

LOWER VALLEY ENERGY
STATEMENT OF OPERATIONS
For The Month Ended
June 30, 2017

CONSOLIDATED

We hereby certify that the entries in this report are in accordance with the accounts and other records of Lower Valley Energy, Inc. and reflect the status of the Cooperative to the best of our knowledge and belief.

SIGNATURE OF CHIEF FINANCIAL OFFICER

July 18, 2017

DATE

SIGNATURE OF PRESIDENT AND CEO

July 18, 2017

DATE

STATEMENT OF OPERATIONS - CONSOLIDATED

ITEM	YEAR-TO-DATE			
	Electric	Natural Gas	Consolidated	Budget
1 Operating Revenue	\$ 25,176,150	\$ 5,479,144	\$ 30,655,294	\$ 30,128,298
2 Power Production Expense	35,906	-	35,906	119,898
3 Cost of Purchased Power/Gas Sold	14,098,434	2,239,256	16,337,690	16,531,207
4 Transmission Operation & Maintenance	248,979	75,140	324,119	430,699
5 Regional Market Expense	-	-	-	-
6 Distribution Operation Expense	1,714,011	204,080	1,918,091	1,867,648
7 Distribution Maintenance Expense	697,066	107,229	804,295	820,814
8 Consumer Accounts Expense	363,368	42,717	406,085	416,230
9 Customer Service and Informational Expense	148,231	13,643	161,874	198,021
10 Sales Expense	-	-	-	-
11 Administrative and General Expense	921,187	160,148	1,081,335	1,394,022
12 Total Operation & Maintenance Expense (2 thru 11)	\$ 18,227,182	\$ 2,842,212	\$ 21,069,393	\$ 21,778,539
13 Depreciation and Amortization Expense	2,364,777	632,741	2,997,517	3,058,560
14 Tax Expense-Property	273,607	113,695	387,302	356,320
15 Tax Expense-Other	23,664	7,617	31,281	31,100
16 Interest on Long-Term Debt	2,120,834	661,645	2,782,479	2,790,920
17 Interest Charged to Construction-Credit	-	-	-	-
18 Interest Expense-Other ¹	4,909	798	5,707	12,000
19 Other Deductions	(25,136)	-	(25,136)	(25,140)
20 Total Cost of Electric Service (16 thru 23)	\$ 22,989,837	\$ 4,258,707	\$ 27,248,544	\$ 28,002,299
21 Patronage Capital & Operating Margins (3 minus 24)	\$ 2,186,313	\$ 1,220,437	\$ 3,406,750	\$ 2,125,999
22 Non Operating Margins-Interest ¹	159,369	-	159,369	105,917
23 Allowance for Funds Used During Construction	-	-	-	-
24 Income (Loss) from Equity Investments	-	-	-	-
25 Non Operating Margins-Other	5,829	244	6,073	-
26 Generation and Transmission Capital Credits	-	-	-	-
27 Other Capital Credits and Patronage Dividends	3,914	-	3,914	20,000
28 Extraordinary Items	-	-	-	-
29 Patronage Capital or Margins (21 thru 28)	\$ 2,355,425	\$ 1,220,681	\$ 3,576,106	\$ 2,251,916

DATA ON TRANSMISSION AND DISTRIBUTION

ITEM	YEAR-TO-DATE			
	Electric	Natural Gas	Consolidated	Last Year
1 New Services Connected	144	43	187	215
2 Services Retired	60	-	60	81
3 Total Services in Place	27,598	4,198	31,796	31,511
4 Idle Services (Excluding Seasonal)	244	41	285	249
5 Miles Transmission	264	53	317	317
6 Miles Distribution - Overhead	929	-	929	933
7 Miles Distribution - Underground	1,516	222	1,738	1,742
8 Total Miles In Service (5 + 6 + 7)	2,710	275	2,985	2,993

¹ Lines 18 and 22 in the Consolidated column do not include intercompany interest earned or accrued between the Electric and Gas divisions.

LOWER VALLEY ENERGY
STATEMENT OF OPERATIONS
For The Month Ended
June 30, 2017

STATEMENT OF OPERATIONS - CONSOLIDATED

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR	THIS YEAR	BUDGET	
	(a)	(b)	(c)	
1 Operating Revenue	\$ 28,748,325	\$ 30,655,294	\$ 30,128,298	\$ 3,443,923
2 Power Production Expense	71,170	35,906	119,898	6,813
3 Cost of Purchased Power & Gas	14,081,332	16,337,690	16,531,207	1,698,752
4 Transmission Operation & Maintenance	353,817	324,119	430,699	71,252
5 Regional Market Expense	-	-	-	-
6 Distribution Operation Expense	1,800,738	1,918,091	1,867,648	254,231
7 Distribution Maintenance Expense	753,349	804,295	820,814	142,312
8 Consumer Accounts Expense	436,680	406,085	416,230	69,866
9 Customer Service and Informational Expense	304,438	161,874	198,021	33,657
10 Sales Expense	-	-	-	-
11 Administrative and General Expense	1,226,854	1,081,335	1,394,022	212,170
12 Total Operation & Maintenance Expense (2 thru 11)	\$ 19,028,379	\$ 21,069,393	\$ 21,778,539	\$ 2,489,054
13 Depreciation and Amortization Expense	2,955,850	2,997,517	3,058,560	501,388
14 Tax Expense-Property	328,560	387,302	356,320	64,550
15 Tax Expense-Other	30,137	31,281	31,100	3,360
16 Interest on Long-Term Debt	2,948,820	2,782,479	2,790,920	457,590
17 Interest Charged to Construction-Credit	-	-	-	-
18 Interest Expense-Other ¹	8,024	5,707	12,000	1,017
19 Other Deductions	(89,473)	(25,136)	(25,140)	-
20 Total Cost of Electric Service (16 thru 23)	\$ 25,210,295	\$ 27,248,544	\$ 28,002,299	\$ 3,516,958
21 Patronage Capital & Operating Margins (3 minus 24)	\$3,538,030	\$3,406,750	\$2,125,999	(\$73,035)
22 Non Operating Margins-Interest ¹	109,823	159,369	105,917	37,620
23 Allowance for Funds Used During Construction	-	-	-	-
24 Income (Loss) from Equity Investments	-	-	-	-
25 Non Operating Margins-Other	42,253	6,073	-	-
26 Generation and Transmission Capital Credits	-	-	-	-
27 Other Capital Credits and Patronage Dividends	53,876	3,914	20,000	-
28 Extraordinary Items	-	-	-	-
29 Patronage Capital or Margins (21 thru 28)	\$ 3,743,981	\$ 3,576,106	\$ 2,251,916	\$ (35,415)

DATA ON TRANSMISSION AND DISTRIBUTION

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR	THIS YEAR		LAST YEAR	THIS YEAR
	(a)	(b)		(a)	(b)
1. New Services Connected	215	187	5. Miles Trans.	317	317
2. Services Retired	81	60	6. Miles Dist. - OH	933	929
3. Total Services in Place	31,511	31,796	7. Miles Dist. - UG	1,742	1,738
4. Idle Services (Exclude Seasonal)	249	285	8. Total Miles (5 + 6 + 7)	2,993	2,985

¹ Lines 18 and 22 do not include intercompany interest earned or accrued between the Electric and Gas divisions.

LOWER VALLEY ENERGY, INC.
BALANCE SHEET
As of
June 30, 2017

CONSOLIDATED

ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
	Current Year	Prior Year		Current Year	Prior Year
1 Total Utility Plant in Service	\$ 221,514,993	\$ 219,352,665	30 Memberships	\$ -	\$ -
2 Construction Work in Progress	1,160,980	559,529	31 Patronage Capital	64,285,841	60,549,631
3 Total Utility Plant	222,675,973	219,912,194	32 Operating Margins-Prior Years	-	-
4 Accum. Provision for Depreciation and Amort	101,006,361	95,577,937	33 Operating Margins-Current Year	3,406,750	3,538,030
5 Net Utility Plant	121,669,612	124,334,257	34 Non Operating Margins	169,356	205,951
6 Nonutility Property - Net	-	-	35 Other Margins and Equities	17,917,928	17,005,633
7 Investments in Subsidiary Companies	-	-	36 Total Margins & Equities	85,779,875	81,299,246
8 Invest. in Assoc. Org. - Patronage Capital	2,611,865	2,359,366	37 Long-Term Debt - RUS (Net)	-	-
9 Invest. in Assoc. Org.-Other-General Funds	6,685	6,685	38 Long-Term Debt - FFB - RUS Guaranteed	-	-
10 Invest. in Assoc. Org.-Other-Nongeneral Funds	2,017,692	2,018,552	39 Long-Term Debt - Other - RUS Guaranteed	-	-
11 Investments in Economic Development Projects	2,093	2,093	40 Long-Term Debt-Other (Net)	46,246,153	47,924,652
12 Other Investments	573,333	608,800	40a Long-Term Debt-BPA Power Prepayment	119,908,737	128,384,423
13 Special Funds	-	-	41 Long-Term Debt - WY SEO (Net)	951,913	1,136,156
14 Total Other Property & Investments	5,211,669	4,995,497	41a Long-Term Debt - REDL&G	1,000,000	-
15 Cash-General Funds	678,093	1,161,966	42 Payments - Unapplied	-	-
16 Cash-Construction Funds-Trustee	-	-	43 Total Long-Term Debt	168,106,802	177,445,231
17 Special Deposits	1,345,593	1,319,634	44 Obligations under Capital Leases	-	-
18 Temporary Investments	11,802,946	7,539,769	45 Accumulated Operating Provisions	-	-
19 Notes Receivable-Net	1,359,927	296,494	46 Total Other Noncurrent Liabilities	-	-
20 Accounts Receivable-Net Sales of Energy	3,004,211	2,776,988	47 Notes Payable	-	-
21 Accounts Receivable-Net Other	514,430	1,011,140	48 Accounts Payable	1,533,949	1,927,883
22 Renewable Energy Credits	-	-	49 Consumers Deposits	554,476	537,086
23 Materials & Supplies-Electric and Other	1,725,330	2,321,777	50 Current Maturities Long-Term Debt	2,953,991	11,093,972
24 Prepayments (inc. BPA Power Prepayment)	232,828	193,429	50a Current Maturities LTD (BPA Prepay)	7,383,003	-
24a BPA Power Prepayment - Current	8,258,881	7,891,736	51 Current Maturities LTD - Econ. Devel.	-	-
25 Other Current & Accrued Assets	1,126,922	1,624,722	52 Current Maturities Capital Leases	-	-
26 Total Current & Accrued Assets	30,049,161	26,137,656	53 Other Current & Accrued Liabilities	2,953,962	3,743,640
27 Regulatory Assets	-	-	54 Total Current & Accrued Liabilities	15,379,381	17,302,580
28 Other Deferred Debits	3,241,400	3,562,617	55 Regulatory Liabilities	-	-
28a BPA Power Prepayment - Non-current	113,037,489	121,477,855	56 Deferred Credits	3,943,272	4,460,825
29 Total Assets & Other Debits	\$ 273,209,331	\$ 280,507,881	57 Total Liabilities & Other Credits	\$ 273,209,331	\$ 280,507,881
ESTIMATED CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION					
58 Balance Beginning of Year (1978 Thru 2015)				\$60,642,009	\$57,433,113
59 Amounts Received This Year (Net)				733,325	1,226,355
60 Total Contributions-In-Aid-Of-Construction				\$61,375,334	\$58,659,468

LOWER VALLEY ENERGY, INC.
NOTES TO FINANCIAL STATEMENTS

As of
June 30, 2017

THE SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.

	2017		2016	
	May	June	May	June
1 Cost of Power & Gas				
Cost from Income Statement		\$ 16,337,690		\$ 14,081,332
Plus: Interest on BPA Prepayment Loan		2,007,779		2,145,280
Total Cost of Power with BPA Interest		<u>\$ 18,345,469</u>		<u>\$ 16,226,611</u>
2 Current Assets/Liabilities	1.86	1.95	1.95	1.51
3 Equity	31.23%	31.40%	31.40%	28.98%
Equity excluding BPA Power Prepayment	55.67%	55.96%	55.96%	53.44%
4 Long Term Debt as a % of Plant	74.23%	80.14%	80.14%	85.73%
5 Debt Service Coverage	1.17	1.11	1.18	1.15
6 Inventory Turnover - Electric (Dist & Trans)				
Dollar Value	0.79	0.76	0.53	0.46
Quantity	1.02	0.98	1.10	0.94
7 Intercompany Receivables/(Payables) :				
Combined Gas Division due to Electric	\$ 2,166,160	\$ 2,468,160	\$ 599,698	\$ 707,045
less: Teton Village CIA Receivable	1,263,450	1,251,411	1,378,062	1,466,893
Net Balance	<u>\$ 3,429,611</u>	<u>\$ 3,719,571</u>	<u>\$ 1,977,761</u>	<u>\$ 2,173,938</u>
8 Total Shared Overhead - Gas Division	<u>122,805</u>	<u>154,414</u>	<u>138,156</u>	<u>168,254</u>
9 Total Shared Overheads - Beartooth Electric	<u>243,751</u>	<u>293,672</u>	<u>239,899</u>	<u>288,586</u>
10 Material Inventory:				
Material	1,652,112	1,725,330	2,015,578	2,321,777
Special Equip.	2,457,668	2,346,802	2,721,822	2,664,171
Total Material	<u>4,109,779</u>	<u>4,072,132</u>	<u>4,737,400</u>	<u>4,985,948</u>
11 Inventory Carrying Cost (YTD)	<u>20,108</u>	<u>24,189</u>	<u>21,684</u>	<u>26,925</u>
12 Aged Accounts Receivable (Over 60 Days):	<u>61,712</u>	<u>84,986</u>	<u>59,230</u>	<u>70,809</u>
13 LVE has a \$12 Million dollar line of credit with CFC, and a \$5 Million line of credit with 1st Bank to meet short term cash needs.				
CFC line of credit balance is:		\$ -		
1st Bank line of credit balance is:		-		
Total lines of credit		<u>\$ -</u>		

