



2024 Financial Performance

Audit & Finance Committee
Of the Board of Directors

June 26, 2024

2024 YTD Performance Summary

Unaudited financials as of
Month Ended 04/30/2024

April year to date (“YTD”) results for base expenses are below budget primarily due to higher than budgeted vacancy and timing related to outside services. Project investments timing of spending on multiple projects has outpaced initial expectations.

- Base expenses \$4.8 M (-4.2%) under budget, driven by:
 - Salaries and benefits under budget, -\$1.2 M, primarily due to higher vacancy
 - Timing related variances on outside services, -\$2.3 M, and permanent reductions on computer maintenance expenditures, -\$0.9 M.
- Project investment expenses \$0.5 M (3.6%) over budget, mainly due to timing of some projects’ spending being slightly ahead of original schedules.
- Net interest income YTD, \$17.9 M, is under budget by \$2.4 M (-11.8%) due to a reduction in interest rates, resulting in lower interest income.

2024 Year to Date Performance

Unaudited financials as of
Month Ended 04/30/2024

Redacted unaudited financial performance

*In Millions (\$M)
All values rounded*



2024 YE Performance Summary

Unaudited financials as of
Month Ended 04/30/2024

Year end (“YE”) forecast for base expenses is under budget by -1.5% (at STI threshold) and project investment expenses are under budget by 0.3% (STI Excellent).

- Base expenses forecasted to finish the year \$5.3 M (-1.5%), under budget, driven by:
 - Salaries and benefits forecasted under budget, -\$5.4 M, primarily due to 1) projected higher vacancy due to staff competition for certain skill sets and organizational efficiency work in some areas as teams evaluate roles and processes keeping positions open for longer periods and 2) additional work supporting Competitive Transmission Administration and Generation Interconnection Agreement (“CTA/GIA”) expenses (reducing salaries & benefits).
 - Outside services forecasted to be over budget, \$1.6 M, as additional support is brought in to advance critical initiatives.
 - Computer maintenance forecasted under budget, -\$1.6 M, primarily due to delays in Day Ahead – Market Clearing Engine (“DA-MCE”) production support contract, -\$0.8 M, other support contracts not ramped up, -\$0.5 M, and negotiated maintenance support contract reductions -\$0.3 M.
- Project investment expenses forecasted to finish the year under budget, -\$0.1 M (-0.3%).
 - Forecast Updates to the Market Clearing Engines have created minimal YE financial impact.
- Projected YE net interest income, \$58.9 M, is under budget by \$1.9 M (-3.1 %) due to reduction in interest rates.

