2027 Budget Hearing

November 17, 2026

Inputs

Cost Allocations

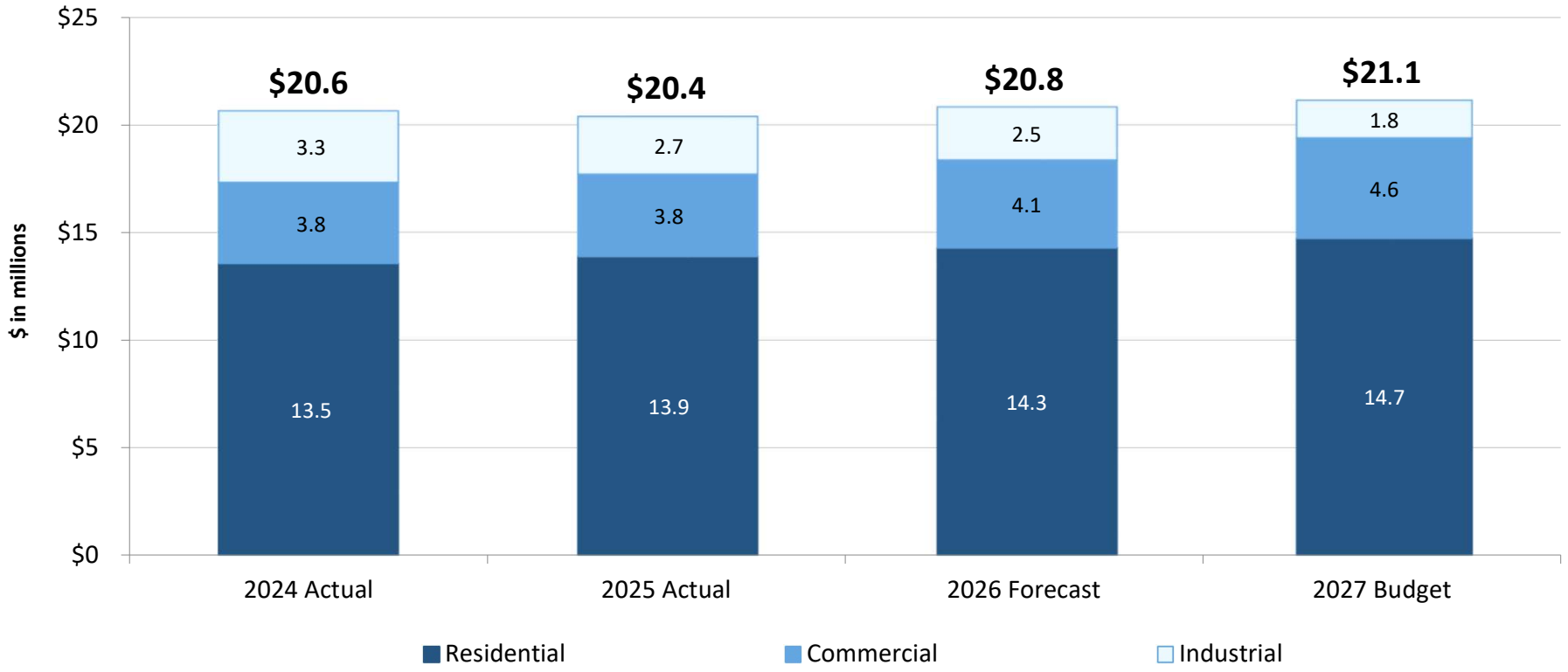
Executive Split	
Electric	56%
Box Canyon	32%
Community Network	10%
Water	2%

Employee Split	
Electric	68%
Box Canyon	26%
Community Network	3%
Water	3%

Customer Split	
Electric	75%
Community Network	21%
Water	4%

Revenue

General Service Revenue



Large Industrial Customers

Merkle Standard Infrastructure:

