

LOWER VALLEY ENERGY
STATEMENT OF OPERATIONS
For The Month Ended
August 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

September 18, 2017
DATE

SIGNATURE OF PRESIDENT AND CEO

September 18, 2017
DATE

STATEMENT OF OPERATIONS - CONSOLIDATED

ITEM	YEAR-TO-DATE			
	Electric	Natural Gas	Consolidated	Budget
1 Operating Revenue	\$ 31,369,660	\$ 6,226,114	\$ 37,595,774	\$ 36,715,524
2 Power Production Expense	66,633	-	66,633	141,583
3 Cost of Purchased Power/Gas Sold	17,178,467	2,548,273	19,726,741	19,608,015
4 Transmission Operation & Maintenance	506,166	122,915	629,081	578,678
5 Regional Market Expense	-	-	-	-
6 Distribution Operation Expense	2,123,426	265,876	2,389,303	2,424,194
7 Distribution Maintenance Expense	968,787	169,240	1,138,026	1,164,831
8 Consumer Accounts Expense	455,220	72,621	527,841	549,896
9 Customer Service and Informational Expense	197,696	27,652	225,349	270,204
10 Sales Expense	-	-	-	-
11 Administrative and General Expense	1,218,548	239,763	1,458,311	1,894,640
12 Total Operation & Maintenance Expense (2 thru 11)	\$ 22,714,944	\$ 3,446,340	\$ 26,161,284	\$ 26,632,041
13 Depreciation and Amortization Expense	3,156,052	846,487	4,002,540	4,086,700
14 Tax Expense-Property	364,810	151,593	516,403	475,100
15 Tax Expense-Other	29,118	8,165	37,283	37,200
16 Interest on Long-Term Debt	2,812,397	880,300	3,692,697	3,702,590
17 Interest Charged to Construction-Credit	-	-	-	-
18 Interest Expense-Other ¹	6,375	1,303	7,678	16,000
19 Other Deductions	(25,136)	-	(25,136)	(25,140)
20 Total Cost of Electric Service (16 thru 23)	\$ 29,058,559	\$ 5,334,188	\$ 34,392,747	\$ 34,924,491
21 Patronage Capital & Operating Margins (3 minus 24)	\$ 2,311,100	\$ 891,926	\$ 3,203,026	\$ 1,791,033
22 Non Operating Margins-Interest ¹	220,763	-	220,763	141,165
23 Allowance for Funds Used During Construction	-	-	-	-
24 Income (Loss) from Equity Investments	-	-	-	-
25 Non Operating Margins-Other	5,152	325	5,477	-
26 Generation and Transmission Capital Credits	-	-	-	-
27 Other Capital Credits and Patronage Dividends	416,436	111,206	527,642	545,000
28 Extraordinary Items	-	-	-	-
29 Patronage Capital or Margins (21 thru 28)	\$ 2,953,451	\$ 1,003,457	\$ 3,956,908	\$ 2,477,198

DATA ON TRANSMISSION AND DISTRIBUTION

ITEM	YEAR-TO-DATE			
	Electric	Natural Gas	Consolidated	Last Year
1 New Services Connected	250	65	315	328
2 Services Retired	86	1	87	107
3 Total Services in Place	27,658	4,202	31,860	30,720
4 Idle Services (Excluding Seasonal)	218	38	256	249
5 Miles Transmission	264	53	317	317
6 Miles Distribution - Overhead	929	-	929	937
7 Miles Distribution - Underground	1,517	222	1,740	1,701
8 Total Miles In Service (5 + 6 + 7)	2,711	275	2,986	2,955

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
August 31, 2017

STATEMENT OF OPERATIONS - CONSOLIDATED

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR	THIS YEAR	BUDGET	
	(a)	(b)	(c)	
1 Operating Revenue	\$ 35,384,106	\$ 37,595,774	\$ 36,715,524	\$ 3,577,467
2 Power Production Expense	85,814	66,633	141,583	14,993
3 Cost of Purchased Power & Gas	17,167,083	19,726,741	19,608,015	1,628,933
4 Transmission Operation & Maintenance	458,779	629,081	578,678	194,295
5 Regional Market Expense	-	-	-	-
6 Distribution Operation Expense	2,384,351	2,389,303	2,424,194	210,836
7 Distribution Maintenance Expense	1,056,777	1,138,026	1,164,831	192,947
8 Consumer Accounts Expense	561,802	527,841	549,896	49,245
9 Customer Service and Informational Expense	353,664	225,349	270,204	33,381
10 Sales Expense	-	-	-	-
11 Administrative and General Expense	1,582,178	1,458,311	1,894,640	221,815
12 Total Operation & Maintenance Expense (2 thru 11)	\$ 23,650,449	\$ 26,161,284	\$ 26,632,041	\$ 2,546,445
13 Depreciation and Amortization Expense	3,944,978	4,002,540	4,086,700	502,756
14 Tax Expense-Property	438,080	516,403	475,100	64,550
15 Tax Expense-Other	36,069	37,283	37,200	3,103
16 Interest on Long-Term Debt	3,913,883	3,692,697	3,702,590	455,620
17 Interest Charged to Construction-Credit	-	-	-	-
18 Interest Expense-Other ¹	9,738	7,678	16,000	971
19 Other Deductions	(119,298)	(25,136)	(25,140)	-
20 Total Cost of Electric Service (16 thru 23)	\$ 31,873,898	\$ 34,392,747	\$ 34,924,491	\$ 3,573,445
21 Patronage Capital & Operating Margins (3 minus 24)	\$3,510,208	\$3,203,026	\$1,791,033	\$4,022
22 Non Operating Margins-Interest ¹	151,940	220,763	141,165	30,174
23 Allowance for Funds Used During Construction	-	-	-	-
24 Income (Loss) from Equity Investments	-	-	-	-
25 Non Operating Margins-Other	42,253	5,477	-	-
26 Generation and Transmission Capital Credits	-	-	-	-
27 Other Capital Credits and Patronage Dividends	53,876	527,642	545,000	523,728
28 Extraordinary Items	-	-	-	-
29 Patronage Capital or Margins (21 thru 28)	\$ 3,758,277	\$ 3,956,908	\$ 2,477,198	\$ 557,923

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	328	315	5. Miles Trans.	317	317
2. Services Retired	107	87	6. Miles Dist. - OH	937	929
3. Total Services in Place	30,720	31,860	7. Miles Dist. - UG	1,701	1,740
4. Idle Services (Exclude Seasonal)	249	256	8. Total Miles (5 + 6 + 7)	2,955	2,986

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
August 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	\$ 222,044,600	\$ 219,326,160	30 Memberships	\$ -	\$ -
2 Construction Work in Progress	2,374,717	1,122,770	31 Patronage Capital	63,564,663	60,448,843
3 Total Utility Plant	224,419,317	220,448,931	32 Operating Margins-Prior Years	-	-
4 Accum. Provision for Depreciation and Amort	101,939,637	96,542,928	33 Operating Margins-Current Year	3,203,026	3,509,548
5 Net Utility Plant	122,479,680	123,906,003	34 Non Operating Margins	753,882	248,069
6 Nonutility Property - Net	-	-	35 Other Margins and Equities	18,346,504	16,972,974
7 Investments in Subsidiary Companies	-	-	36 Total Margins & Equities	85,868,075	81,179,434
8 Invest. in Assoc. Org. - Patronage Capital	3,135,593	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)	44,945,783	47,355,089
12 Other Investments	573,333	605,467	40a Long-Term Debt-BPA Power Prepayment	118,464,803	126,993,900
13 Special Funds	-	-	41 Long-Term Debt - WY SEO (Net)	951,913	1,136,156
14 Total Other Property & Investments	5,735,396	4,992,163	41a Long-Term Debt - REDL&G	1,000,000	-
15 Cash-General Funds	337,696	365,717	42 Payments - Unapplied	-	-
16 Cash-Construction Funds-Trustee	-	-	43 Total Long-Term Debt	165,362,499	175,485,145
17 Special Deposits	1,348,976	1,323,008	44 Obligations under Capital Leases	-	-
18 Temporary Investments	11,019,178	6,621,486	45 Accumulated Operating Provisions	-	-
19 Notes Receivable-Net	1,338,520	329,493	46 Total Other Noncurrent Liabilities	-	-
20 Accounts Receivable-Net Sales of Energy	2,718,066	2,623,248	47 Notes Payable	1,038,050	-
21 Accounts Receivable-Net Other	630,490	1,328,911	48 Accounts Payable	1,626,783	1,507,121
22 Renewable Energy Credits	-	-	49 Consumers Deposits	587,123	525,142
23 Materials & Supplies-Electric and Other	1,668,512	2,195,225	50 Current Maturities Long-Term Debt	2,266,377	10,818,847
24 Prepayments (inc. BPA Power Prepayment)	194,488	187,337	50a Current Maturities LTD (BPA Prepay)	8,856,699	-
24a BPA Power Prepayment - Current	8,258,881	7,891,736	51 Current Maturities LTD - Econ. Devel.	-	-
25 Other Current & Accrued Assets	1,425,029	1,301,152	52 Current Maturities Capital Leases	-	-
26 Total Current & Accrued Assets	28,939,835	24,167,313	53 Other Current & Accrued Liabilities	2,630,239	3,320,034
27 Regulatory Assets	-	-	54 Total Current & Accrued Liabilities	17,005,272	16,171,143
28 Other Deferred Debits	3,203,879	3,523,078	55 Regulatory Liabilities	-	-
28a BPA Power Prepayment - Non-current	111,655,899	120,157,683	56 Deferred Credits	3,778,844	3,910,516
29 Total Assets & Other Debits	\$ 272,014,690	\$ 276,746,240	57 Total Liabilities & Other Credits	\$ 272,014,690	\$ 276,746,240
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)				1,450,180	1,835,915
60 Total Contributions-In-Aid-Of-Construction				\$62,092,189	\$59,269,028

LOWER VALLEY ENERGY, INC.
NOTES TO FINANCIAL STATEMENTS

As of
August 31, 2017

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

	2017		2016	
	July	August	July	August
1 Cost of Power & Gas				
Cost from Income Statement		\$ 19,726,741		\$ 17,167,083
Plus: Interest on BPA Prepayment Loan		2,661,390		2,845,302
Total Cost of Power with BPA Interest		<u>\$ 22,388,131</u>		<u>\$ 20,012,385</u>
2 Current Assets/Liabilities	1.80	1.70	1.58	1.50
3 Equity	31.39%	31.57%	27.54%	29.35%
Equity excluding BPA Power Prepayment	52.73%	55.92%	51.92%	54.27%
4 Long Term Debt as a % of Plant	79.60%	78.64%	92.31%	91.30%
Long Term Debt as a % of Plant excl. BPA Power Prepayment	22.17%	21.91%	25.72%	25.44%
5 Debt Service Coverage	1.05	1.03	1.10	1.00
Debt Service Coverage excl. BPA Power Prepayment	2.16	0.81	0.86	0.78
6 Intercompany Receivables/(Payables) :				
Natural Gas Division Receivable/(Payable)	\$ 2,556,075	\$ 2,037,136	\$ 849,418	\$ 227,494
less: Teton Village CIAC Receivable	1,241,350	1,230,401	1,457,757	1,448,450
Net Balance	<u>\$ 3,797,425</u>	<u>\$ 3,267,537</u>	<u>\$ 2,307,176</u>	<u>\$ 1,675,944</u>
7 Total Shared Overhead - Gas Division	<u>242,568</u>	<u>278,694</u>	<u>194,748</u>	<u>221,299</u>
8 Total Shared Overheads - Beartooth Electric	<u>342,540</u>	<u>342,540</u>	<u>337,435</u>	<u>386,402</u>
9 Material Inventory:				
Material	1,808,709	1,668,512	2,264,103	2,195,225
Special Equip.	2,596,908	2,588,718	2,847,549	2,644,545
Total Material	<u>4,405,617</u>	<u>4,257,230</u>	<u>5,111,652</u>	<u>4,839,770</u>
10 Inventory Carrying Cost (YTD)	<u>28,459</u>	<u>32,661</u>	<u>32,466</u>	<u>37,854</u>
11 Inventory Turnover - Electric (Dist & Trans)				
Dollar Value	0.79	0.79	0.42	0.46
Quantity	1.00	1.00	0.85	0.98
12 Aged Accounts Receivable (Over 60 Days):	<u>88,606</u>	<u>88,606</u>	<u>84,674</u>	<u>70,311</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:		\$ 1,038,050		
1st Bank line of credit balance is:		-		
Total lines of credit		<u>\$ 1,038,050</u>		

