

INDIANA MUNICIPAL POWER AGENCY

QUARTERLY REPORT SEPTEMBER 30, 2020

MANAGEMENT DISCUSSION

Year-to-date September 30, 2020 (YTD) revenues from sales to municipalities increased approximately \$2.5 million (0.7%) over the nine months ended September 30, 2019 (Prior YTD). Due to COVID 19, YTD energy sales decreased by approximately 4.4% compared to the Prior YTD. The YTD average cost per kWh increased by approximately 5.4%.

IMPA's YTD total operating expenses increased by approximately \$7.8 million (2.7%) compared to the Prior YTD. Total YTD non-operating expenses increased approximately \$2.8 million (8.9%) compared to the Prior YTD.

IMPA's YTD net income was approximately \$20.4 million. IMPA's YTD average cost per kWh was 7.57 cents per kWh. Debt service coverage for the rolling 12 months ended September 30, 2020 was 1.29 times.

IMPA SOLAR PORTFOLIO BY END OF 2022: ~264.0 MW



CONDENSED CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (\$ millions)

For the periods ended September 30, 2020 and 2019

	2020	2019
Sales to municipalities	\$ 345.4	\$ 342.9
Other revenues	7.3	6.0
Total Operating Revenues	352.7	348.9
Purchased power, fuel, and production expenses	171.2	181.3
Transmission and local facilities	40.6	33.8
Other operating expenses	86.0	74.9
Total Operating Expenses	297.8	290.0
Total Operating Income	54.9	58.9
Interest expenses	46.6	43.9
Interest income	(3.9)	(5.0)
Other non-operating income	(8.1)	(7.1)
Total Non-Operating Expenses (Income)	34.6	31.8
Net Income	20.3	27.1
Net Position at Beginning of Year	394.5	360.6
Net Position at End of Period	\$ 414.8	\$ 387.7

CONDENSED CONSOLIDATED STATEMENTS OF NET POSITION (\$ millions)

For the periods ended September 30, 2020 and 2019

	2020	2019
Utility plant, net	\$ 1,312.5	\$ 1,262.6
Cash and investments	397.0	296.3
Other current assets	146.7	161.9
Deferred outflows	180.9	154.3
Total Assets	\$ 2,037.1	\$ 1,875.1
Net investment in capital assets	(113.9)	(59.5)
Restricted	211.1	145.0
Unrestricted	317.6	302.2
Total Net Position	414.8	387.7
Non-current liabilities	1,447.3	1,333.6
Current liabilities	175.0	153.8
Total Liabilities	1,622.3	1,487.4
Total Net Position and Liabilities	\$ 2,037.1	\$ 1,875.1

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (\$ millions)

For the periods ended September 30, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities:		
Operating Income	\$ 54.9	\$ 58.9
Depreciation and Future Recoverable Cost	54.9	44.9
Changes in current assets and liabilities	(10.5)	(7.8)
Net cash provided	99.3	96.0
Cash Flows from Capital and Related Financing Activities:		
Net additions to utility plant	(78.9)	(66.1)
Principal and interest payments	(88.3)	(85.5)
Net cash used	(167.2)	(151.6)
Cash Flows from Investing Activities:		
Net Investment purchases, maturities and calls	15.0	11.0
Other	(9.2)	(8.6)
Net cash used	5.8	2.4
Net Decrease in Cash and Cash Equivalents	(62.1)	(53.2)
Balances at Beginning of Period	399.7	260.1
Balances at End of Period	\$ 337.6	\$ 206.9