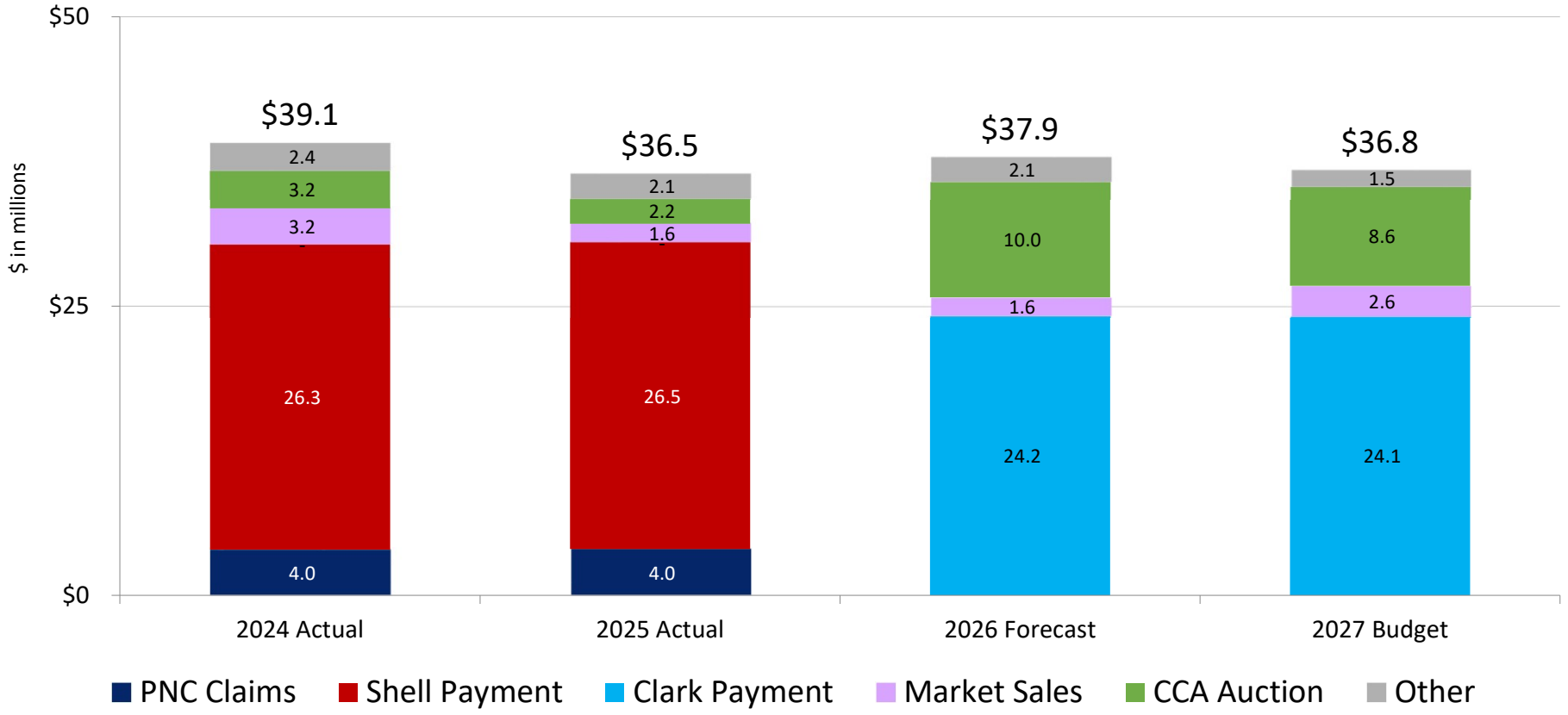
- 12 months
- Max Capacity: 45 MW
- Estimated Usage: 39 aMW
- Total Revenue: $21 million

Krambu Inc.

