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*MAY*

*TACOMA POWER*

2020

**INTERIM  
FINANCIAL  
REPORT**





# Public Utility Board

KAREN LARKIN

Chair

BRYAN FLINT

Vice-Chair

MARK PATTERSON

Secretary

CHRISTINE COOLEY

Member

CARLOS M. WATSON

Member

JACKIE FLOWERS

Director of Utilities

CHRIS ROBINSON

Power Superintendent/COO

ANDREW CHERULLO

Finance Director

DEPARTMENT OF PUBLIC UTILITIES

CITY OF TACOMA

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CITY OF TACOMA, WASHINGTON  
DEPARTMENT OF PUBLIC UTILITIES, LIGHT DIVISION

Doing Business As

# TACOMA POWER

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*Note: These financial statements are interim, unaudited reports prepared primarily for the use of management. Not all transactions reported in these statements have been recorded on the full accrual basis of accounting or in accordance with generally accepted accounting principles.*

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City of Tacoma, Washington  
Department of Public Utilities  
Tacoma Power  
Statements of Net Position (Unaudited)  
May 31, 2020 and May 31, 2019

<b>ASSETS AND DEFERRED OUTFLOWS</b>	2020	2019
<b>UTILITY PLANT</b>		
Electric Plant in Service	\$2,174,428,924	\$2,118,872,713
Less Depreciation and Amortization	(1,157,511,782)	(1,115,599,516)
Total	1,016,917,142	1,003,273,197
Construction Work in Progress	52,228,353	60,480,150
Net Utility Plant	1,069,145,495	1,063,753,347
<b>NON-UTILITY PROPERTY</b>	182,051	182,051
<b>RESTRICTED ASSETS</b>		
Cash and Equity in Pooled Investments:		
2019 Construction Fund	6,680,506	-
Provision for Debt Service	11,120,878	12,105,563
Special Bond Reserves	4,997,639	4,997,639
Wynoochee Reserve - State of Washington	2,712,051	2,658,868
Fish and Wildlife Reserves	24,928,554	23,905,359
Total Restricted Assets	50,439,628	43,667,429
<b>CURRENT ASSETS</b>		
Cash and Equity in Pooled Investments:		
Current Fund	137,612,029	142,143,153
Customers' and Contractors' Deposits	2,707,487	2,648,748
Conservation Loan Fund	4,799,299	3,753,049
Rate Stabilization Fund	38,000,000	48,000,000
Receivables:		
Customers	24,567,765	21,691,652
Accrued Unbilled Revenue	32,547,727	30,730,773
Others	9,062,801	10,889,687
Provision for Uncollectibles	(3,268,231)	(1,328,340)
Materials and Supplies	6,552,726	6,819,907
Prepayments and Other	12,036,783	10,669,110
Total Current Assets	264,618,386	276,017,739
<b>OTHER ASSETS</b>		
Regulatory Asset - Conservation	45,083,269	49,018,205
Net Pension Asset	-	15,506,238
Conservation Loan Fund Receivables	2,123,434	2,602,072
Total Other Assets	47,206,703	67,126,515
Total Assets	1,431,592,263	1,450,747,081
<b>DEFERRED OUTFLOWS</b>		
Deferred Outflow for Pensions	54,329,250	19,885,557
Deferred Outflow for OPEB	952,121	957,357
Total Deferred Outflows	55,281,371	20,842,914
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>\$1,486,873,634</b>	<b>\$1,471,589,995</b>

*These statements should be read in conjunction with the Notes to the  
Financial Statements contained in the previous year-end Financial Report*

