

SNOHOMISH
PUD

Energizing Life In Our Communities

2026 Financial Status Report Q1-2026

May 5, 2026

Electric System Financial Indicators

Retail Revenues

data through Mar 31, 2026

Actual YTD
\$220.0M

Budget YTD **\$224.7M** | -2% | -4.7M ▼

EOY Forecast
\$761.2M

2026 Budget **\$765.9M** | -1% | -4.7M ▼

Days Cash on Hand

data through Mar 31, 2026

Actual
212

Requirement **180** | +32 ▲

Floor **165** | +47 ▲

EOY Forecast
193

2026 Target* **193** | 0 ▼

**The original projected DCOH target for 2026 was 179 days. Because 2025 ended 14 days above target, the 2026 projected target was revised to 193 days.*

Capital Spend

data through Mar 31, 2026

Actual YTD
\$49.5M

Budget YTD **\$64.1M** | -23% | -14.7M ▼

EOY Forecast
\$249.0M

2026 Budget **\$249.0M** | 0% | 0.0 ▲

Debt Service Coverage

data through: Mar 31, 2026

(Operating Cash Flow / Total Debt)

Actual**
7.8

2026 Budget **5.6** ▲

Requirement **1.8** ▲

***DSC actual is based on a rolling 12-month calculation.*

Net Income

data through Mar 31, 2026

Actual YTD
\$74.1M

Budget YTD **\$61.6M** | +20% | +12.5M ▲

EOY Forecast
\$140.1M

2026 Budget **\$136.3M** | +3% | +3.9M ▲

Bond Ratings

Agency	2024	2025
Fitch	AA-	AA
Moody's	Aa2	Aa2
S&P Global	AA	AA

Arrows indicate direction of comparison. Magenta indicates a negative comparison, green indicates a positive comparison, black indicates a neutral comparison

Electric/Generation System Results - YTD

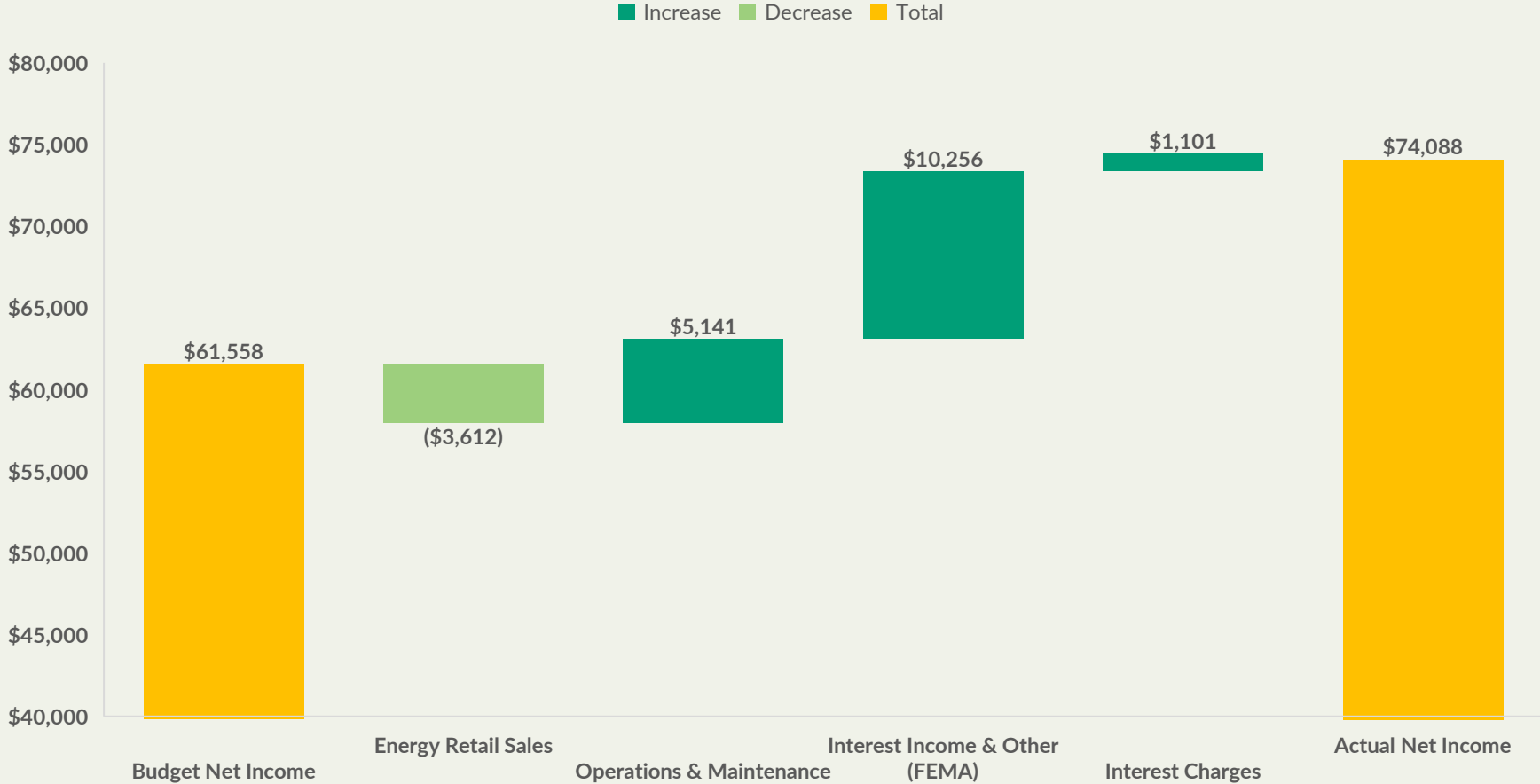
- **Operating Revenues:** Retail sales are slightly under budget due to warmer than expected weather and lower loads in January. Energy Wholesale Sales are trending close to budget with slightly lower than planned wind generation. The sale of this power is sold directly to our counterparties. Other Operating Revenue has no major variances to report.
- **Operating Expenses:** Purchased Power has no major variances of note. The underspend in Operations and Maintenance is primarily due to timing of contracts and services spend; all other categories are close to budget.
- **Non-Operating Income/Expense:** Interest Income and Other is ahead of budget due to the receipt of \$11M in FEMA money for the 2022 Storm. Contributions are slightly ahead of budget due to greater developer activity than planned.