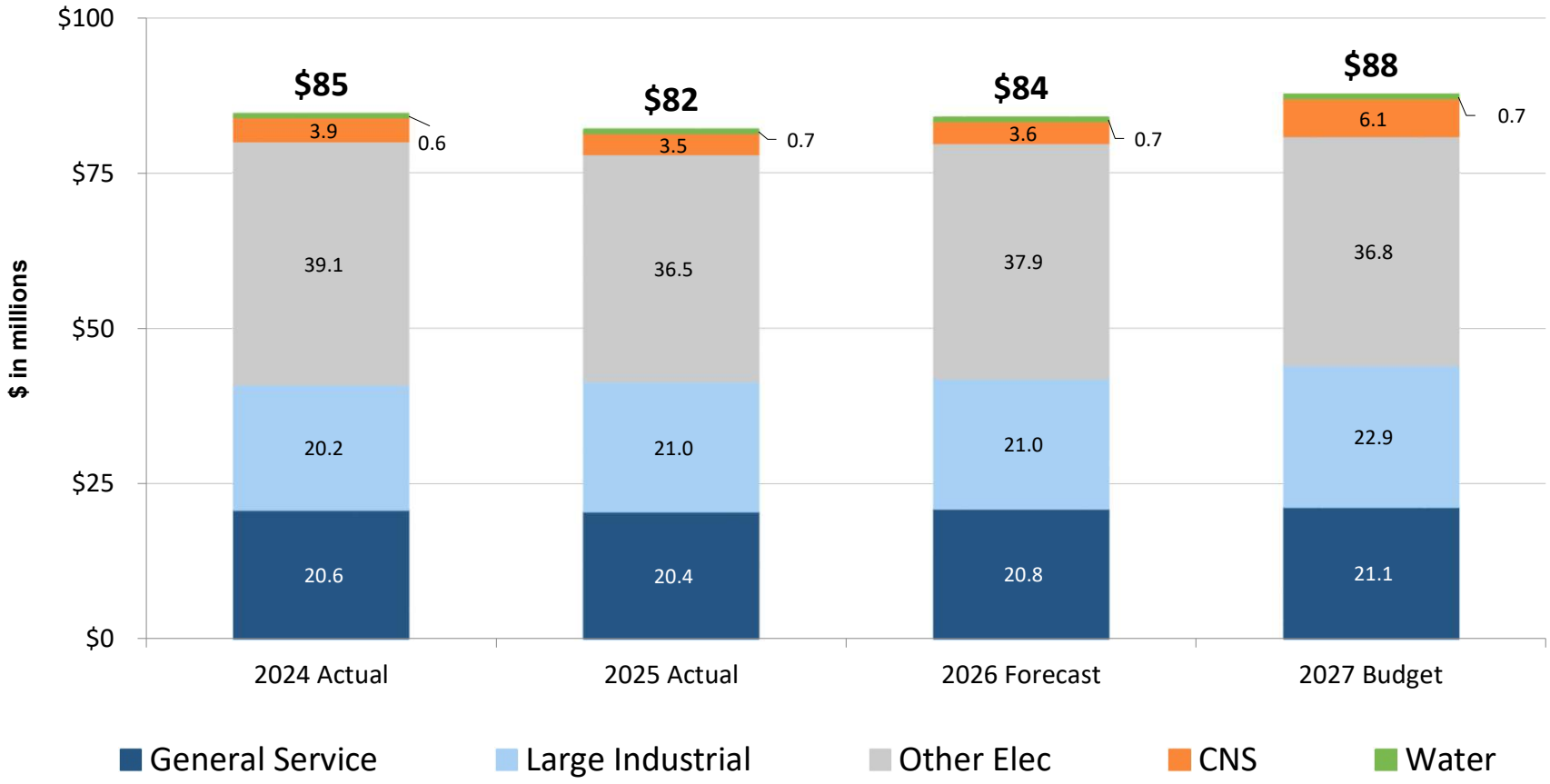
- 12 months
- Max Capacity: 2.5 MW
- Estimated Usage: 2.25 aMW
- Total Revenue: $1.5 million

Power supply needs fulfilled through market-based purchases.

