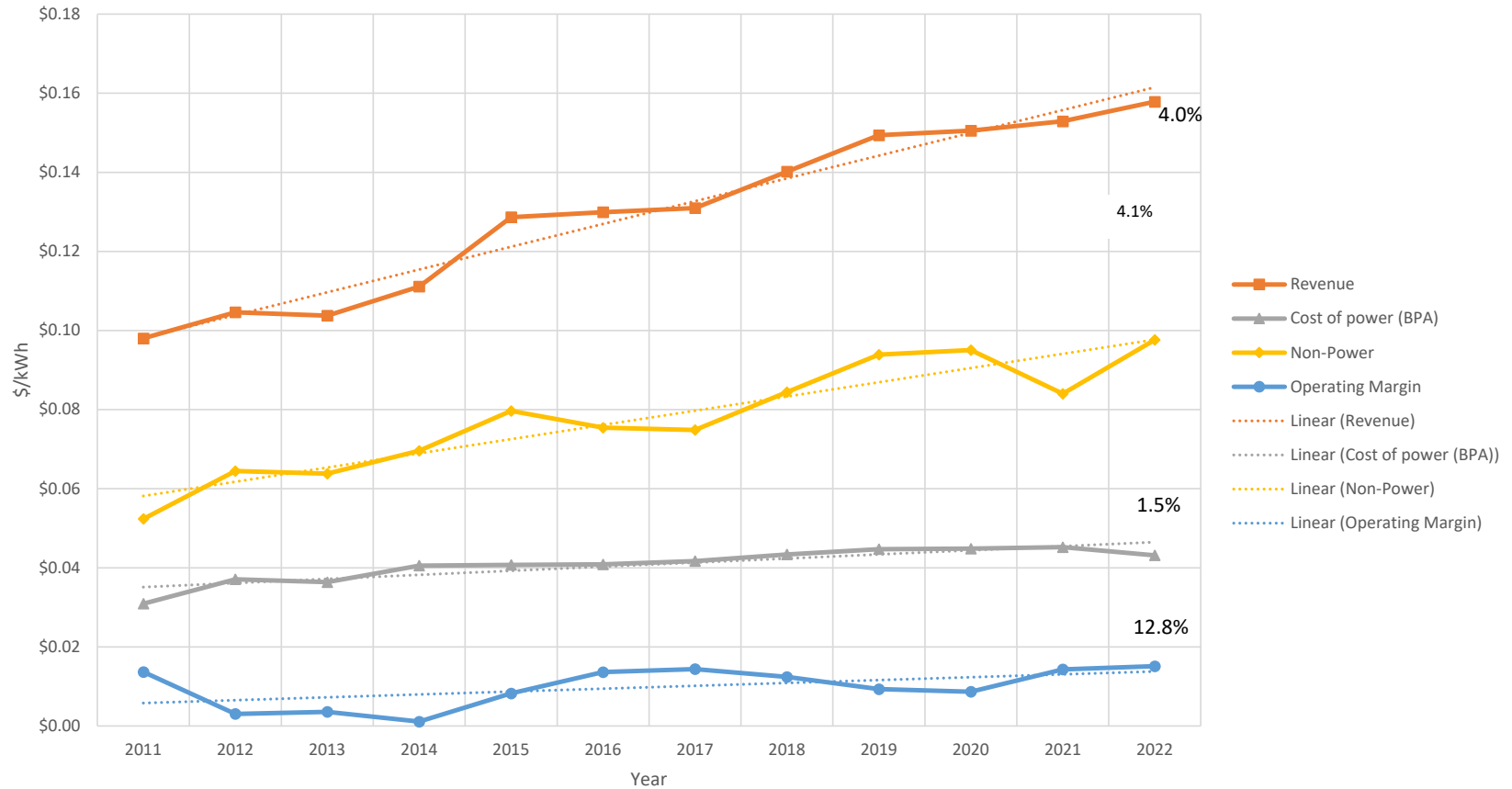


## 2022 Q4 Budget to Actual: Financial Metrics



# Income Statement Trends

Income Statement Trends - per kWh sold





ORCAS POWER AND LIGHT COOPERATIVE

STATEMENT OF OPERATIONS

	A. Audited Year End 12/31/2020	B. Audited Year End 12/31/2021	C. Budget Year End 12/31/2022	D. Unaudited Year End 12/31/2022	E. Budget Variance (E - D)
1 OPERATING REVENUES					
2     Residential	\$ 24,062,590	\$ 25,597,555	\$ 25,697,862	\$ 26,565,416	867,554
3     Commercial	7,714,074	7,880,616	8,338,411	8,841,060	502,649
4     Other					
5         Penalties and fees	75,175	59,492	170,390	213,648	43,258
6         Other	73,596	61,697	60,463	59,501	(962)
7     Total operating revenue	31,925,435	33,599,361	34,267,126	35,679,624	1,412,498
8					
9 OPERATING EXPENSES					
10    Cost of power	9,512,760	9,934,871	9,496,026	9,756,442	260,416
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13    Distribution - maintenance	2,825,081	2,564,054	2,846,288	3,107,333	261,045
14    Consumer accounts	1,093,791	1,093,181	1,157,086	1,113,268	(43,818)
15					
16    General and administration					
17         Administration	3,739,823	4,057,726	4,499,480	4,316,867	(182,613)
18         Energy services	369,201	200,205	296,023	239,843	(56,180)
19         Subsidiary charges (RIC network mgt services)	89,284	92,062	96,665	92,039	(4,626)
20         Total general and administration	4,198,308	4,349,993	4,892,168	4,648,749	(243,419)
21					
22    Depreciation and amortization	5,015,406	5,047,791	5,164,706	5,416,108	251,402
23    Taxes	1,514,553	1,502,418	1,593,704	1,629,555	35,851
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25    Total operating expenses	28,118,825	28,519,686	29,394,846	30,302,833	907,987
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27    Operating margins before fixed charges	3,806,610	5,079,674	4,872,280	5,376,791	504,511
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29 FIXED CHARGES					
30    Interest on long-term debt	1,966,936	1,932,928	1,943,958	1,958,757	14,799
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36    Net operating margins	1,962,625	3,282,073	3,058,106	3,548,875	490,769
37					
38 NON-OPERATING MARGINS					
39    Interest income	89,550	69,515	69,833	260,916	191,083
40    Other income (loss)	157,313	1,799,001	26,186	(11,287)	(37,473)
41    Total Opalco non-operating margins	246,863	1,868,516	96,019	249,629	153,610
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48    Non-operating margins from Subsidiary					
49         Interest Income (RIC loan)	79,471	79,516	79,575	79,572	(3)
50         Other income (use of OPALCO backbone)	89,976	109,740	109,740	109,740	-
51         Total non-operating margins from Subsidiary	169,447	189,256	189,315	189,312	(3)
52					
53    Net non-operating margins	416,309	2,057,772	285,334	438,941	153,607
54					
55 NET MARGINS	\$ 2,378,935	\$ 5,339,845	\$ 3,343,440	\$ 3,987,816	644,376
56					
57    OTIER	1.97	2.62	2.50	2.75	0.26
58    TIER	2.18	3.63	2.64	2.97	0.34
59    Equity % of Total Cap	35.9%	39.3%	39.9%	40.0%	0.1%