LOWER VALLEY ENERGY, INC
STATEMENT OF CASH FLOWS
For The Month Ended
June 30, 2017

CONSOLIDATED

	YEAR TO DATE	BUDGET	THIS MONTH
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net Margins	\$ 3,576,106	\$ 2,251,916	\$ (35,415)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation Expense	2,997,517	3,058,560	501,388
Decrease/(Increase) in:			
Special Deposits	983,218	-	-
Accounts Receivable	3,138,695	-	394,703
Other Accounts Receivable	470,906	-	636,659
Materials & Supplies	(118,128)	-	(73,219)
Prepayments	(179,612)	-	38,477
BPA Prepayment	4,082,498	2,817,501	686,879
Other Current Assets	2,263,989	-	209,142
Other Deferred Debits	126,286	47,520	17,387
Increase/(Decrease) in:			
Accounts Payable (excluding line of credit)	(1,928,542)	-	(257,523)
Consumer Deposits	26,692	-	2,445
Other Current Liabilities	(779,643)	-	(199,097)
Deferred Credits	(1,288,659)	(128,022)	(35,156)
Net cash provided by operating activities	13,371,324	8,047,475	1,886,670
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets Net of Retirements	(1,603,003)	(2,020,698)	(296,885)
Change in Notes Receivable	(1,011,738)	-	(10,413)
Change in Investments in Associated Organizations	3,735	-	-
Change in Investments in Economic Development Projects	-	-	-
Change in Temporary Investments	(4,302,946)	-	(281,710)
Change in Other Investments	16,667	-	-
Net cash provided/(used) by investing activities	(6,897,285)	(2,020,698)	(589,008)
CASH FLOWS FROM FINANCING AND CAPITAL CREDIT ACTIVITIES:			
Change in Capital Credits	(252,596)	(370,000)	(13,339)
Change in Line of Credit	-	-	(348,747)
Change in Long-term Debt	(5,614,345)	(5,430,102)	(718,572)
Net cash provided/(used) by financing and capital credit activities	(5,866,941)	(5,800,102)	(1,080,659)
Total change in cash	607,098	226,675	217,003
Beginning cash	70,995	7,000,000	461,090
Ending cash	\$ 678,093	\$ 7,226,675	\$ 678,093
Add: Temporary investments	11,802,946		
Ending cash and temporary investments	\$ 12,481,039		

LOWER VALLEY ENERGY, INC
SUMMARY OF DEFERRED DEBITS & CREDITS

As of
June 30, 2017

CONSOLIDATED

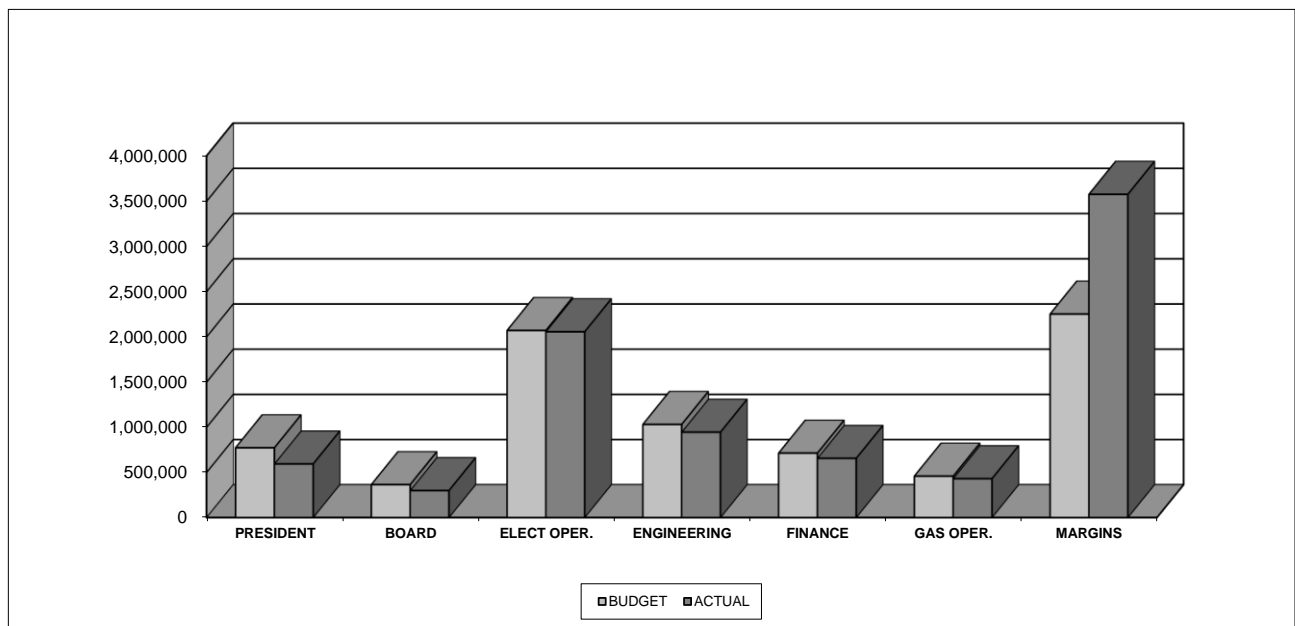
	YEAR TO DATE	PRIOR MONTH	PRIOR YEAR
Deferred Debits - Electric Division			
CFC Repricing Fees	416,508	417,847	432,579
Town of Afton Swift Creek Receivable	77,071	74,501	35,841
	493,579	492,349	468,420
Deferred Debits - Gas Division			
CFC Repricing Fees	1,496,410	1,502,987	1,575,343
Teton Village Contribution in Aid Rec.	1,251,411	1,263,450	1,466,893
Natural Gas Fuel Balancing Account	-	-	51,961
	2,747,821	2,766,438	3,094,196
Total Deferred Debits	\$ 3,241,400	\$ 3,258,787	\$ 3,562,617
Deferred Credits - Electric Division			
Horse Butte Wind Payment from Eagle Mountain	\$ 3,086,544	\$ 3,103,691	\$ 3,345,858
Conservation Expenditures	(175,117)	(162,097)	(467,160)
Conservation - Loan Loss Reserve	200,000	200,000	200,000
Conservation Funds	290,871	289,555	334,397
Prepaid Revenue-Gift Certificates	3,395	3,570	3,120
Unamortized Gain on Debt Discount	-	-	114,610
Boardman liability	420,372	430,381	930,000
	3,826,065	3,865,100	4,460,825
Deferred Credits - Gas Division			
Natural Gas Fuel Balancing Account	117,207	113,328	-
	117,207	113,328	-
Total Deferred Credits	\$ 3,943,272	\$ 3,978,428	\$ 4,460,825

Lower Valley Energy
 Consolidated Budget vs. Actual Comparison
 For The Month Ended
 June 30, 2017

ITEM	2017 Total			YTD Variance	%
	Budget	YTD Actual	YTD Budget		
1 Operating Revenue	\$ 55,809,309	\$ 30,655,294	\$ 30,128,298	\$ 526,996	1.75%
2 Power Production Expense	192,207	35,906	119,898	(83,993)	-70.05%
3 Cost of Purchased Power	29,270,221	16,337,690	16,531,207	(193,517)	-1.17%
4 Transmission Operation & Maintenance	872,051	324,119	430,699	(106,581)	-24.75%
5 Regional Market Expense	-	-	-	-	0.00%
6 Distribution Operation Expense	3,552,326	1,918,091	1,867,648	50,442	2.70%
7 Distribution Maintenance Expense	1,741,625	804,295	820,814	(16,520)	-2.01%
8 Consumer Accounts Expense	816,301	406,085	416,230	(10,145)	-2.44%
9 Customer Service and Informational Expense	422,243	161,874	198,021	(36,148)	-18.25%
10 Sales Expense	-	-	-	-	0.00%
11 Administrative and General Expense	3,041,636	1,081,335	1,394,022	(312,686)	-22.43%
12 Total Operation & Maintenance Expense (2 thru 11)	39,908,610	21,069,393	21,778,539	(709,146)	-3.26%
13 Depreciation and Amortization Expense	6,158,660	2,997,517	3,058,560	(61,043)	-2.00%
14 Tax Expense-Property	712,700	387,302	356,320	30,982	8.70%
15 Tax Expense-Other	55,000	31,281	31,100	181	0.58%
16 Interest on Long-Term Debt	5,496,770	2,782,479	2,790,920	(8,441)	-0.30%
17 Interest Charged to Construction-Credit	-	-	-	-	0.00%
18 Interest Expense-Other	24,000	5,707	12,000	(6,293)	-52.44%
19 Other Deductions	(25,140)	(25,136)	(25,140)	4	-0.02%
20 Total Cost of Electric Service (12 thru 19)	52,330,600	27,248,544	28,002,299	(753,755)	-2.69%
21 Patronage Capital & Operating Margins (1 minus 20)	3,478,709	3,406,750	2,125,999	1,280,752	60.24%
22 Non Operating Margins-Interest	211,925	159,369	105,917	53,452	50.47%
23 Allowance for Funds Used During Construction	-	-	-	-	0.00%
24 Income (Loss) from Equity Investments	-	-	-	-	0.00%
25 Non Operating Margins-Other	20,700	6,073	-	6,073	0.00%
26 Generation and Transmission Capital Credits	-	-	-	-	0.00%
27 Other Capital Credits and Patronage Dividends	564,000	3,914	20,000	(16,086)	-80.43%
28 Extraordinary Items	-	-	-	-	0.00%
29 Patronage Capital or Margins (21 thru 28)	\$ 4,275,334	\$ 3,576,106	\$ 2,251,916	\$ 1,324,190	58.80%

Tier - Oper.	1.63	2.22	1.76
Tier - Total	1.78	2.29	1.81

BUDGET BY DEPARTMENT



LOWER VALLEY ENERGY
STATEMENT OF OPERATIONS
For The Month Ended
June 30, 2017

ELECTRIC DIVISION

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1 Operating Revenue and Patronage Capital	\$ 24,301,015	\$ 25,176,150	\$ 24,964,398	\$ 2,976,399
2 Power Production Expense	71,170	35,906	119,898	6,813
3 Cost of Purchased Power	12,719,567	14,098,434	14,517,713	1,518,626
4 Transmission Operation & Maintenance	257,519	248,979	330,675	55,354
5 Regional Market Expense	-	-	-	-
6 Distribution Operation Expense	1,609,662	1,714,011	1,684,276	224,737
7 Distribution Maintenance Expense	624,231	697,066	686,164	127,082
8 Consumer Accounts Expense	390,513	363,368	355,719	62,761
9 Customer Service and Informational Expense	291,727	148,231	180,686	30,953
10 Sales Expense	-	-	-	-
11 Administrative and General Expense	1,023,375	921,187	1,121,356	183,204
12 Total Operation & Maintenance Expense (2 thru 11)	\$ 16,987,764	\$ 18,227,182	\$ 18,996,487	\$ 2,209,530
13 Depreciation and Amortization Expense	2,327,437	2,364,777	2,424,770	395,912
14 Tax Expense-Property	223,140	273,607	250,670	45,601
15 Tax Expense-Other	23,466	23,664	24,200	2,886
16 Interest on Long-Term Debt	2,268,217	2,120,834	2,129,240	348,262
17 Interest Charged to Construction-Credit	-	-	-	-
18 Interest Expense-Other	4,388	4,909	7,200	765
19 Other Deductions	(89,473)	(25,136)	(25,140)	-
20 Total Cost of Electric Service (12 thru 19)	\$ 21,744,938	\$ 22,989,837	\$ 23,807,427	\$ 3,002,956
21 Patronage Capital & Operating Margins (1 minus 20)	\$ 2,556,077	\$ 2,186,313	\$ 1,156,971	\$ (26,556)
22 Non Operating Margins-Interest	109,823	159,369	105,917	37,620
23 Allowance for Funds Used During Construction	-	-	-	-
24 Income (Loss) from Equity Investments	-	-	-	-
25 Non Operating Margins-Other	34,131	5,829	-	-
26 Generation and Transmission Capital Credits	-	-	-	-
27 Other Capital Credits and Patronage Dividends	53,876	3,914	20,000	-
28 Extraordinary Items	-	-	-	-
29 Patronage Capital or Margins (21 thru 28)	\$ 2,753,906	\$ 2,355,425	\$ 1,282,888	\$ 11,063

DATA ON TRANSMISSION AND DISTRIBUTION

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	177	144	5. Miles Trans.	264	264
2. Services Retired	63	60	6. Miles Dist. - Overhead	933	929
3. Total Services in Place	27,253	27,598	7. Miles Dist. - Underground	1,497	1,516
4. Idle Services (Exclude Seasonal)	215	244	8. Total Miles (5 + 6 + 7)	2,695	2,710