Other Electric Revenue

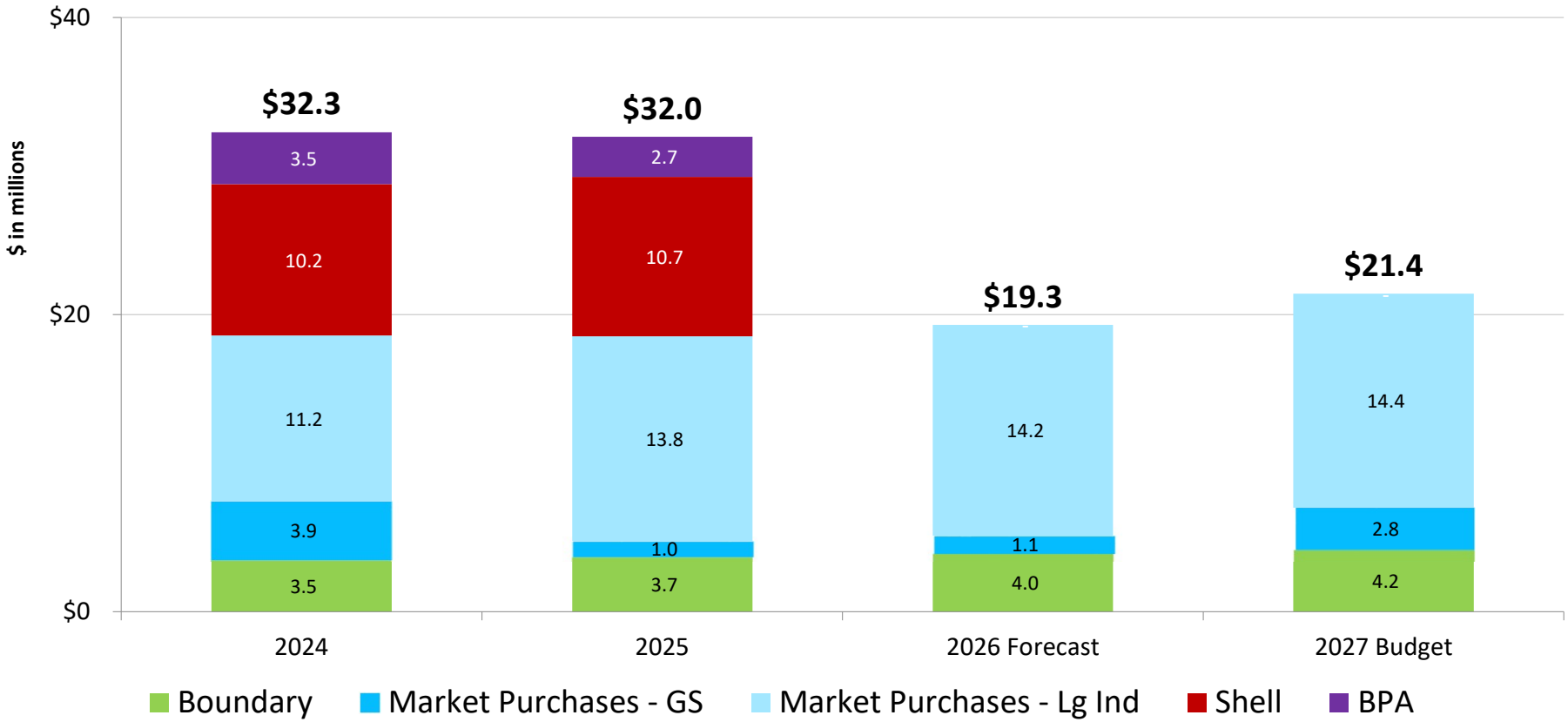


Total Revenue



Expenses

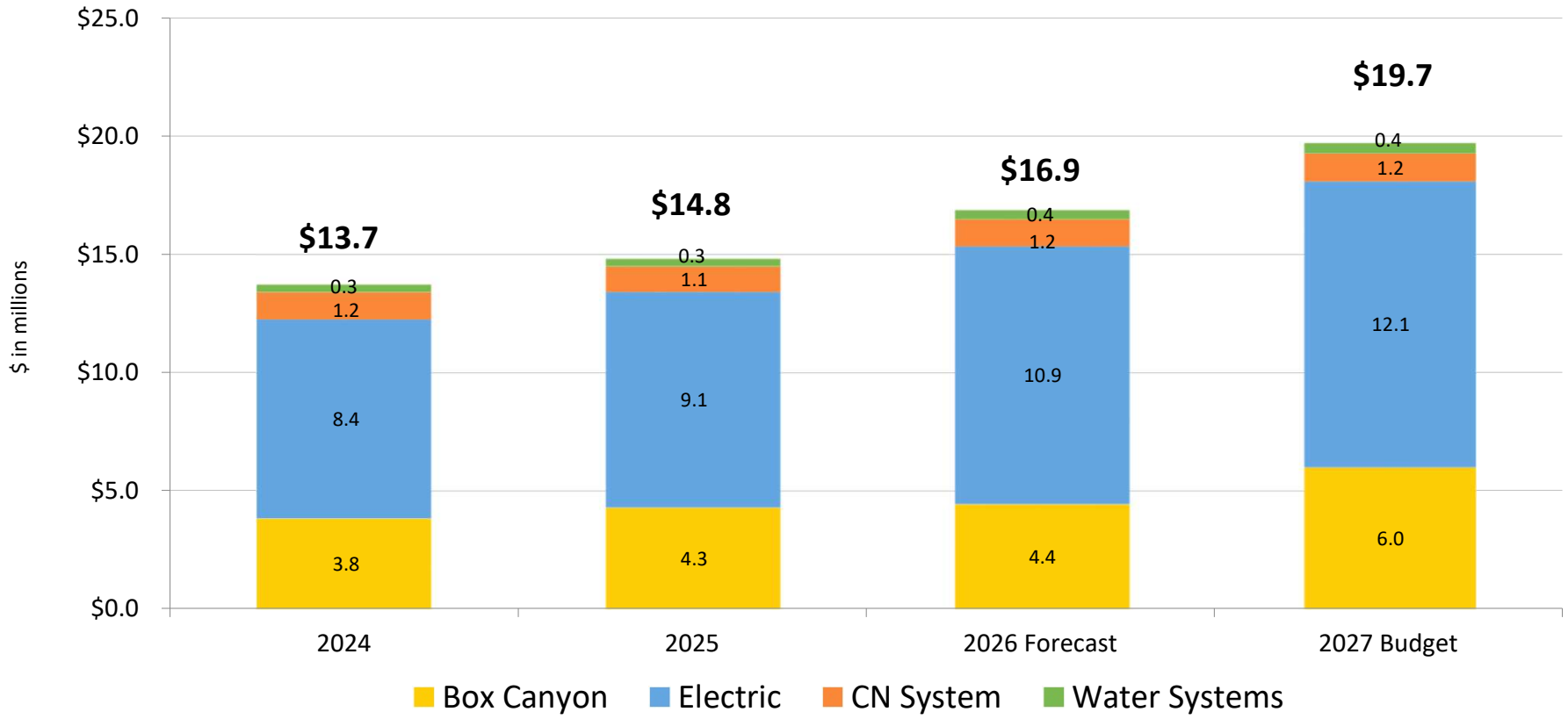
Power Costs


$40
$20
$0
$ in millions
$32.3
$32.0
$19.3
$21.4
3.5
10.2
11.2
3.9
3.5
2.7
10.7
13.8
1.0
3.7
14.2
1.1
4.0
14.4
2.8
4.2
2024
2025
2026 Forecast
2027 Budget
Boundary
Market Purchases - GS
Market Purchases - Lg Ind
Shell
BPA

