
APRIL

TACOMA POWER

2015

**FINANCIAL
REPORT**



Public Utility Board

WOODROW JONES
Chair

BRYAN FLINT
Vice-Chair

MARK PATTERSON
Secretary

DAVID NELSON
Member

MONIQUE TRUDNOWSKI
Member

WILLIAM A. GAINES
Director of Utilities/CEO

THEODORE C. COATES
Power Superintendent/COO

ANDREW CHERULLO
Finance Director

DEPARTMENT OF PUBLIC UTILITIES
CITY OF TACOMA

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	2 - 3
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	4 - 5
SUMMARY OF REVENUES AND BILLINGS	6 - 7
GROSS GENERATION REPORT	8 - 9
CLICK! NETWORK OPERATIONAL SUMMARY	10 - 11
SUPPLEMENTAL DATA	13 - 18

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

STATEMENTS OF NET POSITION - April 30, 2015 AND April 30, 2014

ASSETS	<u>2015</u>	<u>2014</u>
UTILITY PLANT		
Electric Plant in Service	\$1,822,891,137	\$1,778,707,389
Less Depreciation and Amortization	(912,405,463)	(856,828,885)
Total	<u>910,485,674</u>	<u>921,878,504</u>
Construction Work in Progress	63,760,382	32,549,372
Net Utility Plant	<u>974,246,056</u>	<u>954,427,876</u>
NON-UTILITY PROPERTY	<u>182,051</u>	<u>182,051</u>
RESTRICTED ASSETS		
Cash and Equity in Pooled Investments:		
2002 T&D Major Project Fund	-	907,852
2010B Construction Fund	12,383,170	22,237,029
2013 Construction Fund	31,960,342	77,195,546
Provision for Debt Service	20,752,939	19,580,461
Special Bond Reserves	16,997,639	16,997,639
Wynoochee Reserve--State of Washington	2,526,445	2,505,654
Total Restricted Assets	<u>84,620,535</u>	<u>139,424,181</u>
CURRENT ASSETS		
Cash and Equity in Pooled Investments:		
Current Fund	245,511,605	219,282,346
Customers' and Contractors' Deposits	3,003,215	2,874,227
Conservation Loan Fund	3,933,536	4,895,190
Rate Stabilization Fund	48,000,000	48,000,000
Receivables:		
Customers	18,285,295	21,931,115
Accrued Unbilled Revenue	28,750,681	29,416,868
Others	9,407,342	16,070,472
Provision for Uncollectibles	(1,292,413)	(2,811,584)
Materials and Supplies	5,708,330	6,648,827
Prepayments and Other	4,971,341	3,923,729
Total Current Assets	<u>366,278,932</u>	<u>350,231,190</u>
OTHER ASSETS		
Regulatory Asset - Conservation	42,750,113	39,719,522
Conservation Loan Fund Receivables	1,223,610	1,308,729
Total Other Assets	<u>43,973,723</u>	<u>41,028,251</u>
 Total Assets	 <u>1,469,301,297</u>	 <u>1,485,293,549</u>
DEFERRED OUTFLOWS		
Unamortized Loss on Refunding Bonds	7,169,331	11,526,327
 TOTAL ASSETS AND DEFERRED OUTFLOWS.....	 <u>\$1,476,470,628</u>	 <u>\$1,496,819,876</u>

These statements should be read in conjunction with the Notes to Financial Statements contained in the 2014 Annual Report.

NET POSITION AND LIABILITIES	<u>2015</u>	<u>2014</u>
NET POSITION		
Net Investment in Capital Assets	\$520,084,729	\$525,481,475
Restricted for:		
Wynoochee Reserve - State of Washington	2,526,445	2,505,654
Debt Service	12,393,336	10,704,992
Unrestricted	<u>302,166,447</u>	<u>284,410,201</u>
 TOTAL NET POSITION	 <u>837,170,957</u>	 <u>823,102,322</u>
 LONG-TERM DEBT		
2005 Electric System Revenue Bonds, Series A	-	130,000
2005 Electric System Refunding Bonds, Series B ...	99,690,000	122,135,000
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	164,190,000	178,795,000
2013B Electric System Rev & Refunding Bonds	<u>35,620,000</u>	<u>35,620,000</u>
Total Bonded Indebtedness	470,755,000	507,935,000
Less: Unamortized Bond Premiums	<u>22,039,547</u>	<u>24,155,680</u>
Net Bonded Indebtedness	<u>492,794,547</u>	<u>532,090,680</u>
 CURRENT LIABILITIES		
Salaries and Wages Payable	3,256,680	2,098,407
Taxes and Other Payables	11,949,175	10,658,995
Purchases and Transmission of Power Accrued	11,902,166	13,881,843
Interest Payable	8,359,603	8,875,469
Customers' Deposits	3,012,233	2,846,232
Current Portion of Long-Term Debt	37,180,000	32,115,000
Current Accrued Compensated Absences	<u>1,048,309</u>	<u>1,026,499</u>
Total Current Liabilities	<u>76,708,166</u>	<u>71,502,445</u>
 LONG TERM LIABILITIES		
Long Term Accrued Compensated Absences	9,434,785	9,238,488
Other Long Term Liabilities	<u>12,362,173</u>	<u>12,885,941</u>
Total Long Term Liabilities	<u>21,796,958</u>	<u>22,124,429</u>
 TOTAL LIABILITIES	 <u>591,299,671</u>	 <u>625,717,554</u>
 DEFERRED INFLOWS		
Rate Stabilization	<u>48,000,000</u>	<u>48,000,000</u>
 TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS	 <u>\$1,476,470,628</u>	 <u>\$1,496,819,876</u>

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
April 30, 2015 AND April 30, 2014

