

Bradley Lake Project Management Committee Operating and Revenue Funds

FINANCIAL STATEMENTS WITH SUPPLEMENTAL INFORMATION

Years Ended June 30, 2024 and 2023 (With Independent Auditor's Report)



**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS**

Financial Statements with Supplemental Information

Years Ended June 30, 2024 and 2023

Table of Contents

	Page
Independent Auditor's Report	1
Financial Statements:	
Statements of Assets and Liabilities	3
Statements of Revenues and Expenses	4
Statements of Cash Flows	5
Notes to Financial Statements	6
Supplemental Information:	
Statements of Expenses	11

INDEPENDENT AUDITOR'S REPORT

Bradley Lake Project Management Committee
Anchorage, Alaska

Opinion

We have audited the accompanying special-purpose financial statements of the Bradley Lake Project Management Committee (a project management committee) Operating and Revenue Funds, which comprise the special-purpose statements of assets and liabilities as of June 30, 2024 and 2023, the related special-purpose statements of revenues and expenses, the special-purpose statements of cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the assets and liabilities of the Bradley Lake Project Management Committee Operating and Revenue Funds, as of June 30, 2024 and 2023, its revenues and expenses, and its cash flows for the years then ended, on the basis of accounting described in Note 1.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Special-Purpose Financial Statements section of our report. We are required to be independent of the Bradley Lake Project Management Committee Operating and Revenue Funds and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 1 of the special-purpose financial statements, which describes the basis of accounting. The special-purpose financial statements are prepared on the basis of the accounting requirements of the Operating and Revenue Funds established under the Alaska Energy Authority Power Revenue Bond resolution, as discussed in Note 1, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with accounting requirements of the bond resolution referred to above. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Special-Purpose Financial Statements

The Bradley Lake Project Management Committee is responsible for the preparation and fair presentation of these special-purpose financial statements in accordance with accounting requirements of the Operating and Revenue Funds established under the Alaska Energy Authority Power Revenue Bond Resolution as described in Note 1. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the special purpose financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the special-purpose financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise substantial doubt about the Bradley Lake Project Management Committee Operating and Revenue Funds to continue as a going concern within one year after the date that the special-purpose financial statements are available to be issued.

INDEPENDENT AUDITOR'S REPORT, CONTINUED

Auditor's Responsibilities for the Audit of the Special-Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the special-purpose financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually, or in the aggregate, they would influence the judgment made by a reasonable user based on the special-purpose financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the special-purpose financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the special-purpose financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bradley Lake Project Management Committee Operating and Revenue Funds' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the special-purpose financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Bradley Lake Project Management Committee Operating and Revenue Funds' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the special-purpose financial statements as a whole. The supplemental special-purpose Statements of Expenses is presented for purposes of additional analysis and is not a required part of the special-purpose financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the special-purpose financial statements. The supplemental information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the special-purpose financial statements or to the special-purpose financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplemental information is fairly stated in all material respects in relation to the special-purpose financial statements as a whole.

Restriction on Use

This report is intended solely for the information and use of the Bradley Lake Project Management Committee and is not intended to be and should not be used by anyone other than that specified party.

Aldrich CPAs + Advisors LLP

Salem, Oregon
November 22, 2024

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS**

Statements of Assets and Liabilities

June 30, 2024 and 2023

ASSETS	<u>2024</u>	<u>2023</u>
Current Assets:		
Cash and cash equivalents (Note 2)	\$ 3,174,590	\$ 3,795,942
Due from R & C fund (Note 5)	1,515,335	988,805
Interest receivable (Note 4)	18,789	194,558
IRS subsidies receivable	1,019,859	-
Due from utilities - O & M shortage (Note 6)	<u>-</u>	<u>242,098</u>
 Total Assets	 <u>\$ 5,728,573</u>	 <u>\$ 5,221,403</u>

LIABILITIES

Current Liabilities:

