

2020 Annual Report



BALANCED

*Balancing Reliability, Stability,
Technology, and Responsibility*



2020 BOARD OF DIRECTORS



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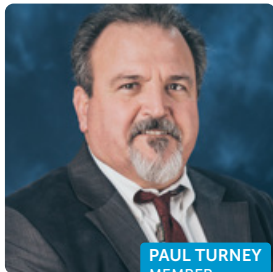
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BUPPY SIMANK
EX-OFFICIO



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A Letter from the **GENERAL MANAGER**

The year 2020 proved both challenging and rewarding on many fronts. Obviously, the COVID-19 pandemic changed everything. But we were prepared. BTU had a pandemic plan in place which formed the basis of our response to the challenges. The plan wasn't perfect, but we modified as necessary and were able to continue to provide the level of service that our customers deserve and have come to expect. Customers struggling to pay bills were thankful when BTU's Board of Directors approved a temporary reduction in power supply adjustment charges. Local charitable organizations provided funds to these same customers for help in paying bills and putting food on the table.

Although the pandemic stifled many aspects of the local economy, construction continued in the Brazos Valley. The number of new customer jobs completed by BTU staff exceeded all previous years and BTU's customer count increased by about 2.7% during 2020, which is right in line with preceding years. Additionally, BTU was able to continue progress on the west loop 138 kV transmission project, with significant progress made on the Steele Store to Smetana line upgrade. This upgraded transmission loop will ultimately service Texas A&M System's ever-growing RELLIS campus. BTU is excited about the growth at RELLIS and is proud to partner with the Texas A&M University System by providing reliable electricity to service all of the campus needs.



Through all of the difficulties of the year, BTU employees have been steady and strong. While dealing with all of the challenges presented by the pandemic, both at home and on the job, the staff at BTU still provided exceptional service to each customer. This level of service is guided by a strategic plan completed in 2020, which sets out the mission and core values for BTU. The core values identified in the strategic plan are safety, integrity, respect, value and stewardship, and these ideals are the cornerstone of all that we do at BTU. Also identified in the strategic plan is BTU's Mission Statement:

The mission of Bryan Texas Utilities is to improve the quality of life of our community by providing exceptional electric reliability and excellent customer service at competitive and stable rates.

We will continue to strive to be a premier electric utility and service provider to Bryan, Texas and the Brazos Valley. It is our goal to do our part to make the area that we serve a desirable place to live and work. BTU is proud to be an active partner in the community, and we will follow our mission, values, and goals to meet whatever opportunities and challenges the future presents to us.

Gary Miller



GARY MILLER
General Manager

Gary Miller
*Appointed to serve on the Board of Directors
for the American Public Power Association*

In 2020, Gary Miller was appointed to serve on the Board of Directors for the American Public Power Association (APPA), representing Region 4, including Arkansas, Louisiana, Oklahoma, and Texas. The APPA serves as the voice of more than 2,000 municipally owned utilities nationwide. APPA board members and staff strive to educate and support legislators regarding federal energy policies and governance.

With his education in electrical engineering and more than 35 years of experience in the electric energy sector, Gary Miller is well suited to represent BTU and Region 4 on the APPA Board of Directors. Mr. Miller currently serves as Co-Chairman of the Texas Public Power Association (TPPA) Engineering and Operating Committee, and is a member of the Texas Municipal Power Agency (TMPA) Planning and Operating Committee. He has previously served on various Electric Reliability Council of Texas (ERCOT) committees and spoken at numerous industry conferences and events throughout his career. "I am honored to be chosen to serve on the APPA Board of Directors. This organization is fundamental to advocating for and supporting municipally owned utilities nationwide who are a vital part of their communities," Mr. Miller said.



BALANCED

In the electric industry, balance is critical to managing a successful operation. The electric grid must maintain a balance of generation to load at all times to assure the stability and reliability of supply. The grid must also balance the cost of infrastructure to the necessity of providing adequate capacity to serve the ever increasing demands of the customer. However, it is not just the physical infrastructure that must remain in constant equilibrium. The balance between evaluating the characteristics of residential and commercial customers, maintaining strong financial standings while keeping customer rates low, and ensuring the highest possible reliability while finding stability between work and home life for employees are all important pieces of the puzzle.

The balance of determining the amount of supply needed to provide for all of our customers is a continuous responsibility; and one of BTUs most important jobs. A large portion of the BTU makeup are residential customers. On average, residential customers use more energy in the mornings before work and school, and in the afternoon or evening hours when they return home with a lull in usage around midday. Commercial customers usually draw more power during the daytime hours as businesses are open and operating. Peak demand

hours for industrial customers can differ even still with some larger manufacturers maintaining a 24-hour operation with a very consistent demand for energy. It is essential for BTU staff to know the varying patterns of demand, or load shapes, from all of the customer classifications to plan for adequate power supply at any given time. It is also necessary to consider the differing customer operations when evaluating rate structures.

