

For the three- and nine-months ending September 30, 2024, combined operating revenues increased by \$11.4 million and \$38.5 million compared to the same periods in restated 2023. Retail sales rose by \$20.8 million in the third quarter of 2024 and by \$36.2 million in the first nine months of 2024, which was primarily attributed to the increase in the base charge rate. To balance available energy resources with customer loads, the PUD sells power on the wholesale power markets. During the three- and nine-months ending September 30, 2024, the PUD sold an additional 123.9 million and 334.7 million more kilowatt hours, respectively. These increases in wholesale kilowatt-hour volume resulted in sale increases of \$1.8 million and \$24.1 million. However, other operating revenues decreased by \$11.2 million and \$21.8 million in the three- and nine-months ending September 30, 2024. This decline is mainly due to a \$9.6 million and \$17.7 million reduction in revenue from the Bonneville Power Administration's Reserve Distribution Clause and Energy Conservation Agreements programs during these periods.

Operating expenses rose by \$52.6 million over the nine months ending September 30, 2024, but saw an increase of \$8.5 million in the three months ending on the same date. The increase was predominantly due to significantly higher electricity prices on the open market. Purchase power expenses for the nine months ending September 30, 2024, increased by \$25.3 million compared to the previous period mainly due to higher electricity prices during the extremely cold weekend in January. Maintenance expenses increased \$2.5 million and \$6.7 million for the three- and nine-months ending September 30, 2024, respectively, with most of the increase due to additional overhead line maintenance.

Combined other income and expenses saw an increase of \$8.8

million over the nine months ending September 30, 2024. However, for the three months ending on the same date, there was a notable increase of \$1.6 million, primarily driven by a \$3.8 million rise in interest income due to the volatility in mark-to-market yields.

Capital contributions increased by \$6.7 million in the nine months ending September 30, 2024. Previously experienced supply chain issues have lightened up resulting in the PUD receiving \$5.2 million more in donated plant from developers in the first nine months of 2024 compared to the previous year. In the third quarter of 2024, there was an increase of \$4.3 million in capital contributions.

Total assets increased by \$66.0 million in September 2024 compared to restated September 2023. Current assets decreased by \$27.5 million; this decline includes a \$26.4 million decrease in cash and temporary cash investments to reclassify to long term investments. Materials inventory grew by \$11.0 million due to easing supply chain issues and the purchase of back-ordered transformers and other inventory. The PUD's net utility plant increased by \$98.4 million, reflecting ongoing investments in systems that provide safe and reliable power, with \$158.9 million in plant assets in service and \$4.9 million in construction work in progress, partially offset by regular depreciation. Other assets decreased by \$5.0 million, primarily due to changes in net pension assets, while long-term investments increased by \$24.0 because of a reclassification from temporary cash to long term investments.

Deferred outflows of resources decreased by \$7.3 million from September 2023 to 2024 due to an adjustment to net pension liabilities.

Total liabilities decreased by \$2.9 million since September 2023,

reflecting an overall improvement in financial health. This includes a \$3.5 million reduction in long-term debt, attributed to regularly scheduled annual principal payments. Additionally, other liabilities declined by \$16.6 million, primarily due to adjustments in pension liabilities and the adoption of a new accounting standard for reporting lease obligations. However, current liabilities increased by 11.9 million, driven by changes in accounts payable, which indicates higher short-term obligations for operational activities.

Deferred inflows of resources decreased by \$23.4 million following an adjustment to net pension plan deferrals at the close of 2023.



September 2 saw the grand opening of the light rail extension to Mountlake Terrace, which the District helped facilitate. Zap joined with Team PUD representatives and community members to celebrate.