	(\$000's)		
	YTD Budget through March	YTD Results through March	Variance
Operating Revenues			
Energy Retail Sales	\$ 224,922	\$ 221,310	\$ (3,612)
Energy Wholesale Sales	5,655	5,290	(365)
Other Operating Revenues	7,266	8,059	793
Total Operating Revenues	\$ 237,843	\$ 234,659	\$ (3,184)
Operating Expenses			
Purchased Power	\$ 73,625	\$ 72,927	\$ (698)
Operations & Maintenance	80,566	75,424	(5,141)
Taxes	11,964	13,812	1,848
Depreciation	19,334	19,653	319
Total Operating Expenses	\$ 185,489	\$ 181,816	\$ (5,145)
Net Operating Income	\$ 52,354	\$ 52,843	\$ 488
Interest Income & Other	6,953	17,209	10,256
Interest Charges	(6,912)	(5,811)	1,101
Contributions	9,163	9,847	684
Net Income	\$ 61,558	\$ 74,088	\$ 12,529
Capital Expenditures	\$ 65,561	\$ 49,674	\$ (15,887)

Beginning in 2026, Financial Reporting is now a consolidation of the Electric and Generation Systems. Data may vary from the approved budget, Exhibit A.

Electric/Generation Net Income YTD Variance ⁴

YTD Net Income Variance - Electric/Generation
\$000's



Electric/Generation System Forecast

- **Operating Revenues:** Retail sales are under budget due to warmer weather and lower loads in the first quarter of the year. Wholesale sales is under budget due to less than predicted wind generation. Other operating revenues is expected to be on target for year-end.
- **Operating Expense:** We are experiencing greater financial stability with the switch to Load Following therefore there is little variance for Purchased Power. Operations and Maintenance is showing over budget and will be closely monitored throughout the year
- **Non-Operating Income/Expense:** Interest Income and Other exceeds budget by the \$11M in FEMA money received in the first quarter. Interest Charges and Contributions are expected to be at or near budget by year-end.