The BTU service territory covers nearly 650 square miles, and is comprised of City and Rural systems that both serve customers of each rate class. These systems operate financially independent from each other as they have unique characteristics. While, number of customers serviced per mile in the city limits is much denser than that in the rural, rural customers tend to have higher energy usage as more homes are all electric and oftentimes, rural customers have barns, wells, and other services at their locations. Balancing City versus Rural System characteristics, financials, and operations is another area where BTU staff must find symmetry.

A primary focus of a utility customer is the price that they must pay for energy. BTU's mission is to improve the quality of life of the



National Night Out

community by providing exceptional electric reliability and excellent customer service at competitive and stable rates. BTU staff works diligently to ensure that customers pay equitable and economical rates, while ensuring the utility remains in a strong financial position. The staff at BTU has performed exceptionally well in planning for the financial future, receiving an upgrade in investment ratings in 2019, underscoring the confidence that the rating agencies have in BTU's ability to service its bond obligations.

As important as or even more paramount than rates in customers' minds is electric service reliability. Many do not consider the behind-the-scenes operations when flipping on the light switch, but know exactly who to call if the lights do not come on. BTU is proud to have a significantly lower than average number and length of outages compared to other utilities in Texas and nationwide. BTU understands the important and delicate work-life balances for employees. Many BTU employees must respond in a moment's notice to address outages and other issues, but are also encouraged to work safely and to take time to spend with friends and families, to volunteer, and pursue their passions. A healthy and happy workforce is essential to providing an exceptional customer experience.

Balancing all of these pieces became even more difficult in 2020 as the worldwide COVID-19 pandemic affected every portion of life and commerce. Safety is a top priority for BTU in all aspects of business, so the virulent, invisible threat was critical to address. Employees were tasked with taking extra precautions such as working in shifts, working from home, social distancing, and wearing masks to prevent the spread of the virus. Customers found themselves in difficult situations and needed the support of their local public power utility. BTU established innovative measures to assist commercial and residential customers through financial hardship. Many charitable organizations, local businesses, and individuals banded together during 2020 to support the Brazos Valley and all its residents.

Some may assume it is as easy as finding objects with equal weights to achieve balance, but 2020 proved balance to mean much more than that. In 2020, BTU learned and explored the art of balance between business needs of reliability and rates, while supporting friends, neighbors, customers, and employees through the most challenging time in recent memory. While the world would agree that 2020 was not what anyone expected, it prompted BTU to strive forward in the face of challenge and lend many helping hands to our neighbors.



Food For Families Food Drive

Growth in a Time of UNCERTAINTY

The coronavirus pandemic of 2020 had little effect on the population growth of the BTU service area, which continued to grow at a steady 3.5 percent increase. This population growth has led to 1,209 home purchases for over \$273 million, both records for Bryan, Texas. Permits for new home construction also set a record at 720 permits issued, a 17.8 percent increase over the previous year. There were 611 permits issued in 2019 and 446 in 2018.

The number of new BTU customers continued to increase, extending the streak to 19 consecutive years of growth at an annual compounded rate of 2.3 percent. BTU added 1,649 net new customers in 2020, which includes 785 new Bryan city customers and 864 new rural customers.

BTU's Distribution Department had a very busy year, adding a net total of 33.69 miles of line in 2020. Overhead lines consisted of only 5.39 miles, all within the City of Bryan, while a total of 35.76 miles of underground lines were constructed, with 7.46 miles of rural underground lines replacing overhead lines. Underground lines were constructed for new phases in 9 city subdivisions and 12 rural subdivisions.

Distributed GENERATION

Distributed generation (DG), in the form of solar energy production, was introduced in the Brazos Valley in 2008, when BTU entered into its first DG agreement with a customer. Over the next 10 years, BTU would approve 126 solar energy systems. In just the last two years, the number of solar installations has nearly doubled that amount. In 2020, BTU approved 66 solar DG systems with a total generation capacity of 704.99 kilowatts (kW), which is a 25 percent increase over 2019.