LOWER VALLEY ENERGY
BALANCE SHEET
As of
June 30, 2017

ELECTRIC DIVISION

ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
	Current Year	Prior Year		Current Year	Prior Year
1 Total Utility Plant in Service	\$ 175,927,973	\$ 174,003,347	30 Memberships	-	-
2 Construction Work in Progress	737,025	404,386	31 Patronage Capital	54,949,624	52,626,044
3 Total Utility Plant	176,664,998	174,407,733	32 Operating Margins-Prior Years	-	-
4 Accum. Provision for Depreciation and Amort	87,899,346	83,748,319	33 Operating Margins-Current Year	2,186,313	2,556,077
5 Net Utility Plant	88,765,652	90,659,414	34 Non Operating Margins	169,112	197,829
6 Nonutility Property - Net	-	-	35 Other Margins and Equities	17,883,883	16,985,961
7 Investments in Subsidiary Companies	-	-	36 Total Margins & Equities	75,188,932	72,365,912
8 Invest. in Assoc. Org. - Patronage Capital	1,965,420	1,767,259	37 Long-Term Debt - RUS (Net)	-	-
9 Invest. in Assoc. Org.-Other-General Funds	6,685	6,685	38 Long-Term Debt - FFB - RUS Guaranteed	-	-
10 Invest. in Assoc. Org.-Other-Nongeneral Funds	1,438,792	1,439,652	39 Long-Term Debt - Other - RUS Guaranteed	-	-
11 Investments in Economic Development Projects	2,093	2,093	40 Long-Term Debt-Other (Net)	18,097,487	18,761,239
12 Other Investments	573,333	608,800	40a Long-Term Debt-BPA Power Prepayment	119,908,737	128,384,423
13 Special Funds	-	-	41 Long-Term Debt - WY SEO (Net)	951,913	1,136,156
14 Total Other Property & Investments	3,986,324	3,824,489	41a Long-Term Debt - REDL&G	1,000,000	-
15 Cash-General Funds	678,093	1,161,966	42 Payments - Unapplied	-	-
16 Cash-Construction Funds-Trustee	-	-	43 Total Long-Term Debt	139,958,136	148,281,818
17 Special Deposits	1,345,593	1,319,634	44 Obligations under Capital Leases	-	-
18 Temporary Investments	11,802,946	7,539,769	45 Accumulated Operating Provisions	-	-
19 Notes Receivable-Net	1,359,927	296,494	46 Total Other Noncurrent Liabilities	-	-
20 Accounts Receivable-Net Sales of Energy	2,533,825	2,413,489	47 Notes Payable	-	-
21 Accounts Receivable-Net Other	472,518	978,757	48 Accounts Payable	1,510,244	1,927,883
22 Renewable Energy Credits	-	-	49 Consumers Deposits	508,213	491,526
23 Materials & Supplies-Electric and Other	1,656,414	2,193,666	50 Current Maturities Long-Term Debt	1,939,245	10,123,183
24 Prepayments	232,828	164,645	50a Current Maturities LTD (BPA Prepay)	7,383,003	-
24a BPA Power Prepayment - Current	8,258,881	7,891,736	51 Current Maturities LTD - Econ. Devel.	-	-
25 Other Current & Accrued Assets	904,657	796,380	52 Current Maturities Capital Leases	-	-
26 Total Current & Accrued Assets	29,245,680	24,756,536	53 Other Current & Accrued Liabilities	5,214,885	3,535,569
27 Regulatory Assets	-	-	54 Total Current & Accrued Liabilities	16,555,591	16,078,161
28 Other Deferred Debits	493,579	468,420	55 Regulatory Liabilities	-	-
28a BPA Power Prepayment - Non-current	113,037,489	121,477,855	56 Deferred Credits	3,826,065	4,460,825
29 Total Assets & Other Debits	\$ 235,528,724	\$ 241,186,715	57 Total Liabilities & Other Credits	\$ 235,528,724	\$ 241,186,715

NOTES TO FINANCIAL STATEMENTS

THE SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.

	2017		2016	
	May	June	May	June
1 Cost of Power				
Cost of Power from Income Statement		\$ 14,098,434		\$ 12,719,567
plus: Interest on BPA Prepayment Loan		2,007,779		2,145,280
Total Power Cost		<u>\$ 16,106,213</u>		<u>\$ 14,864,847</u>
2 Current Assets/Liabilities	1.70	1.77	1.56	1.54
3 Equity	31.74%	31.92%	29.92%	28.50%
Equity excluding BPA Power Prepayment	64.69%	65.03%	64.33%	62.47%
4 Long Term Debt as a % of Plant	79.55%	79.22%	85.57%	85.02%
5 Material Inventory:				
Material	1,549,127	1,656,414	1,911,595	2,193,666
Special Equip.	2,457,668	2,346,802	2,721,822	2,664,171
Total Material	4,006,795	4,003,216	4,633,417	4,857,837

LOWER VALLEY ENERGY, INC
STATEMENT OF CASH FLOWS
For The Month Ended
June 30, 2017

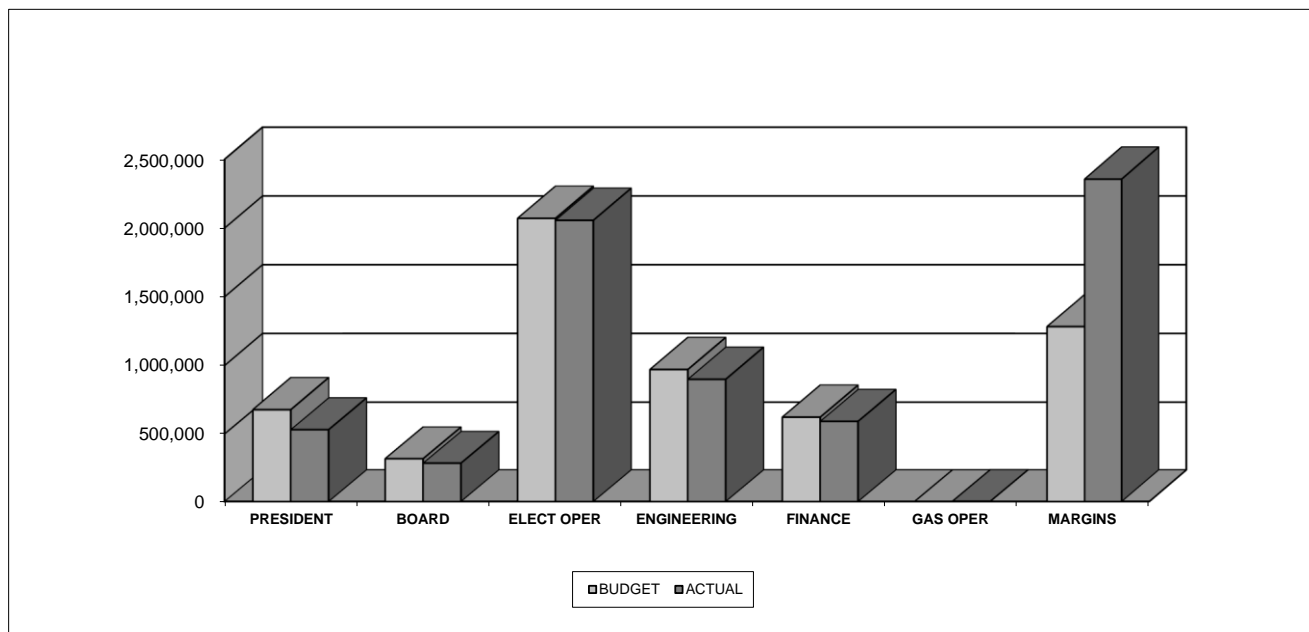
ELECTRIC DIVISION

	YEAR TO DATE	THIS MONTH
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Margins	\$ 2,355,425	\$ 11,063
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	2,364,777	395,912
Decrease/(Increase) in:		
Special Deposits	983,218	-
Accounts Receivable	2,454,723	270,880
Other Accounts Receivable	460,924	637,584
Materials & Supplies	(164,285)	(107,287)
Prepayments	(179,612)	38,477
BPA Prepayment	4,082,498	686,879
Other Current Assets	1,475,762	180,634
Other Deferred Debits	(45,733)	(1,230)
Increase/(Decrease) in:		
Accounts Payable	(1,886,488)	(226,742)
Consumer Deposits	24,397	5,247
Other Current Liabilities	2,052,309	(1,629)
Deferred Credits	(1,362,207)	(39,035)
Net cash provided by operating activities	12,615,708	1,850,754
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets Net of Retirements	(1,341,113)	(260,969)
Change in Notes Receivable	(1,011,738)	(10,413)
Change in Investments in Associated Organizations	3,735	-
Change in Investments in Economic Development Projects	-	-
Change in Temporary Investments	(4,302,946)	(281,710)
Change in Other Investments	16,667	-
Net cash provided/(used) by investing activities	(6,635,394)	(553,092)
CASH FLOWS FROM FINANCING AND CAPITAL CREDIT		
Change in Capital Credits	(249,637)	(13,339)
Change in Line of Credit	-	(348,747)
Change in Long-term Debt	(5,123,579)	(718,572)
Net cash provided/(used) by financing and capital credit activities	(5,373,216)	(1,080,659)
Total change in cash	607,098	217,003
Beginning cash	70,995	461,090
Ending cash	\$ 678,093	\$ 678,093
Add: Temporary investments	11,802,946	
Ending cash and temporary investments	\$ 12,481,039	

Lower Valley Energy
Electric Budget vs. Actual Comparison
For The Month Ended
June 30, 2017

ITEM	2017 Total			YTD	
	Budget	YTD Actual	YTD Budget	Variance	% Variance
1 Operating Revenue	\$ 46,965,909	\$ 25,176,150	\$ 24,964,398	\$ 211,752	0.85%
2 Power Production Expense	192,207	35,906	119,898	(83,993)	-70.05%
3 Cost of Purchased Power	25,824,751	14,098,434	14,517,713	(419,279)	-2.89%
4 Transmission Operation & Maintenance	664,155	248,979	330,675	(81,696)	-24.71%
5 Regional Market Expense	-	-	-	-	0.00%
6 Distribution Operation Expense	3,214,069	1,714,011	1,684,276	29,735	1.77%
7 Distribution Maintenance Expense	1,493,261	697,066	686,164	10,902	1.59%
8 Consumer Accounts Expense	701,308	363,368	355,719	7,649	2.15%
9 Customer Service and Informational Expense	383,728	148,231	180,686	(32,455)	-17.96%
10 Sales Expense	-	-	-	-	0.00%
11 Administrative and General Expense	2,506,803	921,187	1,121,356	(200,168)	-17.85%
12 Total Operation & Maintenance Expense (2 thru 11)	34,980,284	18,227,182	18,996,487	(769,306)	-4.05%
13 Depreciation and Amortization Expense	4,887,760	2,364,777	2,424,770	(59,993)	-2.47%
14 Tax Expense-Property	501,390	273,607	250,670	22,937	9.15%
15 Tax Expense-Other	43,800	23,664	24,200	(536)	-2.22%
16 Interest on Long-Term Debt	4,183,220	2,120,834	2,129,240	(8,406)	-0.39%
17 Interest Charged to Construction-Credit	-	-	-	-	0.00%
18 Interest Expense-Other	14,400	4,909	7,200	(2,291)	-31.82%
19 Other Deductions	(25,140)	(25,136)	(25,140)	4	-0.02%
20 Total Cost of Electric Service (12 thru 19)	44,585,714	22,989,837	23,807,427	(817,591)	-3.43%
21 Patronage Capital & Operating Margins (1 minus 20)	2,380,195	2,186,313	1,156,971	1,029,343	88.97%
22 Non Operating Margins-Interest	211,925	159,369	105,917	53,452	50.47%
23 Allowance for Funds Used During Construction	-	-	-	-	0.00%
24 Income (Loss) from Equity Investments	-	-	-	-	0.00%
25 Non Operating Margins-Other	20,700	5,829	-	5,829	0.00%
26 Generation and Transmission Capital Credits	-	-	-	-	0.00%
27 Other Capital Credits and Patronage Dividends	464,000	3,914	20,000	(16,086)	-80.43%
28 Extraordinary Items	-	-	-	-	0.00%
29 Patronage Capital or Margins (21 thru 28)	\$ 3,076,820	\$ 2,355,425	\$ 1,282,888	\$ 1,072,538	83.60%
Tier - Oper.	1.57	2.03	1.54		
Tier - Total	1.74	2.11	1.60		