2024 Year End Performance

Unaudited financials as of
Month Ended 04/30/2024

Redacted unaudited financial performance

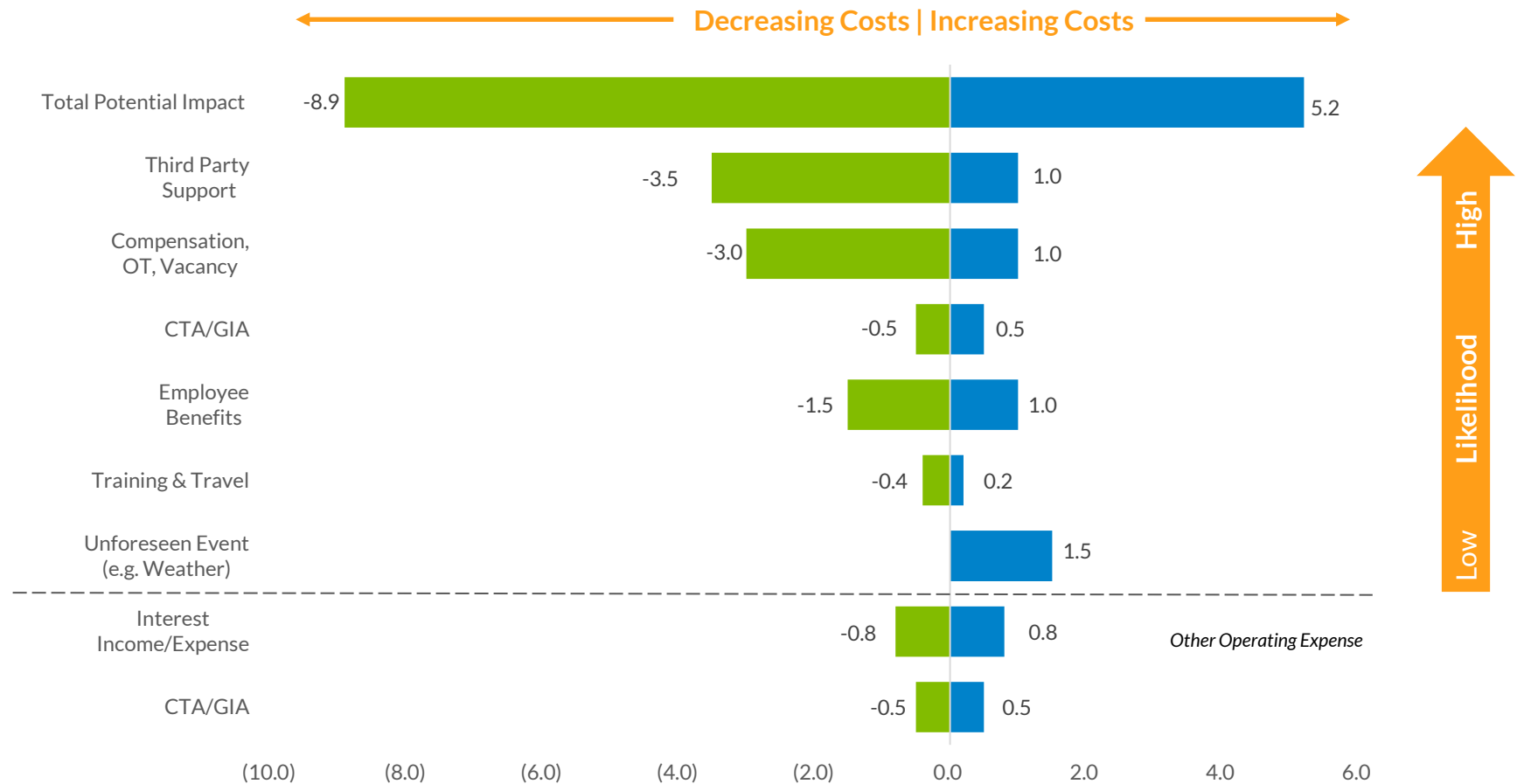
In Millions (\$M)
All values rounded



2024 Base Business Potential Variances

Unaudited financials as of
Month Ended 04/30/2024

Potential variances identified below present new or further risk to the base business forecast.

