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*OCTOBER*

*TACOMA POWER*

**2021**  
**FINANCIAL  
REPORT**





# Public Utility Board

MARK PATTERSON  
Chair

CHRISTINE COOLEY  
Vice-Chair

CARLOS M. WATSON  
Secretary

HOLLAND COHEN  
Member

JOHN O'LOUGHLIN  
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)  
October 31, 2021 and October 31, 2020

ASSETS AND DEFERRED OUTFLOWS	2021	2020
<b>UTILITY PLANT</b>		
Electric Plant in Service	\$2,228,703,104	\$2,180,029,754
Less Depreciation and Amortization	(1,192,308,353)	(1,176,742,486)
Total	1,036,394,751	1,003,287,268
Construction Work in Progress	82,313,697	74,639,376
Net Utility Plant	1,118,708,448	1,077,926,644
 <b>NON-UTILITY PROPERTY</b>	 182,051	 182,051
 <b>RESTRICTED ASSETS</b>		
Cash and Equity in Pooled Investments:		
2019 Construction Fund	-	102,608
2021 Construction Fund	455	-
Provision for Debt Service	11,978,647	12,631,701
Special Bond Reserves	4,997,639	4,997,639
Wynoochee Reserve - State of Washington	2,753,776	2,728,249
Fish and Wildlife Reserves	26,017,267	25,239,105
Total Restricted Assets	45,747,784	45,699,302
 <b>CURRENT ASSETS</b>		
Cash and Equity in Pooled Investments:		
Current Fund	210,751,803	143,250,558
Customers' and Contractors' Deposits	1,364,973	2,316,539
Conservation Loan Fund	4,760,226	4,684,439
Rate Stabilization Fund	38,000,000	38,000,000
Receivables:		
Customers	36,159,293	24,512,389
Accrued Unbilled Revenue	32,019,820	32,547,727
Others	7,003,508	9,820,653
Provision for Uncollectibles	(16,599,407)	(6,716,773)
Materials and Supplies	7,824,213	7,306,161
Prepayments and Other	12,865,998	13,179,396
Total Current Assets	334,150,427	268,901,089
 <b>OTHER ASSETS</b>		
Regulatory Asset - Conservation	36,916,871	42,268,757
Net Pension Asset	7,189,022	-
Conservation Loan Fund Receivables	1,850,101	1,975,428
Total Other Assets	45,955,994	44,244,185
 Total Assets	 1,544,744,704	 1,436,953,271
 <b>DEFERRED OUTFLOWS</b>		
Deferred Outflow for Pensions	21,328,424	54,329,250
Deferred Outflow for OPEB	1,299,989	952,121
Total Deferred Outflows	22,628,413	55,281,371
 TOTAL ASSETS AND DEFERRED OUTFLOWS	 \$1,567,373,117	 \$1,492,234,642

*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>	<b>2021</b>	<b>2020</b>
<b>NET POSITION</b>		
Net Investment in Capital Assets	\$583,289,932	\$587,916,891
Restricted for:		
Wynoochee Reserve - State of Washington	2,753,776	2,728,249
Fish and Wildlife Reserves	26,017,267	25,239,105
Debt Service	4,213,556	6,225,000
Net Pension Asset	7,189,022	-
Unrestricted	264,788,723	218,503,547
<b>TOTAL NET POSITION</b>	<b>888,252,276</b>	<b>840,612,792</b>
<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	68,425,000	70,575,000
2021 Electric System Revenue Bonds	121,855,000	-
Total Bonded Indebtedness	482,015,000	366,105,000
Less: Unamortized Bond Premiums	42,638,661	20,364,441
Net Bonded Indebtedness	524,653,661	386,469,441
Line of Credit	10,000,000	101,250,000
Total Long-Term Debt	534,653,661	487,719,441
<b>CURRENT LIABILITIES</b>		
Salaries and Wages Payable	2,259,057	2,052,467
Taxes and Other Payables	13,651,978	12,724,006
Purchases and Transmission of Power Accrued	11,602,938	11,586,845
Interest Payable	7,024,481	6,406,701
Unearned Revenue	20,340	20,340
Customers' Deposits	9,511,400	6,569,459
Current Portion of Long-Term Debt	5,945,000	7,470,000
Current Accrued Compensated Absences	1,344,971	1,138,107
Total Current Liabilities	51,360,165	47,967,925
<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
Pension Withdrawal Liability	256,560	-
Other Long Term Liabilities	2,932,365	3,607,858
Total Long-Term Liabilities	26,266,064	70,316,631
<b>TOTAL LIABILITIES</b>	<b>612,279,890</b>	<b>606,003,997</b>
<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	38,000,000	38,000,000
Total Deferred Inflows	66,840,951	45,617,853
<b>TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS</b>	<b>\$1,567,373,117</b>	<b>\$1,492,234,642</b>