BTU Customer Growth: Number of Meters

Year	City	Rural	Total
FY18	37,660	21,637	59,297
FY19	38,758	22,048	60,806
FY20	39,543	22,912	62,455

Miles of Distribution Line

	Mileage	Net +/-
City Overhead	389.89	5.39
Rural Overhead	1,456.16	-7.46
Total	1846.05	-2.07
City Underground	250	19.44
Rural Underground	272.98	16.32
Total	522.98	35.76
Total O.H. and U.G.	2,369.03	33.69

Distributed Generation

Year	Number of Installs	Total kW	Average Size
2016	10	73.7	7.4
2017	10	83	8.3
2018	37	583.2	15.8
2019	50	562.8	11.3
2020	66	705	10.7

The Brazos Valley area continues to grow at a steady pace due to its prime location in the Texas Triangle formed by the state's four main urban centers: Houston, Dallas-Fort Worth, San Antonio and Austin. BTU strives to maintain a sense of community in all we do as we focus on building the infrastructure to foster consistent growth in our service area.



Rodgers SUBSTATION

For many decades, BTU operated an electrical substation called Nall Lane Substation, located near the corner of Villa Maria and William J. Bryan Parkway. This substation served the electrical needs of a large geographical area bounded by Highway 21, Texas Avenue, Carter Creek Parkway, Briarcrest Drive, and Earl Rudder Freeway.

As time went by and the city's population increased, so too did the electric load served by Nall Lane Substation. As part of BTU's on-going electric planning process, staff determined that the substation's capacity needed to be expanded in order to help BTU continue to safely and reliably serve the increasing electric load. Unfortunately, the existing Nall Lane Substation was too small to accommodate this expansion, so BTU staff developed plans to construct a replacement substation on property located on Nash Street, one block south of the existing substation.

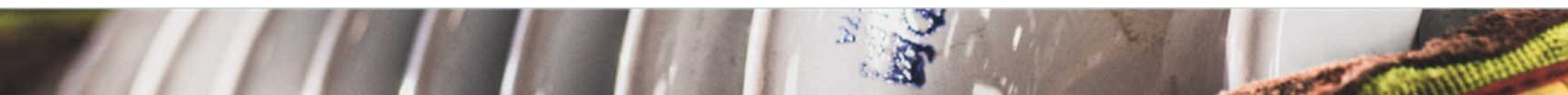
This new substation was initially planned to be named the Nash Substation. However, the substation's name was changed to Rodgers Substation in honor of Kevin Rodgers, a long-time BTU substation employee who passed away in 2017. The 69 kilovolt Rodgers Substation was commissioned into service in September of 2020. It's unique design includes a privacy wall to improve aesthetics, and a green space adjacent to the property has been landscaped and set aside as a park for the neighborhood.





System IMPROVEMENTS

As in prior years, 2020 saw BTU's Transmission and Distribution divisions focus on many projects in order to support the region's growth and provide continued electric reliability to our customers.



Some of the larger projects included:

- Completion of the BTU portion of the Graham Road Substation. This substation serves College Station Utilities and a portion of the BTU service area through a 138kV transmission system.
- Beginning construction on the Leonard Road Substation. This substation will relieve load from the Atkins Substation, providing additional capacity and reliability to the western portion of the BTU service territory.
- Rebuilding the underground portion of the 138kV transmission line from the Dowling Road Substation to Enterprise Substation (on the Texas A&M campus) in order to accommodate the TxDOT road widening of FM 2818 from Luther St to George Bush Drive.
- Rebuilding, constructing, or upgrading many distribution lines to improve reliability and serve new growth in both the city and rural territory, including:
 - › Construction of new feeders for the new Rodgers substation and the future Leonard Rd substation.
 - › Upgrading 2 miles of conductor from E 22nd St. to E. Martin Luther King Jr. St to Hwy 6
 - › Upgrading 1.4 miles of conductor on existing lines from Texas Avenue to FM 2818
 - › Upgrading circuits on OSR and Sandy Point Rd to Hwy 6
 - › Rebuilding and construction of new lines along Elmo Weedon between Hwy 30 & Dyess Rd
 - › Rebuilding and construction of new lines along FM 2038 from Hwy 21 to FM 1179
 - › Rebuilding 2.5 miles of lines along Rock Prairie East
 - › Upgrading 3.5 miles of existing feeder along Hwy 21 from Annex substation to FM 2818.
 - › Upgrading 1.81 miles of existing lines from Dowling along Hopes Creek & Trotter to Stallion Ridge
 - › Upgrading 1.5 miles of existing feeder along FM 2038 from Ferrill Creek Rd to Kurten Substation
 - › Upgrading existing and construction of new underground lines along Greens Prairie Trail to FM 2154
 - › Rebuilding and upgrading feeders in the Steep Hollow area
 - › Construction of underground infrastructure for new phases in 21 separate subdivisions.
(9 city subdivisions and 12 rural subdivisions)



