

# Financial Discussion

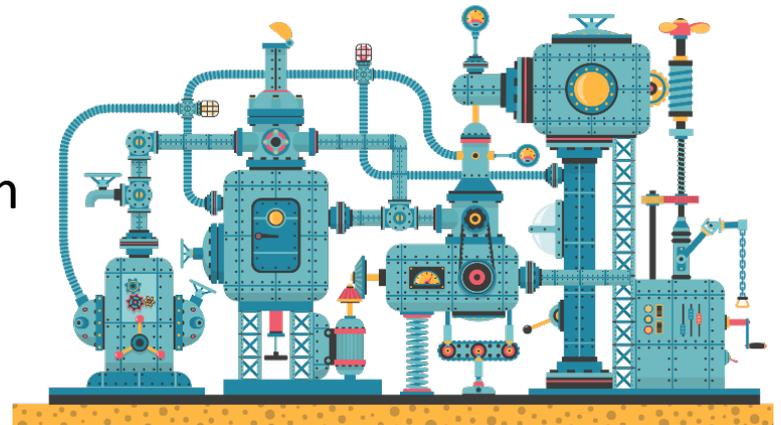
## Mid-West Electric Consumers Association Water & Power Committee

Denver, CO  
May 29, 2019

Dennis R. Sullivan, CFO

# Topics

- Updates
  - Fiscal year (FY) 2019 financials
  - Purchase power & wheeling
  - Capital appropriations
- Financial model challenges
  - Symptoms of a broader problem
  - Shared objectives
- Other topics
  - Fiber communication plan
  - Financial transparency / Program collaboration



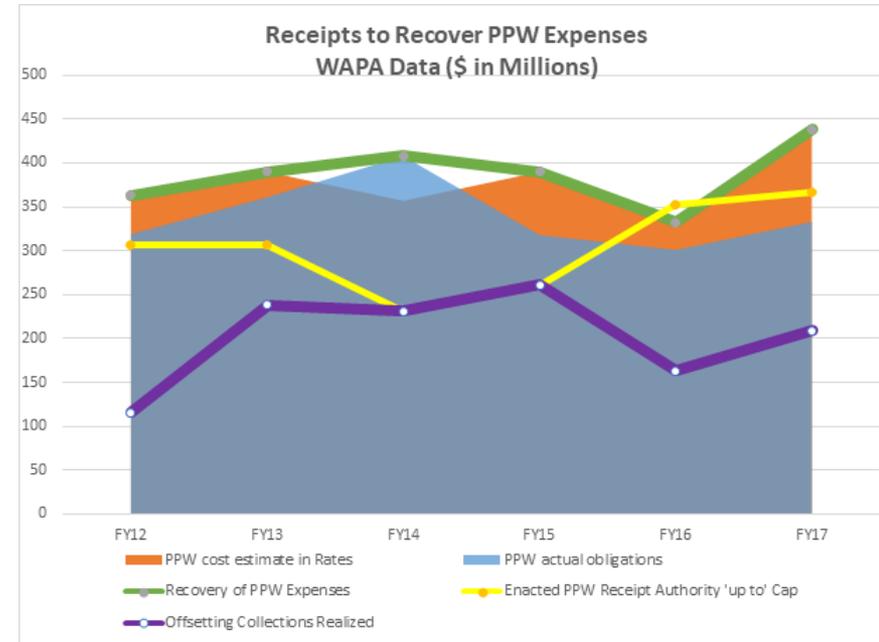
# FY19 Financial Execution

- **Purchase Power & Wheeling:** Forecasting +\$39M reserves
- **Annual O&M:** Forecasting \$1.4M over work plan
- **Appropriations:** Forecasting \$1.6M under work plan
- **Total Capital:** Forecasting \$27.9M under work plan
- **Return to Treasury:** Forecasting \$226M