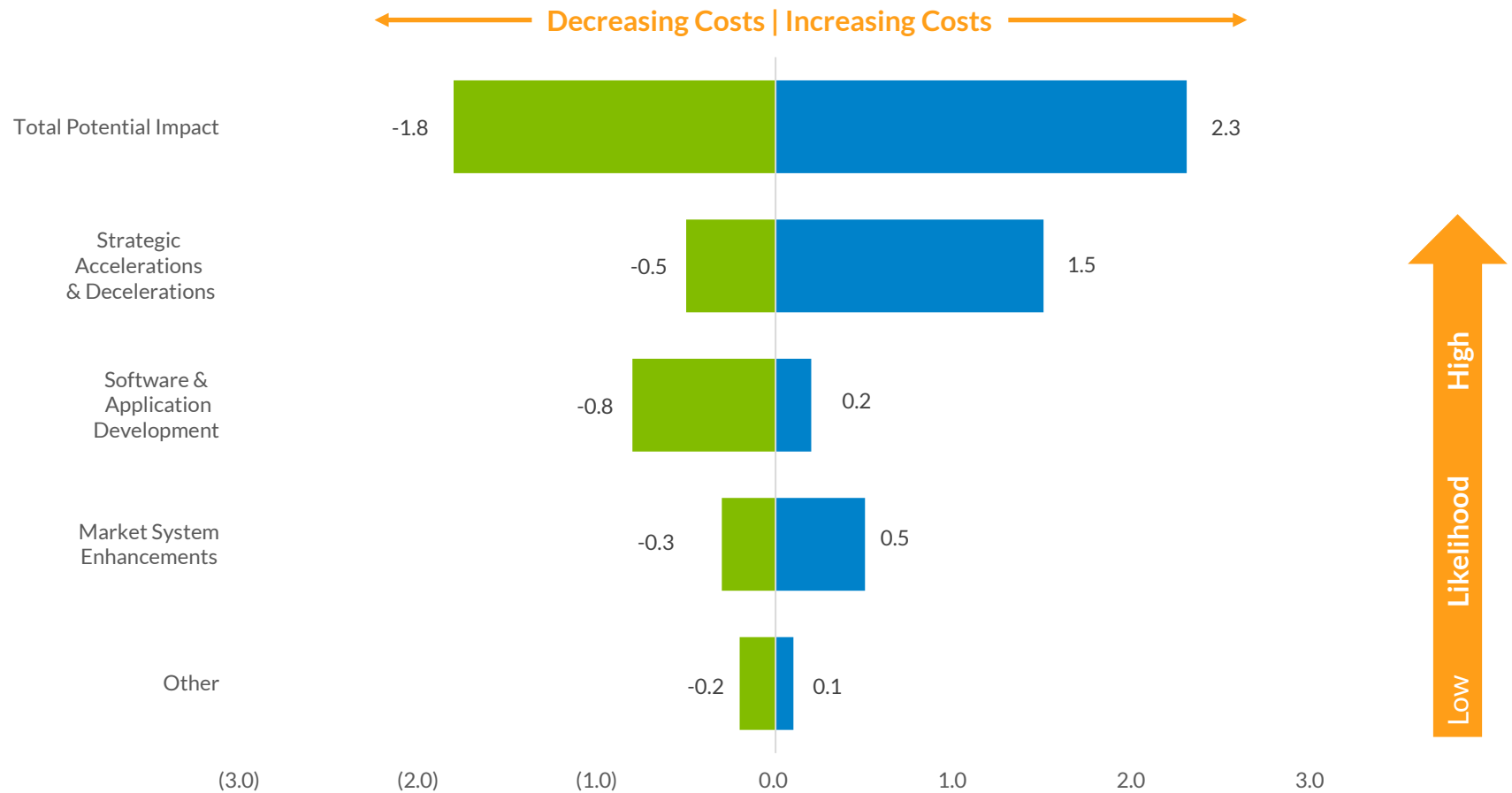


In Millions (\$M)
All values rounded

2024 Project Investment Potential Variances

Unaudited financials as of
Month Ended 04/30/2024

Potential variances identified below present new or further risks to the project investment forecast.



In Millions (\$M)
All values rounded

2024 Cash Forecast

Unaudited financials as of
Month Ended 04/30/2024

2024 Month End Cash Balance



Annual Movement

Category	Forecast	Budget	Variance
Cash Balance, beginning	\$120.5	\$120.5	N/A
Revenues from Depreciation & Amortization	\$33.3	\$33.6	-\$0.3
Capital Expenditures	-\$38.6	-\$35.2	-\$3.4
Net Interest	\$56.5	\$57.2	-\$0.7
Other Costs or Accruals	-\$53.1	-\$48.9	-\$4.2
Net change in cash	-\$1.9	\$6.7	
Cash Balance, year end	\$118.6	\$127.2	-\$8.6