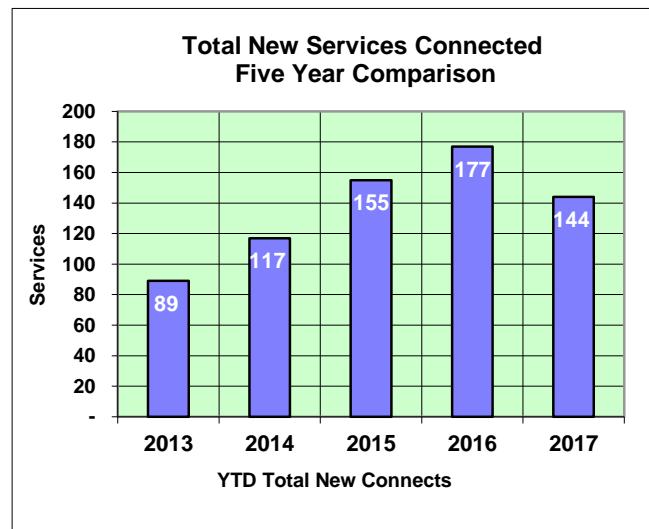
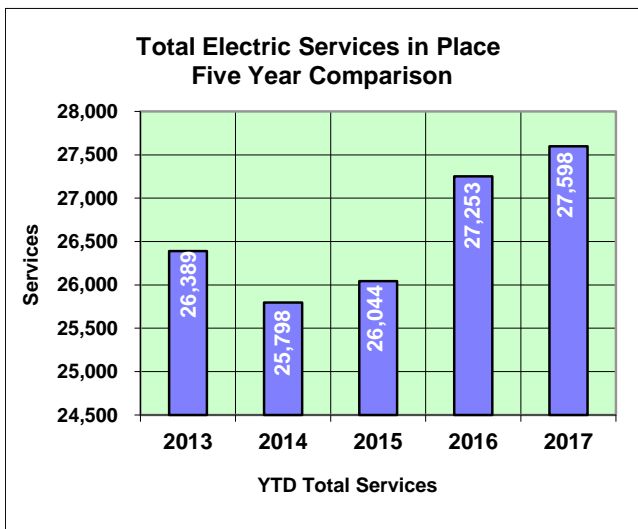
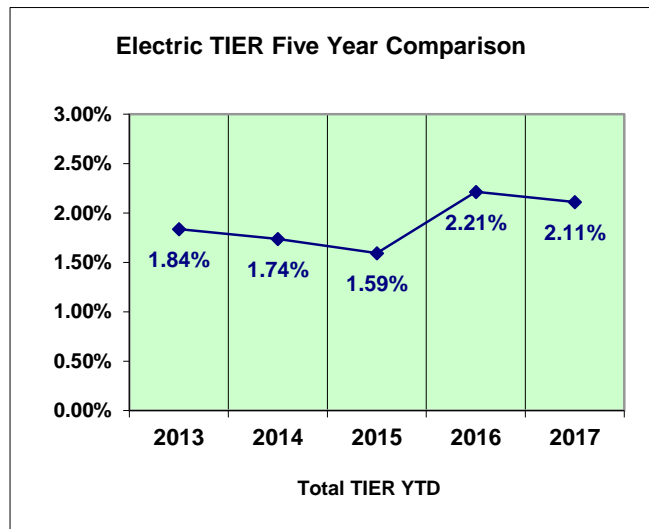
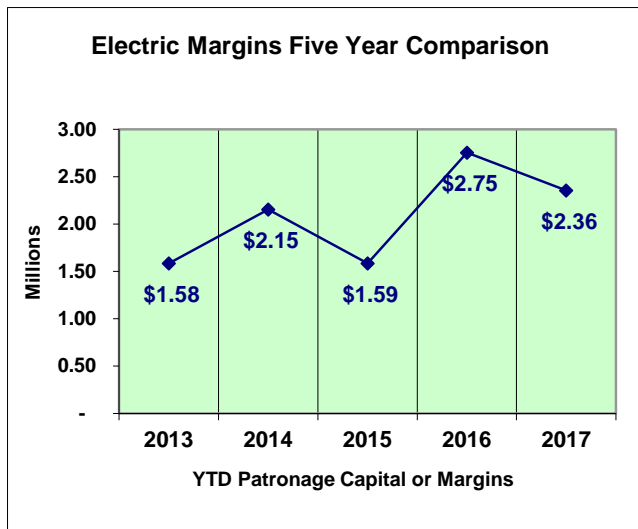
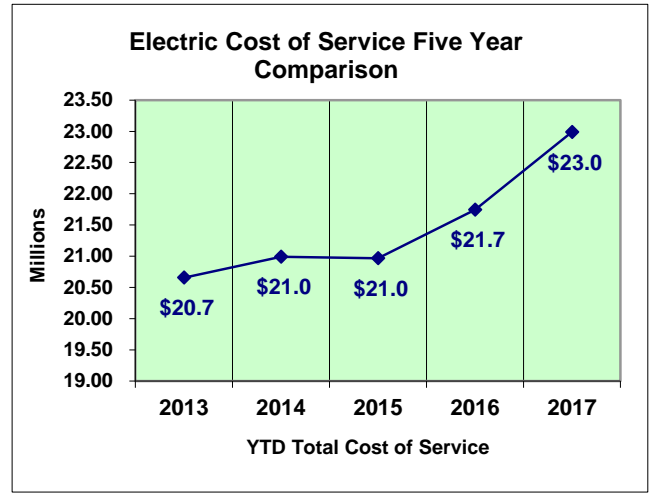
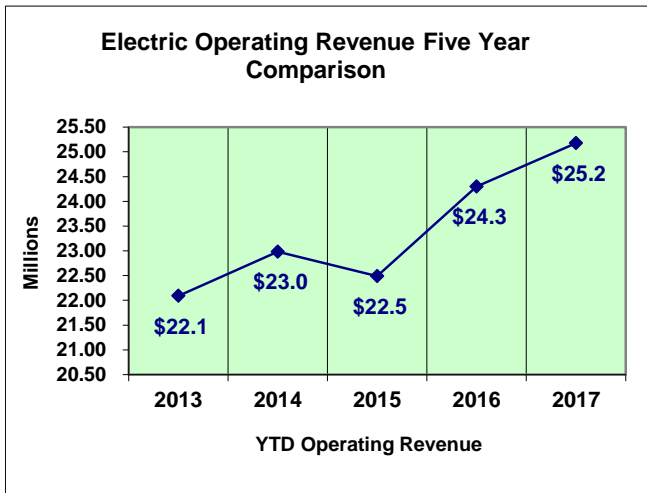
BUDGET BY DEPARTMENT



Lower Valley Energy
Electric Five Year Comparison
For the Month Ended
June 30, 2017

ITEM	Year to Date 2017		Year to Date 2016		Year to Date 2015		Year to Date 2014		Year to Date 2013	
	\$	% of Op Rev	\$	% of Op Rev	\$	% of Op Rev	\$	% of Op Rev	\$	% of Op Rev
1 Operating Revenue	\$25,176,150		\$24,301,015		\$22,487,313		\$22,983,841		\$22,090,132	
2 Power Production Expense	\$35,906	0.14%	\$71,170	0.29%	\$60,394	0.27%	\$43,501	0.19%	\$56,917	0.26%
3 Cost of Purchased Power	14,098,434	56.00%	12,719,567	52.34%	11,647,778	51.80%	11,259,855	48.99%	12,083,175	54.70%
4 Transmission Operation & Maintenance	248,979	0.99%	257,519	1.06%	321,421	1.43%	225,373	0.98%	286,750	1.30%
5 Regional Market Expense		0.00%		0.00%	0	0.00%	0	0.00%	0	0.00%
6 Distribution Operation	1,714,011	6.81%	1,609,662	6.62%	1,507,220	6.70%	1,637,245	7.12%	1,745,236	7.90%
7 Distribution Maintenance	697,066	2.77%	624,231	2.57%	639,283	2.84%	599,603	2.61%	438,036	1.98%
8 Consumer Accounts Expense	363,368	1.44%	390,513	1.61%	376,349	1.67%	418,084	1.82%	394,084	1.78%
9 Customer Service & Information Expense	148,231	0.59%	291,727	1.20%	200,509	0.89%	297,931	1.30%	172,164	0.78%
10 Sales Expense	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
11 Administrative & General Expense	921,187	3.66%	1,023,375	4.21%	991,960	4.41%	1,095,723	4.77%	1,152,840	5.22%
12 Total Operation & Maintenance Expense	\$18,227,182	72.40%	\$16,987,764	69.91%	\$15,744,914	70.02%	\$15,577,315	67.78%	\$16,329,202	73.92%
13 Depreciation & Amortization Expense	2,364,777	9.39%	2,327,437	9.58%	2,369,122	10.54%	2,321,404	10.10%	2,215,183	10.03%
14 Tax Expense - Property	273,607	1.09%	223,140	0.92%	235,830	1.05%	222,360	0.97%	219,570	0.99%
15 Tax Expense - Other	23,664	0.09%	23,466	0.10%	20,925	0.09%	21,562	0.09%	91,032	0.41%
16 Interest on Long-Term Debt	2,120,834	8.42%	2,268,217	9.33%	2,674,161	11.89%	2,917,429	12.69%	1,891,931	8.56%
17 Interest Charged to Construction - Credit	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
18 Interest Expense - Other	4,909	0.02%	4,388	0.02%	11,396	0.05%	22,047	0.10%	57,308	0.26%
19 Other Deductions	(25,136)	-0.10%	(89,473)	-0.37%	(89,473)	-0.40%	(89,473)	-0.39%	(149,122)	-0.68%
20 Total Cost of Service	\$22,989,837	91.32%	\$21,744,938	89.48%	\$20,966,875	93.24%	\$20,992,643	91.34%	\$20,655,104	93.50%
21 Patronage Capital & Operating Margins	\$2,186,313	8.68%	\$2,556,077	10.52%	\$1,520,438	6.76%	\$1,991,198	8.66%	\$1,435,028	6.50%
22 Non Operating Margins - Interest	\$159,369	0.63%	\$109,823	0.45%	\$65,293	0.29%	\$103,433	0.45%	\$148,801	0.67%
23 Allowance for Funds used During Constructio	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
24 Income (Loss) from Equity Investments	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
25 Non Operating Margins - Other	5,829	0.02%	34,131	0.14%	0	0.00%	35,377	0.15%	0	0.00%
26 Generation & Transmission Capital Credits	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
27 Other Capital Credits & Patronage Dividends	3,914	0.02%	53,876	0.22%	766	0.00%	22,812	0.10%	0	0.00%
28 Extraordinary Items	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
29 Patronage Capital or Margins	\$2,355,425	9.36%	\$2,753,906	11.33%	\$1,586,497	7.06%	\$2,152,820	9.37%	\$1,583,829	7.17%
30 Total Cost of Service Less Cost of Power	\$8,606,518	34.19%	\$8,696,682	35.79%	\$8,937,281	39.74%	\$9,463,913	41.18%	\$8,228,262	37.25%
31 Tier - Oper.	2.03		2.13		1.57		1.68		1.76	
32 Tier - Total	2.11		2.21		1.59		1.74		1.84	
33 New Services Connected	144		177		155		117		89	
34 Total Services in Place	27,598		27,253		26,044		25,798		26,389	
35 Miles of Line	2,710		2,695		2,646		2,631		2,605	

Lower Valley Energy
 Electric Five Year Comparison
For The Month Ended
June 30, 2017



LOWER VALLEY ENERGY, INC. ELECTRIC DIVISION FINANCIAL AND STATISTICAL REPORT				BORROWER DESIGNATION Wyoming 11, Lincoln			
				PERIOD ENDED June 30, 2017			
PART R. POWER REQUIREMENTS DATA BASE							
CLASSIFICATION	CONSUMER SALES AND REVENUE DATA	JANUARY (a)	FEBRUARY (b)	MARCH (c)	APRIL (d)	MAY (e)	JUNE (f)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	20,801	20,769	20,821	20,802	20,861	20,874
	b. kWh Sold	70,214,631	58,900,955	48,058,153	34,540,019	30,674,085	24,540,304
	c. Revenue	4,104,623	3,494,304	2,909,910	2,180,745	1,973,400	1,644,280
2. Residential Sales- Seasonal	a. No. Consumers Served						
	b. kWh Sold						
	c. Revenue						
3. Irrigation Sales	a. No. Consumers Served	192	191	191	191	181	192
	b. kWh Sold	9,790	9,976	7,291	6,834	29,272	547,537
	c. Revenue	1,543	1,556	1,414	1,405	2,291	34,392
4. Comm. and Ind. 1000 kVA or Less	a. No. Consumers Served	4,972	4,971	4,964	4,960	4,973	4,964
	b. kWh Sold	29,183,111	25,538,016	23,317,820	17,585,399	17,683,630	18,620,266
	c. Revenue	1,704,315	1,517,646	1,386,836	1,107,502	1,105,552	1,151,539
5. Comm. and Ind. Over 1000 kVA	a. No. Consumers Served	17	17	17	17	17	17
	b. kWh Sold	7,637,600	6,584,760	6,277,620	5,580,940	5,396,020	5,165,860
	c. Revenue	364,523	314,677	298,267	265,391	253,718	247,090
6. Public Street and Highway Lighting	a. No. Consumers Served	1,312	1,312	1,312	1,311	1,307	1,307
	b. kWh Sold	50,550	50,606	50,558	50,580	51,952	52,803
	c. Revenue	10,293	10,309	10,299	10,303	10,616	10,814
7. Other Sales to Public Auth.	a. No. Consumers Served						
	b. kWh Sold						
	c. Revenue						
8. Sales for Resales- REA Borrowers	a. No. Consumers Served						
	b. kWh Sold						
	c. Revenue						
9. Unbilled Revenue	a. No. Consumers Served						
	b. kWh Sold	1,004,228	(10,270,146)	(14,203,862)	3,860,401	(4,381,870)	(3,666,203)
	c. Revenue	47,600	(548,584)	(732,969)	192,086	(238,631)	(192,648)
10. TOTAL No. Consumers (lines 1a - 9a)		27,294	27,260	27,305	27,281	27,339	27,354
11. TOTAL kWh Sold (lines 1b - 9b)		108,090,120	80,814,167	63,507,580	61,624,173	49,453,089	45,260,567
12. TOTAL Revenue Received From Sales of Electric Energy (lines 1c - 9c)		6,232,899	4,789,908	3,873,756	3,757,431	3,106,945	2,895,467
13. Other Electric Revenue		140,575	68,212	76,545	81,136	72,344	80,933
14. kWh - Own Use		191,506	196,425	197,315	185,195	147,152	95,287
15. TOTAL kWh Purchased		113,822,712	81,460,953	72,921,293	59,811,350	49,729,661	44,694,293
16. TOTAL kWh Generated		649,200	554,400	646,800	857,400	1,136,400	1,140,600
17. Cost of Purchases and Generation		3,875,959	2,613,456	2,492,708	2,277,785	1,348,994	1,525,439
18. Interchange - kWh - Net							
19. Peak - Sum All kW Input (Metered) X Coincident ___ Non-Coincident		218,819	164,976	162,233	124,666	109,520	93,571