	(\$000's)		
	2026 Budget	2026 Projection	Variance
Operating Revenues			
Energy Retail Sales	\$ 766,866	\$ 761,914	\$ (4,952)
Energy Wholesale Sales	27,678	26,329	(1,349)
Other Operating Revenues	38,565	39,177	612
Total Operating Revenues	\$ 833,109	\$ 827,420	\$ (5,689)
Operating Expenses			
Purchased Power	\$ 289,747	\$ 289,022	\$ (725)
Operations & Maintenance	322,262	326,562	4,299
Taxes	47,847	47,580	(266)
Depreciation	77,338	74,546	(2,792)
Total Operating Expenses	\$ 737,195	\$ 737,710	\$ 516
Net Operating Income	\$ 95,914	\$ 89,709	\$ (6,204)
Interest Income & Other	30,503	41,511	11,009
Interest Charges	(26,876)	(28,495)	(1,619)
Contributions	36,752	37,422	670
Net Income	\$ 136,293	\$ 140,148	\$ 3,856
Capital Expenditures	\$ 254,656	\$ 254,656	\$ -

Beginning in 2026, Financial Reporting is now a consolidation of the Electric and Generation Systems. Data may vary from the approved budget, Exhibit A.

Water System Status Report



Water System Financial Indicators

Retail Revenues

data through Mar 31, 2026

Actual YTD

\$4.0M

Budget YTD **\$3.9M** | +1% | +33.7K ▲

EOY Forecast

\$18.1M

2026 Budget **\$18.1M** | +0% | +33.7K ▲

Days Cash on Hand

data through Mar 31, 2026

Actual

156

Requirement **150** | +6 ▲

Floor **135** | +21 ▲

2026 Budget is **164**

Capital Spend

data through Mar 31, 2026

Actual YTD

\$2.9M

Budget YTD **\$3.8M** | -25% | -929.9K ▼

EOY Forecast

\$20.3M

2026 Budget **\$21.3M** | -4% | -929.9K ▼

Debt Service Coverage

data through: Mar 31, 2026

(Operating Cash Flow / Total Debt)

Actual**

3.9

2026 Budget **2.9** ▲

Requirement **1.8** ▲

***DSC actual is based on a rolling 12-month calculation.*

Net Income

data through Mar 31, 2026

Actual YTD

\$959.9K

Budget YTD **\$440.0K** | +118% | +519.9K ▲

EOY Forecast

\$4.0M

2026 Budget **\$3.3M** | +23% | +732.8K ▲

Bond Ratings

Agency	2024	2025
Moodys	Aa2	Aa2
S&P Global	AA	AA

Arrows indicate direction of comparison. Magenta indicates a negative comparison, green indicates a positive comparison, black indicates a neutral comparison

