



THE POWER OF PEOPLE



Financial Performance Results May 2023

NPPD Board of Directors Meeting
Customer & Support Services
Committee & Board
July 2023

Joni Davis, Accounting Manager



Nebraska Public Power District
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Why are financials accepted by the Board each month – and what is being accepted?

- In accordance with NE Statute 70-622 and corporate bylaws, the Board is required to “cause to be kept... accurate records and books of account...”
- While monthly financial information is shared in the presentation, the presentation does not include the complete financial statements.
- The monthly financial statements will be shared with the Board, prior to the meeting.
- It is these financial statements that the Board is being asked to accept during the meeting.



Financial Statements

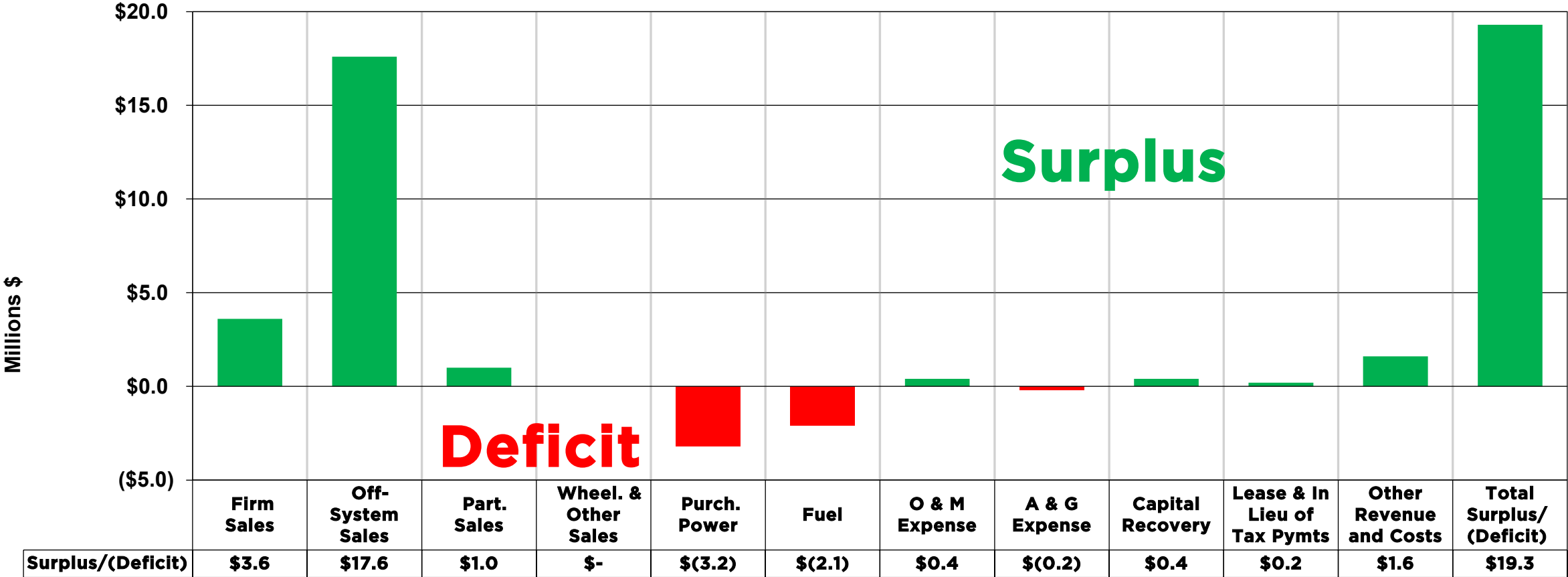
May 2023

UNAUDITED

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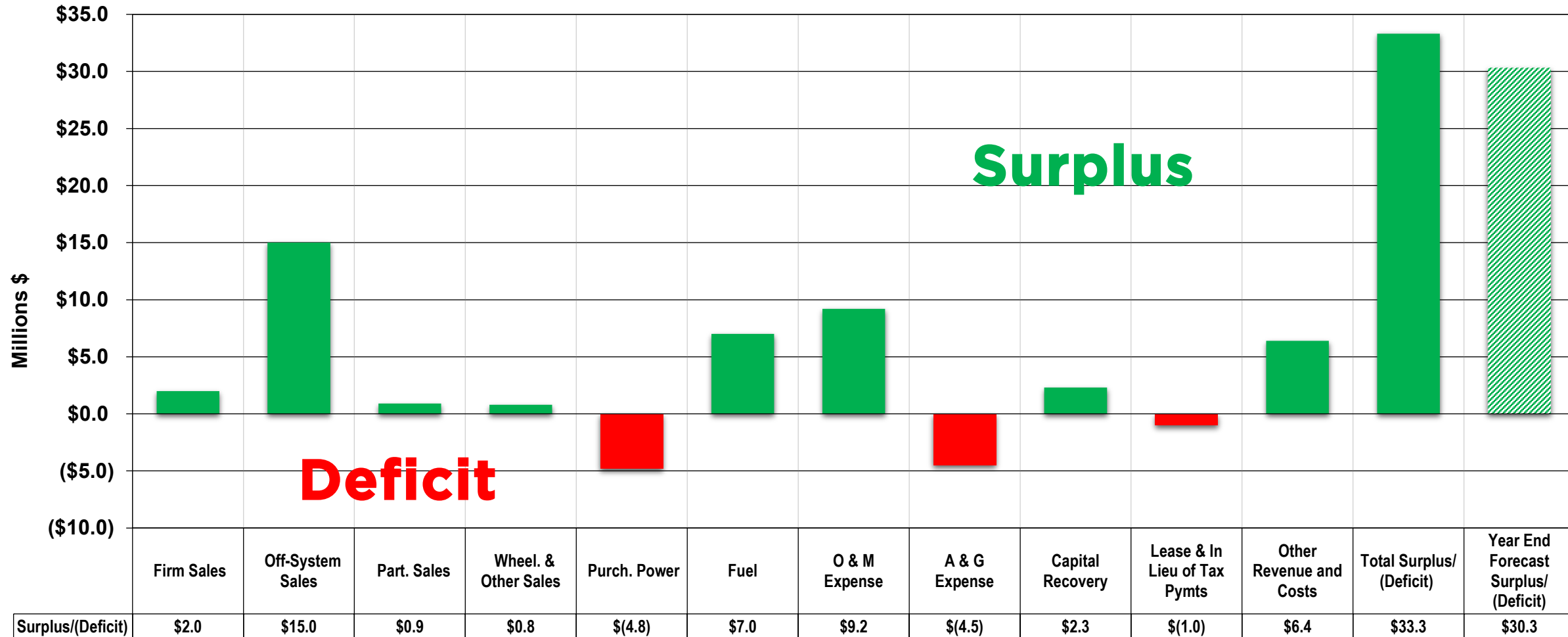
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May 2023 Surplus due primarily to favorable variance for off-system sales

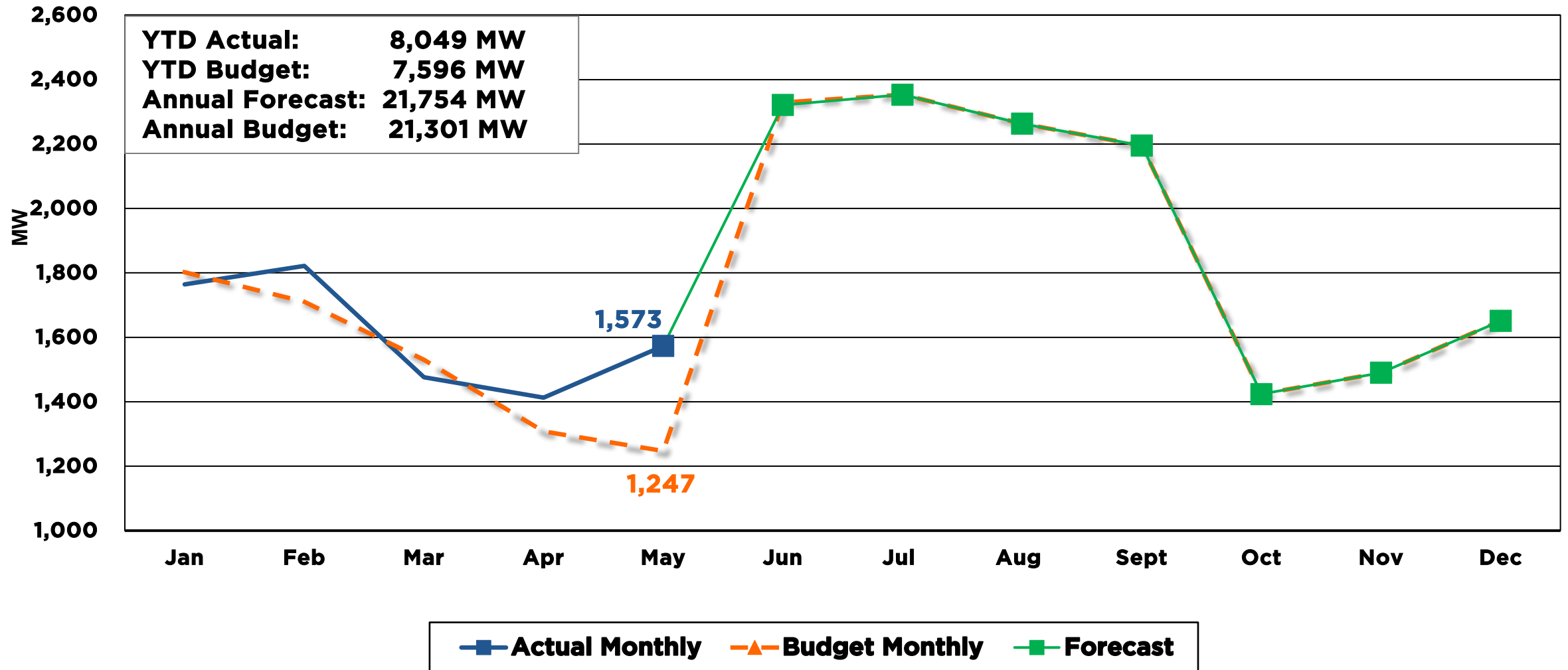


Lines and bars in green are favorable, while lines and bars in red are unfavorable.