Due to AEA (Note 4)	\$ 679,491	\$ 1,135,490
Accounts payable	1,309,217	1,400,451
Payable to utilities - O & M refund (Note 5)	2,150,599	1,007,902
Payable to utilities - R & C refund (Note 5)	1,515,335	988,805
Payable to R & C fund (Note 4)	<u>73,931</u>	<u>688,755</u>
 Total Liabilities	 <u>\$ 5,728,573</u>	 <u>\$ 5,221,403</u>

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS

Statements of Revenues and Expenses

Years Ended June 30, 2024 and 2023

	2024		Variance Favorable (Unfavorable)	2023 Actual
	Budget	Actual		
Revenues:				
Utility contributions, net of surplus refund	\$ 26,984,489	\$ 23,318,573	\$ (3,665,916)	\$ 24,956,429
Interest receipts	-	881,102	881,102	627,981
Total Revenues	<u>26,984,489</u>	<u>24,199,675</u>	<u>(2,784,814)</u>	<u>25,584,410</u>
Expenses, Capital Activity, Transfers and Debt Service:				
Operations and maintenance	11,426,350	9,376,907	2,049,443	9,173,007
Debt service, net of IRS subsidy	14,388,372	14,366,014	22,358	14,383,660
Capital reserve contributions (reimbursements)	-	(58,284)	58,284	102,823
Capital activity	1,113,000	378,508	734,492	1,788,573
Interfund transfer	<u>56,767</u>	<u>136,530</u>	<u>(79,763)</u>	<u>136,347</u>
Total Expenses, Capital Activity, Transfers, and Debt Service	<u>26,984,489</u>	<u>24,199,675</u>	<u>2,784,814</u>	<u>25,584,410</u>
Excess of Revenues Over Expenses, Capital Activity, Transfers and Debt Service	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS**

Statements of Cash Flows

Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities:		
Excess of revenues over expenses, capital activity, transfers and debt service	\$ -	\$ -
Adjustments to reconcile excess of revenues over expenses capital activity, transfers and debt service to net cash used by operating activities:		
Changes in assets and liabilities:		
Due from R & C fund	(526,530)	(610,646)
Due from debt service fund	-	21,077
IRS subsidies receivable	(1,019,859)	-
Due from operating reserve and R & C funds for interest	175,769	(149,822)
Due from utilities - O & M shortage	242,098	(242,098)
Due to AEA	(455,999)	614,162
Accounts payable	(91,234)	45,591
Payable to utilities - O & M refund	1,142,697	(666,147)
Payable to utilities - R & C refund	526,530	610,646
Payable to utilities - GVEA Battle Creek callback	-	(1,586,958)
Payable to R & C fund	<u>(614,824)</u>	<u>(643,147)</u>
Net Cash Used by Operating Activities	<u>(621,352)</u>	<u>(2,607,342)</u>
Cash and Cash Equivalents, beginning of year	<u>3,795,942</u>	<u>6,403,284</u>
Cash and Cash Equivalents, end of year	<u>\$ 3,174,590</u>	<u>\$ 3,795,942</u>
Supplemental Disclosure of Cash Flows Information:		
Interest paid	<u>\$ 6,641,974</u>	<u>\$ 7,581,130</u>

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE

OPERATING AND REVENUE FUNDS

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 1 - Significant Accounting Policies

