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*JULY*

*TACOMA POWER*

2021

**FINANCIAL  
REPORT**





# Public Utility Board

MARK PATTERSON  
Chair

CHRISTINE COOLEY  
Vice-Chair

CARLOS M. WATSON  
Secretary

JOE BUSHNELL  
Member

HOLLAND COHEN  
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.*

*Variance analysis: According to Ordinance No. 28688, Fleet Services Fund transferred operating division fleet assets to Power, Rail, and Water for funding flexibility. Fleet Services Fund maintains the purchasing and maintenance responsibilities. \$1.8 million of Construction Work In Progress was transferred out from Fleet Services Fund to Power.*

*Reclassification: Changes have been made to prior period account classifications as needed to conform to the current period presentation format.*

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City of Tacoma, Washington  
Department of Public Utilities  
Tacoma Power  
Statements of Net Position (Unaudited)  
July 31, 2021 and July 31, 2020

<b>ASSETS AND DEFERRED OUTFLOWS</b>	<u>2021</u>	<u>2020</u>
<b>UTILITY PLANT</b>		
Electric Plant in Service	\$2,210,474,636	\$2,176,082,531
Less Depreciation and Amortization	<u>(1,183,594,815)</u>	<u>(1,164,901,993)</u>
Total	1,026,879,821	1,011,180,538
Construction Work in Progress	<u>82,230,669</u>	<u>59,071,414</u>
Net Utility Plant	<u>1,109,110,490</u>	<u>1,070,251,952</u>
<b>NON-UTILITY PROPERTY</b>	<u>182,051</u>	<u>182,051</u>
<b>RESTRICTED ASSETS</b>		
Cash and Equity in Pooled Investments:		
2019 Construction Fund	286	(13,823)
Provision for Debt Service	5,038,884	5,959,177
Special Bond Reserves	4,997,639	4,997,639
Wynoochee Reserve - State of Washington	2,748,484	2,718,777
Fish and Wildlife Reserves	<u>25,966,104</u>	<u>25,160,458</u>
Total Restricted Assets	<u>38,751,397</u>	<u>38,822,228</u>
<b>CURRENT ASSETS</b>		
Cash and Equity in Pooled Investments:		
Current Fund	195,636,818	132,838,637
Customers' and Contractors' Deposits	1,392,859	2,587,159
Conservation Loan Fund	4,735,811	5,106,908
Rate Stabilization Fund	38,000,000	38,000,000
Receivables:		
Customers	38,277,215	25,701,498
Accrued Unbilled Revenue	32,019,820	32,547,727
Others	13,895,241	14,105,957
Provision for Uncollectibles	<u>(15,119,619)</u>	<u>(5,012,387)</u>
Materials and Supplies	7,472,449	6,566,466
Prepayments and Other	<u>13,150,332</u>	<u>12,217,514</u>
Total Current Assets	<u>329,460,926</u>	<u>264,659,479</u>
<b>OTHER ASSETS</b>		
Regulatory Asset - Conservation	38,452,159	44,493,927
Net Pension Asset	7,189,022	-
Conservation Loan Fund Receivables	<u>1,890,276</u>	<u>1,954,906</u>
Total Other Assets	<u>47,531,457</u>	<u>46,448,833</u>
Total Assets	<u>1,525,036,321</u>	<u>1,420,364,543</u>
<b>DEFERRED OUTFLOWS</b>		
Deferred Outflow for Pensions	21,328,424	54,329,250
Deferred Outflow for OPEB	<u>1,299,989</u>	<u>952,121</u>
Total Deferred Outflows	<u>22,628,413</u>	<u>55,281,371</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<u>\$1,547,664,734</u>	<u>\$1,475,645,914</u>