<b>NET POSITION, LIABILITIES AND DEFERRED INFLOWS</b>	<u>2020</u>	<u>2019</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	\$604,518,176	\$608,239,358
Restricted for:		
Wynoochee Reserve - State of Washington	2,712,051	2,658,868
Fish and Wildlife Reserves	24,928,554	23,905,359
Debt Service	3,112,500	3,902,081
Net Pension Asset	-	15,506,238
Unrestricted	<u>220,757,244</u>	<u>215,441,169</u>
TOTAL NET POSITION	<u>856,028,525</u>	<u>869,653,073</u>
<b>LONG-TERM DEBT</b>		
2010B Electric System Refunding Bonds	147,070,000	147,070,000
2010C Electric System Refunding Bonds	24,185,000	24,185,000
2013A Electric System Rev & Refunding Bonds	88,655,000	96,125,000
2013B Electric System Rev & Refunding Bonds	35,620,000	35,620,000
2017 Electric System Revenue Bonds	<u>70,575,000</u>	<u>70,575,000</u>
Total Bonded Indebtedness	366,105,000	373,575,000
Less: Unamortized Bond Premiums	<u>20,982,008</u>	<u>22,503,678</u>
Net Bonded Indebtedness	387,087,008	396,078,678
Line of Credit	<u>75,250,000</u>	<u>55,250,000</u>
Total Long-Term Debt	<u>462,337,008</u>	<u>451,328,678</u>
<b>CURRENT LIABILITIES</b>		
Salaries and Wages Payable	6,042,327	1,968,390
Taxes and Other Payables	12,103,830	12,916,916
Purchases and Transmission of Power Accrued	12,086,373	13,667,051
Interest Payable	8,008,378	8,203,482
Unearned Revenue	20,340	-
Customers' Deposits	5,704,262	2,626,127
Current Portion of Long-Term Debt	7,470,000	9,365,000
Current Accrued Compensated Absences	<u>1,138,107</u>	<u>1,091,328</u>
Total Current Liabilities	<u>52,573,617</u>	<u>49,838,294</u>
<b>LONG-TERM LIABILITIES</b>		
Long-Term Accrued Compensated Absences	10,242,961	9,821,955
Net OPEB Liability	10,562,836	12,272,355
Net Pension Liability	45,902,976	-
Other Long-Term Liabilities	<u>3,607,858</u>	<u>4,221,625</u>
Total Long-Term Liabilities	<u>70,316,631</u>	<u>26,315,935</u>
TOTAL LIABILITIES	<u>585,227,256</u>	<u>527,482,907</u>
<b>DEFERRED INFLOWS</b>		
Deferred Inflow for Pensions	6,031,613	26,395,236
Deferred Inflow for OPEB	1,586,240	58,779
Rate Stabilization	<u>38,000,000</u>	<u>48,000,000</u>
Total Deferred Inflows	45,617,853	74,454,015
TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS	<u>\$1,486,873,634</u>	<u>\$1,471,589,995</u>

City of Tacoma, Washington  
Department of Public Utilities  
Tacoma Power  
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)  
May 31, 2020 and May 31, 2019

	May 2020	May 2019
<b>OPERATING REVENUES</b>		
Sales of Electric Energy	\$32,186,777	\$33,750,701
Other Operating Revenues	(135,583)	1,521,171
Click! Network Operating Revenues	2,487	2,155,264
Total Operating Revenue	32,053,681	37,427,136
<b>OPERATING EXPENSES</b>		
Production Expense		
Hydraulic Power Production	2,464,990	2,954,220
Other Production Expense	607,735	593,279
Total Expense Power Produced	3,072,725	3,547,499
Purchased Power	11,961,920	13,519,189
Total Production Expense	15,034,645	17,066,688
Transmission Expense	3,034,527	2,434,369
Distribution Expense	3,006,404	3,370,966
Click! Network Commercial Operations Expense	19,086	1,784,071
Customer Accounts Expense (CIS)	1,419,617	987,306
Conservation and Other Customer Assistance	1,477,603	1,631,481
Taxes	1,074,711	1,370,256
Depreciation	4,017,458	4,033,935
Administrative and General	3,373,078	3,707,926
Total Operating Expenses	32,457,129	36,386,998
<b>OPERATING INCOME (LOSS)</b>	(403,448)	1,040,138
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Interest Income	318,523	429,140
Contribution to Family Need	(41,667)	(41,667)
Other Net Non-Op Revenues and Deductions	118,582	580,415
Interest on Long-Term Debt	(1,673,014)	(1,752,634)
Amort of Debt Related Costs	123,513	129,158
Total Non-Operating Revenues (Expenses)	(1,154,063)	(655,588)
Net Income (Loss) Before Capital Contributions and Transfers	(1,557,511)	384,550
Capital Contributions		
Cash	524,051	529,846
Donated Fixed Assets	-	34,727
BABs and CREBs Interest Subsidies	329,553	329,553
Transfers		
City Gross Earnings Tax	(2,302,490)	(2,868,732)
<b>CHANGE IN NET POSITION</b>	(3,006,397)	(1,590,056)
 TOTAL NET POSITION - January 1		
 TOTAL NET POSITION - May 31		