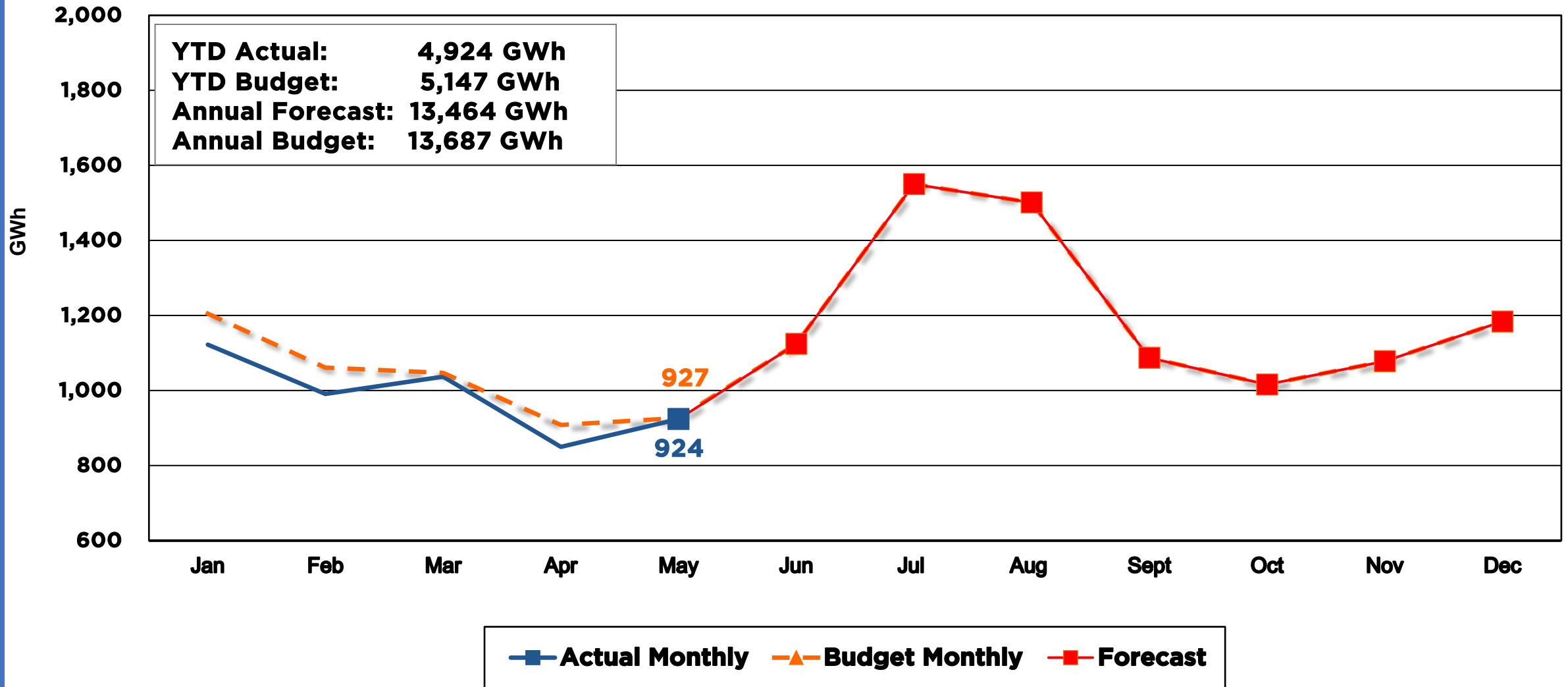
YTD May 2023 Surplus due primarily to favorable off-system sales variance and underruns in fuel and O&M expenses



