

NCE's Energy Mix

Have you ever wondered where your energy comes from? Nobles Cooperative Electric purchases power from Great River Energy, Southern Minnesota Energy Cooperative (SMEC - formerly Alliant) and Western Area Power Administration (WAPA). 24 Percent of the energy we receive is from hydro-electric power from dams along the Missouri River delivered by WAPA. The remaining 3 percent of the power we receive is from our 2.1 MW wind turbine that was installed in 2008.

Average cost per day

A day's worth of residential electricity for about the cost of two hamburgers.

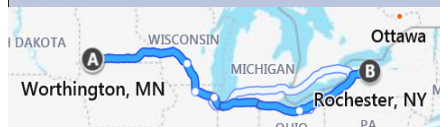
\$5.46

Did you know NCE
crews maintain

2,273

miles of distribution line?

That is equivalent to a **round** trip from Worthington, Minnesota, to Rochester, New York.



Balance sheet

Utility plant

Lines, buildings and equipment	2018	2019
Less: provisions for depreciation	<u>\$62,678,175</u>	<u>\$65,692,951</u>
Net utility plant	\$40,618,300	\$42,179,255

Cash and investment accounts

General funds	\$ 5,670,454	\$ 6,815,971
Investments	7,814,781	7,876,651
Accounts receivable	2,582,812	2,107,238
Materials and supplies	626,951	839,125
Prepayments	126,296	152,833
Deferred debits	868,910	661,298
Interest receivable	<u>10,478</u>	<u>9,534</u>
Total cash and investments	\$17,700,682	\$18,462,651

Total assets

\$58,318,982 **\$60,641,905**

Liabilities

Accounts payable	\$ 2,955,658	\$ 3,301,118
Long-term debt	27,014,042	27,994,697
Deferred credits	<u>401,990</u>	<u>133,661</u>
Total liabilities	\$30,371,690	\$31,429,476

Equity

Patronage capital - prior years	\$24,273,738	\$25,329,905
Capital reserve and other equity	<u>3,673,554</u>	<u>3,882,524</u>
Total equity	\$27,947,292	\$29,212,429

Total liabilities and owner equity

\$58,318,982 **\$60,641,905**

Statement of operations

	2018	2019
Operating revenues	\$20,869,737	\$21,075,246

Operating expenses

Purchased power	\$12,442,902	\$12,515,250
Power production expense	85,135	80,420
Operations	904,142	942,661
Maintenance	882,889	894,187
Customer account expense	740,376	649,074
Administrative and general expense	1,192,244	1,194,042
Depreciation expense	<u>1,919,335</u>	<u>2,039,108</u>
Interest on long-term debt	928,390	1,019,600
Other income deductions	<u>10,307</u>	<u>17,982</u>

Total operating expenses

\$19,105,720 **\$19,352,324**

Net operating margins

\$ 1,764,017 **\$ 1,722,922**

Generation and transmission plus other cooperative capital credits

\$ 373,183 **\$ 401,488**

Net non-operating margins

\$ 431,138 **\$ 533,532**

Total patronage capital and margins

\$ 2,568,338 **\$ 2,657,942**

Management's comments

The preliminary financial statements for the 12-month period ended December 31, 2019, and December 31, 2018 are presented here. The 2019 audit is scheduled for March 2020 to be audited by Clifton LarsonAllen, LLP, in accordance with generally accepted auditing standards and government auditing standards issued by the U.S. Comptroller General. The above is a condensed presentation of the financial statements. The auditor's report will be on file at the cooperative's office. At the time of printing, the audit was not complete.