YEAR TO DATE			
May 31, 2020	May 31, 2019	2020/2019 VARIANCE	PERCENT CHANGE
\$199,243,457	\$192,412,363	\$6,831,094	3.6%
10,594,818	8,013,827	2,580,991	32.2%
6,199,485	10,836,409	(4,636,924)	-42.8%
<u>216,037,760</u>	<u>211,262,599</u>	<u>4,775,161</u>	2.3%
10,370,557	15,036,971	(4,666,414)	-31.0%
3,108,914	2,526,444	582,470	23.1%
13,479,471	17,563,415	(4,083,944)	-23.3%
62,428,259	72,745,904	(10,317,645)	-14.2%
75,907,730	90,309,319	(14,401,589)	-15.9%
16,063,999	15,469,057	594,942	3.8%
14,780,588	14,991,559	(210,971)	-1.4%
4,553,169	8,928,898	(4,375,729)	-49.0%
6,568,849	5,442,075	1,126,774	20.7%
7,458,314	7,742,131	(283,817)	-3.7%
8,768,532	8,928,931	(160,399)	-1.8%
20,032,798	20,625,736	(592,938)	-2.9%
18,116,714	16,987,805	1,128,909	6.6%
172,250,693	189,425,511	(17,174,818)	-9.1%
<u>43,787,067</u>	<u>21,837,088</u>	<u>21,949,979</u>	100.5%
221,153	3,371,854	(3,150,701)	-93.4%
(208,333)	(208,333)	-	0.0%
642,732	1,189,525	(546,793)	-46.0%
(8,553,586)	(8,807,925)	254,339	2.9%
617,567	645,788	(28,221)	-4.4%
<u>(7,280,467)</u>	<u>(3,809,091)</u>	<u>(3,471,376)</u>	-91.1%
36,506,600	18,027,997	18,478,603	102.5%
1,913,998	2,484,301	(570,303)	-23.0%
51,767	98,187	(46,420)	-47.3%
1,647,766	1,553,460	94,306	6.1%
<u>(16,118,934)</u>	<u>(15,942,656)</u>	<u>(176,278)</u>	-1.1%
24,001,197	6,221,289	17,779,908	285.8%
<u>832,027,328</u>	<u>863,431,784</u>	<u>(31,404,456)</u>	-3.6%
<u>\$856,028,525</u>	<u>\$869,653,073</u>	<u>(\$13,624,548)</u>	

*These statements should be read in conjunction with the Notes to the Financial Statements contained in the previous year-end Financial Report*

City of Tacoma, Washington  
 Department of Public Utilities  
 Tacoma Power  
 Summary of Revenues and Billings (Unaudited)  
 May 31, 2020 and May 31, 2019

	<u>For the month of May 2020</u>	<u>For the month of May 2019</u>
<b>OPERATING REVENUE</b>		
Sales of Electric Energy		
Residential	\$14,394,316	\$15,104,861
Commercial	2,106,505	2,729,138
General	8,997,230	10,956,235
Contract Industrial	1,957,045	2,001,781
Public Street and Highway Lighting	283,645	107,726
Sales to Other Electric Utilities	33,856	33,868
Total Sales to Customers	<u>27,772,597</u>	<u>30,933,609</u>
Bulk Power Sales	<u>4,414,180</u>	<u>2,817,092</u>
Total Sales of Electric Energy	<u>32,186,777</u>	<u>33,750,701</u>
Other Operating Revenue		
Rentals and Leases from Elect. Property	504,208	182,115
Wheeling	817,998	867,813
Service Fees and Other	(1,457,789)	471,243
Telecommunications Revenue	2,487	2,155,264
Total Other Operating Revenues	<u>(133,096)</u>	<u>3,676,435</u>
<b>TOTAL OPERATING REVENUES</b>	<u><u>\$32,053,681</u></u>	<u><u>\$37,427,136</u></u>
<b>BILLINGS (Number of Months Billed)</b>		
Residential	160,589	171,729
Commercial	17,257	18,734
General	2,348	2,667
Contract Industrial	2	2
Public Streets and Highway Lighting	1,062	1,138
Sales to Other Electric Utilities	<u>1</u>	<u>1</u>
<b>TOTAL BILLINGS</b>	<u><u>181,259</u></u>	<u><u>194,271</u></u>

YEAR TO DATE			
May 31, 2020	May 31, 2019	2020/2019 VARIANCE	PERCENT CHANGE
\$92,064,925	\$92,442,058	(\$377,133)	-0.4%
13,227,249	13,628,036	(400,787)	-2.9%
55,655,600	54,277,647	1,377,953	2.5%
10,108,737	9,345,495	763,242	8.2%
593,520	661,993	(68,473)	-10.3%
225,227	217,691	7,536	3.5%
171,875,258	170,572,920	1,302,338	0.8%
27,368,199	21,839,443	5,528,756	25.3%
199,243,457	192,412,363	6,831,094	3.6%
1,666,641	1,375,047	291,594	21.2%
4,313,467	4,502,671	(189,204)	-4.2%
4,614,710	2,136,109	2,478,601	116.0%
6,199,485	10,836,409	(4,636,924)	-42.8%
16,794,303	18,850,236	(2,055,933)	-10.9%
\$216,037,760	\$211,262,599	\$4,775,161	2.3%
809,141	817,219	(8,078)	-1.0%
84,693	82,806	1,887	2.3%
12,727	12,714	13	0.1%
10	10	-	0.0%
4,809	4,814	(5)	-0.1%
5	5	-	0.0%
911,385	917,568	(6,183)	-0.7%