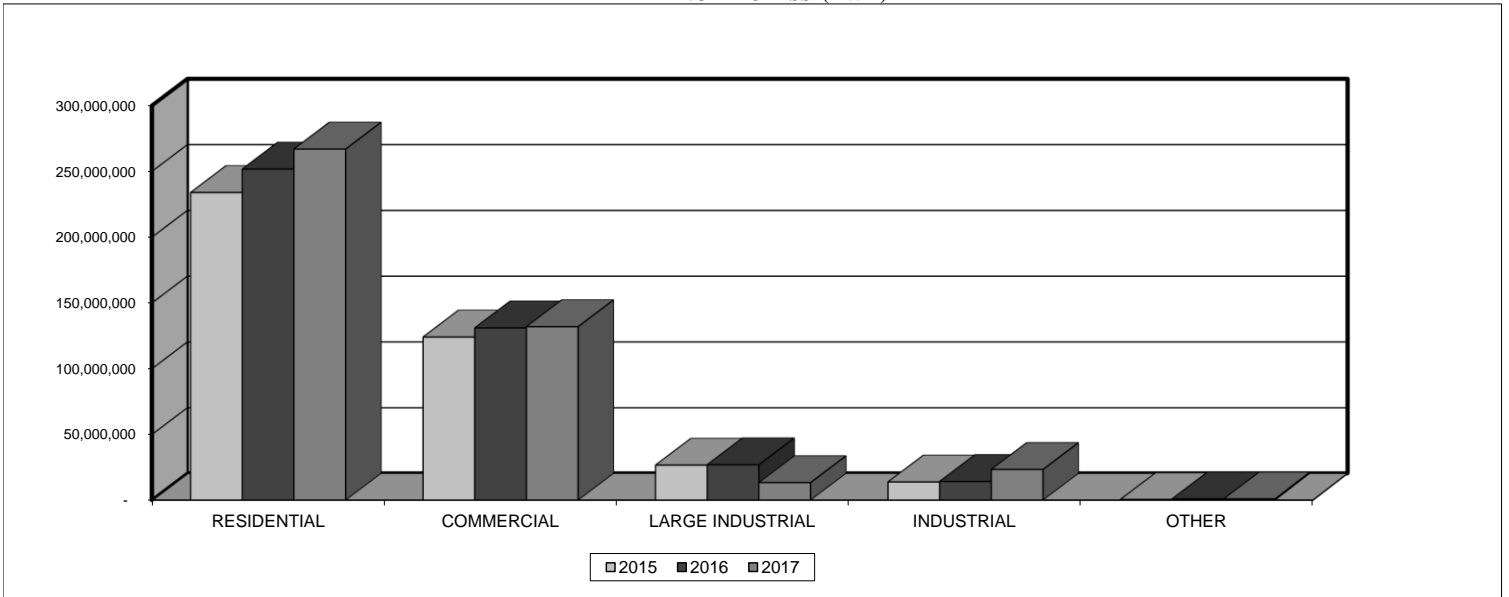
LOWER VALLEY ENERGY, INC.						BORROWER DESIGNATION		
FINANCIAL AND STATISTICAL REPORT						Wyoming 11, Lincoln		
ELECTRIC DIVISION						PERIOD ENDED		
						June 30, 2017		
PART R. POWER REQUIREMENTS DATA BASE (Continued)								
ITEM NUMBER	LINE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
		(g)	(h)	(i)	(j)	(k)	(l)	(Columns a thru l)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served							
	b. kWh Sold							266,928,147
	c. Revenue							\$16,307,262
2. Residential Sales- Seasonal	a. No. Consumers Served							
	b. kWh Sold							0
	c. Revenue							\$0
3. Irrigation Sales	a. No. Consumers Served							
	b. kWh Sold							610,700
	c. Revenue							\$42,601
4. Comm. and Ind. 1000 kVA or Less	a. No. Consumers Served							
	b. kWh Sold							131,928,242
	c. Revenue							\$7,973,391
5. Comm. and Ind. Over 1000 kVA	a. No. Consumers Served							
	b. kWh Sold							36,642,800
	c. Revenue							\$1,743,666
6. Public Street and Highway Lighting	a. No. Consumers Served							
	b. kWh Sold							307,049
	c. Revenue							\$62,633
7. Other Sales to Public Auth.	a. No. Consumers Served							
	b. kWh Sold							0
	c. Revenue							\$0
8. Sales for Resales- REA Borrowers	a. No. Consumers Served							
	b. kWh Sold							0
	c. Revenue							\$0
9. Unbilled Revenue	a. No. Consumers Served							
	b. kWh Sold							(27,657,452)
	c. Revenue							(\$1,473,146)
10. TOTAL No. Consumers (lines 1a - 9a)								
11. TOTAL kWh Sold (lines 1b - 9b)								408,749,696
12. TOTAL Revenue Received From Sales of Electric Energy (lines 1c - 9c)								\$24,656,406
13. Other Electric Revenue								\$519,744
14. kWh - Own Use								1,012,880
15. TOTAL kWh Purchased								422,440,262
16. TOTAL kWh Generated								4,984,800
17. Cost of Purchases and Generation								\$14,134,340
18. Interchange - kWh - Net								0
19. Peak - Sum All kW Input (Metered) X Coincident ___ Non-Coincident								218,819

ANALYSIS OF BILLING
June 30, 2017
ELECTRIC
Accrual Basis

YEAR	NUMBER			NUMBER			NUMBER		
	OF METERS	KWH	AMOUNT	OF METERS	KWH	AMOUNT	OF METERS	KWH	AMOUNT
	Residential			Commercial			Industrial		
2015	20,365	233,920,766	\$14,008,323	4,852	124,068,363	\$7,300,446	16	13,790,540	\$759,120
2016	20,612	251,712,791	\$15,450,588	4,908	130,974,454	\$7,921,998	16	14,180,960	\$791,009
2017	20,874	266,928,147	\$16,307,262	4,964	131,928,242	\$7,973,391	16	23,342,940	\$992,274
	Irrigation			Lighting			Large Industrial		
2015	175	173,968	\$16,202	1,316	312,038	\$61,566	1	26,634,420	\$1,089,666
2016	191	605,270	\$41,399	1,310	309,645	\$63,179	1	26,929,620	\$1,131,216
2017	192	610,700	\$42,601	1,307	307,049	\$62,633	1	13,299,860	\$751,392
	Change in Unbilled Revenue			June Totals			Year to Date Totals		
2015		(22,558,753)	(\$1,128,928)	26,725	44,649,177	\$2,757,786	26,725	376,341,342	\$22,106,395
2016		(30,534,560)	(\$1,604,091)	27,038	49,696,233	\$3,111,386	27,038	394,178,180	\$23,795,298
2017		(27,657,452)	(\$1,473,146)	27,354	48,926,770	\$3,088,115	27,354	408,759,486	\$24,656,406

YTD KW	Degree Days		Revenue Summary Form 7 Part A Line 1		Lower Valley Energy KWH Usage		
	Normal	Actual					
2015	184,876	5,676	5,177	Year to Date Billing	\$24,656,406	2015	1,038,285
2016	184,876	5,678	5,501	Other Revenue	<u>519,744</u>	2016	1,021,094
2017	218,819	5,355	5,488	Form 7a Line 1 YTD Revenue	<u><u>\$25,176,150</u></u>	2017	1,012,880

BILLING BY CLASS (KWH)

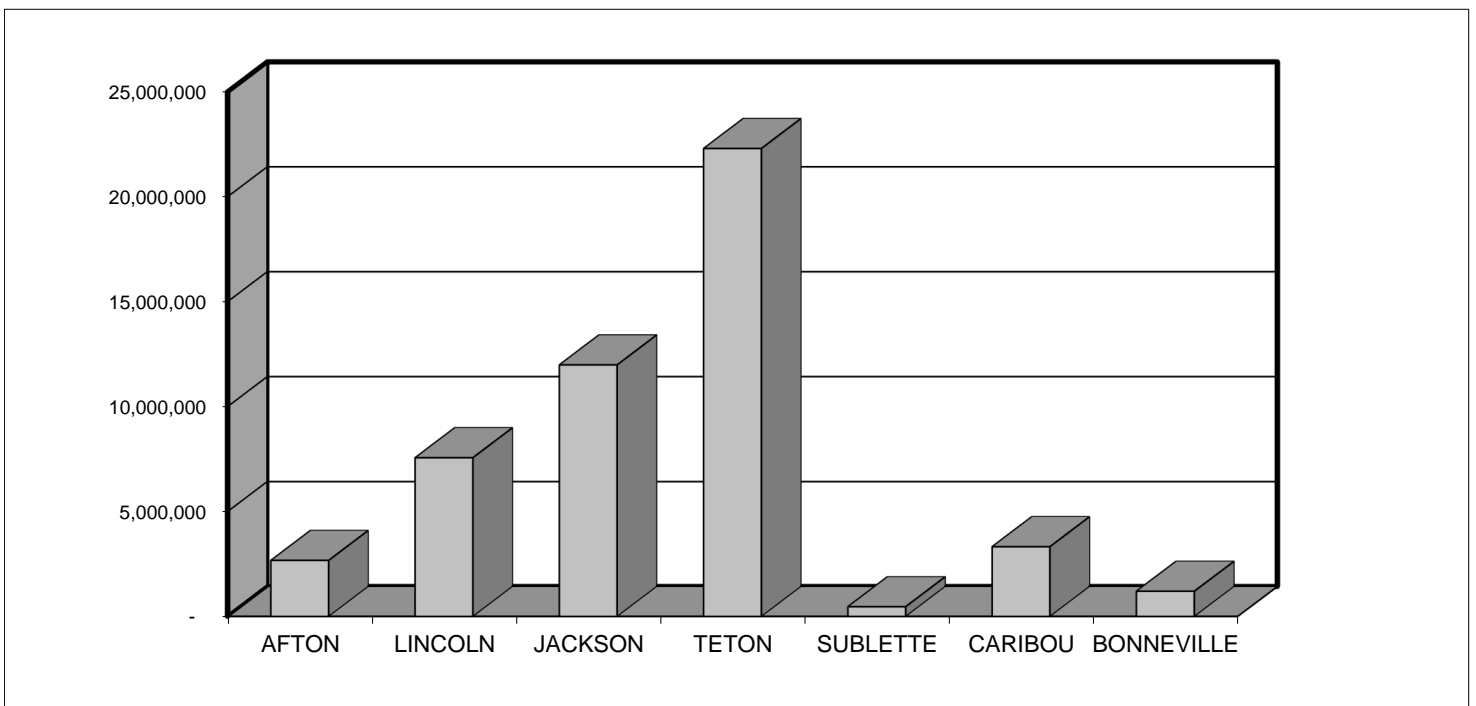


**LOWER VALLEY ENERGY
BILLING BY GEOGRAPHIC AREAS
ELECTRIC DIVISION
June 30, 2017
BILLING BASIS**

	CONSUMERS	KWH	CHARGES	AVERAGE KWH	AVERAGE BILL	REVENUE PER KWH CENTS
TOWN OF AFTON	1,932	2,667,160	\$176,597	1,381	\$91.41	6.62
LINCOLN COUNTY (less Afton)	7,261	7,560,571	\$519,029	1,041	\$71.48	6.86
TOWN OF JACKSON	7,319	11,984,255	\$753,162	1,637	\$102.90	6.28
TETON COUNTY (less Jackson)	8,547	22,296,208	\$1,362,612	2,609	\$159.43	6.11
SUBLETTE COUNTY	539	460,543	\$32,639	854	\$60.55	7.09
CARIBOU COUNTY	288	3,321,194	\$149,910	11,532	\$520.52	4.51
BONNEVILLE COUNTY	1,468	1,197,343	\$86,623	816	\$59.01	7.23
TOTAL	<u>27,354</u>	<u>49,487,274</u>	<u>\$3,080,571</u>	<u>1,809</u>	<u>\$112.62</u>	<u>6.22</u>
			<u>(104,172)</u>			
			<u>\$2,976,399</u>			

Adjustments and Accruals
Total Operating Revenue

KWH



LOWER VALLEY ENERGY
STATEMENT OF OPERATIONS
For The Month Ended
June 30, 2017

NATURAL GAS DIVISION

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR	THIS YEAR	BUDGET	
	(a)	(b)	(c)	
1 Operating Revenue and Patronage Capital	\$ 4,447,310	\$ 5,479,144	\$ 5,163,900	\$ 467,524
2 Power Production Expense	-	-	-	-
3 Cost of Gas	1,361,765	2,239,256	2,013,494	180,127
4 Transmission Operation & Maintenance	96,299	75,140	100,025	15,898
5 Regional Market Expense	-	-	-	-
6 Distribution Operation Expense	191,076	204,080	183,373	29,493
7 Distribution Maintenance Expense	129,118	107,229	134,650	15,230
8 Consumer Accounts Expense	46,168	42,717	60,510	7,105
9 Customer Service and Informational Expense	12,711	13,643	17,335	2,704
10 Sales Expense	-	-	-	-
11 Administrative and General Expense	203,479	160,148	272,666	28,966
12 Total Operation & Maintenance Expense (2 thru 11)	\$ 2,040,615	\$ 2,842,212	\$ 2,782,052	\$ 279,524
13 Depreciation and Amortization Expense	628,413	632,741	633,790	105,476
14 Tax Expense-Property	105,420	113,695	105,650	18,949
15 Tax Expense-Other	6,670	7,617	6,900	474
16 Interest on Long-Term Debt	680,603	661,645	661,680	109,328
17 Interest Charged to Construction-Credit	-	-	-	-
18 Interest Expense-Other	3,636	798	4,800	253
19 Other Deductions	-	-	-	-
20 Total Cost of Service (12 thru 19)	\$ 3,465,357	\$ 4,258,707	\$ 4,194,872	\$ 514,002
21 Patronage Capital & Operating Margins (1 minus 20)	\$ 981,953	\$ 1,220,437	\$ 969,028	\$ (46,479)
22 Non Operating Margins-Interest	-	-	-	-
23 Allowance for Funds Used During Construction	-	-	-	-
24 Income (Loss) from Equity Investments	-	-	-	-
25 Non Operating Margins-Other	8,122	244	-	-
26 Generation and Transmission Capital Credits	-	-	-	-
27 Other Capital Credits and Patronage Dividends	-	-	-	-
28 Extraordinary Items	-	-	-	-
29 Patronage Capital or Margins (21 thru 28)	\$ 990,075	\$ 1,220,681	\$ 969,028	\$ (46,479)