Description of Business

The Bradley Lake Project Management Committee (the Committee or BPMC) was established pursuant to Section 13 of the Agreement for the Sale and Purchase of Electric Power (Power Sales Agreement) dated December 8, 1987. The purpose of the Committee is to arrange for the operation and maintenance of the Bradley Lake Hydroelectric Project (the Project), which became operational in September 1991, and the scheduling, production and dispatch of power. The members of the Committee include the Alaska Energy Authority (AEA) and the five purchasers under the Power Sales Agreement - Chugach Electric Association, Inc. (CEA); Golden Valley Electric Association, Inc. (GVEA); the City of Seward (Seward Electric System); and the Alaska Electric Generation & Transmission Cooperative, Inc. (AEG&T). AEG&T assigned its rights pertaining to Homer Electric Association, Inc. (HEA) under the Power Sales Agreement to Alaska Electric and Energy Cooperative, Inc. (AE&EC) in 2003. HEA and the Matanuska Electric Association, Inc. (MEA) are additional parties to the Power Sales Agreement but are included as power purchasers for purposes of representation while AEG&T and AE&EC have no direct vote as a consequence of the individual representation of HEA and MEA.

Section 13 of the Power Sales Agreement delineates other Committee responsibilities, including: establishing procedures for each party's water allocation, budgeting for annual Project costs and calculating each party's required contribution to fund annual Project costs. Committee approval of operations and maintenance arrangements for the Project, sufficiency of the annual budgets and wholesale power rates, and the undertaking of optional Project work requires a majority affirmative vote and the affirmative vote of AEA.

The Power Sales Agreement extends until the later of; 1) 50 years after commencement of commercial operation, or 2) the complete retirement of bonds outstanding under the AEA Power Revenue Bond Resolution along with the satisfaction of all other payment obligations under the Power Sales Agreement. Renewal options for additional terms exist.

The Committee developed a project which diverts the water flow of Battle Creek into Bradley Lake to increase the water for use by the Project. All purchasers were supportive of the expansion of the capabilities of the Project through the development of the Battle Creek Diversion Project (BCD Project). The activities of the Committee regarding the BCD Project are authorized as Optional Project Work under the Power Sales Agreement. During the year ended June 30, 2022, GVEA bought back into the BCD Project, and therefore, all purchasers are now participating in the BCD Project. The Battle Creek Project was completed in fiscal year 2022.

On December 10, 2021, the BPMC approved resolution No. 21-02, endorsing a plan to pay for transmission line upgrades and battery energy storage systems. This initiative aims to alleviate existing constraints on the Railbelt grid by increasing transmission capacity for exporting Bradley Lake hydropower and facilitating the integration of future renewable energy sources. To fund this project, the Alaska Energy Authority issued the Power Revenue Bond Eleventh Series on November 30, 2022, amounting to \$166,013,134. The bond carries a fixed interest rate of 6.06% and will mature on June 30, 2050. It is a direct and general obligation of the AEA, with the AEA's credit pledged to cover the principal and interest payments. The bond's repayment is secured by the Project's revenue pledge.

On August 23, 2022, CEA was awarded a \$1,000,000 Renewable Energy Fund Round 14 grant from AEA on behalf of the BPMC. The BPMC approved resolution No. 21-03, supporting the submission of the grant application and agreeing to match \$1,000,000 to pay for feasibility studies needed to advance the Dixon Diversion Project. The Dixon Diversion Project would enhance the energy potential of the Project by diverting water from Dixon Glacier in order to increase Bradley Lake's annual energy production by an estimated fifty percent.

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE OPERATING AND REVENUE FUNDS

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 1 - Significant Accounting Policies, continued

Establishment of Trust Funds

Article V, Section 502 of the Alaska Energy Authority's Power Revenue Bond Resolution established a Revenue Fund and an Operating Fund, including an Operating Reserve account, to be held by AEA. In actuality, these funds along with the Debt Service, Excess Investment Earnings (arbitrage), and various construction funds related to the Project are all held by the Corporate Trust Department of U.S. Bank in Seattle, Washington.

In December 2017, AEA issued debt for the construction of the Battle Creek Diversion project. This debt is parity debt under the current Power Revenue Bond Resolution. A separate Revenue Fund, Operating Fund, Operating Reserve account, Construction Fund, Capital Reserve Fund, and Debt Service Fund were established related to the Battle Creek Diversion project.