City of Tacoma, Washington  
Department of Public Utilities  
Tacoma Power  
Gross Generation Report (Unaudited)  
May 31, 2020 and May 31, 2019

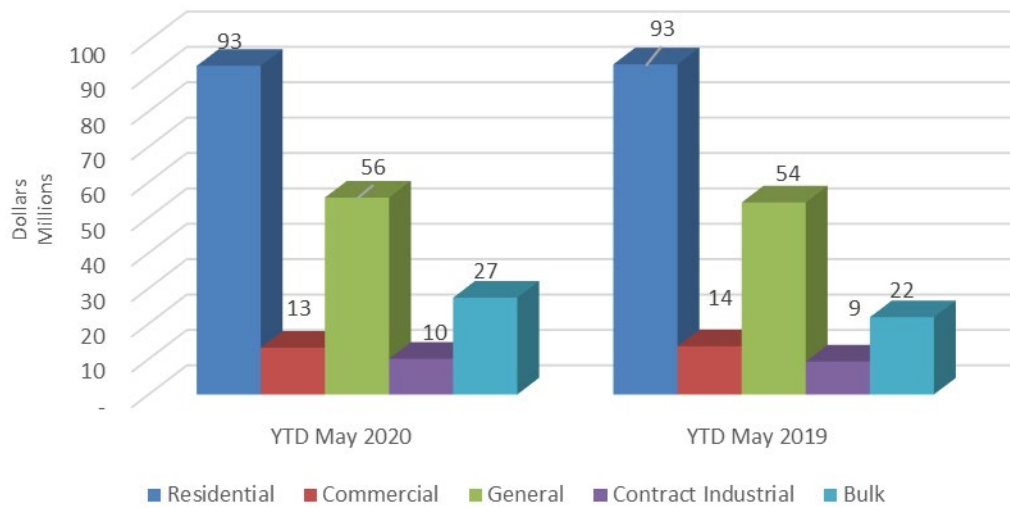
	For the month of May 2020	For the month of May 2019
KWH GENERATED, PURCHASED AND INTERCHANGED - Gross		
Generated - LaGrande	30,972,000	24,651,000
Generated - Alder	19,679,000	14,461,000
TOTAL NISQUALLY	<u>50,651,000</u>	<u>39,112,000</u>
Generated - Cushman No 1	4,507,000	2,658,000
Generated - Cushman No 2	3,282,000	1,323,000
TOTAL CUSHMAN	<u>7,789,000</u>	<u>3,981,000</u>
Generated - Mossyrock	107,580,000	42,618,000
Generated - Mayfield	67,187,000	29,504,000
TOTAL COWLITZ	<u>174,767,000</u>	<u>72,122,000</u>
Generated - Wynoochee	-	-
Generated - Hood Street	354,500	360,700
Tacoma's Share of Priest Rapids	2,904,000	2,427,000
Tacoma's Share of GCPHA	42,810,000	39,200,000
TOTAL KWH GENERATED - TACOMA SYSTEM	279,275,500	157,202,700
Purchased Power		
BPA Slice Contract	237,441,000	224,086,000
BPA Block Contract	107,652,000	118,602,000
Interchange Net	(280,197,750)	(146,724,250)
TOTAL KWH GENERATED, PURCHASED AND INTERCHANGED	<u>344,170,750</u>	<u>353,166,450</u>
Losses	4,256,758	4,668,044
Baldi Replacement	20,550	18,375
Ketron	20,289	14,960
NT PC Mutuals Schedules	(2,318,000)	(2,160,000)
PC Mutual Inadvertent	506,739	89,310
TACOMA SYSTEM FIRM LOAD	<u>346,657,086</u>	<u>355,797,139</u>
Maximum Kilowatts (System Firm Load)	593,512	612,661
Average Kilowatts (System Firm Load)	465,937	478,222
PIERCE COUNTY MUTUAL LOAD	99,151,000	97,663,000
KWH BILLED		
Residential Sales	146,101,957	153,356,975
Commercial Sales	21,622,925	29,157,732
General	128,389,298	160,988,208
Contract Industrial	40,237,860	41,675,160
Public Street and Highway Lighting	1,121,121	916,001
Sales to Other Electric Utilities	544,500	555,300
TOTAL FIRM	<u>338,017,661</u>	<u>386,649,376</u>
Bulk Power Sales	308,402,000	218,830,000
TOTAL KWH BILLED	<u><u>646,419,661</u></u>	<u><u>605,479,376</u></u>