	April 2015	April 2014
OPERATING REVENUES		
Sales of Electric Energy	\$30,239,476	\$37,017,512
Other Operating Revenues	1,326,864	1,485,942
Click! Network Operating Revenues	2,155,844	2,229,001
Total Operating Revenue	33,722,184	40,732,455
OPERATING EXPENSES		
Production Expense		
Hydraulic Power Production	2,200,881	1,659,653
Other Production Expense	343,877	305,765
Total Expense Power Produced	2,544,758	1,965,418
Purchased Power	11,363,443	10,511,065
Total Production Expense	13,908,201	12,476,483
Transmission Expense	2,021,830	1,934,883
Distribution Expense	2,327,747	2,322,838
Click! Network Commercial Operations Expense .	1,759,522	1,857,822
Customer Accounts Expense (CIS)	1,101,056	978,671
Conservation and Other Customer Assistance ...	950,148	866,788
Taxes	1,546,217	1,682,518
Depreciation	4,851,654	4,921,084
Administrative and General	3,386,560	3,597,954
Total Operating Expenses	31,852,935	30,639,041
OPERATING INCOME (LOSS)	1,869,249	10,093,414
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	287,714	299,893
Contribution to Family Need	(40,000)	(75,000)
Other Net Non-Op Revenues and Deductions	19,361	(107,046)
Interest on Long-Term Debt	(2,089,901)	(2,218,868)
Amort. of Debt Related Costs	(62,735)	(238,856)
Interest Charged to Construction	234,048	118,246
Total Non-Operating Revenues (Expenses) ..	(1,651,513)	(2,221,631)
Net Income (Loss) Before Capital Contributions and Transfers	217,736	7,871,783
Capital Contributions		
Cash	232,210	465,970
Donated Fixed Assets	-	13,029
BABs and CREBs Interest Subsidies	329,553	329,553
Transfers		
City Gross Earnings Tax	(2,061,982)	(2,766,990)
CHANGE IN NET POSITION	(\$1,282,483)	\$5,913,345
TOTAL NET POSITION - January 1		
TOTAL NET POSITION - April 30		

YEAR TO DATE		2015 OVER	PERCENT CHANGE
April 30, 2015	April 30, 2014	(UNDER) 2014	
\$139,837,520	\$150,252,014	(\$10,414,494)	-6.9%
5,758,290	5,711,032	47,258	0.8%
9,079,253	8,928,683	150,570	1.7%
<u>154,675,063</u>	<u>164,891,729</u>	<u>(10,216,666)</u>	-6.2%
6,151,334	4,001,920	2,149,414	53.7%
1,371,156	1,257,106	114,050	9.1%
<u>7,522,490</u>	<u>5,259,026</u>	<u>2,263,464</u>	43.0%
44,069,381	46,223,717	(2,154,336)	-4.7%
<u>51,591,871</u>	<u>51,482,743</u>	<u>109,128</u>	0.2%
8,302,626	8,144,927	157,699	1.9%
9,866,444	9,035,720	830,724	9.2%
6,792,306	6,354,098	438,208	6.9%
4,231,683	3,637,839	593,844	16.3%
3,575,005	3,427,947	147,058	4.3%
6,761,282	6,702,698	58,584	0.9%
19,784,144	19,704,318	79,826	0.4%
15,383,033	14,226,802	1,156,231	8.1%
<u>126,288,394</u>	<u>122,717,092</u>	<u>3,571,302</u>	2.9%
<u>28,386,669</u>	<u>42,174,637</u>	<u>(13,787,968)</u>	-32.7%
795,866	1,131,116	(335,250)	-29.6%
(160,000)	(300,000)	140,000	-46.7%
164,087	(2,202,577)	2,366,664	107.4%
(8,359,603)	(8,875,469)	515,866	-5.8%
(250,935)	(983,228)	732,293	-74.5%
883,819	407,363	476,456	117.0%
<u>(6,926,766)</u>	<u>(10,822,795)</u>	<u>3,896,029</u>	36.0%
21,459,903	31,351,842	(9,891,939)	-31.6%
1,567,565	1,376,799	190,766	13.9%
3,445	13,029	(9,584)	-73.6%
1,318,213	1,318,213	-	0.0%
<u>(9,981,230)</u>	<u>(10,036,221)</u>	<u>54,991</u>	0.5%
14,367,896	24,023,662	(9,655,766)	-40.2%
822,803,061	799,078,660	23,724,401	3.0%
<u>\$837,170,957</u>	<u>\$823,102,322</u>	<u>\$14,068,635</u>	1.7%

These statements should be read in conjunction with the Management Discussion and Analysis in the March 2015 Financial Report.

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

SUMMARY OF REVENUES AND BILLINGS
April 30, 2015 AND April 30, 2014

	For the month of April 2015	For the month of April 2014
OPERATING REVENUE		
Sales of Electric Energy		
Residential	\$13,199,964	\$13,698,825
Commercial	2,192,640	2,101,009
General	9,857,955	9,139,491
Contract Industrial	1,750,147	1,758,065
Public Street and Highway Lighting	110,703	155,657
Sales to Other Electric Utilities	27,737	28,592
Total Sales to Customers	27,139,146	26,881,639
Bulk Power Sales	3,100,330	10,135,873
Total Sales of Electric Energy	30,239,476	37,017,512
Other Operating Revenue		
Rentals and Leases from Elect. Property ...	134,008	145,696
Wheeling	799,742	940,255
Service Fees and Other	393,114	399,991
Telecommunications Revenue	2,155,844	2,229,001
Total Other Operating Revenues	3,482,708	3,714,943
 TOTAL OPERATING REVENUES	 \$33,722,184	 \$40,732,455

BILLINGS (Number of Months Billed)

Residential	157,980	155,393
Commercial	15,292	14,563
General	2,836	2,871
Contract Industrial	2	2
Public Streets and Highway Lighting	793	784
Sales to Other Utilities	1	1
 TOTAL BILLINGS	 176,904	 173,614