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

CONSOLIDATED

	YEAR TO DATE	BUDGET	THIS MONTH
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net Margins	\$ 3,956,908	\$ 2,477,198	\$ 557,923
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation Expense	4,002,540	4,086,700	502,756
Decrease/(Increase) in:			
Special Deposits	979,836	-	-
Accounts Receivable	3,424,839	-	(41,392)
Other Accounts Receivable	354,847	-	(93,115)
Materials & Supplies	(61,309)	-	140,197
Prepayments	(141,272)	-	6,298
BPA Prepayment	5,464,088	3,735,911	692,104
Other Current Assets	1,965,883	-	(210,838)
Other Deferred Debits	163,807	63,360	23,655
Increase/(Decrease) in:			
Accounts Payable (excluding line of credit)	(1,835,709)	-	(485,026)
Consumer Deposits	59,339	-	6,058
Other Current Liabilities	(1,103,366)	-	(320,858)
Deferred Credits	(1,453,087)	(162,316)	(31,931)
Net cash provided by operating activities	15,777,343	10,200,853	745,832
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets Net of Retirements	(3,418,093)	(3,296,928)	(1,277,394)
Change in Notes Receivable	(990,331)	-	10,624
Change in Investments in Associated Organizations	(519,992)	-	-
Change in Investments in Economic Development Projects	-	-	-
Change in Temporary Investments	(3,519,178)	-	1,162,194
Change in Other Investments	16,667	-	(3,333)
Net cash provided/(used) by investing activities	(8,430,928)	(3,296,928)	(107,910)
CASH FLOWS FROM FINANCING AND CAPITAL CREDIT ACTIVITIES:			
Change in Capital Credits	(545,198)	(468,000)	(260,804)
Change in Line of Credit	1,038,050	-	1,038,050
Change in Long-term Debt	(7,572,566)	(7,572,997)	(1,125,060)
Net cash provided/(used) by financing and capital credit activities	(7,079,714)	(8,040,997)	(347,813)
Total change in cash	266,701	(1,137,072)	290,109
Beginning cash	70,995	7,000,000	571,315
Ending cash	\$ 337,696	\$ 5,862,928	\$ 861,423
Add: Temporary investments	11,019,178		
Ending cash and temporary investments	\$ 11,356,874		

LOWER VALLEY ENERGY, INC
SUMMARY OF DEFERRED DEBITS & CREDITS

As of
August 31, 2017

CONSOLIDATED

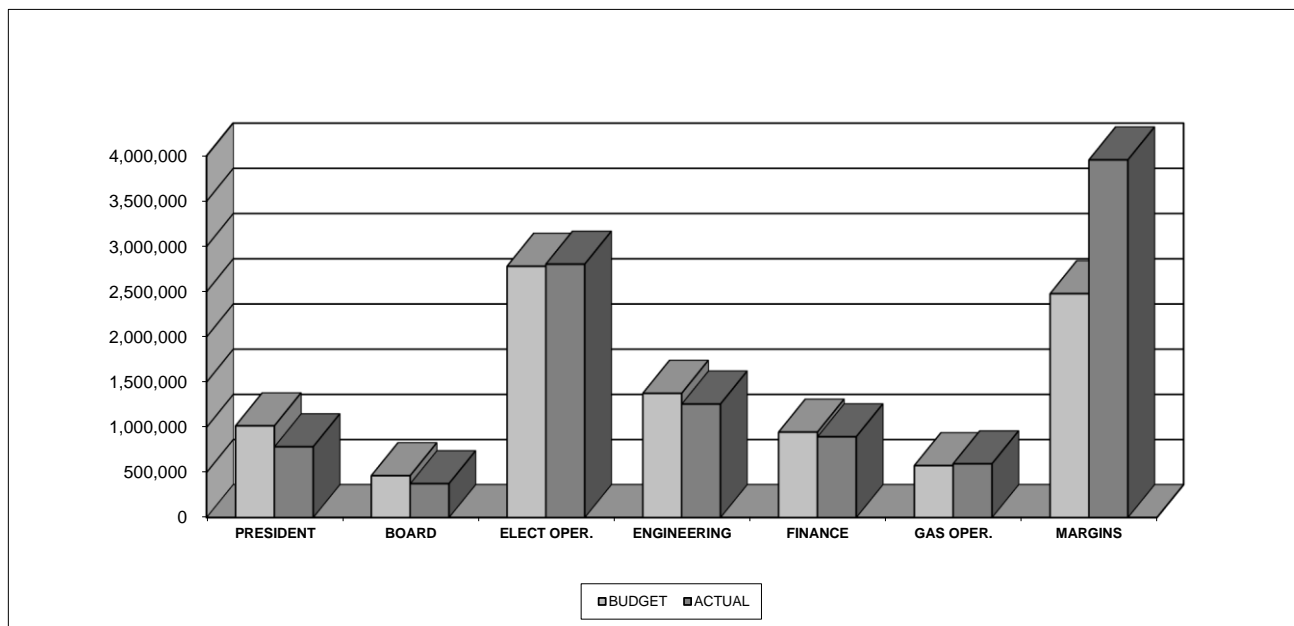
	YEAR TO DATE	PRIOR MONTH	PRIOR YEAR
Deferred Debits - Electric Division			
CFC Repricing Fees	413,830	415,169	429,901
Town of Afton Swift Creek Receivable	76,394	81,183	5,609
	490,224	496,352	435,510
Deferred Debits - Gas Division			
CFC Repricing Fees	1,483,254	1,489,832	1,562,187
Teton Village Contribution in Aid Rec.	1,230,401	1,241,350	1,448,450
Natural Gas Fuel Balancing Account	-	-	76,931
	2,713,656	2,731,182	3,087,568
Total Deferred Debits	\$ 3,203,879	\$ 3,227,534	\$ 3,523,078
Deferred Credits - Electric Division			
Horse Butte Wind Payment from Eagle Mountain	\$ 3,052,249	\$ 3,069,396	\$ 3,295,976
Conservation Expenditures	(301,326)	(281,741)	(437,861)
Conservation - Loan Loss Reserve	200,000	200,000	200,000
Conservation Funds	290,871	290,871	349,180
Prepaid Revenue-Gift Certificates	3,395	3,395	2,970
Unamortized Gain on Debt Discount	-	-	84,785
Boardman liability	400,354	410,363	415,466
	3,645,543	3,692,284	3,910,516
Deferred Credits - Gas Division			
Natural Gas Fuel Balancing Account	133,300	118,491	-
	133,300	118,491	-
Total Deferred Credits	\$ 3,778,844	\$ 3,810,775	\$ 3,910,516

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

ITEM	2017 Total			YTD Variance	%
	Budget	YTD Actual	YTD Budget		
1 Operating Revenue	\$ 55,809,309	\$ 37,595,774	\$ 36,715,524	\$ 880,250	2.40%
2 Power Production Expense	192,207	66,633	141,583	(74,950)	-52.94%
3 Cost of Purchased Power	29,270,221	19,726,741	19,608,015	118,726	0.61%
4 Transmission Operation & Maintenance	872,051	629,081	578,678	50,403	8.71%
5 Regional Market Expense	-	-	-	-	0.00%
6 Distribution Operation Expense	3,552,326	2,389,303	2,424,194	(34,891)	-1.44%
7 Distribution Maintenance Expense	1,741,625	1,138,026	1,164,831	(26,805)	-2.30%
8 Consumer Accounts Expense	816,301	527,841	549,896	(22,056)	-4.01%
9 Customer Service and Informational Expense	422,243	225,349	270,204	(44,855)	-16.60%
10 Sales Expense	-	-	-	-	0.00%
11 Administrative and General Expense	3,041,636	1,458,311	1,894,640	(436,329)	-23.03%
12 Total Operation & Maintenance Expense (2 thru 11)	39,908,610	26,161,284	26,632,041	(470,757)	-1.77%
13 Depreciation and Amortization Expense	6,158,660	4,002,540	4,086,700	(84,160)	-2.06%
14 Tax Expense-Property	712,700	516,403	475,100	41,303	8.69%
15 Tax Expense-Other	55,000	37,283	37,200	83	0.22%
16 Interest on Long-Term Debt	5,496,770	3,692,697	3,702,590	(9,893)	-0.27%
17 Interest Charged to Construction-Credit	-	-	-	-	0.00%
18 Interest Expense-Other	24,000	7,678	16,000	(8,322)	-52.01%
19 Other Deductions	(25,140)	(25,136)	(25,140)	4	-0.02%
20 Total Cost of Electric Service (12 thru 19)	52,330,600	34,392,747	34,924,491	(531,744)	-1.52%
21 Patronage Capital & Operating Margins (1 minus 20)	3,478,709	3,203,026	1,791,033	1,411,994	78.84%
22 Non Operating Margins-Interest	211,925	220,763	141,165	79,598	56.39%
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	-	5,477	0.00%
26 Generation and Transmission Capital Credits	-	-	-	-	0.00%
27 Other Capital Credits and Patronage Dividends	564,000	527,642	545,000	(17,358)	-3.19%
28 Extraordinary Items	-	-	-	-	0.00%
29 Patronage Capital or Margins (21 thru 28)	\$ 4,275,334	\$ 3,956,908	\$ 2,477,198	\$ 1,479,710	59.73%

Tier - Oper.	1.63	1.87	1.48
Tier - Total	1.78	2.07	1.67

BUDGET BY DEPARTMENT



LOWER VALLEY ENERGY
STATEMENT OF OPERATIONS
For The Month Ended
August 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	\$ 30,264,410	\$ 31,369,660	\$ 30,812,724	\$ 3,234,113
2 Power Production Expense	85,814	66,633	141,583	14,993
3 Cost of Purchased Power	15,584,589	17,178,467	17,307,879	1,471,881
4 Transmission Operation & Maintenance	329,265	506,166	443,711	168,978
5 Regional Market Expense	-	-	-	-
6 Distribution Operation Expense	2,151,444	2,123,426	2,194,344	179,244
7 Distribution Maintenance Expense	884,666	968,787	991,566	166,442
8 Consumer Accounts Expense	503,425	455,220	471,432	42,497
9 Customer Service and Informational Expense	336,686	197,696	246,102	29,598
10 Sales Expense	-	-	-	-
11 Administrative and General Expense	1,335,758	1,218,548	1,544,910	193,226
12 Total Operation & Maintenance Expense (2 thru 11)	\$ 21,211,648	\$ 22,714,944	\$ 23,341,528	\$ 2,266,858
13 Depreciation and Amortization Expense	3,106,965	3,156,052	3,240,720	396,931
14 Tax Expense-Property	297,520	364,810	334,230	45,601
15 Tax Expense-Other	28,836	29,118	29,700	2,838
16 Interest on Long-Term Debt	3,008,221	2,812,397	2,822,250	346,292
17 Interest Charged to Construction-Credit	-	-	-	-
18 Interest Expense-Other	5,985	6,375	9,600	716
19 Other Deductions	(119,298)	(25,136)	(25,140)	-
20 Total Cost of Electric Service (12 thru 19)	\$ 27,539,878	\$ 29,058,559	\$ 29,752,888	\$ 3,059,237
21 Patronage Capital & Operating Margins (1 minus 20)	\$ 2,724,532	\$ 2,311,100	\$ 1,059,835	\$ 174,877
22 Non Operating Margins-Interest	151,940	220,763	141,165	30,174
23 Allowance for Funds Used During Construction	-	-	-	-
24 Income (Loss) from Equity Investments	-	-	-	-
25 Non Operating Margins-Other	34,131	5,152	-	-
26 Generation and Transmission Capital Credits	-	-	-	-
27 Other Capital Credits and Patronage Dividends	53,876	416,436	445,000	412,522
28 Extraordinary Items	-	-	-	-
29 Patronage Capital or Margins (21 thru 28)	\$ 2,964,478	\$ 2,953,451	\$ 1,646,000	\$ 617,572

