
NOVEMBER

TACOMA POWER

2019

**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

TABLE OF CONTENTS

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.

Statements of Net Position (Unaudited)	1
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)	3
Summary of Revenues and Billings (Unaudited)	5
Gross Generation Report (Unaudited)	7
Operational Summary (Unaudited)	9
Supplemental Data	12

City of Tacoma, Washington
Department of Public Utilities
Tacoma Power
Statements of Net Position (Unaudited)
November 30, 2019 and November 30, 2018

ASSETS AND DEFERRED OUTFLOWS	2019	2018
UTILITY PLANT		
Electric Plant in Service	\$2,143,698,895	\$2,072,804,716
Less Depreciation and Amortization	<u>(1,135,113,193)</u>	<u>(1,092,341,918)</u>
Total	1,008,585,702	980,462,798
Construction Work in Progress	<u>57,316,938</u>	<u>80,987,113</u>
Net Utility Plant	<u>1,065,902,640</u>	<u>1,061,449,911</u>
NON-UTILITY PROPERTY	<u>182,051</u>	<u>182,051</u>
RESTRICTED ASSETS		
Cash and Equity in Pooled Investments:		
Provision for Debt Service	16,788,065	17,646,712
Special Bond Reserves	4,997,639	4,997,639
Wynoochee Reserve - State of Washington	2,687,044	2,632,485
Fish and Wildlife Reserves	<u>24,158,690</u>	<u>-</u>
Total Restricted Assets	<u>48,631,438</u>	<u>25,276,836</u>
CURRENT ASSETS		
Cash and Equity in Pooled Investments:		
Current Fund	112,802,816	127,005,815
Customers' and Contractors' Deposits	2,764,559	2,715,378
Conservation Loan Fund	4,094,131	3,709,066
Rate Stabilization Fund	48,000,000	48,000,000
Receivables:		
Customers	20,052,959	15,858,675
Accrued Unbilled Revenue	30,730,773	30,701,425
Others	8,471,076	9,116,710
Provision for Uncollectibles	(2,339,524)	(1,311,887)
Materials and Supplies	6,539,881	6,821,877
Prepayments and Other	<u>10,359,994</u>	<u>7,047,638</u>
Total Current Assets	<u>241,476,665</u>	<u>249,664,697</u>
OTHER ASSETS		
Regulatory Asset - Conservation	46,992,737	47,597,444
Net Pension Asset	15,506,238	-
Conservation Loan Fund Receivables	<u>2,369,835</u>	<u>2,561,278</u>
Total Other Assets	<u>64,868,810</u>	<u>50,158,722</u>
Total Assets	<u>1,421,061,604</u>	<u>1,386,732,217</u>
DEFERRED OUTFLOWS		
Deferred Outflow for Pensions	19,885,557	38,426,742
Deferred Outflow for OPEB	<u>957,357</u>	<u>-</u>
Total Deferred Outflows	<u>20,842,914</u>	<u>38,426,742</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u><u>\$1,441,904,518</u></u>	<u><u>\$1,425,158,959</u></u>

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

NET POSITION, LIABILITIES AND DEFERRED INFLOWS	2019	2018
NET POSITION		
Net Investment in Capital Assets	\$611,163,597	\$650,060,495
Restricted for:		
Wynoochee Reserve - State of Washington	2,687,044	2,632,485
Fish and Wildlife Reserves	24,158,690	-
Debt Service	8,584,583	9,253,750
Net Pension Asset	15,506,238	-
Unrestricted	177,442,632	189,337,605
TOTAL NET POSITION	839,542,784	851,284,335
LONG-TERM DEBT		
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	96,125,000	105,490,000
2013B Electric System Rev & Refunding Bonds	35,620,000	35,620,000
2017 Electric System Revenue Bonds	70,575,000	70,575,000
Total Bonded Indebtedness	373,575,000	382,940,000
Less: Unamortized Bond Premiums	21,728,732	23,284,106
Net Bonded Indebtedness	395,303,732	406,224,106
Line of Credit	-	250,000
Total Long-Term Debt	395,303,732	406,474,106
CURRENT LIABILITIES		
Salaries and Wages Payable	-	1,888,731
Taxes and Other Payables	14,437,900	13,511,714
Purchases and Transmission of Power Accrued	14,827,684	12,624,612
Interest Payable	8,203,482	8,392,962
Customers' Deposits	3,112,658	2,709,430
Current Portion of Long-Term Debt	64,615,000	10,095,000
Current Accrued Compensated Absences	1,091,328	1,044,235
Total Current Liabilities	106,288,052	50,266,684
LONG-TERM LIABILITIES		
Long-Term Accrued Compensated Absences	9,821,955	9,398,115
Net OPEB Liability	12,272,355	-
Net Pension Liability	-	36,687,245
Other Long-Term Liabilities	4,221,625	15,143,610
Total Long-Term Liabilities	26,315,935	61,228,970
TOTAL LIABILITIES	527,907,719	517,969,760
DEFERRED INFLOWS		
Deferred Inflow for Pensions	26,395,236	7,904,864
Deferred Inflow for OPEB	58,779	-
Rate Stabilization	48,000,000	48,000,000
Total Deferred Inflows	74,454,015	55,904,864
TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS	\$1,441,904,518	\$1,425,158,959