*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>	2021	2020
<b>NET POSITION</b>		
Net Investment in Capital Assets	\$597,651,266	\$605,871,661
Restricted for:		
Wynoochee Reserve - State of Washington	2,748,484	2,718,777
Fish and Wildlife Reserves	25,966,104	25,160,458
Debt Service	3,467,917	4,357,500
Net Pension Asset	7,189,022	-
Unrestricted	<u>262,562,483</u>	<u>205,249,274</u>
TOTAL NET POSITION	<u>899,585,276</u>	<u>843,357,670</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	88,655,000
2013B Electric System Rev & Refunding Bonds	31,825,000	35,620,000
2017 Electric System Revenue Bonds	<u>68,425,000</u>	<u>70,575,000</u>
Total Bonded Indebtedness	360,160,000	366,105,000
Less: Unamortized Bond Premiums	<u>19,283,914</u>	<u>20,734,981</u>
Net Bonded Indebtedness	379,443,914	386,839,981
Line of Credit	-	75,250,000
Total Long-Term Debt	<u>379,443,914</u>	<u>462,089,981</u>
<b>CURRENT LIABILITIES</b>		
Salaries and Wages Payable	3,852,989	4,131,115
Taxes and Other Payables	12,003,977	12,071,435
Purchases and Transmission of Power Accrued	10,968,177	21,890,556
Interest Payable	1,570,967	1,601,677
Unearned Revenue	20,340	20,340
Customers' Deposits	8,572,108	5,940,549
Current Portion of Long-Term Debt	137,195,000	7,470,000
Current Accrued Compensated Absences	<u>1,344,971</u>	<u>1,138,107</u>
Total Current Liabilities	<u>175,528,529</u>	<u>54,263,779</u>
<b>LONG-TERM LIABILITIES</b>		
Long-Term Accrued Compensated Absences	12,104,741	10,242,961
Net OPEB Liability	10,972,398	10,562,836
Net Pension Liability	-	45,902,976
Other Long-Term Liabilities	<u>3,188,925</u>	<u>3,607,858</u>
Total Long-Term Liabilities	<u>26,266,064</u>	<u>70,316,631</u>
TOTAL LIABILITIES	<u>581,238,507</u>	<u>586,670,391</u>
<b>DEFERRED INFLOWS</b>		
Deferred Inflow for Pensions	27,395,943	6,031,613
Deferred Inflow for OPEB	1,445,008	1,586,240
Rate Stabilization	<u>38,000,000</u>	<u>38,000,000</u>
Total Deferred Inflows	66,840,951	45,617,853
TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS	<u>\$1,547,664,734</u>	<u>\$1,475,645,914</u>

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City of Tacoma, Washington  
Department of Public Utilities  
Tacoma Power  
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)  
July 31, 2021 and July 31, 2020

			YEAR TO DATE		2021/2020 VARIANCE	PERCENT CHANGE
	July 2021	July 2020	July 31, 2021	July 31, 2020		
<b>OPERATING REVENUES</b>						
Sales of Electric Energy	\$37,105,613	\$37,352,885	\$276,414,234	\$267,735,408	\$8,678,826	3.2%
Other Operating Revenues	2,001,980	3,458,387	14,403,244	15,694,864	(1,291,620)	-8.2%
Click! Network Operating Revenues	-	1,987	1,529	6,201,511	(6,199,982)	-100.0%
Total Operating Revenue	<u>39,107,593</u>	<u>40,813,259</u>	<u>290,819,007</u>	<u>289,631,783</u>	<u>1,187,224</u>	0.4%
<b>OPERATING EXPENSES</b>						
Production Expense						
Hydraulic Power Production	2,469,561	3,203,208	17,326,838	16,925,158	401,680	2.4%
Other Production Expense	638,011	745,505	3,805,476	4,500,250	(694,774)	-15.4%
Total Expense Power Produced	<u>3,107,572</u>	<u>3,948,713</u>	<u>21,132,314</u>	<u>21,425,408</u>	<u>(293,094)</u>	-1.4%
Purchased Power	10,985,791	20,520,794	83,796,536	93,333,202	(9,536,666)	-10.2%
Total Production Expense	<u>14,093,363</u>	<u>24,469,507</u>	<u>104,928,850</u>	<u>114,758,610</u>	<u>(9,829,760)</u>	-8.6%
Transmission Expense	3,479,911	5,144,380	22,641,815	24,604,358	(1,962,543)	-8.0%
Distribution Expense	3,274,796	2,667,148	23,241,655	20,634,126	2,607,529	12.6%
Click! Network Commercial Operations Expense	71,010	82,488	536,524	4,717,144	(4,180,620)	-88.6%
Customer Accounts Expense (CIS)	2,512,770	1,976,465	15,865,107	10,683,957	5,181,150	48.5%
Conservation and Other Customer Assistance	1,353,989	1,632,044	9,974,666	10,569,300	(594,634)	-5.6%
Taxes	1,243,606	1,494,447	12,103,862	12,371,686	(267,824)	-2.2%
Depreciation	4,182,581	4,001,756	29,343,784	28,046,093	1,297,691	4.6%
Administrative and General	3,288,168	2,895,513	24,469,356	24,664,884	(195,528)	-0.8%
Total Operating Expenses	<u>33,500,194</u>	<u>44,363,748</u>	<u>243,105,619</u>	<u>251,050,158</u>	<u>(7,944,539)</u>	-3.2%
<b>OPERATING INCOME (LOSS)</b>	<u>5,607,399</u>	<u>(3,550,489)</u>	<u>47,713,388</u>	<u>38,581,625</u>	<u>9,131,763</u>	23.7%
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Interest Income	194,315	259,225	(2,298,654)	772,492	(3,071,146)	-397.6%
Contribution to Family Need	(83,333)	(41,667)	(583,333)	(291,667)	(291,666)	-100.0%
Other Net Non-Op Revenues and Deductions	(75,851)	240,760	1,481,305	905,536	575,769	63.6%
Interest on Long-Term Debt	(1,625,368)	(1,664,407)	(11,546,365)	(11,861,537)	315,172	2.7%
Amort of Debt Related Costs	119,071	123,513	833,500	864,594	(31,094)	-3.6%
Total Non-Operating Revenues (Expenses)	<u>(1,471,166)</u>	<u>(1,082,576)</u>	<u>(12,113,547)</u>	<u>(9,610,582)</u>	<u>(2,502,965)</u>	-26.0%
Net Income (Loss) Before Capital Contributions and Transfers	4,136,233	(4,633,065)	35,599,841	28,971,043	6,628,798	22.9%
Capital Contributions						
Cash	822,901	321,549	3,798,760	2,575,181	1,223,579	47.5%
Donated Fixed Assets	-	-	457,176	111,880	345,296	308.6%
BABs and CREBs Interest Subsidies	310,769	329,553	2,175,381	2,306,872	(131,491)	-5.7%
Transfers						
City Gross Earnings Tax	(3,148,856)	(3,942,629)	(21,286,023)	(22,634,634)	1,348,611	6.0%
Transfers from (to) Other Funds	-	-	1,840,194	-	1,840,194	n/a
<b>CHANGE IN NET POSITION</b>	<u>2,121,047</u>	<u>(7,924,592)</u>	<u>22,585,329</u>	<u>11,330,342</u>	<u>11,254,987</u>	99.3%
<b>TOTAL NET POSITION - January 1</b>			<u>876,999,947</u>	<u>832,027,328</u>	<u>44,972,620</u>	5.4%
<b>TOTAL NET POSITION - July 31</b>			<u>\$899,585,276</u>	<u>\$843,357,670</u>	<u>\$56,227,607</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)  
 July 31, 2021 and July 31, 2020

