

# NPPD's Quarterly Highlights

## Third 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 -

	Nine Months Ended	
	September 30 2017	2016
Debt Service Coverage	2.39	2.38
System Peak Load, Megawatts (Anytime)	2,892	2,964
Firm Wholesale Electric Sales, Megawatt Hours	7,511,607	7,358,724
Retail Electric Sales, Megawatt Hours	2,457,930	2,436,774
Other Electric Sales, Megawatt Hours	4,596,495	4,596,812
Number of Retail Customers, Average	91,384	91,253

### Condensed Financial Highlights -

Balance Sheets	As of September 30	
	2017	2016
	<i>(In Thousands - Unaudited)</i>	
Current Assets	\$ 924,277	\$ 898,503
Special Purpose Funds	758,938	735,127
Utility Plant - Net	2,575,843	2,564,434
Other Long-Term Assets	444,058	439,174
Deferred Outflows of Resources	67,098	71,796
<b>Total Assets &amp; Deferred Outflows</b>	<b>\$ 4,770,214</b>	<b>\$ 4,709,034</b>
Current Liabilities	\$ 188,155	\$ 239,051
Revenue Bonds	1,655,395	1,576,253
Notes and Credit Agreements	244,605	313,455
Other Long-Term Liabilities	851,085	878,374
Deferred Inflows of Resources	337,532	250,975
Net Position	1,493,442	1,450,926
<b>Total Liabilities, Deferred Inflows &amp; Net Position</b>	<b>\$ 4,770,214</b>	<b>\$ 4,709,034</b>

Statements of Revenues, Expenses and Changes in Net Position	Nine Months Ended	
	September 30 2017	2016
	<i>(In Thousands - Unaudited)</i>	
Operating Revenues	\$ 846,178	\$ 890,386
Operating Expenses	(737,091)	(757,370)
Operating Income	109,087	133,016
Investment and Other Income	18,007	31,284
Debt and Other Expenses	(48,769)	(45,558)
<b>Increase in Net Position</b>	<b>\$ 78,325</b>	<b>\$ 118,742</b>

Sources of Operating Revenues	2017	2016
Firm Sales - Wholesale and Retail	\$ 677,323	\$ 670,446
Participation Sales	53,214	56,461
Other Sales	83,224	65,293
Other Operating Revenues	56,332	46,657
Unearned Revenues	(23,915)	51,529
<b>Total Operating Revenues</b>	<b>\$ 846,178</b>	<b>\$ 890,386</b>

### Highlights Discussion -

For the nine months ended September 30, 2017, operating revenues totaled \$846.2 million, which was \$44.2 million less than the same period last year. However, revenues from energy sales and other revenues were \$31.2 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 excess of revenue requirements and revenues pre-collected for the 2018 Cooper Nuclear Station outage.

Operating expenses totaled \$737.1 million, which was \$20.3 million less than the same period last year. The change from the prior year was due primarily to decreases in production operations and maintenance expenses, purchased power, depreciation expenses, and decommissioning expenses. These decreases were partially offset by higher fuel and administrative and general costs.

Investment and other income totaled \$18.0 million, which was \$13.3 million less than the same period last year. The change from the prior year was due primarily to a decrease in unrealized gains on invested funds.

Debt and other expenses totaled \$48.8 million, which was \$3.2 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 outstanding revenue bonds, and an increase in rates on notes and credit agreements.

The increase in net position totaled \$78.3 million, which was \$40.4 million less than the same period last year. The reduction in the change to net position from the prior period was due primarily to a decrease in revenue collections for debt principal payments and construction from revenue, a decrease in investment income from unrealized gains for market value changes, and a decrease in interest capitalization because of lower capital spending, which was partially offset by lower depreciation expense.



Nebraska Public Power District  
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FECAF926