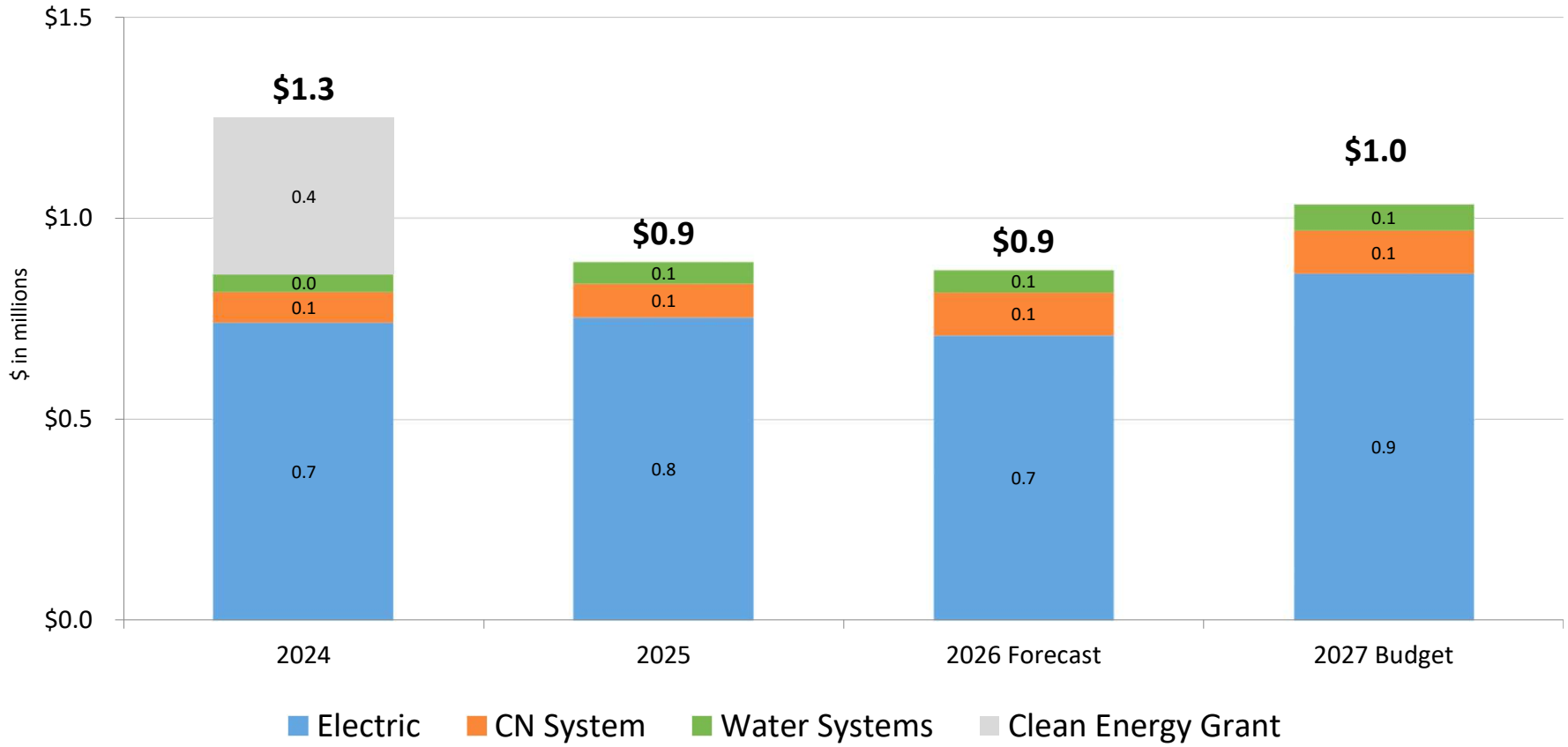
Department	2026 Budget	Current Headcount	2027 Budget	2027 Budget Notes
Administration	16	17* (2 open)	17	
Electric Operations	32	32 (1 open)	33	Addition of Energy Resources Business Analyst
Information Technology	7	7	7	
Box Canyon Operations	14	14	14	
Customer Service	6	6	6	
Natural Resources	3	3	3	
Engineering	7	7	7	
Water Systems	2	2	2	
Community Network System	2	2	2	
Full-Time Employees	**89**	**90**	**91**	
Temporary Increase to Headcount	4	3	5	Addition of two employees for succession planning
Total	**93**	**93**	**96**	