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	275	250	5. Miles Trans.	264	264
2. Services Retired	88	86	6. Miles Dist. - Overhead	937	929
3. Total Services in Place	26,450	27,658	7. Miles Dist. - Underground	1,473	1,517
4. Idle Services (Exclude Seasonal)	215	218	8. Total Miles (5 + 6 + 7)	2,674	2,711

LOWER VALLEY ENERGY
BALANCE SHEET
As of
August 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	\$ 176,459,326	\$ 173,967,099	30 Memberships	\$ -	\$ -
2 Construction Work in Progress	1,839,811	873,424	31 Patronage Capital	54,230,421	52,525,519
3 Total Utility Plant	178,299,137	174,840,522	32 Operating Margins-Prior Years	-	-
4 Accum. Provision for Depreciation and Amort	88,613,636	84,494,312	33 Operating Margins-Current Year	2,311,100	2,723,872
5 Net Utility Plant	89,685,501	90,346,210	34 Non Operating Margins	642,351	239,947
6 Nonutility Property - Net	-	-	35 Other Margins and Equities	18,310,970	16,953,045
7 Investments in Subsidiary Companies	-	-	36 Total Margins & Equities	75,494,842	72,442,382
8 Invest. in Assoc. Org. - Patronage Capital	2,377,941	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)	17,057,907	18,441,165
12 Other Investments	573,333	605,467	40a Long-Term Debt-BPA Power Prepayment	118,464,803	126,993,900
13 Special Funds	-	-	41 Long-Term Debt - WY SEO (Net)	951,913	1,136,156
14 Total Other Property & Investments	4,398,845	3,821,156	41a Long-Term Debt - REDL&G	1,000,000	-
15 Cash-General Funds	337,696	365,717	42 Payments - Unapplied	-	-
16 Cash-Construction Funds-Trustee	-	-	43 Total Long-Term Debt	137,474,623	146,571,221
17 Special Deposits	1,348,976	1,323,008	44 Obligations under Capital Leases	-	-
18 Temporary Investments	11,019,178	6,621,486	45 Accumulated Operating Provisions	-	-
19 Notes Receivable-Net	1,338,520	329,493	46 Total Other Noncurrent Liabilities	-	-
20 Accounts Receivable-Net Sales of Energy	2,350,157	2,348,943	47 Notes Payable	1,038,050	-
21 Accounts Receivable-Net Other	576,811	1,198,306	48 Accounts Payable	1,607,199	1,507,121
22 Renewable Energy Credits	-	-	49 Consumers Deposits	534,439	481,690
23 Materials & Supplies-Electric and Other	1,624,511	2,035,298	50 Current Maturities Long-Term Debt	1,240,329	9,837,254
24 Prepayments	194,488	172,052	50a Current Maturities LTD (BPA Prepay)	8,856,699	-
24a BPA Power Prepayment - Current	8,258,881	7,891,736	51 Current Maturities LTD - Econ. Devel.	-	-
25 Other Current & Accrued Assets	1,244,284	937,771	52 Current Maturities Capital Leases	-	-
26 Total Current & Accrued Assets	28,293,502	23,223,809	53 Other Current & Accrued Liabilities	4,632,245	3,234,184
27 Regulatory Assets	-	-	54 Total Current & Accrued Liabilities	17,908,961	15,060,249
28 Other Deferred Debits	490,224	435,510	55 Regulatory Liabilities	-	-
28a BPA Power Prepayment - Non-current	111,655,899	120,157,683	56 Deferred Credits	3,645,543	3,910,516
29 Total Assets & Other Debits	\$ 234,523,970	\$ 237,984,368	57 Total Liabilities & Other Credits	\$ 234,523,970	\$ 237,984,368

NOTES TO FINANCIAL STATEMENTS

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

	2017		2016	
	July	August	July	August
1 Cost of Power				
Cost of Power from Income Statement		\$ 17,178,467		\$ 15,584,589
plus: Interest on BPA Prepayment Loan		2,661,390		2,845,302
Total Power Cost		<u>\$ 19,839,857</u>		<u>\$ 18,429,892</u>
2 Current Assets/Liabilities	1.64	1.58	1.58	1.55
3 Equity	31.96%	32.19%	28.77%	29.06%
Equity excluding BPA Power Prepayment	64.80%	65.05%	62.99%	63.83%
4 Long Term Debt as a % of Plant	78.16%	77.10%	93.42%	92.51%
Long Term Debt as a % of Plant excl. BPA Power Prepayment	11.51%	11.36%	13.76%	13.63%
5 Material Inventory:				
Material	1,771,215	1,624,511	2,126,099	2,035,298
Special Equip.	2,596,908	2,588,718	2,847,549	2,644,545
Total Material	<u>4,368,123</u>	<u>4,213,229</u>	<u>4,973,648</u>	<u>4,679,843</u>

LOWER VALLEY ENERGY, INC
STATEMENT OF CASH FLOWS

For The Month Ended
August 31, 2017

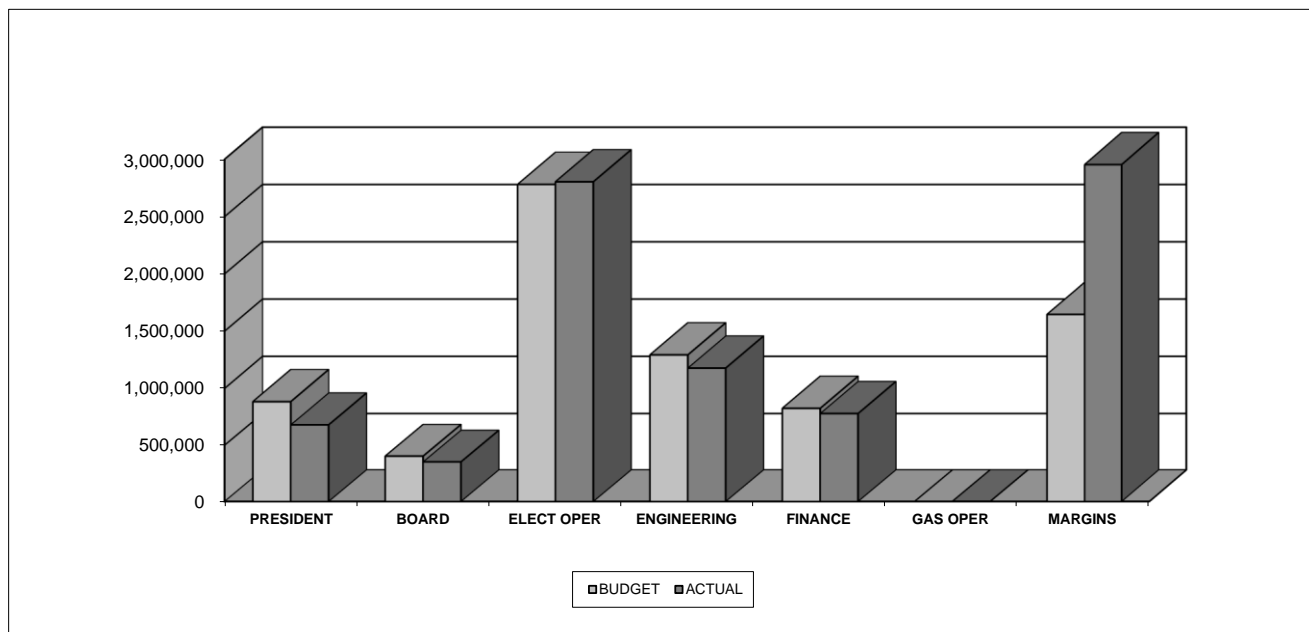
ELECTRIC DIVISION

	YEAR TO DATE	THIS MONTH
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Margins	\$ 2,953,451	\$ 617,572
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	3,156,052	396,931
Decrease/(Increase) in:		
Special Deposits	979,836	-
Accounts Receivable	2,638,391	(110,660)
Other Accounts Receivable	356,630	(88,248)
Materials & Supplies	(132,382)	146,703
Prepayments	(141,272)	6,298
BPA Prepayment	5,464,088	692,104
Other Current Assets	1,059,150	(198,516)
Other Deferred Debits	(42,378)	6,128
Increase/(Decrease) in:		
Accounts Payable	(1,789,532)	(481,564)
Consumer Deposits	50,623	5,989
Other Current Liabilities	1,469,669	(608,930)
Deferred Credits	(1,542,729)	(46,741)
Net cash provided by operating activities	14,479,596	337,067
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets Net of Retirements	(2,975,252)	(1,229,324)
Change in Notes Receivable	(990,331)	10,624
Change in Investments in Associated Organizations	(408,786)	(412,522)
Change in Investments in Economic Development Projects	-	-
Change in Temporary Investments	(3,519,178)	1,162,194
Change in Other Investments	16,667	(3,333)
Net cash provided/(used) by investing activities	(7,876,880)	(472,361)
CASH FLOWS FROM FINANCING AND CAPITAL CREDIT		
Change in Capital Credits	(541,753)	(260,804)
Change in Line of Credit	1,038,050	1,038,050
Change in Long-term Debt	(6,832,312)	(875,572)
Net cash provided/(used) by financing and capital credit activities	(6,336,015)	(98,325)
Total change in cash	266,701	(233,619)
Beginning cash	70,995	571,315
Ending cash	\$ 337,696	\$ 337,696
Add: Temporary investments	11,019,178	
Ending cash and temporary investments	\$ 11,356,874	

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

ITEM	2017 Total			YTD Variance	% Variance
	Budget	YTD Actual	YTD Budget		
1 Operating Revenue	\$ 46,965,909	\$ 31,369,660	\$ 30,812,724	\$ 556,936	1.81%
2 Power Production Expense	192,207	66,633	141,583	(74,950)	-52.94%
3 Cost of Purchased Power	25,824,751	17,178,467	17,307,879	(129,412)	-0.75%
4 Transmission Operation & Maintenance	664,155	506,166	443,711	62,455	14.08%
5 Regional Market Expense	-	-	-	-	0.00%
6 Distribution Operation Expense	3,214,069	2,123,426	2,194,344	(70,918)	-3.23%
7 Distribution Maintenance Expense	1,493,261	968,787	991,566	(22,779)	-2.30%
8 Consumer Accounts Expense	701,308	455,220	471,432	(16,213)	-3.44%
9 Customer Service and Informational Expense	383,728	197,696	246,102	(48,406)	-19.67%
10 Sales Expense	-	-	-	-	0.00%
11 Administrative and General Expense	2,506,803	1,218,548	1,544,910	(326,362)	-21.12%
12 Total Operation & Maintenance Expense (2 thru 11)	34,980,284	22,714,944	23,341,528	(626,584)	-2.68%
13 Depreciation and Amortization Expense	4,887,760	3,156,052	3,240,720	(84,668)	-2.61%
14 Tax Expense-Property	501,390	364,810	334,230	30,580	9.15%
15 Tax Expense-Other	43,800	29,118	29,700	(582)	-1.96%
16 Interest on Long-Term Debt	4,183,220	2,812,397	2,822,250	(9,853)	-0.35%
17 Interest Charged to Construction-Credit	-	-	-	-	0.00%
18 Interest Expense-Other	14,400	6,375	9,600	(3,225)	-33.59%
19 Other Deductions	(25,140)	(25,136)	(25,140)	4	-0.02%
20 Total Cost of Electric Service (12 thru 19)	44,585,714	29,058,559	29,752,888	(694,329)	-2.33%
21 Patronage Capital & Operating Margins (1 minus 20)	2,380,195	2,311,100	1,059,835	1,251,265	118.06%
22 Non Operating Margins-Interest	211,925	220,763	141,165	79,598	56.39%
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	-	5,152	0.00%
26 Generation and Transmission Capital Credits	-	-	-	-	0.00%
27 Other Capital Credits and Patronage Dividends	464,000	416,436	445,000	(28,564)	-6.42%
28 Extraordinary Items	-	-	-	-	0.00%
29 Patronage Capital or Margins (21 thru 28)	\$ 3,076,820	\$ 2,953,451	\$ 1,646,000	\$ 1,307,450	79.43%
Tier - Oper.	1.57	1.82	1.38		
Tier - Total	1.74	2.05	1.58		