FOCUSED

on Our Community in a Challenging Year



The key word that dominated most conversations in 2020 was pandemic. A word that many of us thought only existed in the long-gone days of plagues and influenzas in history books. However, what once was a thing of the past became a challenge for daily life. Locally, the Brazos Valley began experiencing an uptick of COVID-19 cases in late March 2020, prompting officials to order Brazos County under a shelter-in-place mandate to slow the spread of the virus. Through fortunate forethought and a little chance, in 2018 BTU updated its preparedness plan for pandemic response as a part of company strategies and goals. This plan later became part of a comprehensive Business Continuity Plan. This outline, along with recommendations from the Centers for Disease Control (CDC) and the World Health Organization (WHO), became the framework for BTU operations during the ever-changing early days of the pandemic. BTU immediately began to implement the plan, modifying as necessary, to create the safest situation for employees and customers.

At the outset, the BTU lobby was closed for several months to help stop the spread of COVID-19, but business was still conducted through the website, socially distanced drive-through lanes, and by phone. Employees who could work from home did so, but many BTU employees could not complete their daily duties remotely. Those essential workers worked in shifts, socially distanced, and wore masks in line with recommendations to reduce the spread of the virus.

The shelter-in-place order dictated that only those deemed essential workers could report to their jobs. Some BTU customers found themselves unable to make their normal wages due to the order and capacity limits imposed on businesses. Without an income source, some customers found themselves struggling to pay for necessities such as utilities, food, and housing. In response, BTU acted quickly to support neighbors, friends, and customers. BTU immediately placed a moratorium on late fees and disconnections for non-payment, as was common practice amongst many utilities across the nation. Late fee waivers totaled approximately \$200k from March through June 2020.





In a creative effort to aid the community, the BTU Board of Directors approved additional rate relief measures to assist customers during such a difficult and unprecedented time. There are several components of BTU electric rates, including a power supply adjustment, which is utilized to recover the cost of fuel for power plants and to purchase and sell energy in the Electric Reliability Council of Texas (ERCOT) market to meet the needs of our community. Due to an unexpectedly mild winter in 2019-2020 and consistently low natural gas costs, the power supply adjustment fund was over-collected the budgeted amount. Typically, the refund of this over-collection would be rebated to customers incrementally over time. However, to combat the COVID-19 financial impacts, the BTU Board approved a rapid refund by reducing the power supply adjustment portion of all rates by approximately one-half for all usage occurring in the months of April, May and June 2020. Reducing this portion of rates resulted in about a 15 percent savings per month for the average residential customer, and even more for some commercial customers who have higher usage. The reduction in costs was vital for many customers who were struggling with the financial fallout of the pandemic, especially since citizens were encouraged to remain at home as much as possible, increasing usual energy usage.

To target small business owners specifically, BTU waived all demand ratchet charges. Normally, commercial customers are responsible for 50 percent of their peak demand from the previous 12 months if they do not exceed that amount in any given month. This is a common mechanism amongst electric utilities to properly prepare for generation needs and recover infrastructure costs. BTU only charged for actual demand readings for the two months that the shelter-in-place order was in effect. By waiving the demand ratchet, customers were not charged for the difference between the actual demand and the ratcheted demand. The service industry, including restaurants and entertainment venues, were

the most highly impacted sector that were no longer drawing as much energy as they would have in normal instances. The waiver of ratchet demand charges benefited local businesses while they were the most vulnerable, saving customers nearly \$90k.

Throughout the pandemic, many charities and governmental entities received COVID-19 restricted funds to assist those struggling due the financial ramifications of the pandemic. Many commercial and residential customers obtained assistance through local organizations and COVID-19 relief funds. BTU received over \$600k in charitable pledges to accounts from June through September 2020. BTU was appreciative to have the community's support and charitable donations to help citizens. BTU also worked along with customers and pledge organizations to create payment arrangements to help ease their burden. Customer Service staff created an online payment arrangement request portal to streamline the process and to ensure that everyone was socially distanced.

Municipally owned utilities like BTU have employees, managers, and board members that live in the community they serve, which benefits customers by having local representation. 2020 illuminated this benefit; as a locally owned utility, BTU was able to understand challenges the community faced and give back when it was needed most.

Communication AWARDS



Communication with customers is essential in any business, but even more crucial when it comes to the electric industry. Informing customers of emerging situations or details about outages is vital during storms and is a large part of critical communications. Outside of critical communications, there are many daily opportunities BTU takes advantage of to share information and educate our customers. Safety and energy tips make up a large part of proactive outreach to customers, along with interesting facts and chances to share the story of BTU's local public power roots.

