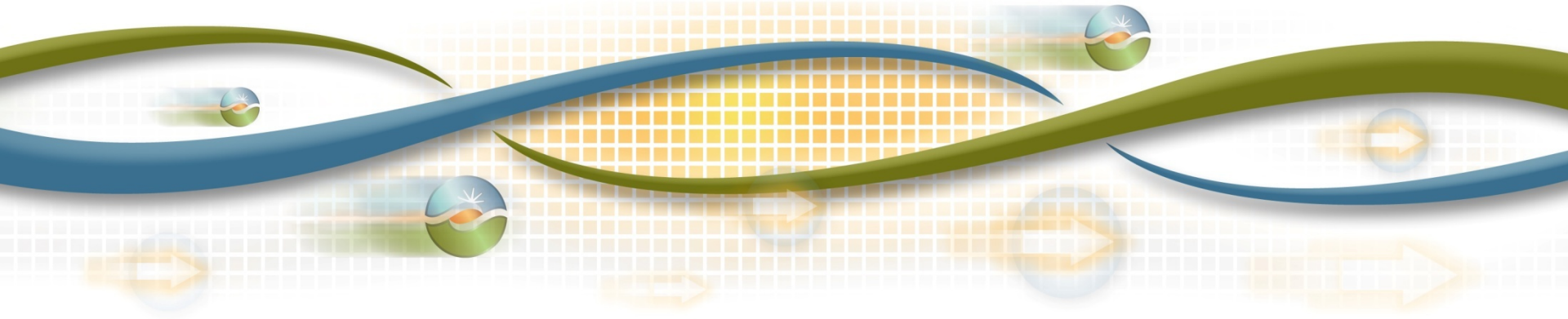


# Acceptance of Audit of 2012 Financial Statements and FERC Form 1

Ryan Seghesio  
Chief Financial Officer & Treasurer

Audit Committee Meeting  
General Session  
May 15, 2013



Management has completed the annual financial statement process.

- Audited financial statements
- FERC Form 1

# Highlights of the 2012 Financial Statements

## Key components of the balance sheet:

- Total assets = \$787 million
  - Cash and investments ~ 65%
  - Fixed assets ~ 32%
  - Accounts receivable and other assets ~ 3%
- Total liabilities = \$632 million
  - Due to market participants ~ 49%
  - Outstanding debt ~ 41%
  - Payables ~ 10%

# Highlights of the 2012 Financial Statements

Key components of the income statement:

- Operating revenues = \$209 million
  - Grid management charge and other revenues
- Operating expenses = \$233 million
  - Operating and maintenance expenses
  - Building and equipment depreciation

Accounting loss driven by depreciation and amortization of fixed assets.