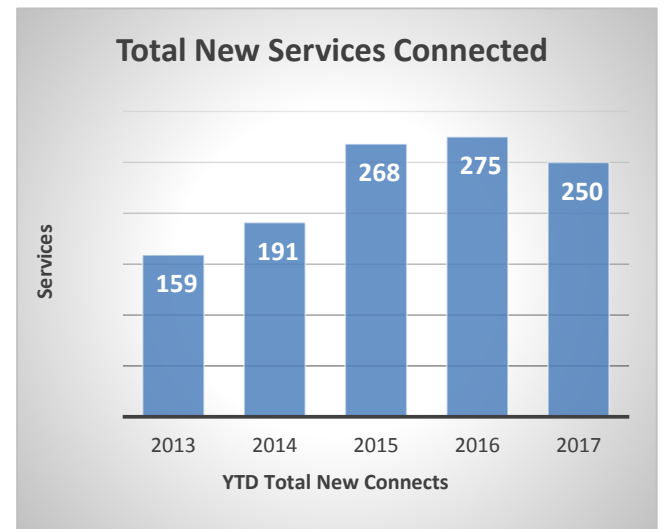
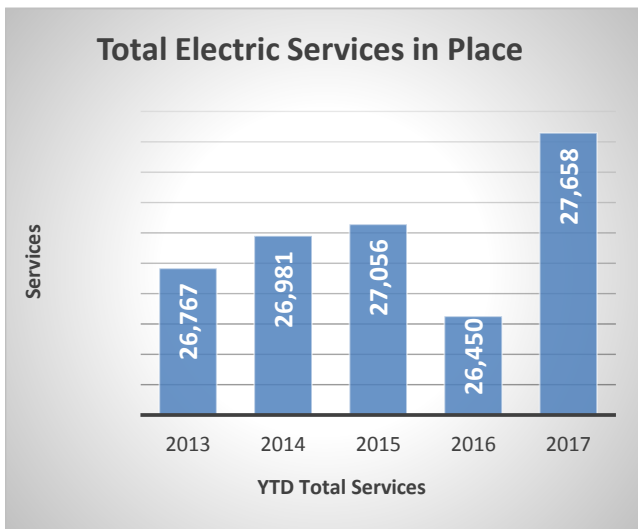
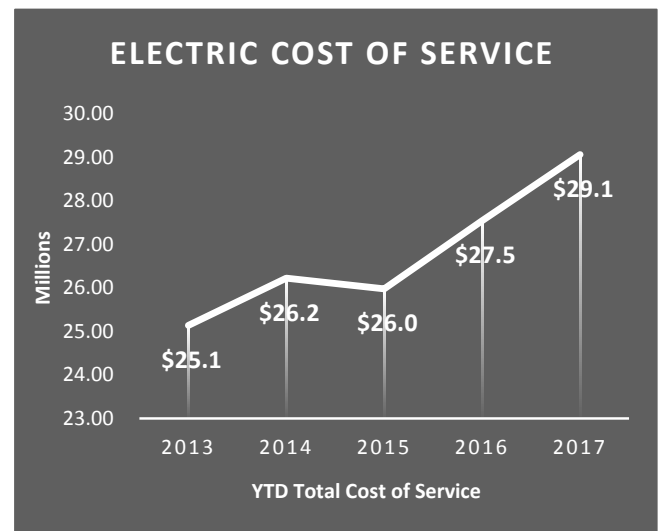
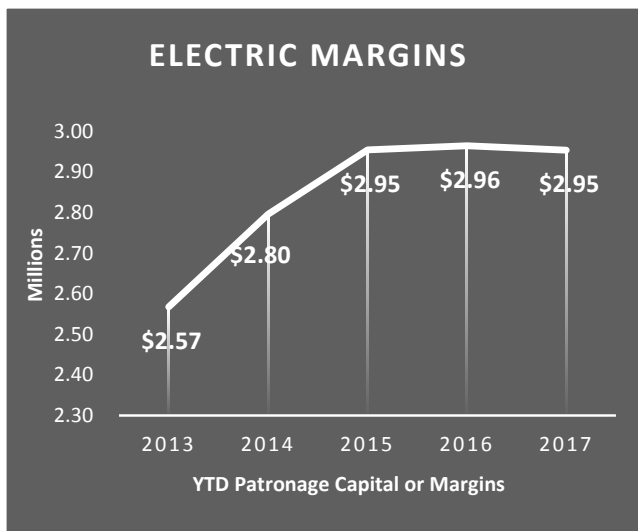
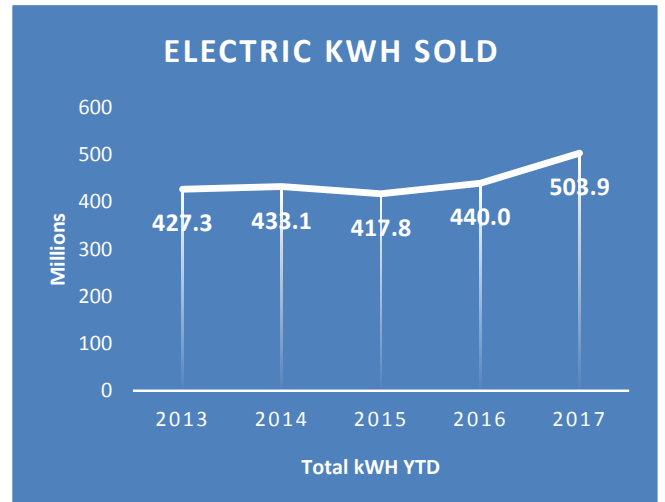
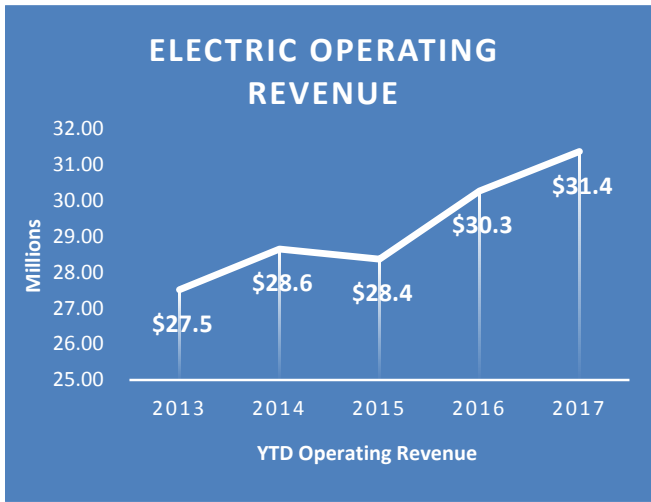
BUDGET BY DEPARTMENT



Lower Valley Energy
Electric Five Year Comparison
For the Month Ended
August 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	\$31,369,660		\$30,264,410		\$28,368,231		\$28,649,334		\$27,516,796	
2 Power Production Expense	\$66,633	0.21%	\$85,814	0.28%	\$74,630	0.26%	\$61,565	0.21%	\$75,133	0.27%
3 Cost of Purchased Power	17,178,467	54.76%	15,584,589	51.49%	13,643,310	48.09%	13,279,835	46.35%	13,330,248	48.44%
4 Transmission Operation & Maintenance	506,166	1.61%	329,265	1.09%	436,880	1.54%	295,692	1.03%	393,598	1.43%
5 Regional Market Expense		0.00%		0.00%	0	0.00%	0	0.00%	0	0.00%
6 Distribution Operation	2,123,426	6.77%	2,151,444	7.11%	1,925,115	6.79%	2,273,466	7.94%	2,220,337	8.07%
7 Distribution Maintenance	968,787	3.09%	884,666	2.92%	884,896	3.12%	809,967	2.83%	674,491	2.45%
8 Consumer Accounts Expense	455,220	1.45%	503,425	1.66%	493,423	1.74%	550,370	1.92%	535,923	1.95%
9 Customer Service & Information Expense	197,696	0.63%	336,686	1.11%	255,071	0.90%	311,178	1.09%	283,888	1.03%
10 Sales Expense	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
11 Administrative & General Expense	1,218,548	3.88%	1,335,758	4.41%	1,310,390	4.62%	1,470,107	5.13%	1,498,780	5.45%
12 Total Operation & Maintenance Expense	\$22,714,944	72.41%	\$21,211,648	70.09%	\$19,023,714	67.06%	\$19,052,180	66.50%	\$19,012,398	69.09%
13 Depreciation & Amortization Expense	3,156,052	10.06%	3,106,965	10.27%	3,165,317	11.16%	3,101,048	10.82%	2,975,567	10.81%
14 Tax Expense - Property	364,810	1.16%	297,520	0.98%	314,440	1.11%	298,725	1.04%	292,760	1.06%
15 Tax Expense - Other	29,118	0.09%	28,836	0.10%	25,905	0.09%	26,679	0.09%	112,430	0.41%
16 Interest on Long-Term Debt	2,812,397	8.97%	3,008,221	9.94%	3,554,870	12.53%	3,831,832	13.37%	2,816,783	10.24%
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	6,375	0.02%	5,985	0.02%	12,578	0.04%	27,288	0.10%	75,378	0.27%
19 Other Deductions	(25,136)	-0.08%	(119,298)	-0.39%	(119,298)	-0.42%	(119,298)	-0.42%	(149,122)	-0.54%
20 Total Cost of Service	\$29,058,559	92.63%	\$27,539,878	91.00%	\$25,977,527	91.57%	\$26,218,455	91.52%	\$25,136,195	91.35%
21 Patronage Capital & Operating Margins	\$2,311,100	7.37%	\$2,724,532	9.00%	\$2,390,704	8.43%	\$2,430,879	8.48%	\$2,380,601	8.65%
22 Non Operating Margins - Interest	\$220,763	0.70%	\$151,940	0.50%	\$85,406	0.30%	\$114,810	0.40%	\$186,882	0.68%
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	0.02%	34,131	0.11%	0	0.00%	35,377	0.12%	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	416,436	1.33%	53,876	0.18%	478,052	1.69%	215,101	0.75%	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	\$2,953,451	9.41%	\$2,964,478	9.80%	\$2,954,162	10.41%	\$2,796,168	9.76%	\$2,567,484	9.33%
30 Total Cost of Service Less Cost of Power	\$11,307,293	36.05%	\$11,540,209	38.13%	\$11,822,707	41.68%	\$12,581,363	43.92%	\$11,337,216	41.20%
31 Tier - Oper.	1.82		1.91		1.67		1.63		1.85	
32 Tier - Total	2.05		1.99		1.83		1.73		1.91	
33 New Services Connected	250		275		268		191		159	
34 Total Services in Place	27,658		26,450		27,056		26,981		26,767	
35 Miles of Line	2,711		2,674		2,648		2,632		2,597	

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



LOWER VALLEY ENERGY, INC. ELECTRIC DIVISION FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION Wyoming 11, Lincoln					
		PERIOD ENDED August 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 (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)		108,099,910	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

