



**BASIN ELECTRIC  
POWER COOPERATIVE**

A Touchstone Energy® Cooperative 

# **2021 Year-End Financials/2022 Budgeted Net Margin/Toolbox/Financing Update Member Managers Conference**

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# Agenda

- **2021 Unaudited Financial Results**
- **2022 Budgeted Consolidated Net Margin**
- **Toolbox**
- **Financing Update**

# 2021 Unaudited Financial Results

# 2021 Consolidated End-of-Year Unaudited Net Margin Estimate

\$s in millions

	EOY	Budget	Delta
Basin Electric	\$ 56.0	\$ 88.4	\$ (32.4)
Dakota Gasification	(1.5)	(74.0)	72.5
Dakota Coal	16.6	4.0	12.6
Eliminations	5.4	74.2	(68.8)
Total	\$ 76.5	\$ 92.6	\$ (15.7)

# DGC Asset Impairment

\$s in millions

<b>2018 Initial Amount Deferred</b>	<b>\$113.4</b>
2019 Scheduled Amortization	(\$5.7)
2019 Early Amortization	<u>(\$11.3)</u>
<b>Balance</b>	<b>\$96.6</b>
2020 Scheduled Amortization	(\$5.7)
2020 Early Amortization	<u>(\$8.0)</u>
<b>Balance</b>	<b>\$82.9</b>
2021 Scheduled Amortization	(\$5.7)
2021 Early Amortization	<b>(\$77.2)</b>
<b>Balance</b>	<b>-0-</b>

# LOS Accelerated Depreciation

## Unit 1 (Generation)

Accelerate the estimated depreciation scheduled to occur from 2026 through 2030

Approximately \$50.13 mm

Annual Depreciation, 2021-2025: **\$10.026 mm**

# Deferred Revenue

\$s in millions

<b>Balance as of December 31, 2020</b>	<b>\$263.7</b>
Amortization, March 2021	(\$33.7)
Deferral, December 2021	<u>\$30.0</u>
Projected Balance as of December 31, 2021	\$260.0

# 2022 Budgeted Consolidated Net Margin



# 2022 Budgeted Consolidated Net Margin

\$s in millions

	2022
Basin Electric	\$ 70.6
Dakota Gasification	35.7
Dakota Coal	5.2
Eliminations	(35.4)
Total	\$ 76.1
<b>Revenue deferral</b>	
	15.0
<b>Toolbox-additional margin</b>	
	174.0