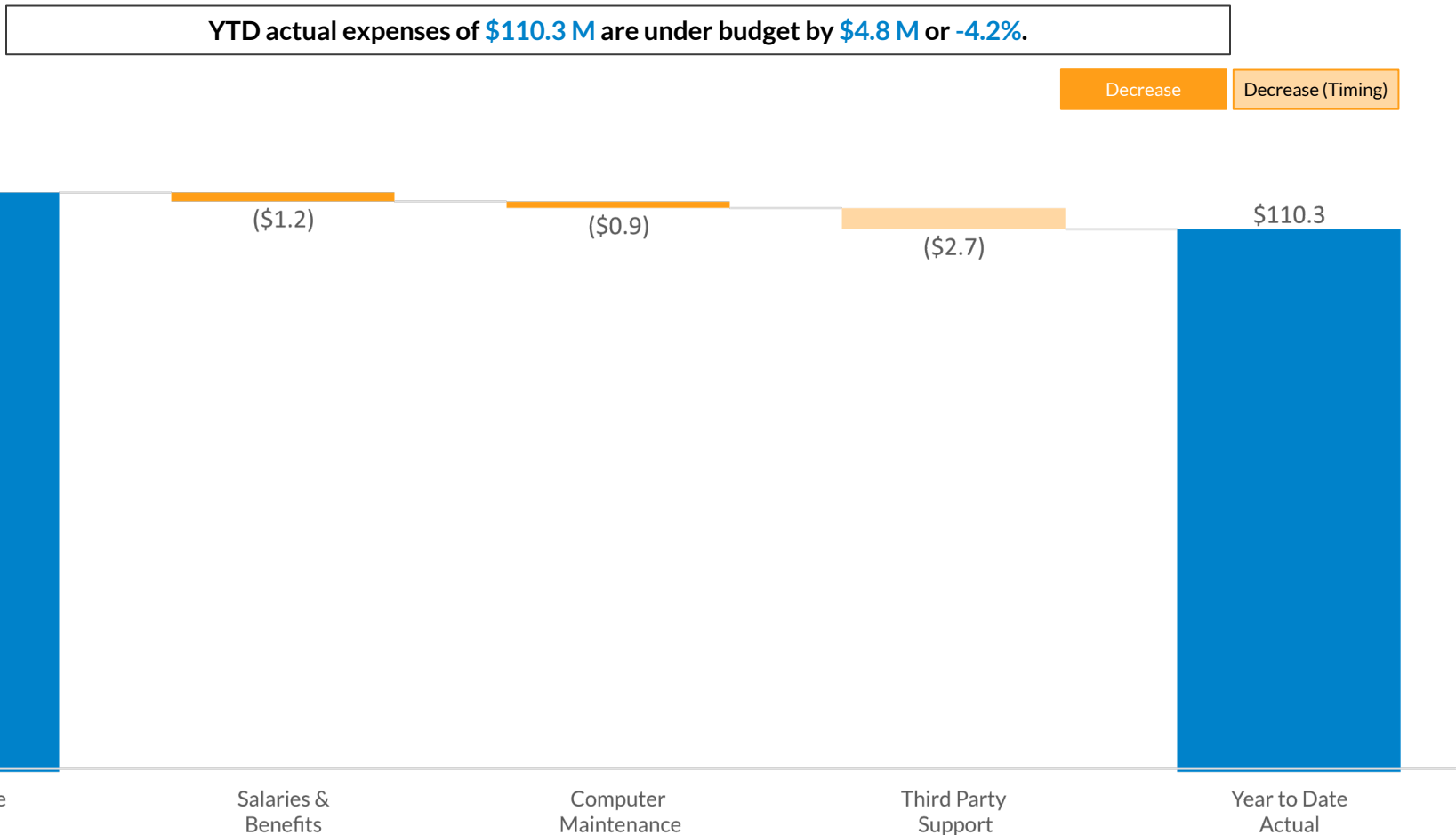
In Millions (\$M)
All values rounded

Appendix

2024 YTD Performance – Base Expenses

Unaudited financials as of
Month Ended 04/30/2024

YTD base expense variance is being driven by timing on third party support and higher vacancy rate.