ORCAS POWER AND LIGHT COOPERATIVE

STATEMENT OF OPERATIONS BUDGET TO ACTUAL  
DETAILED BREAKOUT OF NOTABLE DRIVERS

		A.	B.	C.	D.		
		Budget Period End 12/31/2022	Actual Period End 12/31/2022	Budget Variance (B - A)	Comments: Budget To Actual (Column C.)		
1	I	OPERATING REVENUES	34,267,126	35,679,624	1,412,498		
2							
3						Budget	Actual
4						HDD	Variance
12		TOTAL OPERATING REVENUES	34,267,126	35,679,624	1,412,498	kWh Sales	1375
13							1543
14							168
15	II	OPERATING EXPENSES	29,394,846	30,302,833	907,987		19,241
16							
17		Cost of Power - Line 10	9,496,026	9,756,442	260,416		
18							
19							
20							
21		Transmission - Line 11 Detail Breakout:	598,130	730,538	132,408		
22							
23		Distribution - Operations - Line 12 Detail Breakout:	3,646,738	3,900,840	254,102		
24							
25		Distribution - Maintenance - Line 13 Detail Breakout:	2,846,288	3,107,333	261,045		
26							
27		Consumer accounts - Line 14 Detail Breakout:	1,157,086	1,113,268	(43,818)		
28							
29		Total General and Administrative (G&A):					
30							
31		Administration G&A - Line 17 Detail Breakout:	4,499,480	4,316,867	(182,613)		
32							
33		Energy Services G&A - Line 18	296,023	239,843	(56,180)		
34							
35		Subsidiary Charges G&A - Line 19	96,665	92,039	(4,626)		
36							
37		Total General and Administrative (G&A)	4,892,168	4,648,749	(243,419)		
38							
39		Deprec. & Amort. - Line 22	5,164,706	5,416,108	251,402		
40							
41		Taxes - Line 23	1,593,704	1,629,555	35,851		
42							
43		TOTAL OPERATING EXPENSES	29,394,846	30,302,833	907,987		
44							
45							
46	III	FIXED CHARGES - Interest Expense - Line 30	1,943,958	1,958,757	14,799		
47							
48	IV	PATRONAGE CAPITAL CREDITS (Income) - Line 34	129,784	130,840	1,056		
49							

ORCAS POWER AND LIGHT COOPERATIVE

STATEMENT OF OPERATIONS BUDGET TO ACTUAL  
DETAILED BREAKOUT OF NOTABLE DRIVERS

				A.	B.	C.	D.
				Budget	Actual	Budget	
				Period End	Period End	Variance	
				12/31/2022	12/31/2022	(B - A)	Comments: Budget To Actual (Column C.)
50			TOTAL NET OPERATING MARGINS	3,058,106	3,548,875	490,769	Increase in margin
51							
52	V		NON-OPERATING MARGINS	285,334	438,941	153,607	Increase in margin
60							
61			TOTAL OPALCO NET MARGIN DETAIL BREAKOUT	3,343,440	3,987,816	644,376	Increase in margin



ORCAS POWER AND LIGHT COOPERATIVE

BALANCE SHEET

	A. Audited Year End 12/31/2019	B. Audited Year End 12/31/2020	C. Audited Year End 12/31/2021	D. Unaudited Year End 12/31/2022	E. Change (D - C)
1 ASSETS					
2					
3 UTILITY PLANT, at cost					
4   Electric plant in service	\$ 144,301,230	\$ 148,966,539	\$ 156,749,824	\$ 159,009,291	2,259,467
5   Construction work in progress	5,015,317	6,633,154	4,342,145	9,984,056	5,641,911
6					
7	149,316,547	155,599,693	161,091,969	168,993,347	7,901,378
8   Less accumulated depreciation and amortization	53,456,306	58,016,597	62,700,104	67,446,380	4,746,276
9					
10   Net utility plant	95,860,241	97,583,096	98,391,865	101,546,967	3,155,102
11					
12   Investments in associated organizations					
13      Other (CFC, Federated, PNGC, etc.)	1,814,993	1,866,511	1,452,951	1,539,530	86,579
14      Non-utility investment subsidiary (Note 1)	(9,279,459)	(10,664,353)	(11,093,287)	(11,173,486)	(80,199)
15      Total investments in associated organizations	(7,464,466)	(8,797,842)	(9,640,336)	(9,633,956)	6,380
16					
17   Other property and investments	(7,464,466)	(8,797,842)	(9,640,336)	(9,633,956)	6,380
18					
19 CURRENT ASSETS					
20   Cash and cash equivalents	3,928,582	6,475,385	9,509,141	9,697,636	188,495
21   Cash and cash equivalents - board designated	538,699	6,376,649	3,081,838	1,002,529	(2,079,309)
22   Accounts receivable, less doubtful accts allowance	3,910,241	4,286,644	5,561,142	6,240,612	679,470
23   Interest receivable	24,279	6,240	6,800	55,550	48,750
24   Materials and supplies	3,006,903	3,460,300	4,122,049	3,766,502	(355,547)
25   Prepaid expenses	452,011	491,537	490,688	733,741	243,053
26					
27   Total current assets	11,860,715	21,096,755	22,771,658	21,496,570	(1,275,088)
28					
29 DEFERRED CHARGES (Note 2)	647,075	1,110,562	1,518,849	4,501,196	2,982,347
30					
29   Total assets	\$ 100,903,565	\$ 110,992,571	\$ 113,042,036	\$ 117,910,777	\$ 4,868,741