	For the month of July 2021	For the month of July 2020	YEAR TO DATE		2021/2020 VARIANCE	PERCENT CHANGE
			July 31, 2021	July 31, 2020		
<b>OPERATING REVENUE</b>						
Sales of Electric Energy						
Residential	\$13,314,853	\$13,099,240	\$120,644,757	\$117,762,224	\$2,882,533	2.4%
Commercial	2,757,836	2,446,593	18,058,993	17,681,206	377,787	2.1%
General	11,396,224	10,650,442	78,957,072	76,505,887	2,451,185	3.2%
Contract Industrial	1,992,202	1,994,121	14,063,604	14,127,180	(63,576)	-0.5%
Public Street and Highway Lighting	165,028	109,670	721,708	798,150	(76,442)	-9.6%
Sales to Other Electric Utilities	46,220	29,824	354,408	285,318	69,090	24.2%
Total Sales to Customers	<u>29,672,363</u>	<u>28,329,890</u>	<u>232,800,542</u>	<u>227,159,965</u>	<u>5,640,577</u>	<u>2.5%</u>
Bulk Power Sales	<u>7,433,250</u>	<u>9,022,995</u>	<u>43,613,692</u>	<u>40,575,443</u>	<u>3,038,249</u>	<u>7.5%</u>
Total Sales of Electric Energy	<u>37,105,613</u>	<u>37,352,885</u>	<u>276,414,234</u>	<u>267,735,408</u>	<u>8,678,826</u>	<u>3.2%</u>
Other Operating Revenue						
Rentals and Leases from Elect. Property	502,554	1,335,306	3,651,927	3,166,731	485,196	15.3%
Wheeling	763,570	1,367,576	5,912,505	6,457,664	(545,159)	-8.4%
Service Fees and Other	735,856	755,505	4,838,812	6,070,469	(1,231,657)	-20.3%
Telecommunications Revenue	-	1,987	1,529	6,201,511	(6,199,982)	-100.0%
Total Other Operating Revenues	<u>2,001,980</u>	<u>3,460,374</u>	<u>14,404,773</u>	<u>21,896,375</u>	<u>(7,491,602)</u>	<u>-34.2%</u>
<b>TOTAL OPERATING REVENUES</b>	<u>\$39,107,593</u>	<u>\$40,813,259</u>	<u>\$290,819,007</u>	<u>\$289,631,783</u>	<u>\$1,187,224</u>	<u>0.4%</u>
<b>BILLINGS (Number of Months Billed)</b>						
Residential	164,761	174,740	1,138,938	1,146,647	(7,709)	-0.7%
Commercial	17,669	19,078	118,933	118,836	97	0.1%
General	2,303	2,786	17,331	18,217	(886)	-4.9%
Contract Industrial	2	2	14	14	-	0.0%
Public Streets and Highway Lighting	969	1,171	6,649	6,819	(170)	-2.5%
Sales to Other Electric Utilities	<u>1</u>	<u>1</u>	<u>7</u>	<u>7</u>	<u>-</u>	<u>0.0%</u>
<b>TOTAL BILLINGS</b>	<u>185,705</u>	<u>197,778</u>	<u>1,281,872</u>	<u>1,290,540</u>	<u>(8,668)</u>	<u>-0.7%</u>