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

			YEAR TO DATE			
	October 2021	October 2020	October 31, 2021	October 31, 2020	2021/2020 VARIANCE	PERCENT CHANGE
<b>OPERATING REVENUES</b>						
Sales of Electric Energy	\$30,772,340	\$31,652,426	\$379,285,573	\$359,600,904	\$19,684,669	5.5%
Other Operating Revenues	1,116,981	1,553,469	18,830,630	20,103,320	(1,272,690)	-6.3%
Click! Network Operating Revenues	-	-	1,529	6,201,512	(6,199,983)	-100.0%
Total Operating Revenue	<u>31,889,321</u>	<u>33,205,895</u>	<u>398,117,732</u>	<u>385,905,736</u>	<u>12,211,996</u>	3.2%
<b>OPERATING EXPENSES</b>						
Production Expense						
Hydraulic Power Production	2,693,784	2,709,842	25,533,228	25,747,029	(213,801)	-0.8%
Other Production Expense	27,203,448	599,094	5,469,413	6,242,326	(772,913)	-12.4%
Total Expense Power Produced	<u>29,897,232</u>	<u>3,308,936</u>	<u>31,002,641</u>	<u>31,989,355</u>	<u>(986,714)</u>	-3.1%
Purchased Power	<u>11,875,353</u>	<u>11,731,433</u>	<u>119,478,790</u>	<u>118,297,212</u>	<u>1,181,578</u>	1.0%
Total Production Expense	<u>41,772,585</u>	<u>15,040,369</u>	<u>150,481,431</u>	<u>150,286,567</u>	<u>194,864</u>	0.1%
Transmission Expense	3,250,675	3,728,822	32,378,326	33,845,873	(1,467,547)	-4.3%
Distribution Expense	6,411,198	3,665,654	35,884,466	29,432,942	6,451,524	21.9%
Click! Network Commercial Operations Expense	83,221	85,027	788,704	4,955,387	(4,166,683)	-84.1%
Customer Accounts Expense (CIS)	1,314,979	1,595,549	21,175,926	15,712,452	5,463,474	34.8%
Conservation and Other Customer Assistance	1,500,463	1,442,083	14,280,844	15,155,375	(874,531)	-5.8%
Taxes	1,144,329	1,401,283	17,117,199	17,542,619	(425,420)	-2.4%
Depreciation	4,178,109	3,999,619	41,868,273	40,075,380	1,792,893	4.5%
Administrative and General	<u>(22,470,587)</u>	<u>3,337,506</u>	<u>36,254,115</u>	<u>33,774,318</u>	<u>2,479,797</u>	7.3%
Total Operating Expenses	<u>37,184,972</u>	<u>34,295,912</u>	<u>350,229,284</u>	<u>340,780,913</u>	<u>9,448,371</u>	2.8%
<b>OPERATING INCOME (LOSS)</b>	<u>(5,295,651)</u>	<u>(1,090,017)</u>	<u>47,888,448</u>	<u>45,124,823</u>	<u>2,763,625</u>	6.1%
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Interest Income	200,376	257,094	(1,703,000)	1,675,818	(3,378,818)	-201.6%
Contribution to Family Need	(83,333)	(41,667)	(833,333)	(416,667)	(416,666)	-100.0%
Other Net Non-Op Revenues and Deductions	(469,601)	14,828	382,068	1,052,029	(669,961)	-63.7%
Interest on Long-Term Debt	(1,941,273)	(1,667,215)	(17,214,501)	(16,866,387)	(348,114)	-2.1%
Amort of Debt Related Costs	<u>199,335</u>	<u>123,513</u>	<u>1,351,242</u>	<u>1,235,134</u>	<u>116,108</u>	9.4%
Total Non-Operating Revenues (Expenses)	<u>(2,094,496)</u>	<u>(1,313,447)</u>	<u>(18,017,524)</u>	<u>(13,320,073)</u>	<u>(4,697,451)</u>	-35.3%
Net Income (Loss) Before Capital Contributions and Transfers	(7,390,147)	(2,403,464)	29,870,924	31,804,750	(1,933,826)	-6.1%
Capital Contributions						
Cash	289,615	267,989	4,740,381	3,859,666	880,715	22.8%
Donated Fixed Assets	-	-	939,033	184,386	754,647	409.3%
BABs and CREBs Interest Subsidies	310,769	329,553	3,107,687	3,295,532	(187,845)	-5.7%
Transfers						
City Gross Earnings Tax	(2,130,916)	(2,422,184)	(29,245,890)	(30,558,870)	1,312,980	4.3%
Transfers from (to) Other Funds	<u>-</u>	<u>-</u>	<u>1,840,194</u>	<u>-</u>	<u>1,840,194</u>	n/a
<b>CHANGE IN NET POSITION</b>	<u>(8,920,679)</u>	<u>(4,228,106)</u>	<u>11,252,329</u>	<u>8,585,464</u>	<u>2,666,865</u>	31.1%
<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 - October 31</b>			<u>\$888,252,276</u>	<u>\$840,612,792</u>	<u>\$47,639,485</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)  
October 31, 2021 and October 31, 2020

