

**LOWER VALLEY ENERGY
STATEMENT OF OPERATIONS**

*For The Month Ended
October 31, 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

November 17, 2017
DATE

SIGNATURE OF PRESIDENT AND CEO

November 17, 2017
DATE

STATEMENT OF OPERATIONS - CONSOLIDATED

ITEM	YEAR-TO-DATE			
	Electric	Natural Gas	Consolidated	Budget
1 Operating Revenue	\$ 38,273,898	\$ 7,410,325	\$ 45,684,224	\$ 43,817,046
2 Power Production Expense	88,620	-	88,620	166,687
3 Cost of Purchased Power/Gas Sold	21,050,752	2,974,366	24,025,118	23,356,613
4 Transmission Operation & Maintenance	831,871	158,408	990,279	723,765
5 Regional Market Expense	-	-	-	-
6 Distribution Operation Expense	2,529,019	325,143	2,854,162	2,962,583
7 Distribution Maintenance Expense	1,129,273	253,997	1,383,269	1,503,946
8 Consumer Accounts Expense	554,730	88,444	643,174	685,253
9 Customer Service and Informational Expense	251,148	34,609	285,757	344,050
10 Sales Expense	-	-	-	-
11 Administrative and General Expense	1,603,792	310,487	1,914,279	2,354,406
12 Total Operation & Maintenance Expense (2 thru 11)	\$ 28,039,205	\$ 4,145,453	\$ 32,184,657	\$ 32,097,304
13 Depreciation and Amortization Expense	3,959,384	1,058,138	5,017,522	5,121,230
14 Tax Expense-Property	411,741	189,606	601,347	593,900
15 Tax Expense-Other	35,411	9,429	44,839	44,200
16 Interest on Long-Term Debt	3,497,629	1,097,309	4,594,937	4,604,160
17 Interest Charged to Construction-Credit	-	-	-	-
18 Interest Expense-Other ¹	19,060	6,651	21,232	20,000
19 Other Deductions	(25,136)	-	(25,136)	(25,140)
20 Total Cost of Electric Service (16 thru 23)	\$ 35,937,293	\$ 6,506,585	\$ 42,439,399	\$ 42,455,654
21 Patronage Capital & Operating Margins (3 minus 24)	\$ 2,336,605	\$ 903,741	\$ 3,244,825	\$ 1,361,393
22 Non Operating Margins-Interest ¹	280,207	-	275,728	176,493
23 Allowance for Funds Used During Construction	-	-	-	-
24 Income (Loss) from Equity Investments	-	-	-	-
25 Non Operating Margins-Other	5,152	325	5,477	20,700
26 Generation and Transmission Capital Credits	-	-	-	-
27 Other Capital Credits and Patronage Dividends	408,985	110,138	519,122	545,000
28 Extraordinary Items	-	-	-	-
29 Patronage Capital or Margins (21 thru 28)	\$ 3,030,949	\$ 1,014,203	\$ 4,045,152	\$ 2,103,586

DATA ON TRANSMISSION AND DISTRIBUTION

ITEM	YEAR-TO-DATE			
	Electric	Natural Gas	Consolidated	Last Year
1 New Services Connected	358	99	457	473
2 Services Retired	99	3	102	142
3 Total Services in Place	27,775	4,239	32,014	31,686
4 Idle Services (Excluding Seasonal)	215	37	252	253
5 Miles Transmission	264	53	317	317
6 Miles Distribution - Overhead	929	-	929	937
7 Miles Distribution - Underground	1,520	222	1,742	1,704
8 Total Miles In Service (5 + 6 + 7)	2,713	275	2,988	2,958

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
October 31, 2017

STATEMENT OF OPERATIONS - CONSOLIDATED

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR	THIS YEAR	BUDGET	
	(a)	(b)	(c)	
1 Operating Revenue	\$ 42,876,540	\$ 45,684,224	\$ 43,817,046	\$ 4,651,350
2 Power Production Expense	104,229	88,620	166,687	15,184
3 Cost of Purchased Power & Gas	20,774,756	24,025,118	23,356,613	2,282,064
4 Transmission Operation & Maintenance	638,757	990,279	723,765	174,070
5 Regional Market Expense	-	-	-	-
6 Distribution Operation Expense	2,825,847	2,854,162	2,962,583	271,176
7 Distribution Maintenance Expense	1,362,035	1,383,269	1,503,946	119,904
8 Consumer Accounts Expense	670,040	643,174	685,253	64,513
9 Customer Service and Informational Expense	389,360	285,757	344,050	29,004
10 Sales Expense	-	-	-	-
11 Administrative and General Expense	1,911,305	1,914,279	2,354,406	271,339
12 Total Operation & Maintenance Expense (2 thru 11)	\$ 28,676,329	\$ 32,184,657	\$ 32,097,304	\$ 3,227,256
13 Depreciation and Amortization Expense	4,935,899	5,017,522	5,121,230	511,379
14 Tax Expense-Property	567,181	601,347	593,900	42,776
15 Tax Expense-Other	42,832	44,839	44,200	4,362
16 Interest on Long-Term Debt	4,864,894	4,594,937	4,604,160	452,752
17 Interest Charged to Construction-Credit	-	-	-	-
18 Interest Expense-Other ¹	11,018	21,232	20,000	10,716
19 Other Deductions	(149,122)	(25,136)	(25,140)	-
20 Total Cost of Electric Service (16 thru 23)	\$ 38,949,031	\$ 42,439,399	\$ 42,455,654	\$ 4,249,241
21 Patronage Capital & Operating Margins (3 minus 24)	\$3,927,509	\$3,244,825	\$1,361,393	\$402,109
22 Non Operating Margins-Interest ¹	194,786	275,728	176,493	29,474
23 Allowance for Funds Used During Construction	-	-	-	-
24 Income (Loss) from Equity Investments	-	-	-	-
25 Non Operating Margins-Other	62,753	5,477	20,700	-
26 Generation and Transmission Capital Credits	-	-	-	-
27 Other Capital Credits and Patronage Dividends	590,244	519,122	545,000	-
28 Extraordinary Items	-	-	-	-
29 Patronage Capital or Margins (21 thru 28)	\$ 4,775,291	\$ 4,045,152	\$ 2,103,586	\$ 431,583

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	473	457	5. Miles Trans.	317	317
2. Services Retired	142	102	6. Miles Dist. - OH	937	929
3. Total Services in Place	31,686	32,014	7. Miles Dist. - UG	1,704	1,742
4. Idle Services (Exclude Seasonal)	253	252	8. Total Miles (5 + 6 + 7)	2,958	2,988

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
October 31, 2017

CONSOLIDATED

ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
	Current Year	Prior Year		Current Year	Prior Year
1 Total Utility Plant in Service	\$ 222,846,780	\$ 219,610,213	30 Memberships	\$ -	\$ -
2 Construction Work in Progress	4,505,162	973,871	31 Patronage Capital	63,275,190	60,374,490
3 Total Utility Plant	227,351,942	220,584,084	32 Operating Margins-Prior Years	-	-
4 Accum. Provision for Depreciation and Amort	102,652,400	97,575,653	33 Operating Margins-Current Year	3,240,346	3,927,501
5 Net Utility Plant	124,699,542	123,008,431	34 Non Operating Margins	804,806	847,782
6 Nonutility Property - Net	-	-	35 Other Margins and Equities	18,506,493	17,054,905
7 Investments in Subsidiary Companies	-	-	36 Total Margins & Equities	85,826,835	82,204,677
8 Invest. in Assoc. Org. - Patronage Capital	2,869,469	2,616,935	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)	53,989,003	56,068,859
12 Other Investments	560,000	598,800	40a Long-Term Debt-BPA Power Prepayment	108,101,542	117,009,574
13 Special Funds	-	-	41 Long-Term Debt - WY SEO (Net)	764,925	1,136,156
14 Total Other Property & Investments	5,455,940	5,243,065	41a Long-Term Debt - REDL&G	1,000,000	1,000,000
15 Cash-General Funds	930,020	631,362	42 Payments - Unapplied	-	-
16 Cash-Construction Funds-Trustee	-	-	43 Total Long-Term Debt	163,855,471	175,214,589
17 Special Deposits	1,359,027	2,333,050	44 Obligations under Capital Leases	-	-
18 Temporary Investments	8,321,835	7,725,464	45 Accumulated Operating Provisions	-	-
19 Notes Receivable-Net	1,329,825	323,569	46 Total Other Noncurrent Liabilities	-	-
20 Accounts Receivable-Net Sales of Energy	3,606,984	2,959,650	47 Notes Payable	-	-
21 Accounts Receivable-Net Other	437,238	1,558,033	48 Accounts Payable	2,363,588	2,180,410
22 Renewable Energy Credits	-	-	49 Consumers Deposits	587,168	548,335
23 Materials & Supplies-Electric and Other	1,443,486	2,252,946	50 Current Maturities Long-Term Debt	2,079,856	2,105,078
24 Prepayments (inc. BPA Power Prepayment)	178,583	183,403	50a Current Maturities LTD (BPA Prepay)	8,912,511	8,582,843
24a BPA Power Prepayment - Current	8,258,881	7,891,736	51 Current Maturities LTD - Econ. Devel.	186,521	-
25 Other Current & Accrued Assets	1,651,242	1,840,031	52 Current Maturities Capital Leases	-	-
26 Total Current & Accrued Assets	27,517,120	27,699,245	53 Other Current & Accrued Liabilities	3,128,527	3,826,710
27 Regulatory Assets	-	-	54 Total Current & Accrued Liabilities	17,258,170	17,243,376
28 Other Deferred Debits	3,158,639	3,526,450	55 Regulatory Liabilities	-	-
28a BPA Power Prepayment - Non-current	110,263,798	118,827,467	56 Deferred Credits	4,154,563	3,642,016
29 Total Assets & Other Debits	\$ 271,095,039	\$ 278,304,658	57 Total Liabilities & Other Credits	\$ 271,095,039	\$ 278,304,658
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)				2,035,595	2,793,552
60 Total Contributions-In-Aid-Of-Construction				\$62,677,604	\$60,226,665

LOWER VALLEY ENERGY, INC.
NOTES TO FINANCIAL STATEMENTS

As of
October 31, 2017

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

	2017		2016	
	September	October	September	October
1 Cost of Power & Gas				
Cost from Income Statement	\$ 21,743,053	\$ 24,025,118	\$ 18,823,353	\$ 20,774,756
Plus: Interest on BPA Prepayment Loan	2,985,233	3,307,093	#VALUE!	3,537,711
Total Cost of Power with BPA Interest	<u>\$ 24,728,286</u>	<u>\$ 27,332,211</u>	<u>#VALUE!</u>	<u>\$ 24,312,467</u>
2 Current Assets/Liabilities	1.67	1.59	1.58	1.62
3 Equity	31.47%	31.66%	29.32%	29.58%
Equity excluding BPA Power Prepayment	55.56%	55.70%	53.87%	53.83%
4 Long Term Debt as a % of Plant	77.84%	76.99%	91.35%	91.01%
Long Term Debt as a % of Plant excl. BPA Power Prepayment	25.72%	25.44%	30.18%	30.07%
5 Debt Service Coverage	0.99	1.00	1.08	1.12
Debt Service Coverage excl. BPA Power Prepayment	2.05	2.12	2.25	2.37
6 Intercompany Receivables/(Payables) :				
Natural Gas Division Receivable/(Payable)	\$ 2,084,183	\$ 2,035,795	\$ 317,898	\$ 338,348
less: Teton Village CIAC Receivable	1,219,007	1,204,006	1,437,326	1,425,770
Net Balance	<u>\$ 3,303,190</u>	<u>\$ 3,239,801</u>	<u>\$ 1,755,224</u>	<u>\$ 1,764,119</u>
7 Total Shared Overhead - Gas Division	<u>308,806</u>	<u>349,411</u>	<u>243,983</u>	<u>268,840</u>
8 Total Shared Overheads - Beartooth Electric	<u>342,540</u>	<u>342,540</u>	<u>435,361</u>	<u>483,360</u>
9 Material Inventory:				
Material	1,895,759	1,443,486	2,203,202	2,252,946
Special Equip.	2,625,724	2,551,664	2,493,656	2,662,975
Total Material	<u>4,521,483</u>	<u>3,995,150</u>	<u>4,696,858</u>	<u>4,915,921</u>
10 Inventory Carrying Cost (YTD)	<u>36,968</u>	<u>41,002</u>	<u>43,169</u>	<u>48,554</u>
11 Inventory Turnover - Electric (Dist & Trans)				
Dollar Value	0.80	1.05	0.59	0.42
Quantity	1.03	1.18	0.87	0.85
12 Aged Accounts Receivable (Over 60 Days):	<u>63,890</u>	<u>43,585</u>	<u>43,111</u>	<u>28,295</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
October 31, 2017