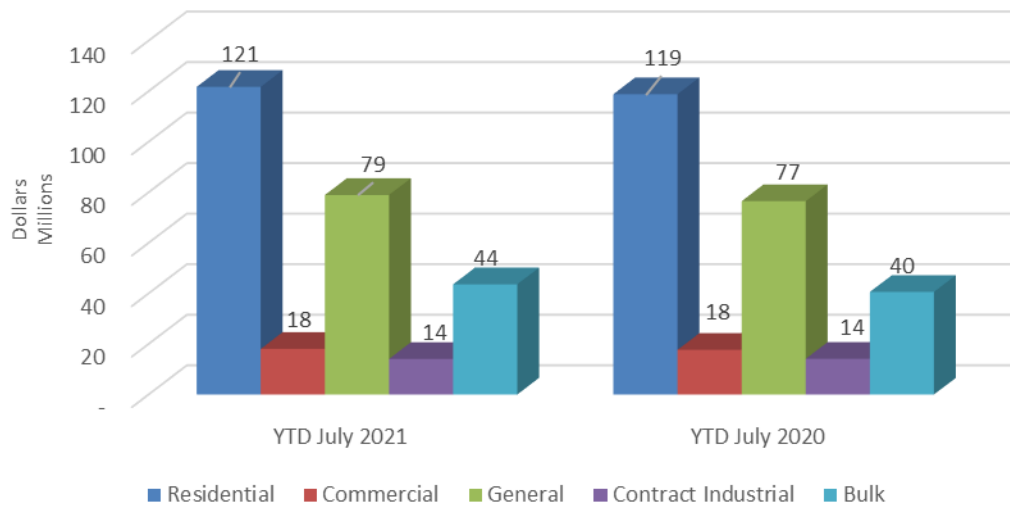
City of Tacoma, Washington  
Department of Public Utilities  
Tacoma Power  
Gross Generation Report (Unaudited)  
July 31, 2021 and July 31, 2020