DATA ON TRANSMISSION AND DISTRIBUTION

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR	THIS YEAR		LAST YEAR	THIS YEAR
	(a)	(b)		(a)	(b)
1. New Services Connected	38	43	5. Miles Trans.	53	53
2. Services Retired	18	0	6. Miles Distr. - 2" or less	159	165
3. Total Services in Place	4,081	4,198	7. Miles Dist. - Over 2"	54	57
4. Idle Services (Exclude Seasonal)	34	41	8. Total Miles (5 + 6 + 7)	266	275

LOWER VALLEY ENERGY
BALANCE SHEET
As of
June 30, 2017

NATURAL GAS DIVISION

ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
	Current Year	Prior Year		Current Year	Prior Year
1 Total Utility Plant in Service	\$ 45,587,020	\$ 45,349,318	30 Memberships	-	-
2 Construction Work in Progress	423,956	155,143	31 Patronage Capital	9,336,217	7,923,587
3 Total Utility Plant	46,010,975	45,504,461	32 Operating Margins-Prior Years	-	-
4 Accum. Provision for Depreciation and Amort	13,107,015	11,829,617	33 Operating Margins-Current Year	1,220,437	981,953
5 Net Utility Plant	32,903,960	33,674,843	34 Non Operating Margins	244	8,122
6 Nonutility Property - Net	-	-	35 Other Margins and Equities	34,045	19,672
7 Investments in Subsidiary Companies	-	-	36 Total Margins & Equities	10,590,943	8,933,334
8 Invest. in Assoc. Org. - Patronage Capital	646,445	592,107	37 Long-Term Debt - RUS (Net)	-	-
9 Invest. in Assoc. Org.-Other-General Funds	-	-	38 Long-Term Debt - FFB - RUS Guaranteed	-	-
10 Invest. in Assoc. Org.-Other-Nongeneral Funds	578,900	578,900	39 Long-Term Debt - Other - RUS Guaranteed	-	-
11 Investments in Economic Development Projects	-	-	40 Long-Term Debt-Other (Net)	28,148,666	29,163,413
12 Other Investments	-	-	40a Long-Term Debt-Other (BPA Power Prepayment)	-	-
13 Special Funds	-	-	41 Long-Term Debt - RUS Econ. Devel. (Net)	-	-
14 Total Other Property & Investments	1,225,345	1,171,007	42 Payments - Unapplied	-	-
15 Cash-General Funds	-	-	43 Total Long-Term Debt	28,148,666	29,163,413
16 Cash-Construction Funds-Trustee	-	-	44 Obligations under Capital Leases	-	-
17 Special Deposits	-	-	45 Accumulated Operating Provisions	-	-
18 Temporary Investments	-	-	46 Total Other Noncurrent Liabilities	-	-
19 Notes Receivable-Net	-	-	47 Notes Payable	-	-
20 Accounts Receivable-Net Sales of Energy	470,386	363,499	48 Accounts Payable	23,705	-
21 Accounts Receivable-Net Other	41,913	32,383	49 Consumers Deposits	46,263	45,560
22 Renewable Energy Credits	-	-	50 Current Maturities Long-Term Debt	1,014,747	970,789
23 Materials & Supplies-Electric and Other	68,917	128,111	51 Current Maturities Long-Term Debt - Econ. Devel.	-	-
24 Prepayments	-	28,784	52 Current Maturities Capital Leases	-	-
25 Other Current & Accrued Assets	222,265	121,296	53 Other Current & Accrued Liabilities	(2,260,924)	(498,975)
26 Total Current & Accrued Assets	803,481	674,074	54 Total Current & Accrued Liabilities	(1,176,209)	517,374
27 Regulatory Assets	-	-	55 Regulatory Liabilities	-	-
28 Other Deferred Debits	2,747,821	3,094,196	56 Deferred Credits	117,207	-
28a Other Non-current Assets-BPA Power Prepayment	-	-	57 Total Liabilities & Other Credits	\$ 37,680,607	\$ 38,614,120
29 Total Assets & Other Debits	\$ 37,680,607	\$ 38,614,120			

NOTES TO FINANCIAL STATEMENTS

THE SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.

	2017		2016	
	May	June	May	June
1. Current Assets/Liabilities	2.58	2.53	1.47	1.30
2. Equity	28.03%	28.11%	23.27%	23.13%
3. Long Term Debt as a % of Plant	61.23%	61.18%	64.17%	64.09%
4. Material Inventory:	102,985	68,917	103,983	128,111
5. Intercompany balance	2,166,160	2,468,160	599,698	707,045

LOWER VALLEY ENERGY, INC
STATEMENT OF CASH FLOWS

For The Month Ended

June 30, 2017

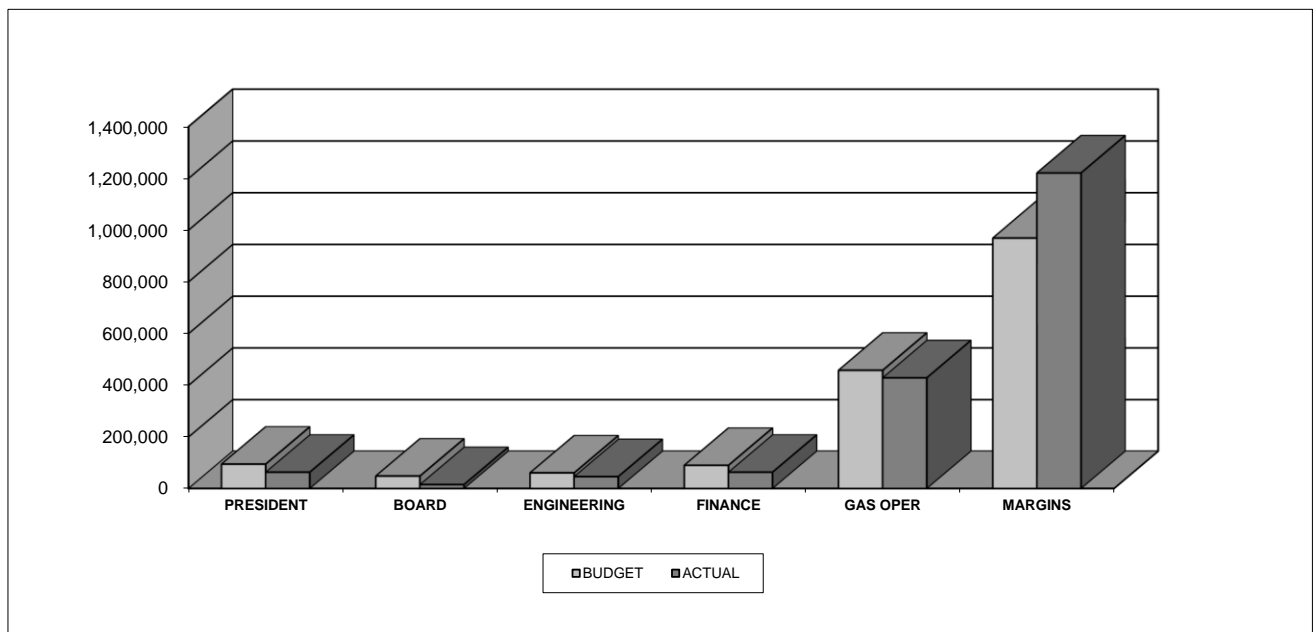
NATURAL GAS DIVISION

	YEAR TO DATE	THIS MONTH
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Margins	\$ 1,220,681	\$ (46,479)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	632,741	105,476
Decrease/(Increase) in:		
Special Deposits	-	-
Accounts Receivable	683,972	123,823
Other Accounts Receivable	9,983	(924)
Materials & Supplies	46,157	34,068
Prepayments	-	-
Other Current Assets	454,485	28,508
Other Deferred Debits	172,020	18,617
Increase/(Decrease) in:		
Accounts Payable (excluding line of credit)	(42,055)	(30,781)
Consumer Deposits	2,295	(2,802)
Other Current Liabilities	(428,202)	104,532
Deferred Credits	73,548	3,879
Net cash provided by operating activities	2,825,623	337,916
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets Net of Retirements	218,164	(35,916)
Change in Notes Receivable	-	-
Change in Investments in Associated Organizations	-	-
Change in Investments in Economic Development Projects	-	-
Change in Temporary Investments	-	-
Change in Other Investments	-	-
Net cash provided/(used) by investing activities	218,164	(35,916)
CASH FLOWS FROM FINANCING AND CAPITAL CREDIT		
Change in Capital Credits	(2,959)	-
Change in Long-term Debt	(490,766)	-
Net cash provided/(used) by financing and capital credit activities	(493,725)	-
Total change in intercompany balance	2,550,062	301,999
Beginning intercompany balance	(81,902)	2,166,160
Ending intercompany balance	\$ 2,468,160	\$ 2,468,160

Lower Valley Energy
 Natural Gas Budget vs. Actual Comparison
 For The Month Ended
 June 30, 2017

ITEM	2017 Total Budget	YTD Actual	YTD Budget	YTD Variance	% Variance
1 Operating Revenue	\$ 8,843,400	\$ 5,479,144	\$ 5,163,900	\$ 315,244	6.10%
2 Power Production Expense	-	-	-	-	0.00%
3 Cost of Purchased Gas	3,445,471	2,239,256	2,013,494	225,762	11.21%
4 Transmission Operation & Maintenance	207,896	75,140	100,025	(24,884)	-24.88%
5 Regional Market Expense	-	-	-	-	0.00%
6 Distribution Operation Expense	338,257	204,080	183,373	20,707	11.29%
7 Distribution Maintenance Expense	248,363	107,229	134,650	(27,421)	-20.36%
8 Consumer Accounts Expense	114,992	42,717	60,510	(17,793)	-29.41%
9 Customer Service and Informational Expense	38,515	13,643	17,335	(3,692)	-21.30%
10 Sales Expense	-	-	-	-	0.00%
11 Administrative and General Expense	534,832	160,148	272,666	(112,518)	-41.27%
12 Total Operation & Maintenance Expense (2 thru 11)	4,928,326	2,842,212	2,782,052	60,160	2.16%
13 Depreciation and Amortization Expense	1,270,900	632,741	633,790	(1,049)	-0.17%
14 Tax Expense-Property	211,310	113,695	105,650	8,045	7.61%
15 Tax Expense-Other	11,200	7,617	6,900	717	10.39%
16 Interest on Long-Term Debt	1,313,550	661,645	661,680	(35)	-0.01%
17 Interest Charged to Construction-Credit	-	-	-	-	0.00%
18 Interest Expense-Other	9,600	798	4,800	(4,002)	-83.37%
19 Other Deductions	-	-	-	-	0.00%
20 Total Cost of Service (12 thru 19)	7,744,886	4,258,707	4,194,872	63,835	1.52%
21 Patronage Capital & Operating Margins (1 minus 20)	1,098,514	1,220,437	969,028	251,409	25.94%
22 Non Operating Margins-Interest	-	-	-	-	0.00%
23 Allowance for Funds Used During Construction	-	-	-	-	0.00%
24 Income (Loss) from Equity Investments	-	-	-	-	0.00%
25 Non Operating Margins-Other	-	244	-	244	0.00%
26 Generation and Transmission Capital Credits	-	-	-	-	0.00%
27 Other Capital Credits and Patronage Dividends	100,000	-	-	-	0.00%
28 Extraordinary Items	-	-	-	-	0.00%
29 Patronage Capital or Margins (21 thru 28)	\$ 1,198,514	\$ 1,220,681	\$ 969,028	\$ 251,653	25.97%
Tier - Oper.	1.84	2.84	2.46		
Tier - Total	1.91	2.84	2.46		

