




MEMORANDUM

June 23, 2026

TO: John Mertlich, General Manager/CEO

VIA: Bonnie Overfield, Chief Financial Officer 
Jennifer Sager, Senior Manager Accounting 

FROM: Jessica Aloysius, Financial Reporting Analyst 

SUBJECT: Preliminary Unaudited April 2026 Financial Statements

Monthly Financial Summary — April 2026 (Preliminary, Unaudited) with comparison to April 2025.

Overall Financial Performance

April financial performance was slightly below prior year as revenue growth was offset by higher operating expenses and a decline in other income, resulting in a \$7.5M decrease in net position.. Net position increased \$24.2M from the prior month.

Operating Revenues

- Operating revenues increased \$10.9M, driven by wholesale revenues, primarily related to a \$13.9M increase in surplus sales resulting from higher MWh volumes sold on the market and increased slice revenues, offset by lower Estimated Unmet District Load auction proceeds associated with lower market prices.

Operating Expenses

- Operating expenses increased \$10.3M, across A&G and Distribution primarily related to labor and benefits, purchased services and IT related expenses.

Other Revenues (Expenses)

- Other revenues (expenses) decreased \$7.7M, driven by increased unrealized investment losses.

Capital-Related Items

- Contributions in Aid of Construction (CIAC) decreased slightly, driven by lower receivables and lines extension true ups, partially offset by higher CIAC billings.
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Assets

- Cash & investments increased \$285.8M, largely due to increased investment of CCA proceeds of \$170.1M from prior year, investment in TEA in Dec. 2025, and Large Power Solution application fees.
- Current assets (excluding cash & investments) increased \$11.0M due to increased materials & supplies offset by reduced A/R related to wholesale power counterparties.
- Utility plant, net increased \$127.5M, reflecting continued investment in DB2, QTEP, turbine/generator replacements, WAN left embankment, and the new service center.

Liabilities / Deferred Inflows

- Current liabilities increased to \$55.9M, primarily due to the transfer of 2010-M bond to current portion in anticipation of the upcoming bullet payment, in addition to higher year-end accruals in comparison to prior year, offset by the payoff of the 2020-R bond in 2025.
- Noncurrent liabilities decreased \$165.3M due to the payoff of the 2023-U bond, the transfer of 2010-M to current liabilities, and principal payments.
- Deferred inflows increased \$320.4M related to the timing of the implementation of Regulatory Accounting for CCA proceeds.

Change in Net Position

- Net position increased by \$150.2M in April, representing a 4.8% smaller increase compared to the prior year.
- Drivers: revenue growth of 1.6% offset by a 11.3% increase in expenses.

Notable Trends or Items to Watch

- CCA proceed revenue recognition as expenditures are incurred and the timing of regulatory accounting changes related to the restatement of financials at year-end.
- Ongoing capital expansion across major generation, transmission, and facilities projects.
- Changes to wholesale power revenue and expenses as energy operations implement changes and bring on new resources.

PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY
UNAUDITED
STATEMENT OF NET POSITION
April 30, 2026 and 2025
(amounts in thousands)

	2026	2025	Difference
CURRENT ASSETS			
Cash	\$ 2,686	\$ 5,449	\$ (2,763)
Investments	302,532	247,484	55,048
Restricted funds			
Cash	1,693	1,240	452
Investments	197,197	206,304	(9,107)
Accounts receivable, net	46,104	47,580	(1,476)
Materials and supplies	46,536	35,075	11,461
Due from power purchasers	-	183	(183)
Current lease receivable	515	513	1
Other current assets	9,232	8,078	1,154
Total current assets	606,493	551,905	54,588
NONCURRENT ASSETS			
Investments	53,629	37,070	16,559
Restricted funds			
Cash	622	352	271
Investments	652,401	427,102	225,299
Net pension assets	24,356	21,012	3,344
Long-term lease receivable	15,496	16,011	(515)
Conservation loans	76	103	(27)
Preliminary survey costs	3,726	3,726	-
Total other noncurrent assets	750,307	505,376	244,931
Utility plant, net	2,713,259	2,585,731	127,528
Total noncurrent assets	3,463,567	3,091,107	372,460
DEFERRED OUTFLOWS			
Net pension, change in proportion	30,822	28,732	2,090
Other Post Employment Benefits	3,874	2,115	1,759
Unamortized refunding loss	27,117	30,887	(3,770)
Total deferred outflows	61,813	61,733	79
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 4,131,873	\$ 3,704,746	\$ 427,127

PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY
UNAUDITED
STATEMENT OF NET POSITION
April 30, 2026 and 2025
(amounts in thousands)

	2026	2025	Difference
CURRENT LIABILITIES			
Accounts payable			
Trade	\$ 47,072	\$ 34,383	\$ 12,689
Accrued salaries and compensated absences	21,821	19,414	2,407
Due to Power Purchasers	6,279	4,521	1,758
Accrued taxes	4,800	4,325	475
Customer deposits	9,271	7,543	1,728
Accrued bond interest	12,663	13,956	(1,293)
Unearned revenue	6,004	11,556	(5,552)
Habitat liability	24,083	23,751	332
Other current liabilities	95	121	(27)
Current portion of licensing obligations	2,953	2,877	76
Current portion of subscription liability	3,301	2,946	355
Current portion of long-term debt	119,774	76,869	42,905
Total current liabilities	258,115	202,261	55,853
NONCURRENT LIABILITIES			
Long-term debt, less current portion	804,561	980,055	(175,494)
Licensing obligations, less current portion	56,418	58,777	(2,359)
Net pension liability	5,827	8,738	(2,912)
Other post-employment benefits liability	11,051	9,499	1,553
Long-term unearned revenue	17,557	2,424	15,133
Long-term subscription liability, less current portion	2,155	2,780	(625)
Other long-term liabilities, less current portion	4,524	5,112	(588)
Total noncurrent liabilities	902,093	1,067,385	(165,292)
DEFERRED INFLOWS			
Regulatory Liability CCA	311,924	-	311,924
Net pension	6,628	8,162	(1,534)
Regulatory Liability - Pension	67,934	58,055	9,879
Other post employemnt benefits	3,445	2,645	800
Leases	14,992	15,664	(672)
Total deferred inflows	404,923	84,525	320,398
Total liabilities and deferred inflows of resources	1,565,131	1,354,172	210,959
NET POSITION			
Net investment in capital assets	1,843,058	1,549,708	293,350
Restricted	398,569	539,181	(140,612)
Unrestricted	325,114	261,685	63,429
Total net position	2,566,741	2,350,574	216,167
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 4,131,873	\$ 3,704,746	\$ 427,127

PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY
UNAUDITED
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
For the Four Months Ended April 30, 2026 and 2025
(amounts in thousands)

	2026	2025	Difference
OPERATING REVENUES			
Sales to power purchasers at cost	\$ 6,478	\$ 5,174	\$ 1,304
Retail energy sales			
Residential	21,480	22,680	(1,200)
Irrigation	359	219	141
Commercial and industrial	68,830	68,053	777
Governmental and others	548	625	(77)
Wholesale revenues, net	150,741	140,925	9,816
Fiber optic network sales	5,738	5,341	397
Other	733	959	(227)
Total operating revenues	254,907	243,976	10,931
OPERATING EXPENSES			
Purchased power	-	-	-
Generation	16,415	16,290	126
Transmission	2,207	1,613	594
Distribution	14,673	12,281	2,392
Customer and information services	2,048	2,069	(21)
Fiber optic network operations	1,268	1,043	224
Administrative and general	31,130	23,881	7,250
License compliance and related agreements	1,098	1,648	(550)
Depreciation and amortization	30,878	30,496	381
Taxes	7,863	7,929	(66)
Total operating expenses	107,581	97,250	10,330
NET OPERATING INCOME	147,326	146,726	600
OTHER REVENUES (EXPENSES)			
Interest and other income (expense)	8,827	17,617	(8,789)
Interest on revenue bonds and other, net	(12,719)	(14,020)	1,301
Federal rebates on revenue bonds	2,504	2,476	29
Amortization of debt discount/premium	741	1,007	(266)
Total other revenue (expenses)	(646)	7,019	(7,665)
CONTRIBUTIONS IN AID OF CONSTRUCTION	3,522	4,051	(529)
CHANGE IN NET POSITION	150,202	157,796	(7,594)
NET POSITION			
Beginning of year	2,416,540	2,192,778	223,761
End of year	\$ 2,566,741	\$ 2,350,574	\$ 216,167





June Commission Financial Stmts

Final Audit Report

2026-06-13

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