Water System Results YTD

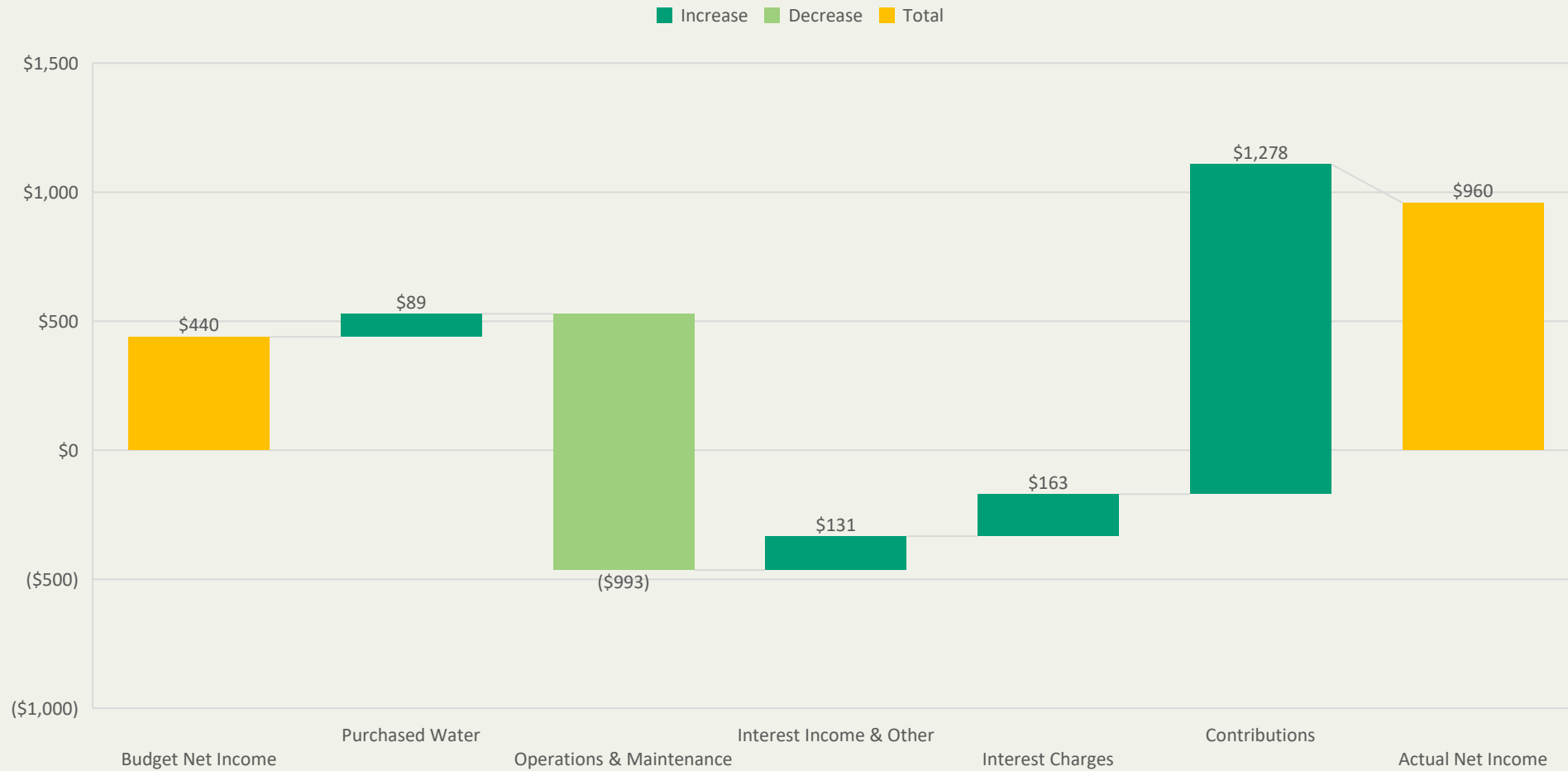
- **Operating Revenues:** No major variances of note.
- **Operating Expenses:** Purchased Water has no major variance of note. The overspend in Operations and Maintenance is on Shared Services, Treatment Equipment and Chemicals, and rollover projects from 2025 such as the Fall Protection Repairs / Upgrades, and the Wellhead Protection Plan.
- **Non-Operating Income/Expense:** Contributions are ahead of budget due to some Q1 development completions.



	(\$000's)		
	YTD Budget through March	YTD Results through March	Variance
Operating Revenues			
Water Retail Sales	\$ 3,929	\$ 3,962	\$ 33
Water Wholesale Sales	160	150	(10)
Other Operating Revenues	113	88	(25)
Total Operating Revenues	\$ 4,202	\$ 4,201	\$ (1)
Operating Expenses			
Purchased Water	\$ 871	\$ 782	\$ (89)
Operations & Maintenance	2,426	3,419	993
Taxes	205	227	22
Depreciation	982	1,110	128
Total Operating Expenses	\$ 4,484	\$ 5,539	\$ 1,055
Net Operating Income	\$ (282)	\$ (1,338)	\$ (1,056)
Interest Income & Other	71	203	132
Interest Charges	(387)	(224)	163
Contributions	1,038	2,316	1,278
Net Income	\$ 440	\$ 959	\$ 519
Capital Expenditures	3,793	2,863	(930)

Water System Net Income YTD Variance

YTD Net Income Variance - Water
\$000's



Water System Forecast

- **Operating Revenues:** All revenues are projected to come in close to budget by year-end.
- **Operating Expenses:** The major variance for expenses is in Operating and Maintenance, and this is due to higher than planned Shared Services from the Electric System.
- **Non-Operating Income/Expense:** All items are projected to be close to budget by year-end. Contributions will continue to be above budget due to higher developer activity completed in Q1.