** Unbudgeted request approved for the addition of an Accounts Payable Analyst*

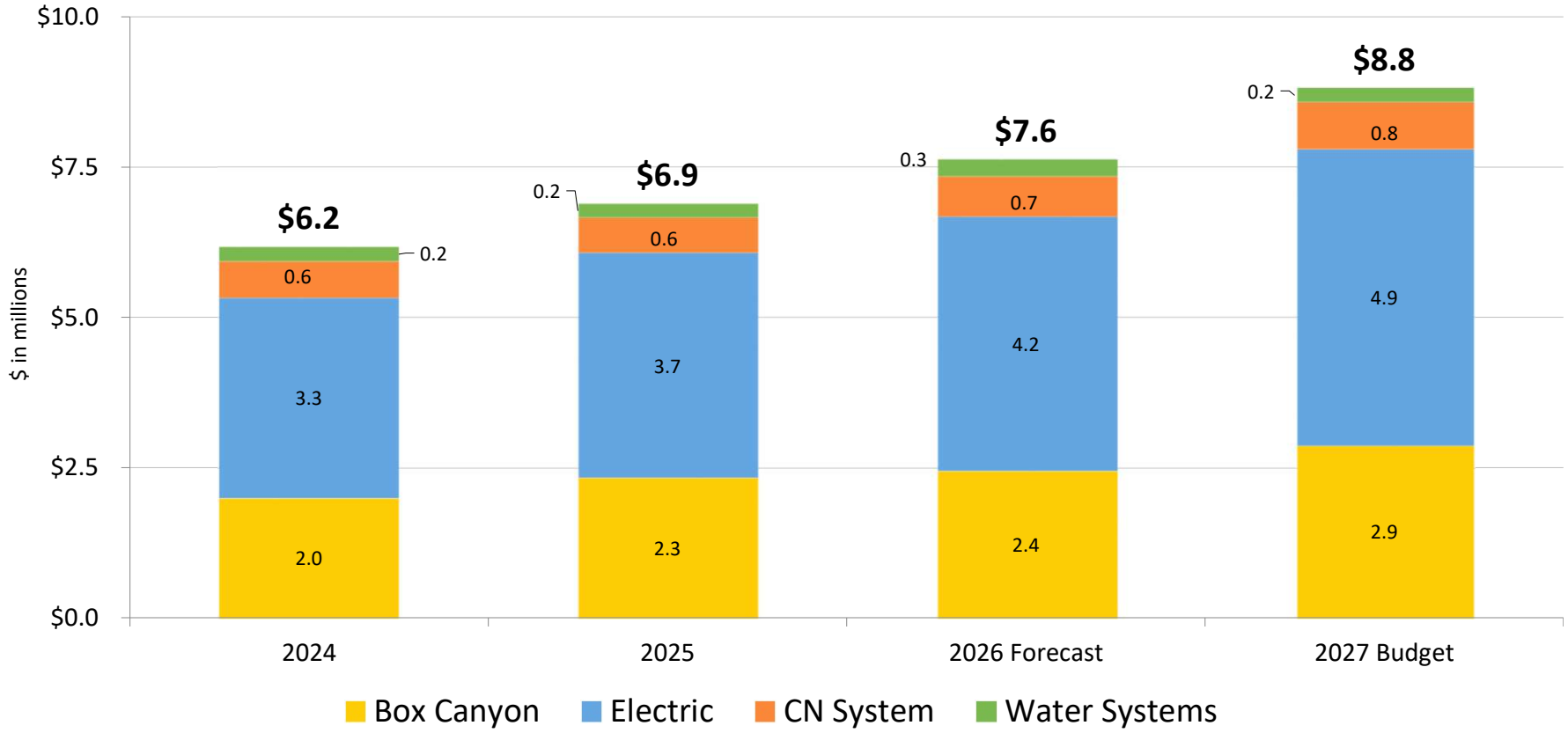
Operation & Maintenance



Customer Information

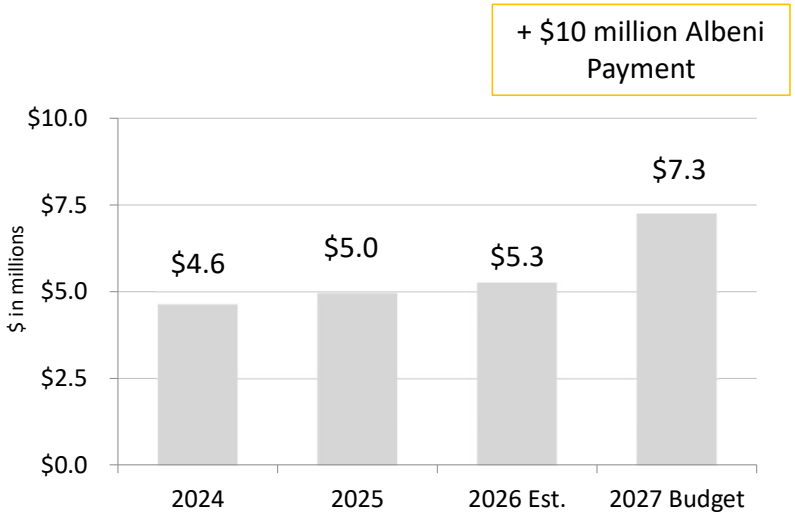


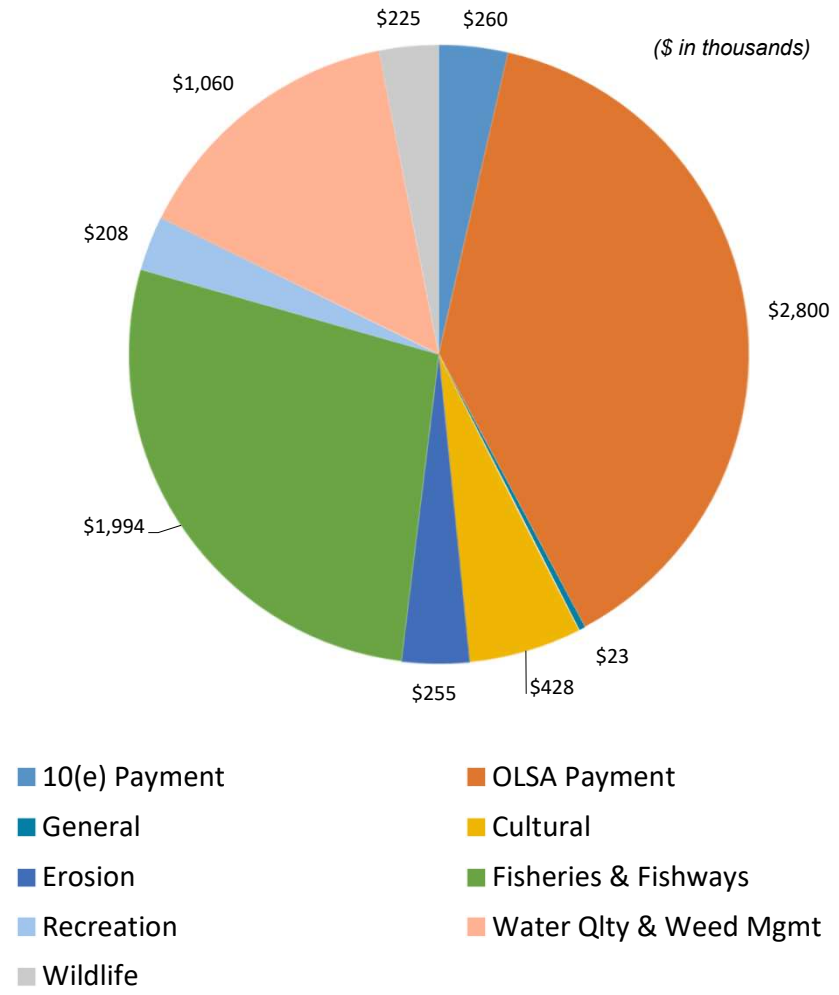