	For the month of July 2021	For the month of July 2020	YEAR TO DATE		2021/2020 VARIANCE	PERCENT CHANGE
			July 31, 2021	July 31, 2020		
<b>KWH GENERATED, PURCHASED AND INTERCHANGED - Gross</b>						
Generated - LaGrande	23,344,000	22,511,000	192,408,000	214,486,000	(22,078,000)	-10.3%
Generated - Alder	13,847,000	13,343,000	118,562,000	127,731,000	(9,169,000)	-7.2%
<b>TOTAL NISQUALLY</b>	<b>37,191,000</b>	<b>35,854,000</b>	<b>310,970,000</b>	<b>342,217,000</b>	<b>(31,247,000)</b>	<b>-9.1%</b>
Generated - Cushman No 1	2,446,000	1,749,000	54,003,000	46,101,000	7,902,000	17.1%
Generated - Cushman No 2	2,189,000	990,000	74,874,000	62,137,000	12,737,000	20.5%
<b>TOTAL CUSHMAN</b>	<b>4,635,000</b>	<b>2,739,000</b>	<b>128,877,000</b>	<b>108,238,000</b>	<b>20,639,000</b>	<b>19.1%</b>
Generated - Mossyrock	50,389,000	62,600,000	648,382,000	806,329,000	(157,947,000)	-19.6%
Generated - Septemberfield	28,883,000	36,187,000	447,892,000	505,896,000	(58,004,000)	-11.5%
<b>TOTAL COWLITZ</b>	<b>79,272,000</b>	<b>98,787,000</b>	<b>1,096,274,000</b>	<b>1,312,225,000</b>	<b>(215,951,000)</b>	<b>-16.5%</b>
Generated - Wynoochee	849,000	657,000	13,447,000	14,561,000	(1,114,000)	-7.7%
Generated - Hood Street	-	247,500	1,754,700	2,037,400	(282,700)	-13.9%
Tacoma's Share of Priest Rapids	2,117,000	2,764,000	15,487,000	17,126,000	(1,639,000)	-9.6%
Tacoma's Share of GCPHA	46,991,000	44,640,000	180,834,000	169,561,000	11,273,000	6.6%
<b>TOTAL KWH GENERATED - TACOMA SYSTEM</b>	<b>171,055,000</b>	<b>185,688,500</b>	<b>1,747,643,700</b>	<b>1,965,965,400</b>	<b>(218,321,700)</b>	<b>-11.1%</b>
<b>Purchased Power</b>						
BPA Slice Contract	168,359,000	226,582,000	1,227,967,000	1,433,207,000	(205,240,000)	-14.3%
BPA Block Contract	104,287,000	103,403,000	848,583,000	841,386,000	7,197,000	0.9%
Interchange Net	(79,925,000)	(172,632,583)	(970,581,250)	(1,445,037,083)	474,455,833	32.8%
<b>TOTAL KWH GENERATED, PURCHASED AND INTERCHANGED</b>	<b>363,776,000</b>	<b>343,040,917</b>	<b>2,853,612,450</b>	<b>2,795,521,317</b>	<b>58,091,133</b>	<b>2.1%</b>
Losses	(34,829)	4,242,106	10,598,805	25,368,264	(14,769,459)	-58.2%
Baldi Replacement	12,291	11,011	573,738	1,106,076	(532,338)	-48.1%
Ketron	14,188	13,603	183,760	188,017	(4,257)	-2.3%
NT PC Mutuals Schedules	(2,209,000)	(2,007,000)	(19,388,000)	(19,011,000)	(377,000)	-2.0%
PC Mutual Inadvertent	362,253	397,983	12,946,126	(1,666,993)	14,613,119	876.6%
<b>TACOMA SYSTEM FIRM LOAD</b>	<b>361,920,903</b>	<b>345,698,620</b>	<b>2,858,526,879</b>	<b>2,801,505,681</b>	<b>57,021,198</b>	<b>2.0%</b>
Maximum Kilowatts (System Firm Load)	668,882	671,139				
Average Kilowatts (System Firm Load)	486,453	464,649				
<b>PIERCE COUNTY MUTUAL LOAD</b>	<b>101,717,000</b>	<b>98,243,000</b>	<b>888,303,000</b>	<b>862,769,000</b>	<b>25,534,000</b>	<b>3.0%</b>
<b>KWH BILLED</b>						
Residential Sales	127,221,344	126,083,475	1,248,954,571	1,232,020,801	16,933,770	1.4%
Commercial Sales	25,052,034	25,210,772	186,079,702	187,885,795	(1,806,093)	-1.0%
General	148,651,341	151,407,344	1,102,808,308	1,112,236,714	(9,428,406)	-0.8%
Contract Industrial	43,190,760	41,842,440	296,502,780	293,960,820	2,541,960	0.9%
Public Street and Highway Lighting	667,685	847,094	5,155,812	6,155,798	(999,987)	-16.2%
Sales to Other Electric Utilities	688,500	481,500	5,549,400	4,653,000	896,400	19.3%
<b>TOTAL FIRM</b>	<b>345,471,664</b>	<b>345,872,625</b>	<b>2,845,050,573</b>	<b>2,836,912,928</b>	<b>8,137,644</b>	<b>0.3%</b>
Bulk Power Sales	95,715,000	194,392,000	1,162,315,000	1,785,470,000	(623,155,000)	-34.9%
<b>TOTAL KWH BILLED</b>	<b>441,186,664</b>	<b>540,264,625</b>	<b>4,007,365,573</b>	<b>4,622,382,928</b>	<b>(615,017,356)</b>	<b>-13.3%</b>

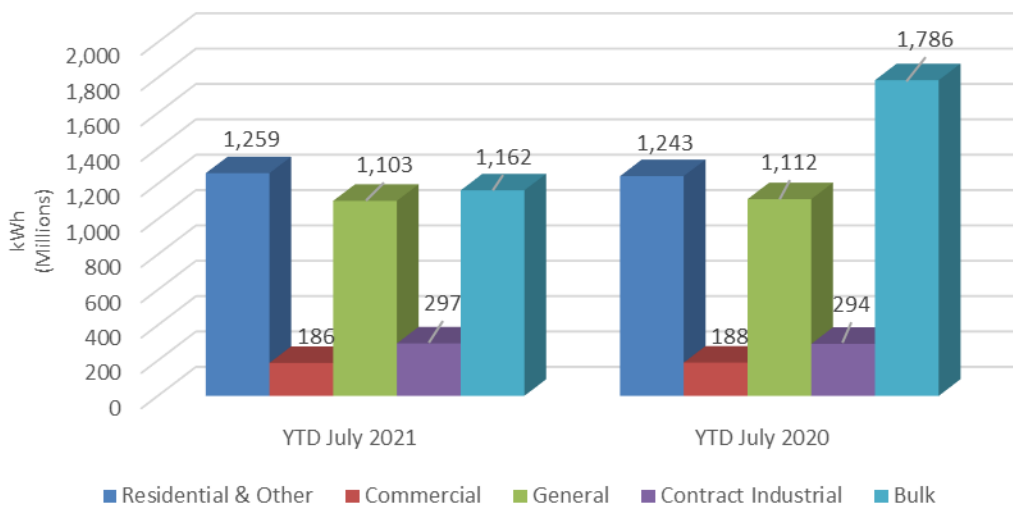
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# Supplemental Data