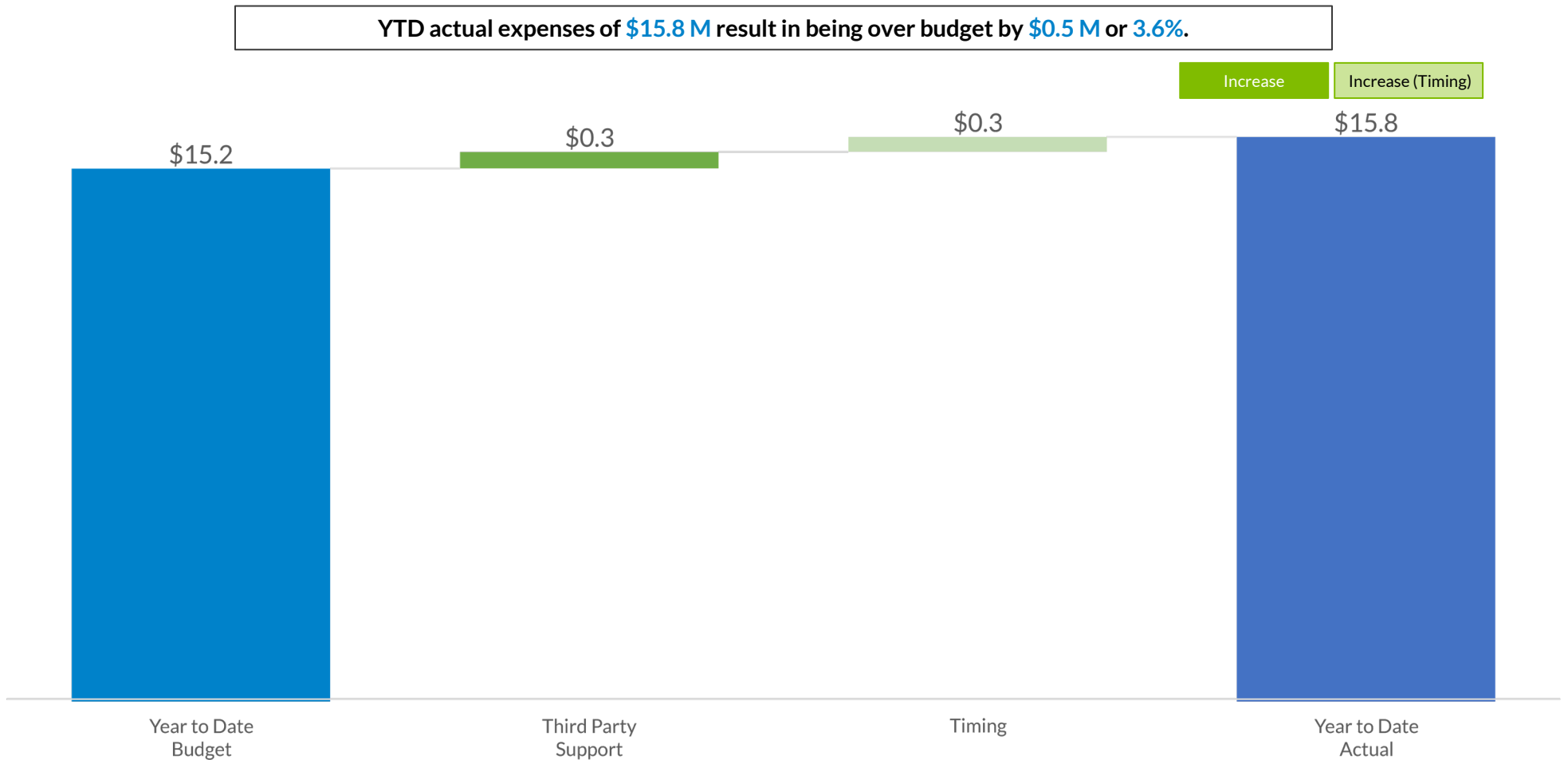
NOTE: Operating expense shown does not include capitalized labor, engineering study fees, FERC fee, Independent Market Monitor expenses, Organization of MISO States, depreciation, amortization, interest expense or impact of incentive compensation.

*In Millions (\$M)
All values rounded*

2024 YTD Performance – Project Investment

Unaudited financials as of
Month Ended 04/30/2024

Project investment YTD variance is being driven by early deliveries along with external teams working ahead of schedule.



NOTE: Investments do not include capitalized labor, depreciation, amortization, and interest expense.

*In Millions (\$M)
All values rounded*

2024 YE Performance – Base Expenses

Unaudited financials as of
Month Ended 04/30/2024

Forecasted YE base expenses reflect finishing the year under budget driven primarily by higher vacancy due to competition for staff and organizational efficiency work, additional CTA/GIA work, reductions in computer maintenance due to contracts not ramping up as early as expected offset against additional external support added for advancement of critical initiatives.

Forecasted expenses of **\$351.6 M** result in being under budget by **\$5.3 M** or **-1.5%**.



NOTE: Operating expense shown does not include capitalized labor, engineering study fees, FERC fee, Independent Market Monitor expenses, Organization of MISO States, depreciation, amortization, interest expense or impact of incentive compensation.