Each year, the American Public Power Association (APPA) awards municipal utilities around the country on the effectiveness of their communications. In 2020, BTU was recognized with two Excellence in Communication Awards. The first was an Award of Merit in the Web and Social Media Category for the Safety Series social media

campaign. The Safety Series focused on electrical safety to highlight National Electrical Safety Month in May and water safety in July as many take part in water activities during the hot Texas summer. The second was an Award of Excellence in the Print and Digital Category for the 2019 BTU Annual Report. The theme of the report celebrated the 100-year anniversary of the establishment of BTU as a public power entity, and focused on major accomplishments in the past century. The design featured historical photographs contrasted against modern shots to highlight the growth and progression of the Brazos Valley.

"The team of BTU's Energy Management Department and the City of Bryan's Communications and Marketing Department has done an excellent job in connecting with the community," BTU General Manager, Gary Miller said. "We are proud to be recognized as standouts in the Public Power industry."

Lake Bryan has long been the Brazos Valley's local recreation destination. After years of third-party management, BTU resumed day-to-day operations in October 2018. Since assuming operations, BTU has made many investments in safety and entertainment to improve the overall guest experience. Park improvements have focused on new facilities, increased natural habitat, and more developed mountain biking trails.

In fall 2020, Bryan Texas Utilities (BTU) constructed new handicap accessible restroom facilities with outdoor showers near the boat ramp. Pipe fencing has replaced wooden bollards throughout the park to increase safety and improve aesthetics. Additionally, Park Hosts live in the park year-round to help maintain facilities and serve as an informational source for guests.

Lake Bryan is a favorite among nature lovers and anglers in the Brazos Valley. The Texas Parks and Wildlife Department (TPWD) fertilizes the water annually to improve vegetation and fish habitat. In October, TPWD also stocked Lake Bryan with

hundreds of thousands of fingerling length redfish. Lake Bryan is a local favorite for bird watchers and naturalists alike with many trails and spaces to observe wildlife.

As the only publicly accessible large body of water in the county, Lake Bryan has always been a hub for recreation. BTU has partnered with the Brazos Valley Mountain Bike Association (BVMBA) to construct and maintain many miles of biking trails around the lake. In 2020, the BVMBA rehabilitated old trails on the West Loop and constructed new trails, for a total of more than 20 miles of hiking and biking trails surrounding the lake. Customers can also rent paddleboards or kayaks from our partner, Paddle EZ. Customers make reservations online, and the self-service station allows each reservation holder to unlock the watercraft and access life jackets and paddles.

BTU looks forward to all that Lake Bryan brings to the community, and is excited to provide a setting for many family memories.

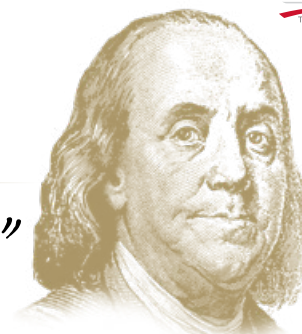


lakebryan.com

Business CONTINUITY PLAN

"By failing to prepare, you are preparing to fail."

- Benjamin Franklin



BTU established a comprehensive Business Continuity Plan in 2019, which was tested and passed muster in 2020. A business continuity plan provides detailed guidance as to how a business will continue to operate during a substantial disruption in service. The BTU plan covers emergency operations via pre-determined protocols in order to minimize service disruptions to our customers.

The BTU Business Continuity Plan has contingencies across several potential significant business disruptions, such as limited accessibility to the BTU main buildings, widespread devastation to the community, cybersecurity attack, and pandemic. The plan was in place and followed during the 2020 COVID-19 outbreak, minimizing the effects of the pandemic on BTU's ability to provide safe and reliable service to our customers.

Strategic PLAN

In March 2020, BTU contracted with Hometown Connections to create a comprehensive five-year strategic plan for the organization, covering the years 2021 through 2026. Central to the planning is ensuring all efforts align with the City of Bryan and BTU's mission and values, as stated below.

Mission STATEMENT

The mission of Bryan Texas Utilities is to improve the quality of life of our community by providing exceptional electric reliability and excellent customer service at competitive and stable rates.

Core VALUES

- **SAFETY** - We regard the safety of our employees and the public to be of primary importance
- **INTEGRITY** - We act with honesty and accept responsibility for our actions
- **RESPECT** - We respect our employees, customers, and stakeholders
- **VALUE** - We strive to provide the highest value in all products and services we deliver
- **STEWARDSHIP** - We serve as responsible caretakers of the human, financial, information, and natural resources entrusted to us

BTU AWARDED *Two Prestigious Designations from APPA*



The American Public Power Association (APPA) awarded Bryan Texas Utilities (BTU) with two prestigious awards in 2020: The Reliable Public Power Provider (RP3)[®] Diamond designation and the Smart Energy Provider (SEP) designation.