## BALANCE SHEET

Updated 3/7/2023

ORCAS POWER AND LIGHT COOPERATIVE

STATEMENT OF CASH FLOW  
GAAP

	A. Audited Year End 12/31/2020	B. Audited Year End 12/31/2021	C. Unaudited Year End 12/31/2022
1 CASH FLOWS FROM OPERATING ACTIVITIES			
2     Net margins (Note 1)	\$ 2,378,935	\$ 3,872,388	\$ 3,987,816
3     Adjustments to reconcile net margin to cash			
4         from operating activities			
5         Depreciation and amortization	5,015,406	5,047,791	5,416,108
6         Changes in assets and liabilities			
7             Accounts receivable	(376,403)	192,959	(679,470)
8             Interest receivable	18,039	(560)	(48,750)
9             Prepaid expenses	(39,526)	851	(243,056)
10            Accounts payable	(123,465)	512,391	(114,837)
11            Customer deposits	(12,359)	(21,294)	18,523
12            Accrued liabilities	256,849	578,074	42,596
13            Deferred credits	52,874	(9,724)	(55,179)
14            Deferred Charges	(463,487)	(408,287)	(2,982,347)
14     Net cash from operating activities	6,706,863	9,764,589	5,341,404
16 CASH FLOWS FROM INVESTING ACTIVITIES			
17     Additions to utility plant, net	(8,112,759)	(6,941,645)	(10,287,226)
18     Reduction to non-utility plant (Island Network transition)	-	-	-
18     Change in materials and supplies	(453,397)	(661,749)	355,547
19     (Increase) decrease in investment in Subsidiary	1,384,894	428,934	80,199
20     (Increase) decrease in other OPALCO property and investments, net	(51,518)	413,560	(86,579)
21     Net cash from investing activities	(7,232,780)	(6,760,900)	(9,938,059)
23 CASH FLOWS FROM FINANCING ACTIVITIES			
24     Payments on long-term debt, net	(1,812,990)	(3,399,451)	(2,521,842)
25     Proceeds from debt (Note 1)	11,790,016	600,000	4,640,000
26     Memberships	1,240	630	155
27     Retirements of patronage capital, net	(1,057,183)	(1,119,575)	(1,045,891)
28     Change in subsidiary equities	(1,384,910)	(431,431)	(82,599)
29     Contributions in aid of construction	1,374,497	1,085,085	1,716,016
30     Net cash from financing activities	8,910,670	(3,264,742)	2,705,839
31 NET CHANGE IN CASH	8,384,753	(261,053)	(1,890,816)
32 CASH AND CASH EQUIVALENTS, beginning of year/period	4,467,281	12,852,034	12,590,981
33 CASH AND CASH EQUIVALENTS, end of year/period	12,852,034	12,590,981	10,700,165
34 SUPPLEMENTAL DISCLOSURES			
35     Cash paid for interest	\$ 2,021,376	\$ 1,594,095	\$ 2,458,019
36 OUTSTANDING DEBT BALANCE	(69,875,795)	(67,076,343)	(69,194,501)
37 Notes:			
38     1 Drew full 2022 FFB borrowing budget (\$3.6M) in Q1 to take advantage of lower interest rates. Received \$1.04M in RESP funds for Q2.			



# ORCAS POWER AND LIGHT COOPERATIVE

## STATEMENT OF CASH FLOW

### NON GAAP

Note: All numbers in thousands		A.	B.	C.	D.	E.	F.
		Audited	Audited	Approved	Actual	Budget	
		Year-End	Year-End	Budget	Period-End	Variance	
		12/31/2020	12/31/2021	12/31/2022	12/31/2022	( D - C )	Comments
1	% Rate Increase	3%	0%	4%	4%		
2	OPERATING ACTIVITIES:						
3	Margins	\$ 2,400	\$ 3,900	\$ 3,300	\$ 4,000	\$ 700	
4	Plus depreciation/amortization	5,000	5,000	5,200	5,400	200	
5	Cash flow operations	7,400	8,900	8,500	9,400	900	
6							
7	PLANT INVESTMENT (NET)						
8	Plant investment (including material inventory)	(7,100)	(6,200)	(10,300)	(8,900)	1,400	See Q4 capital sheet for detail of plant investments
9	Cash flow from operations and plant investment	300	2,700	(1,800)	500	2,300	
10							
11	CASH FLOWS FROM PATRONAGE CAPITAL	(1,200)	(1,100)	(1,050)	(1,190)	(140)	
12	Cash flow before borrowings	(900)	1,600	(2,850)	(690)	2,160	
13							
14	NET BORROWINGS	10,000	(2,800)	2,580	2,100	(480)	FFB payment due on 01/03/2023 made on 12/30/2022
15	Cash increase (decrease) after net borrowings	\$ 9,100	\$ (1,200)	\$ (270)	\$ 1,410	\$ 1,680	
16							
17							
18	OUTSTANDING DEBT BALANCE	69,900	67,080	69,700	69,200	(500)	