CONSOLIDATED

	YEAR TO DATE	BUDGET	THIS MONTH
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net Margins	\$ 4,045,152	\$ 2,103,586	\$ 431,583
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation Expense	5,017,522	5,121,230	511,379
Decrease/(Increase) in:			
Special Deposits	17 969,784	-	-
Accounts Receivable	20 2,535,922	-	(749,139)
Other Accounts Receivable	21 548,099	-	562,838
Materials & Supplies	23 163,717	-	452,273
Prepayments	24 (125,367)	-	11,095
BPA Prepayment	28a 6,856,189	4,643,810	697,369
Other Current Assets	25 1,739,669	-	(206,318)
Other Deferred Debits	28 209,047	79,200	22,918
Increase/(Decrease) in:			
Accounts Payable (excluding line of credit)	48 (1,098,904)	-	(40,920)
Consumer Deposits	49 59,384	-	(4,183)
Other Current Liabilities	53 (605,079)	-	219,590
Deferred Credits	56 (1,077,368)	(196,610)	(267,171)
Net cash provided by operating activities	19,237,768	11,751,216	1,641,314
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets Net of Retirements	(6,652,938)	(3,935,043)	(1,705,654)
Change in Notes Receivable	19 (981,635)	-	6,279
Change in Investments in Associated Organizations	8-10 (253,869)	-	-
Change in Investments in Economic Development Projects	11 -	-	-
Change in Temporary Investments	18 (821,835)	-	1,353,165
Change in Other Investments	12 30,000	-	-
Net cash provided/(used) by investing activities	(8,680,277)	(3,935,043)	(346,210)
CASH FLOWS FROM FINANCING AND CAPITAL CREDIT ACTIVITIES:			
Change in Capital Credits	31 (674,681)	(566,000)	(39,613)
Change in Line of Credit	-	-	-
Change in Long-term Debt	40-40a, 41-41a, 50 (9,023,784)	(9,026,029)	(725,375)
Net cash provided/(used) by financing and capital credit activities	(9,698,465)	(9,592,029)	(764,988)
Total change in cash	859,025	(1,775,856)	530,116
Beginning cash	70,995	7,000,000	399,904
Ending cash	\$ 930,020	\$ 5,224,144	\$ 930,020
Add: Temporary investments	8,321,835		
Ending cash and temporary investments	\$ 9,251,855		

LOWER VALLEY ENERGY, INC
SUMMARY OF DEFERRED DEBITS & CREDITS

As of
October 31, 2017

CONSOLIDATED

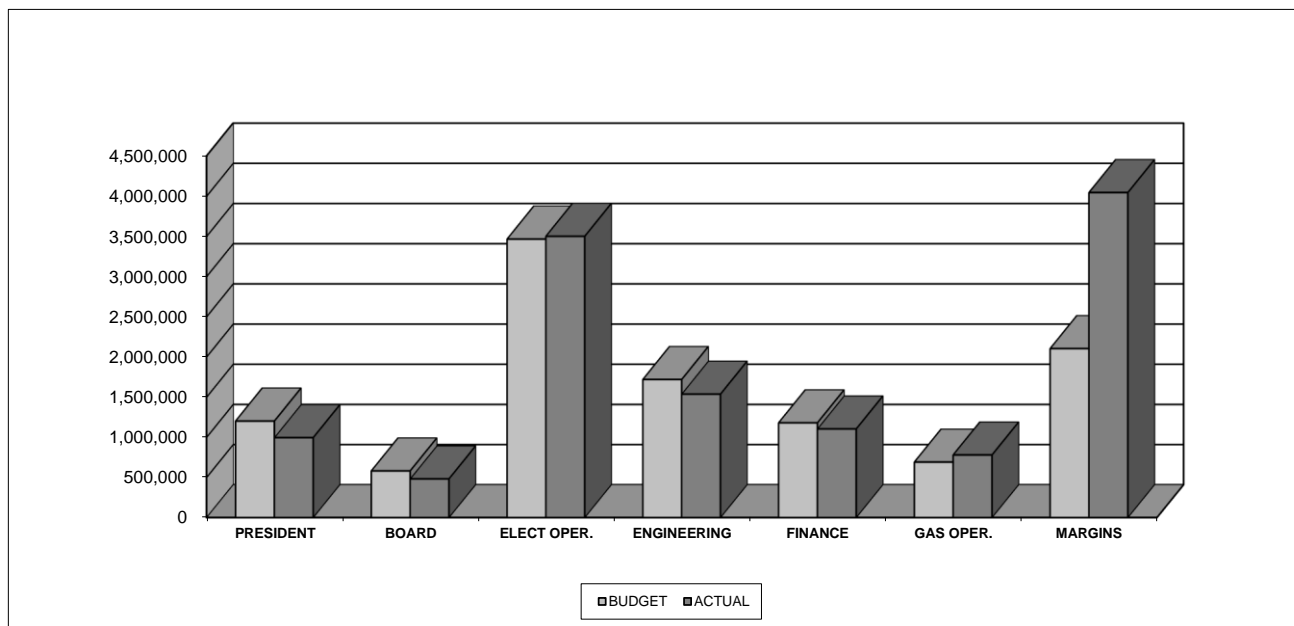
	YEAR TO DATE	PRIOR MONTH	PRIOR YEAR
Deferred Debits - Electric Division			
CFC Repricing Fees	411,151	412,490	427,222
Town of Afton Swift Creek Receivable	73,383	73,383	6,620
	484,534	485,873	433,842
Deferred Debits - Gas Division			
CFC Repricing Fees	1,470,099	1,476,677	1,549,032
Teton Village Contribution in Aid Rec.	1,204,006	1,219,007	1,425,770
Natural Gas Fuel Balancing Account	-	-	117,806
	2,674,105	2,695,683	3,092,608
Total Deferred Debits	\$ 3,158,639	\$ 3,181,556	\$ 3,526,450
Deferred Credits - Electric Division			
Horse Butte Wind Payment from Eagle Mountain	\$ 3,017,954	\$ 3,035,101	\$ 3,223,724
Conservation Expenditures	77,800	308,324	(634,570)
Conservation - Loan Loss Reserve	200,000	200,000	200,000
Conservation Funds	365,551	365,551	379,466
Prepaid Revenue-Gift Certificates	3,395	3,395	2,970
Unamortized Gain on Debt Discount	-	-	54,961
Boardman liability	380,337	390,345	415,466
	4,045,037	4,302,717	3,642,017
Deferred Credits - Gas Division			
Natural Gas Fuel Balancing Account	109,527	119,017	-
	109,527	119,017	-
Total Deferred Credits	\$ 4,154,563	\$ 4,421,734	\$ 3,642,017

Lower Valley Energy
 Consolidated Budget vs. Actual Comparison
 For The Month Ended
 October 31, 2017

ITEM	2017 Total			YTD Variance	% Variance
	Budget	YTD Actual	YTD Budget		
1 Operating Revenue	\$ 55,809,309	\$ 45,684,224	\$ 43,817,046	\$ 1,867,177	4.26%
2 Power Production Expense	192,207	88,620	166,687	(78,067)	-46.83%
3 Cost of Purchased Power	29,270,221	24,025,118	23,356,613	668,505	2.86%
4 Transmission Operation & Maintenance	872,051	990,279	723,765	266,513	36.82%
5 Regional Market Expense	-	-	-	-	0.00%
6 Distribution Operation Expense	3,552,326	2,854,162	2,962,583	(108,422)	-3.66%
7 Distribution Maintenance Expense	1,741,625	1,383,269	1,503,946	(120,677)	-8.02%
8 Consumer Accounts Expense	816,301	643,174	685,253	(42,079)	-6.14%
9 Customer Service and Informational Expense	422,243	285,757	344,050	(58,293)	-16.94%
10 Sales Expense	-	-	-	-	0.00%
11 Administrative and General Expense	3,041,636	1,914,279	2,354,406	(440,127)	-18.69%
12 Total Operation & Maintenance Expense (2 thru 11)	39,908,610	32,184,657	32,097,304	87,354	0.27%
13 Depreciation and Amortization Expense	6,158,660	5,017,522	5,121,230	(103,708)	-2.03%
14 Tax Expense-Property	712,700	601,347	593,900	7,447	1.25%
15 Tax Expense-Other	55,000	44,839	44,200	639	1.45%
16 Interest on Long-Term Debt	5,496,770	4,594,937	4,604,160	(9,223)	-0.20%
17 Interest Charged to Construction-Credit	-	-	-	-	0.00%
18 Interest Expense-Other	24,000	21,232	20,000	1,232	6.16%
19 Other Deductions	(25,140)	(25,136)	(25,140)	4	-0.02%
20 Total Cost of Electric Service (12 thru 19)	52,330,600	42,439,399	42,455,654	(16,255)	-0.04%
21 Patronage Capital & Operating Margins (1 minus 20)	3,478,709	3,244,825	1,361,393	1,883,432	138.35%
22 Non Operating Margins-Interest	211,925	275,728	176,493	99,235	56.23%
23 Allowance for Funds Used During Construction	-	-	-	-	0.00%
24 Income (Loss) from Equity Investments	-	-	-	-	0.00%
25 Non Operating Margins-Other	20,700	5,477	20,700	(15,223)	-73.54%
26 Generation and Transmission Capital Credits	-	-	-	-	0.00%
27 Other Capital Credits and Patronage Dividends	564,000	519,122	545,000	(25,878)	-4.75%
28 Extraordinary Items	-	-	-	-	0.00%
29 Patronage Capital or Margins (21 thru 28)	\$ 4,275,334	\$ 4,045,152	\$ 2,103,586	\$ 1,941,566	92.30%

Tier - Oper.	1.63	1.71	1.30
Tier - Total	1.78	1.88	1.46

BUDGET BY DEPARTMENT



LOWER VALLEY ENERGY
STATEMENT OF OPERATIONS
For The Month Ended
October 31, 2017

ELECTRIC DIVISION

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1 Operating Revenue and Patronage Capital	\$ 36,732,083	\$ 38,273,898	\$ 36,979,746	\$ 3,948,375
2 Power Production Expense	104,229	88,620	166,687	15,184
3 Cost of Purchased Power	18,838,686	21,050,752	20,693,354	2,014,604
4 Transmission Operation & Maintenance	489,685	831,871	563,137	147,697
5 Regional Market Expense	-	-	-	-
6 Distribution Operation Expense	2,563,348	2,529,019	2,681,395	235,728
7 Distribution Maintenance Expense	1,173,446	1,129,273	1,288,656	52,969
8 Consumer Accounts Expense	601,062	554,730	588,492	55,479
9 Customer Service and Informational Expense	369,484	251,148	313,190	25,419
10 Sales Expense	-	-	-	-
11 Administrative and General Expense	1,625,469	1,603,792	1,931,433	228,522
12 Total Operation & Maintenance Expense (2 thru 11)	\$ 25,765,410	\$ 28,039,205	\$ 28,226,342	\$ 2,775,603
13 Depreciation and Amortization Expense	3,888,101	3,959,384	4,062,880	405,537
14 Tax Expense-Property	388,722	411,741	417,810	23,769
15 Tax Expense-Other	34,698	35,411	35,700	3,461
16 Interest on Long-Term Debt	3,735,748	3,497,629	3,506,800	344,247
17 Interest Charged to Construction-Credit	-	-	-	-
18 Interest Expense-Other	7,160	19,060	12,000	5,665
19 Other Deductions	(149,122)	(25,136)	(25,140)	-
20 Total Cost of Electric Service (12 thru 19)	\$ 33,670,718	\$ 35,937,293	\$ 36,236,392	\$ 3,558,283
21 Patronage Capital & Operating Margins (1 minus 20)	\$ 3,061,365	\$ 2,336,605	\$ 743,354	\$ 390,092
22 Non Operating Margins-Interest	194,786	280,207	176,493	29,474
23 Allowance for Funds Used During Construction	-	-	-	-
24 Income (Loss) from Equity Investments	-	-	-	-
25 Non Operating Margins-Other	54,631	5,152	20,700	-
26 Generation and Transmission Capital Credits	-	-	-	-
27 Other Capital Credits and Patronage Dividends	481,400	408,985	445,000	-
28 Extraordinary Items	-	-	-	-
29 Patronage Capital or Margins (21 thru 28)	\$ 3,792,182	\$ 3,030,949	\$ 1,385,547	\$ 419,565