Administrative & General



PM&E

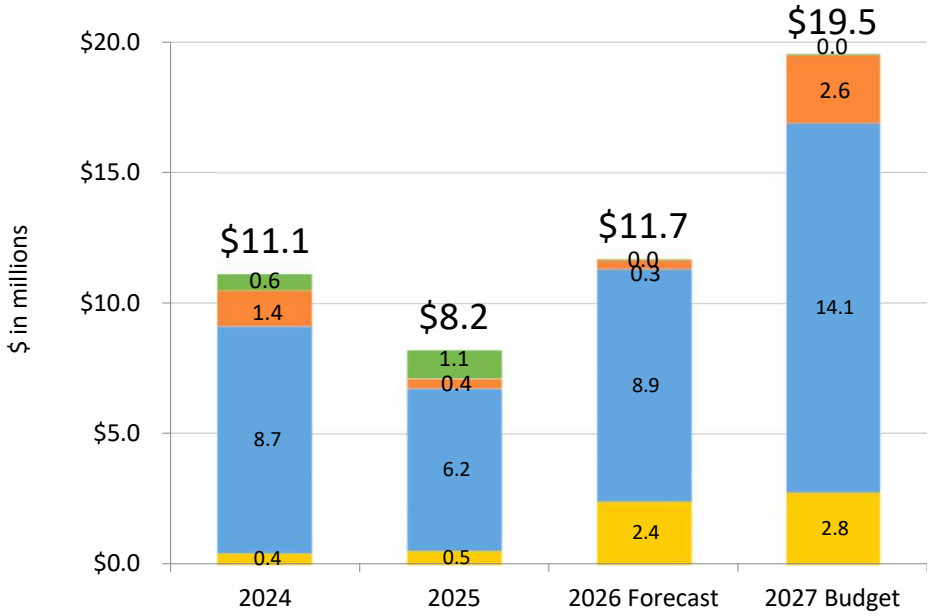
The requirements for the Protection, Mitigation and Enhancement Measures (PM&E), per the Box Canyon FERC license, are estimated to be $7.3 million in 2027.