City of Tacoma, Washington
Department of Public Utilities
Tacoma Power
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)
November 30, 2019 and November 30, 2018

	November 2019	November 2018
OPERATING REVENUES		
Sales of Electric Energy	30,533,873	29,332,927
Other Operating Revenues	1,539,721	1,898,079
Click! Network Operating Revenues	2,026,705	2,058,547
Total Operating Revenue	<u>34,100,299</u>	<u>33,289,553</u>
OPERATING EXPENSES		
Production Expense		
Hydraulic Power Production	2,433,857	2,718,177
Other Production Expense	568,687	493,524
Total Expense Power Produced	<u>3,002,544</u>	<u>3,211,701</u>
Purchased Power	<u>12,819,271</u>	<u>11,985,121</u>
Total Production Expense	<u>15,821,815</u>	<u>15,196,822</u>
Transmission Expense	3,410,112	2,943,629
Distribution Expense	3,021,741	3,163,292
Click! Network Commercial Operations Expense	1,718,520	1,892,997
Customer Accounts Expense (CIS)	1,431,571	1,116,040
Conservation and Other Customer Assistance	1,445,436	1,264,962
Taxes	2,973,602	1,704,073
Depreciation	3,994,918	4,249,583
Administrative and General	3,649,544	3,102,345
Total Operating Expenses	<u>37,467,259</u>	<u>34,633,743</u>
OPERATING INCOME (LOSS)	<u>(3,366,960)</u>	<u>(1,344,190)</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	374,466	303,074
Contribution to Family Need	(41,667)	(8,333)
Other Net Non-Op Revenues and Deductions	113,421	135,402
Interest on Long-Term Debt	(1,738,477)	(1,679,074)
Amort of Debt Related Costs	129,158	134,639
Interest Charged to Construction	-	167,903
Total Non-Operating Revenues (Expenses)	<u>(1,163,099)</u>	<u>(946,389)</u>
Net Income (Loss) Before Capital Contributions and Transfers	(4,530,059)	(2,290,579)
Capital Contributions		
Cash	1,004,104	457,156
Donated Fixed Assets	11,174	-
BABs and CREBs Interest Subsidies	274,347	329,553
Transfers		
City Gross Earnings Tax	(2,428,881)	(2,549,863)
Transfers from (to) Other Funds	-	-
CHANGE IN NET POSITION	<u>(5,669,315)</u>	<u>(4,053,733.00)</u>
 TOTAL NET POSITION - January 1		
 TOTAL NET POSITION - November 30		

YEAR TO DATE			
November 30, 2019	November 30, 2018	2019/2018 VARIANCE	PERCENT CHANGE
370,512,214	373,669,435	(3,157,221)	-0.8%
17,440,368	17,060,143	380,225	2.2%
23,404,840	23,285,756	119,084	0.5%
<u>411,357,422</u>	<u>414,015,334</u>	<u>(2,657,912)</u>	-0.6%
33,738,930	27,776,211	5,962,719	21.5%
<u>5,910,415</u>	<u>5,264,609</u>	<u>645,806</u>	12.3%
39,649,345	33,040,820	6,608,525	20.0%
<u>146,861,967</u>	<u>124,084,431</u>	<u>22,777,536</u>	18.4%
186,511,312	157,125,251	29,386,061	18.7%
34,540,268	31,591,531	2,948,737	9.3%
32,206,843	29,518,650	2,688,193	9.1%
19,271,400	21,763,511	(2,492,111)	-11.5%
13,309,275	12,700,025	609,250	4.8%
16,601,216	13,894,702	2,706,514	19.5%
19,607,166	19,184,501	422,665	2.2%
44,712,032	49,626,489	(4,914,457)	-9.9%
<u>37,191,894</u>	<u>29,161,697</u>	<u>8,030,197</u>	27.5%
<u>403,951,406</u>	<u>364,566,357</u>	<u>39,385,049</u>	10.8%
<u>7,406,016</u>	<u>49,448,977</u>	<u>(42,042,961)</u>	-85.0%
5,837,669	4,658,991	1,178,678	25.3%
(458,333)	(91,667)	(366,666)	-400.0%
1,775,900	1,754,528	21,372	1.2%
(19,337,958)	(18,697,468)	(640,490)	-3.4%
1,420,734	1,481,031	(60,297)	-4.1%
<u>(5,557)</u>	<u>1,516,279</u>	<u>(1,521,836)</u>	-100.4%
<u>(10,767,545)</u>	<u>(9,378,306)</u>	<u>(1,389,239)</u>	-14.8%
(3,361,529)	40,070,671	(43,432,200)	-108.4%
6,724,903	8,673,235	(1,948,332)	-22.5%
310,838	185,437	125,401	67.6%
3,352,979	3,494,582	(141,603)	-4.1%
(30,916,191)	(31,279,105)	362,914	1.2%
<u>-</u>	<u>(31,158)</u>	<u>31,158</u>	100.0%
(23,889,000)	21,113,662	(45,002,662)	-213.1%
<u>863,431,784</u>	<u>830,170,673</u>	<u>33,261,111</u>	4.0%
<u>839,542,784</u>	<u>851,284,335</u>	<u>(11,741,551)</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)
November 30, 2019 and November 30, 2018