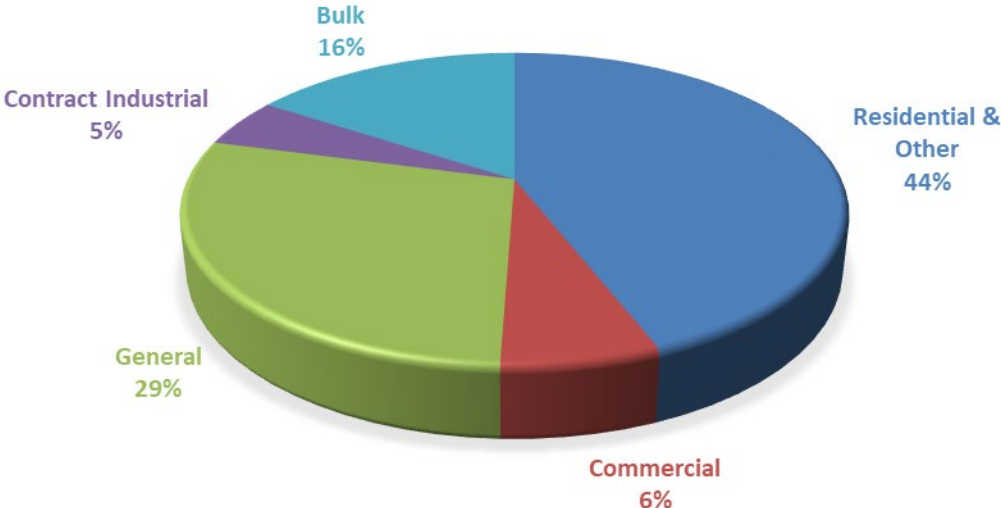
### Sales of Electric Energy Year to Date - July 2021 & 2020



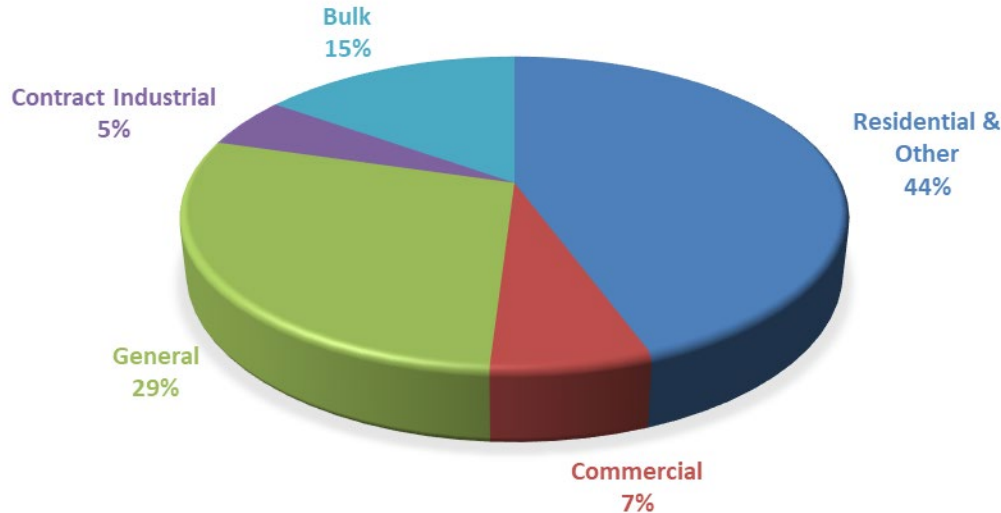
### Total Power Billed Year to Date - July 2021 & 2020