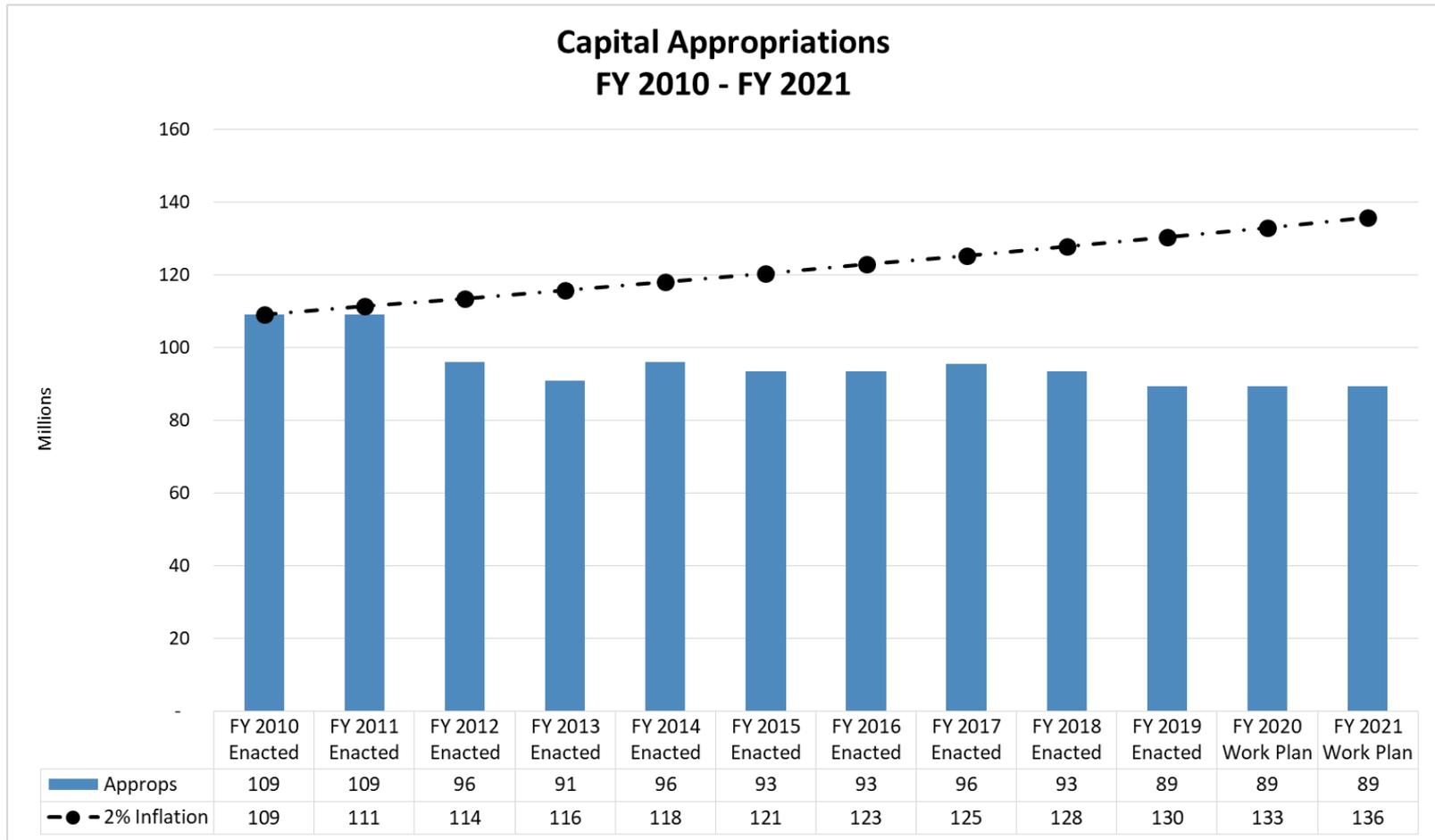


# Purchase Power & Wheeling

- FY18 Congressional report status
- The greater of:
  - Actual PPW obligations in current year, or ...
  - PPW estimate in PRS
- Reserve strategy progress
  - FY18 reserve: \$291m
  - FY19 projection : +\$39M
  - FY20 budget markup: -\$90M
- FY20 Congressional report request
  - Options for new PPW account structure