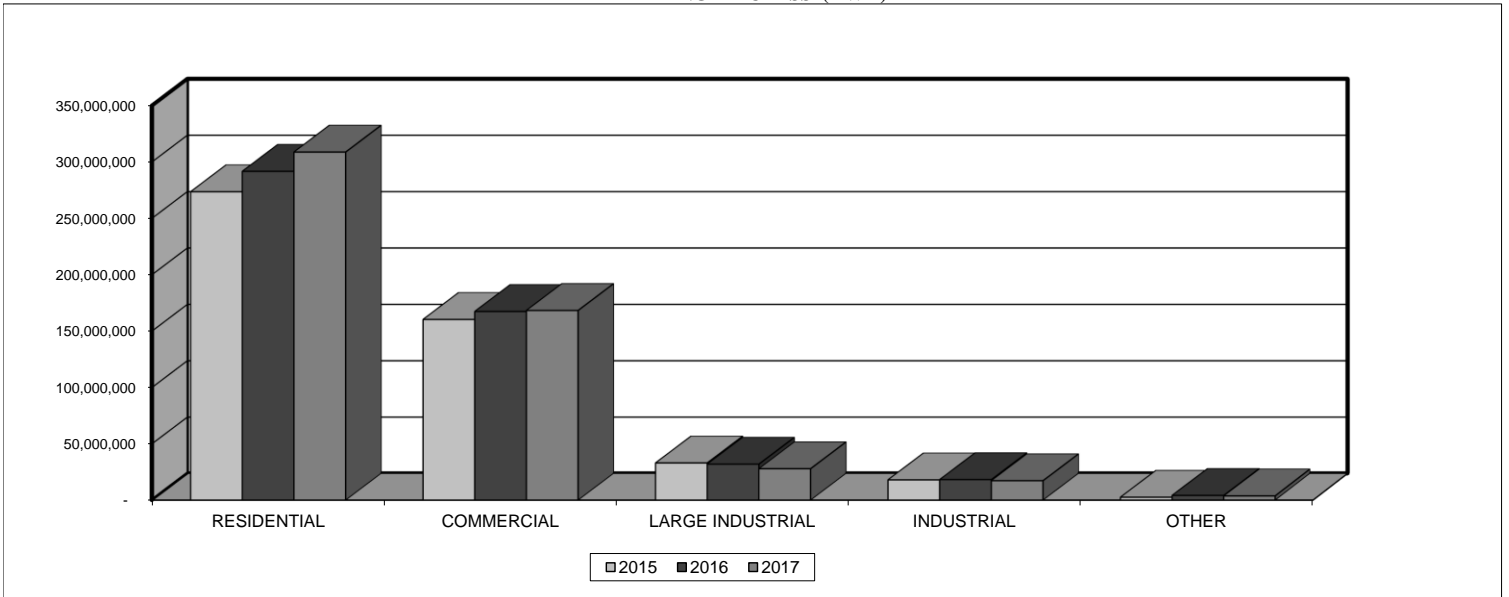
LOWER VALLEY ENERGY, INC.						BORROWER DESIGNATION		
FINANCIAL AND STATISTICAL REPORT						Wyoming 11, Lincoln		
ELECTRIC DIVISION						PERIOD ENDED		
						August 31, 2017		
PART R. POWER REQUIREMENTS DATA BASE (Continued)								
ITEM NUMBER	LINE							TOTAL (Columns a thru l)
	JULY (g)	AUGUST (h)	SEPTEMBER (i)	OCTOBER (j)	NOVEMBER (k)	DECEMBER (l)		
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	20,927	20,943					
	b. kWh Sold	20,333,417	21,486,637				308,748,201	
	c. Revenue	1,418,021	1,486,368				\$19,211,651	
2. Residential Sales- Seasonal	a. No. Consumers Served						0	
	b. kWh Sold						\$0	
	c. Revenue							
3. Irrigation Sales	a. No. Consumers Served	193	193					
	b. kWh Sold	1,088,033	1,609,864				3,308,597	
	c. Revenue	64,496	90,852				\$197,949	
4. Comm. and Ind. 1000 kVA or Less	a. No. Consumers Served	4,974	4,980					
	b. kWh Sold	17,299,219	19,052,831				168,280,292	
	c. Revenue	1,076,117	1,183,501				\$10,233,009	
5. Comm. and Ind. Over 1000 kVA	a. No. Consumers Served	17	17					
	b. kWh Sold	3,740,940	4,664,580				45,048,320	
	c. Revenue	190,069	226,770				\$2,160,505	
6. Public Street and Highway Lighting	a. No. Consumers Served	1,307	1,307					
	b. kWh Sold	52,789	52,771				412,609	
	c. Revenue	10,811	10,805				\$84,249	
7. Other Sales to Public Auth.	a. No. Consumers Served						0	
	b. kWh Sold						\$0	
	c. Revenue							
8. Sales for Resales- REA Borrowers	a. No. Consumers Served						0	
	b. kWh Sold						\$0	
	c. Revenue							
9. Unbilled Revenue	a. No. Consumers Served							
	b. kWh Sold	2,618,067	3,180,105				(21,859,280)	
	c. Revenue	123,943	184,525				(\$1,164,679)	
10. TOTAL No. Consumers (lines 1a - 9a)	27,418	27,440						
11. TOTAL kWh Sold (lines 1b - 9b)	45,132,465	50,046,788					503,938,739	
12. TOTAL Revenue Received From Sales of Electric Energy (lines 1c - 9c)	2,883,457	3,182,821					\$30,722,684	
13. Other Electric Revenue	75,940	51,292					\$646,976	
14. kWh - Own Use	79,426	84,519					1,176,825	
15. TOTAL kWh Purchased	48,064,018	47,993,944					518,498,224	
16. TOTAL kWh Generated	1,233,000	1,198,800					7,416,600	
17. Cost of Purchases and Generation	1,623,888	1,486,873					\$17,245,101	
18. Interchange - kWh - Net							0	
19. Peak - Sum All kW Input (Metered) X Coincident ___ Non-Coincident	77,975	81,120					218,819	

ANALYSIS OF BILLING
August 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	20,449	273,562,734	\$16,689,607	4,873	160,324,707	\$9,450,394	16	17,952,020	\$984,104
2016	20,671	291,671,079	\$18,237,634	4,925	167,396,254	\$10,160,984	16	18,157,340	\$1,014,617
2017	20,943	308,748,201	\$19,211,651	4,980	168,280,292	\$10,233,009	16	17,196,200	\$966,480
	Irrigation			Lighting			Large Industrial		
2015	191	2,101,146	\$125,913	1,315	419,367	\$82,721	1	32,973,840	\$1,351,542
2016	192	3,736,259	\$216,155	1,309	416,000	\$84,956	1	31,911,120	\$1,351,521
2017	193	3,308,597	\$197,949	1,307	412,609	\$84,249	1	27,852,120	\$1,194,025
	Change in Unbilled Revenue			August Totals			Year to Date Totals		
2015		5,076,090	\$422,576	26,845	44,198,457	\$2,721,990	26,845	492,409,904	\$29,106,857
2016		(2,176,474)	(\$110,368)	27,114	47,488,331	\$2,977,235	27,114	511,111,578	\$30,955,499
2017		(21,859,280)	(\$1,164,679)	27,440	50,046,788	\$3,182,821	27,440	503,938,739	\$30,722,684

YTD KW	Degree Days		Revenue Summary Form 7 Part A Line 1		Lower Valley Energy KWH Usage		
	Normal	Actual					
2015	184,876	5,901	5,542	Year to Date Billing	\$30,722,684	2015	1,190,340
2016	184,876	5,917	5,862	Other Revenue	<u>646,976</u>	2016	1,164,204
2017	218,819	5,633	5,707	Form 7a Line 1 YTD Revenue	<u><u>\$31,369,660</u></u>	2017	1,176,825

BILLING BY CLASS (KWH)

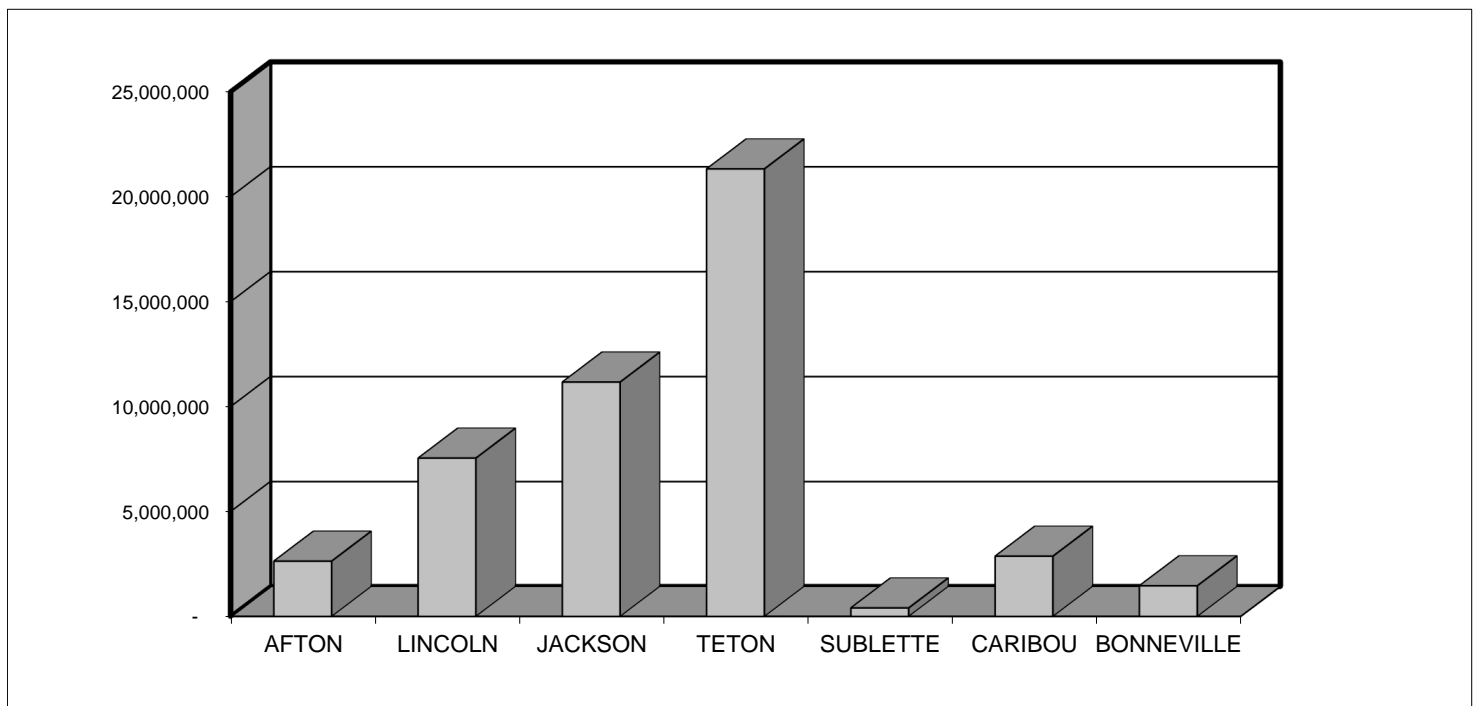


**LOWER VALLEY ENERGY
BILLING BY GEOGRAPHIC AREAS
ELECTRIC DIVISION
August 31, 2017
BILLING BASIS**

	CONSUMERS	KWH	CHARGES	AVERAGE KWH	AVERAGE BILL	REVENUE PER KWH CENTS
TOWN OF AFTON	1,940	2,632,132	\$174,102	1,357	\$89.74	6.61
LINCOLN COUNTY (less Afton)	7,288	7,540,841	\$519,037	1,035	\$71.22	6.88
TOWN OF JACKSON	7,330	11,165,434	\$702,990	1,523	\$95.91	6.30
TETON COUNTY (less Jackson)	8,580	21,322,300	\$1,304,083	2,485	\$151.99	6.12
SUBLETTE COUNTY	539	401,216	\$29,506	744	\$54.74	7.35
CARIBOU COUNTY	288	2,866,867	\$132,009	9,954	\$458.36	4.60
BONNEVILLE COUNTY	1,475	1,457,790	\$98,517	988	\$66.79	6.76
TOTAL	<u>27,440</u>	<u>47,386,580</u>	<u>\$2,960,244</u>	<u>1,727</u>	<u>\$107.88</u>	<u>6.25</u>
			<u>273,870</u>			
			<u>\$3,234,113</u>			