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	378	358	5. Miles Trans.	264	264
2. Services Retired	120	99	6. Miles Dist. - Overhead	937	929
3. Total Services in Place	27,380	27,775	7. Miles Dist. - Underground	1,476	1,520
4. Idle Services (Exclude Seasonal)	220	215	8. Total Miles (5 + 6 + 7)	2,677	2,713

LOWER VALLEY ENERGY
BALANCE SHEET
As of
October 31, 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	\$ 177,250,286	\$ 174,230,612	30 Memberships	\$ -	\$ -
2 Construction Work in Progress	3,806,876	570,321	31 Patronage Capital	53,942,794	52,452,820
3 Total Utility Plant	181,057,162	174,800,933	32 Operating Margins-Prior Years	-	-
4 Accum. Provision for Depreciation and Amort	89,107,467	85,307,513	33 Operating Margins-Current Year	2,336,605	3,061,357
5 Net Utility Plant	91,949,695	89,493,420	34 Non Operating Margins	694,343	730,817
6 Nonutility Property - Net	-	-	35 Other Margins and Equities	18,469,584	17,033,762
7 Investments in Subsidiary Companies	-	-	36 Total Margins & Equities	75,443,327	73,278,756
8 Invest. in Assoc. Org. - Patronage Capital	2,167,955	1,970,490	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)	26,101,127	27,154,935
12 Other Investments	560,000	598,800	40a Long-Term Debt-BPA Power Prepayment	108,101,542	117,009,574
13 Special Funds	-	-	41 Long-Term Debt - WY SEO (Net)	764,925	1,136,156
14 Total Other Property & Investments	4,175,526	4,017,720	41a Long-Term Debt - REDL&G	1,000,000	1,000,000
15 Cash-General Funds	930,020	631,362	42 Payments - Unapplied	-	-
16 Cash-Construction Funds-Trustee	-	-	43 Total Long-Term Debt	135,967,595	146,300,664
17 Special Deposits	1,359,027	2,333,050	44 Obligations under Capital Leases	-	-
18 Temporary Investments	8,321,835	7,725,464	45 Accumulated Operating Provisions	-	-
19 Notes Receivable-Net	1,329,825	323,569	46 Total Other Noncurrent Liabilities	-	-
20 Accounts Receivable-Net Sales of Energy	3,027,539	2,568,047	47 Notes Payable	-	-
21 Accounts Receivable-Net Other	348,691	1,525,173	48 Accounts Payable	2,348,918	2,180,410
22 Renewable Energy Credits	-	-	49 Consumers Deposits	532,873	503,688
23 Materials & Supplies-Electric and Other	1,402,755	2,076,943	50 Current Maturities Long-Term Debt	1,053,808	1,123,484
24 Prepayments	178,583	98,028	50a Current Maturities LTD (BPA Prepay)	8,912,511	8,582,843
24a BPA Power Prepayment - Current	8,258,881	7,891,736	51 Current Maturities LTD - Econ. Devel.	186,521	-
25 Other Current & Accrued Assets	1,356,109	1,225,003	52 Current Maturities Capital Leases	-	-
26 Total Current & Accrued Assets	26,513,265	26,398,375	53 Other Current & Accrued Liabilities	4,896,230	3,558,962
27 Regulatory Assets	-	-	54 Total Current & Accrued Liabilities	17,930,859	15,949,387
28 Other Deferred Debits	484,534	433,842	55 Regulatory Liabilities	-	-
28a BPA Power Prepayment - Non-current	110,263,798	118,827,467	56 Deferred Credits	4,045,037	3,642,017
29 Total Assets & Other Debits	\$ 233,386,818	\$ 239,170,824	57 Total Liabilities & Other Credits	\$ 233,386,818	\$ 239,170,824

NOTES TO FINANCIAL STATEMENTS

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

	2017		2016	
	September	October	September	October
1 Cost of Power				
Cost of Power from Income Statement		\$ 21,050,752		\$ 18,838,686
plus: Interest on BPA Prepayment Loan		3,307,093		3,537,711
Total Power Cost		<u>\$ 24,357,845</u>		<u>\$ 22,376,396</u>
2 Current Assets/Liabilities	1.55	1.48	1.64	1.67
3 Equity	32.08%	32.33%	30.43%	30.69%
Equity excluding BPA Power Prepayment	64.58%	64.83%	64.55%	64.52%
4 Long Term Debt as a % of Plant	76.14%	75.10%	92.64%	92.31%
Long Term Debt as a % of Plant excl. BPA Power Prepayment	16.10%	15.97%	19.60%	19.63%
5 Material Inventory:				
Material	1,852,257	1,402,755	2,031,540	2,076,943
Special Equip.	2,625,724	2,551,664	2,493,656	2,662,975
Total Material	<u>4,477,982</u>	<u>3,954,419</u>	<u>4,525,196</u>	<u>4,739,918</u>

LOWER VALLEY ENERGY, INC
STATEMENT OF CASH FLOWS
For The Month Ended
October 31, 2017

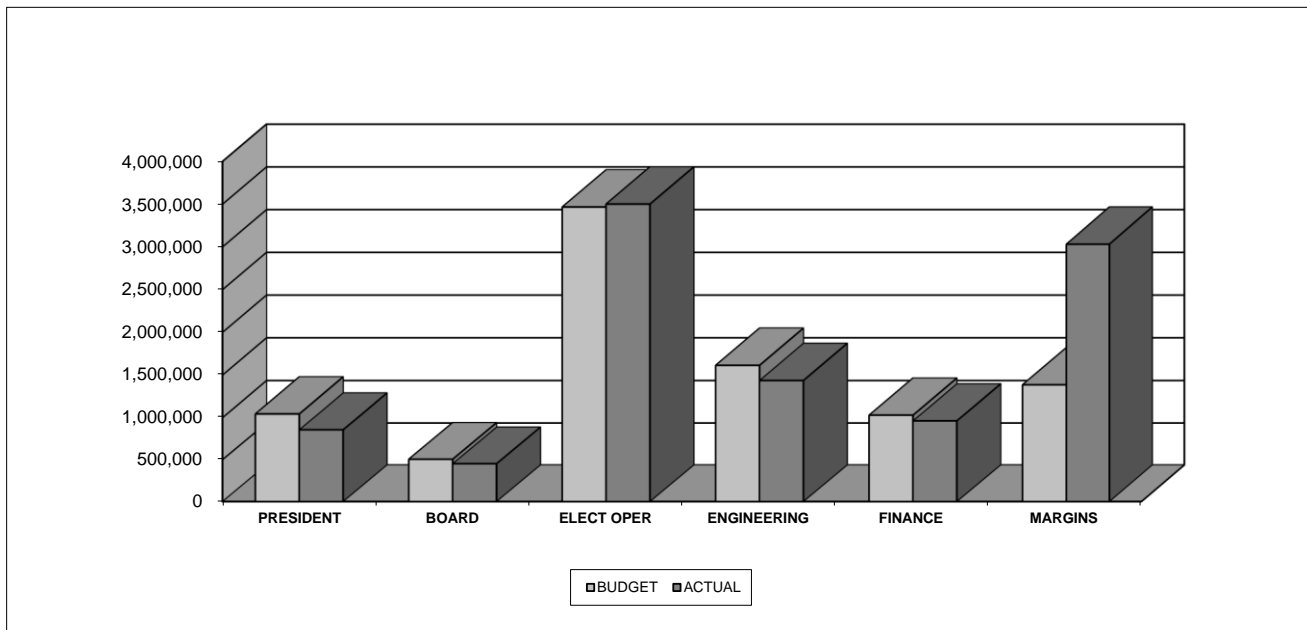
ELECTRIC DIVISION

	YEAR TO DATE	THIS MONTH
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Margins	\$ 3,030,949	\$ 419,565
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	3,959,384	405,537
Decrease/(Increase) in:		
Special Deposits	969,784	-
Accounts Receivable	1,961,009	(585,640)
Other Accounts Receivable	584,750	587,102
Materials & Supplies	89,374	449,502
Prepayments	(125,367)	11,095
BPA Prepayment	6,856,189	697,369
Other Current Assets	1,082,467	(158,102)
Other Deferred Debits	(36,688)	1,339
Increase/(Decrease) in:		
Accounts Payable	(1,047,814)	(30,084)
Consumer Deposits	49,056	(5,658)
Other Current Liabilities	1,289,011	51,562
Deferred Credits	(1,143,235)	(257,681)
Net cash provided by operating activities	17,518,868	1,585,907
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets Net of Retirements	(5,733,277)	(1,650,247)
Change in Notes Receivable	(981,635)	6,279
Change in Investments in Associated Organizations	(198,800)	-
Change in Investments in Economic Development Projects	-	-
Change in Temporary Investments	(821,835)	1,353,165
Change in Other Investments	30,000	-
Net cash provided/(used) by investing activities	(7,705,548)	(290,803)
CASH FLOWS FROM FINANCING AND CAPITAL CREDIT		
Change in Capital Credits	(670,765)	(39,613)
Change in Line of Credit	-	-
Change in Long-term Debt	(8,283,530)	(725,375)
Net cash provided/(used) by financing and capital credit activities	(8,954,295)	(764,988)
Total change in cash	859,025	530,116
Beginning cash	70,995	399,904
Ending cash	\$ 930,020	\$ 930,020
Add: Temporary investments	8,321,835	
Ending cash and temporary investments	\$ 9,251,855	

Lower Valley Energy
Electric Budget vs. Actual Comparison
For The Month Ended
October 31, 2017

ITEM	2017 Total			YTD	
	Budget	YTD Actual	YTD Budget	Variance	% Variance
1 Operating Revenue	\$ 46,965,909	\$ 38,273,898	\$ 36,979,746	\$ 1,294,152	3.50%
2 Power Production Expense	192,207	88,620	166,687	(78,067)	-46.83%
3 Cost of Purchased Power	25,824,751	21,050,752	20,693,354	357,399	1.73%
4 Transmission Operation & Maintenance	664,155	831,871	563,137	268,735	47.72%
5 Regional Market Expense	-	-	-	-	0.00%
6 Distribution Operation Expense	3,214,069	2,529,019	2,681,395	(152,376)	-5.68%
7 Distribution Maintenance Expense	1,493,261	1,129,273	1,288,656	(159,383)	-12.37%
8 Consumer Accounts Expense	701,308	554,730	588,492	(33,762)	-5.74%
9 Customer Service and Informational Expense	383,728	251,148	313,190	(62,042)	-19.81%
10 Sales Expense	-	-	-	-	0.00%
11 Administrative and General Expense	2,506,803	1,603,792	1,931,433	(327,641)	-16.96%
12 Total Operation & Maintenance Expense (2 thru 11)	34,980,284	28,039,205	28,226,342	(187,138)	-0.66%
13 Depreciation and Amortization Expense	4,887,760	3,959,384	4,062,880	(103,496)	-2.55%
14 Tax Expense-Property	501,390	411,741	417,810	(6,069)	-1.45%
15 Tax Expense-Other	43,800	35,411	35,700	(289)	-0.81%
16 Interest on Long-Term Debt	4,183,220	3,497,629	3,506,800	(9,171)	-0.26%
17 Interest Charged to Construction-Credit	-	-	-	-	0.00%
18 Interest Expense-Other	14,400	19,060	12,000	7,060	58.83%
19 Other Deductions	(25,140)	(25,136)	(25,140)	4	-0.02%
20 Total Cost of Electric Service (12 thru 19)	44,585,714	35,937,293	36,236,392	(299,099)	-0.83%
21 Patronage Capital & Operating Margins (1 minus 20)	2,380,195	2,336,605	743,354	1,593,251	214.33%
22 Non Operating Margins-Interest	211,925	280,207	176,493	103,714	58.76%
23 Allowance for Funds Used During Construction	-	-	-	-	0.00%
24 Income (Loss) from Equity Investments	-	-	-	-	0.00%
25 Non Operating Margins-Other	20,700	5,152	20,700	(15,548)	-75.11%
26 Generation and Transmission Capital Credits	-	-	-	-	0.00%
27 Other Capital Credits and Patronage Dividends	464,000	408,985	445,000	(36,015)	-8.09%
28 Extraordinary Items	-	-	-	-	0.00%
29 Patronage Capital or Margins (21 thru 28)	\$ 3,076,820	\$ 3,030,949	\$ 1,385,547	\$ 1,645,401	118.75%
Tier - Oper.	1.57	1.67	1.21		
Tier - Total	1.74	1.87	1.40		