	For the month of November 2019	For the month of November 2018
OPERATING REVENUE		
Sales of Electric Energy		
Residential	\$12,974,255	\$13,463,700
Commercial	\$2,174,795	\$2,295,318
General	\$11,181,000	\$9,791,677
Contract Industrial	\$2,050,207	\$2,042,088
Public Street and Highway Lighting	\$169,958	\$105,939
Sales to Other Electric Utilities	\$38,561	\$34,149
Total Sales to Customers	\$28,588,776	\$27,732,871
Bulk Power Sales	\$1,945,097	\$1,600,056
Total Sales of Electric Energy	\$30,533,873	\$29,332,927
Other Operating Revenue		
Rentals and Leases from Elect. Property	\$160,528	\$658,262
Wheeling	\$871,721	\$862,215
Service Fees and Other	\$507,472	\$377,602
Telecommunications Revenue	\$2,026,705	\$2,058,547
Total Other Operating Revenues	\$3,566,426	\$3,956,626
 TOTAL OPERATING REVENUES	 \$34,100,299	 \$33,289,553
 BILLINGS (Number of Months Billed)		
Residential	152,322	155,492
Commercial	16,474	15,934
General	2,562	2,303
Contract Industrial	2	2
Public Streets and Highway Lighting	1,098	1,087
Sales to Other Electric Utilities	1	1
 TOTAL BILLINGS	 172,459	 174,819

YEAR TO DATE			
November 30, 2019	November 30, 2018	2019/2018 VARIANCE	PERCENT CHANGE
\$165,208,582	\$159,544,741	\$5,663,841	3.6%
\$27,369,192	\$26,900,020	\$469,172	1.7%
\$119,934,136	\$115,015,151	\$4,918,985	4.3%
\$21,729,835	\$21,487,960	\$241,875	1.1%
\$1,278,241	\$1,276,651	\$1,590	0.1%
\$410,781	\$396,271	\$14,510	3.7%
\$335,930,767	\$324,620,794	\$11,309,973	3.5%
\$34,581,447	\$49,048,641	(\$14,467,194)	-29.5%
\$370,512,214	\$373,669,435	(\$3,157,221)	-0.8%
\$3,052,150	\$3,463,881	(\$411,731)	-11.9%
\$9,504,935	\$9,137,257	\$367,678	4.0%
\$4,883,283	\$4,459,005	\$424,278	9.5%
\$23,404,840	\$23,285,756	\$119,084	0.5%
\$40,845,208	\$40,345,899	\$499,309	1.2%
\$411,357,422	\$414,015,334	(\$2,657,912)	-0.6%
1,789,431	1,761,364	28,067	1.6%
182,745	176,869	5,876	3.3%
28,517	28,311	206	0.7%
22	22	-	0.0%
10,446	10,240	206	2.0%
11	11	-	0.0%
2,011,172	1,976,817	34,355	1.7%

City of Tacoma, Washington
Department of Public Utilities
Tacoma Power
Gross Generation Report (Unaudited)
November 30, 2019 and November 30, 2018

	For the month of November 2019	For the month of November 2018
KWH GENERATED, PURCHASED AND INTERCHANGED - Gross		
Generated - LaGrande	16,100,000	12,519,000
Generated - Alder	8,838,000	7,001,000
TOTAL NISQUALLY	24,938,000	19,520,000
Generated - Cushman No 1	8,958,000	9,922,000
Generated - Cushman No 2	13,369,000	13,868,000
TOTAL CUSHMAN	22,327,000	23,790,000
Generated - Mossyrock	48,155,000	39,509,000
Generated - Mayfield	33,284,000	33,723,000
TOTAL COWLITZ	81,439,000	73,232,000
Generated - Wynoochee	1,064,000	3,853,000
Generated - Hood Street	214,200	336,900
Tacoma's Share of Priest Rapids	1,825,000	1,762,000
Tacoma's Share of GCPHA	1,000	-
TOTAL KWH GENERATED - TACOMA SYSTEM	131,808,200	122,493,900
Purchased Power		
BPA Slice Contract	164,076,000	169,605,000
BPA Block Contract	124,650,000	137,329,000
Interchange Net	23,006,750	(683,500)
TOTAL KWH GENERATED, PURCHASED AND INTERCHANGED	443,540,950	428,744,400
Losses	1,556,576	1,548,253
Baldi Replacement	21,275	60,604
Ketron	25,049	27,582
NT PC Mutuals Schedules	(29,733,000)	(2,858,000)
PC Mutual Inadvertent	(232,681)	95,732
TACOMA SYSTEM FIRM LOAD	415,178,169	427,618,571
Maximum Kilowatts (System Firm Load)	821,105	809,061
Average Kilowatts (System Firm Load)	576,636	593,915
PIERCE COUNTY MUTUAL LOAD	125,736,000	115,415,000
KWH BILLED		
Residential Sales	137,373,680	137,373,680
Commercial Sales	24,853,771	24,853,771
General	149,072,033	149,072,033
Contract Industrial	44,113,380	44,113,380
Public Street and Highway Lighting	768,360	768,360
Sales to Other Electric Utilities	585,900	585,900
TOTAL FIRM	356,767,124	356,767,124
Bulk Power Sales	52,991,000	39,407,000
TOTAL KWH BILLED	409,758,124	396,174,124