This is the third consecutive three-year term that BTU has been awarded the RP3[®] Diamond designation, scoring 100 percent on the evaluated criteria. This award recognizes industry-leading public utilities who provide reliable and safe electric service to their customers. Criteria for consideration also include sound business practices and a utility-wide commitment to system improvement.

"We are honored to be recognized once again at the highest level, Diamond designation, of the Reliable Public Power Provider award," said Gary Miller, General Manager of BTU. "The Board of Directors and the staff of BTU consider reliability and safety to be of the utmost importance to our organization as we serve the community. To have our efforts acknowledged by the RP3[®] review panel is very rewarding to all of us at BTU."

The Smart Energy Provider (SEP) designation is awarded to utilities demonstrating commitment to and proficiency in energy efficiency, distributed generation, and environmental initiatives that support a goal of providing low-cost, quality, safe, and reliable electric service.

"This designation highlights utilities that are constantly striving to deliver to their customers top-notch programs and energy services," said Josh Mitchell, chair of APPA's Energy Services Committee. "These utilities are going beyond 'keeping the lights on,' and their communities should be proud."

The SEP designation, which lasts for two years (December 1, 2020 to November 30, 2022), recognizes public power utilities for demonstrating leading practices in four key disciplines: smart energy program structure; energy efficiency and distributed energy programs; environmental and sustainability initiatives; and the customer experience. BTU joins only 85 other public power utilities nationwide that hold the SEP designation.

"We take a lot of pride in the programs we offer, such as SmartHOME and SmartBUSINESS, which help our customers save money and reduce our collective footprint on the environment," said Gary Miller, General Manager of BTU. "It's encouraging to be recognized as a best-of-class utility when it comes to smart energy."



American Public Power Association



SMART
ENERGY
PROVIDER

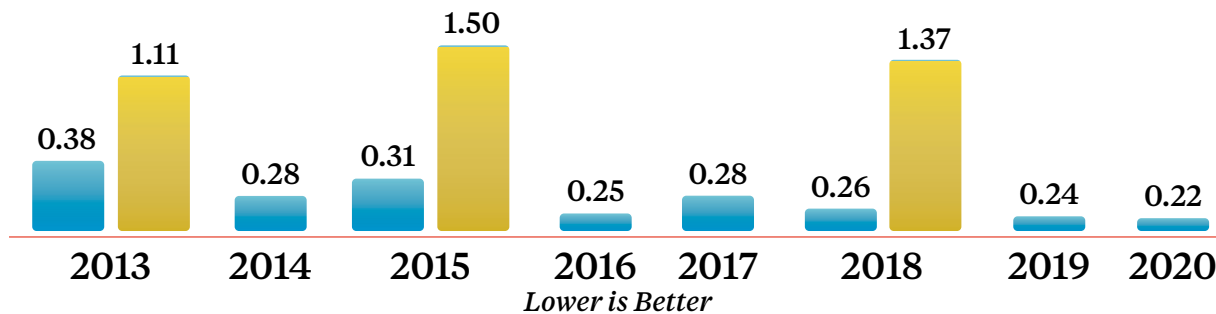
American Public Power Association



2013 to 2020 SAIFI Index

SAIFI - System Average Interruption Frequency Index

SAIFI is the average number of interruptions that a customer would experience over the course of a year. The lower the number, the fewer outages a customer would experience. In 2020, a BTU customer would experience 0.22 outages per year while the most recent APPA national average was 1.37 outages per year.