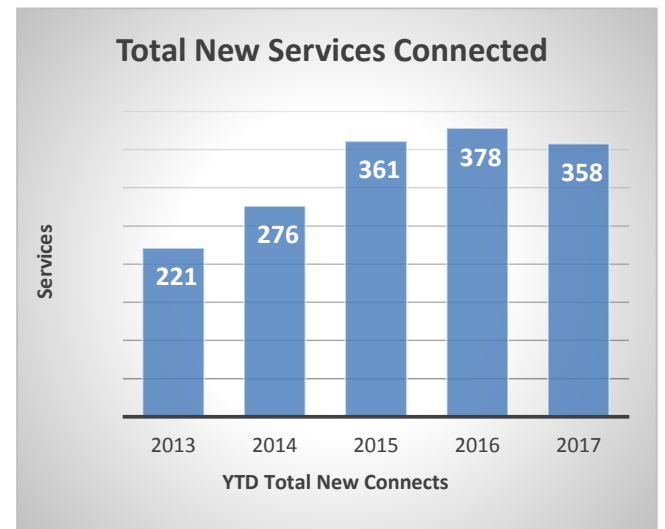
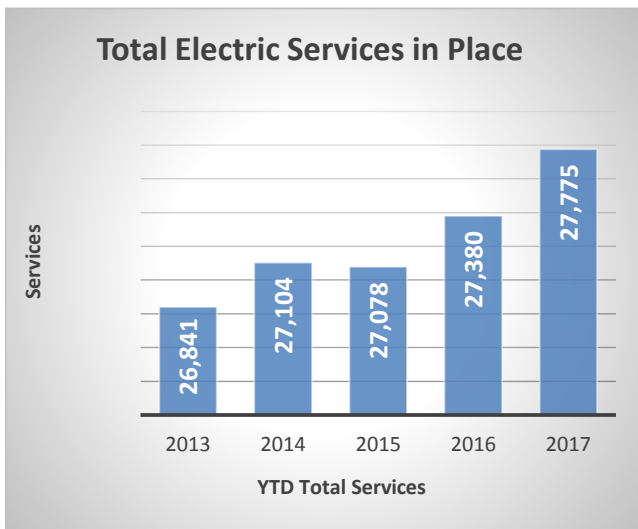
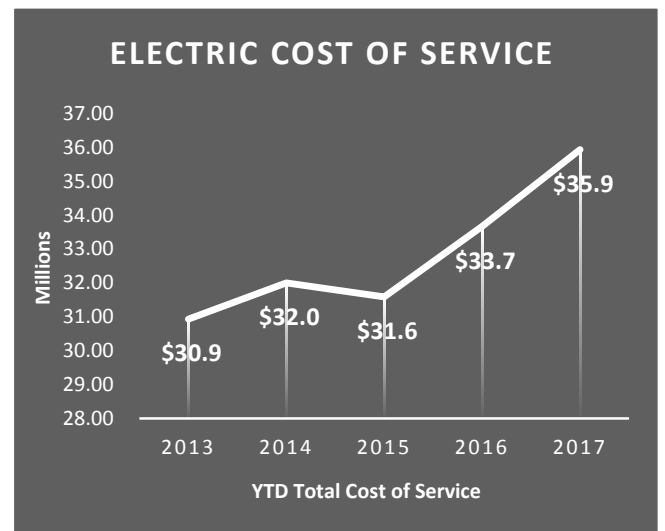
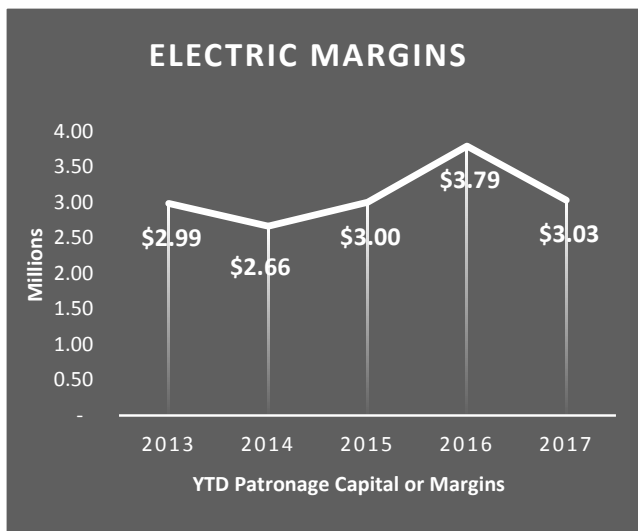
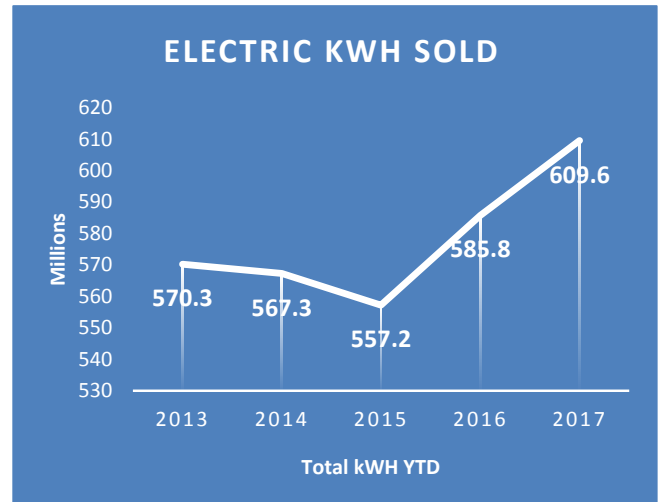
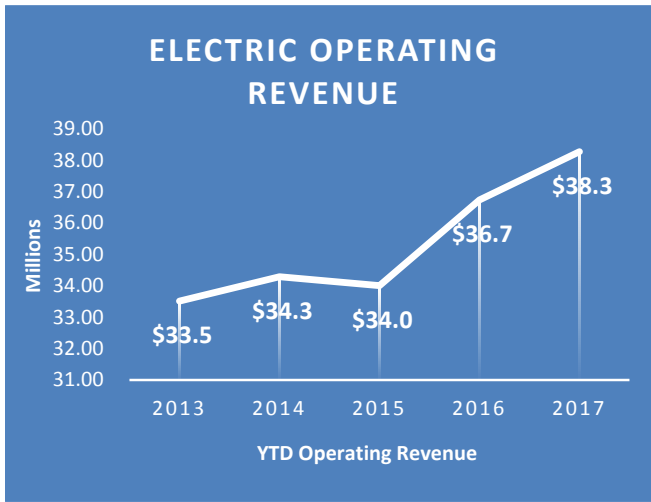
BUDGET BY DEPARTMENT



Lower Valley Energy
Electric Five Year Comparison
For the Month Ended
October 31, 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	\$38,273,898		\$36,732,083		\$34,004,487		\$34,285,937		\$33,514,069	
2 Power Production Expense	\$88,620	0.23%	\$104,229	0.28%	\$92,987	0.27%	\$70,396	0.21%	\$87,939	0.26%
3 Cost of Purchased Power	21,050,752	55.00%	18,838,686	51.29%	16,360,756	48.11%	16,014,277	46.71%	15,824,631	47.22%
4 Transmission Operation & Maintenance	831,871	2.17%	489,685	1.33%	551,666	1.62%	355,622	1.04%	459,998	1.37%
5 Regional Market Expense		0.00%		0.00%	0	0.00%	0	0.00%	0	0.00%
6 Distribution Operation	2,529,019	6.61%	2,563,348	6.98%	2,403,009	7.07%	2,722,429	7.94%	2,725,024	8.13%
7 Distribution Maintenance	1,129,273	2.95%	1,173,446	3.19%	1,087,475	3.20%	1,092,065	3.19%	856,411	2.56%
8 Consumer Accounts Expense	554,730	1.45%	601,062	1.64%	617,074	1.81%	650,901	1.90%	641,158	1.91%
9 Customer Service & Information Expense	251,148	0.66%	369,484	1.01%	213,107	0.63%	292,038	0.85%	377,981	1.13%
10 Sales Expense	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
11 Administrative & General Expense	1,603,792	4.19%	1,625,469	4.43%	1,616,780	4.75%	1,862,924	5.43%	1,864,323	5.56%
12 Total Operation & Maintenance Expense	\$28,039,205	73.26%	\$25,765,410	70.14%	\$22,942,855	67.47%	\$23,060,652	67.26%	\$22,837,465	68.14%
13 Depreciation & Amortization Expense	3,959,384	10.34%	3,888,101	10.59%	3,967,420	11.67%	3,876,088	11.31%	3,739,231	11.16%
14 Tax Expense - Property	411,741	1.08%	388,722	1.06%	388,820	1.14%	377,335	1.10%	366,415	1.09%
15 Tax Expense - Other	35,411	0.09%	34,698	0.09%	31,122	0.09%	31,834	0.09%	125,733	0.38%
16 Interest on Long-Term Debt	3,497,629	9.14%	3,735,748	10.17%	4,392,452	12.92%	4,777,723	13.93%	3,927,409	11.72%
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	19,060	0.05%	7,160	0.02%	13,762	0.04%	30,811	0.09%	84,426	0.25%
19 Other Deductions	(25,136)	-0.07%	(149,122)	-0.41%	(149,122)	-0.44%	(149,122)	-0.43%	(149,122)	-0.44%
20 Total Cost of Service	\$35,937,293	93.90%	\$33,670,718	91.67%	\$31,587,309	92.89%	\$32,005,321	93.35%	\$30,931,556	92.29%
21 Patronage Capital & Operating Margins	\$2,336,605	6.10%	\$3,061,365	8.33%	\$2,417,179	7.11%	\$2,280,616	6.65%	\$2,582,512	7.71%
22 Non Operating Margins - Interest	\$280,207	0.73%	\$194,786	0.53%	\$105,026	0.31%	\$159,505	0.47%	\$236,393	0.71%
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	5,152	0.01%	54,631	0.15%	0	0.00%	35,377	0.10%	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	408,985	1.07%	481,400	1.31%	478,052	1.41%	189,379	0.55%	167,532	0.50%
28 Extraordinary Items	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
29 Patronage Capital or Margins	\$3,030,949	7.92%	\$3,792,182	10.32%	\$3,000,257	8.82%	\$2,664,877	7.77%	\$2,986,438	8.91%
30 Total Cost of Service Less Cost of Power	\$13,966,050	36.49%	\$14,238,117	38.76%	\$14,581,899	42.88%	\$15,565,026	45.40%	\$14,558,989	43.44%
31 Tier - Oper.	1.67		1.82		1.55		1.48		1.66	
32 Tier - Total	1.87		2.02		1.68		1.56		1.76	
33 New Services Connected	358		378		361		276		221	
34 Total Services in Place	27,775		27,380		27,078		27,104		26,841	
35 Miles of Line	2,713		2,677		2,648		2,636		2,598	

Lower Valley Energy
 Electric Five Year Comparison
For The Month Ended
October 31, 2017



LOWER VALLEY ENERGY, INC. ELECTRIC DIVISION FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION Wyoming 11, Lincoln					
		PERIOD ENDED October 31, 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 <i>(excluding seasonal)</i>	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)		108,099,910	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