	(\$000's)		
	2026 Budget	2026 Projection	Variance
Operating Revenues			
Water Retail Sales	\$ 18,069	\$ 18,102	\$ 33
Water Wholesale Sales	753	742	(11)
Other Operating Revenues	451	427	(24)
Total Operating Revenues	\$ 19,272	\$ 19,271	\$ (1)
Operating Expenses			
Purchased Water	\$ 4,497	\$ 4,409	\$ (88)
Operations & Maintenance	9,706	10,367	661
Taxes	941	963	22
Depreciation	3,927	4,055	128
Total Operating Expenses	\$ 19,072	\$ 19,795	\$ 723
Net Operating Income	\$ 200	\$ (523)	\$ (723)
Interest Income & Other	286	512	226
Interest Charges	(1,549)	(1,428)	121
Contributions	4,151	5,429	1,278
Net Income	\$ 3,090	\$ 3,990	\$ 900
Capital Expenditures	21,268	20,338	(930)

Appendix



Project Status Reports

All numbers are \$000s



Substation / System Reliability / Telecom

Substation

New: Crosswind construction is 98% complete with energization in 2026. Paradise and Cathcart substations and Clearview switching station are in the design phase. Getchell switching station site construction starts this year with electrical construction in 2027.

Upgrades: Brier substation upgrade is under construction, Picnic Point, Canyon Park, Frontier, Westgate, Delta-Everett (new line) are in the design phase. Stimson (convert to breaker-and-a-half) site construction starts in April with electrical construction starting later in 2026 and into 2027. **The EOY variance** is due to the accelerated Clearview property purchase, approximately \$2.4M, plus various other project construction and procurement delayed delays. **The YTD variance** due to varying monthly charges which is typical for substation projects.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
\$12,930	3,480	\$44,521	\$39,409

System Reliability

Eight substation system reliability projects are planned for 2026. Four are under construction and will finish in April. Two are ready for construction (late April thru July) and the other two are in the design phase.

Telecom

The Next Gen Substation Transport project is ahead of schedule with all the proposed equipment installed in the field. The focus will be on transferring services over to the new equipment. 15 of 17 radio sites have been installed on the radio replacement project and half the critical user vehicle installs are complete.



Crosswind

Transmission & Distribution Projects

Approximately 278 bad order poles including 10 transmission poles and 2.4 miles of depreciated underground (UG) cable have been replaced. We are projecting almost \$2M overrun if we keep this same pace but this can be scaled back if needed.

The last section of the Twin City distribution upgrade project which includes approximately 3.4 miles of overhead (OH) rebuild along 268th St NW (~640 crew hours) is currently in construction and estimated for completion in early 2026. The \$600k was initially expected in 2025. Hat Island submersible cable was delivered in December 2025 with installation currently scheduled for completion by the end of this year.

Construction on the 115kV rebuild of the old Stanwood-Camano, and the Stanwood-Sills lines are underway and will be complete by end of 2026. Construction on the 115kV Crosswind line, which was budgeted to be completed in 2025, has been delayed further due to a filed complaint with the FAA. It now has an estimated completion date of Q3 2026 with an expected spend of over \$5M hitting this year.

Customer driven line extension have been higher than projected so far with an expected overrun of \$750k at this time. This could change by end of Q2.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
\$22,338	\$16,361	\$89,352	\$99,227



Stanwood-Camano

Regional Design and Construction

This budget consists of customer reimbursable work. Current overrun is driven by more line extension work than planned, approximately \$2M in XFMR Pads.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
\$6,722	\$9,662	\$26,890	\$30,191



Emergency Work and Major Storms

Charges to this budget are transfers from Emergency orders originally charged to expense and later determined to belong in capital. We are still expecting more charges to transfer from the storms that occurred at the end of 2025.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
\$2,250	\$1,838	\$9,000	\$7,663



Transportation

The current forecast is adjusted to account for manufacturing delays. In the meantime, equipment rental costs continue to be higher than planned to support large District projects.

Fuel costs, while not capital, are being closely monitored.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
\$3,037	\$1,375	\$12,147	\$10,569



Information Technology Systems

The District's network, computer, and storage infrastructure requires regular investments to remain reliable, secure, compliant, and maintainable. IT will spend the entire capital budget by the end of the year to keep infrastructure up to date.