YEAR TO DATE			
May 31, 2020	May 31, 2019	2020/2019 VARIANCE	PERCENT CHANGE
163,255,000	124,058,000	39,197,000	31.6%
97,413,000	73,124,000	24,289,000	33.2%
<u>260,668,000</u>	<u>197,182,000</u>	<u>63,486,000</u>	32.2%
40,137,000	36,827,000	3,310,000	9.0%
57,218,000	51,398,000	5,820,000	11.3%
<u>97,355,000</u>	<u>88,225,000</u>	<u>9,130,000</u>	10.3%
636,282,000	301,434,000	334,848,000	111.1%
404,937,000	248,054,000	156,883,000	63.2%
<u>1,041,219,000</u>	<u>549,488,000</u>	<u>491,731,000</u>	89.5%
13,904,000	10,066,000	3,838,000	38.1%
1,741,100	1,414,383	326,717	23.1%
11,482,000	9,558,000	1,924,000	20.1%
85,806,000	63,546,000	22,260,000	35.0%
1,512,175,100	919,479,383	592,695,717	64.5%
963,437,000	947,692,000	15,745,000	1.7%
641,663,000	706,933,000	(65,270,000)	-9.2%
(997,722,750)	(435,550,750)	(562,172,000)	-129.1%
<u>2,119,552,350</u>	<u>2,138,553,633</u>	<u>(19,001,283)</u>	-0.9%
17,732,897	13,702,636	4,030,261	29.4%
1,078,696	114,180	964,516	844.7%
160,057	146,289	13,768	9.4%
(14,835,000)	(14,657,000)	(178,000)	-1.2%
(2,463,388)	598,149	(3,061,537)	-511.8%
<u>2,121,225,612</u>	<u>2,138,457,887</u>	<u>(17,232,275)</u>	-0.8%
671,790,000	683,598,000	(11,808,000)	-1.7%
982,827,963	1,013,417,632	(30,589,669)	-3.0%
142,076,971	150,537,122	(8,460,151)	-5.6%
814,588,506	837,952,111	(23,363,605)	-2.8%
209,485,380	194,124,000	15,361,380	7.9%
4,567,750	4,980,759	(413,009)	-8.3%
3,680,100	3,712,500	(32,400)	-0.9%
<u>2,157,226,670</u>	<u>2,204,724,124</u>	<u>(47,497,454)</u>	-2.2%
1,279,498,000	857,110,000	422,388,000	49.3%
<u>3,436,724,670</u>	<u>3,061,834,124</u>	<u>374,890,546</u>	12.2%

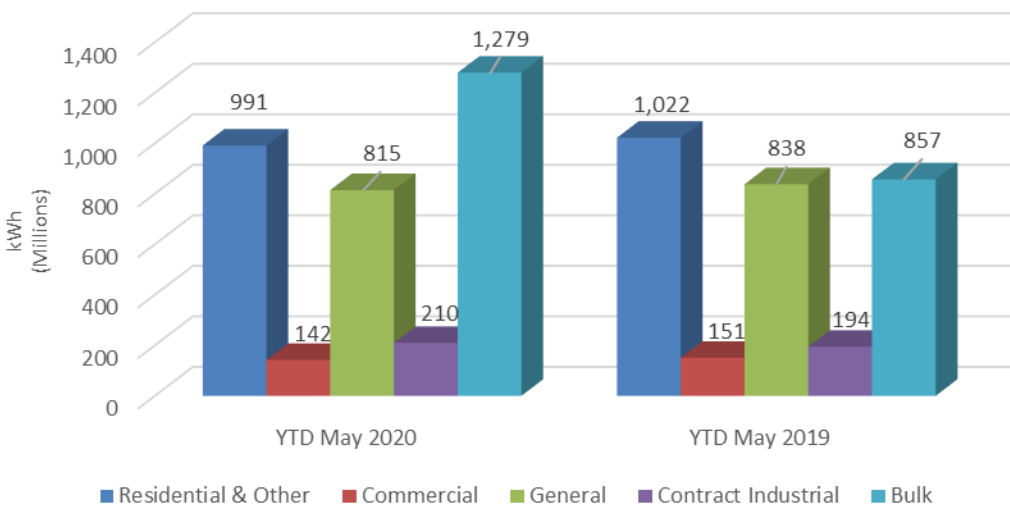
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# Supplemental Data