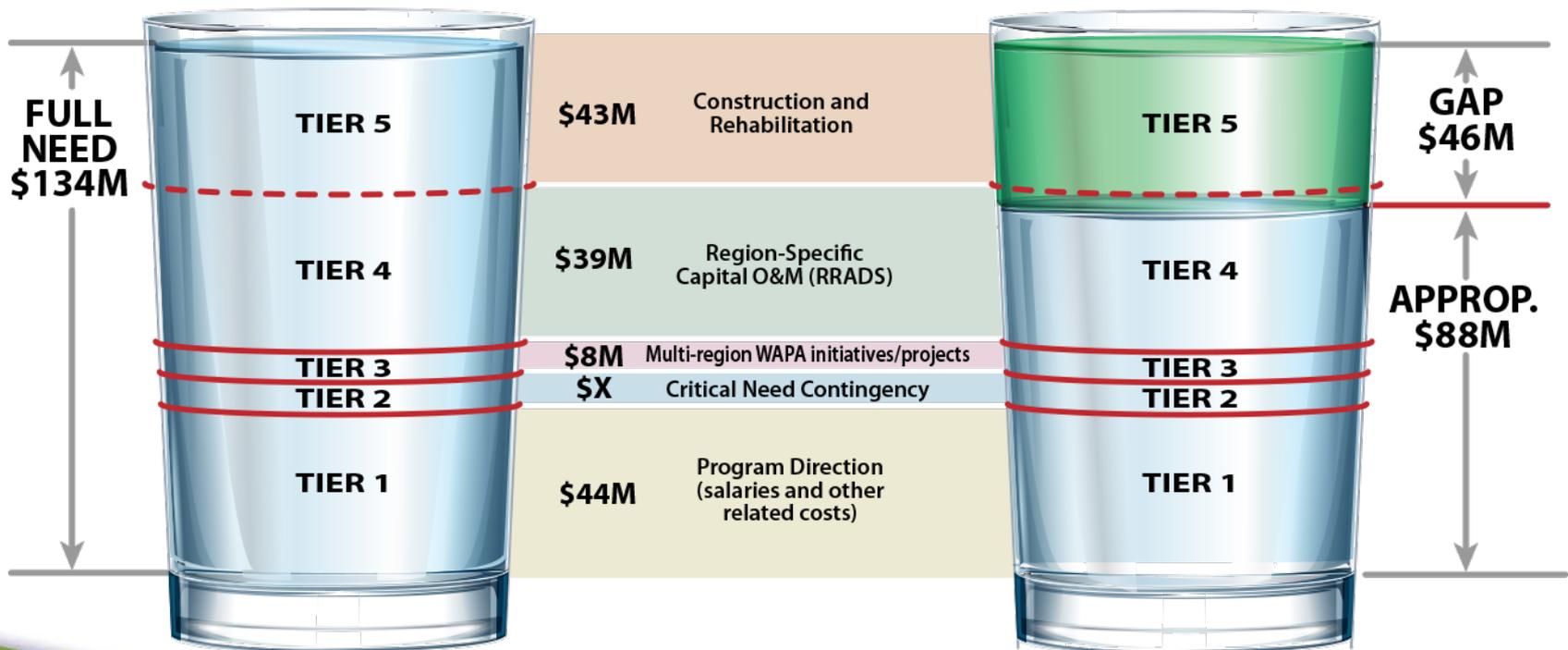


# Capital Appropriations Status



# Capital Appropriations Allocation Plan

- FY21: Projected \$2.9M shortfall in Capital O&M
- DOE, OMB discussions
- Long-term solution?





# Shared objectives – Short-term

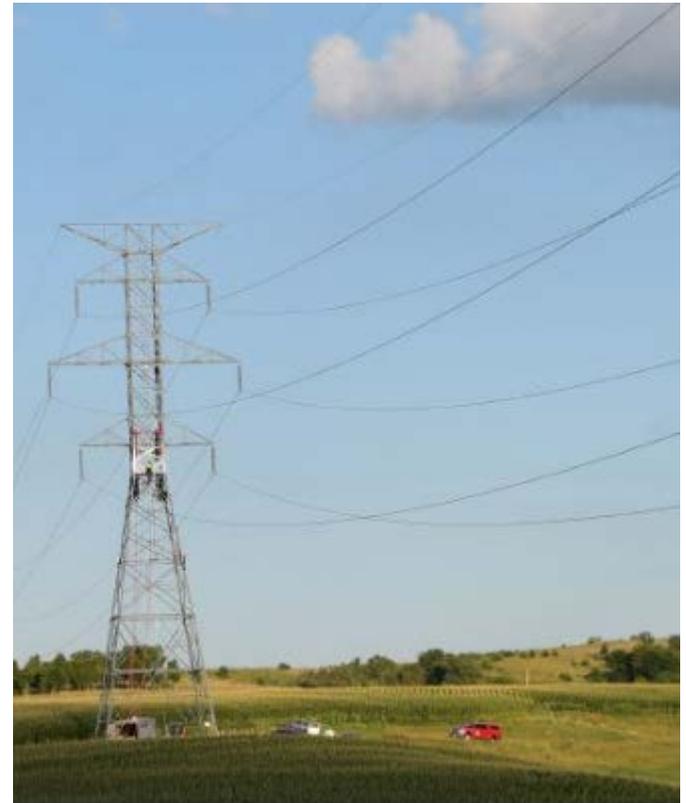
- DISCUSSION

# Shared objectives – Long-term

- DISCUSSION

# Fiber Communication Plan

- **To date**
  - Established WAPA assessment team
  - Assessment plan submitted to DOE
  - Initial stakeholder work group meeting
- **June-September**
  - Regional outreach
- **December**
  - Submit feasibility assessment
- **Website**
  - <https://www.wapa.gov/About/keytopics/Pages/fiber-feasibility-assessment.aspx>
- **Contact**
  - Kirsten McClure
  - [FiberOpticPartnerships@WAPA.GOV](mailto:FiberOpticPartnerships@WAPA.GOV)



# Financial Transparency / Program Collaboration

- Enhanced financial reviews
  - Work plans
  - Execution reviews
  - HQ 10YP
  - WAPA program leaders
- Expanded “The Source”
  - Access to historical data
- Technology & Security Symposium
- Financial transparency vs. Programmatic insight?

## Financial Transparency



- Sharing historical and planned budget/execution
  - Provide opportunity for input/feedback
  - Answers: what, why, how much, value-delivered
- Results:** Common understanding of investment drivers

# Contact/follow me

**Dennis Sullivan**

720.962.7500

dsullivan@wapa.gov



wapa.gov



@westernareapowr

@D\_Sullivan03



Dennis Sullivan



WesternAreaPower1