BTU

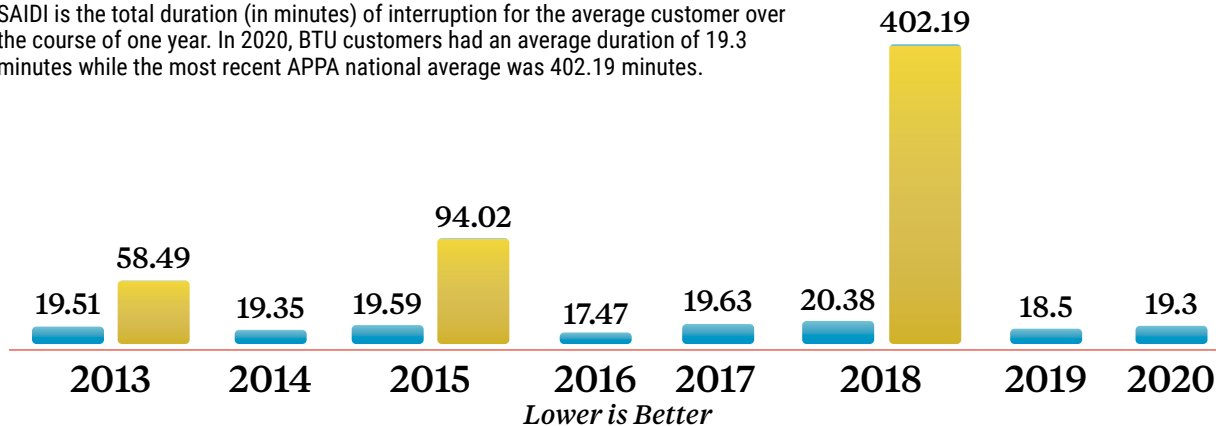
APPA

APPA does not report
SAIFI numbers every year.

2013 to 2020 SAIDI Index

SAIDI - System Average Interruption Duration Index

SAIDI is the total duration (in minutes) of interruption for the average customer over the course of one year. In 2020, BTU customers had an average duration of 19.3 minutes while the most recent APPA national average was 402.19 minutes.



BTU

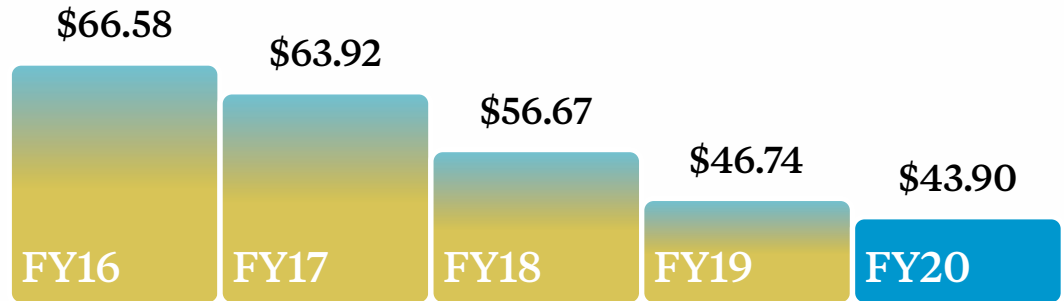
APPA

APPA does not report
SAIDI numbers every year.

APPA national average number includes all major events and is highly driven by weather.

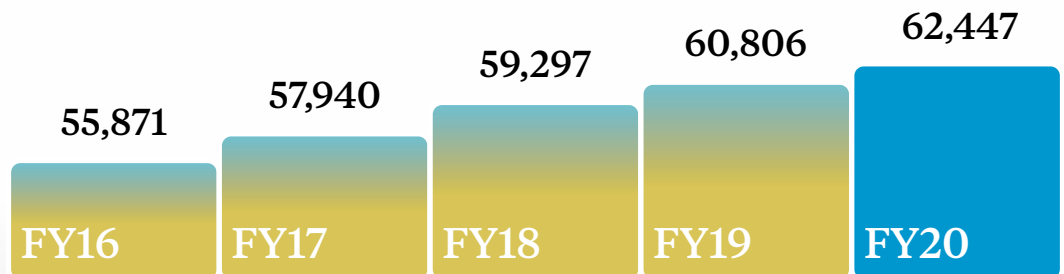
PERFORMANCE

Operating EXPENDITURES *(Per Megawatt Hour)*

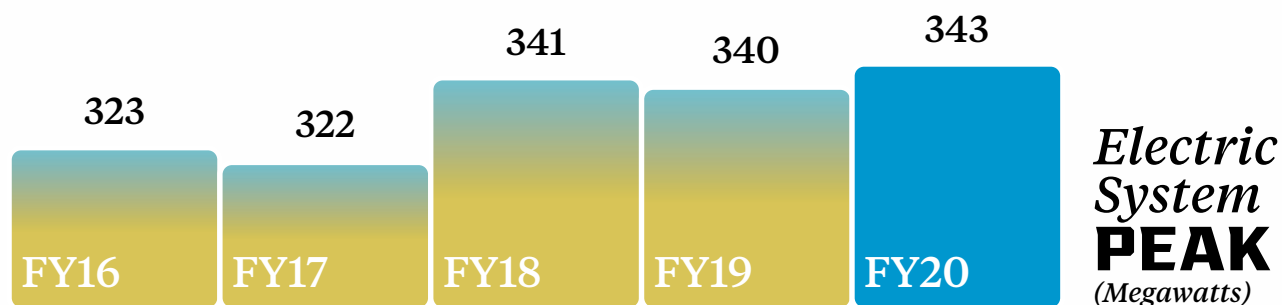


Total expenses (excluding depreciation & amortization) for utility operation, less wholesale & TCOS revenue, divided by the total kilowatt hours of sales x 1,000.