YEAR TO DATE			
November 30, 2019	November 30, 2018	2019/2018 VARIANCE	PERCENT CHANGE
227,269,000	303,375,000	(76,106,000)	-25.1%
133,429,000	189,258,000	(55,829,000)	-29.5%
360,698,000	492,633,000	(131,935,000)	-26.8%
73,353,000	86,360,000	(13,007,000)	-15.1%
102,679,000	127,452,000	(24,773,000)	-19.4%
176,032,000	213,812,000	(37,780,000)	-17.7%
555,884,000	827,096,000	(271,212,000)	-32.8%
417,178,000	579,589,000	(162,411,000)	-28.0%
973,062,000	1,406,685,000	(433,623,000)	-30.8%
11,390,000	18,725,000	(7,335,000)	-39.2%
3,226,883	2,541,000	685,883	27.0%
19,131,000	24,984,000	(5,853,000)	-23.4%
220,240,000	241,233,000	(20,993,000)	-8.7%
1,763,779,883	2,400,613,000	(636,833,117)	-26.5%
1,856,178,000	2,281,015,000	(424,837,000)	-18.6%
1,367,974,000	1,360,398,000	7,576,000	0.6%
(611,234,500)	(1,670,381,666)	1,059,147,166	63.4%
4,376,697,383	4,371,644,334	5,053,049	0.1%
31,181,269	37,661,483	(6,480,214)	-17.2%
215,767	482,304	(266,537)	-55.3%
248,588	264,326	(15,738)	-6.0%
(55,390,000)	(28,164,000)	(27,226,000)	-96.7%
488,533	(3,890,522)	4,379,055	112.6%
4,353,441,540	4,377,997,925	(24,556,385)	-0.6%
1,186,561,000	1,168,950,000	17,611,000	1.5%
1,724,955,913	1,697,689,890	27,266,023	1.6%
297,551,216	294,710,485	2,840,731	1.0%
1,774,716,463	1,768,354,996	6,361,467	0.4%
455,852,040	467,065,980	(11,213,940)	-2.4%
9,660,378	(204,006)	9,864,384	4835.3%
6,804,000	6,942,600	(138,600)	-2.0%
4,269,540,010	4,234,559,945	34,980,065	0.8%
2,166,377,000	2,011,720,000	154,657,000	7.7%
6,435,917,010	6,246,279,945	189,637,065	3.0%

City of Tacoma, Washington
Department of Public Utilities
Click! Network
Commercial Operations
Operational Summary (Unaudited)
November 30, 2019