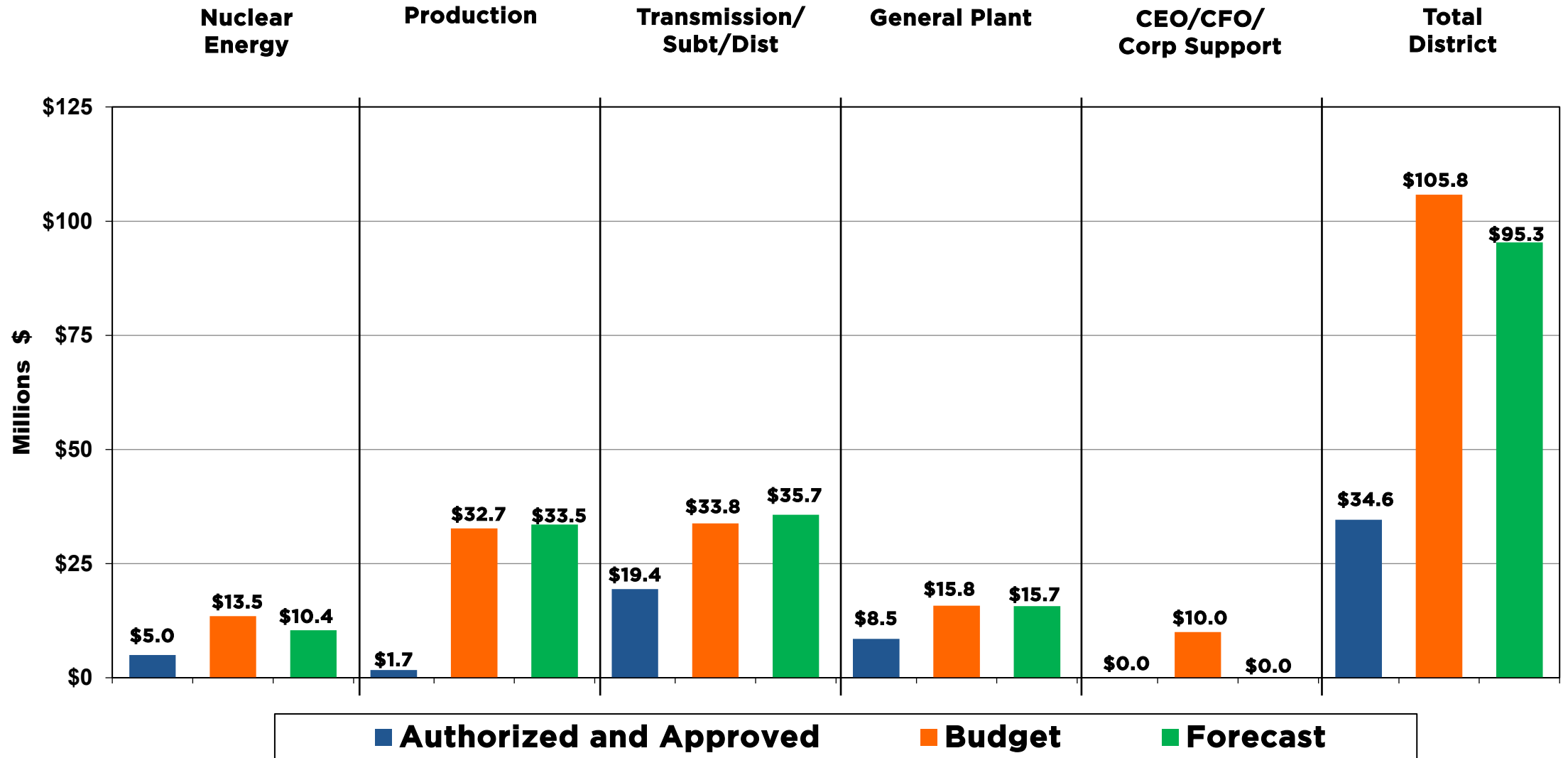
Above normal temperatures at May month-end resulted in native load demand billing unit sales being 26% over budget