### Sales of Electric Energy Year to Date - May 2020 & 2019

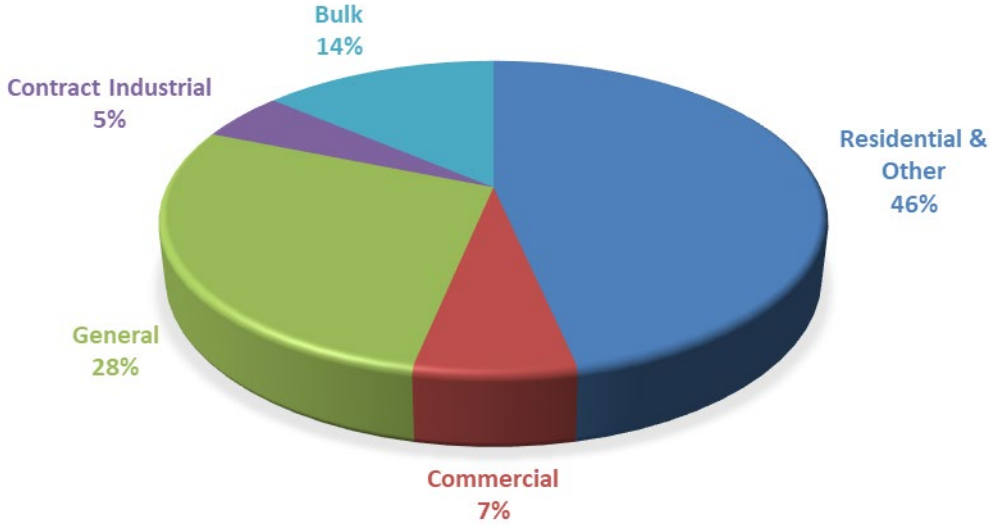


### Total Power Billed Year to Date - May 2020 & 2019

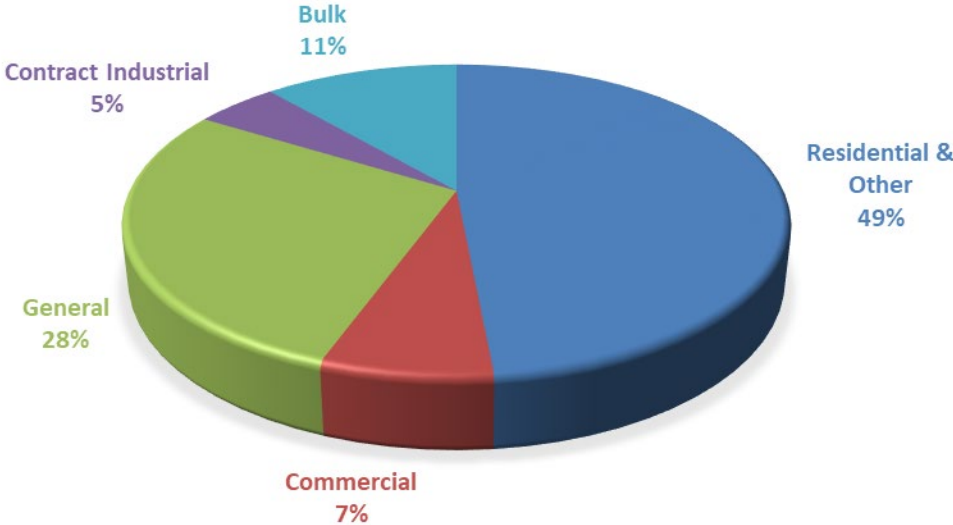




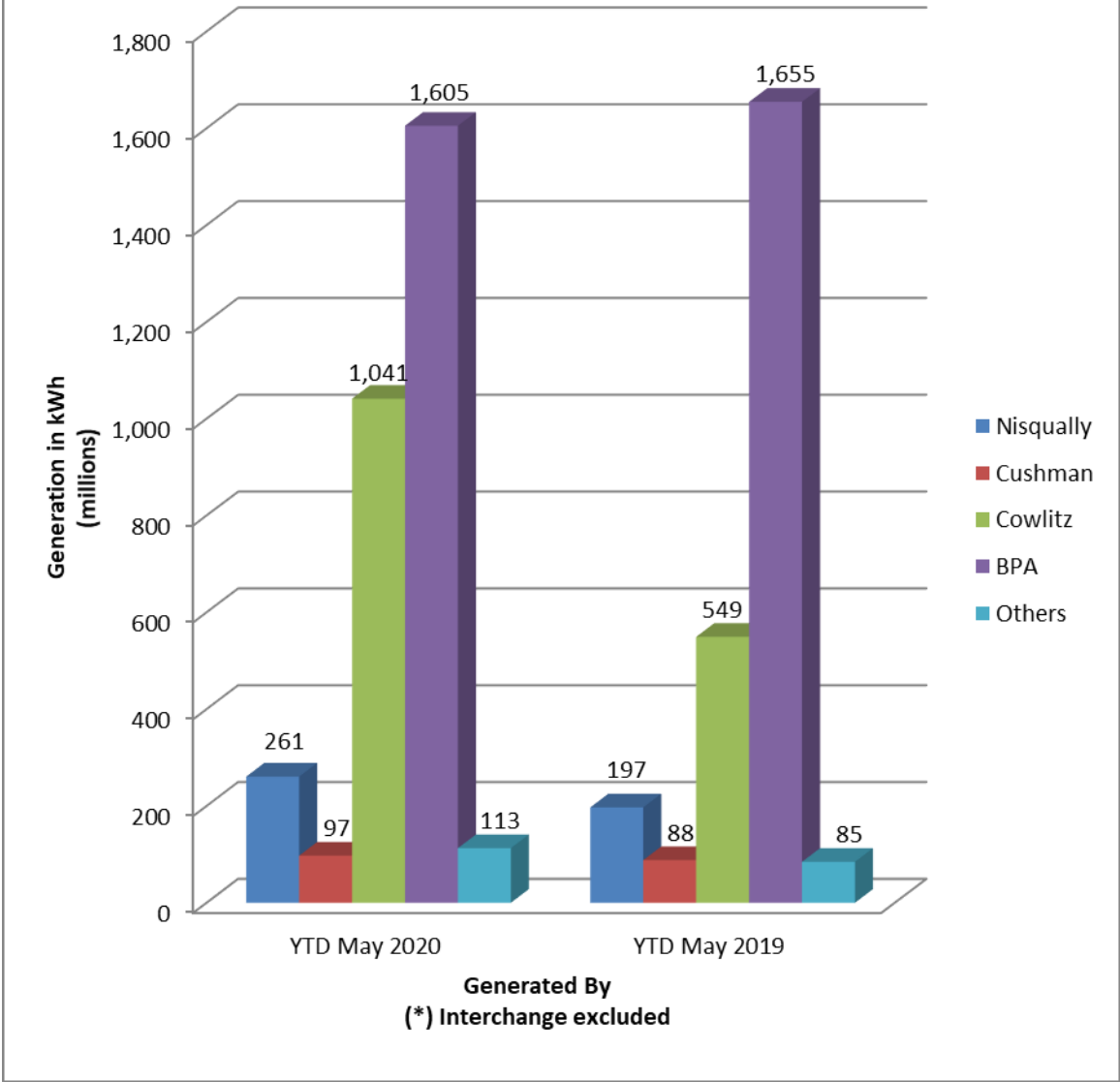