In December 2020, AEA issued debt for the purchase of the Sterling Substation to Quartz Creek Substation Transmission Line (SSQ Line). The debt is parity debt under the current Power Revenue Bond Resolution. A separate Revenue Fund, Operating Fund, Operating Reserve account, Construction Fund, Capital Reserve Fund, and Debt Service Fund were established related to the SSQ Line purchase.

In November 2022, AEA issued debt for construction of Bradley Lake Required Project Work. The debt is parity debt under the current Power Revenue Bond Resolution. A separate Revenue Fund, Operating Fund, Operating Reserve account, Construction Fund, Capital Reserve Fund, and Debt Service Fund were established related to the Bradley Lake Required Project Work.

All deposits, including CEA, MEA, GVEA, HEA, and Seward Electric System (the Utilities) contributions and interest transferred from other funds, are made into the Revenue Funds. Monthly, transfers approximately equal to one-twelfth of the annual operating and maintenance budget are transferred from the Revenue Funds into the Operating Funds. Additional transfers are made from the Revenue Funds to the Debt Service Funds in order to satisfy semiannual interest payments, and annual and semiannual principal payments on the Project's outstanding bonds payable.

Interest earnings available for operations and maintenance are derived from the following funds: Debt Service Funds, Operating Reserve Funds, Operating Funds, Revenue Funds, Capital Reserve Funds, and the Renewal & Contingency Fund when the fund balance is \$5,000,000 or greater.

Revenue and Expense Recognition

Utility contributions are recognized as revenue when due to be received under the terms of the Power Sales Agreement. Transfers from other funds are recognized when the transfer is made, and interest earnings are recognized when received. Operating and maintenance expenses are recognized when incurred, while transfers to Debt Service Funds and Excess Earnings Funds are recognized when the transfer is made. Purchases of fixed asset replacements are expensed when purchased or received. The Renewal and Contingency Reserve Fund (R & C Fund) is reimbursed for capital costs over a four-year period. Transfers to the R & C Fund for repayment of funds withdrawn for capital costs occur monthly based on the budgeted R & C expenditures. At year end, the actual Operating Fund expenses and R & C Fund repayments are compared to the actual revenue and a refund is given to the Utilities when a surplus of revenues occurs, or invoices are issued to the Utilities if expenses exceed revenues.

Estimates

The preparation of the special-purpose financial statements of the Operating and Revenue Funds requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS**

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 1 - Significant Accounting Policies, continued

Income Taxes

The Committee is exempt from income taxation under Section 501(a) of the Internal Revenue Code. Therefore, the Committee had no deferred tax liabilities or assets or tax carryforwards as of June 30, 2024 and 2023 and no current or deferred tax expense for the years then ended.

Subsequent Events

The Committee has evaluated subsequent events through November 22, 2024, the date on which the special-purpose financial statements were available to be issued.

Note 2 - Cash and Cash Equivalents

At June 30, 2024, \$200,902 (\$338,945 in 2023) of the balance in the Operating Fund was invested in First American Treasury Obligations money market fund and \$2,757,090 (\$2,842,299 in 2023) of the balance in the Operating Fund was invested in KeyBank Alaska Industrial Development Authority (AIDEA) AIM Treasury Portfolio money market fund.

At June 30, 2024, \$216,598 (\$614,698 in 2023) of the balance in the Revenue Fund was invested in First American Treasury Obligations money market fund.

Balances at June 30, 2024 and 2023 are as follows:

	2024	2023
Operating Fund	\$ 2,957,992	\$ 3,181,244
Revenue Fund	216,598	614,698
Total cash and cash equivalents	\$ 3,174,590	\$ 3,795,942

Investments are sold as needed to cover operating requisitions submitted to the trustee and are therefore considered to be short-term and available for sale. Investments are presented at aggregate cost, which is equal to fair value.

Management considers the full amount of the cash and cash equivalents balance to be cash available for operations.