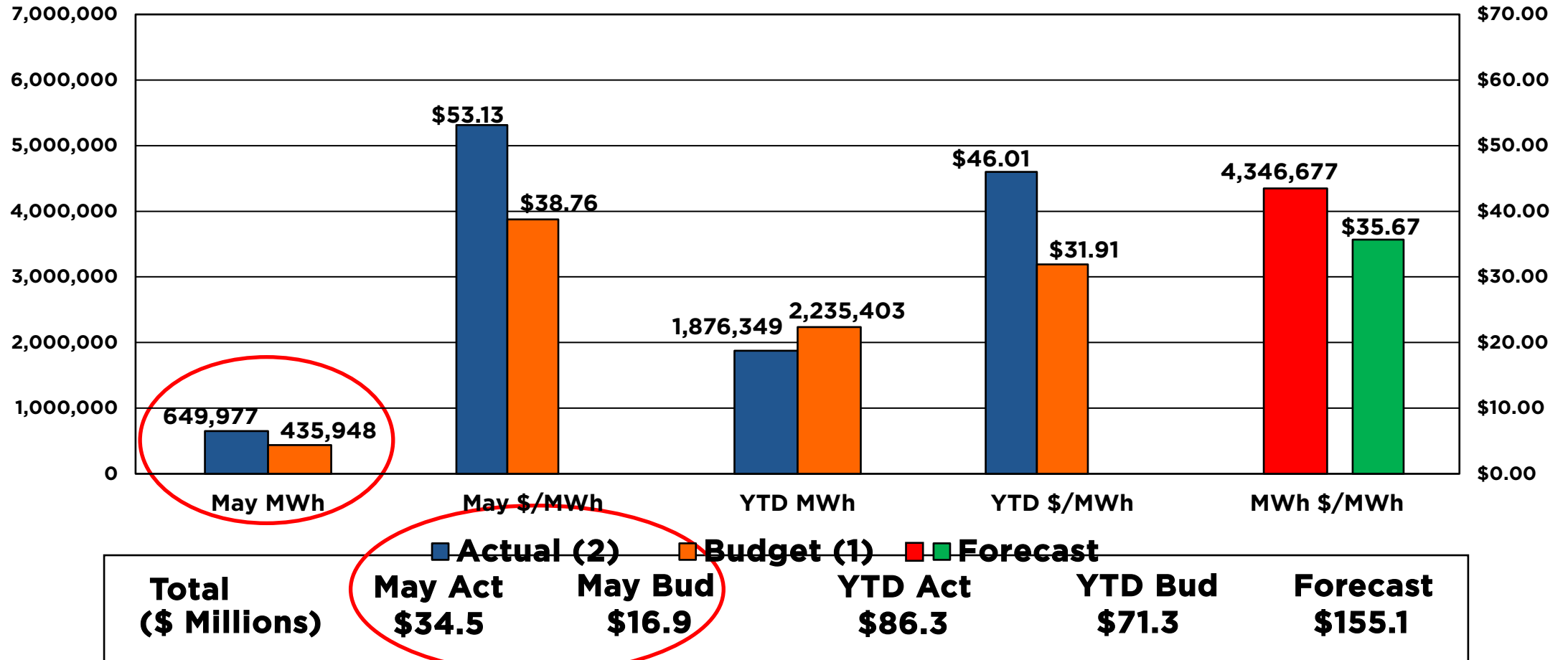
Although demand was higher in May, native load energy sales were on budget



Capital Costs are forecasted to be under budget due to the delay of certain projects and the completion of projects below authorized amounts