**SALES OF ELECTRIC ENERGY  
YEAR TO DATE - MAY 2020 (\$199,243,457)**



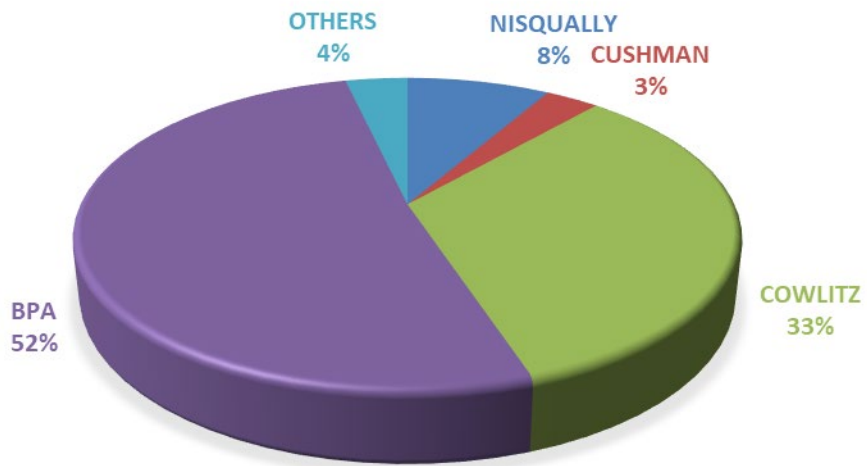
**SALES OF ELECTRIC ENERGY  
YEAR TO DATE - MAY 2019 (\$192,412,363)**



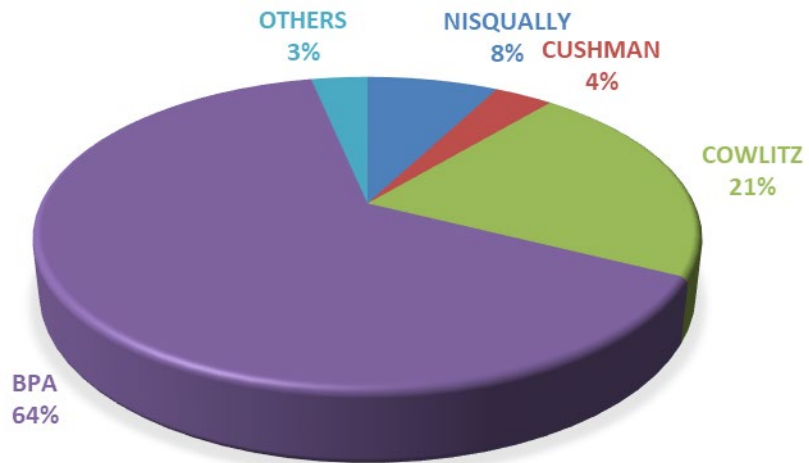
### Power Sources (\*) Year to Date May 2020 & 2019