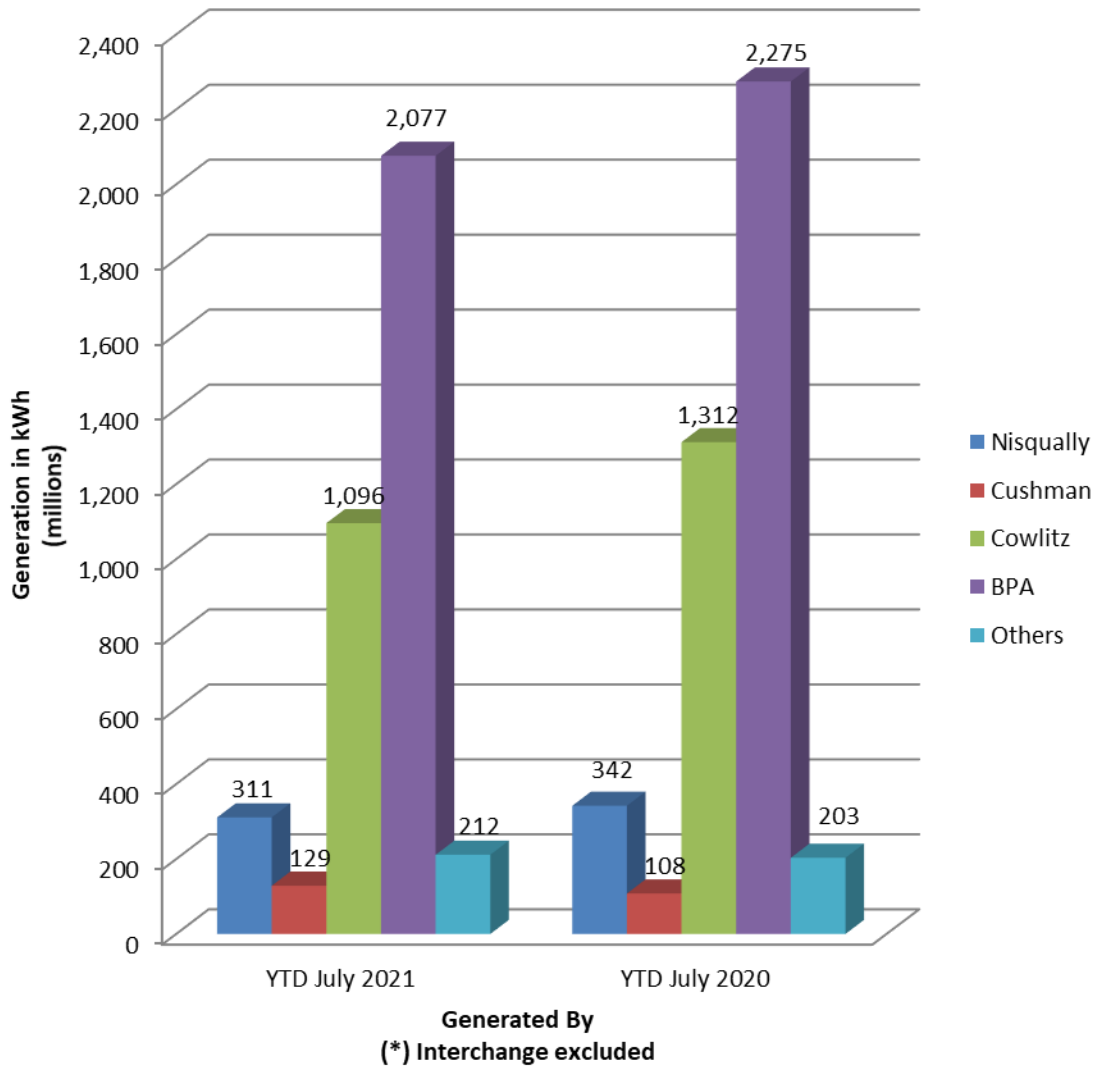
**SALES OF ELECTRIC ENERGY  
YEAR TO DATE - JULY 2021 (\$276,414,234)**