YEAR TO DATE		2015 OVER	
April 30, 2015	April 30, 2014	(UNDER)	PERCENT CHANGE
\$61,148,781	\$66,054,520	(\$4,905,739)	-7.4%
9,573,939	9,786,477	(212,538)	-2.2%
38,759,909	38,965,227	(205,318)	-0.5%
6,848,060	6,700,818	147,242	2.2%
525,508	656,193	(130,685)	-19.9%
125,977	135,781	(9,804)	-7.2%
<u>116,982,174</u>	<u>122,299,016</u>	<u>(5,316,842)</u>	<u>-4.3%</u>
<u>22,855,346</u>	<u>27,952,998</u>	<u>(5,097,652)</u>	<u>-18.2%</u>
<u>139,837,520</u>	<u>150,252,014</u>	<u>(10,414,494)</u>	<u>-6.9%</u>
892,947	883,358	9,589	1.1%
3,275,503	3,257,290	18,213	0.6%
1,589,840	1,570,384	19,456	1.2%
9,079,253	8,928,683	150,570	1.7%
<u>14,837,543</u>	<u>14,639,715</u>	<u>197,828</u>	<u>1.4%</u>
<u>\$154,675,063</u>	<u>\$164,891,729</u>	<u>(\$10,216,666)</u>	<u>-6.2%</u>
618,868	613,185	5,683	0.9%
61,550	60,878	672	1.1%
10,700	11,093	(393)	-3.5%
8	8	0	0.0%
3,565	3,521	44	1.2%
4	4	0	0.0%
<u>694,695</u>	<u>688,689</u>	<u>6,006</u>	<u>0.9%</u>

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

GROSS GENERATION REPORT - April 30, 2015 AND April 30, 2014

	For the month of Apr 2015	For the month of Apr 2014
KWH GENERATED, PURCHASED AND INTERCHANGED - Gross		
Generated - LaGrande	24,791,246	46,594,370
Generated - Alder	14,753,000	31,440,000
TOTAL NISQUALLY	<u>39,544,246</u>	<u>78,034,370</u>
Generated - Cushman No. 1	3,445,000	10,333,000
Generated - Cushman No. 2	4,095,000	17,657,000
TOTAL CUSHMAN	<u>7,540,000</u>	<u>27,990,000</u>
Generated - Mossyrock	59,259,000	124,492,000
Generated - Mayfield	36,969,000	81,266,000
TOTAL COWLITZ	<u>96,228,000</u>	<u>205,758,000</u>
Generated - Wynoochee	745,000	1,119,000
Generated - Hood Street	137,700	125,100
Grant Net Actual	-	(556,000)
Tacoma's Share of Priest Rapids	2,265,000	2,160,000
Tacoma's Share of GCPHA	33,204,000	39,437,000
TOTAL KWH GENERATED - TACOMA SYSTEM	179,663,946	354,067,470
Purchased Power		
BPA Slice Contract	177,035,000	226,912,000
BPA Block Contract	137,276,000	129,937,000
Interchange Net	(104,158,000)	(320,697,000)
TOTAL KWH GENERATED, PURCHASED AND INTERCHANGED ..	<u>389,816,946</u>	<u>390,219,470</u>
Losses	2,835,250	4,638,623
Baldi Replacement	167,359	789,595
Ketron	21,544	21,121
NT PC Mutuals Schedules	(2,465,000)	(2,847,000)
PC Mutual Inadvertent	718,370	571,043
TACOMA SYSTEM FIRM LOAD	<u>391,094,469</u>	<u>393,392,852</u>
Maximum Kilowatts (System Firm Load)	701,450	690,761
Average Kilowatts (System Firm Load)	525,665	546,379
PIERCE COUNTY MUTUAL LOAD	114,366,000	113,591,000
KWH BILLED		
Residential Sales	158,905,997	171,294,800
Commercial Sales	25,405,275	25,246,093
General	170,118,387	173,166,207
Contract Industrial	41,307,780	45,263,460
Public Street and Highway Lighting	2,604,775	2,579,551
Sales to Other Electric Utilities	527,400	584,100
TOTAL FIRM	<u>398,869,614</u>	<u>418,134,211</u>
Bulk Power Sales	131,005	411,728,000
TOTAL KWH BILLED	<u><u>399,000,619</u></u>	<u><u>829,862,211</u></u>

YEAR TO DATE		2015 OVER (UNDER) 2014	PERCENT CHANGE
Apr 30, 2015	Apr 30, 2014		
136,792,716	156,122,570	(19,329,854)	-12.4%
88,521,000	104,623,000	(16,102,000)	-15.4%
<u>225,313,716</u>	<u>260,745,570</u>	<u>(35,431,854)</u>	-13.6%
34,009,000	30,600,000	3,409,000	11.1%
51,805,000	49,372,000	2,433,000	4.9%
<u>85,814,000</u>	<u>79,972,000</u>	<u>5,842,000</u>	7.3%
364,247,000	447,898,000	(83,651,000)	-18.7%
243,668,000	326,874,000	(83,206,000)	-25.5%
<u>607,915,000</u>	<u>774,772,000</u>	<u>(166,857,000)</u>	-21.5%
1,919,000	13,689,000	(11,770,000)	-86.0%
1,117,500	799,000	318,500	39.9%
-	(698,000)	698,000	0.0%
10,582,000	7,669,000	2,913,000	38.0%
35,888,000	49,340,000	(13,452,000)	-27.3%
968,549,216	1,186,288,570	(217,739,354)	-18.4%
897,887,000	798,297,000	99,590,000	12.5%
608,859,000	576,353,000	32,506,000	5.6%
(792,875,000)	(753,449,000)	(39,426,000)	-5.2%
<u>1,682,420,216</u>	<u>1,807,489,570</u>	<u>(125,069,354)</u>	-6.9%
12,101,815	10,264,927	1,836,888	17.9%
1,032,570	2,770,070	(1,737,500)	-62.7%
108,830	126,994	(18,164)	-14.3%
(11,341,000)	(12,863,000)	1,522,000	11.8%
1,313,899	1,503,402	(189,503)	-12.6%
<u>1,685,636,330</u>	<u>1,809,291,963</u>	<u>(123,655,633)</u>	-6.8%
516,403,000	564,789,000	(48,386,000)	-8.6%
745,199,613	844,089,467	(98,889,854)	-11.7%
111,943,145	119,727,429	(7,784,284)	-6.5%
672,856,757	705,339,348	(32,482,591)	-4.6%
161,566,676	169,285,002	(7,718,326)	-4.6%
12,379,810	12,215,612	164,198	1.3%
2,410,200	2,737,800	(327,600)	-12.0%
<u>1,706,356,201</u>	<u>1,853,394,658</u>	<u>(147,038,457)</u>	-7.9%
751,126,005	1,000,338,000	(249,211,995)	-24.9%
<u>2,457,482,206</u>	<u>2,853,732,658</u>	<u>(396,250,452)</u>	-13.9%