Note 3 - Major Contracts and Agreements

During May 1994, AEA entered into the Master Maintenance and Operating agreement with the Committee. The purpose of the agreement is to establish contract administration and budgeting procedures for maintenance and operation contracts of the Project and to provide for the lease or other use of facilities and equipment in a manner consistent with the requirements of the Power Sales Agreement. The term of the Master Agreement is indefinite, remaining in effect until termination of the Power Sales Agreement or until AEA no longer legally exists. This agreement authorizes AEA to enter into any contracts necessary to perform operating or maintenance-type services to the Project, subject to the approval of the Committee.

On behalf of the Committee, AEA entered into an agreement with CEA in August 1996, for the provision of all services necessary to dispatch the Project's electric power output. The dispatch agreement runs concurrently with the wheeling and related services contract entered into by and among the parties to the Power Sales Agreement in December 1987, and amended December 2, 2020, per Resolution 2020-06, and remains in effect for the term of the wheeling agreement unless CEA ceases to be the output dispatcher.

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS**

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 3 - Major Contracts and Agreements, continued

In August 1996, AEA entered into an agreement with CEA on behalf of the Committee for the provision of operations and maintenance services for the Daves Creek and Soldotna Static VAR Compensation System (SVS). This agreement terminated as to the Soldotna SVS upon the termination of the lease related to the Soldotna SVS. In January 2018, the AEA entered into the Soldotna Static VAR Compensation System Operation and Maintenance Agreement with AE&EC. This agreement continues from year to year, except upon written notice to terminate by either party. Notice of termination must be given two years in advance of date of termination.

In March 2019, AEA entered into an agreement with HEA for the operation and maintenance of the Project with an effective date of January 1, 2019. HEA is to be reimbursed for costs associated with the operation, maintenance and repair of the Project as authorized by the annual project operations and maintenance budget. The term of this agreement is five and one-half years from the effective date and shall automatically be renewed for successive three-year terms thereafter until terminated. Notice of termination shall be given no less than two years in advance of the end of the term.

Prior to March 2019, HEA operated and maintained the Project under an operation and maintenance agreement dated February 11, 1994, between HEA and AEA. In August 1996, the agreement was amended to separate the maintenance of the transmission facilities from the hydroelectric project. The transmission agreement, as amended December 2, 2020, per resolution 2020-06, continues from year-to-year except upon written notice to terminate by either party. Notice of termination must be given six months in advance of termination dates.

Note 4 - Related Party Transactions

During the years ended June 30, 2024 and 2023, the costs incurred under the various contracts with related parties described in Note 3 were as follows:

	2024	2023
Homer Electric Association, Inc. - operation, maintenance, substation service maintenance, communications, and fixed asset replacements	\$ 5,007,700	\$ 4,976,979
Chugach Electric Association, Inc. - substation service maintenance and fixed asset replacements	\$ 149,915	\$ 485,555
Alaska Energy Authority - administrative fees	\$ 683,211	\$ 766,831

For the years ended June 30, 2024 and 2023, CEA provided dispatch services to the Committee at the agreed upon amount, which is zero.

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS**

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 4 - Related Party Transactions, continued

Amounts payable to related parties at June 30, 2024 and 2023 were as follows:

	2024	2023
Included in accounts payable:		
Homer Electric Association, Inc.	\$ 877,536	\$ 968,319
Chugach Electric Association, Inc.	\$ 70,728	\$ 164,268
Matanuska Electric Association, Inc.	\$ 45,849	\$ 73,845
Due to others:		
Alaska Energy Authority - short-term borrowing for vendor payments	\$ 679,491	\$ 1,135,490

At June 30, 2024, the balance due to the R & C Fund from the Operating Fund for amounts collected but not transferred at year-end is \$73,931 (\$688,755 at June 30, 2023).

At June 30, 2024, the balance due from the Operating Reserve and R & C Funds for interest income is \$18,789 (\$194,558 at June 30, 2023).