BUDGET BY DEPARTMENT



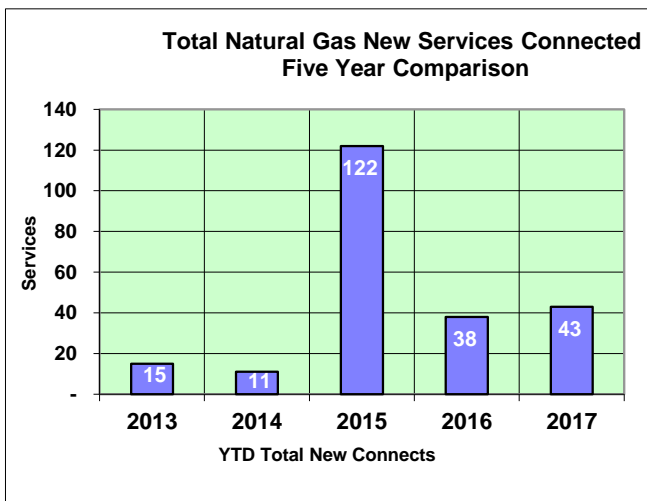
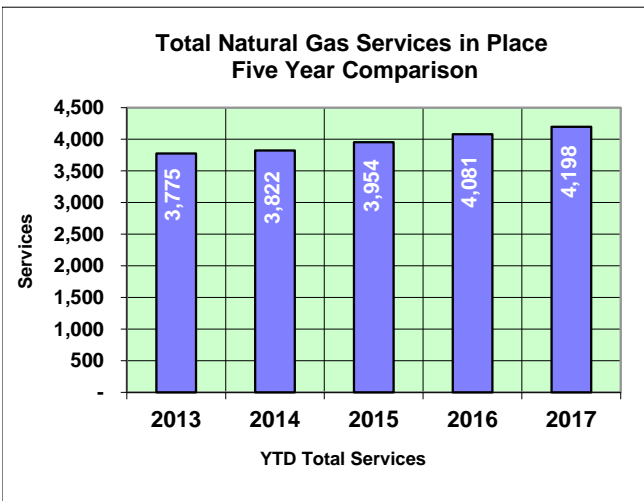
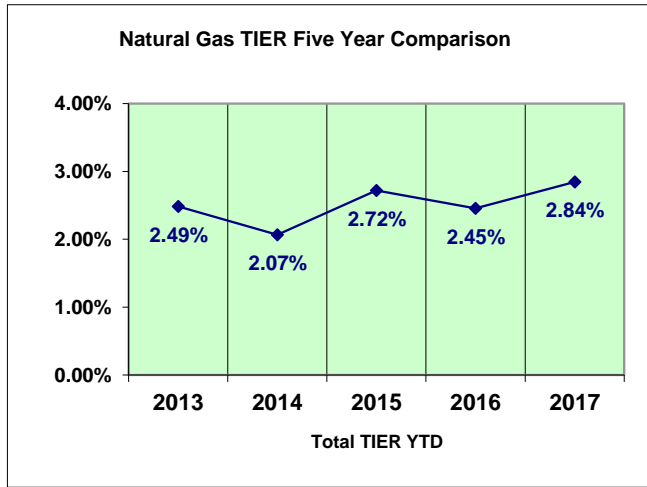
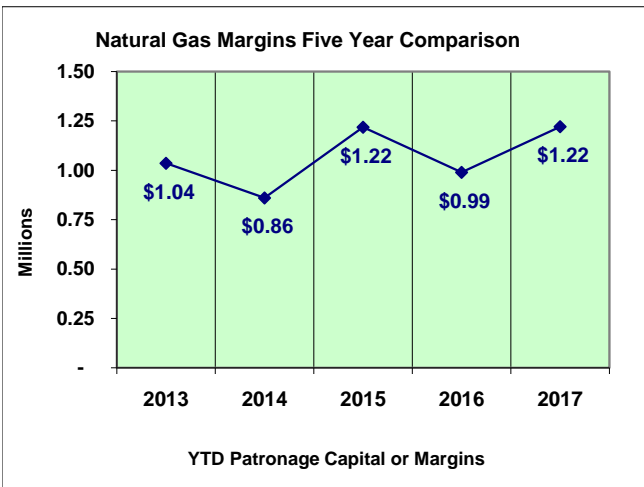
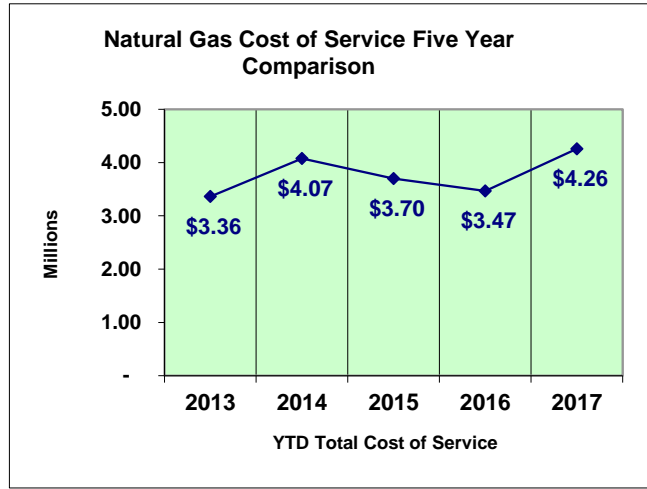
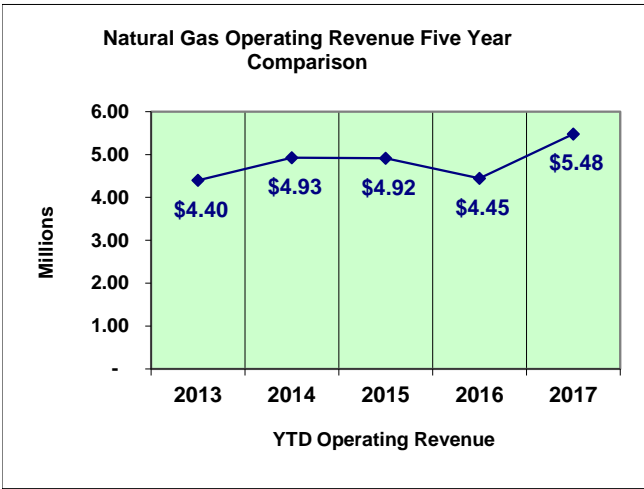
Lower Valley Energy
Natural Gas Five Year Comparison

For the Month Ended

June 30, 2017

ITEM	Year to Date 2017		Year to Date 2016		Year to Date 2015		Year to Date 2014		Year to Date 2013	
	\$	% of Op Rev	\$	% of Op Rev	\$	% of Op Rev	\$	% of Op Rev	\$	% of Op Rev
1 Operating Revenue	\$ 5,479,144		\$ 4,447,310		\$ 4,916,399		\$ 4,926,130		\$ 4,398,694	
2 Power Production Expense	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
3 Cost of Gas Sold	2,239,256	40.87%	1,361,765	30.62%	1,642,923	33.42%	2,041,460	41.44%	1,490,858	33.89%
4 Transmission Operation & Maintenance	75,140	1.37%	96,299	2.17%	124,245	2.53%	94,394	1.92%	100,935	2.29%
5 Regional Market Expense	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
6 Distribution Operation	204,080	3.72%	191,076	4.30%	126,036	2.56%	120,024	2.44%	114,257	2.60%
7 Distribution Maintenance	107,229	1.96%	129,118	2.90%	97,369	1.98%	71,532	1.45%	62,807	1.43%
8 Consumer Accounts Expense	42,717	0.78%	46,168	1.04%	47,429	0.96%	52,702	1.07%	47,625	1.08%
9 Customer Service & Information Expense	13,643	0.25%	12,711	0.29%	11,056	0.22%	14,122	0.29%	13,335	0.30%
10 Sales Expense	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
11 Administrative & General Expense	160,148	2.92%	203,479	4.58%	170,890	3.48%	155,132	3.15%	164,408	3.74%
12 Total Operation & Maintenance Expense	\$ 2,842,212	51.87%	\$ 2,040,615	45.88%	\$ 2,219,947	45.15%	\$ 2,549,367	51.75%	\$ 1,994,226	45.34%
13 Depreciation & Amortization Expense	632,741	11.55%	628,413	14.13%	628,534	12.78%	573,584	11.64%	481,812	10.95%
14 Tax Expense - Property	113,695	2.08%	105,420	2.37%	105,900	2.15%	91,260	1.85%	87,420	1.99%
15 Tax Expense - Other	7,617	0.14%	6,670	0.15%	7,234	0.15%	8,294	0.17%	7,566	0.17%
16 Interest on Long-Term Debt	661,645	12.08%	680,603	15.30%	709,307	14.43%	806,614	16.37%	697,072	15.85%
17 Interest Charged to Construction - Credit	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
18 Interest Expense - Other	798	0.01%	3,636	0.08%	27,074	0.55%	45,556	0.92%	94,937	2.16%
19 Other Deductions	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
20 Total Cost of Service	\$ 4,258,707	77.73%	\$ 3,465,357	77.92%	\$ 3,697,996	75.22%	\$ 4,074,675	82.72%	\$ 3,363,032	76.46%
21 Patronage Capital & Operating Margins	\$ 1,220,437	22.27%	\$ 981,953	22.08%	\$ 1,218,403	24.78%	\$ 851,455	17.28%	\$ 1,035,662	23.54%
22 Non Operating Margins - Interest	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
23 Allowance for Funds used During Constructio	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
24 Income (Loss) from Equity Investments	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
25 Non Operating Margins - Other	244	0.00%	8,122	0.18%	-	0.00%	9,020	0.18%	-	0.00%
26 Generation & Transmission Capital Credits	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
27 Other Capital Credits & Patronage Dividends	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
28 Extraordinary Items	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
29 Patronage Capital or Margins	\$ 1,220,681	22.28%	\$ 990,075	22.26%	\$ 1,218,403	24.78%	\$ 860,475	17.47%	\$ 1,035,662	23.54%
30 Total Cost of Service Less Cost of Gas	\$ 1,944,311	35.49%	\$ 2,007,294	45.14%	\$ 1,930,828	39.27%	\$ 1,938,820	39.36%	\$ 1,771,239	40.27%
31 Tier - Oper.	2.84		2.44		2.72		2.06		2.49	
32 Tier - Total	2.84		2.45		2.72		2.07		2.49	
33 New Services Connected	43		38		122		11		15	
34 Total Services in Place	4,198		4,081		3,954		3,822		3,775	
35 Miles of Line	275		266		249		242		231	

Lower Valley Energy
 Natural Gas Five Year Comparison
For The Month Ended
June 30, 2017



LOWER VALLEY ENERGY, INC. NATURAL GAS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION Wyoming 11, Lincoln PERIOD ENDED June 30, 2017
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PART R. GAS REQUIREMENTS DATA BASE

CLASSIFICATION	CONSUMER SALES AND REVENUE DATA	JANUARY <i>(a)</i>	FEBRUARY <i>(b)</i>	MARCH <i>(c)</i>	APRIL <i>(d)</i>	MAY <i>(e)</i>	JUNE <i>(f)</i>
1. Residential Sales	a. No. Consumers Served	3,124	3,113	3,125	3,130	3,132	3,147
	b. Therms Sold	458,118	393,255	288,131	194,439	158,880	100,675
	c. Revenue	524,540	470,178	357,089	251,652	203,486	130,254
2. Comm. and Ind.	a. No. Consumers Served	1,003	1,006	1,003	1,013	1,015	1,010
	b. Therms Sold	990,535	815,381	689,804	459,507	373,969	348,054
	c. Revenue	1,035,502	887,211	768,967	519,614	402,274	361,284
3. Unbilled Revenue	a. No. Consumers Served						
	b. Therms Sold	18,829	(139,363)	(198,935)	(19,444)	(50,246)	(23,182)
	c. Revenue	49,236	(155,829)	(212,272)	(25,060)	(82,052)	(28,508)
10. TOTAL No. Consumers (lines 1a - 3a)		4,127	4,119	4,128	4,143	4,147	4,157
11. TOTAL Therms Sold (lines 1b - 3b)		1,467,482	1,069,273	779,000	634,502	482,603	425,547
12. TOTAL Revenue Received From Sales of Gas Energy (lines 1c - 3c)		1,609,278	1,201,561	913,784	746,206	523,708	463,030
13. Other Gas Revenue		1,254	1,935	2,288	5,079	6,529	4,494
14. Therms - Own Use		20,867	20,669	5,529	20,571	10,926	8,693
15. Cost of Purchases		634,919	498,701	397,680	324,223	203,606	180,127

LOWER VALLEY ENERGY, INC.
NATURAL GAS DIVISION
 FINANCIAL AND STATISTICAL REPORT

BORROWER DESIGNATION
 Wyoming 11, Lincoln
PERIOD ENDED
 June 30, 2017

PART R. GAS REQUIREMENTS DATA BASE (Continued)

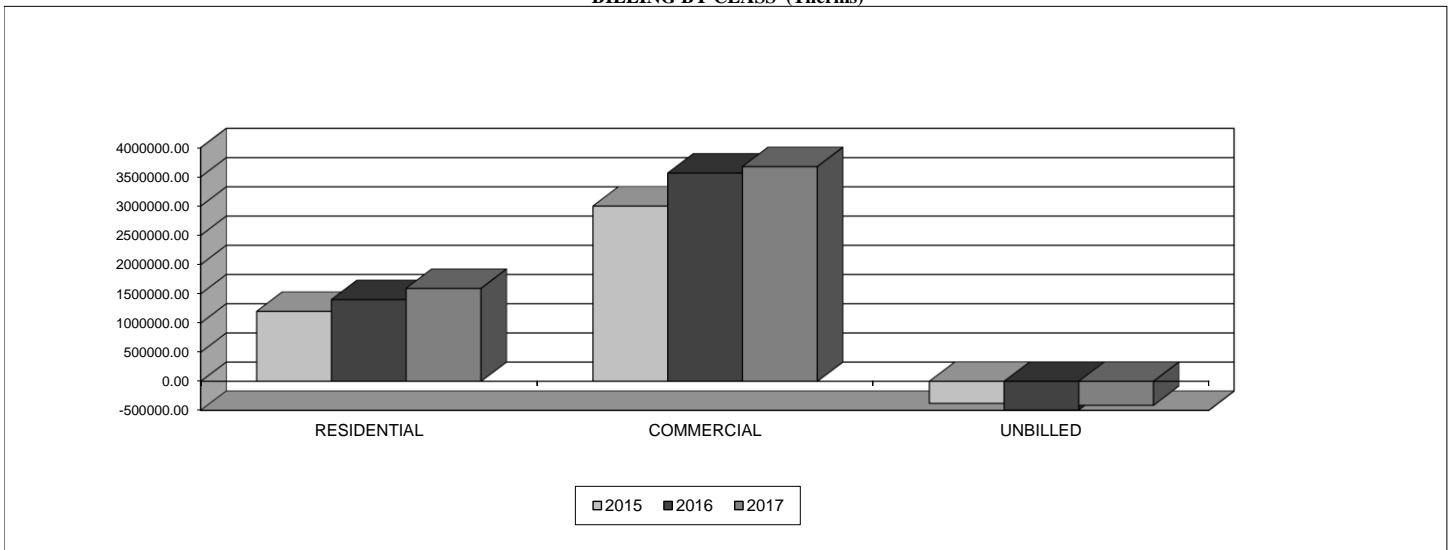
ITEM NUMBER	LINE							TOTAL (Columns a thru l)
	JULY (g)	AUGUST (h)	SEPTEMBER (i)	OCTOBER (j)	NOVEMBER (k)	DECEMBER (l)		
1. Residential Sales	a. No. Consumers Served							
	b. Therms Sold							1,593,498
	c. Revenue							\$1,937,198
2. Comm. and Ind.	a. No. Consumers Served							
	b. Therms Sold							3,677,250
	c. Revenue							\$3,974,853
								0
								\$0
								0
								\$0
3. Unbilled Revenue	a. No. Consumers Served							
	b. Therms Sold							(412,341)
	c. Revenue							(\$454,485)
10. TOTAL No. Consumers (lines 1a - 3a)								
11. TOTAL Therms Sold (lines 1b - 3b)								4,858,407
12. TOTAL Revenue Received From Sales of Gas Energy (lines 1c - 3c)								\$5,457,566
13. Other Gas Revenue								\$21,578
14. Therms - Own Use								87,255
15. Cost of Purchases								\$2,239,256