The forecast includes strategic and operational technology projects that have begun or will begin this year such as the Contract Management System replacement, Visitor Management, and NERC CIP Tool implementation. The variance between the budget and the forecast is primarily due to GASB 96 accounting standards/rules regarding capitalization of cloud/software-as-a-service software.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
\$441	\$96	\$1,763	\$1,961



Facilities

In progress:

- VMB Lift Replacement: This is a 5-year project replacing a total of 8 lifts. 5 will be upgraded to larger capacity and adding a lift to the exterior wash bay for mechanical discovery. This project is on budget.
- The Demolition of the EB North Tower Boilers and Chillers is on schedule and budget.
- The demolition of the Halls Lake site has begun. It is anticipated this project will be over budget by approximately \$278k due to Telecomm cost being higher than planned. The overage will be absorbed by the postponement of the Ops land development project.
- Darrington Generator and Gunnysack Generator are over 30 years old. Due to their critical need, they will be replaced, bringing them up to code, adding options for portable generators and mitigating future disasters from happening with modern fixes.
- Conference Room Tech Upgrades: Upgrades to 15 conference rooms to add Logitech and 6 rooms to add QSC products across district sites to match equipment installed at North County. Project is on budget.
- VMB Tire Racking: Replacement of tire storage racking in vehicle maintenance building tire room and tire storage building, as well as upgrade of fire sprinkler system. Project is on budget.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
\$1,989	\$768	\$7,956	\$6,085



Facilities Continued

Not Started:

- Data Center Modification: IT has requested removal of obsolete data storage equipment in the data center and has proposed an enclosed setup/storage area in the data center as an alternate use to the obsolete data storage equipment. Budget is \$104k
- Admin Air Handler Unit Replacement: The ASHRAE Level 2 audits performed in 2024 require replacement of aging air handlers at the Ops admin building to support the Admin/Engineering/ECDC building eventually complying directly with the energy use intensity target. Budget is \$1.1M

Postponed:

- Ops Land Development: This project has been postponed. Budget of \$495k will be allocated to other emergent projects.



Generation System

Many of the Generation Capital projects are in various stages of the bid process. Results so far are for smaller campus improvements. Status of the capital projects are as follows:

- Jackson Switchyard Transformer Replacement: Bids for this project are due in May with a budget of \$1.98M
- Powerhouse freight elevator modernization project: Bids for this project will occur in Q2 with work completed in Q3/4. Budget is \$874K
- U3&U4 TSV & U3 Bypass PRV replacement – Bids for this project will be in Q3 with material acceptance by year-end. Budget is \$405K
- New tractor/mower is in procurement with transportation. Budget is \$337K

YTD Budget	YTD Results	2026 Budget	2026 Forecast
\$1,420	\$208	\$5,680	\$4,468



Water System

- **Kayak Reservoir:** This is a 2-year project that is near completion. Site improvements are complete, electrical is ongoing with plans for final site work and reservoir filling by the end of April.
- **Burn Rd Reservoir:** This is a multi-year project; permitting is pending county review. Target project bid in June 2026 with construction in 2026/2027.
- **103rd Ave SE AC Main Replacement:** The survey is complete. Design work is scheduled to begin in May with a target project bid of May/June. Construction to begin this summer.
- **101st Ave / 28th St NE Main Replacement:** The design work for this project is scheduled to begin in April.
- **Lake Stevens Treatment Plant Improvements:** Design work for this project is in process with construction scheduled for 2027.
- **Warm Beach Reservoir:** Feasibility study & design work is scheduled to begin with a kickoff in April.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
\$3,793	\$2,863	\$21,268	\$20,338