	YEAR TO DATE					
	For the month of October 2021	For the month of October 2020	October 31, 2021	October 31, 2020	2021/2020 VARIANCE	PERCENT CHANGE
OPERATING REVENUE						
Sales of Electric Energy						
Residential	\$12,347,158	\$12,620,279	\$158,892,840	\$154,664,755	\$4,228,085	2.7%
Commercial	2,100,293	2,170,635	25,021,928	23,863,662	1,158,266	4.9%
General	10,867,907	11,281,088	113,067,389	109,222,246	3,845,143	3.5%
Contract Industrial	2,032,376	1,957,983	20,377,873	19,912,981	464,892	2.3%
Public Street and Highway Lighting	98,998	102,536	1,026,786	1,106,278	(79,492)	-7.2%
Sales to Other Electric Utilities	42,292	31,948	491,959	385,738	106,221	27.5%
Total Sales to Customers	27,489,024	28,164,469	318,878,775	309,155,660	9,723,115	3.1%
Bulk Power Sales	3,283,316	3,487,957	60,406,798	50,445,244	9,961,554	19.7%
Total Sales of Electric Energy	30,772,340	31,652,426	379,285,573	359,600,904	19,684,669	5.5%
Other Operating Revenue						
Rentals and Leases from Elect. Property	468,854	438,995	5,161,730	4,530,816	630,914	13.9%
Wheeling	572,209	824,379	8,159,647	8,292,029	(132,382)	-1.6%
Service Fees and Other	75,918	290,095	5,509,253	7,280,475	(1,771,222)	-24.3%
Telecommunications Revenue	-	-	1,529	6,201,512	(6,199,983)	-100.0%
Total Other Operating Revenues	1,116,981	1,553,469	18,832,159	26,304,832	(7,472,673)	-28.4%
TOTAL OPERATING REVENUES	\$31,889,321	\$33,205,895	\$398,117,732	\$385,905,736	\$12,211,996	3.2%
BILLINGS (Number of Months Billed)						
Residential	159,197	168,639	1,640,701	1,637,649	3,052	0.2%
Commercial	16,007	16,968	171,194	168,961	2,233	1.3%
General	2,431	2,793	25,209	25,987	(778)	-3.0%
Contract Industrial	2	2	20	20	-	0.0%
Public Streets and Highway Lighting	635	792	9,025	9,475	(450)	-4.7%
Sales to Other Electric Utilities	1	1	10	10	-	0.0%
TOTAL BILLINGS	178,273	189,195	1,846,159	1,842,102	4,057	0.2%

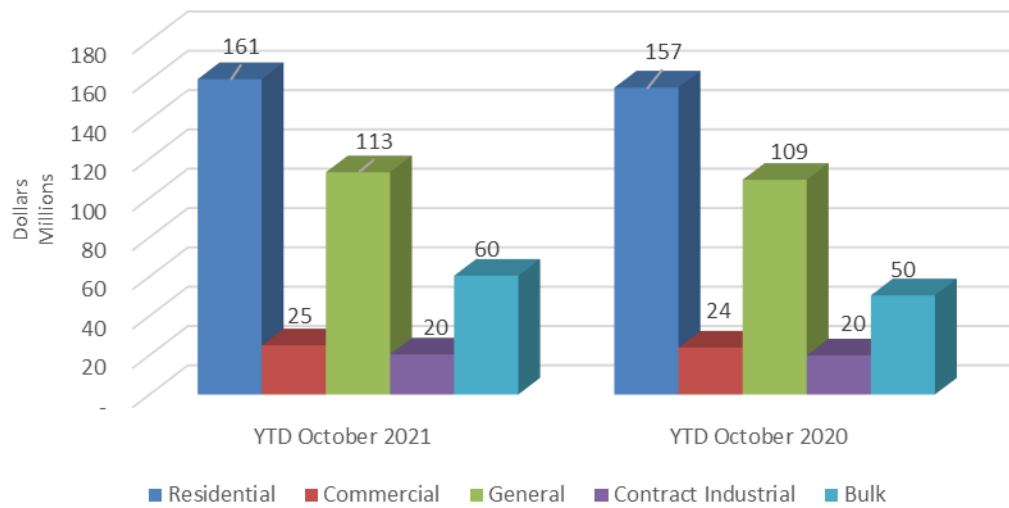
City of Tacoma, Washington  
Department of Public Utilities  
Tacoma Power  
Gross Generation Report (Unaudited)  
October 31, 2021 and October 31, 2020