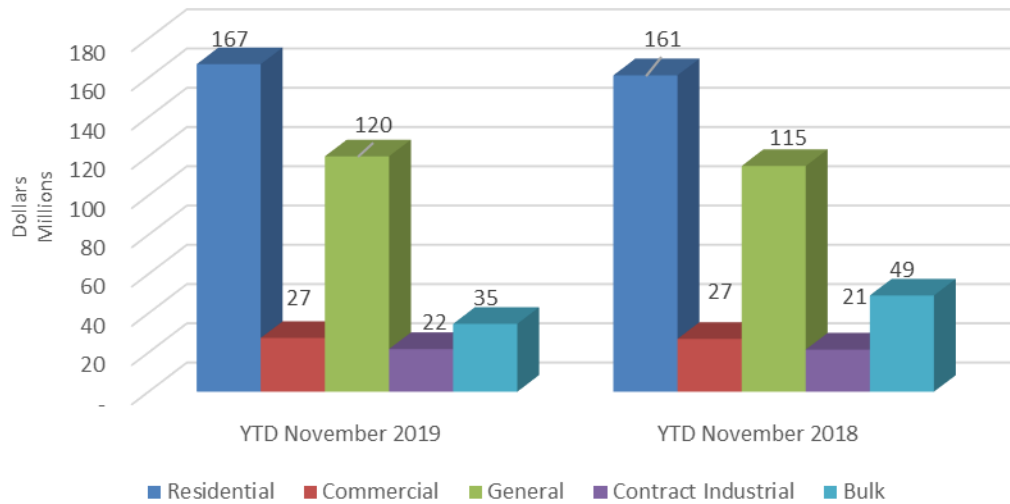
	November 2019	November 2018
TELECOMMUNICATIONS REVENUE		
CATV	\$1,242,505	\$1,334,328
Broadband	77,651	82,913
ISP	684,221	615,898
Interdepartmental	22,328	25,408
Total Operating Revenue	<u>2,026,705</u>	<u>2,058,547</u>
TELECOMMUNICATIONS EXPENSE-COMMERCIAL		
Administration & Sales Expense		
Salaries & Wages Expense	122,710	226,438
General Expense	67,185	24,026
Contract Services	975,111	1,094,073
IS & Intergovernmental Services	120,103	129,987
Fleet Services	202	177
Capitalized A & G Expense	-	(2,899)
Total Admin & Sales Expense	<u>1,285,311</u>	<u>1,471,802</u>
Operations & Maintenance Expense		
Salaries & Wages Expense	251,263	340,143
General Expense	15,071	19,987
Contract Services	153,563	55,384
IS & Intergovernmental Services	4,626	2,158
Fleet Services	14,221	11,707
New Connect Capital	(5,535)	(8,184)
Total Oper & Maint Expense	<u>433,209</u>	<u>421,195</u>
Total Telecommunications Expense	1,718,520	1,892,997
Net Revenues (Expenses) Before Taxes and Depreciation and Amortization	308,185	165,550
Taxes	272,826	281,619
Depreciation and Amortization	<u>142,210</u>	<u>188,896</u>
	415,036	470,515
NET OPERATING REVENUES (EXPENSES)	<u><u>(\$106,851)</u></u>	<u><u>(\$304,965)</u></u>

YEAR TO DATE			
November 30, 2019	November 30, 2018	2019/2018 VARIANCE	PERCENT CHANGE
\$14,655,676	\$15,311,629	(\$655,953)	-4.3%
890,484	960,820	(70,336)	-7.3%
7,582,875	6,744,513	838,362	12.4%
275,805	268,794	7,011	2.6%
<u>23,404,840</u>	<u>23,285,756</u>	<u>119,084</u>	0.5%
1,767,395	2,777,455	(1,010,060)	-36.4%
490,143	384,158	105,985	27.6%
11,721,623	12,006,471	(284,848)	-2.4%
1,308,002	1,459,772	(151,770)	-10.4%
5,865	6,746	(881)	-13.1%
(21,472)	(29,909)	8,437	28.2%
<u>15,271,556</u>	<u>16,604,693</u>	<u>(1,333,137)</u>	-8.0%
2,858,930	4,145,488	(1,286,558)	-31.0%
165,338	304,568	(139,230)	-45.7%
777,121	580,134	196,987	34.0%
26,434	29,354	(2,920)	-9.9%
243,905	192,094	51,811	27.0%
(71,884)	(92,820)	20,936	22.6%
<u>3,999,844</u>	<u>5,158,818</u>	<u>(1,158,974)</u>	-22.5%
19,271,400	21,763,511	(2,492,111)	-11.5%
4,133,440	1,522,245	2,611,195	171.5%
3,167,892	3,197,503	(29,611)	-0.9%
<u>1,572,154</u>	<u>2,088,864</u>	<u>(516,710)</u>	-24.7%
4,740,046	5,286,367	(546,321)	
<u>(\$606,606)</u>	<u>(\$3,764,122)</u>	<u>\$3,157,516</u>	83.9%

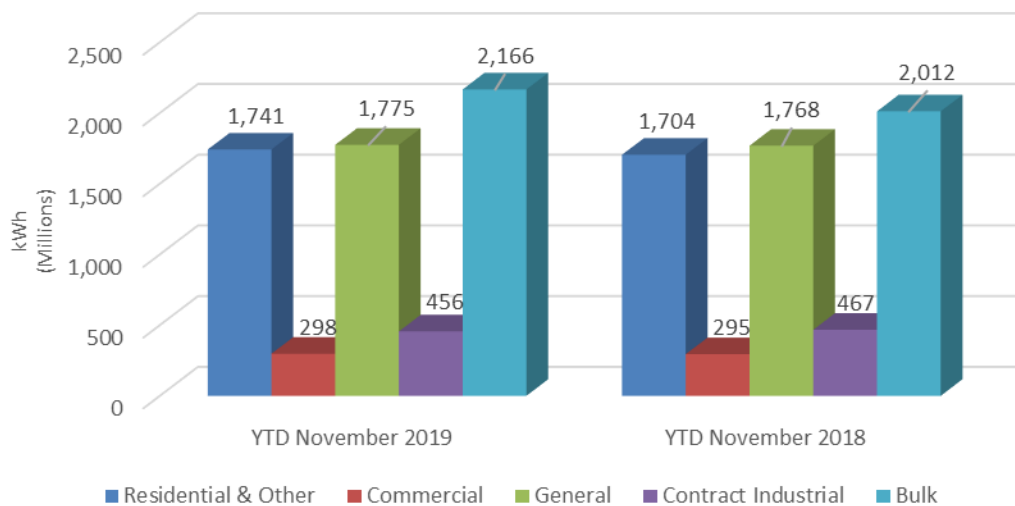
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Supplemental Data