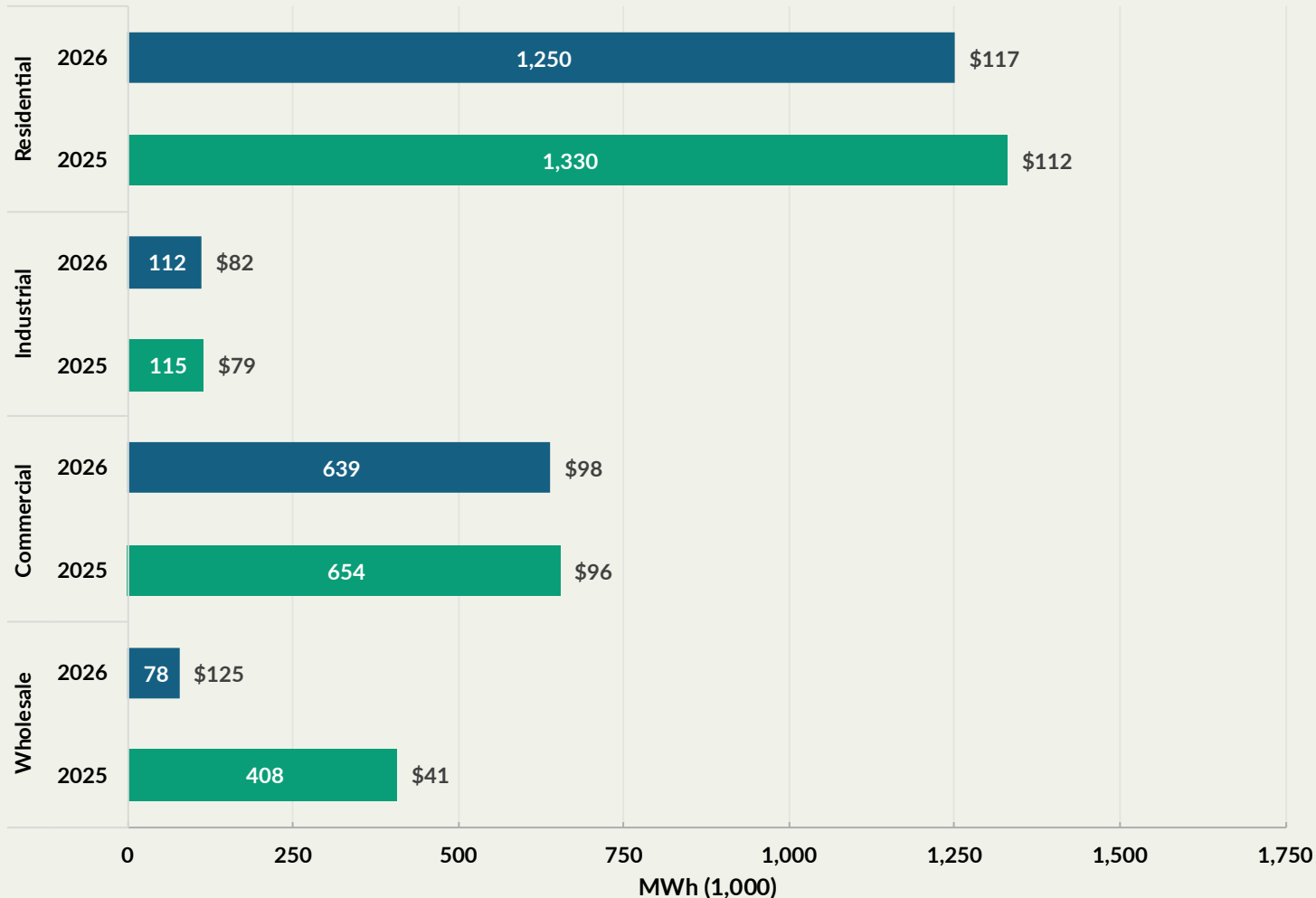


Additional Financial Data



Megawatt Hours Billed* and Revenue per MWh

Year to date through March 31, 2026



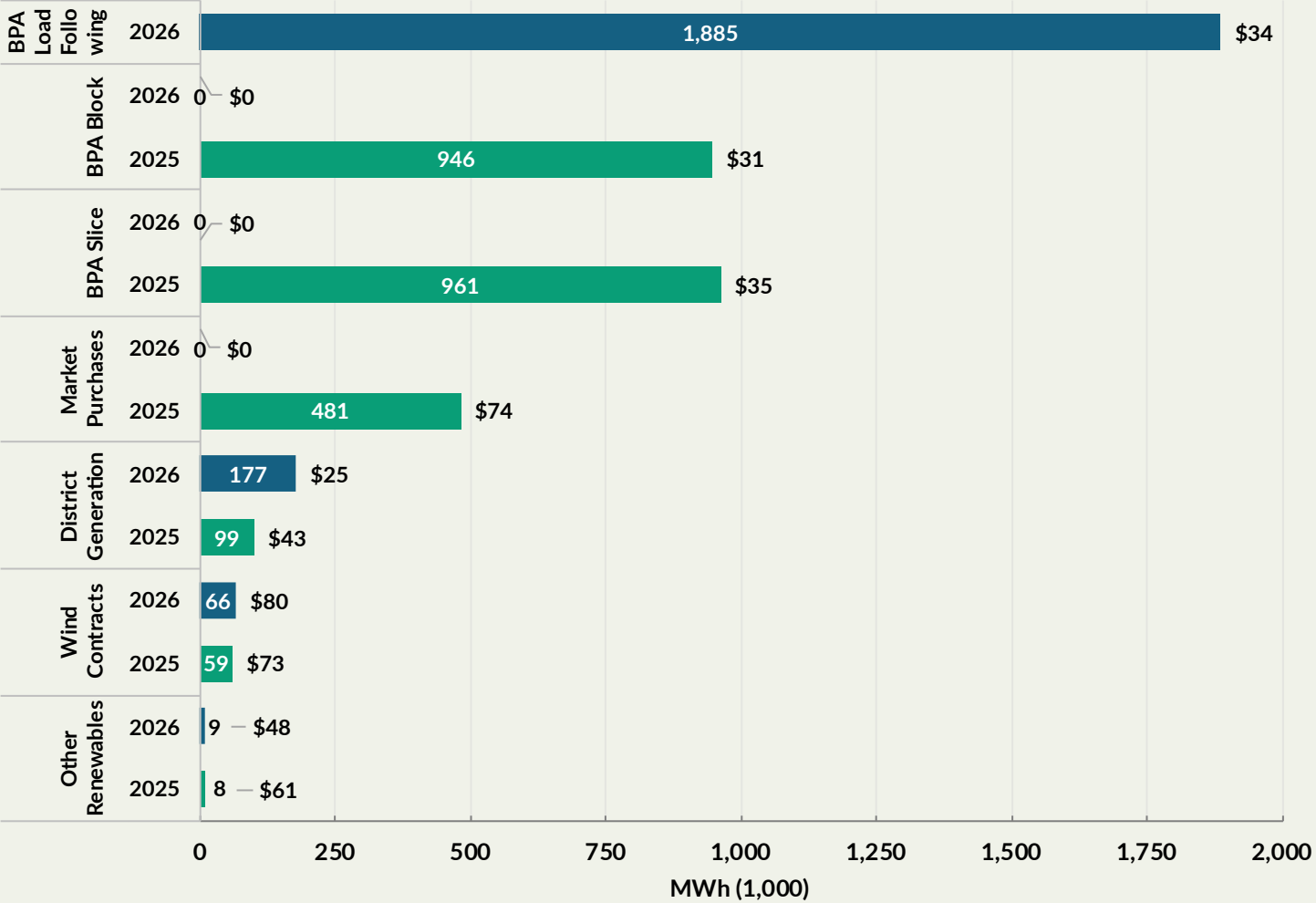
*Thousands

This graph shows the Electric System's billed MWh results for 2026 (blue) vs. 2025 (green).

- **Residential:** Usage is down -6% and revenue per MWh is up +4.3% compared to 2025.
- **Commercial and Industrial:** Commercial usage is down -2.2%, with a +2.3% increase in revenue per MWh. Industrial usage is down -2.8%, with revenue per MWh increasing by 4.7%.
- **Combined Retail Sales** (Residential, Commercial, & Industrial) 3.7% increase in revenue per MWh due to 2025 rate increases.
- **Wholesale:** Sales volume is down -80.8%, average selling price per MWh is up 202.5%. The District is now using BPA's load following product, reducing the amount of electricity we have to sell on the open market. We are selling the generation of Calligan and Hancock directly to a third party.

Megawatt Hours Supply* and Cost per MWh

Year to date through March 31, 2026



*Thousands

Electric System’s power supply in MWh for 2026 (blue) vs. 2025 (green).

- BPA Load Following – New Q4 2025:** PUD switched from BPA Block and Slice Products to BPA Load Following. This gives the PUD flexibility to always meet our demand and reduces the amount purchased on the open market.
 - BPA Load Following product has eliminated BPA Block, BPA Slice, and Market purchases.
- District Generation:** Supply is up 79%. Utility Plant, Operations and Maintenance costs are down contributing to lower cost per MWh.
 - Hancock and Calligan output are now being sold to a third party.