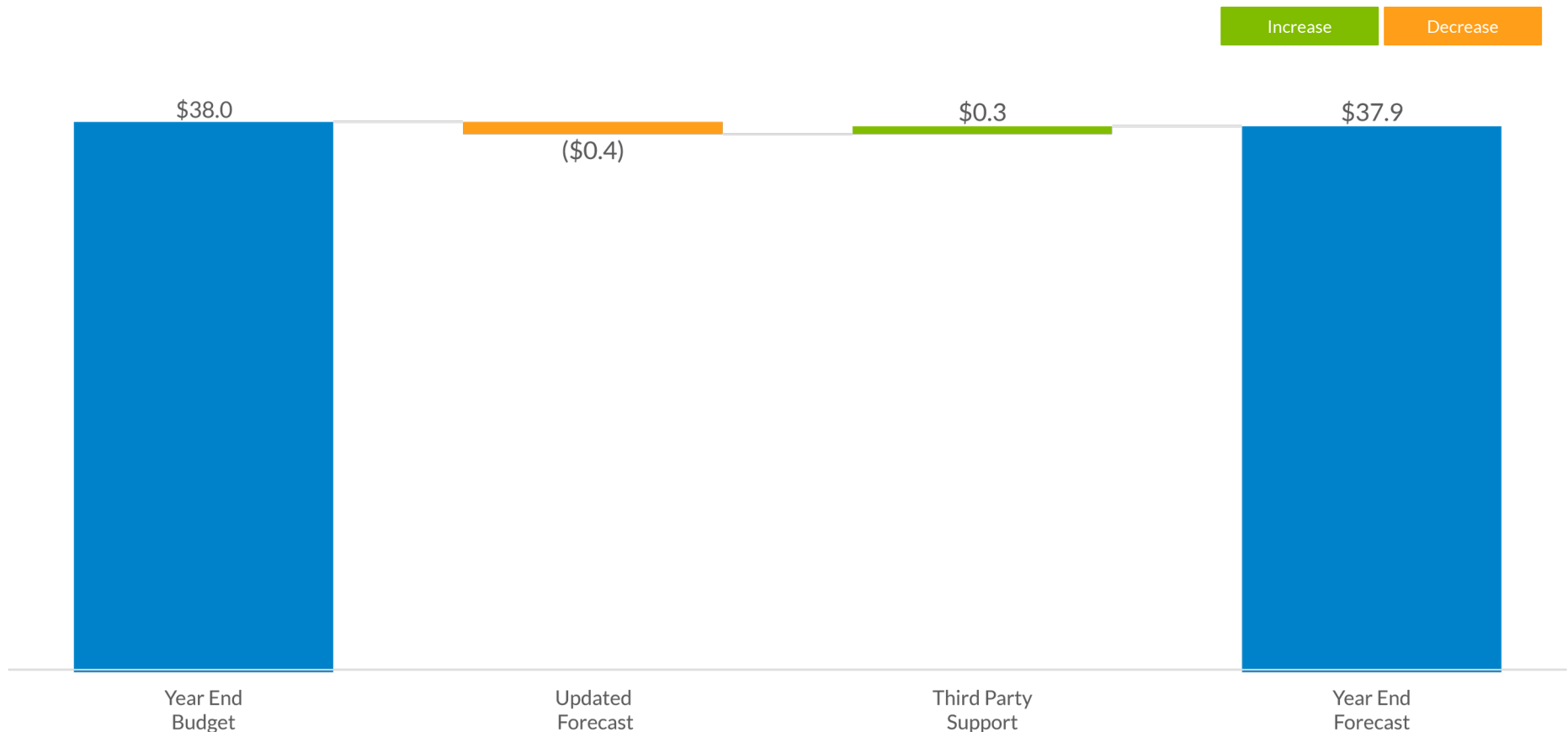
In Millions (\$M)
All values rounded

2024 YE Performance – Project Investment

Unaudited financials as of
Month Ended 04/30/2024

YE costs are tracking closely to the budget and are on track to deliver committed value in 2024.

Forecasted expenses of **\$37.9 M** result in being under budget by **\$0.1 M** or **0.3%**.



NOTE: Investments do not include capitalized labor, depreciation, amortization, and interest expense.

*In Millions (\$M)
All values rounded*