	For the month of October 2021	For the month of October 2020	YEAR TO DATE		2021/2020 VARIANCE	PERCENT CHANGE
			October 31, 2021	October 31, 2020		
KWH GENERATED, PURCHASED AND INTERCHANGED - Gross						
Generated - LaGrande	20,994,000	26,803,000	245,048,000	274,888,000	(29,840,000)	-10.9%
Generated - Alder	12,608,000	17,223,000	151,087,000	165,338,000	(14,251,000)	-8.6%
TOTAL NISQUALLY	33,602,000	44,026,000	396,135,000	440,226,000	(44,091,000)	-10.0%
Generated - Cushman No 1	19,731,000	17,752,000	86,749,000	76,976,000	9,773,000	12.7%
Generated - Cushman No 2	32,737,000	28,900,000	125,833,000	108,964,000	16,869,000	15.5%
TOTAL CUSHMAN	52,468,000	46,652,000	212,582,000	185,940,000	26,642,000	14.3%
Generated - Mossyrock	47,811,000	46,064,000	793,781,000	955,413,000	(161,632,000)	-16.9%
Generated - Octoberfield	36,800,000	34,409,000	543,302,000	602,500,000	(59,198,000)	-9.8%
TOTAL COWLITZ	84,611,000	80,473,000	1,337,083,000	1,557,913,000	(220,830,000)	-14.2%
Generated - Wynoochee	4,641,000	1,599,000	20,213,000	18,228,000	1,985,000	10.9%
Generated - Hood Street	-	357,200	1,774,500	2,983,900	(1,209,400)	-40.5%
Tacoma's Share of Priest Rapids	1,244,000	1,429,000	19,997,000	22,392,000	(2,395,000)	-10.7%
Tacoma's Share of GCPHA	15,253,000	15,109,000	265,851,000	258,512,000	7,339,000	2.8%
TOTAL KWH GENERATED - TACOMA SYSTEM	191,819,000	189,645,200	2,253,635,500	2,486,194,900	(232,559,400)	-9.4%
Purchased Power						
BPA Slice Contract	151,104,000	144,051,000	1,664,831,000	1,899,039,000	(234,208,000)	-12.3%
BPA Block Contract	107,211,000	97,144,000	1,156,956,000	1,138,253,000	18,703,000	1.6%
Interchange Net	(55,510,917)	(47,564,500)	(1,121,964,167)	(1,646,735,166)	524,770,999	31.9%
TOTAL KWH GENERATED, PURCHASED AND INTERCHANGED	394,623,083	383,275,700	3,953,458,333	3,876,751,734	76,706,599	2.0%
Losses	823,542	1,610,088	13,602,835	32,990,977	(19,388,142)	-58.8%
Baldi Replacement	12,622	15,263	608,763	1,144,296	(535,533)	-46.8%
Ketron	20,142	21,722	231,099	237,589	(6,490)	-2.7%
NT PC Mutuals Schedules	(2,604,000)	(2,468,000)	(26,265,000)	(25,668,000)	(597,000)	-2.3%
PC Mutual Inadvertent	1,764,080	61,602	15,046,644	(2,556,301)	17,602,945	688.6%
TACOMA SYSTEM FIRM LOAD	394,639,469	382,516,375	3,956,682,674	3,882,900,295	73,782,379	1.9%
Maximum Kilowatts (System Firm Load)	720,946	731,786				
Average Kilowatts (System Firm Load)	530,429	514,135				
PIERCE COUNTY MUTUAL LOAD	118,806,000	113,703,000	1,204,373,000	1,169,552,000	34,821,000	3.0%
KWH BILLED						
Residential Sales	116,617,106	120,451,198	1,607,694,943	1,584,648,313	23,046,630	1.5%
Commercial Sales	21,333,761	22,945,728	256,507,835	256,314,613	193,222	0.1%
General	148,734,337	154,982,041	1,576,573,639	1,567,113,966	9,459,673	0.6%
Contract Industrial	41,813,100	40,714,380	427,526,220	413,923,902	13,602,318	3.3%
Public Street and Highway Lighting	483,002	776,716	6,795,427	8,488,556	(1,693,129)	-19.9%
Sales to Other Electric Utilities	641,700	496,800	7,662,600	6,205,500	1,457,100	23.5%
TOTAL FIRM	329,623,006	340,366,863	3,882,760,664	3,836,694,850	46,065,814	1.2%
Bulk Power Sales	69,602,000	75,508,000	1,363,431,000	2,069,354,000	(705,923,000)	-34.1%
TOTAL KWH BILLED	399,225,006	415,874,863	5,246,191,664	5,906,048,850	(659,857,186)	-11.2%