ORCAS POWER AND LIGHT COOPERATIVE

CAPITAL PROJECTS SUMMARY

			A.	A.	B.	C.	D.	E.	G.
			Unaudited	Audited	Budget	Budget	Actual	Budget	
			Year End	Year End	Year End	Period End	Period End	Variance	
			12/31/2020	12/31/2021	12/31/2022	12/31/2022	12/31/2022	(D- C)	
RUS CWP DESCRIPTION									
1	DISTRIBUTION								
2	100	New Services	\$ 429,487	\$ 684,462	\$ 650,000	\$ 650,000	\$ 683,235	\$ 33,235	Offset to Line 38 - New Services
3	200	New Tie Lines	337,637	24,576	-	-	19,467	19,467	Project planning efforts
4	300	Conversions and Line Changes	513,186	1,326,787	1,600,000	1,600,000	1,407,717	(192,283)	Delay in contracting due to availability
5	400	New Substations, switching station, metering point, etc.	-	-	-	-	-	-	
6	500	Substation, Switching Station, Metering Point Changes	1,148,926	351,612	3,020,500	3,020,500	1,980,169	(1,040,331)	Bid solicitation for battery in progress shift of project to 2023-24
7	600	Miscellaneous Distribution Equipment							
8	601	Transformers & Meters	674,405	911,137	955,000	955,000	928,653	(26,347)	Offset to Line 39 - Transformers & Meters
9	602	Sets of Service Wires to increase Capacity	-	-	-	-	-	-	
10	603	Sectionalizing Equipment	177,127	200,825	200,000	200,000	153,382	(46,618)	
11	604	Regulators	49,127	211,038	-	-	-	-	
12	606	Ordinary Replacements	375,670	311,213	260,000	260,000	370,825	110,825	Increase pole replacements due to inspections (Offset via Line 23)
13	607	Overhead to Underground Replacements		47,006	35,000	35,000	109,820	74,820	Increase conversions (Offset via Line 23)
14	608	Underground Dist. Cable Replacement	2,025,373	2,288,599	1,910,000	1,910,000	3,236,205	1,326,205	Shift of budget from Line 4 and Line 23
15	700	Other Distribution Items							
16	701	Engineering Fees	-	-	-	-	-	-	
17	704	LMS & SCADA	96,700	205,671	220,000	220,000	110,941	(109,059)	Delayed SCADA staged deployment to Q1 2023
18	705	AMR	34,430	-	-	-	-	-	
19	706	Communications	123,699	52,598	287,500	287,500	252,059	(35,441)	Delay in Point Lawrence installation to Q4
20	TRANSMISSION								
21	800	New Tie Line	-	-	-	-	-	-	
22	900	New Substations, switching station, metering point, etc.	75,055	16,293	100,000	100,000	10,049	(89,951)	Quotes for relaying overbudget, project canceled
23	1000	Line and Station Changes	23,510	42,518	700,000	700,000	639,300	(60,700)	Easement acquisition delaying project to 2023
24	1100	Other Transmission	-	-	-	-	-	-	
25	GENERATION								
26	1200	Generation	-	4,332	150,000	150,000	119,474	(30,526)	
27	OTHER								
28	1300	Headquarters Facilities	666,958	242,768	330,000	330,000	96,809	(233,191)	Canceled parking lot project, delayed Decatur/Blakey Shed due to contractor avail
29	1400	Acquisitions	519,133	-	-	-	-	-	
30	1500	All Other (Transportation, Etc.)							
31	1501	Transportation/Equipment/Tools/Radios	717,348	230,217	282,000	282,000	264,227	(17,773)	
32	1502	Office Equipment/Furniture/Etc.	72,945	27,088	10,000	10,000	8,156	(1,844)	
33	1503	Computer/Servers/Software	227,575	185,732	190,000	190,000	156,812	(33,188)	Rescope of project to virtual service
34	1504	Electrical Infrastructure to Support Community Solar	908	111,711	5,500,000	5,500,000	29,878	(5,470,122)	Equipment availability delays, installation delayed to 2023-24
35	1600	Minor Projects	134,979	77,111	170,000	170,000	68,327	(101,673)	Less joint projects than anticipated
36	RUS CWP SUBTOTAL		8,424,179	7,553,295	16,570,000	16,570,000	10,645,505	(5,924,495)	
37	CONTRIBUTION IN AID OF CONSTRUCTION (CIAC)								
38		New Services	(495,055)	(607,103)	(635,000)	(635,000)	(516,683)	118,317	Offset to Line 2 - New Services
39		Meters and Transformers	(271,615)	(378,177)	(400,000)	(400,000)	(375,080)	24,920	Offset to Line 8 Transformers & Meters
40		Joint Projects	(87,826)	(204,987)	(215,000)	(215,000)	(214,254)	746	Offset to Lines 3, 4, 14 and 35
41		WA DOC Grant Funding	(520,000)	(120,000)	(2,500,000)	(2,500,000)	(560,000)	1,940,000	Bid solicitation for battery in progress yet behind schedule
42		Community Solar Member Contributions	-	-	(2,500,000)	(2,500,000)	(50,000)	2,450,000	Design effort delayed to Q4 completion, installation delayed to 2023
43	CIAC SUBTOTAL		(1,374,497)	(1,310,268)	(6,250,000)	(6,250,000)	(1,716,016)	4,533,984	
44									
45	RUS CWP NET TOTAL		7,049,683	6,243,027	10,320,000	10,320,000	8,929,489	(1,390,511)	