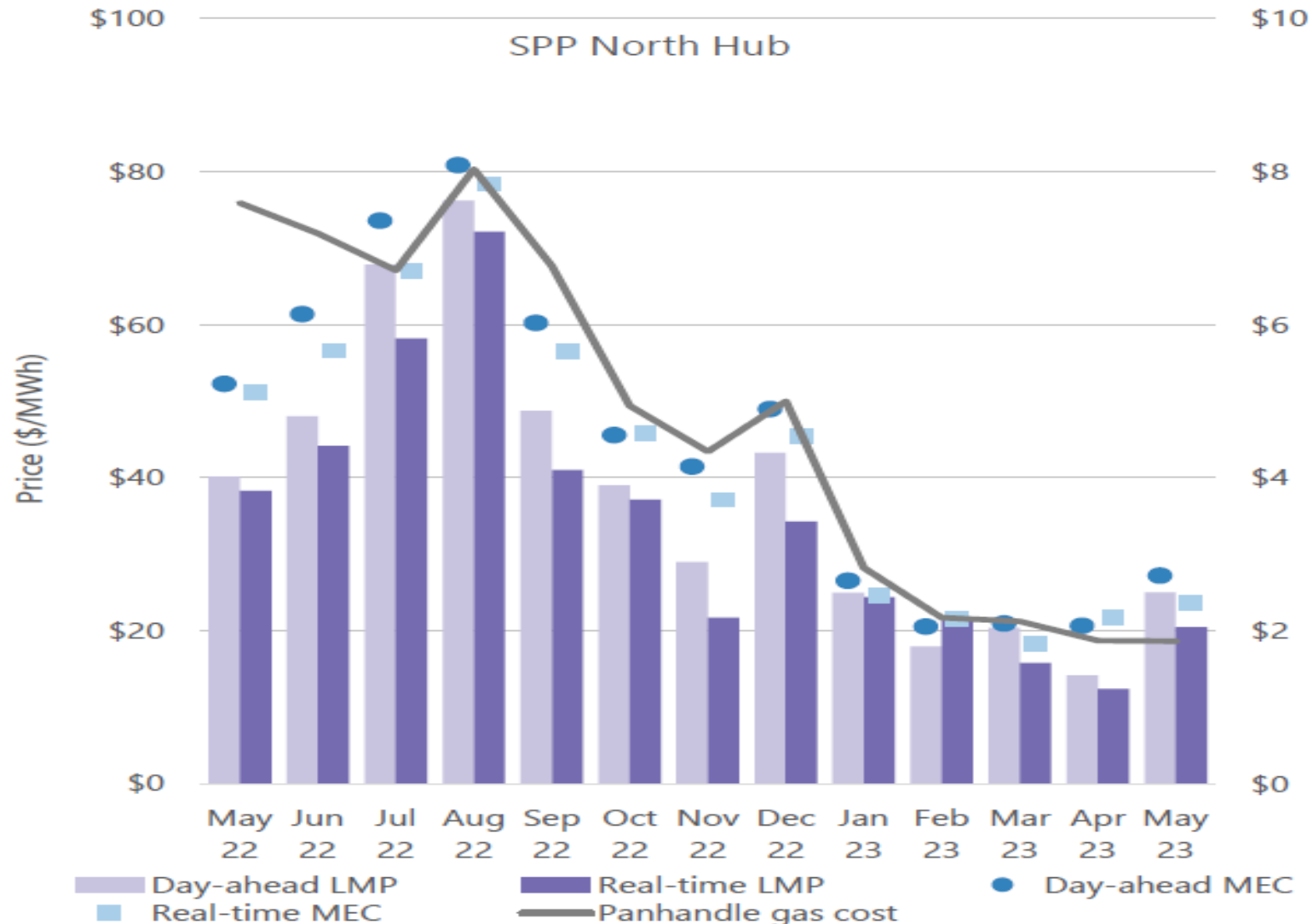


Off-system revenues above budget for May due to higher-than expected energy sales, energy prices, and transmission congestion rights revenues



(1) 2023 Budgeted Market Energy Sales of 4,858,922 MWh at an annual average \$/MWh of \$28.82, for an annual budget of \$140.0 million.
 (2) Non-energy transactions, like Auction Revenue Rights/Transmission Congestion Rights, skew the \$/MWh.

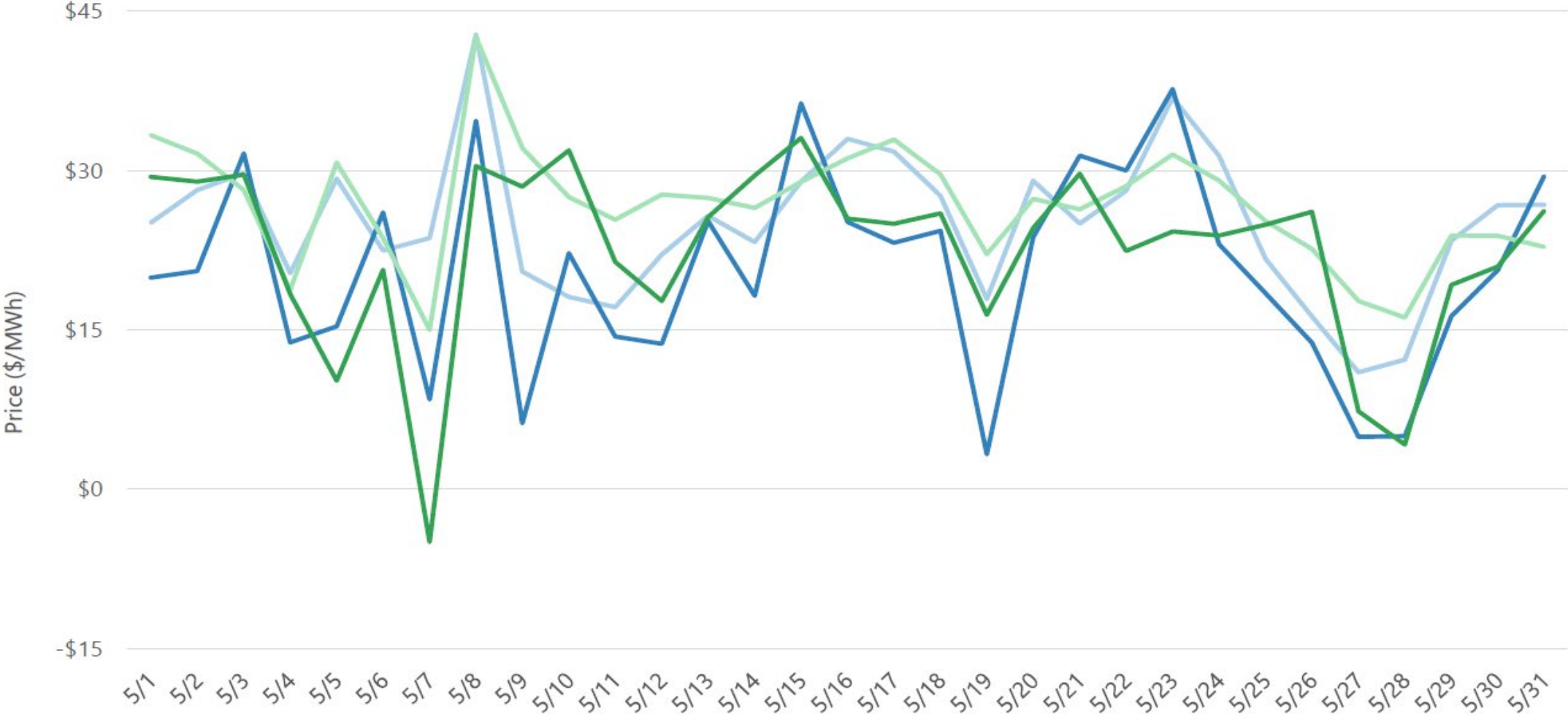
Average SPP Prices in May increased from the prior month due to higher loads, lower wind, and large number of spring outages



- LMP – the market-clearing price for energy at a given price node equivalent to the marginal cost of serving demand at the price node while meeting SPP operating reserve requirements is locational marginal price.
- MEC – an LMP component representing marginal energy cost.
- Panhandle Gas is a main natural gas hub for SPP gas units. SPP prices are highly correlated to gas costs and energy prices in general.