**POWER SOURCES (\*)  
YEAR TO DATE - MAY 2020**

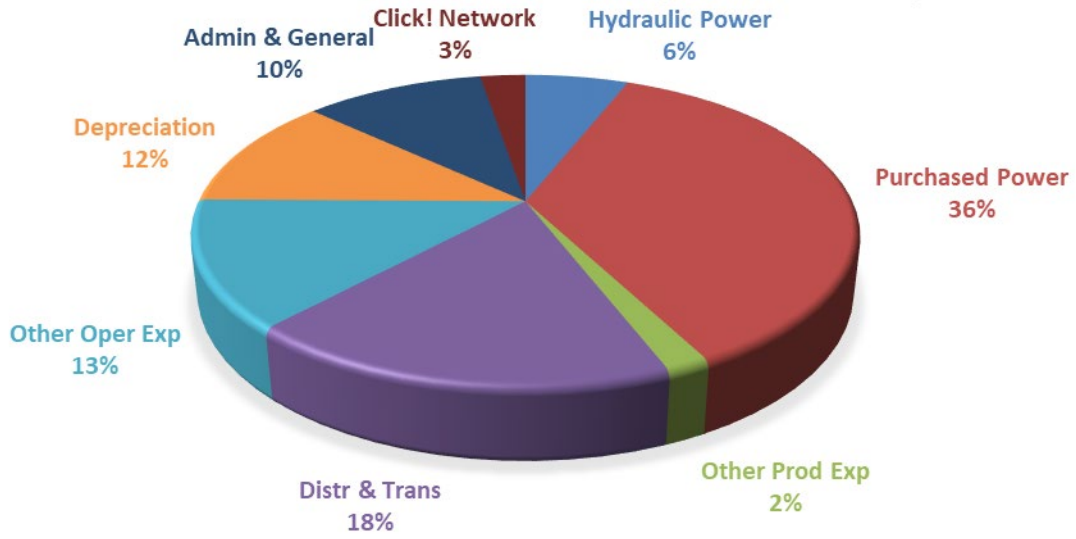


**POWER SOURCES (\*)  
YEAR TO DATE - MAY 2019**

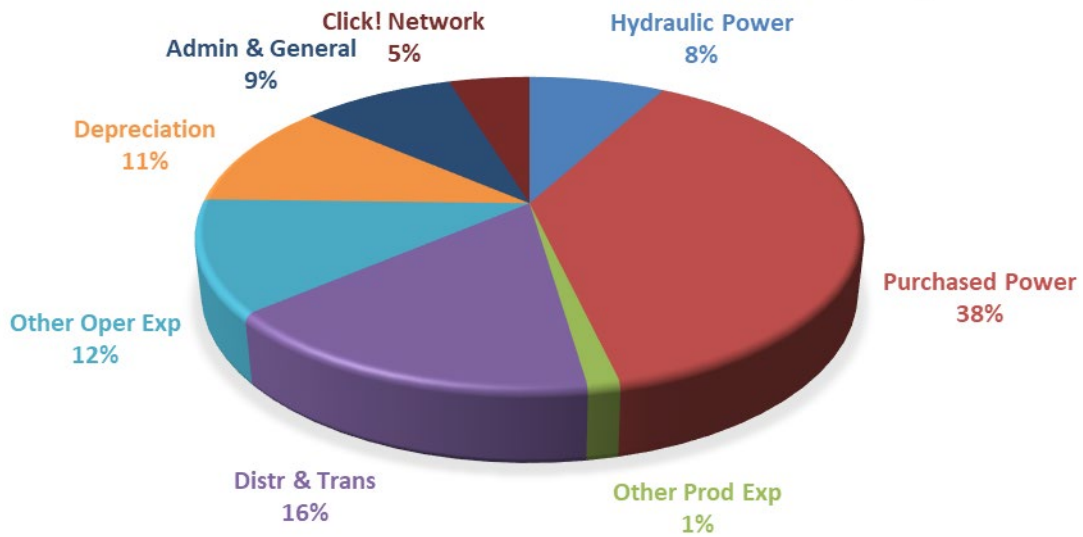


(\*) Interchange excluded

**TOTAL OPERATING EXPENSES \***  
**YEAR TO DATE - MAY 2020 (\$172,250,693)**



**TOTAL OPERATING EXPENSES \***  
**YEAR TO DATE - MAY 2019 (\$189,425,511)**



\* City Gross Earnings Taxes are not included in Total Operating Expenses.

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