

*What a year, but we made it!*

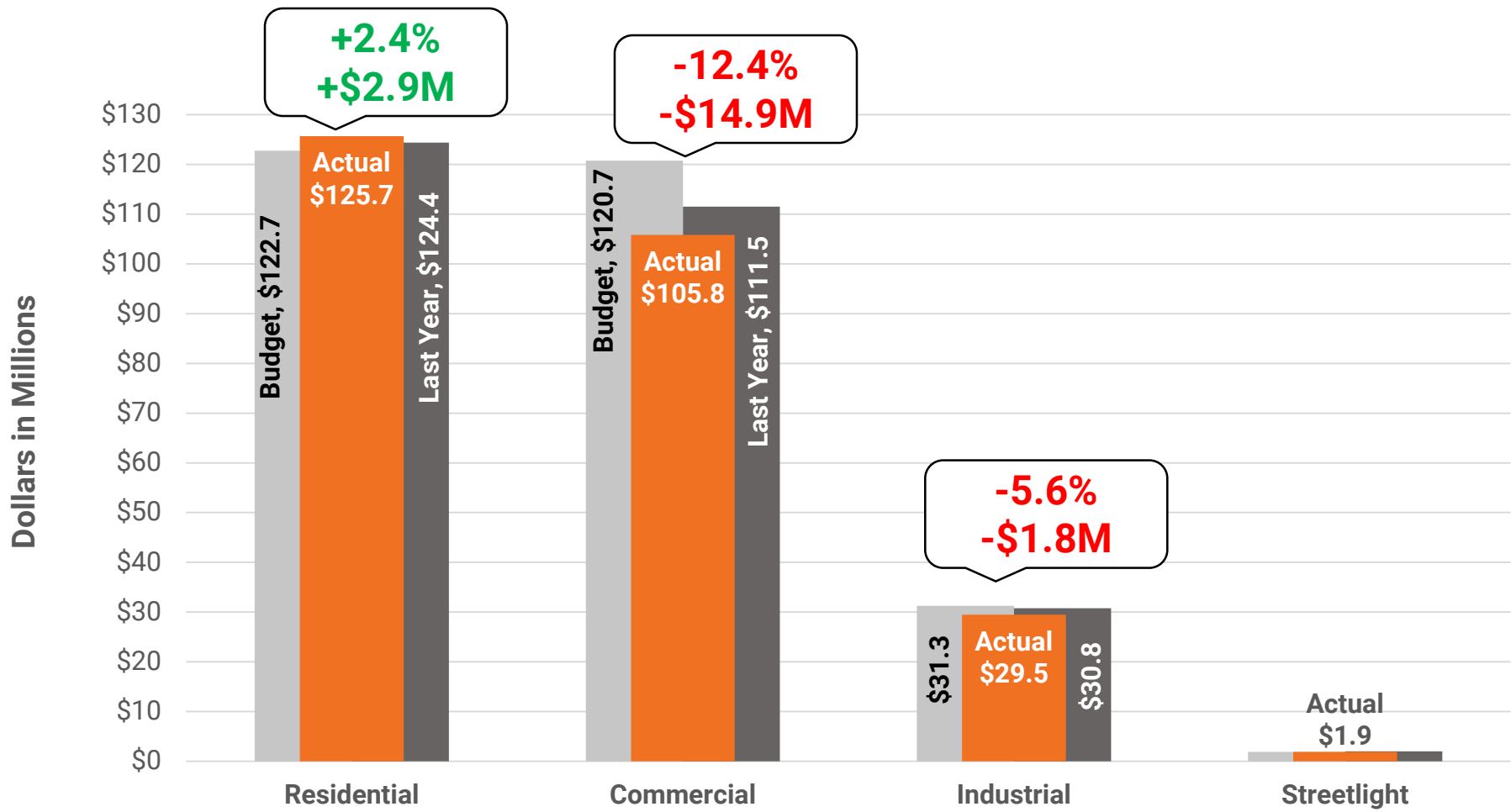
# Preliminary Financial Results 2020

*A strong financial year-end marked  
by a pandemic which impacted sales to our  
customers but was rescued by low net power  
and other expenses*

Laura L. Kapustka  
Vice President & CFO

Administrative Board  
January 15, 2021





# Retail revenues took a hit due to the pandemic - Commercial customers were hit the hardest while Residential customers squeaked out above budget results



# Savings in net power costs and other expenses offset low retail revenues and are contributing to a strong year-end projection

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## The primary contributors:

- \$12.9M**  **Net power costs**  
Why? What Jason said
- \$6.3M**  **Operations & Maintenance and Admin. & General**  
Why? Lower expenses for travel, SEP incentives, legal fees, outside services, etc.
- \$2.7M**  **Debt Service reductions due to 2020 A & B bond issues**  
Why? Defeasance of outstanding debt reduced expense
- \$13.7M**  **Retail revenues**  
Why? Below budget sales to Commercial and Industrial customers

**Projected year-end debt service coverage – 2.20x**  
**(2020 Budget was 2.04x)**



# 2020 capital expenditures

The beautiful LOC is complete.  
Kudos to Trish and JD!



# Variances in numerous projects are resulting in the 2020 capital budget being \$9.5M under budget