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
CLICK! NETWORK
COMMERCIAL OPERATIONS

OPERATIONAL SUMMARY - APRIL 30, 2015

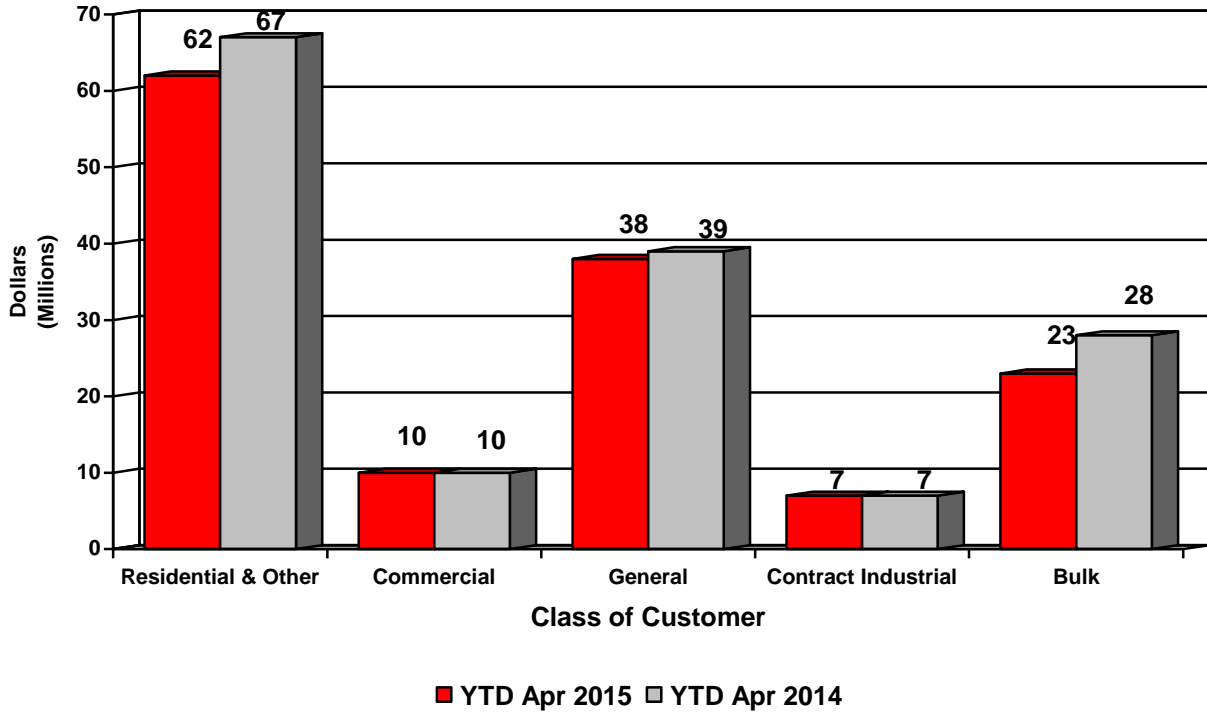
	<u>APRIL</u> <u>2015</u>	<u>APRIL</u> <u>2014</u>
TELECOMMUNICATIONS REVENUE		
CATV	\$1,503,763	\$1,604,214
Broadband	93,416	111,591
ISP	540,371	497,502
Interdepartmental	18,294	15,694
Total Operating Revenue	<u>2,155,844</u>	<u>2,229,001</u>
TELECOMMUNICATIONS EXPENSE-COMMERCIAL		
Administration & Sales Expense		
Salaries & Wages Expense	244,395	243,117
General Expense	(660)	135,015
Contract Services	1,194,319	1,176,397
IS & Intergovernmental Services	92,045	57,148
Fleet Services	422	905
Capitalized A & G Expense	(11,629)	3,507
Total Admin. & Sales Expense	<u>1,518,892</u>	<u>1,616,089</u>
Operations & Maintenance Expense ...		
Salaries & Wages Expense	211,445	202,858
General Expense	13,214	16,945
Contract Services	10,159	14,161
IS & Intergovernmental Services	1,438	1,722
Fleet Services	11,124	14,678
New Connect Capital	(6,750)	(8,631)
Total Oper. & Maint. Expense	<u>240,630</u>	<u>241,733</u>
Total Telecommunications Expense .	1,759,522	1,857,822
Net Revenues (Expenses) Before Taxes and Depreciation and Amortization	396,322	371,179
Taxes	284,904	303,328
Depreciation and Amortization	327,727	427,433
	<u>612,631</u>	<u>730,761</u>
NET OPERATING REVENUES (EXPENSES)	<u>(216,309)</u>	<u>(359,582)</u>