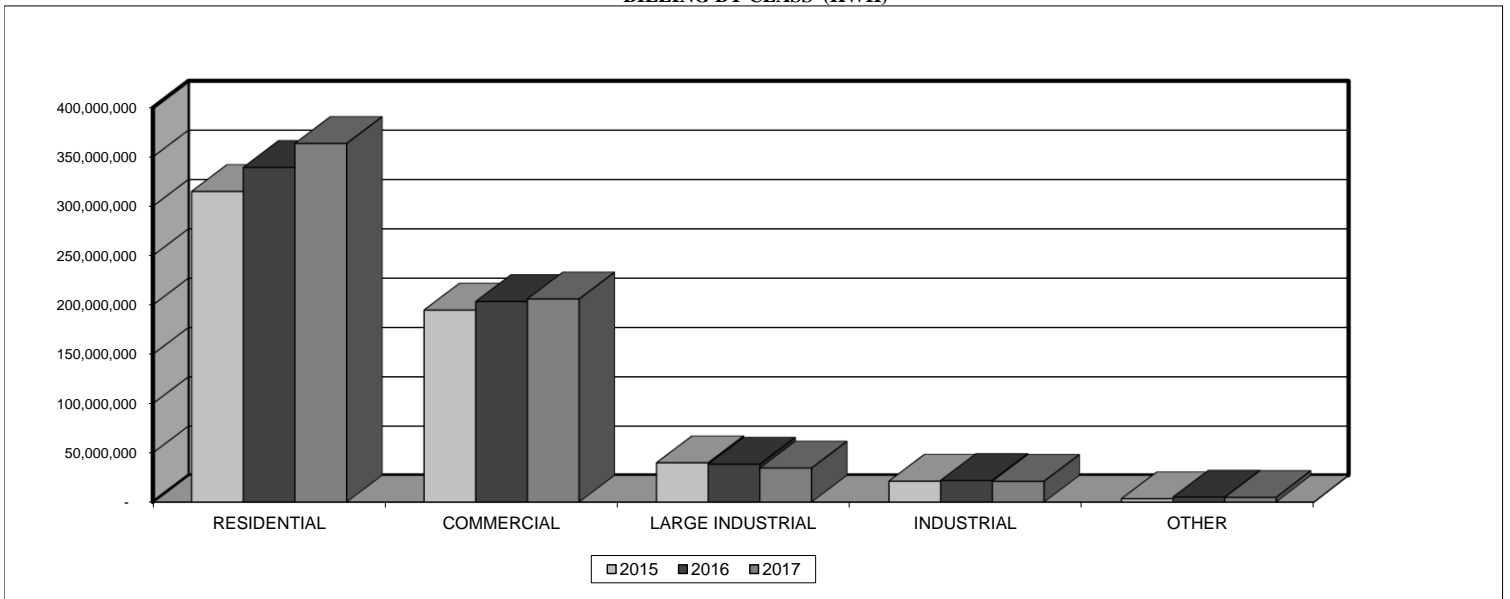
LOWER VALLEY ENERGY, INC.					BORROWER DESIGNATION			
FINANCIAL AND STATISTICAL REPORT					Wyoming 11, Lincoln			
ELECTRIC DIVISION					PERIOD ENDED			
					October 31, 2017			
PART R. POWER REQUIREMENTS DATA BASE (Continued)								
ITEM NUMBER	LINE							TOTAL (Columns a thru l)
	JULY (g)	AUGUST (h)	SEPTEMBER (i)	OCTOBER (j)	NOVEMBER (k)	DECEMBER (l)		
1. Residential Sales <i>(excluding seasonal)</i>	a. No. Consumers Served	20,927	20,943	20,984	21,039			
	b. kWh Sold	20,333,417	21,486,637	21,616,852	33,210,740			363,575,793
	c. Revenue	1,418,021	1,486,368	1,488,074	2,142,180			\$22,841,905
2. Residential Sales- Seasonal	a. No. Consumers Served							
	b. kWh Sold							0
	c. Revenue							\$0
3. Irrigation Sales	a. No. Consumers Served	193	193	196	196			
	b. kWh Sold	1,088,033	1,609,864	828,792	95,181			4,232,570
	c. Revenue	64,496	90,852	47,580	7,879			\$253,408
4. Comm. and Ind. 1000 kVA or Less	a. No. Consumers Served	4,974	4,980	4,993	4,999			
	b. kWh Sold	17,299,219	19,052,831	18,401,936	19,281,374			205,963,602
	c. Revenue	1,076,117	1,183,501	1,144,756	1,243,922			\$12,621,687
5. Comm. and Ind. Over 1000 kVA	a. No. Consumers Served	17	17	17	17			
	b. kWh Sold	3,740,940	4,664,580	5,321,180	5,255,900			55,625,400
	c. Revenue	190,069	226,770	251,601	256,323			\$2,668,429
6. Public Street and Highway Lighting	a. No. Consumers Served	1,307	1,307	1,306	1,309			
	b. kWh Sold	52,789	52,771	52,757	52,434			517,800
	c. Revenue	10,811	10,805	10,803	10,803			\$105,854
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	2,618,067	3,180,105	(867,862)	2,415,721			(20,311,421)
	c. Revenue	123,943	184,525	(51,011)	188,852			(\$1,026,838)
10. TOTAL No. Consumers (lines 1a - 9a)	27,418	27,440	27,496	27,560				
11. TOTAL kWh Sold (lines 1b - 9b)	45,132,465	50,046,788	45,353,655	60,311,350				609,603,744
12. TOTAL Revenue Received From Sales of Electric Energy (lines 1c - 9c)	2,883,457	3,182,821	2,891,804	3,849,958				\$37,464,446
13. Other Electric Revenue	75,940	51,292	64,060	98,417				\$809,453
14. kWh - Own Use	79,426	84,519	85,021	158,236				1,420,082
15. TOTAL kWh Purchased	48,064,018	47,993,944	51,230,872	62,649,305				632,378,401
16. TOTAL kWh Generated	1,233,000	1,198,800	1,163,400	1,594,600				10,174,600
17. Cost of Purchases and Generation	1,623,888	1,486,873	1,864,483	2,029,788				\$21,139,372
18. Interchange - kWh - Net								0
19. Peak - Sum All kW Input (Metered) X Coincident ___ Non-Coincident	77,975	81,120	109,031	123,252				218,819

ANALYSIS OF BILLING
October 31, 2017
ELECTRIC
Accrual Basis

YEAR	NUMBER			NUMBER			NUMBER		
	OF METERS	KWH	AMOUNT	OF METERS	KWH	AMOUNT	OF METERS	KWH	AMOUNT
	Residential			Commercial			Industrial		
2015	20,472	314,974,183	\$19,486,715	4,884	194,750,482	\$11,564,759	16	21,240,980	\$1,178,510
2016	20,684	339,313,236	\$21,438,150	4,957	203,401,402	\$12,401,740	16	21,950,660	\$1,228,892
2017	21,039	363,575,793	\$22,841,905	4,999	205,963,602	\$12,621,687	16	21,079,620	\$1,192,040
	Irrigation			Lighting			Large Industrial		
2015	190	2,834,310	\$169,507	1,317	526,472	\$104,279	1	39,911,040	\$1,635,334
2016	192	4,547,494	\$265,802	1,310	522,073	\$106,666	1	38,508,840	\$1,632,349
2017	196	4,232,570	\$253,408	1,309	517,800	\$105,854	1	34,545,780	\$1,476,389
	Change in Unbilled Revenue			October Totals			Year to Date Totals		
2015		(17,002,877)	(\$783,416)	26,880	40,553,140	\$2,612,288	26,880	557,234,590	\$33,355,688
2016		(22,413,779)	(\$1,167,662)	27,160	47,465,070	\$3,022,104	27,160	585,829,926	\$35,905,937
2017		(20,311,421)	(\$1,026,838)	27,560	60,311,350	\$3,849,958	27,560	609,603,744	\$37,464,446

YTD KW	Degree Days		Revenue Summary Form 7 Part A Line 1		Lower Valley Energy KWH Usage		
	Normal	Actual					
2015	184,876	7,041	6,480	Year to Date Billing	\$37,464,446	2015	1,340,197
2016	209,343	7,036	6,968	Other Revenue	809,452	2016	1,332,573
2017	218,819	7,038	7,044	Form 7a Line 1 YTD Revenue	<u>\$38,273,898</u>	2017	1,420,082

BILLING BY CLASS (KWH)

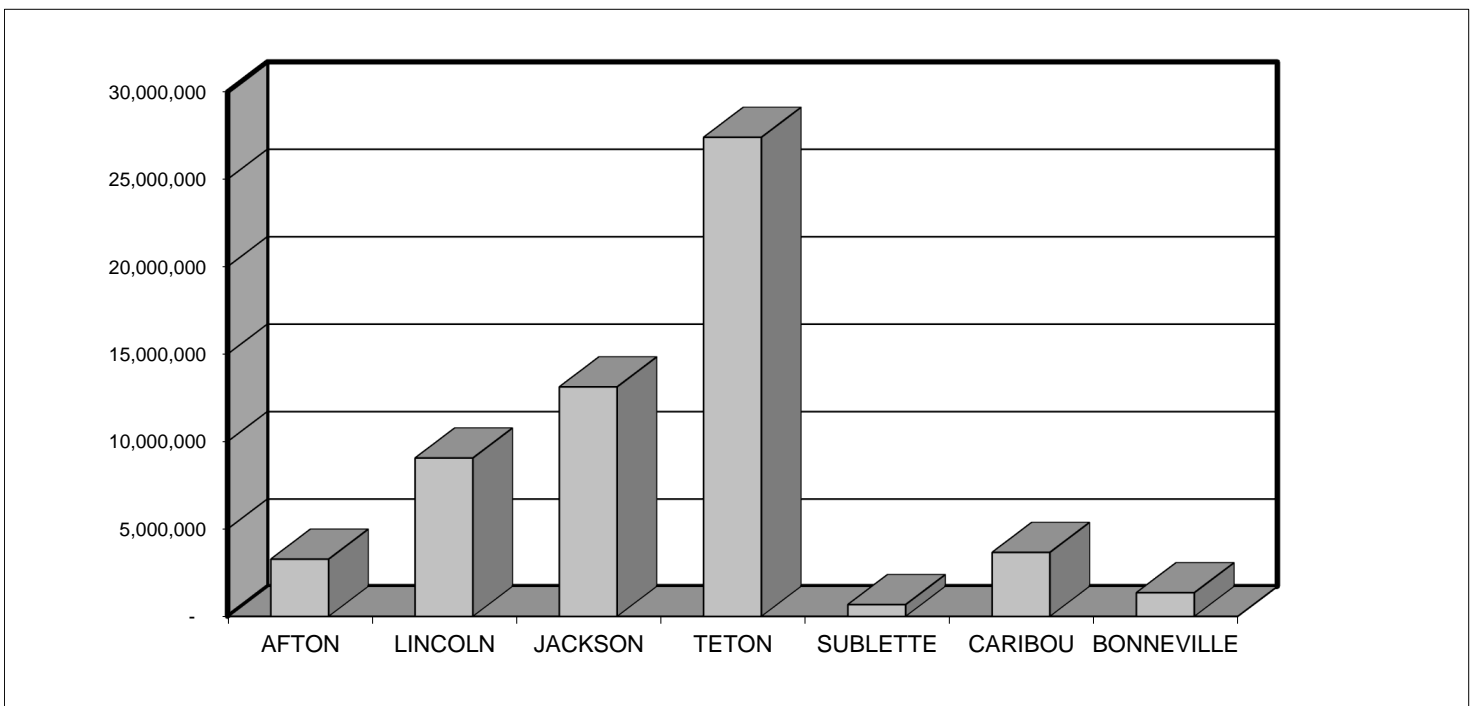


**LOWER VALLEY ENERGY
BILLING BY GEOGRAPHIC AREAS
ELECTRIC DIVISION
October 31, 2017
BILLING BASIS**

	CONSUMERS	KWH	CHARGES	AVERAGE KWH	AVERAGE BILL	REVENUE PER KWH CENTS
TOWN OF AFTON	1,943	3,272,823	\$215,803	1,684	\$111.07	6.59
LINCOLN COUNTY (less Afton)	7,334	9,056,502	\$606,048	1,235	\$82.64	6.69
TOWN OF JACKSON	7,348	13,124,144	\$833,467	1,786	\$113.43	6.35
TETON COUNTY (less Jackson)	8,624	27,393,648	\$1,694,504	3,176	\$196.49	6.19
SUBLETTE COUNTY	541	674,671	\$45,102	1,247	\$83.37	6.69
CARIBOU COUNTY	290	3,659,601	\$161,775	12,619	\$557.85	4.42
BONNEVILLE COUNTY	1,480	1,354,517	\$94,586	915	\$63.91	6.98
TOTAL	<u>27,560</u>	<u>58,535,906</u>	<u>\$3,651,286</u>	<u>2,124</u>	<u>\$132.48</u>	<u>6.24</u>
			<u>297,089</u>			
			<u>\$3,948,375</u>			