Capital Expenditures

Capital Expenditure Budget: $19.5 million



Major Projects:

- Bare Mountain Substation
- Wildfire Mitigation
- Equipment & Fleet Replacements
- Spillway Crane Rehabilitation
- Facilities Planning
- BEAD Project Buildout



Summary

Summary

($ in millions)	Elec System	Prod System	CN System	Water System	District*
Revenues	$80.8	$28.2	$6.1	$0.7	$87.7
Interest Income	1.6	1.1	0.1	0.0	2.8
Total Funding Sources	**$82.7**	**$29.3**	**$6.0**	**$0.7**	**$90.6**
Operating Expenditures	$70.0	$16.4	$2.1	$0.8	$61.2
Debt Expense	0.9	9.6	0.2	0.0	10.8
Capital Projects	14.8	2.8	2.8	0.0	20.4
Renewal & Replacement Funding	-	0.5	-	-	0.5
Total Budgeted Expenses	**$85.8**	**$29.3**	**$5.1**	**$0.9**	**$92.9**
Revenue Excess/(Shortfall)	**($3.0)**	**-**	**$1.0**	**(0.2)**	**($2.2)**

** The sum of rows or columns will not equal the totals due to eliminations and rounding.*

Summary

	Electric System	Production System	Community Network System	Water System	Eliminations	Total District
Budgeted Funding Sources:						
Operating Revenues	80,781,144	28,181,832	3,638,888	702,374	(28,102,684)	85,201,555
Interest income	1,556,592	1,084,164	120,000	1,273	-	2,762,029
Grant & Debt Financed	-		2,500,000	-	-	2,500,000
Deferred and other income	380,023	7,200	(224,056)	-	-	163,167
Total Budgeted Funding Sources	**82,717,759**	**29,273,196**	**6,034,832**	**703,647**	**(28,102,684)**	**90,626,751**
Budgeted Expenditures:						
Power from Box Canyon	27,921,832	-	-	-	(27,921,832)	-
Power from Boundary	4,211,796	-	-	-	-	4,211,796
Power from other sources	17,195,806	176,137	-	-	-	17,371,943
Operation & Maintenance	12,096,940	5,992,433	1,179,152	443,512	-	19,712,037
PM&E costs	-	7,253,572	-	-	-	7,253,572
Customer accounting & information	861,202	-	107,700	64,944	-	1,033,846
Administrative and general	4,924,405	2,866,827	783,691	239,754	(180,852)	8,633,825
Taxes	2,780,552	102,495	19,460	34,805	-	2,937,312
Total Operating Expenditures	69,992,533	16,391,464	2,090,003	783,015	(28,102,684)	61,154,331
Interest on long-term debt	91,440	4,643,593	3,958	19,207	-	4,758,197
Less Federal Subsidy	-	(202,418)	-	-	-	(202,418)
Less amortization included in interest	-	433,557	-	-	-	433,557
Capital Project Payments	14,820,000	2,777,000	2,760,000	47,000	-	20,404,000
Box Renewal & Replacement Funding		500,000	-	-	-	500,000
Principal payments	850,000	4,730,000	204,000	24,460	-	5,808,460
Total Budgeted Expenditures	**85,753,973**	**29,273,196**	**5,057,960**	**873,682**	**(28,102,684)**	**92,856,127**
Cash Excess / (Deficit)	**(3,036,213)**	**-**	**976,872**	**(170,035)**	**-**	**(2,229,376)**

Next Steps

Next Steps

Stage 1 – Planning

- **July 29th** Budget process kicks off!
- **Sept 3rd** Major project workshop

Stage 2 – Development

- **Sept 14th** Large project & Headcount requests due
- **Sept 28th** Operating Cost budget requests due

Stage 3 – Consolidation

- **Sept 29th**
  Oct 6th
  Oct 20th
  Budget discussions with the Board
- **Nov 3rd** Draft consolidated budget presented

Stage 4 – Final Review

- **Nov 17th** Public Budget Hearing
- **Dec 1st** Budget Adoption


PEND OREILLE
PUBLIC UTILITY DISTRICT