YEAR TO DATE			
APRIL 30 2015	APRIL 30 2014	2015/2014 VARIANCE	PERCENT CHANGE
\$6,495,278	\$6,548,894	(\$53,616)	-0.8%
376,072	362,653	13,419	3.7%
2,128,556	1,955,273	173,283	8.9%
79,347	61,863	17,483	28.3%
<u>9,079,253</u>	<u>8,928,683</u>	<u>150,570</u>	1.7%
995,191	942,460	52,731	5.6%
123,265	100,245	23,020	23.0%
4,457,542	4,188,410	269,132	6.4%
298,472	186,449	112,023	60.1%
1,868	4,278	(2,410)	-56.3%
(32,730)	(13,956)	(18,774)	134.5%
<u>5,843,608</u>	<u>5,407,886</u>	<u>435,722</u>	8.1%
840,409	825,013	15,396	1.9%
53,886	63,416	(9,530)	-15.0%
28,961	32,372	(3,411)	-10.5%
6,098	9,073	(2,975)	-32.8%
45,744	49,280	(3,536)	-7.2%
(26,400)	(32,942)	6,542	-19.9%
<u>948,698</u>	<u>946,212</u>	<u>2,486</u>	0.3%
6,792,306	6,354,098	438,208	6.9%
2,286,947	2,574,585	(287,638)	-11.2%
1,236,054	1,261,350	(25,296)	-2.0%
1,400,076	1,709,715	(309,639)	-18.1%
<u>2,636,130</u>	<u>2,971,065</u>	<u>(334,935)</u>	
<u>(349,183)</u>	<u>(396,480)</u>	<u>\$47,297</u>	11.9%

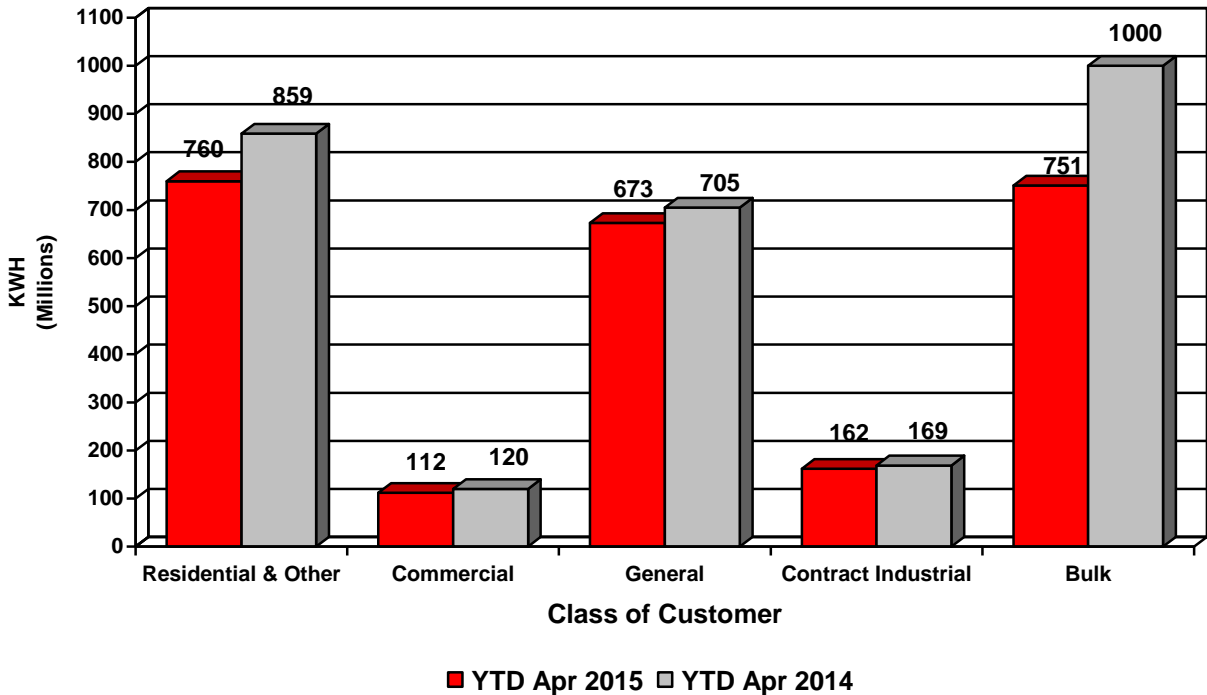
This page has been left blank intentionally.

Supplemental Data

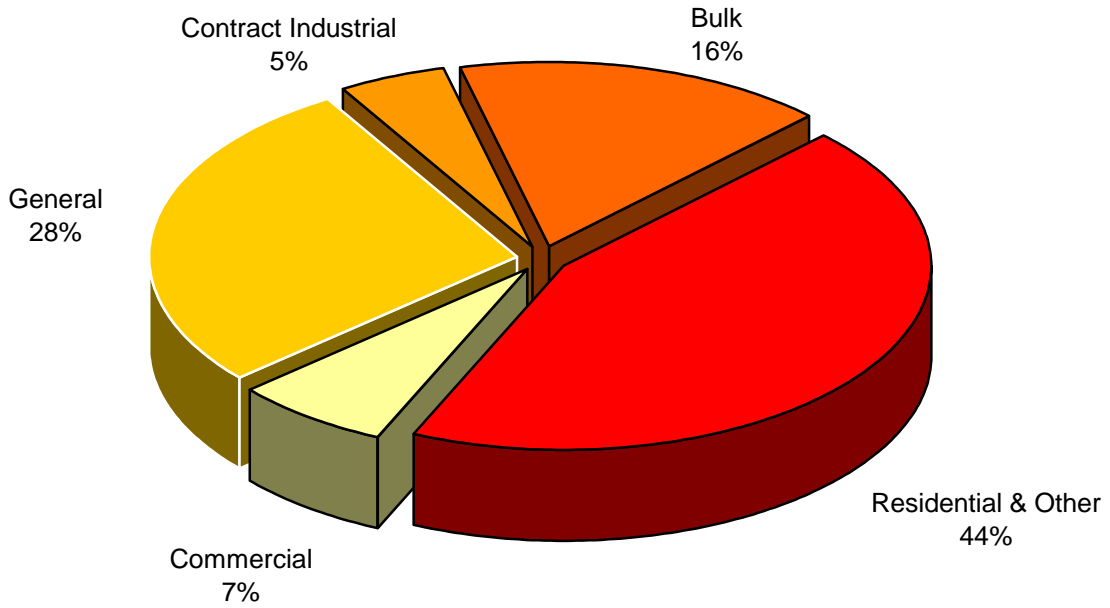
SALES OF ELECTRIC ENERGY
Year to Date - April 2015 & 2014