ORCAS POWER AND LIGHT COOPERATIVE

SALES AND USAGE REPORT

		A. Year to Date Total	B. January	C. February	D. March	E. April	F. May	G. June	H. July	I. August	J. September	K. October	L. November	M. December	N. Total
1	HEATING DEGREE DAYS (HDD)														
2	Budget HDD	1,375	262	245	192	103	38	14	5	3	11	55	158	289	1,375
3	Actual HDD	1,543	284	250	154	142	54	5	1	0	2	26	267	358	1,543
4	Variance	168.0	22	5	(38)	39	16	(9)	(4.0)	(3.0)	(9)	(29)	109	69	168
5															
6	ENERGY USAGE (kWh)														
7	Residential														
8	Budget	156,160,872	19,412,388	15,887,107	15,186,932	12,315,630	10,129,418	9,233,405	9,543,928	9,490,981	9,501,153	11,923,850	15,726,375	17,809,705	156,160,872
9	Actual	165,867,783	20,949,335	15,444,326	17,922,018	13,717,321	12,382,872	8,199,196	7,784,312	8,092,000	8,011,664	8,803,419	17,759,447	26,801,873	165,867,783
10	Variance (Budget to Actual)	9,706,911	1,536,947	(442,781)	2,735,086	1,401,691	2,253,454	(1,034,209)	(1,759,616)	(1,398,981)	(1,489,489)	(3,120,431)	2,033,072	8,992,168	9,706,911
11															
12	Commercial														
13	Budget	50,639,128	6,187,613	5,112,892	4,913,068	3,984,370	3,270,581	2,966,595	3,056,072	3,109,020	3,098,847	3,976,151	5,173,625	5,790,294	50,639,128
14	Actual	60,173,709	7,676,604	5,191,133	5,773,972	4,856,519	4,554,361	3,812,984	3,962,372	4,145,812	3,723,715	3,760,400	5,524,995	7,190,842	60,173,709
15	Variance (Budget to Actual)	9,534,581	1,488,991	78,241	860,904	872,149	1,283,780	846,389	906,300	1,036,792	624,868	(215,751)	351,370	1,400,548	9,534,581
16															
17	Combined Energy Usage (kWh)														
18	Budget	206,800,000	25,600,001	20,999,999	20,100,000	16,300,000	13,399,999	12,200,000	12,600,000	12,600,001	12,600,000	15,900,001	20,900,000	23,599,999	206,800,000
19	Actual	226,041,492	28,625,939	20,635,459	23,695,990	18,573,840	16,937,233	12,012,180	11,746,684	12,237,812	11,735,379	12,563,819	23,284,442	33,992,715	226,041,492
20	Variance (Budget to Actual)	19,241,492	3,025,938	(364,540)	3,595,990	2,273,840	3,537,234	(187,820)	(853,316)	(362,189)	(864,621)	(3,336,182)	2,384,442	10,392,716	19,241,492
21															
22	SALES REVENUE (kWh based)														
23	Residential														
24	Budget	25,682,936	3,199,301	2,613,871	2,524,813	2,011,215	1,658,755	1,512,792	1,552,001	1,549,697	1,556,178	1,978,465	2,596,414	2,929,434	25,682,936
25	Actual	26,540,881	3,555,926	1,523,663	3,026,160	2,186,224	2,055,552	1,540,760	1,554,758	1,531,178	1,452,348	1,677,549	2,788,597	3,648,167	26,540,881
26	Variance (Budget to Actual)	857,945	356,625	(1,090,208)	501,347	175,009	396,797	27,968	2,757	(18,519)	(103,830)	(300,917)	192,183	718,733	857,945
27															
28	Commercial														
29	Budget	8,328,552	1,019,763	841,213	816,793	650,671	535,578	486,044	496,968	507,644	507,555	659,743	854,162	952,418	8,328,552
30	Actual	8,831,174	1,292,827	515,100	919,409	714,936	668,949	578,374	603,495	617,892	546,202	591,521	837,216	945,253	8,831,174
31	Variance (Budget to Actual)	502,622	273,064	(326,113)	102,616	64,265	133,371	92,330	106,527	110,248	38,647	(68,222)	(16,946)	(7,165)	502,622
32															
33	Combined kWh Sales Revenue														
34	Budget	34,011,488	4,219,064	3,455,084	3,341,606	2,661,886	2,194,333	1,998,836	2,048,969	2,057,341	2,063,733	2,638,208	3,450,576	3,881,852	34,011,488
35	Actual	35,372,055	4,848,754	2,038,763	3,945,569	2,901,160	2,724,500	2,119,134	2,158,252	2,149,071	1,998,550	2,269,069	3,625,813	4,593,420	35,372,055
36	Variance (Budget to Actual)	1,360,567	629,690	(1,416,321)	603,963	239,274	530,167	120,298	109,283	91,730	(65,183)	(369,139)	175,237	711,568	1,360,567
37	NOTE: Excluded Other Revenue and Revenues that are not usage based.														
38															
39	POWER COST														
40	Budget	9,496,026	1,150,105	947,195	911,906	753,107	629,597	576,664	594,308	594,308	594,308	735,463	947,195	1,061,870	9,496,026
41	Actual	9,756,438	1,153,706	1,240,581	924,966	896,892	689,539	578,019	477,810	505,410	558,085	688,505	896,292	1,146,632	9,756,438
42	Variance (Budget to Actual)	260,412	3,601	293,386	13,060	143,785	59,942	1,355	(116,498)	(88,898)	(36,223)	(46,958)	(50,903)	84,762	260,412

ORCAS POWER AND LIGHT COOPERATIVE

2022 BUDGET TO ACTUAL STAFFING LEVELS

	A.	B.	C.	D.	E.
		APPROVED BUDGET	ACTUAL		
		# EMPLOYEES	# EMPLOYEES		
	DEPARTMENT	2022	2022	Net	Comment
1	Operations <sup>1</sup>	23.5	19.5	-4	Line workers
2	Engineering <sup>1</sup>	8.5	7.5	-1	Staking tech
3	General Management	5	4	-1	Office manager
4	Technical Services	1	1	0	
5	Member Services	6	5	-1	Member service rep
6	Administration	4	4	0	
7	Energy Savings	1	1	0	
8	Total	49 <sup>2</sup>	42	-7	

Notes:

- 1 Engineering & Operations Manager split between departments
- 2 Includes vacant-funded positions not filled



According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0032. The time required to complete this information collection is estimated to average 15 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL UTILITIES SERVICE

**FINANCIAL AND OPERATING REPORT  
ELECTRIC DISTRIBUTION**

BORROWER DESIGNATION

WA0009

PERIOD ENDED December 2022

BORROWER NAME

Orcas Power & Light Cooperative

INSTRUCTIONS - See help in the online application.

This information is analyzed and used to determine the submitter's financial situation and feasibility for loans and guarantees. You are required by contract and applicable regulations to provide the information. The information provided is subject to the Freedom of Information Act (5 U.S.C. 552)

**CERTIFICATION**

**We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.**

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

**ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII**

(check one of the following)

☐

All of the obligations under the RUS loan documents have been fulfilled in all material respects.