**SALES OF ELECTRIC ENERGY  
YEAR TO DATE - JULY 2020 (\$267,735,408)**

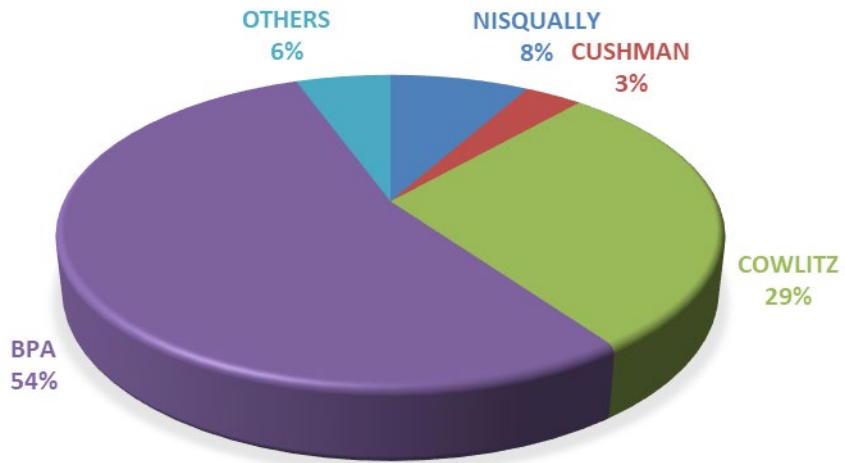


## Power Sources (\*) Year to Date July 2021 & 2020

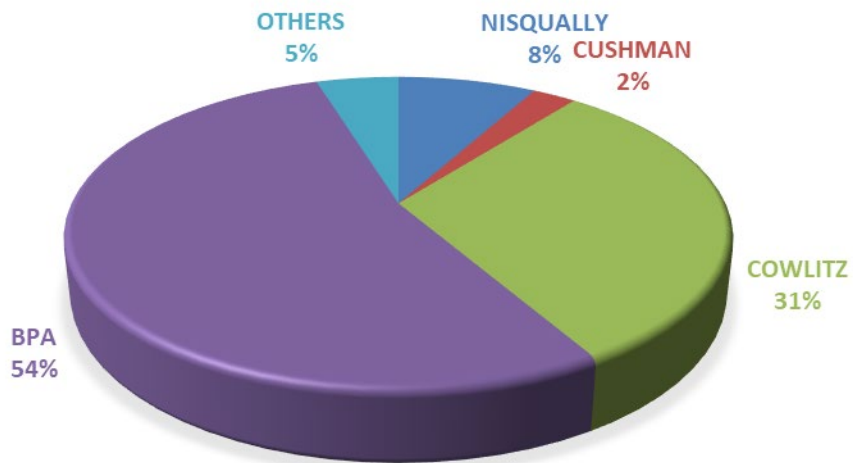




**POWER SOURCES (\*)**  
**YEAR TO DATE - JULY 2021**

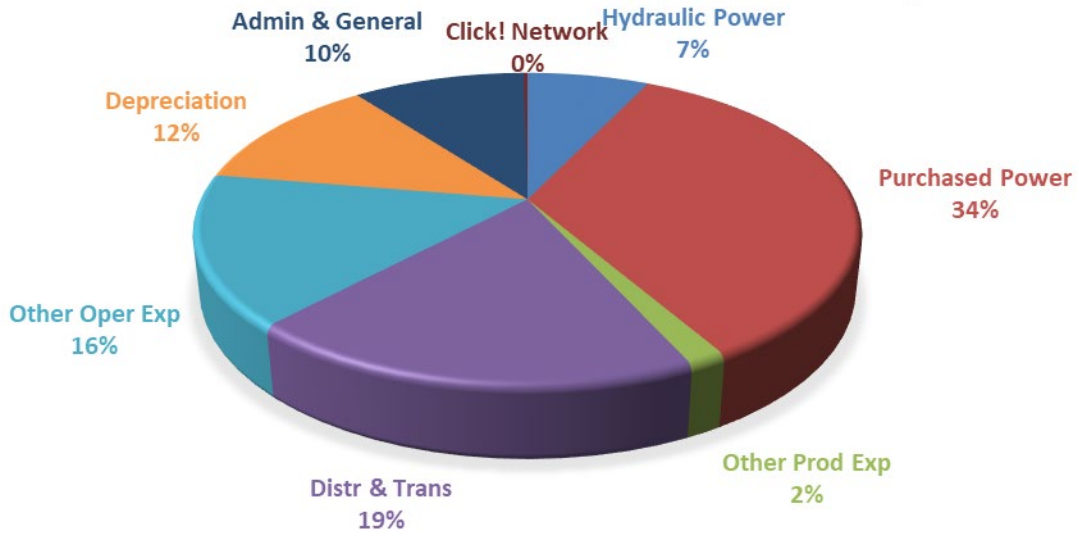


**POWER SOURCES (\*)**  
**YEAR TO DATE - JULY 2020**

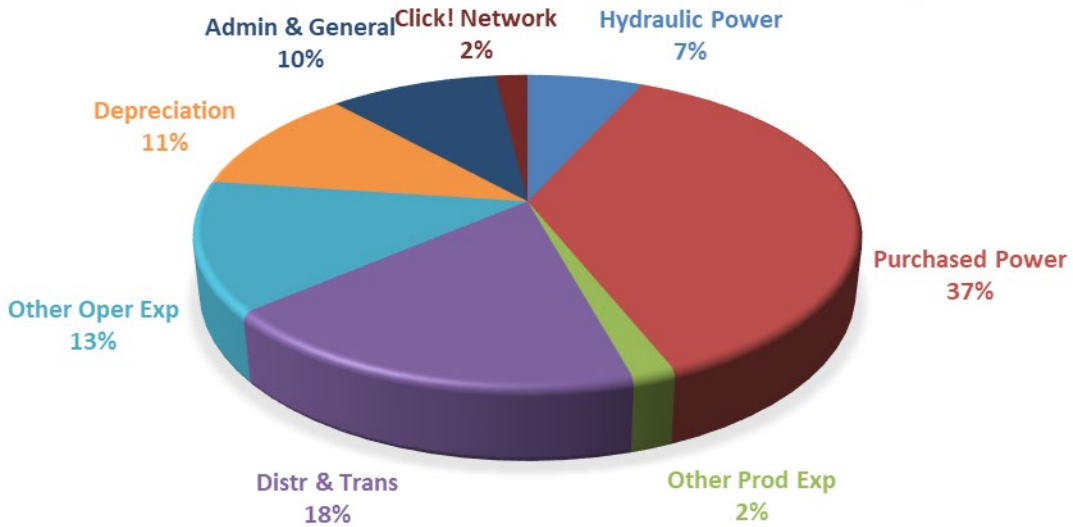


(\*) Interchange excluded

**TOTAL OPERATING EXPENSES \***  
**YEAR TO DATE - JULY 2021 (\$243,105,619)**



**TOTAL OPERATING EXPENSES \***  
**YEAR TO DATE - JULY 2020 (\$251,050,158)**



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

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