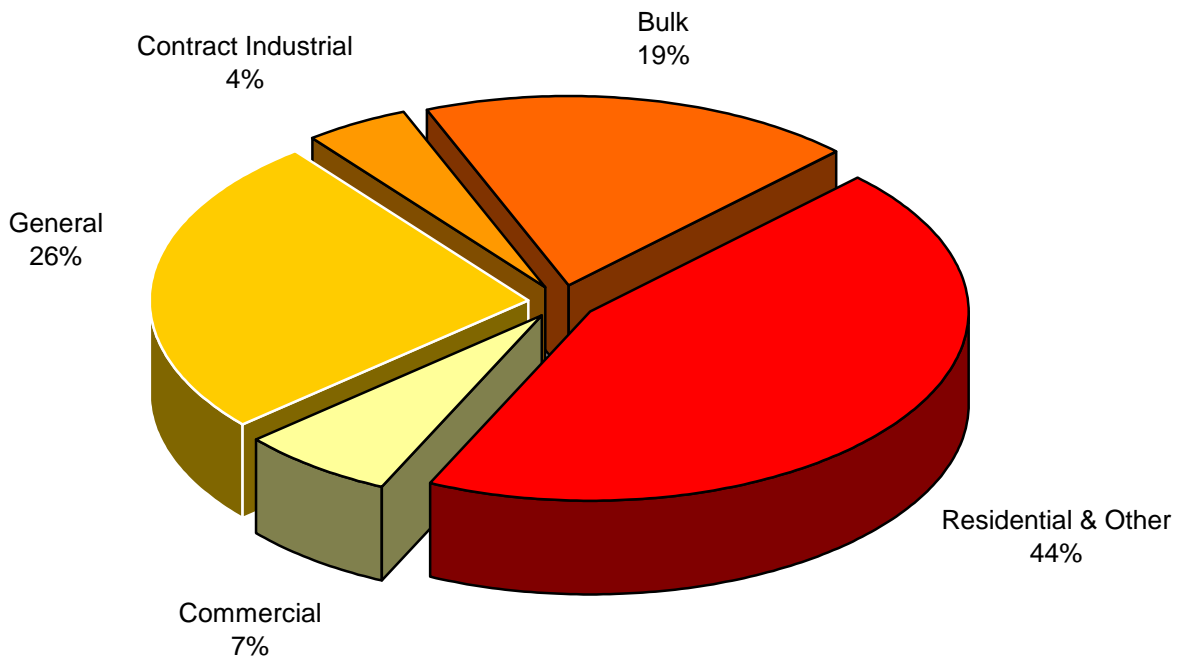
TOTAL POWER BILLED
Year to Date - April 2015 & 2014



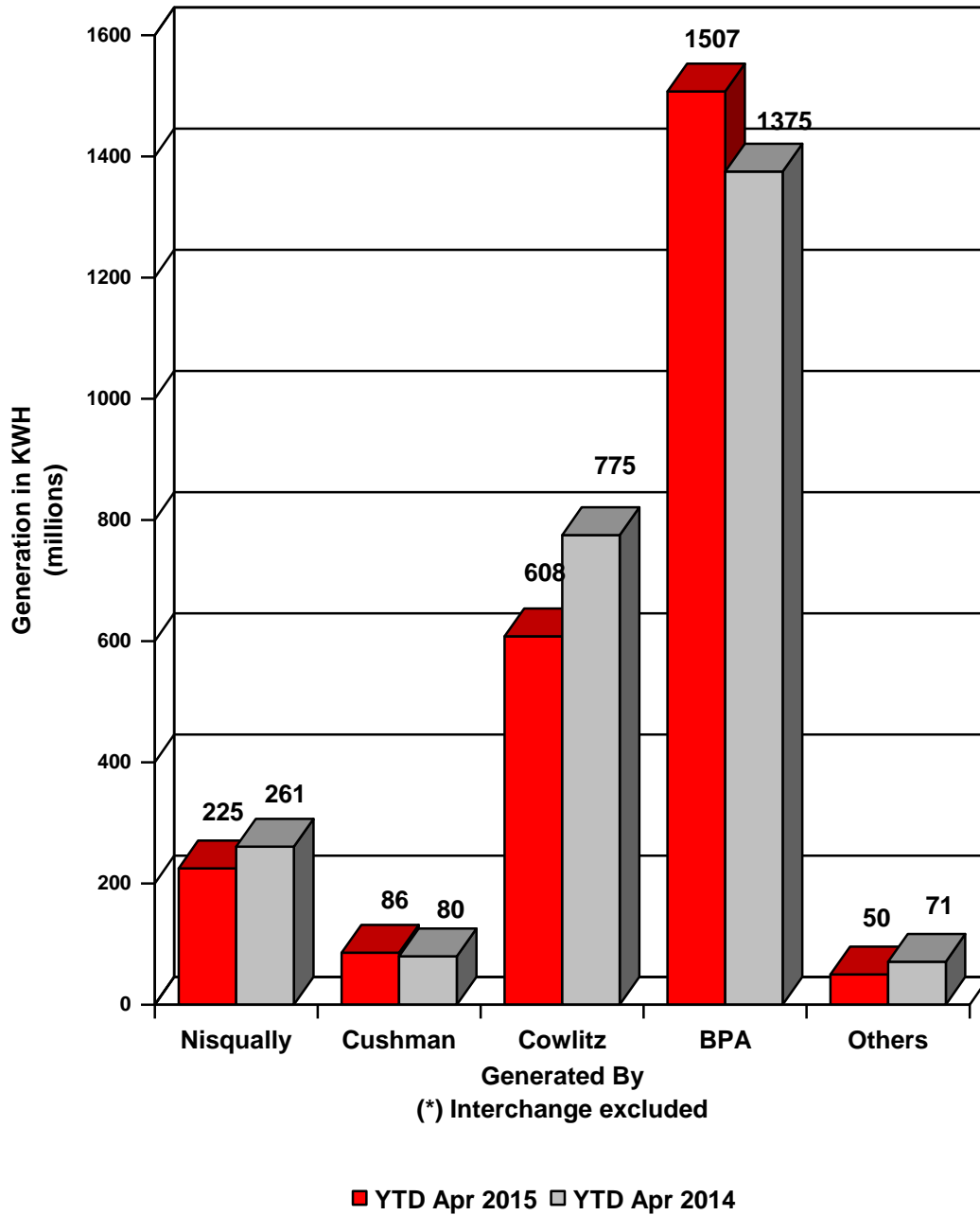
SALES OF ELECTRIC ENERGY
Year to Date - April 2015 (\$139,837,520)