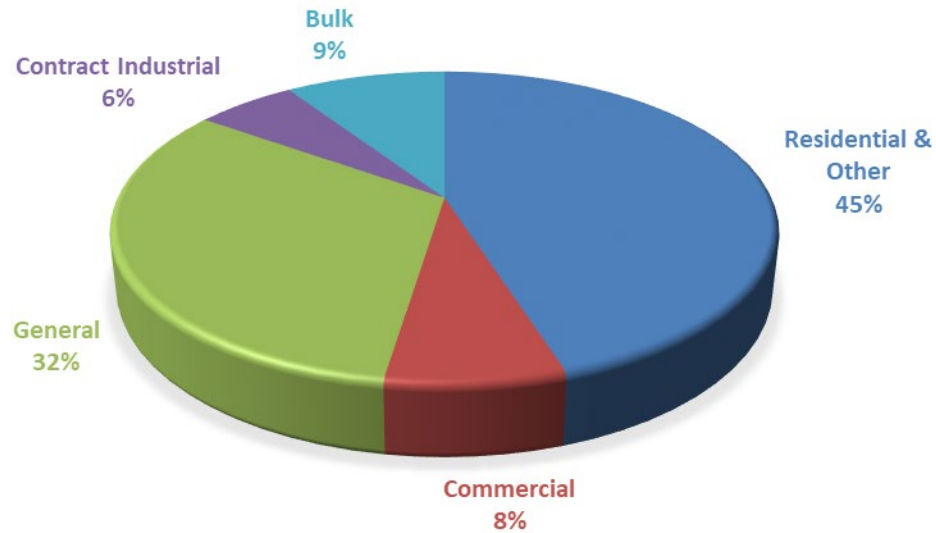
Sales of Electric Energy Year to Date - November 2019 & 2018



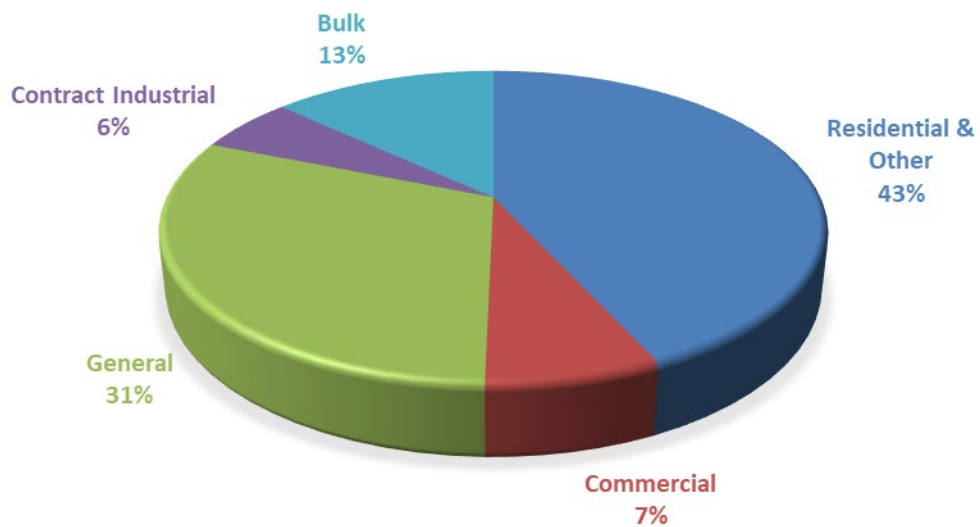
Total Power Billed Year to Date - November 2019 & 2018