Adjustments and Accruals
Total Operating Revenue

KWH



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

NATURAL GAS DIVISION

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR	THIS YEAR	BUDGET	
	(a)	(b)	(c)	
1 Operating Revenue and Patronage Capital	\$ 5,119,421	\$ 6,226,114	\$ 5,902,800	\$ 343,354
2 Power Production Expense	-	-	-	-
3 Cost of Gas	1,582,493	2,548,273	2,300,135	157,052
4 Transmission Operation & Maintenance	129,514	122,915	134,967	25,317
5 Regional Market Expense	-	-	-	-
6 Distribution Operation Expense	232,907	265,876	229,849	31,592
7 Distribution Maintenance Expense	172,111	169,240	173,265	26,506
8 Consumer Accounts Expense	58,377	72,621	78,464	6,748
9 Customer Service and Informational Expense	16,978	27,652	24,102	3,784
10 Sales Expense	-	-	-	-
11 Administrative and General Expense	246,420	239,763	349,730	28,589
12 Total Operation & Maintenance Expense (2 thru 11)	\$ 2,438,801	\$ 3,446,340	\$ 3,290,513	\$ 279,587
13 Depreciation and Amortization Expense	838,013	846,487	845,980	105,825
14 Tax Expense-Property	140,560	151,593	140,870	18,949
15 Tax Expense-Other	7,233	8,165	7,500	265
16 Interest on Long-Term Debt	905,662	880,300	880,340	109,328
17 Interest Charged to Construction-Credit	-	-	-	-
18 Interest Expense-Other	3,753	1,303	6,400	255
19 Other Deductions	-	-	-	-
20 Total Cost of Service (12 thru 19)	\$ 4,334,020	\$ 5,334,188	\$ 5,171,603	\$ 514,208
21 Patronage Capital & Operating Margins (1 minus 20)	\$ 785,400	\$ 891,926	\$ 731,197	\$ (170,855)
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	-	111,206	100,000	111,206
28 Extraordinary Items	-	-	-	-
29 Patronage Capital or Margins (21 thru 28)	\$ 793,522	\$ 1,003,457	\$ 831,197	\$ (59,649)

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	53	65	5. Miles Trans.	53	53
2. Services Retired	19	1	6. Miles Distr. - 2" or less	151	165
3. Total Services in Place	4,093	4,202	7. Miles Dist. - Over 2"	45	57
4. Idle Services (Exclude Seasonal)	34	38	8. Total Miles (5 + 6 + 7)	249	275

LOWER VALLEY ENERGY
BALANCE SHEET
As of
August 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	\$ 45,585,274	\$ 45,359,062	30	Memberships	-	-
2	Construction Work in Progress	534,906	249,346	31	Patronage Capital	9,334,242	7,923,325
3	Total Utility Plant	46,120,180	45,608,408	32	Operating Margins-Prior Years	-	-
4	Accum. Provision for Depreciation and Amort	13,326,001	12,048,616	33	Operating Margins-Current Year	891,926	785,676
5	Net Utility Plant	32,794,179	33,559,792	34	Non Operating Margins	111,531	8,122
6	Nonutility Property - Net	-	-	35	Other Margins and Equities	35,534	19,929
7	Investments in Subsidiary Companies	-	-	36	Total Margins & Equities	10,373,233	8,737,052
8	Invest. in Assoc. Org. - Patronage Capital	757,651	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)	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	1,336,551	1,171,007	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	367,910	274,305	48	Accounts Payable	19,584	-
21	Accounts Receivable-Net Other	53,679	130,605	49	Consumers Deposits	52,684	43,451
22	Renewable Energy Credits	-	-	50	Current Maturities Long-Term Debt	1,026,048	981,593
23	Materials & Supplies-Electric and Other	44,000	159,927	51	Current Maturities Long-Term Debt - Econ. Devel.	-	-
24	Prepayments	-	15,285	52	Current Maturities Capital Leases	-	-
25	Other Current & Accrued Assets	180,744	135,887	53	Other Current & Accrued Liabilities	(2,002,005)	(141,645)
26	Total Current & Accrued Assets	646,333	716,009	54	Total Current & Accrued Liabilities	(903,689)	883,400
27	Regulatory Assets	-	-	55	Regulatory Liabilities	-	-
28	Other Deferred Debits	2,713,656	3,087,568	56	Deferred Credits	133,300	-
28a	Other Non-current Assets-BPA Power Prepayment	-	-	57	Total Liabilities & Other Credits	\$ 37,490,720	\$ 38,534,377
29	Total Assets & Other Debits	\$ 37,490,720	\$ 38,534,377				

NOTES TO FINANCIAL STATEMENTS

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

	2017		2016	
	July	August	July	August
1. Current Assets/Liabilities	2.39	2.37	1.29	0.81
2. Equity	27.82%	27.67%	19.73%	22.67%
3. Long Term Debt as a % of Plant	61.10%	60.47%	64.05%	63.40%
4. Material Inventory:	37,494	44,000	138,004	159,927
5. Intercompany Receivable/(Payable)	2,556,075	2,037,136	849,418	227,494

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

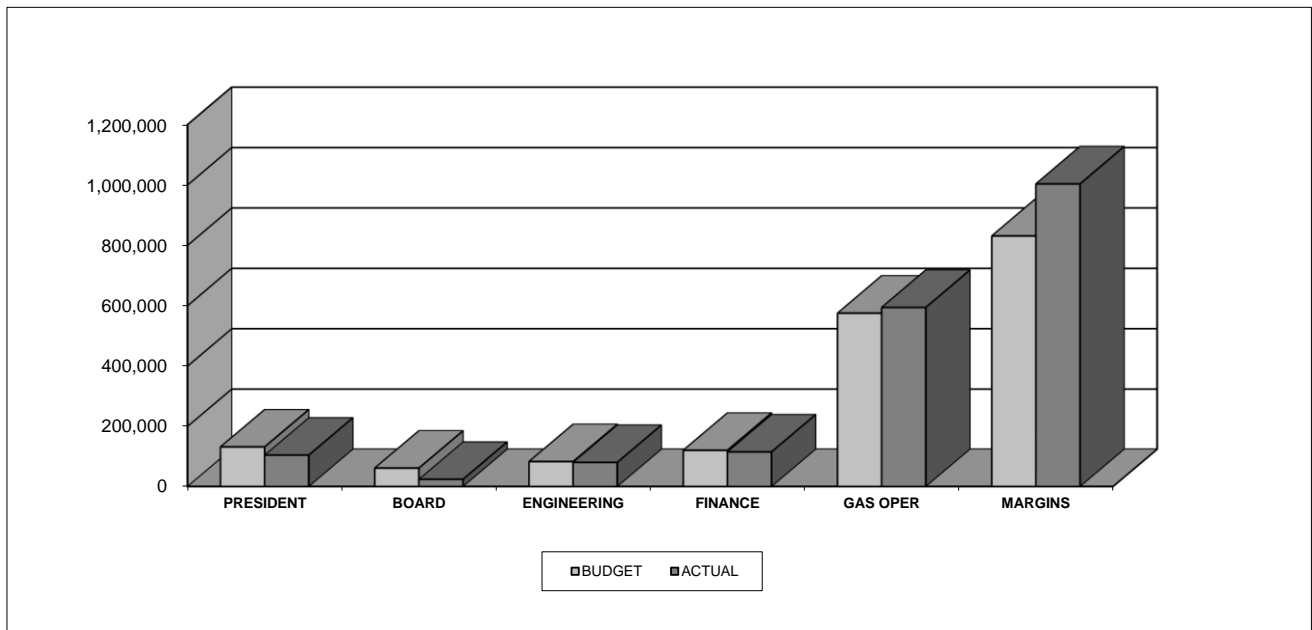
NATURAL GAS DIVISION

	YEAR TO DATE	THIS MONTH
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Margins	\$ 1,003,457	\$ (59,649)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	846,487	105,825
Decrease/(Increase) in:		
Special Deposits	-	-
Accounts Receivable	786,448	69,268
Other Accounts Receivable	(1,783)	(4,866)
Materials & Supplies	71,073	(6,506)
Prepayments	-	-
Other Current Assets	496,005	(11,836)
Other Deferred Debits	206,185	17,527
Increase/(Decrease) in:		
Accounts Payable (excluding line of credit)	(46,177)	(3,462)
Consumer Deposits	8,716	69
Other Current Liabilities	(814,054)	(230,867)
Deferred Credits	89,642	14,809
Net cash provided by operating activities	2,646,000	(109,688)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets Net of Retirements	327,944	(48,071)
Change in Notes Receivable	-	-
Change in Investments in Associated Organizations	(111,206)	(111,206)
Change in Investments in Economic Development Projects	-	-
Change in Temporary Investments	-	-
Change in Other Investments	-	-
Net cash provided/(used) by investing activities	216,738	(159,277)
CASH FLOWS FROM FINANCING AND CAPITAL CREDIT		
Change in Capital Credits	(3,446)	(486.40)
Change in Long-term Debt	(740,254)	(249,488)
Net cash provided/(used) by financing and capital credit activities	(743,700)	(249,975)
Total change in intercompany balance	2,119,039	(518,939)
Beginning intercompany balance	(81,902)	2,556,075
Ending intercompany balance	\$ 2,037,136	\$ 2,037,136

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

ITEM	2017 Total			YTD Variance	% Variance
	Budget	YTD Actual	YTD Budget		
1 Operating Revenue	\$ 8,843,400	\$ 6,226,114	\$ 5,902,800	\$ 323,314	5.48%
2 Power Production Expense	-	-	-	-	0.00%
3 Cost of Purchased Gas	3,445,471	2,548,273	2,300,135	248,138	10.79%
4 Transmission Operation & Maintenance	207,896	122,915	134,967	(12,052)	-8.93%
5 Regional Market Expense	-	-	-	-	0.00%
6 Distribution Operation Expense	338,257	265,876	229,849	36,027	15.67%
7 Distribution Maintenance Expense	248,363	169,240	173,265	(4,025)	-2.32%
8 Consumer Accounts Expense	114,992	72,621	78,464	(5,843)	-7.45%
9 Customer Service and Informational Expense	38,515	27,652	24,102	3,550	14.73%
10 Sales Expense	-	-	-	-	0.00%
11 Administrative and General Expense	534,832	239,763	349,730	(109,967)	-31.44%
12 Total Operation & Maintenance Expense (2 thru 11)	4,928,326	3,446,340	3,290,513	155,827	4.74%
13 Depreciation and Amortization Expense	1,270,900	846,487	845,980	507	0.06%
14 Tax Expense-Property	211,310	151,593	140,870	10,723	7.61%
15 Tax Expense-Other	11,200	8,165	7,500	665	8.86%
16 Interest on Long-Term Debt	1,313,550	880,300	880,340	(40)	0.00%
17 Interest Charged to Construction-Credit	-	-	-	-	0.00%
18 Interest Expense-Other	9,600	1,303	6,400	(5,097)	-79.64%
19 Other Deductions	-	-	-	-	0.00%
20 Total Cost of Service (12 thru 19)	7,744,886	5,334,188	5,171,603	162,585	3.14%
21 Patronage Capital & Operating Margins (1 minus 20)	1,098,514	891,926	731,197	160,729	21.98%
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	111,206	100,000	11,206	11.21%
28 Extraordinary Items	-	-	-	-	0.00%
29 Patronage Capital or Margins (21 thru 28)	\$ 1,198,514	\$ 1,003,457	\$ 831,197	\$ 172,260	20.72%
Tier - Oper.	1.84	2.01	1.83		
Tier - Total	1.91	2.14	1.94		

