

NPPD's Quarterly Highlights

Second Quarter 2018

Overview of NPPD

NPPD is a public corporation and a political subdivision of the State of Nebraska, operating an integrated electric utility system which includes facilities for the generation, transmission and distribution of electric power and energy to wholesale and retail customers.

Control of NPPD and its operations are vested in a Board of Directors consisting of 11 members popularly elected from districts comprising subdivisions of NPPD's chartered territory.

The NPPD Board of Directors is authorized to establish rates.

NPPD Board of Directors

Jerry L. Chlopek.....	Columbus
Fred L. Christensen.....	Lyons
Barry D. DeKay	Niobrara
William D. Johnson	Pilger
Mary A. Harding	Plattsmouth
Thomas J. Hoff.....	Broken Bow
Kenneth R. Kunze	York
Melissa S. Freelend	Kearney
William C. Hoyt	McCook
Edward J. Schrock	Holdrege/Elm Creek
Gary G. Thompson	Beatrice

Statistical Highlights

	Six Months Ended June 30	
	2018	2017
Debt Service Coverage	1.99	1.94
System Peak Load, Megawatts (Anytime)	2,409	2,477
Firm Wholesale Electric Sales, Megawatt Hours	4,522,214	4,450,359
Retail Electric Sales, Megawatt Hours	1,693,721	1,606,447
Other Electric Sales, Megawatt Hours	3,438,052	2,967,956
Number of Retail Customers, Average	91,440	91,174

Condensed Financial Highlights

Balance Sheets	As of June 30	
	2018	2017
	<i>(In Thousands - Unaudited)</i>	
Current Assets	\$ 956,525	\$ 844,326
Special Purpose Funds	721,106	757,884
Utility Plant - Net	2,579,411	2,588,774
Other Long-Term Assets	364,879	433,409
Deferred Outflows of Resources	317,229	137,197
Total Assets & Deferred Outflows	\$ 4,939,150	\$ 4,761,590
Current Liabilities	\$ 223,840	\$ 202,781
Revenue Bonds	1,539,534	1,660,121
Notes and Credit Agreements	251,613	252,759
Other Long-Term Liabilities	1,029,068	906,191
Deferred Inflows of Resources	374,774	304,460
Net Position	1,520,321	1,435,278
Total Liabilities, Deferred Inflows & Net Position	\$ 4,939,150	\$ 4,761,590
	<i>(In Thousands - Unaudited)</i>	
Statements of Revenues, Expenses and Changes in Net Position	Six Months Ended June 30	
	2018	2017
Operating Revenues	\$ 548,906	\$ 519,933
Operating Expenses	(493,269)	(477,897)
Operating Income	55,637	42,036
Investment and Other Income	9,952	10,837
Debt and Other Expenses	(31,701)	(32,712)
Increase in Net Position	\$ 33,888	\$ 20,161
Sources of Operating Revenues		
Firm Sales - Wholesale and Retail	\$ 412,083	\$ 401,761
Participation Sales	32,409	35,302
Other Sales	69,983	55,420
Other Operating Revenues	40,138	37,444
Unearned Revenues	(5,707)	(9,994)
Total Operating Revenues	\$ 548,906	\$ 519,933

Highlights Discussion

For the six months ended June 30, 2018, operating revenues totaled \$548.9 million, which was \$29.0 million more than the same period last year. The change from the prior year was due primarily to a weather-related increase in firm energy sales, increase in energy sales in the Southwest Power Pool (SPP) Integrated Market, and an increase in SPP transmission revenues. The unearned revenues net deferral was lower than the same period last year primarily due to the recognition of more previously deferred revenues in 2018 for rate stabilization and the Cooper Nuclear Station outage, which was partially offset by a larger deferral for surplus revenues in the current period.

Operating expenses totaled \$493.3 million, which was \$15.4 million more than the same period last year. The change from the prior year was due primarily to increases in depreciation, operation and maintenance, and fuel expenses.

Investment and other income totaled \$10.0 million, which was \$0.9 million less than the same period last year. The change from the prior year was due primarily to a decrease in the change in the fair market value of invested funds, partially offset by an increase in interest income.

Debt and other expenses totaled \$31.7 million, which was \$1.0 million less than the same period last year. The change from the prior year was due primarily to a decrease in outstanding revenue bonds.

The increase in net position totaled \$33.9 million, which was \$13.7 million more than the same period last year. The change in net position was larger compared to the same period in 2017 due primarily to an increase in revenue collections to pay down debt, which was partially offset by a decrease in revenue collections for construction, higher depreciation expense, and unrealized market losses on investments.



Nebraska Public Power District
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