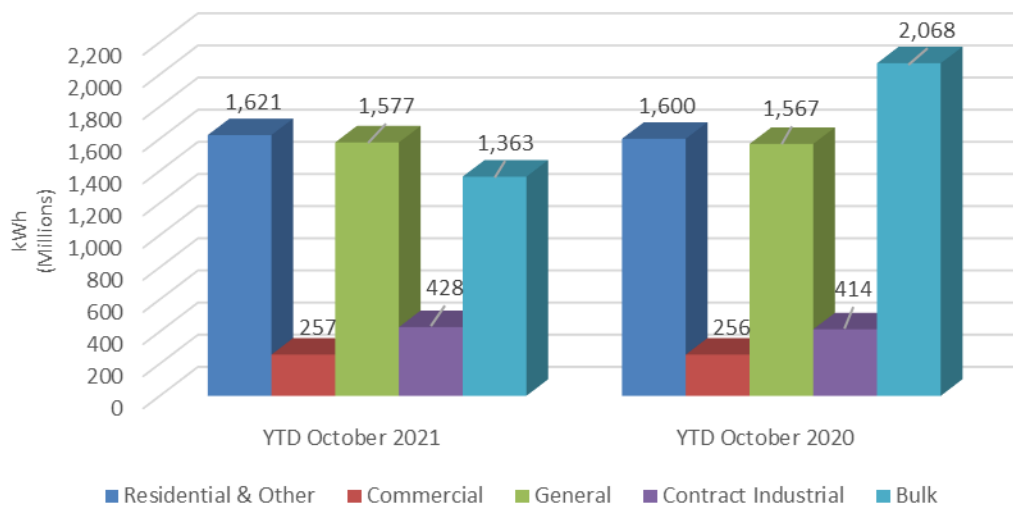
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## Supplemental Data

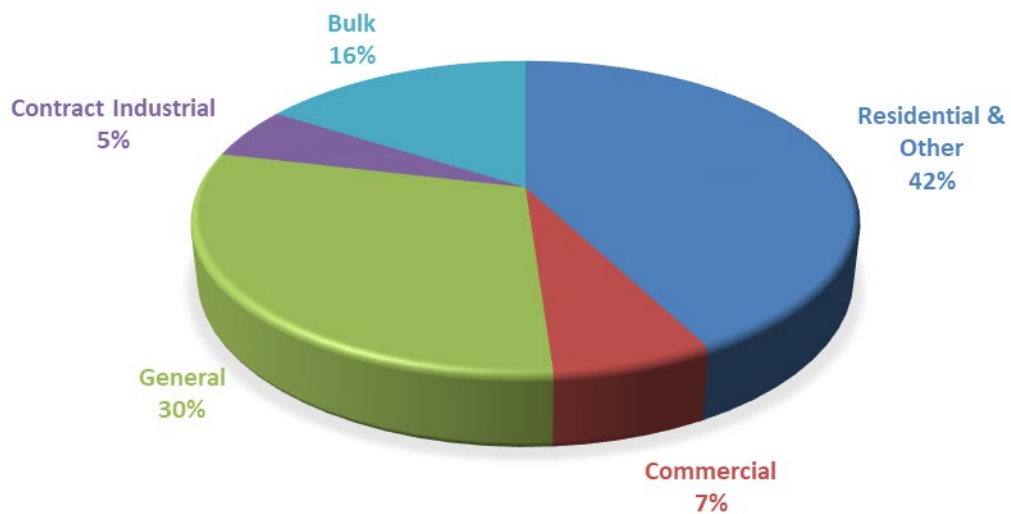
### Sales of Electric Energy Year to Date - October 2021 & 2020