BUDGET BY DEPARTMENT

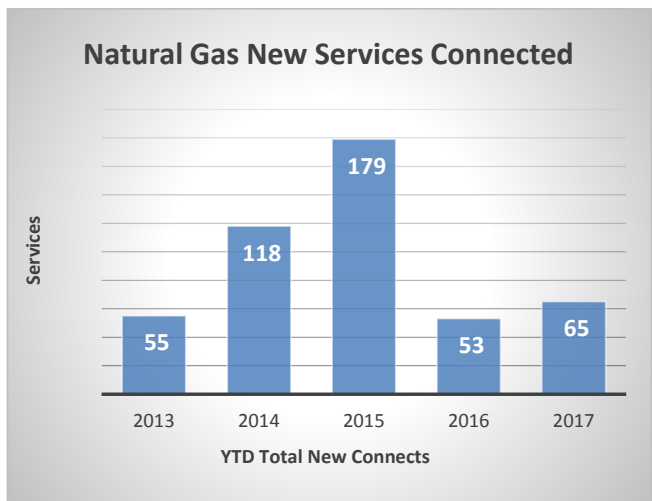
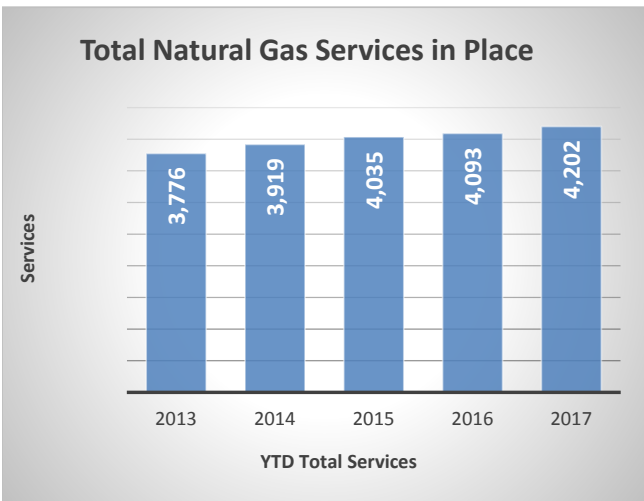
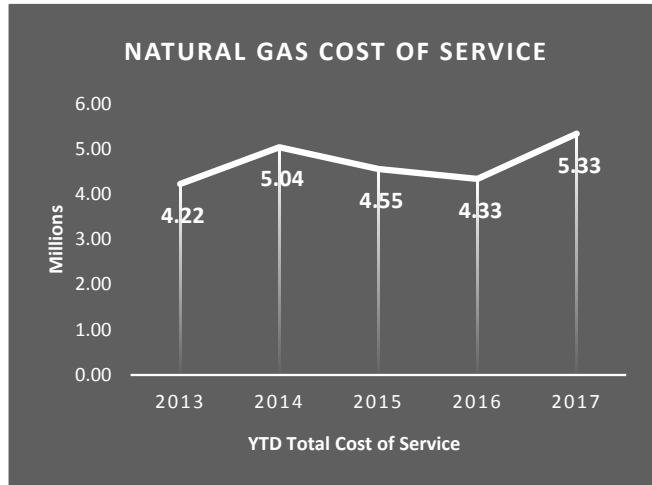
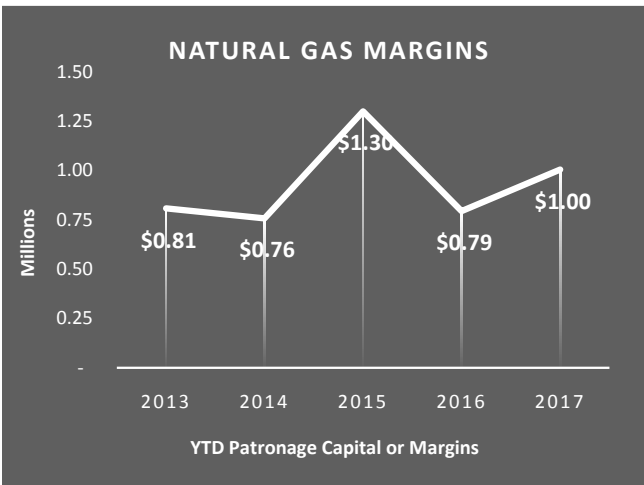
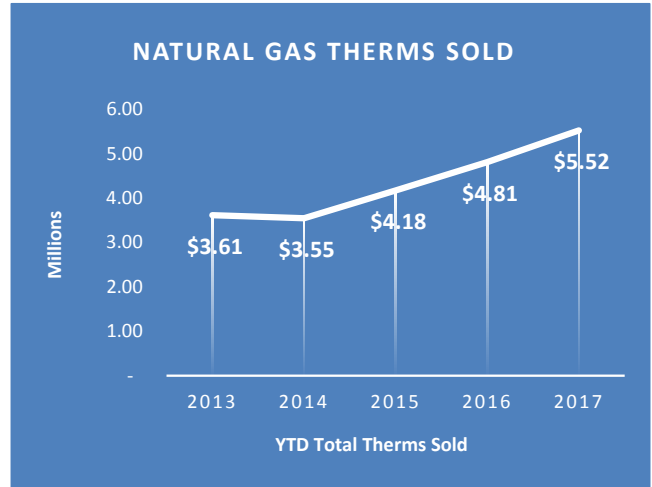
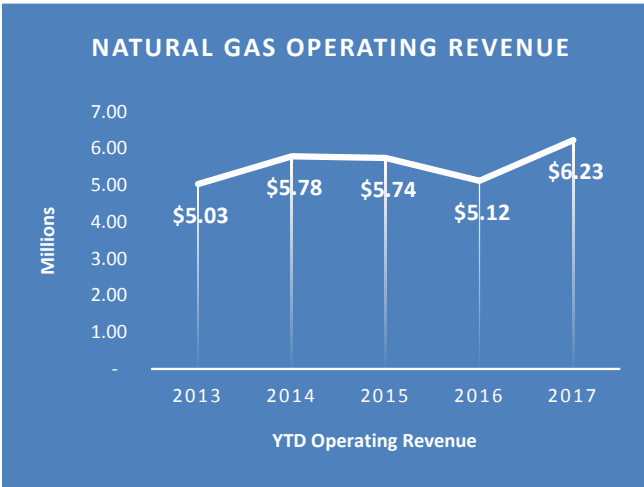


Lower Valley Energy
Natural Gas Five Year Comparison

For the Month Ended
August 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	\$ 6,226,114		\$ 5,119,421		\$ 5,739,326		\$ 5,783,294		\$ 5,029,063	
2 Power Production Expense	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
3 Cost of Gas Sold	2,548,273	40.93%	1,582,493	30.91%	1,860,153	32.41%	2,407,911	41.64%	1,746,157	34.72%
4 Transmission Operation & Maintenance	122,915	1.97%	129,514	2.53%	147,667	2.57%	110,138	1.90%	127,764	2.54%
5 Regional Market Expense	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
6 Distribution Operation	265,876	4.27%	232,907	4.55%	163,240	2.84%	159,357	2.76%	151,318	3.01%
7 Distribution Maintenance	169,240	2.72%	172,111	3.36%	121,149	2.11%	98,604	1.70%	93,719	1.86%
8 Consumer Accounts Expense	72,621	1.17%	58,377	1.14%	61,253	1.07%	67,632	1.17%	63,628	1.27%
9 Customer Service & Information Expense	27,652	0.44%	16,978	0.33%	14,653	0.26%	17,588	0.30%	17,871	0.36%
10 Sales Expense	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
11 Administrative & General Expense	239,763	3.85%	246,420	4.81%	225,676	3.93%	203,548	3.52%	208,916	4.15%
12 Total Operation & Maintenance Expense	\$ 3,446,340	55.35%	\$ 2,438,801	47.64%	\$ 2,593,791	45.19%	\$ 3,064,778	52.99%	\$ 2,409,372	47.91%
13 Depreciation & Amortization Expense	846,487	13.60%	838,013	16.37%	836,761	14.58%	767,451	13.27%	642,357	12.77%
14 Tax Expense - Property	151,593	2.43%	140,560	2.75%	141,200	2.46%	124,120	2.15%	116,560	2.32%
15 Tax Expense - Other	8,165	0.13%	7,233	0.14%	7,798	0.14%	9,046	0.16%	8,178	0.16%
16 Interest on Long-Term Debt	880,300	14.14%	905,662	17.69%	940,486	16.39%	1,030,099	17.81%	924,126	18.38%
17 Interest Charged to Construction - Credit	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
18 Interest Expense - Other	1,303	0.02%	3,753	0.07%	33,147	0.58%	40,338	0.70%	121,739	2.42%
19 Other Deductions	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
20 Total Cost of Service	\$ 5,334,188	85.67%	\$ 4,334,020	84.66%	\$ 4,553,183	79.33%	\$ 5,035,833	87.08%	\$ 4,222,332	83.96%
21 Patronage Capital & Operating Margins	\$ 891,926	14.33%	\$ 785,400	15.34%	\$ 1,186,142	20.67%	\$ 747,461	12.92%	\$ 806,730	16.04%
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	0.01%	8,122	0.16%	-	0.00%	9,020	0.16%	-	0.00%
26 Generation & Transmission Capital Credits	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
27 Other Capital Credits & Patronage Dividends	111,206	1.79%	-	0.00%	112,272	1.96%	-	0.00%	-	0.00%
28 Extraordinary Items	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
29 Patronage Capital or Margins	\$ 1,003,457	16.12%	\$ 793,522	15.50%	\$ 1,298,414	22.62%	\$ 756,481	13.08%	\$ 806,730	16.04%
30 Total Cost of Service Less Cost of Gas	\$ 2,663,000	42.77%	\$ 2,622,013	51.22%	\$ 2,545,364	44.35%	\$ 2,517,784	43.54%	\$ 2,348,412	46.70%
31 Tier - Oper.	2.01		1.87		2.26		1.73		1.87	
32 Tier - Total	2.14		1.88		2.38		1.73		1.87	
33 New Services Connected	65		53		179		118		55	
34 Total Services in Place	4,202		4,093		4,035		3,919		3,776	
35 Miles of Line	275		249		249		242		231	

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



LOWER VALLEY ENERGY, INC. NATURAL GAS FINANCIAL AND STATISTICAL REPORT				BORROWER DESIGNATION Wyoming 11, Lincoln PERIOD ENDED August 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
 August 31, 2017

PART R. GAS REQUIREMENTS DATA BASE (Continued)