Adjustments and Accruals
Total Operating Revenue

KWH



LOWER VALLEY ENERGY
STATEMENT OF OPERATIONS
For The Month Ended
October 31, 2017

NATURAL GAS DIVISION

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR	THIS YEAR	BUDGET	
	(a)	(b)	(c)	
1 Operating Revenue and Patronage Capital	\$ 6,144,457	\$ 7,410,325	\$ 6,837,300	\$ 702,975
2 Power Production Expense	-	-	-	-
3 Cost of Gas	1,936,071	2,974,366	2,663,259	267,461
4 Transmission Operation & Maintenance	149,071	158,408	160,629	26,373
5 Regional Market Expense	-	-	-	-
6 Distribution Operation Expense	262,499	325,143	281,189	35,447
7 Distribution Maintenance Expense	188,589	253,997	215,291	66,935
8 Consumer Accounts Expense	68,978	88,444	96,761	9,034
9 Customer Service and Informational Expense	19,876	34,609	30,860	3,586
10 Sales Expense	-	-	-	-
11 Administrative and General Expense	285,835	310,487	422,973	42,817
12 Total Operation & Maintenance Expense (2 thru 11)	\$ 2,910,919	\$ 4,145,453	\$ 3,870,962	\$ 451,653
13 Depreciation and Amortization Expense	1,047,798	1,058,138	1,058,350	105,842
14 Tax Expense-Property	178,458	189,606	176,090	19,006
15 Tax Expense-Other	8,135	9,429	8,500	901
16 Interest on Long-Term Debt	1,129,146	1,097,309	1,097,360	108,504
17 Interest Charged to Construction-Credit	-	-	-	-
18 Interest Expense-Other	3,858	6,651	8,000	5,051
19 Other Deductions	-	-	-	-
20 Total Cost of Service (12 thru 19)	\$ 5,278,314	\$ 6,506,585	\$ 6,219,262	\$ 690,958
21 Patronage Capital & Operating Margins (1 minus 20)	\$ 866,144	\$ 903,741	\$ 618,038	\$ 12,018
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	325	-	-
26 Generation and Transmission Capital Credits	-	-	-	-
27 Other Capital Credits and Patronage Dividends	108,843	110,138	100,000	-
28 Extraordinary Items	-	-	-	-
29 Patronage Capital or Margins (21 thru 28)	\$ 983,109	\$ 1,014,203	\$ 718,038	\$ 12,018

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	95	99	5. Miles Trans.	53	53
2. Services Retired	22	3	6. Miles Distr. - 2" or less	151	165
3. Total Services in Place	4,129	4,239	7. Miles Dist. - Over 2"	45	57
4. Idle Services (Exclude Seasonal)	33	37	8. Total Miles (5 + 6 + 7)	249	275

LOWER VALLEY ENERGY
BALANCE SHEET
As of
October 31, 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	\$ 45,596,494	\$ 45,379,601	30	Memberships	-	-
2	Construction Work in Progress	698,286	403,550	31	Patronage Capital	9,332,396	7,921,670
3	Total Utility Plant	46,294,780	45,783,151	32	Operating Margins-Prior Years	-	-
4	Accum. Provision for Depreciation and Amort	13,544,933	12,268,141	33	Operating Margins-Current Year	903,741	866,144
5	Net Utility Plant	32,749,847	33,515,011	34	Non Operating Margins	110,463	116,965
6	Nonutility Property - Net	-	-	35	Other Margins and Equities	36,909	21,142
7	Investments in Subsidiary Companies	-	-	36	Total Margins & Equities	10,383,508	8,925,921
8	Invest. in Assoc. Org. - Patronage Capital	701,514	646,445	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)	27,887,876	28,913,924
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	1,280,414	1,225,345	42	Payments - Unapplied	-	-
15	Cash-General Funds	-	-	43	Total Long-Term Debt	27,887,876	28,913,924
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	579,444	391,603	48	Accounts Payable	14,670	-
21	Accounts Receivable-Net Other	88,547	32,860	49	Consumers Deposits	54,296	44,646
22	Renewable Energy Credits	-	-	50	Current Maturities Long-Term Debt	1,026,048	981,593
23	Materials & Supplies-Electric and Other	40,731	176,004	51	Current Maturities Long-Term Debt - Econ. Devel.	-	-
24	Prepayments	-	85,375	52	Current Maturities Capital Leases	-	-
25	Other Current & Accrued Assets	295,134	276,680	53	Other Current & Accrued Liabilities	(1,767,704)	(70,600)
26	Total Current & Accrued Assets	1,003,855	962,522	54	Total Current & Accrued Liabilities	(672,689)	955,640
27	Regulatory Assets	-	-	55	Regulatory Liabilities	-	-
28	Other Deferred Debits	2,674,105	3,092,608	56	Deferred Credits	109,527	-
28a	Other Non-current Assets-BPA Power Prepayment	-	-	57	Total Liabilities & Other Credits	\$ 37,708,221	\$ 38,795,486
29	Total Assets & Other Debits	\$ 37,708,221	\$ 38,795,486				

NOTES TO FINANCIAL STATEMENTS

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

	2017		2016	
	September	October	September	October
1. Current Assets/Liabilities	2.29	2.23	0.89	1.01
2. Equity	27.63%	27.54%	22.71%	23.01%
3. Long Term Debt as a % of Plant	60.32%	60.24%	63.22%	63.15%
4. Material Inventory:	43,501	40,731	171,662	176,004
5. Intercompany Receivable/(Payable)	2,084,183	2,035,795	317,898	338,348

LOWER VALLEY ENERGY, INC
STATEMENT OF CASH FLOWS
For The Month Ended
October 31, 2017

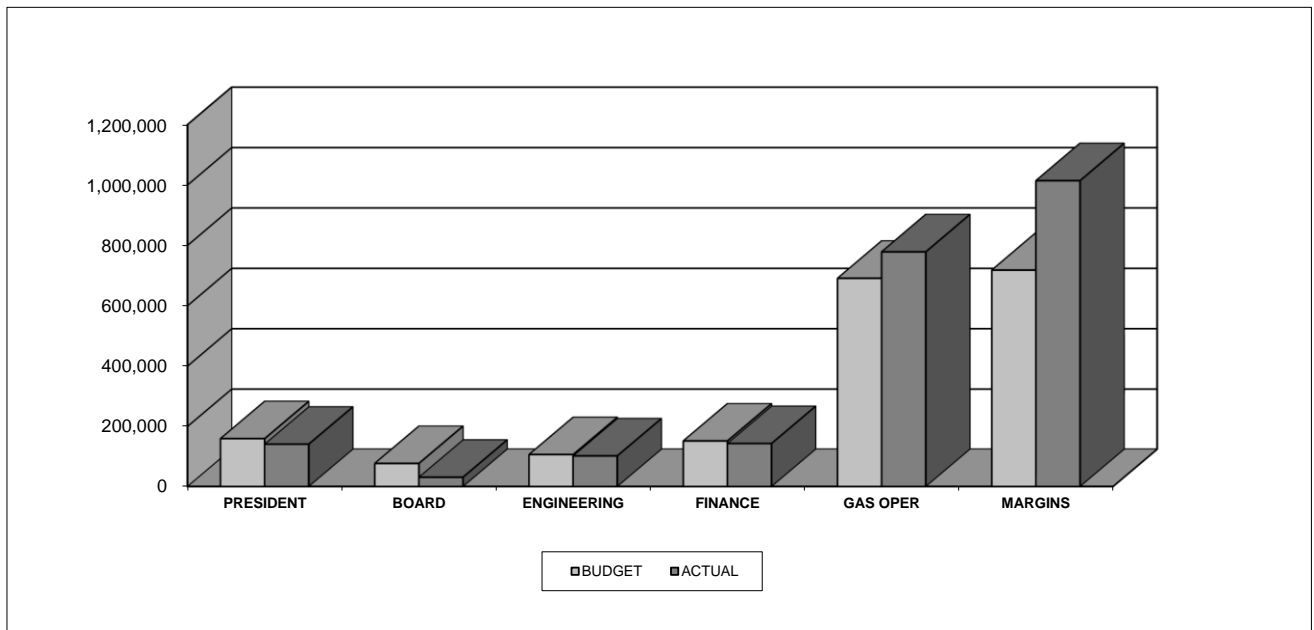
NATURAL GAS DIVISION

	YEAR TO DATE	THIS MONTH
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Margins	\$ 1,014,203	\$ 12,018
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	1,058,138	105,842
Decrease/(Increase) in:		
Special Deposits	-	-
Accounts Receivable	574,913	(163,498)
Other Accounts Receivable	(36,651)	(24,264)
Materials & Supplies	74,343	2,771
Prepayments	-	-
Other Current Assets	381,616	(48,216)
Other Deferred Debits	245,736	21,578
Increase/(Decrease) in:		
Accounts Payable (excluding line of credit)	(51,090)	(10,836)
Consumer Deposits	10,328	1,475
Other Current Liabilities	(792,744)	123,242
Deferred Credits	65,868	(9,490)
Net cash provided by operating activities	2,544,660	10,621
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets Net of Retirements	372,277	(55,407)
Change in Notes Receivable	-	-
Change in Investments in Associated Organizations	(55,069)	-
Change in Investments in Economic Development Projects	-	-
Change in Temporary Investments	-	-
Change in Other Investments	-	-
Net cash provided/(used) by investing activities	317,208	(55,407)
CASH FLOWS FROM FINANCING AND CAPITAL CREDIT		
Change in Capital Credits	(3,916)	(49.89)
Change in Long-term Debt	(740,254)	-
Net cash provided/(used) by financing and capital credit activities	(744,171)	(50)
Total change in intercompany balance	2,117,697	(44,836)
Beginning intercompany balance	(81,902)	2,080,631
Ending intercompany balance	\$ 2,035,795	\$ 2,035,795

Lower Valley Energy
 Natural Gas Budget vs. Actual Comparison
 For The Month Ended
 October 31, 2017

ITEM	2017 Total Budget	YTD Actual	YTD Budget	YTD Variance	%
	Variance				
1 Operating Revenue	\$ 8,843,400	\$ 7,410,325	\$ 6,837,300	\$ 573,025	8.38%
2 Power Production Expense	-	-	-	-	0.00%
3 Cost of Purchased Gas	3,445,471	2,974,366	2,663,259	311,106	11.68%
4 Transmission Operation & Maintenance	207,896	158,408	160,629	(2,221)	-1.38%
5 Regional Market Expense	-	-	-	-	0.00%
6 Distribution Operation Expense	338,257	325,143	281,189	43,954	15.63%
7 Distribution Maintenance Expense	248,363	253,997	215,291	38,706	17.98%
8 Consumer Accounts Expense	114,992	88,444	96,761	(8,317)	-8.60%
9 Customer Service and Informational Expense	38,515	34,609	30,860	3,749	12.15%
10 Sales Expense	-	-	-	-	0.00%
11 Administrative and General Expense	534,832	310,487	422,973	(112,485)	-26.59%
12 Total Operation & Maintenance Expense (2 thru 11)	4,928,326	4,145,453	3,870,962	274,491	7.09%
13 Depreciation and Amortization Expense	1,270,900	1,058,138	1,058,350	(212)	-0.02%
14 Tax Expense-Property	211,310	189,606	176,090	13,516	7.68%
15 Tax Expense-Other	11,200	9,429	8,500	929	10.93%
16 Interest on Long-Term Debt	1,313,550	1,097,309	1,097,360	(51)	0.00%
17 Interest Charged to Construction-Credit	-	-	-	-	0.00%
18 Interest Expense-Other	9,600	6,651	8,000	(1,349)	-16.86%
19 Other Deductions	-	-	-	-	0.00%
20 Total Cost of Service (12 thru 19)	7,744,886	6,506,585	6,219,262	287,323	4.62%
21 Patronage Capital & Operating Margins (1 minus 20)	1,098,514	903,741	618,038	285,702	46.23%
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	-	325	-	325	0.00%
26 Generation and Transmission Capital Credits	-	-	-	-	0.00%
27 Other Capital Credits and Patronage Dividends	100,000	110,138	100,000	10,138	10.14%
28 Extraordinary Items	-	-	-	-	0.00%
29 Patronage Capital or Margins (21 thru 28)	\$ 1,198,514	\$ 1,014,203	\$ 718,038	\$ 296,165	41.25%
Tier - Oper.	1.84	1.82	1.56		
Tier - Total	1.91	1.92	1.65		