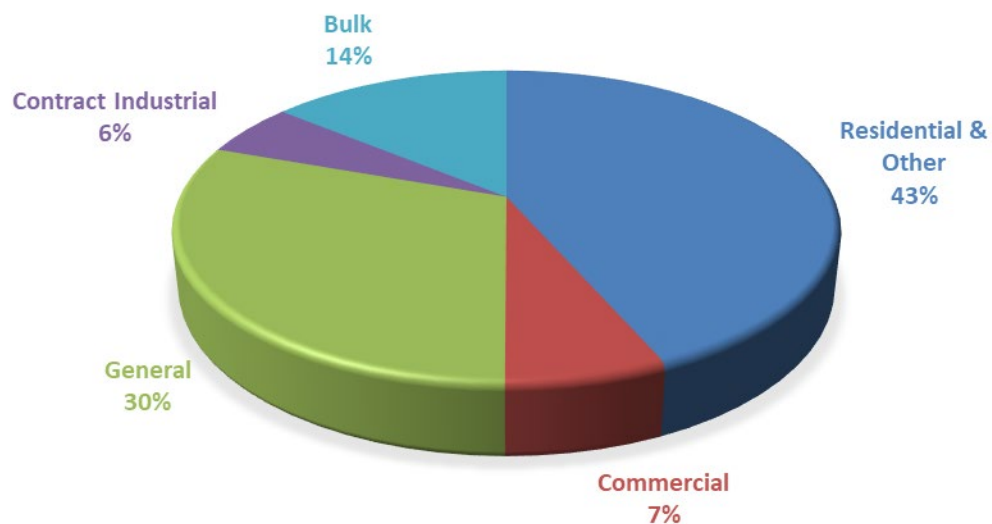
### Total Power Billed Year to Date - October 2021 & 2020



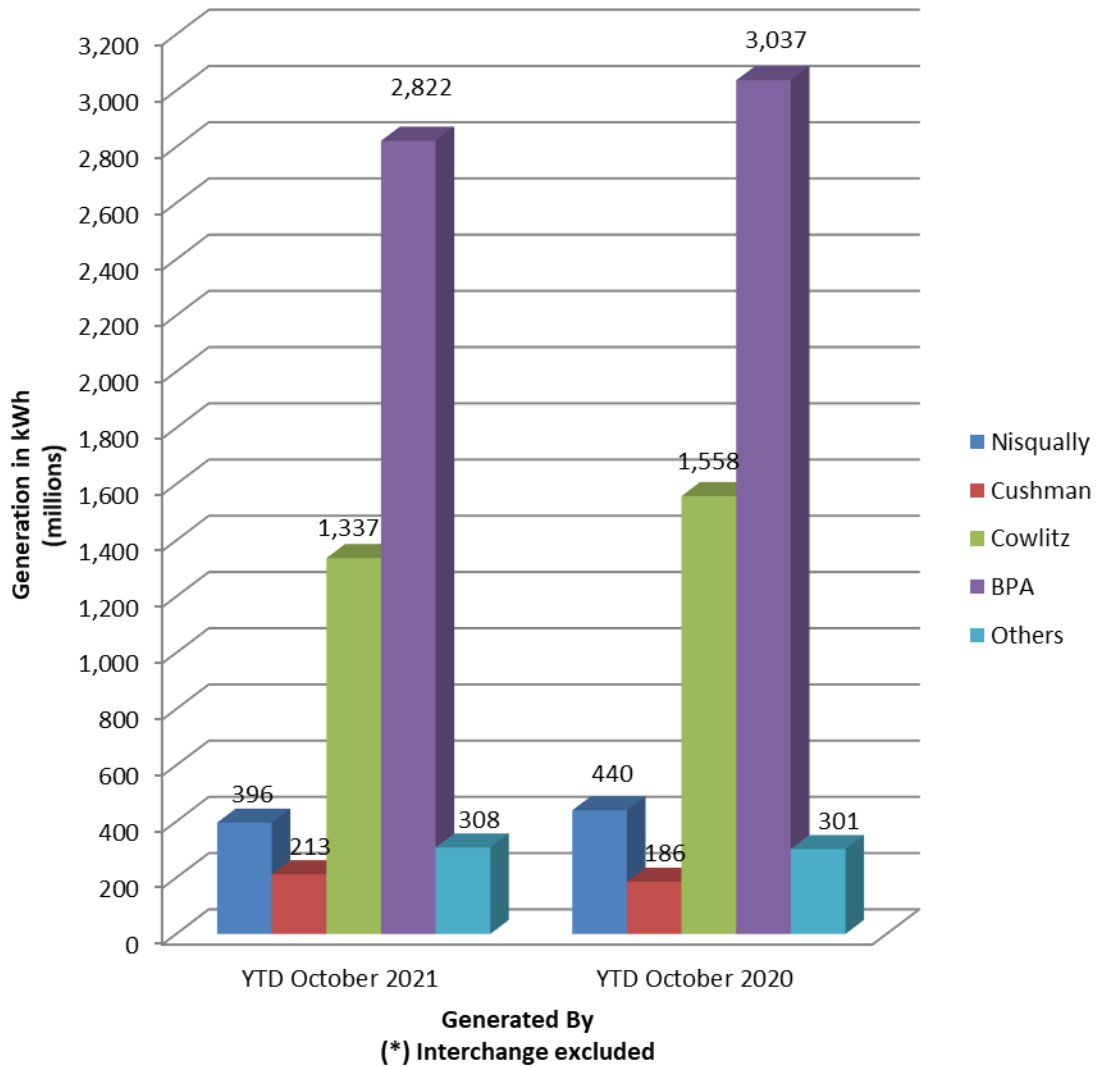
**SALES OF ELECTRIC ENERGY  
YEAR TO DATE - OCTOBER 2021 (\$379,285,573)**