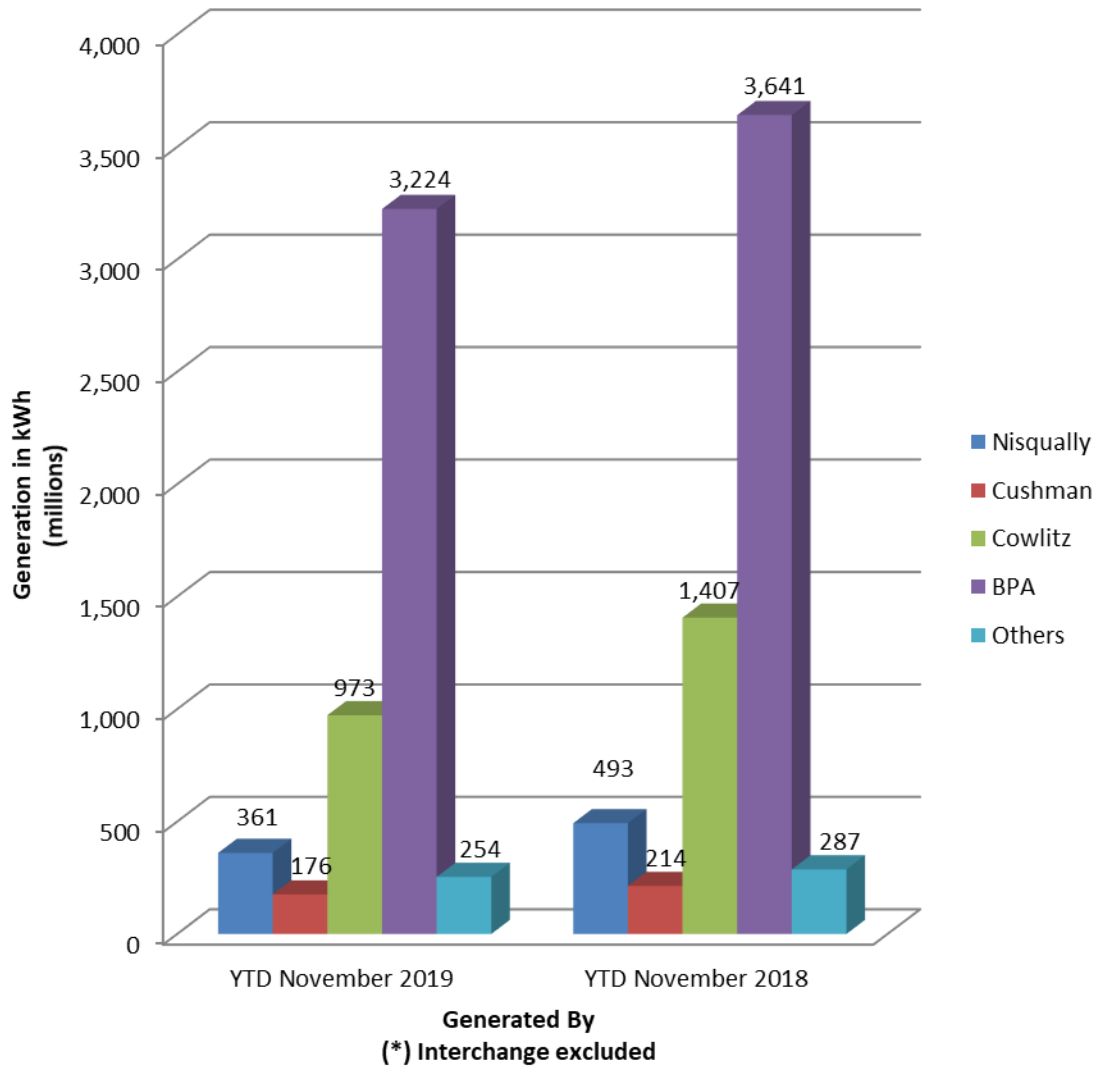
**SALES OF ELECTRIC ENERGY
YEAR TO DATE - NOVEMBER 2019 (\$370,512,214)**



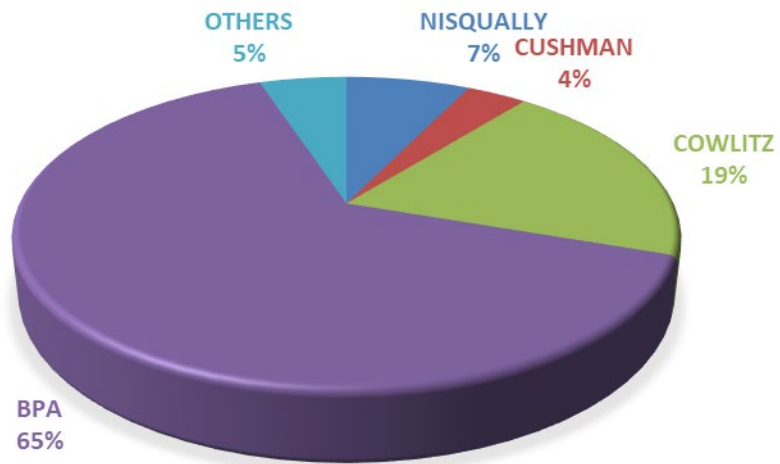
**SALES OF ELECTRIC ENERGY
YEAR TO DATE - NOVEMBER 2018 (\$373,669,435)**