BUDGET BY DEPARTMENT

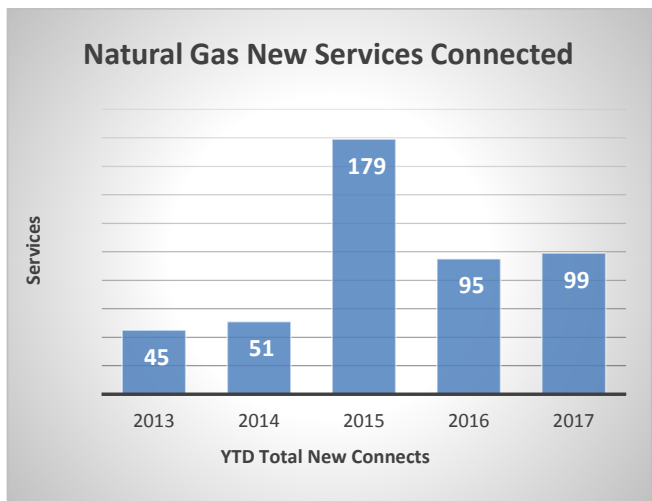
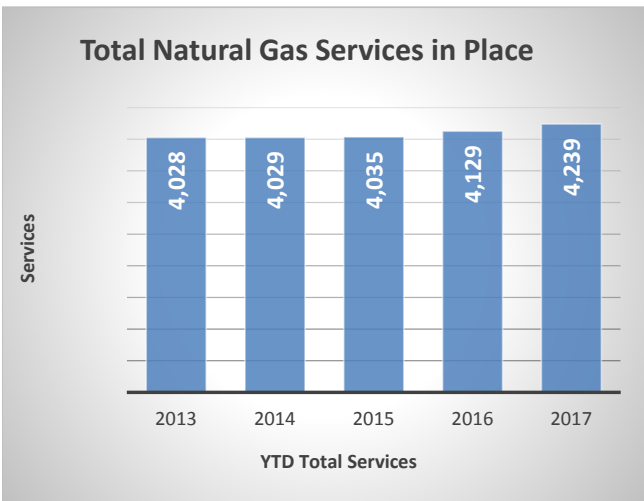
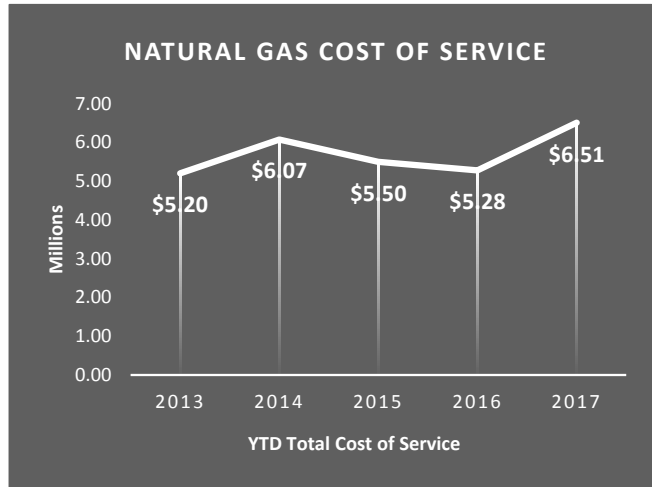
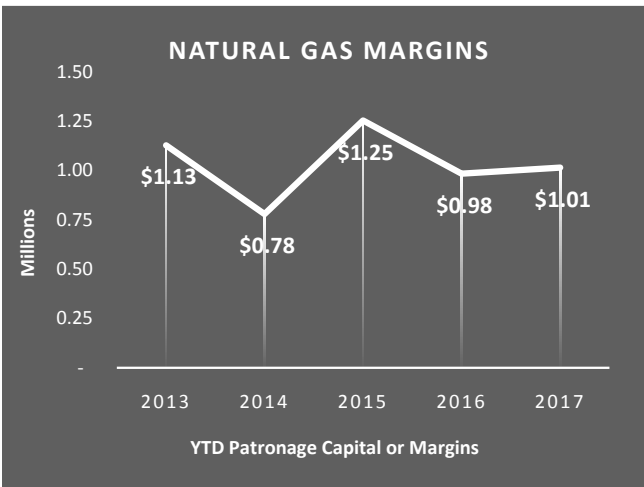
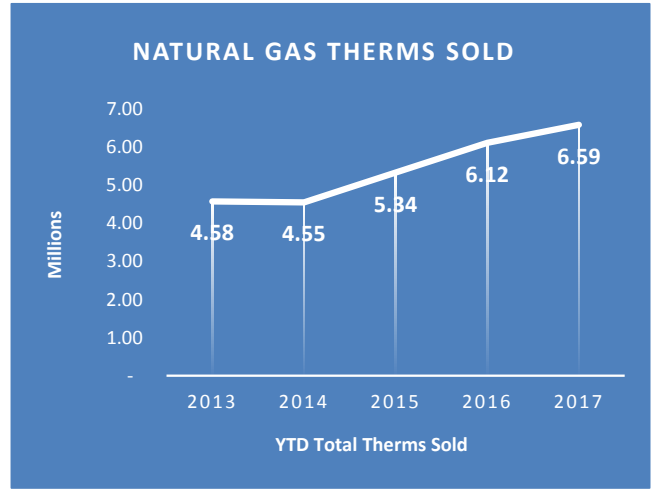
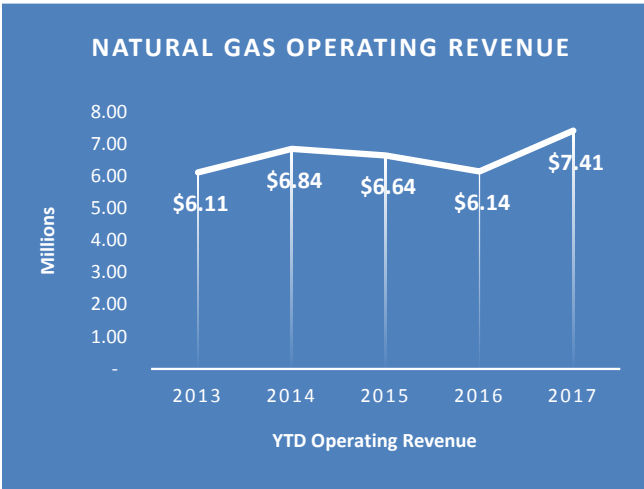


Lower Valley Energy
Natural Gas Five Year Comparison

For the Month Ended
October 31, 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	\$ 7,410,325		\$ 6,144,457		\$ 6,636,690		\$ 6,844,237		\$ 6,110,522	
2 Power Production Expense	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
3 Cost of Gas Sold	2,974,366	40.14%	1,936,071	31.51%	2,156,148	32.49%	2,788,931	40.75%	2,078,941	34.02%
4 Transmission Operation & Maintenance	158,408	2.14%	149,071	2.43%	175,418	2.64%	132,810	1.94%	142,930	2.34%
5 Regional Market Expense	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
6 Distribution Operation	325,143	4.39%	262,499	4.27%	203,654	3.07%	192,930	2.82%	185,554	3.04%
7 Distribution Maintenance	253,997	3.43%	188,589	3.07%	161,592	2.43%	126,235	1.84%	123,274	2.02%
8 Consumer Accounts Expense	88,444	1.19%	68,978	1.12%	74,466	1.12%	78,758	1.15%	75,518	1.24%
9 Customer Service & Information Expense	34,609	0.47%	19,876	0.32%	17,876	0.27%	21,293	0.31%	21,445	0.35%
10 Sales Expense	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
11 Administrative & General Expense	310,487	4.19%	285,835	4.65%	272,924	4.11%	255,258	3.73%	253,270	4.14%
12 Total Operation & Maintenance Expense	\$ 4,145,453	55.94%	\$ 2,910,919	47.37%	\$ 3,062,079	46.14%	\$ 3,596,217	52.54%	\$ 2,880,932	47.15%
13 Depreciation & Amortization Expense	1,058,138	14.28%	1,047,798	17.05%	1,044,524	15.74%	964,294	14.09%	803,000	13.14%
14 Tax Expense - Property	189,606	2.56%	178,458	2.90%	174,940	2.64%	159,420	2.33%	146,340	2.39%
15 Tax Expense - Other	9,429	0.13%	8,135	0.13%	8,534	0.13%	10,136	0.15%	9,350	0.15%
16 Interest on Long-Term Debt	1,097,309	14.81%	1,129,146	18.38%	1,170,161	17.63%	1,271,794	18.58%	1,220,640	19.98%
17 Interest Charged to Construction - Credit	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
18 Interest Expense - Other	6,651	0.09%	3,858	0.06%	36,517	0.55%	72,929	1.07%	140,529	2.30%
19 Other Deductions	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
20 Total Cost of Service	\$ 6,506,585	87.80%	\$ 5,278,314	85.90%	\$ 5,496,755	82.82%	\$ 6,074,789	88.76%	\$ 5,200,791	85.11%
21 Patronage Capital & Operating Margins	\$ 903,741	12.20%	\$ 866,144	14.10%	\$ 1,139,936	17.18%	\$ 769,448	11.24%	\$ 909,731	14.89%
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	325	0.00%	8,122	0.13%	-	0.00%	9,020	0.13%	-	0.00%
26 Generation & Transmission Capital Credits	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
27 Other Capital Credits & Patronage Dividends	110,138	1.49%	108,843	1.77%	112,272	1.69%	-	0.00%	216,364	3.54%
28 Extraordinary Items	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
29 Patronage Capital or Margins	\$ 1,014,203	13.69%	\$ 983,109	16.00%	\$ 1,252,207	18.87%	\$ 778,468	11.37%	\$ 1,126,095	18.43%
30 Total Cost of Service Less Cost of Gas	\$ 3,373,811	45.53%	\$ 3,193,172	51.97%	\$ 3,165,189	47.69%	\$ 3,153,048	46.07%	\$ 2,978,919	48.75%
31 Tier - Oper.	1.82		1.77		1.97		1.61		1.75	
32 Tier - Total	1.92		1.87		2.07		1.61		1.92	
33 New Services Connected	99		95		179		51		45	
34 Total Services in Place	4,239		4,129		4,035		4,029		4,028	
35 Miles of Line	275		249		266		274		263	

Lower Valley Energy
 Natural Gas Five Year Comparison
For The Month Ended
 October 31, 2017



LOWER VALLEY ENERGY, INC. NATURAL GAS FINANCIAL AND STATISTICAL REPORT				BORROWER DESIGNATION Wyoming 11, Lincoln PERIOD ENDED October 31, 2017			
PART R. GAS REQUIREMENTS DATA BASE							
CLASSIFICATION	CONSUMER SALES AND REVENUE DATA	JANUARY (a)	FEBRUARY (b)	MARCH (c)	APRIL (d)	MAY (e)	JUNE (f)
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

October 31, 2017

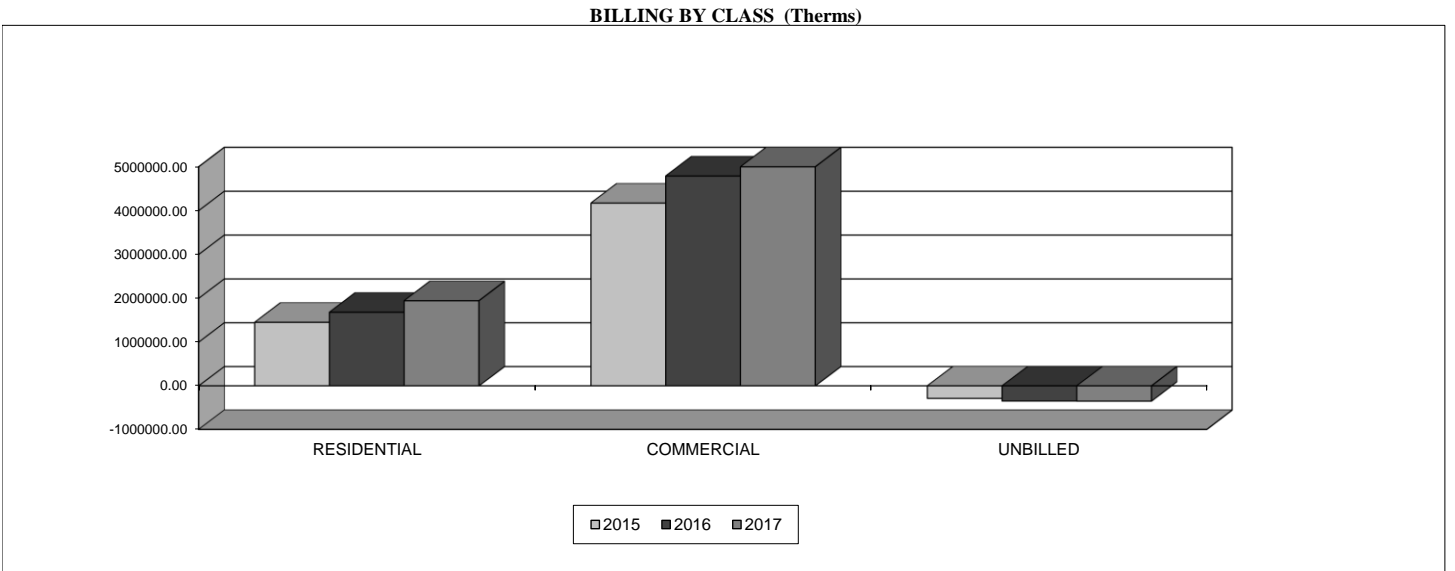
PART R. GAS REQUIREMENTS DATA BASE (Continued)