ANALYSIS OF BILLING
June 30, 2017
Natural Gas Division
Accrual Basis

YEAR	NUMBER			NUMBER			NUMBER		
	OF METERS	THERMS	AMOUNT	OF METERS	THERMS	AMOUNT	OF METERS	THERMS	AMOUNT
	Residential			Commercial					
2015	2,945	1,201,145	\$1,703,234	976	3,002,846	\$3,741,182			
2016	3,059	1,402,346	\$1,557,930	988	3,566,992	\$3,424,609			
2017	3,147	1,593,498	\$1,937,198	1,010	3,677,250	\$3,974,853			
	Change in Unbilled Revenue			June Totals			Year to Date Totals		
2015		(378,824)	(\$551,992)	3,921	390,927	\$457,276	3921	3,825,167	4,892,424
2016		(494,358)	(\$549,211)	4,047	446,860	\$438,378	4047	4,474,980	4,433,328
2017		(412,341)	(\$454,485)	4,157	448,729	\$491,538	4157	4,858,407	5,457,566

Degree Days			Revenue Summary Form 7 Part A Line 1		Lower Valley Energy Therm Usage	
	Normal	Actual				
2014	5,676	5,177	Year to Date Billing	\$5,457,566	2015	63,115
2015	5,678	5,501	Other Revenue	21,578	2016	90,076
2016	5,355	5,488	Form 7a Line 1 YTD Revenue	<u>\$5,479,144</u>	2017	87,255

BILLING BY CLASS (Therms)

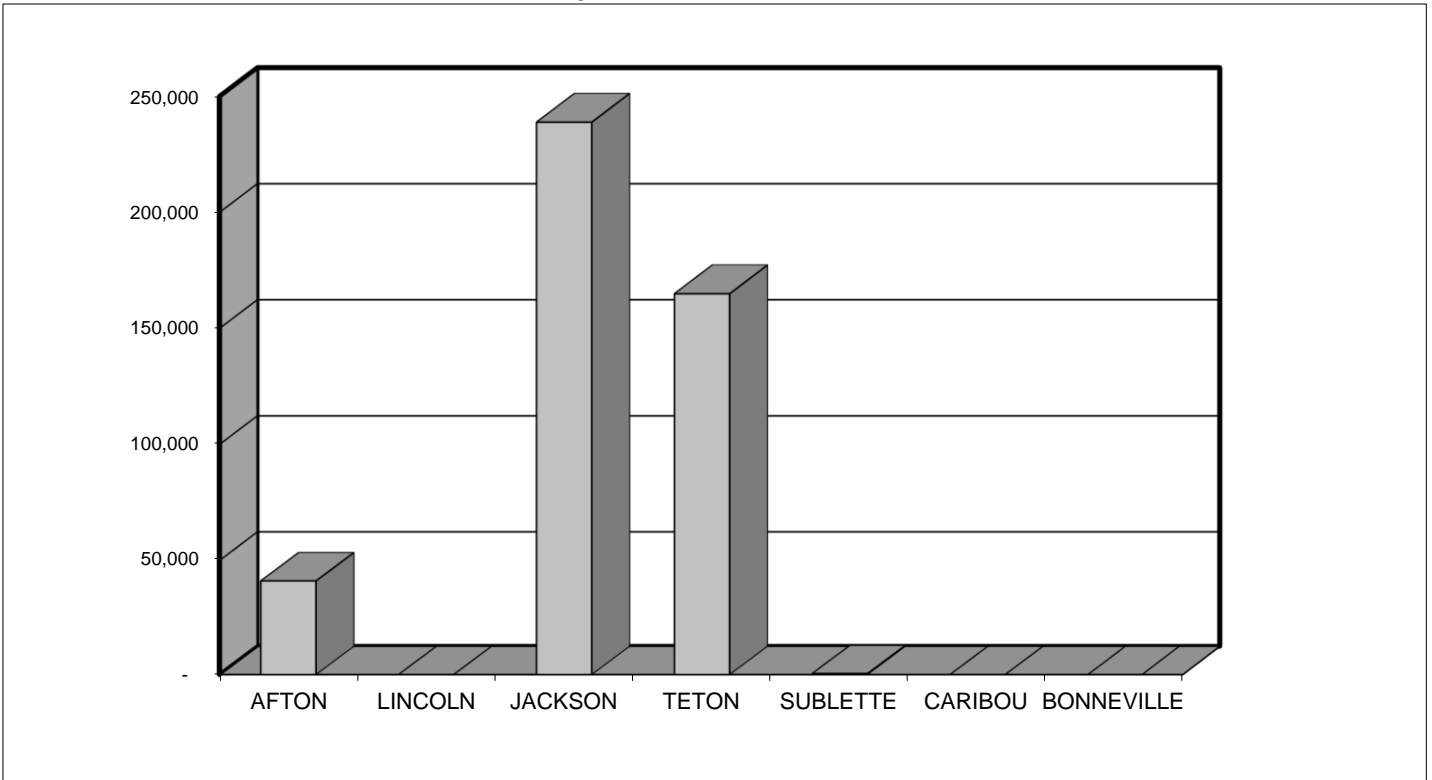


**LOWER VALLEY ENERGY
BILLING BY GEOGRAPHIC
NATURAL GAS
June 30, 2017
BILLING BASIS**

	CONSUMERS	THERMS	CHARGES	AVERAGE THERMS	AVERAGE BILL	REVENUE PER THERM
TOWN OF AFTON	794	41,031	\$47,401	52	\$59.70	\$1.16
TOWN OF JACKSON	2,367	238,834	\$261,877	101	\$110.64	\$1.10
TETON COUNTY	981	164,914	\$181,727	168	\$185.25	\$1.10
SUBLETTE COUNTY	15	426	\$533	28	\$35.54	\$1.25
TOTAL	<u>4,142</u>	<u>445,205</u>	<u>\$491,538</u>	<u>107</u>	<u>\$118.67</u>	<u>\$1.10</u>

Adjustments and Accruals	<u>(24,014)</u>
Total Operating Revenue	<u>\$467,524</u>

THERMS BILLED



SWIFT CREEK HYDRO
STATEMENT OF OPERATIONS
For The Month Ended
June 30, 2017

STATEMENT OF OPERATIONS - SWIFT CREEK HYDRO DIVISION

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital.....	\$ 162,677	\$ 115,638	\$ 142,607	\$ 30,938
2. Power Production Expense.....	39,462	14,062	60,319	6,453
3. Scheduling and Delivery.....	18,528	18,561	18,716	3,091
4. Transmission Operation & Maintenance.....	-	-	-	-
5. Distribution Operation Expense.....	-	-	-	-
6. Distribution Maintenance Expense.....	-	-	-	-
7. Consumer Accounts Expense.....	-	-	-	-
8. Customer Service and Informational Expense.....	-	-	-	-
9. Sales Expense.....	-	-	-	-
10. Administrative and General Expense.....	4,468	11,610	4,050	1,935
11. Total Operation & Maintenance Expense (2 thru 10)...	62,459	44,232	83,085	11,479
12. Depreciation and Amortization Expense.....	73,845	73,845	73,920	12,308
13. Tax Expense-Property.....	9,720	11,168	9,950	1,861
14. Tax Expense-Other.....	-	-	-	-
15. Interest on Long-Term Debt.....	43,195	55,930	44,730	10,429
16. Interest Charged to Construction-Credit.....	-	-	-	-
17. Interest Expense-Other.....	-	-	-	-
18. Other Deductions.....	-	-	-	-
19. Total Cost of Electric Service (11 thru 18).....	189,219	185,175	211,685	36,077
20. Patronage Capital & Operating Margins (1 minus 19)...	(26,542)	(69,537)	(69,078)	(5,139)
21. Non Operating Margins-Interest.....	-	-	-	-
22. Allowance for Funds Used During Construction.....	-	-	-	-
23. Income (Loss) from Equity Investments.....	-	-	-	-
24. Non Operating Margins-Other.....	-	-	-	-
25. Generation and Transmission Capital Credits.....	-	-	-	-
26. Other Capital Credits and Patronage Dividends.....	-	-	-	-
27. Extraordinary Items.....	-	-	-	-
28. Patronage Capital or Margins (20 thru 27).....	\$ (26,542)	\$ (69,537)	\$ (69,078)	\$ (5,139)

Note:

Sales for 2017 consisted of the following:

PacifiCorp PURPA sales	\$ 103,977
DOE Hydro Incentive	-
Green sales to Teton County	11,661
	<u>11,661</u>
	<u>\$ 115,638</u>

SWIFT CREEK HYDRO
FINANCIAL AND STATISTICAL REPORT
For the Month Ended
June 30, 2017

BALANCE SHEET - SWIFT CREEK HYDRO DIVISION

ASSETS AND OTHER DEBITS	LIABILITIES AND OTHER CREDITS
1. Total Utility Plant in Service..... \$ 7,072,196	30. Memberships..... \$ -
2. Construction Work in Progress..... -	31. Patronage Capital..... -
3. Total Utility Plant (1 + 2)..... 7,072,196	32. Operating Margins-Prior Years..... (60,976)
4. Accum. Provision for Depreciation and Amort..... 1,150,939	33. Operating Margins-Current Year..... (69,537)
5. Net Utility Plant (3 - 4)..... 5,921,258	34. Non Operating Margins..... -
6. Nonutility Property - Net..... -	35. Other Margins and Equities..... 530,757
7. Investments in Subsidiary Companies..... -	36. Total Margins & Equities (30 thru 35)..... 400,244
8. Invest. in Assoc. Org. - Patronage Capital..... -	37. Long-Term Debt - Bonds..... -
9. Invest. in Assoc. Org.-Other-General Funds..... -	38. Long-Term Debt Other - Econ. Devel. (Net)..... -
10. Invest. in Assoc. Org.-Other-Nongeneral Funds..... -	39. Long-Term Debt Other - Guaranteed..... -
11. Investments in Economic Development Projects..... -	40. Long-Term Debt-Other (Net)..... 5,154,886
12. Other Investments..... -	41. Total Long-Term Debt (37 thru 40)..... 5,154,886
13. Special Funds..... -	42. Obligations under Capital Leases..... -
14. Total Other Property & Investments (6 thru 13)..... -	43. Accumulated Operating Provisions..... -
15. Cash-General Funds..... -	44. Total Other Noncurrent Liabilities (42 + 43)..... -
16. Cash-Construction Funds-Trustee..... -	45. Notes Payable..... -
17. Special Deposits..... -	46. Accounts Payable..... -
18. Temporary Investments..... -	47. Consumers Deposits..... -
19. Notes Receivable-Net..... -	48. Current Maturities of Long-term Debt..... 225,412
20. Accounts Receivable-Net Sales of Energy..... -	49. Other Current & Accrued Liabilities..... 115,891
21. Accounts Receivable-Net Other..... 54,653	50. Total Current & Accrued Liabilities (45 thru 48)..... 341,303
22. Materials & Supplies-Electric and Other..... -	51. Deferred Credits..... 156,548
23. Prepayments..... -	52. Miscellaneous Operating Reserves..... -
24. Other Current & Accrued Assets..... -	53. Total Liabilities & Other Credits
25. Total Current & Accrued Assets (15 thru 24)..... 54,653	(36 +41 + 44 + 50 thru 52)..... \$ 6,052,981
26. Regulatory Assets..... -	
27. Deferred Debits..... 77,071	
28. Accumulated Deferred Income Taxes..... -	
29. Total Assets & Other Debits (5 + 14 + 25 thru 28)..... \$ 6,052,981	

LOWER VALLEY ENERGY, INC
STATEMENT OF CASH FLOWS

For The Month Ended
June 30, 2017

SWIFT CREEK HYDRO

	YEAR TO DATE	THIS MONTH
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Margins	\$ (69,537)	\$ (5,139)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	73,845	12,308
Decrease/(Increase) in:		
Special Deposits	-	-
Accounts Receivable	-	-
Other Accounts Receivable	(20,728)	(12,833)
Materials & Supplies	-	-
Prepayments	-	-
Other Current Assets	-	-
Other Deferred Debits	(53,769)	(0)
Increase/(Decrease) in:		
Accounts Payable (excluding line of credit)	-	-
Consumer Deposits	-	-
Other Current Liabilities	2,208	(35,633)
Deferred Credits	35,804	-
Net cash provided by operating activities	(32,177)	(41,297)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets Net of Retirements	-	-
Change in Notes Receivable	-	-
Change in Investments in Associated Organizations	-	-
Change in Investments in Economic Development Projects	-	-
Change in Temporary Investments	-	-
Change in Other Investments	-	-
Net cash provided/(used) by investing activities	-	-
CASH FLOWS FROM FINANCING AND CAPITAL CREDIT		
Change in Capital Credits	6,624	-
Change in Long-term Debt	(111,578)	-
Net cash provided/(used) by financing and capital credit activities	(104,954)	-
Total change in intercompany balance	(137,131)	(41,297)
Beginning intercompany balance	69,314	(26,520)
Ending intercompany balance (positive = cash, negative = liability)	\$ (67,817)	\$ (67,817)