Source: SPP (Southwest Power Pool) Market Monitor Marketplace Update, May 2023. ARR/TCR Revenues are NOT included in these prices.

Less price volatility in May due to lower wind generation and more accurate market forecasts by SPP



Source: SPP Market Monitor Marketplace Update, May 2023

Updated forecast resulted in an increased projection for year-end Rate Stabilization Funds

(Millions of Dollars)

	Rate Stabilization Funds 12/31/2022 ¹	2023 Activity		Projected Rate Stabilization Funds 12/31/2023
		PCA ² Refund Used for Revenue Requirements	Forecasted 2023 Surplus/ (Deficit) ³	
Production	\$ 192.7	\$ (74.3)	\$ 26.3	\$ 144.7
Transmission	19.5	-	4.0	23.5
Sub-Total Wholesale	212.2	(74.3)	30.3	168.2
Retail	55.6	(2.1)	-	53.5
Total	\$ 267.8	\$ (76.4)	\$ 30.3	\$ 221.7

1 - Rate Stabilization Funds at 12/31/2022 are audited.

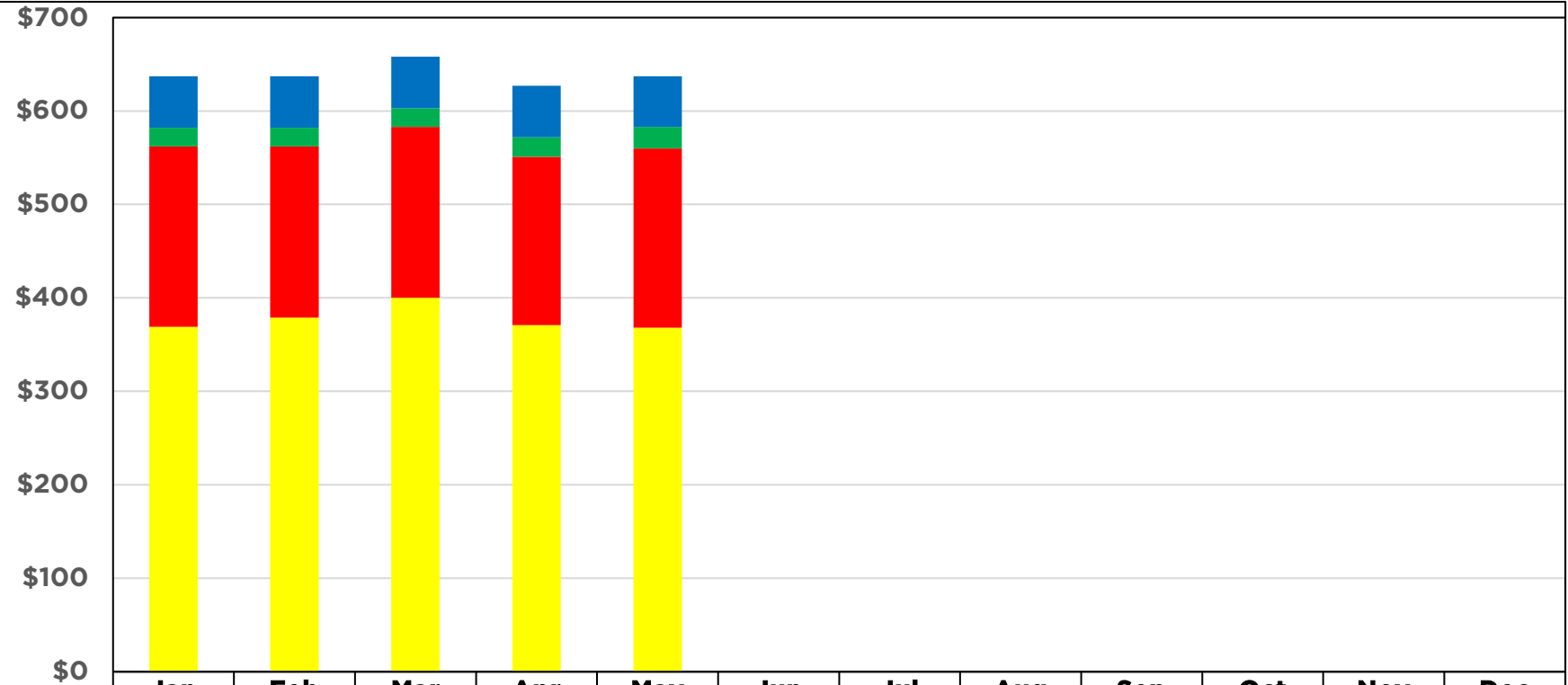
2 - Production Cost Adjustment (PCA)

3 - Includes 5 months Actual, 7 months Forecast.