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	3,149	3,156	3,164	3,189		
	b. Therms Sold	68,649	61,003	65,822	155,769		1,944,741
	c. Revenue	94,851	86,483	91,871	191,302		\$2,401,705
2. Comm. and Ind.	a. No. Consumers Served	1,009	1,008	1,008	1,013		
	b. Therms Sold	342,658	237,381	301,687	440,747		4,999,723
	c. Revenue	360,004	242,271	313,059	456,262		\$5,346,450
							0
							\$0
							0
							\$0
3. Unbilled Revenue	a. No. Consumers Served						
	b. Therms Sold	(54,657)	11,348	62,606	41,820		(351,224)
	c. Revenue	(53,356)	11,836	66,173	48,216		(\$381,616)
10. TOTAL No. Consumers (lines 1a - 3a)	4,158	4,164	4,172	4,202			
11. TOTAL Therms Sold (lines 1b - 3b)	356,650	309,732	430,115	638,336			6,593,240
12. TOTAL Revenue Received From Sales of Gas Energy (lines 1c - 3c)	401,500	340,590	471,103	695,780			\$7,366,539
13. Other Gas Revenue	2,117	2,764	10,148	7,180			\$43,786
14. Therms - Own Use	7,123	7,601	10,105	9,792			121,876
15. Cost of Purchases	151,965	157,052	158,632	267,461			\$2,974,366

ANALYSIS OF BILLING
October 31, 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	2,987	1,452,242	\$2,059,160	994	4,172,865	\$5,004,078			
2016	3,100	1,681,792	\$1,926,504	996	4,790,162	\$4,607,779			
2017	3,189	1,944,741	\$2,401,705	1,013	4,999,723	\$5,346,450			
	Change in Unbilled Revenue			October Totals			Year to Date Totals		
2015		(287,877)	(\$461,615)	3,981	369,196	\$404,044	3981	5,337,230	6,601,623
2016		(349,112)	(\$404,945)	4,096	457,310	\$471,475	4096	6,122,842	6,129,338
2017		(351,224)	(\$381,616)	4,202	596,516	\$647,564	4202	6,593,240	7,366,539

Degree Days			Revenue Summary Form 7 Part A Line 1		Lower Valley Energy Therm Usage	
	Normal	Actual				
2015	7,041	6,480	Year to Date Billing	\$7,366,539	2015	95,500
2016	7,036	6,968	Other Revenue	43,786	2016	125,767
2017	7,038	7,044	Form 7a Line 1 YTD Revenue	<u>\$7,410,325</u>	2017	121,876

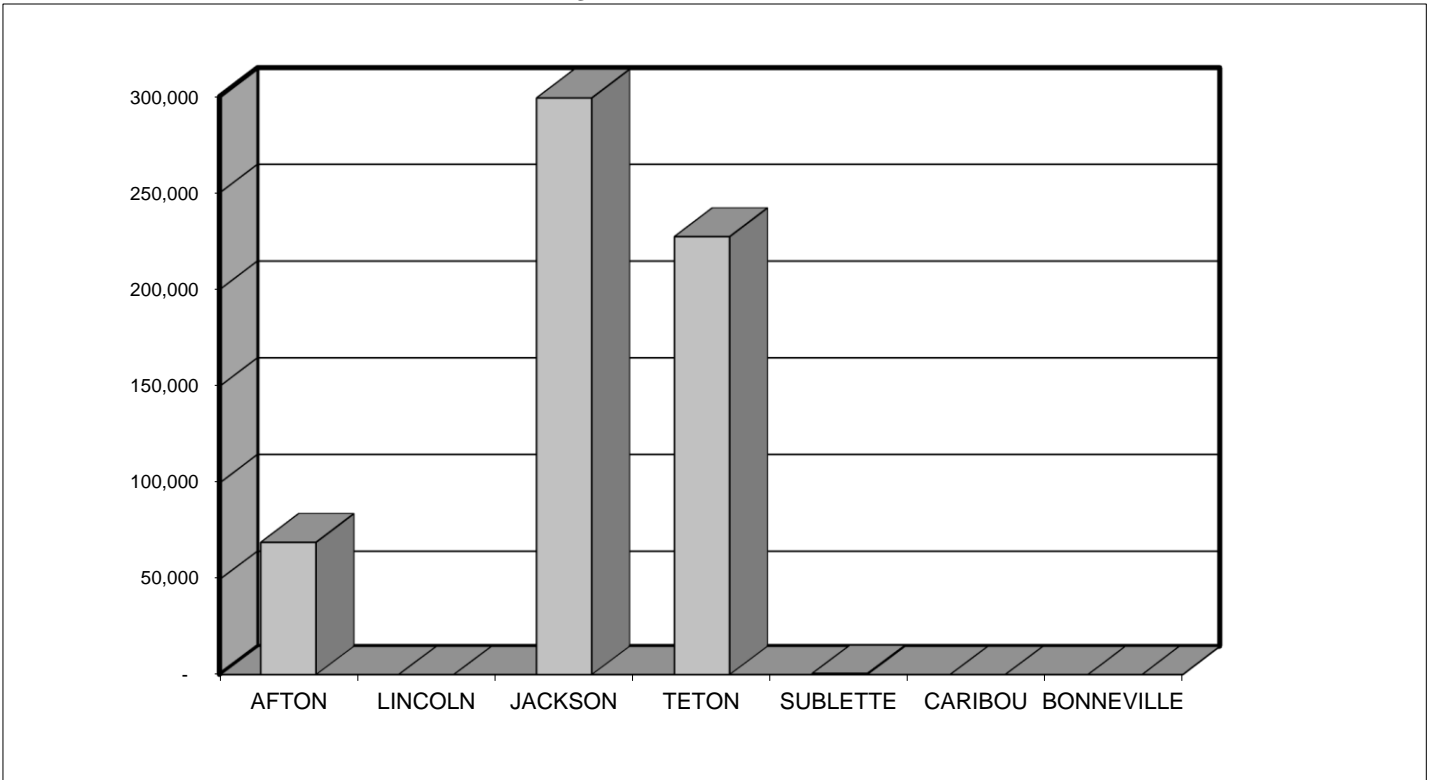


**LOWER VALLEY ENERGY
BILLING BY GEOGRAPHIC
NATURAL GAS
October 31, 2017
BILLING BASIS**

	CONSUMERS	THERMS	CHARGES	AVERAGE THERMS	AVERAGE BILL	REVENUE PER THERM
TOWN OF AFTON	800	69,365	\$77,528	87	\$96.91	\$1.12
TOWN OF JACKSON	2,386	299,111	\$325,898	125	\$136.59	\$1.09
TETON COUNTY	1,001	227,421	\$243,387	227	\$243.14	\$1.07
SUBLETTE COUNTY	15	623	\$751	42	\$50.05	\$1.21
TOTAL	<u>4,187</u>	<u>596,520</u>	<u>\$647,564</u>	<u>142</u>	<u>\$154.66</u>	<u>\$1.09</u>

Adjustments and Accruals	<u>55,411</u>
Total Operating Revenue	<u>\$702,975</u>

THERMS BILLED



SWIFT CREEK HYDRO
STATEMENT OF OPERATIONS
For The Month Ended
October 31, 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.....	\$ 341,468	\$ 252,780	\$ 252,446	\$ 34,895
2. Power Production Expense.....	60,477	66,485	82,710	3,083
3. Scheduling and Delivery.....	30,425	28,016	31,271	145
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.....	12,208	19,350	6,750	1,935
11. Total Operation & Maintenance Expense (2 thru 10)...	103,110	113,851	120,730	5,162
12. Depreciation and Amortization Expense.....	123,075	123,075	123,200	12,308
13. Tax Expense-Property.....	16,683	17,320	16,590	1,215
14. Tax Expense-Other.....	-	-	-	-
15. Interest on Long-Term Debt.....	72,698	97,169	74,030	10,282
16. Interest Charged to Construction-Credit.....	-	-	-	-
17. Interest Expense-Other.....	-	-	-	-
18. Other Deductions.....	-	-	-	-
19. Total Cost of Electric Service (11 thru 18).....	315,566	351,415	334,550	28,967
20. Patronage Capital & Operating Margins (1 minus 19)...	25,902	(98,635)	(82,104)	5,928
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).....	\$ 25,902	\$ (98,635)	\$ (82,104)	\$ 5,928

Notes:

1. Sales for 2017 consisted of the following:

PacifiCorp PURPA sales	\$ 201,645
LVE sales	\$ 33,204
Green sales to Teton County	<u>17,931</u>
	<u>\$ 252,780</u>

2. This statement reflects total revenues and expenses for Swift Creek Hydro. Lower Valley Energy and the Town of Afton share margins equally. Lower Valley Energy's share is reflected in the Electric Division's financial statements.

SWIFT CREEK HYDRO
FINANCIAL AND STATISTICAL REPORT
For the Month Ended
October 31, 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..... 1,200,169	33. Operating Margins-Current Year..... (98,635)
5. Net Utility Plant (3 - 4)..... 5,872,027	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)..... 371,146
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)..... 5,041,042
12. Other Investments..... -	41. Total Long-Term Debt (37 thru 40)..... 5,041,042
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..... 226,927
20. Accounts Receivable-Net Sales of Energy..... -	49. Other Current & Accrued Liabilities..... 156,125
21. Accounts Receivable-Net Other..... 23,891	50. Total Current & Accrued Liabilities (45 thru 48)..... 383,052
22. Materials & Supplies-Electric and Other..... -	51. Deferred Credits..... 174,061
23. Prepayments..... -	52. Miscellaneous Operating Reserves..... -
24. Other Current & Accrued Assets..... -	53. Total Liabilities & Other Credits
25. Total Current & Accrued Assets (15 thru 24)..... 23,891	(36 +41 + 44 + 50 thru 52)..... \$ 5,969,301
26. Regulatory Assets..... -	
27. Deferred Debits..... 73,383	
28. Accumulated Deferred Income Taxes..... -	
29. Total Assets & Other Debits (5 + 14 + 25 thru 28)..... \$ 5,969,301	

Notes:

1. This balance sheet reflects total assets, liabilities, and equities of Swift Creek Hydro. Lower Valley Energy's net investment booked to-date totals \$5,438,544 and is reflected in the Electric Division's financial statements.

LOWER VALLEY ENERGY, INC
STATEMENT OF CASH FLOWS

For The Month Ended
October 31, 2017

SWIFT CREEK HYDRO

	YEAR TO DATE	THIS MONTH
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Margins	\$ (98,635)	\$ 5,928
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	123,075	12,308
Decrease/(Increase) in:		
Special Deposits	-	-
Accounts Receivable	-	-
Other Accounts Receivable	10,033	35,652
Materials & Supplies	-	-
Prepayments	-	-
Other Current Assets	-	-
Other Deferred Debits	(50,081)	-
Increase/(Decrease) in:		
Accounts Payable (excluding line of credit)	-	-
Consumer Deposits	-	-
Other Current Liabilities	(12,239)	10,282
Deferred Credits	53,317	-
Net cash provided by operating activities	25,471	64,170
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	(223,907)	-
Net cash provided/(used) by financing and capital credit activities	(217,282)	-
Total change in intercompany balance	(191,811)	64,170
Beginning intercompany balance	69,314	(186,667)
Ending intercompany balance (positive = cash, negative = liability)	\$ (122,498)	\$ (122,498)