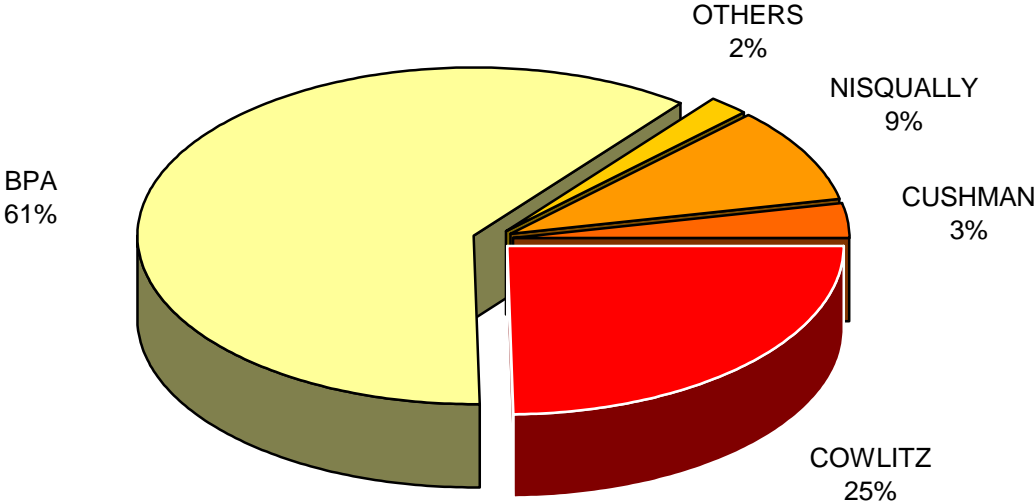
SALES OF ELECTRIC ENERGY
Year to Date - April 2014 (\$150,252,014)



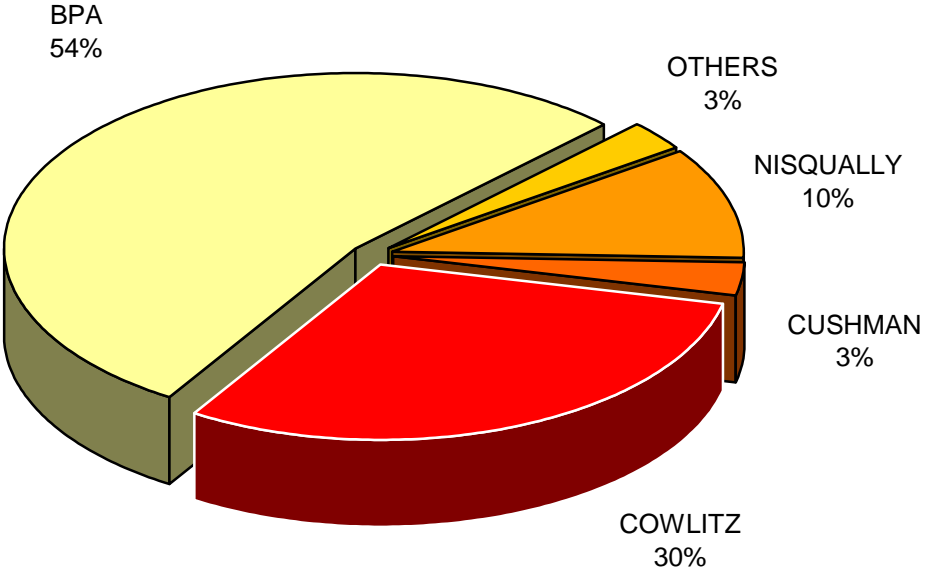
**POWER SOURCES (*)
Year to Date April 2015 & 2014**