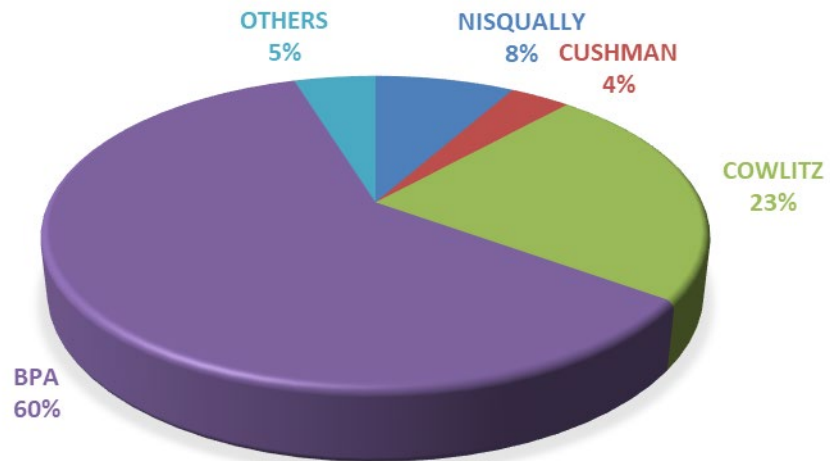
Power Sources (*) Year to Date November 2019 & 2018



POWER SOURCES (*)
YEAR TO DATE - NOVEMBER 2019

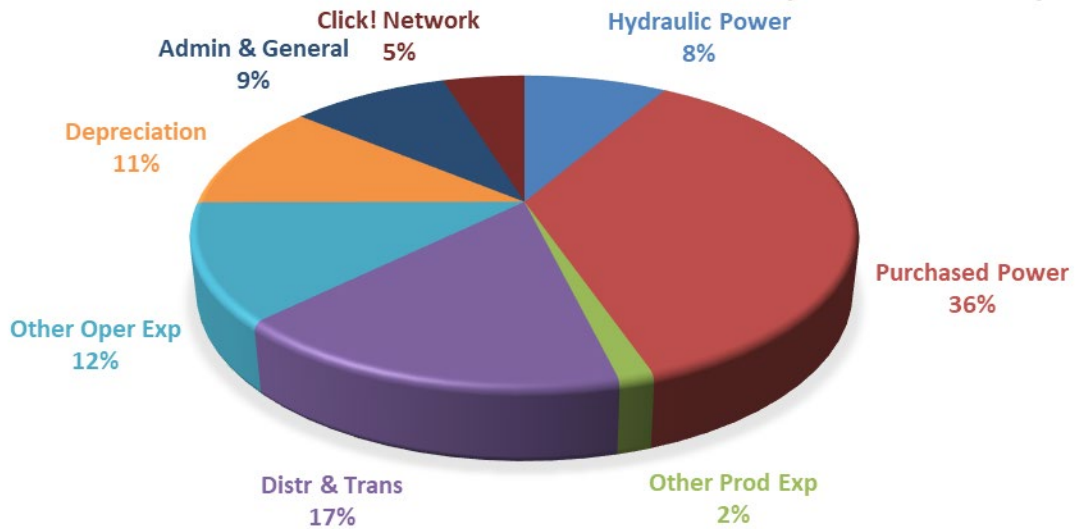


POWER SOURCES (*)
YEAR TO DATE - NOVEMBER 2018

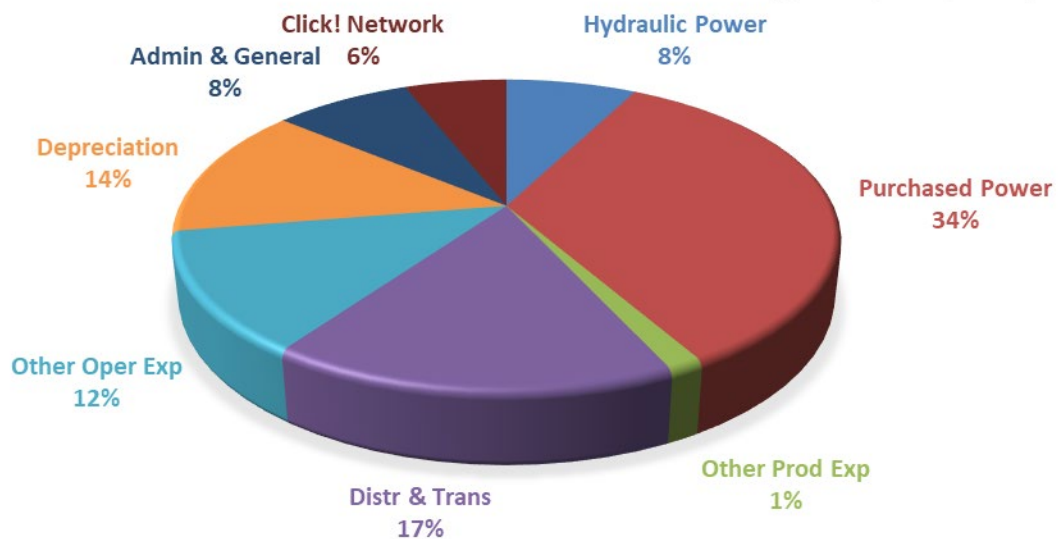


(*) Interchange excluded

TOTAL OPERATING EXPENSES *
YEAR TO DATE - NOVEMBER 2019 (\$403,951,404)



TOTAL OPERATING EXPENSES *
YEAR TO DATE - NOVEMBER 2018 (\$364,566,357)



* 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.