☐

There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

DATE

**PART A. STATEMENT OF OPERATIONS**

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	33,599,361	35,679,624	34,267,126	4,622,077
2. Power Production Expense				
3. Cost of Purchased Power	9,934,871	9,756,442	9,496,026	1,146,632
4. Transmission Expense	402,069	730,538	598,130	219,876
5. Regional Market Expense				
6. Distribution Expense - Operation	3,625,309	3,900,840	3,646,738	326,204
7. Distribution Expense - Maintenance	2,564,054	3,107,333	2,846,288	580,058
8. Customer Accounts Expense	1,093,181	1,113,268	1,157,086	82,968
9. Customer Service and Informational Expense	358,246	428,194	560,570	13,312
10. Sales Expense	52,472	62,685	55,341	4,887
11. Administrative and General Expense	3,929,275	4,157,670	4,266,257	316,677
<b>12. Total Operation &amp; Maintenance Expense (2 thru 11)</b>	<b>21,959,477</b>	<b>23,256,970</b>	<b>22,626,436</b>	<b>2,690,614</b>
13. Depreciation and Amortization Expense	5,047,791	5,416,108	5,164,706	449,358
14. Tax Expense - Property & Gross Receipts	346,389	312,733	363,708	25,824
15. Tax Expense - Other	1,156,029	1,316,822	1,229,996	143,689
16. Interest on Long-Term Debt	2,028,831	2,023,282	2,043,958	174,899
17. Interest Charged to Construction - Credit	(95,904)	(64,526)	(100,000)	(13,429)
18. Interest Expense - Other				
19. Other Deductions	10,000	453	10,000	253
<b>20. Total Cost of Electric Service (12 thru 19)</b>	<b>30,452,613</b>	<b>32,261,842</b>	<b>31,338,804</b>	<b>3,471,208</b>
<b>21. Patronage Capital &amp; Operating Margins (1 minus 20)</b>	<b>3,146,748</b>	<b>3,417,782</b>	<b>2,928,322</b>	<b>1,150,869</b>
22. Non Operating Margins - Interest	149,031	340,489	149,408	60,940
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	1,908,741	98,706	135,926	(11,866)
26. Generation and Transmission Capital Credits				
27. Other Capital Credits and Patronage Dividends	135,327	130,840	129,784	63,882
28. Extraordinary Items				
<b>29. Patronage Capital or Margins (21 thru 28)</b>	<b>5,339,847</b>	<b>3,987,817</b>	<b>3,343,440</b>	<b>1,263,825</b>

RUS Financial and Operating Report Electric Distribution

Revision Date 2014

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE  FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION  WA0009		
INSTRUCTIONS - See help in the online application.			PERIOD ENDED  December 2022		
PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT					
ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	172	137	5. Miles Transmission	46.39	46.39
2. Services Retired	9	2	6. Miles Distribution – Overhead	143.25	142.09
3. Total Services in Place	15,573	15,704	7. Miles Distribution - Underground	1,070.24	1,077.19
4. Idle Services (Exclude Seasonals)	780	802	8. Total Miles Energized (5 + 6 + 7)	1,259.88	1,265.67
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service		159,009,291	30. Memberships		58,380
2. Construction Work in Progress		9,914,954	31. Patronage Capital		43,696,844
3. Total Utility Plant (1 + 2)		168,924,245	32. Operating Margins - Prior Years		0
4. Accum. Provision for Depreciation and Amort.		67,377,278	33. Operating Margins - Current Year		3,548,621
5. Net Utility Plant (3 - 4)		101,546,967	34. Non-Operating Margins		439,195
6. Non-Utility Property (Net)		0	35. Other Margins and Equities		(2,753,168)
7. Investments in Subsidiary Companies		(11,173,486)	36. Total Margins & Equities (30 thru 35)		44,989,872
8. Invest. in Assoc. Org. - Patronage Capital		991,401	37. Long-Term Debt - RUS (Net)		0
9. Invest. in Assoc. Org. - Other - General Funds		10,300	38. Long-Term Debt - FFB - RUS Guaranteed		58,119,089
10. Invest. in Assoc. Org. - Other - Nongeneral Funds		536,474	39. Long-Term Debt - Other - RUS Guaranteed		0
11. Investments in Economic Development Projects		0	40. Long-Term Debt Other (Net)		9,324,207
12. Other Investments		1,356	41. Long-Term Debt - RUS - Econ. Devel. (Net)		0
13. Special Funds		1,138,838	42. Payments – Unapplied		0
14. Total Other Property & Investments (6 thru 13)		(8,495,117)	43. Total Long-Term Debt (37 thru 41 - 42)		67,443,296
15. Cash - General Funds		2,439,382	44. Obligations Under Capital Leases - Noncurrent		0
16. Cash - Construction Funds - Trustee		37,917	45. Accumulated Operating Provisions and Asset Retirement Obligations		11,885
17. Special Deposits		0	46. Total Other Noncurrent Liabilities (44 + 45)		11,885
18. Temporary Investments		7,138,775	47. Notes Payable		0
19. Notes Receivable (Net)		446,435	48. Accounts Payable		1,896,317
20. Accounts Receivable - Sales of Energy (Net)		3,504,938	49. Consumers Deposits		70,129
21. Accounts Receivable - Other (Net)		102,231	50. Current Maturities Long-Term Debt		1,739,319
22. Renewable Energy Credits		0	51. Current Maturities Long-Term Debt - Economic Development		0
23. Materials and Supplies - Electric & Other		3,766,502	52. Current Maturities Capital Leases		0
24. Prepayments		733,742	53. Other Current and Accrued Liabilities		1,461,253
25. Other Current and Accrued Assets		2,187,811	54. Total Current & Accrued Liabilities (47 thru 53)		5,167,018
26. Total Current and Accrued Assets (15 thru 25)		20,357,733	55. Regulatory Liabilities		0
27. Regulatory Assets		0	56. Other Deferred Credits		298,706
28. Other Deferred Debits		4,501,194	57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)		117,910,777
29. Total Assets and Other Debits (5+14+26 thru 28)		117,910,777			

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE <b>FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION</b>	BORROWER DESIGNATION  WA0009
INSTRUCTIONS - See help in the online application.	PERIOD ENDED December 2022
<b>PART D. NOTES TO FINANCIAL STATEMENTS</b>	

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UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE <b>FINANCIAL AND OPERATING REPORT</b> <b>ELECTRIC DISTRIBUTION</b>	BORROWER DESIGNATION  WA0009
INSTRUCTIONS - See help in the online application.	PERIOD ENDED December 2022
<b>PART D. CERTIFICATION LOAN DEFAULT NOTES</b>	