## Combined Statements of Revenues, Expenses, and Changes in Net Position (UNAUDITED) *In millions*

Three Months Ended September 30,	2024				As restated 2023	As previously reported 2023
	Electric System	Generation System	Water System	Combined	Combined	Combined
Operating Revenues	\$ 202.1	\$ 7.8	\$ 5.2	\$ 207.2	\$ 196.0	\$ 195.8
Operating Expenses	199.4	5.3	5.1	202.0	189.6	189.6
Net Operating Income (Loss)	2.7	2.5	0.1	5.2	6.4	6.2
Other Income (Expense)	5.1	(0.2)	0.6	5.6	4.1	4.1
Capital Contributions	9.9	-	1.2	11.1	6.8	6.8
<b>Net Income (Loss)</b>	<b>\$ 17.7</b>	<b>\$ 2.3</b>	<b>\$ 1.9</b>	<b>\$ 21.9</b>	<b>\$ 17.3</b>	<b>\$ 17.1</b>

  

Nine Months Ended September,	2024				As restated 2023	As previously reported 2023
	Electric System	Generation System	Water System	Combined	Combined	Combined
Operating Revenues	\$ 656.7	\$ 19.8	\$ 12.7	\$ 669.7	\$ 653.0	\$ 609.6
Operating Expenses	652.0	13.7	13.7	660.0	596.8	596.8
Net Operating Income	4.7	6.1	(1.0)	9.7	56.2	12.8
Other Income (Expense)	7.7	(1.0)	1.2	7.9	6.6	6.6
Capital Contributions	24.3	-	2.1	26.4	19.7	19.7
<b>Net Income</b>	<b>\$ 36.7</b>	<b>\$ 5.1</b>	<b>\$ 2.3</b>	<b>\$ 44.0</b>	<b>\$ 82.5</b>	<b>\$ 39.1</b>

Twelve Months Ended September 30,	2024	2023
Electric System Retail Kilowatt-hours Sold (in millions)	6,762	6,803
Electric System New Customer Connects	5,464	4,514
Debt Service Coverage		
Electric System Parity Bonds	4.0x	3.8
Electric/Generation Parity Bonds	3.6x	3.5

## Combined Statements of Net Position (UNAUDITED) *In millions*

As of September 30,	2024				As restated 2023	As previously reported 2023
	Electric System	Generation System	Water System	Combined	Combined	Combined
Current Assets	\$ 275.5	\$ 7.3	\$ 7.6	\$ 286.9	\$ 314.5	\$ 292.7
Net Utility Plant	1,578.6	197.2	145.7	1,921.5	1,823.1	1,823.1
Other Assets	433.0	38.0	39.9	488.4	493.3	493.3
Total Assets	2,287.1	242.5	193.2	2,696.8	2,630.9	2,609.1
Deferred Outflows of Resources	40.8	1.3	1.0	43.2	50.6	50.6
<b>Total Assets &amp; Deferred Outflows</b>	<b>\$ 2,327.9</b>	<b>\$ 243.8</b>	<b>\$ 194.2</b>	<b>\$ 2,740.0</b>	<b>\$ 2,681.5</b>	<b>\$ 2,659.7</b>
Current Liabilities	\$ 124.5	\$ 11.0	\$ 2.7	\$ 134.8	\$ 123.0	\$ 123.0
Long-Term Debt	436.0	54.6	28.1	518.6	522.1	522.1
Other Liabilities	89.0	38.4	1.5	106.4	117.7	117.7
Total Liabilities	649.5	104.0	32.3	759.8	762.8	762.8
Deferred Inflows of Resources	49.4	4.1	1.5	55.0	78.4	78.4
Net Investment in Capital Assets	1,186.6	136.8	132.3	1,455.8	1,392.9	1,392.9
Restricted	214.2	17.7	22.4	254.3	166.7	166.7
Unrestricted	228.2	(18.8)	5.7	215.1	280.7	259.0
Total Net Position	1,629.0	135.7	160.4	1,925.2	1,840.3	1,818.5
<b>Total Liabilities, Deferred Inflows and Net Position</b>	<b>\$ 2,327.9</b>	<b>\$ 243.8</b>	<b>\$ 194.2</b>	<b>\$ 2,740.0</b>	<b>\$ 2,681.5</b>	<b>\$ 2,659.7</b>



Summer brings outdoor festivals and community gatherings – including many hosted by the PUD. On July 5, the Woods Creek Sustainability Center hosted local Boys & Girls' Club members.



Summer also means construction and maintenance. As usual, the PUD was hard at it. Work included updates on a number of substations and pole replacements throughout our service territory.

### For additional information

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