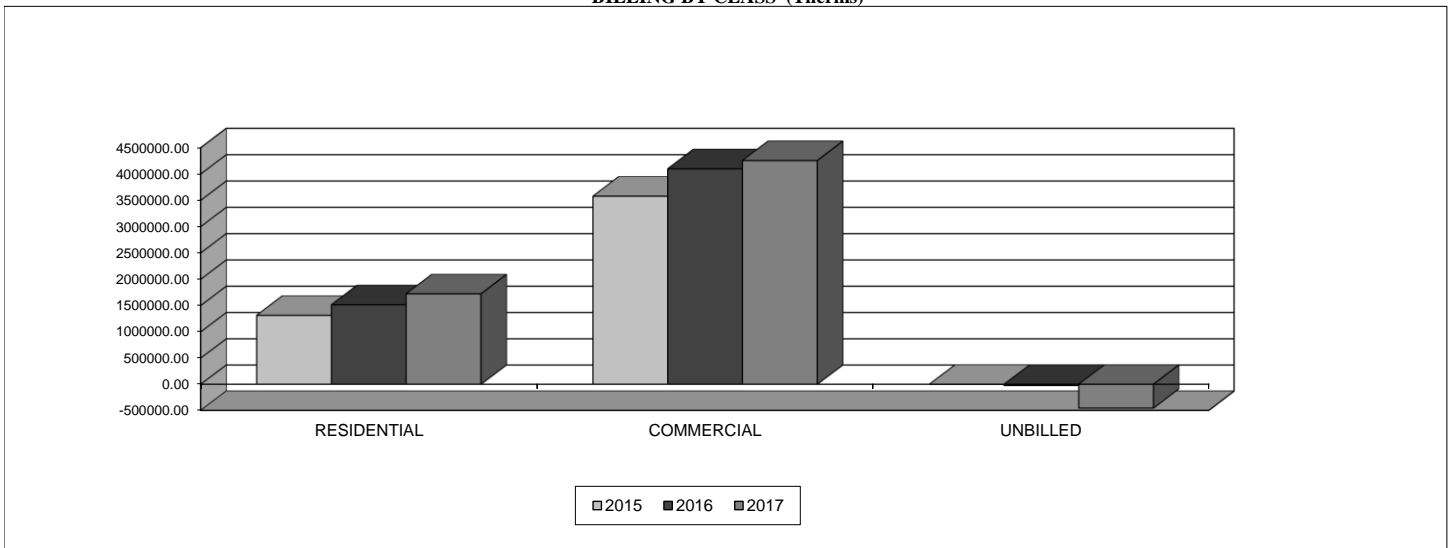
ITEM NUMBER	LINE							TOTAL (Columns a thru l)
	JULY (g)	AUGUST (h)	SEPTEMBER (i)	OCTOBER (j)	NOVEMBER (k)	DECEMBER (l)		
1. Residential Sales	a. No. Consumers Served	3,149	3,156					
	b. Therms Sold	68,649	61,003					1,723,150
	c. Revenue	94,851	86,483					\$2,118,532
2. Comm. and Ind.	a. No. Consumers Served	1,009	1,008					
	b. Therms Sold	342,658	237,381					4,257,289
	c. Revenue	360,004	242,271					\$4,577,128
								0
								\$0
								0
								\$0
3. Unbilled Revenue	a. No. Consumers Served							
	b. Therms Sold	(54,657)	11,348					(455,650)
	c. Revenue	(53,356)	11,836					(\$496,005)
10. TOTAL No. Consumers (lines 1a - 3a)	4,158	4,164						
11. TOTAL Therms Sold (lines 1b - 3b)	356,650	309,732						5,524,789
12. TOTAL Revenue Received From Sales of Gas Energy (lines 1c - 3c)	401,500	340,590						\$6,199,655
13. Other Gas Revenue	2,117	2,764						\$26,459
14. Therms - Own Use	7,123	7,601						101,979
15. Cost of Purchases	151,965	157,052						\$2,548,273

ANALYSIS OF BILLING
August 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	2,968	1,314,708	\$1,870,026	977	3,579,829	\$4,381,734			
2016	3,069	1,516,479	\$1,709,066	990	4,100,557	\$3,930,364			
2017	3,156	1,723,150	\$2,118,532	1,008	4,257,289	\$4,577,128			
	Change in Unbilled Revenue			August Totals			Year to Date Totals		
2015		(2,497)	(\$4,188)	3,945	349,872	\$408,931	3945	4,892,040	6,247,572
2016		(23,776)	(\$14,855)	4,059	342,835	\$350,300	4059	5,593,260	5,624,575
2017		(455,650)	(\$496,005)	4,164	309,732	\$340,590	4164	5,524,789	6,199,655

Degree Days			Revenue Summary Form 7 Part A Line 1		Lower Valley Energy Therm Usage	
	Normal	Actual				
2014	5,901	5,542	Year to Date Billing	\$6,199,655	2015	80,373
2015	5,917	5,862	Other Revenue	<u>26,459</u>	2016	109,768
2016	5,633	5,707	Form 7a Line 1 YTD Revenue	<u>\$6,226,114</u>	2017	101,979

BILLING BY CLASS (Therms)

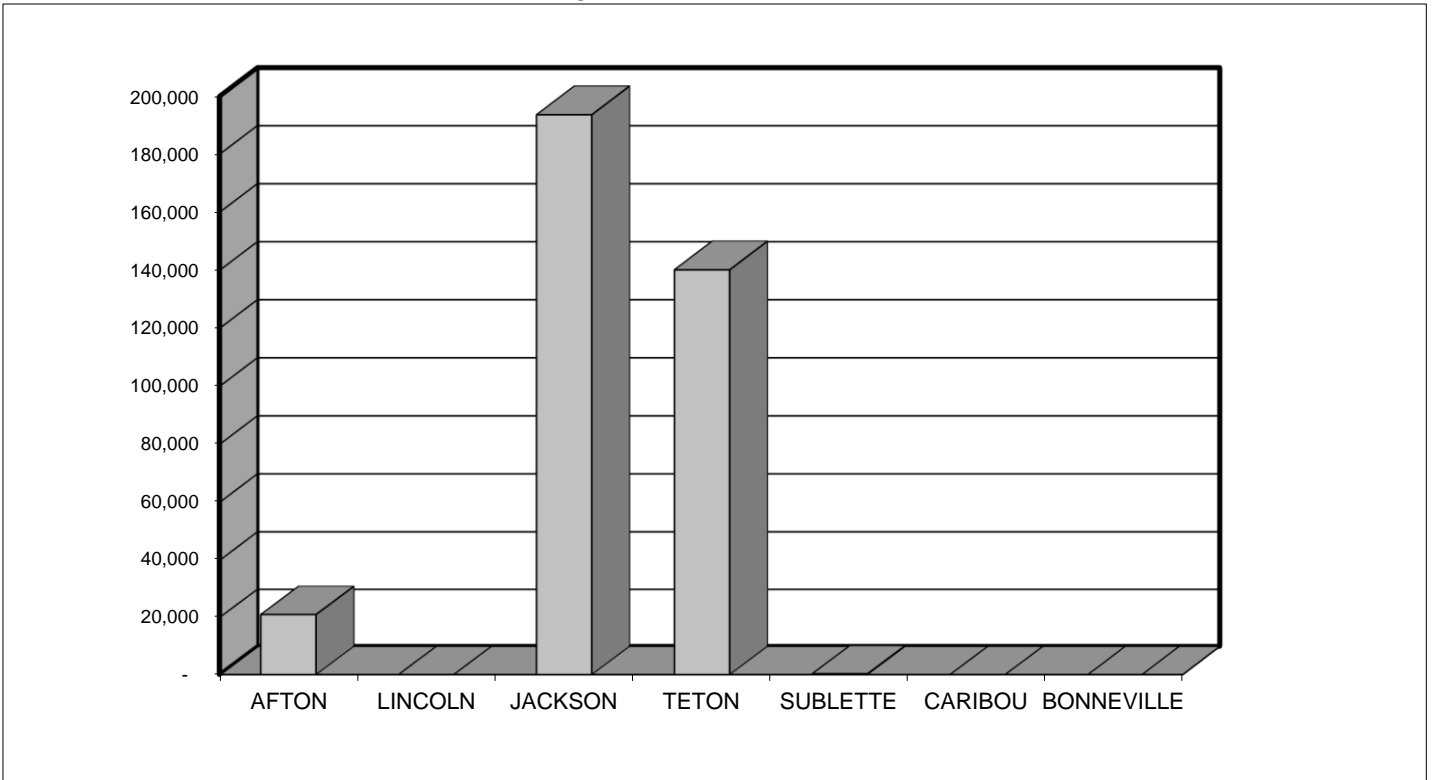


**LOWER VALLEY ENERGY
BILLING BY GEOGRAPHIC
NATURAL GAS
August 31, 2017
BILLING BASIS**

	CONSUMERS	THERMS	CHARGES	AVERAGE THERMS	AVERAGE BILL	REVENUE PER THERM
TOWN OF AFTON	794	21,029	\$26,561	26	\$33.45	\$1.26
TOWN OF JACKSON	2,371	193,623	\$213,041	82	\$89.85	\$1.10
TETON COUNTY	984	140,175	\$150,950	142	\$153.40	\$1.08
SUBLETTE COUNTY	15	281	\$373	19	\$24.86	\$1.33
TOTAL	<u>4,149</u>	<u>355,108</u>	<u>\$390,925</u>	<u>86</u>	<u>\$94.22</u>	<u>\$1.10</u>

Adjustments and Accruals	<u>(47,571)</u>
Total Operating Revenue	<u><u>\$343,354</u></u>

THERMS BILLED



SWIFT CREEK HYDRO
STATEMENT OF OPERATIONS
For The Month Ended
August 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.....	\$ 284,345	\$ 192,450	\$ 199,648	\$ 37,235
2. Power Production Expense.....	51,102	49,401	70,848	17,180
3. Scheduling and Delivery.....	24,703	24,773	24,985	3,112
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.....	8,338	15,480	5,400	1,935
11. Total Operation & Maintenance Expense (2 thru 10)...	84,143	89,654	101,234	22,227
12. Depreciation and Amortization Expense.....	98,460	98,460	98,560	12,308
13. Tax Expense-Property.....	12,960	14,890	13,270	1,861
14. Tax Expense-Other.....	-	-	-	-
15. Interest on Long-Term Debt.....	57,804	76,629	59,460	10,260
16. Interest Charged to Construction-Credit.....	-	-	-	-
17. Interest Expense-Other.....	-	-	-	-
18. Other Deductions.....	-	-	-	-
19. Total Cost of Electric Service (11 thru 18).....	253,368	279,634	272,524	46,656
20. Patronage Capital & Operating Margins (1 minus 19)...	30,978	(87,183)	(72,876)	(9,422)
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).....	\$ 30,978	\$ (87,183)	\$ (72,876)	\$ (9,422)

Note:

Sales for 2017 consisted of the following:

PacifiCorp PURPA sales	\$ 177,753
DOE Hydro Incentive	-
Green sales to Teton County	14,697
	<u>192,450</u>
	<u>\$ 192,450</u>

SWIFT CREEK HYDRO
FINANCIAL AND STATISTICAL REPORT
For the Month Ended
August 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..... 1,175,554	33. Operating Margins-Current Year..... (87,183)
5. Net Utility Plant (3 - 4)..... 5,896,643	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)..... 382,598
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..... 230,875
21. Accounts Receivable-Net Other..... 73,777	50. Total Current & Accrued Liabilities (45 thru 48)..... 457,802
22. Materials & Supplies-Electric and Other..... -	51. Deferred Credits..... 165,371
23. Prepayments..... -	52. Miscellaneous Operating Reserves..... -
24. Other Current & Accrued Assets..... -	53. Total Liabilities & Other Credits
25. Total Current & Accrued Assets (15 thru 24)..... 73,777	(36 +41 + 44 + 50 thru 52)..... \$ 6,046,813
26. Regulatory Assets..... -	
27. Deferred Debits..... 76,394	
28. Accumulated Deferred Income Taxes..... -	
29. Total Assets & Other Debits (5 + 14 + 25 thru 28)..... \$ 6,046,813	

LOWER VALLEY ENERGY, INC
STATEMENT OF CASH FLOWS

For The Month Ended
August 31, 2017

SWIFT CREEK HYDRO

	YEAR TO DATE	THIS MONTH
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Margins	\$ (87,183)	\$ (9,422)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	98,460	12,308
Decrease/(Increase) in:		
Special Deposits	-	-
Accounts Receivable	-	-
Other Accounts Receivable	(39,853)	(6,337)
Materials & Supplies	-	-
Prepayments	-	-
Other Current Assets	-	-
Other Deferred Debits	(53,092)	8,901
Increase/(Decrease) in:		
Accounts Payable (excluding line of credit)	-	-
Consumer Deposits	-	-
Other Current Liabilities	(32,778)	10,260
Deferred Credits	44,627	-
Net cash provided by operating activities	(69,819)	15,711
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	(287,101)	15,711
Beginning intercompany balance	69,314	(234,097)
Ending intercompany balance (positive = cash, negative = liability)	\$ (217,787)	\$ (218,386)