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UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE			BORROWER DESIGNATION WA0009				
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			PERIOD ENDED December 2022				
INSTRUCTIONS - See help in the online application.							
PART E. CHANGES IN UTILITY PLANT							
PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFERS (d)	BALANCE END OF YEAR (e)		
1. Distribution Plant	91,143,889	2,445,411	876,811		92,712,489		
2. General Plant	24,518,312	716,751	160,800		25,074,263		
3. Headquarters Plant	5,216,515	110,544			5,327,059		
4. Intangibles	1,539,562				1,539,562		
5. Transmission Plant	34,330,987	39,030	14,659		34,355,358		
6. Regional Transmission and Market Operation Plant							
7. All Other Utility Plant	559				559		
8. Total Utility Plant in Service (1 thru 7)	156,749,824	3,311,736	1,052,270		159,009,290		
9. Construction Work in Progress	4,324,866	5,590,089			9,914,955		
10. Total Utility Plant (8 + 9)	161,074,690	8,901,825	1,052,270		168,924,245		
PART F. MATERIALS AND SUPPLIES							
ITEM	BALANCE BEGINNING OF YEAR (a)	PURCHASED (b)	SALVAGED (c)	USED (NET) (d)	SOLD (e)	ADJUSTMENT (f)	BALANCE END OF YEAR (g)
1. Electric	4,122,050	1,397,560	7,254	1,657,322		(103,038)	3,766,504
2. Other	0						0
PART G. SERVICE INTERRUPTIONS							
ITEM	AVERAGE MINUTES PER CONSUMER BY CAUSE					TOTAL (e)	
	POWER SUPPLIER (a)	MAJOR EVENT (b)	PLANNED (c)	ALL OTHER (d)			
1. Present Year	1,390,000	182.700	21.900	294.800		1,889.400	
2. Five-Year Average	674.300	128.400	35.400	299.500		1,137.600	
PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS							
1. Number of Full Time Employees	48	4. Payroll - Expensed				4,305,773	
2. Employee - Hours Worked - Regular Time	96,932	5. Payroll - Capitalized				714,582	
3. Employee - Hours Worked - Overtime	3,185	6. Payroll - Other				791,189	
PART I. PATRONAGE CAPITAL							
ITEM	DESCRIPTION			THIS YEAR (a)	CUMULATIVE (b)		
1. Capital Credits - Distributions	a. General Retirements			1,400,000	17,143,543		
	b. Special Retirements			189,262	5,816,105		
	c. Total Retirements (a + b)			1,589,262	22,959,648		
2. Capital Credits - Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power						
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System			26,423			
	c. Total Cash Received (a + b)			26,423			
PART J. DUE FROM CONSUMERS FOR ELECTRIC SERVICE							
1. Amount Due Over 60 Days	\$	6,932	2. Amount Written Off During Year	\$	14,634		
ENERGY EFFICIENCY AND CONSERVATION LOAN PROGRAM							
1. Anticipated Loan Delinquency %		4. Anticipated Loan Default %					
2. Actual Loan Delinquency %		5. Actual Loan Default %					
3. Total Loan Delinquency Dollars YTD	\$		6. Total Loan Default Dollars YTD				\$

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE  FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION					BORROWER DESIGNATION  WA0009				
INSTRUCTIONS - See help in the online application					PERIOD ENDED December 2022				
PART K. kWh PURCHASED AND TOTAL COST									
No	ITEM	SUPPLIER CODE	RENEWABLE ENERGY PROGRAM NAME	RENEWABLE FUEL TYPE	kWh PURCHASED	TOTAL COST	AVERAGE COST (Cents/kWh)	INCLUDED IN TOTAL COST - FUEL COST ADJUSTMENT	INCLUDED IN TOTAL COST - WHEELING AND OTHER CHARGES
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Pacific Northwest Genertg Coop	14323			241,751,728	9,664,359	4.00		
2	*Miscellaneous	700000	Net Metering	Solar - photovoltaic	991,476	92,083	9.29		
	Total				242,743,204	9,756,442	4.02		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE  <b>FINANCIAL AND OPERATING REPORT          ELECTRIC DISTRIBUTION</b>		BORROWER DESIGNATION  WA0009	
INSTRUCTIONS - See help in the online application		PERIOD ENDED December 2022	
<b>PART K. kWh PURCHASED AND TOTAL COST</b>			
<b>No</b>	<b>Comments</b>		
1			
2			

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UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE  FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION  WA0009	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December 2022	
PART L. LONG-TERM LEASES			
No	NAME OF LESSOR (a)	TYPE OF PROPERTY (b)	RENTAL THIS YEAR (c)
1	Dell Financial Services	Computer Hardware/Software	1,505
	TOTAL		1,505

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UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION WA0009	
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December 2022	
INSTRUCTIONS - See help in the online application.			
PART M. ANNUAL MEETING AND BOARD DATA			
1. Date of Last Annual Meeting 4/30/2022	2. Total Number of Members 11,676	3. Number of Members Present at Meeting 172	4. Was Quorum Present? Y
5. Number of Members Voting by Proxy or Mail 2,213	6. Total Number of Board Members 7	7. Total Amount of Fees and Expenses for Board Members \$ 239,033	8. Does Manager Have Written Contract? Y

RUS Financial and Operating Report Electric Distribution

Revision Date 2014



UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE  FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION  WA0009		
INSTRUCTIONS - See help in the online application.			PERIOD ENDED December 2022		
PART N. LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS					
No	ITEM	BALANCE END OF YEAR (a)	INTEREST (Billed This Year) (b)	PRINCIPAL (Billed This Year) (c)	TOTAL (Billed This Year) (d)
1	Rural Utilities Service (Excludes RUS - Economic Development Loans)				
2	National Rural Utilities Cooperative Finance Corporation	7,149,506	314,013	293,241	607,254
3	CoBank, ACB				
4	Federal Financing Bank	58,119,089	2,144,006	2,188,563	4,332,569
5	RUS - Economic Development Loans				
6	Payments Unapplied				
7	Principal Payments Received from Ultimate Recipients of IRP Loans				
8	Principal Payments Received from Ultimate Recipients of REDL Loans				
9	Principal Payments Received from Ultimate Recipients of EE Loans				
10	Rural Energy Savings Program (RESP)	2,174,701	0	50,240	50,240
11	Dell Financing Services	0	0	1,505	1,505
	TOTAL	67,443,296	2,458,019	2,533,549	4,991,568