POWER SOURCES (*)
Year to Date - April 2015

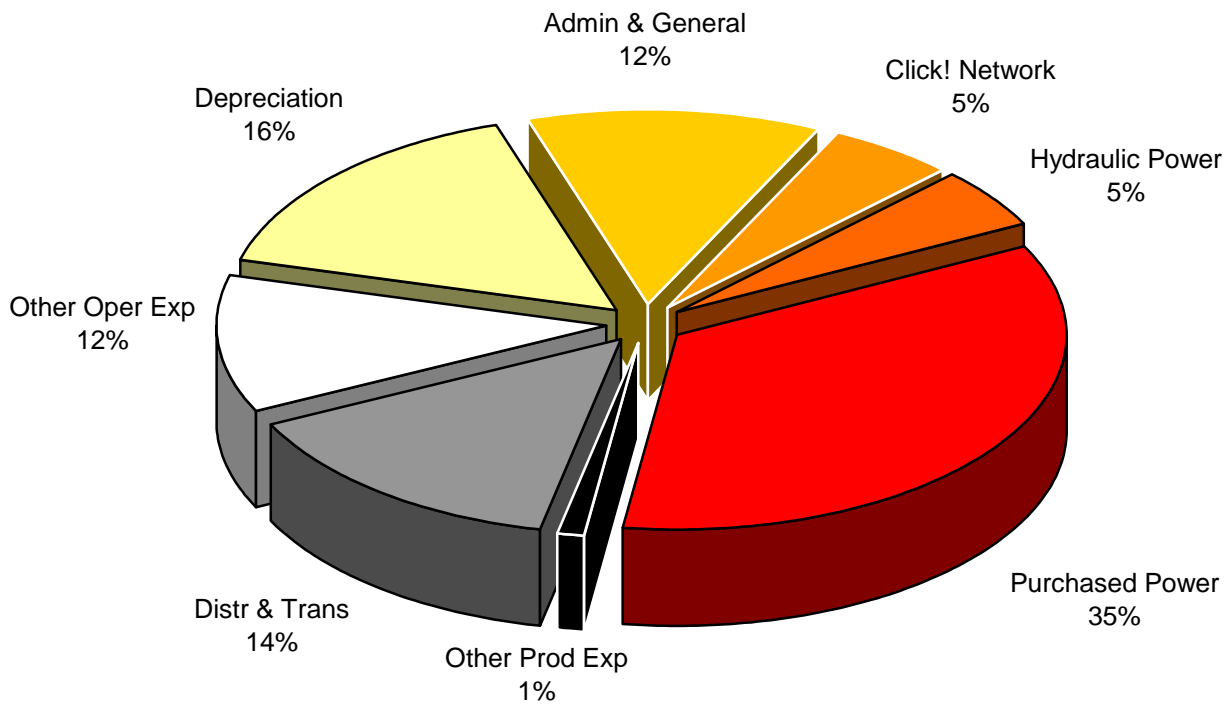


POWER SOURCES (*)
Year to Date - April 2014

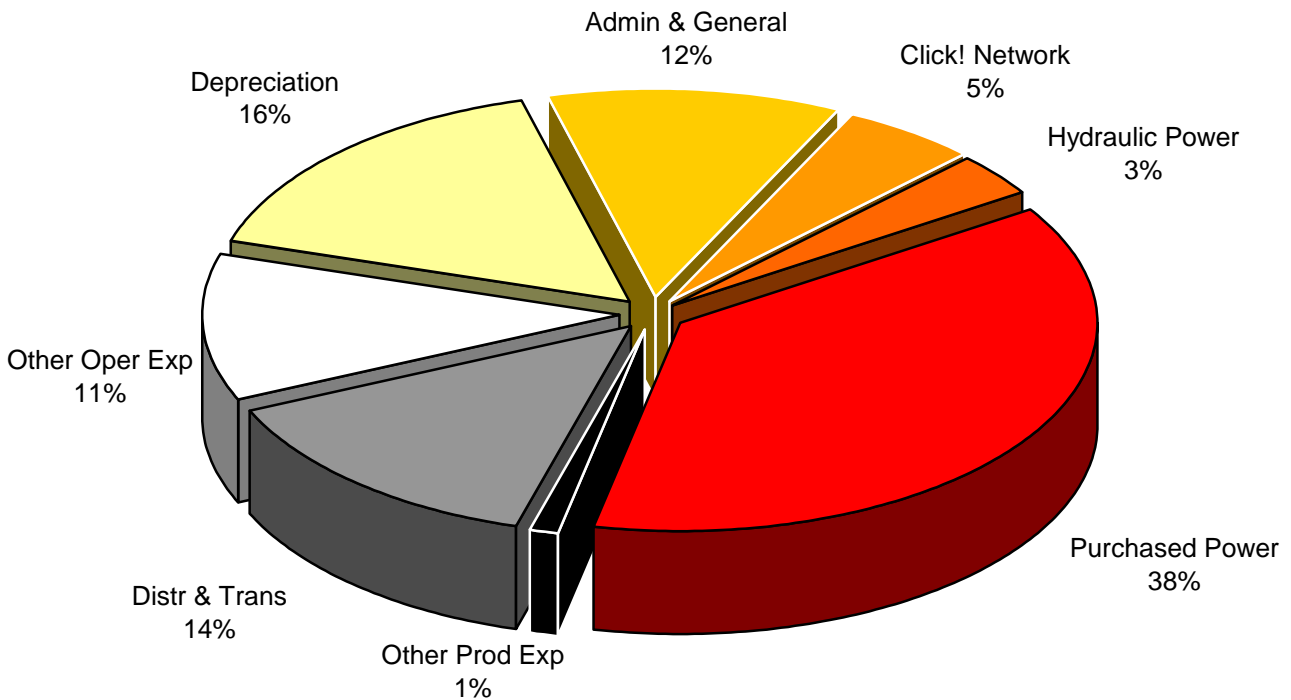


(*) Interchange excluded

TOTAL OPERATING EXPENSES *
Year to Date - April 2015 (\$126,288,394)



TOTAL OPERATING EXPENSES *
Year to Date - April 2014 (\$122,717,092)



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



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.