

NPPD's Quarterly Highlights

First Quarter 2017

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. Freeland Kearney
 William C. Hoyt McCook
 Edward J. Schrock Holdrege/Elm Creek
 Gary G. Thompson Beatrice

Statistical Highlights -

	Three Months Ended March 31	
	2017	2016
Debt Service Coverage	2.16	2.21
System Peak Load, Megawatts (Anytime)	2,234	2,139
Firm Wholesale Electric Sales, Megawatt Hours	2,231,310	2,184,441
Retail Electric Sales, Megawatt Hours	842,095	814,080
Other Electric Sales, Megawatt Hours	1,732,743	1,915,848
Number of Retail Customers, Average	90,843	90,603

Condensed Financial Highlights -

Balance Sheets	As of March 31	
	2017	2016
	<i>(In Thousands - Unaudited)</i>	
Current Assets	\$ 804,088	\$ 792,293
Special Purpose Funds	766,629	745,187
Utility Plant - Net	2,589,619	2,517,930
Other Long-Term Assets	441,362	341,885
Deferred Outflows of Resources	130,890	46,412
Total Assets & Deferred Outflows	\$ 4,732,588	\$ 4,443,707
Current Liabilities	\$ 188,808	\$ 208,550
Revenue Bonds	1,674,544	1,584,849
Notes and Credit Agreements	267,931	267,636
Other Long-Term Liabilities	896,218	742,266
Deferred Inflows of Resources	274,825	268,203
Net Position	1,430,262	1,372,203
Total Liabilities, Deferred Inflows & Net Position	\$ 4,732,588	\$ 4,443,707
	<i>(In Thousands - Unaudited)</i>	
Statements of Revenues, Expenses and Changes in Net Position	Three Months Ended March 31	
	2017	2016
Operating Revenues	\$ 268,469	\$ 281,218
Operating Expenses	(241,357)	(238,475)
Operating Income	27,112	42,743
Investment and Other Income	4,698	12,204
Debt and Other Expenses	(16,665)	(14,928)
Increase in Net Position	\$ 15,145	\$ 40,019
Sources of Operating Revenues		
Firm Sales - Wholesale and Retail	\$ 199,164	\$ 194,316
Participation Sales	18,188	18,932
Other Sales	28,055	23,122
Other Operating Revenues	19,329	16,583
Unearned Revenues	3,733	28,265
Total Operating Revenues	\$ 268,469	\$ 281,218

Highlights Discussion -

For the three months ended March 31, 2017, operating revenues totaled \$268.5 million, which was \$12.7 million less than the same period last year. However, revenues from energy sales and other revenues were \$11.8 million greater than the same period last year due primarily to a weather-related increase in firm energy sales, higher market prices in the Southwest Power Pool (SPP) Integrated Market and an increase in SPP transmission revenues. The overall net decrease in operating revenues from the same period last year was due primarily to the deferral of revenues in 2017 received for the upcoming 2018 Cooper Nuclear Station (CNS) outage and the recognition of revenues from the prior year in 2016 for the 2016 CNS outage.

Operating expenses totaled \$241.4 million, which was \$2.9 million more than the same period last year. The change from the prior year was due primarily to an increase in depreciation and amortization expenses.

Investment and other income totaled \$4.7 million, which was \$7.5 million less than the same period last year. The change from the prior year was due primarily to a decrease in investment income as the result of changes in the fair market value of invested funds.

Debt and other expenses totaled \$16.7 million, which was \$1.7 million more than the same period last year. The change from the prior year was due primarily to a reduction in interest capitalization because of lower capital spending, an increase in the interest cost on the taxable revolving credit agreement because of higher interest rates and outstanding balances, and an increase in outstanding revenue bonds.

The increase in net position totaled \$15.1 million, which was \$24.9 million less than the same period last year. The change was due primarily to a lower refund of unearned revenues and a decrease in 2017 revenue requirements for commercial paper principal payments and revenue bonds debt service for the three months ended March 31, 2017 compared to the revenue requirements for the same period in 2016.



Nebraska Public Power District
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