**SALES OF ELECTRIC ENERGY  
YEAR TO DATE - OCTOBER 2020 (\$359,600,904)**

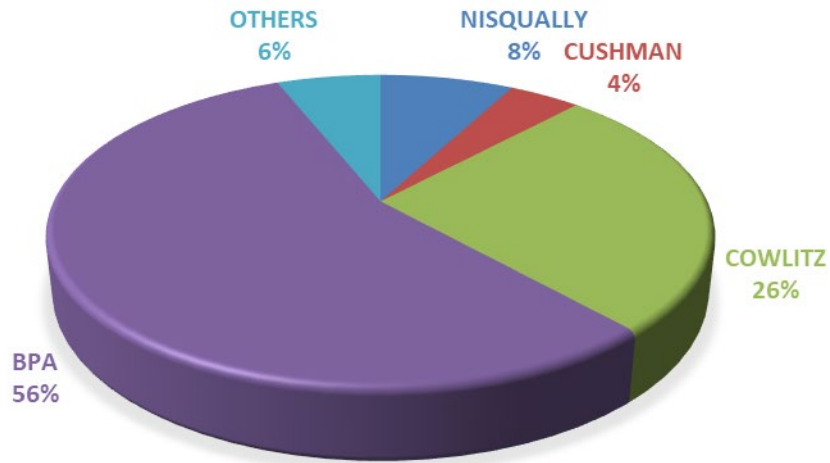


## Power Sources (\*) Year to Date October 2021 & 2020

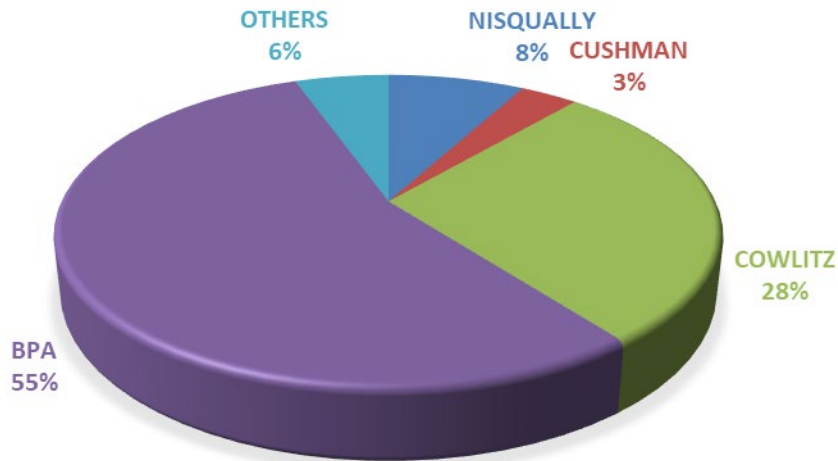




**POWER SOURCES (\*)**  
**YEAR TO DATE - OCTOBER 2021**

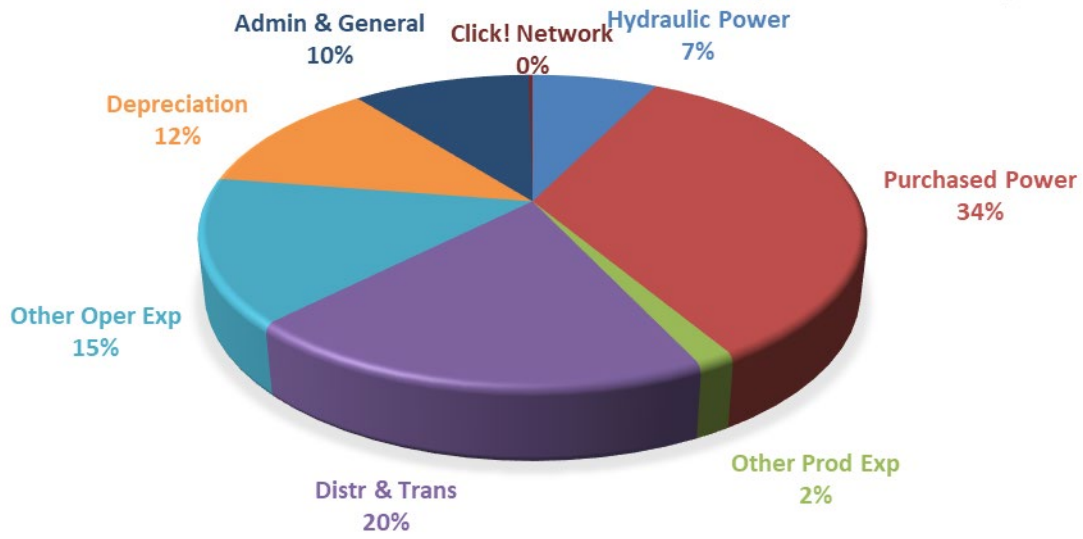


**POWER SOURCES (\*)**  
**YEAR TO DATE - OCTOBER 2020**

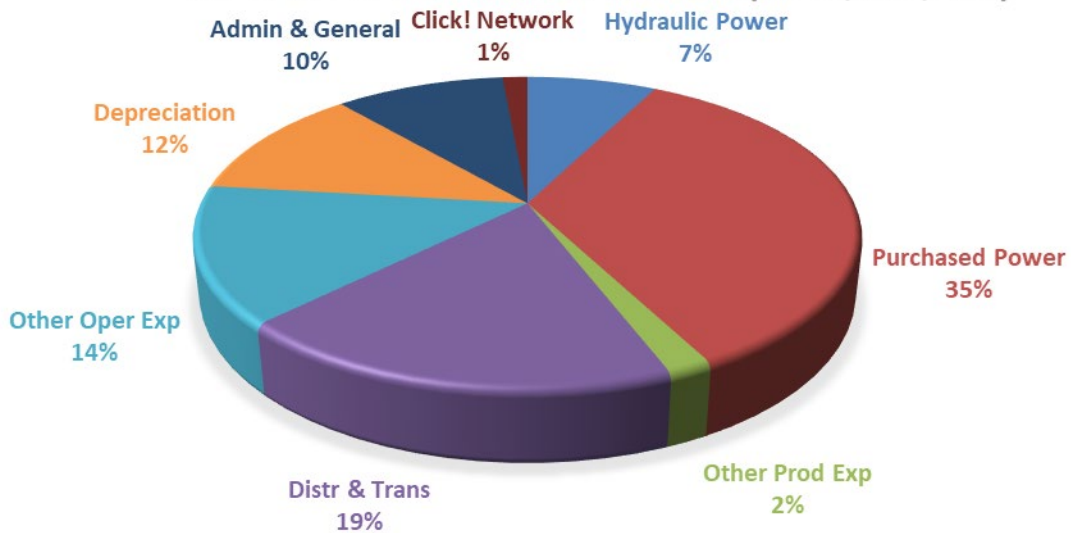


(\*) Interchange excluded

**TOTAL OPERATING EXPENSES \***  
**YEAR TO DATE - OCTOBER 2021 (\$350,229,284)**



**TOTAL OPERATING EXPENSES \***  
**YEAR TO DATE - OCTOBER 2020 (\$340,780,913)**



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

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The City of Tacoma does not discriminate on the basis of disability in any of its programs, activities, or services. To request this information in an alternative format or to request a reasonable accommodation, please contact the City Clerk's Office at (253) 591-5505. TTY or speech to speech users please dial 711 to connect to Washington Relay Services.