# LOS Accelerated Depreciation

## Unit 1 (Generation)

Accelerate the estimated depreciation scheduled to occur from 2026 through 2030

Approximately \$50.13 mm

Annual Depreciation, 2021-2025: **\$10.026 mm**

## Unit 2 (Generation and Common Facilities)

Accelerate the estimated depreciation scheduled to occur from 2031 through 2040

Approximately \$188 mm

Annual depreciation, 2022-2030: **\$20.889 mm**

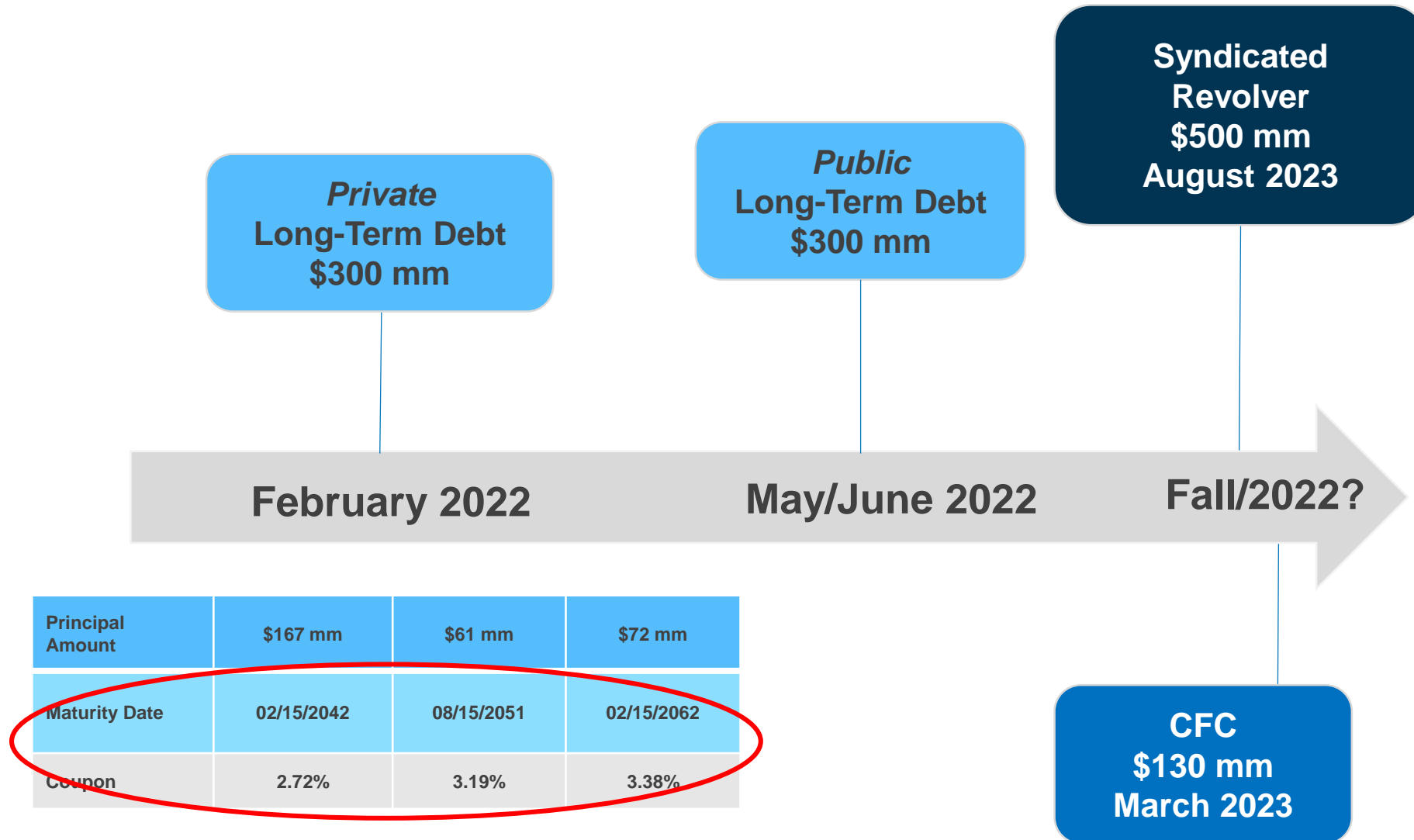
# Toolbox

# Toolbox

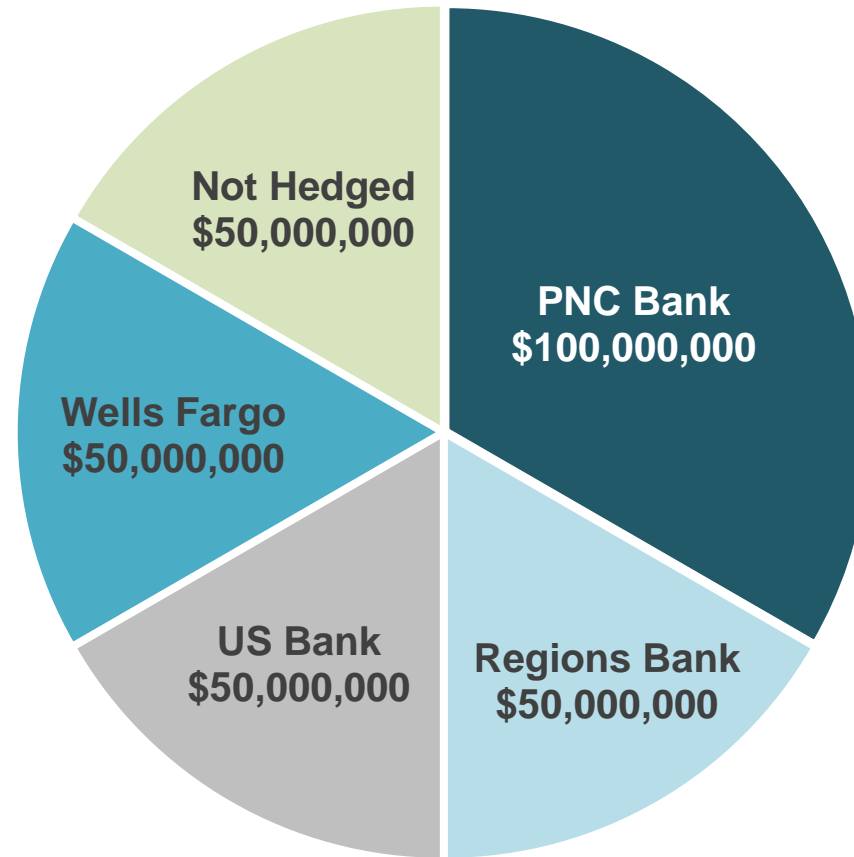
- Bill Credit/Rate Relief
- Deferred Revenue
- Depreciation Acceleration
- Establish a Decommissioning/Reclamation Reserve

# Financing Update

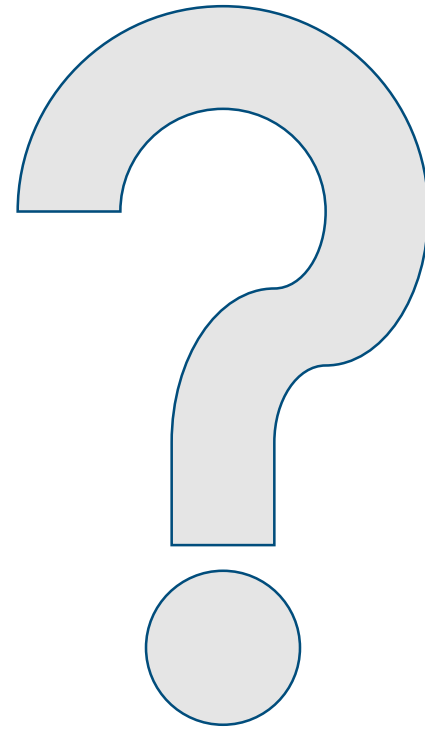
# Continuing to Execute Financing Plan



# Favorable Rates Locked in on Over 80% of the 2022 Public Offering Debt



**\$250 mm hedged @ 2.028%/30 year**



# Questions