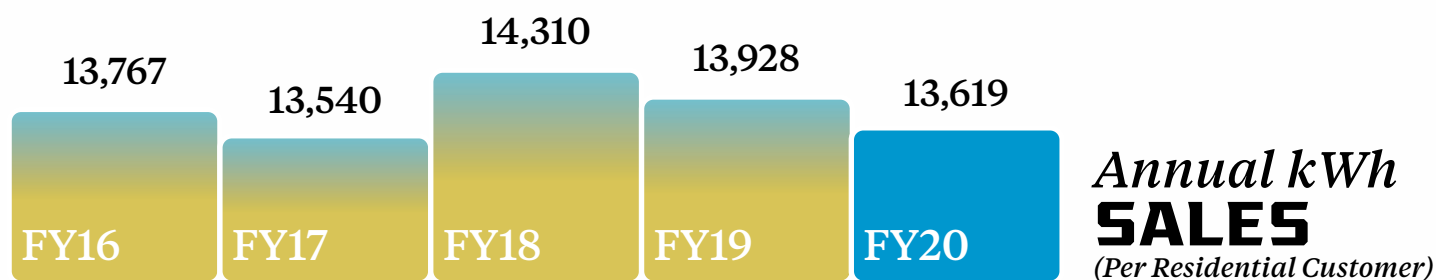
Electric System Number of RETAIL CUSTOMERS



Total customers at fiscal year-end (per audited financial statements).



*Peak demand for the fiscal year.
Taken from the City System Annual Audited Financial Report.*



*Sales of electricity in kilowatt hours for the residential class customers divided by
the total number of residential customers.*

*Condensed
Financial
Statements:*

**CITY
ELECTRIC
SYSTEM**

Condensed Statements of Net Position	FY2020	FY2019
Current assets	\$ 107,373,654	\$ 110,254,925
Capital assets, net	381,291,121	351,541,781
Restricted assets	62,077,680	86,399,825
Other	26,856,688	26,856,688
Total assets	577,676,001	575,053,219
Deferred outflows	2,857,508	7,184,738
Current liabilities	25,169,788	20,429,264
Current liabilities payable from restricted assets	22,380,503	24,828,272
Noncurrent liabilities	268,621,196	293,188,538
Total liabilities	316,171,486	338,446,074
Deferred inflows of resources	7,337,186	2,858,840
Net position:		
Net investment in capital assets	150,327,214	126,152,078
Restricted	10,025,617	12,492,834
Unrestricted	96,672,006	102,288,131
Total net position	\$ 257,024,837	\$ 240,933,043

Condensed Statements of Revenues, Expenses and Changes in Net Position	FY2020	FY2019
Operating revenues	\$ 185,889,665	\$ 204,747,110
Operating expenses	(133,583,315)	(150,593,994)
Operating income	52,306,350	54,153,116
Investment income	3,318,858	4,909,309
Interest expense	(8,609,788)	(9,724,116)
Income before operating transfers & special items	47,015,420	49,338,309
Transfers, net	(30,923,626)	(11,576,596)
Changes in net position	16,091,794	37,761,713
Net position, beginning of period	240,933,043	203,171,330
Net position, end of period	\$ 257,024,837	\$ 240,933,043

Condensed Financial Statements: **RURAL ELECTRIC SYSTEM**

Condensed Statements of Net Position	FY2020	FY2019
Current assets	\$ 26,546,016	\$ 22,673,044
Capital assets, net	105,275,082	91,843,761
Restricted assets	6,248,846	17,234,122
Total assets	138,069,944	131,750,927
Current liabilities	5,329,290	6,135,558
Current liabilities payable from restricted assets	4,660,261	6,470,853
Noncurrent liabilities	35,591,170	37,230,606
Total liabilities	45,580,721	49,837,017
Deferred inflows of resources	13,339,925	12,782,730
Net position:		
Net investment in capital assets	56,659,412	51,233,746
Restricted	692,758	671,828
Unrestricted	21,797,128	17,225,606
Total net position	\$ 79,149,298	\$ 69,131,180

Condensed Statements of Revenues, Expenses and Changes in Net Position	FY2020	FY2019
Operating revenues	\$ 45,850,000	\$ 47,539,897
Operating expenses	(34,944,295)	(37,281,549)
Operating income	10,905,705	10,258,348
Investment income	448,538	740,837
Interest expense	(1,336,125)	(1,575,601)
Change in net position	10,018,118	9,423,584
Net position, beginning of period	69,131,180	59,707,596
Net position, end of period	\$ 79,149,298	\$ 69,131,180



2020 Annual Report

BRYAN TEXAS UTILITIES

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