Note 5 - Surplus Refunds

The \$1,430,568 operation and maintenance and \$1,346,233 renewal and contingency surpluses related to Bradley Lake at June 30, 2024, will be refunded to member Utilities in fiscal year 2025 pursuant to the Power Sales Agreement and direction of the Committee. The \$400,229 operations and maintenance and \$169,102 renewal and contingency surpluses related to Battle Creek at June 30, 2024, will be refunded to member Utilities in fiscal year 2025 pursuant to the Power Sales Agreement, the Battle Creek Diversion Project Share Allocation, and direction of the Committee. The \$319,802 operation and maintenance surplus related to the SSQ Line at June 30, 2024, will be refunded to member Utilities in fiscal year 2025 pursuant to the Power Sales Agreement and direction of the Committee.

The \$998,309 operation and maintenance and \$819,703 renewal and contingency surpluses related to Bradley Lake at June 30, 2023, were refunded to member Utilities in fiscal year 2024 pursuant to the Power Sales Agreement and direction of the Committee. The \$9,593 operation and maintenance and \$169,102 renewal and contingency surpluses related to Battle Creek at June 30, 2023, were refunded to member Utilities in fiscal year 2024 pursuant to the Power Sale Agreement, the Battle Creek Diversion Project Share Allocation, and direction of the Committee.

Note 6 - Shortage Receivable

The \$242,098 operation and maintenance shortage related to the SSQ Line at June 30, 2023, which was invoiced to member Utilities pursuant to the Power Sales Agreement and direction of the Committee, was received in fiscal year 2024.

SUPPLEMENTAL INFORMATION

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS**

Statements of Expenses

Years Ended June 30, 2024 and 2023

	2024		Variance Favorable (Unfavorable)	2023 Actual
	Budget	Actual		
Expenses:				
Generation expense:				
Operation supervision and engineering	\$ 278,150	\$ 269,491	\$ 8,659	\$ 275,971
Hydraulic operation	336,512	245,347	91,165	257,573
Electric plant operation	535,780	501,803	33,977	532,977
Hydraulic power generation operation	685,597	720,571	(34,974)	549,081
Structure maintenance	607,209	534,250	72,959	528,868
Reservoir, dam, and waterway maintenance	151,933	15,286	136,647	8,498
Electric plant maintenance	816,788	737,796	78,992	724,925
Hydraulic plant maintenance	431,254	441,966	(10,712)	227,728
System control and load dispatching	563,038	347,796	215,242	465,901
Substation operation and maintenance	206,943	257,319	(50,376)	137,946
Overhead line maintenance	371,000	55,205	315,795	234,273
Total Generation Expense:	<u>4,984,204</u>	<u>4,126,830</u>	<u>857,374</u>	<u>3,943,741</u>
Administrative, General and Regulatory Expense:				
Insurance	1,138,300	1,269,990	(131,690)	1,018,729
Administrative fees	1,415,200	683,211	731,989	661,338
Outside services	265,000	228,362	36,638	259,110
Committee costs	-	785,618	(785,618)	1,092,866
Rent	-	1,250	(1,250)	103,186
Regulatory commission:				
FERC administrative fees	165,000	164,094	906	142,033
FERC licensing and study	120,000	48,036	71,964	82,883
Total Administrative, General and Regulatory Expense	<u>3,103,500</u>	<u>3,180,561</u>	<u>(77,061)</u>	<u>3,360,145</u>
Total Operations and Maintenance Expenses, before Capital Project Reimbursement	8,087,704	7,307,391	780,313	7,303,886
R & C Fund Repayment	3,338,646	2,069,516	1,269,130	1,869,121
Total Operations and Maintenance Expenses	<u>\$ 11,426,350</u>	<u>\$ 9,376,907</u>	<u>\$ 2,049,443</u>	<u>\$ 9,173,007</u>