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION WA0009		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December 2022		
INSTRUCTIONS - See help in the online application.				
PART O. POWER REQUIREMENTS DATABASE - ANNUAL SUMMARY				
CLASSIFICATION	CONSUMER SALES & REVENUE DATA	DECEMBER (a)	AVERAGE NO. CONSUMERS SERVED (b)	TOTAL YEAR TO DATE (c)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	13,743	13,697	
	b. kWh Sold			165,867,793
	c. Revenue			26,565,416
2. Residential Sales - Seasonal	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
3. Irrigation Sales	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	1,954	1,940	
	b. kWh Sold			60,108,517
	c. Revenue			8,831,174
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
6. Public Street & Highway Lighting	a. No. Consumers Served	7	6	
	b. kWh Sold			65,182
	c. Revenue			9,886
7. Other Sales to Public Authorities	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
8. Sales for Resale - RUS Borrowers	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
9. Sales for Resale - Other	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
10. Total No. of Consumers (lines 1a thru 9a)		15,704	15,643	
11. Total kWh Sold (lines 1b thru 9b)				226,041,492
12. Total Revenue Received From Sales of Electric Energy (lines 1c thru 9c)				35,406,476
13. Transmission Revenue				
14. Other Electric Revenue				273,149
15. kWh - Own Use				1,646,141
16. Total kWh Purchased				242,743,204
17. Total kWh Generated				
18. Cost of Purchases and Generation				10,486,980
19. Interchange - kWh - Net				
20. Peak - Sum All kW Input (Metered) Non-coincident <input checked="" type="checkbox"/> Coincident <input type="checkbox"/>				76,045

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UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE  FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION				BORROWER DESIGNATION WA0009		
INSTRUCTIONS - See help in the online application.				PERIOD ENDED December 2022		
PART P. ENERGY EFFICIENCY PROGRAMS						
CLASSIFICATION	ADDED THIS YEAR			TOTAL TO DATE		
	No. of Consumers (a)	Amount Invested (b)	Estimated MMBTU Savings (c)	No. of Consumers (d)	Amount Invested (e)	Estimated MMBTU Savings (f)
1. Residential Sales (excluding seasonal)	498	249,548	2,404	7,860	4,442,376	19,787
2. Residential Sales - Seasonal						
3. Irrigation Sales						
4. Comm. and Ind. 1000 KVA or Less	29	103,948	680	608	1,911,230	13,555
5. Comm. and Ind. Over 1000 KVA						
6. Public Street and Highway Lighting						
7. Other Sales to Public Authorities						
8. Sales for Resale – RUS Borrowers						
9. Sales for Resale – Other						
10. Total	527	353,496	3,084	8,468	6,353,606	33,342

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<p>UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE</p> <p><b>FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS</b></p>	<p>BORROWER DESIGNATION WA0009</p> <p>PERIOD ENDED December 2022</p>
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INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.

PART Q. SECTION I. INVESTMENTS (See Instructions for definitions of Income or Loss)					
No	DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (\$) (d)	RURAL DEVELOPMENT (e)
<b>2</b>	<b>Investments in Associated Organizations</b>				
	Misc. Memberships	9,300	1,000		
	Misc. Patronage Capital	124,225	578,922	4,224	
	Federated Rural Electric Stock Certificate	288,254		39,403	
	CFC Capital Term Certificate		536,474	26,877	
	PNGC Capital Term Certificate			60,336	
	Investment in Subsidiary	(11,173,486)			
	Totals	(10,751,707)	1,116,396	130,840	
<b>4</b>	<b>Other Investments</b>				
	Computershare	1,356			
	Totals	1,356			
<b>5</b>	<b>Special Funds</b>				
	CFC Select Notes		506,318		
	Washington Federal Savings		225,238		
	HomeStreet Bank		111,796		
	CoBank		147,292		
	Banner Bank (Project PAL and MORE)		136,309		
	Special Funds - Deferred Compensation		11,885		
	Totals		1,138,838		
<b>6</b>	<b>Cash - General</b>				
	Key Bank		(389,047)		
	Banner Bank	2,429,726	250,000		
	Wells Fargo	93,355			
	Petty Cash	600			
	Cash Clearing	54,747			
	Totals	2,578,428	(139,047)		
<b>8</b>	<b>Temporary Investments</b>				
	CFC Select Notes		4,380,166		
	CoBank		2,758,609		
	Totals		7,138,775		
<b>9</b>	<b>Accounts and Notes Receivable - NET</b>				
	Notes Receivable - OBF	547,407			
	OBF Loss Reserve	(100,972)			
	Custom Orders	102,231			
	Totals	548,666			
<b>11</b>	<b>TOTAL INVESTMENTS (1 thru 10)</b>	(7,623,257)	9,254,962	130,840	

<p>UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE</p> <p><b>FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS</b></p>	<p>BORROWER DESIGNATION WA0009</p> <p>PERIOD ENDED December 2022</p>
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INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.

PART Q. SECTION II. LOAN GUARANTEES					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
1	IN LLC	9/30/2023	5,100,000	3,500,000	
2	IN LLC	4/20/2036	7,500,000	6,807,574	
3	IN LLC	4/20/2036	6,000,000	5,463,402	
4	IN LLC	12/20/2037	4,050,000	4,034,589	
5	IN LLC	12/20/2037	1,450,000	1,444,527	
6	IN LLC	12/20/2038	3,500,000	3,500,000	
7	IN LLC	1/20/2040	2,000,000	2,000,000	
8	IN LLC	1/20/2040	500,000	500,000	
9	IN LLC	12/20/2040	1,000,000	1,000,000	
10	IN LLC	12/20/2041	2,000,000	1,927,406	
	<b>TOTAL</b>		33,100,000	30,177,498	
	TOTAL (Included Loan Guarantees Only)				



UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION WA0009			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		PERIOD ENDED December 2022			
INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.					
SECTION III. RATIO					
RATIO OF INVESTMENTS AND LOAN GUARANTEES TO UTILITY PLANT [Total of Included Investments (Section I, 11b) and Loan Guarantees - Loan Balance (Section II, 5d) to Total Utility Plant (Line 3, Part C) of this report]					-4.51 %
SECTION IV. LOANS					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
1	Employees, Officers, Directors				
2	Energy Resources Conservation Loans				
	<b>TOTAL</b>				