May 2023 ending cash balance increased from prior month due primarily to favorable financial performance (\$ in Millions)

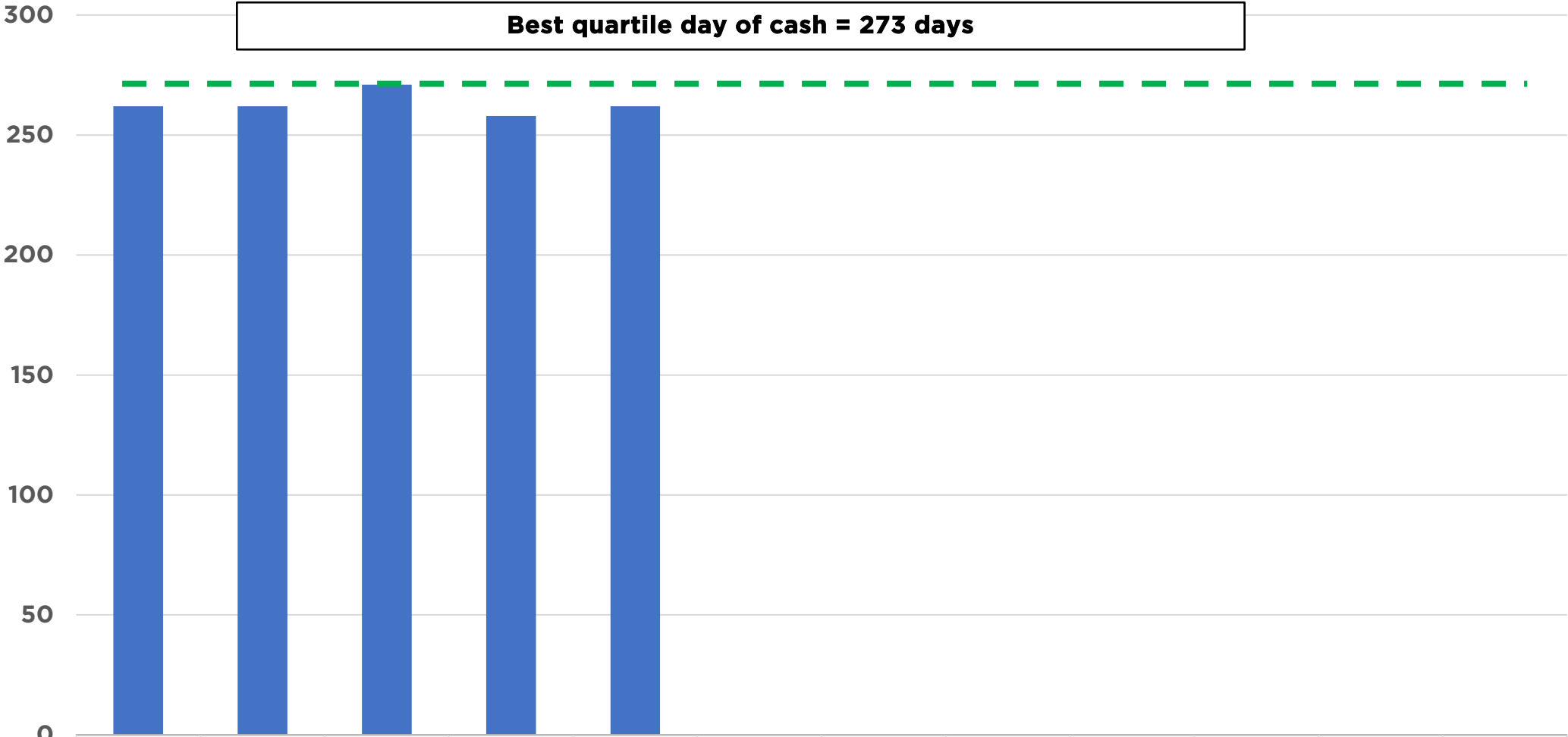
What's included in Cash - Other?

- Funds for Operating Activities
- Funds for Construction from Revenue Projects
- Funds for Non-Nuclear Decommissioning
- Funds from Settlements for Offset of Future Costs
- CNS Collections for Various Purposes
- Customer and Other Deposits
- Funds Collected for Lease Payments and Taxes



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Total	\$637	\$637	\$658	\$627	\$637							
Retail Rate Stabilization Fund	\$55	\$55	\$55	\$55	\$54							
Transmission Rate Stabilization Fund	\$20	\$20	\$20	\$21	\$23							
Production Rate Stabilization Fund	\$193	\$183	\$183	\$180	\$192							
Cash - Other	\$369	\$379	\$400	\$371	\$368							

May 2023 Days of Cash improved, but remains below best quartile



■ Avg Days of Cash

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
262	262	271	258	262							



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Questions

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