



California Schemin'

California Resources Corporation's Financial Distress Raises Questions About Cleanup—and What Occidental Petroleum Knew Before the CRC Spin-Off

Executive Summary

California Resources Corporation (CRC), a 2014 corporate spin-off from U.S. oil giant Occidental Petroleum, has amassed a dismal financial track record during its brief history. As of the end of the third quarter of 2019, the company carried a debt load of \$4.9 billion, virtually all of which will come due by the end of 2022. Yet CRC has demonstrated no ability to generate cash to pay down its debt; to the contrary, in its 5-year history, CRC has racked up cumulative free cash losses of \$283 million. Moving forward, the company faces stiff headwinds, including high production costs, persistent low oil and gas prices, fierce national and international competition, and a growing array of market and regulatory challenges.

Investors have recognized these risks by pummeling CRC's stock, even as credit agencies have pushed the company's debt ratings deep into junk-bond territory.

Amplifying these risks, CRC is burdened with onerous environmental liabilities. CRC owns more than 6,000 idle oil and gas wells across California,¹ along with more than 11,000 active wells.² Each of these wells eventually must be plugged, retired, and remediated. The total price tag for cleanup could stretch into the billions of dollars—a steep burden for a company with weak market capitalization and a track record of negative free cash flows. Any catalyst that accelerates cleanup or boosts costs, such as stricter cleanup

California Resources Corporation

Stock History



Ticker: CRC (NYSE)
IPO: \$81 (Nov 2014)
High: \$97 (Apr 2015)
Low: \$3 (Feb 2016)
Early February: <\$8

Credit Ratings

S&P Global: CCC+
Moody's: Caa1

Long-Term Debt

Q3 2019: \$4.9 billion

Market Capitalization

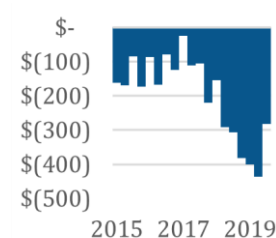
Early February: <\$400 million

Cash on Hand

Q3 2019: \$22 million

Free Cash Flows

-\$283 million cumulative since IPO



Synopsis

CRC faces market and regulatory challenges, persistent negative cash flows, a looming liquidity crunch, poor stock performance, and major cleanup liabilities that amplify bankruptcy risks to investors.

¹ California Department of Conservation. [Idle Well Program](#), Preliminary 2018 Calendar Year Inventory. September 6, 2019.

² California Resources Corporation. [2018 10-K Form](#). February 27, 2019. As of the end of December 2018, CRC reported 11,272 productive oil wells and 1,179 productive gas wells in total. Accounting for fractional shares, the company owned 10,759 productive oil wells and 1,092 productive gas wells.

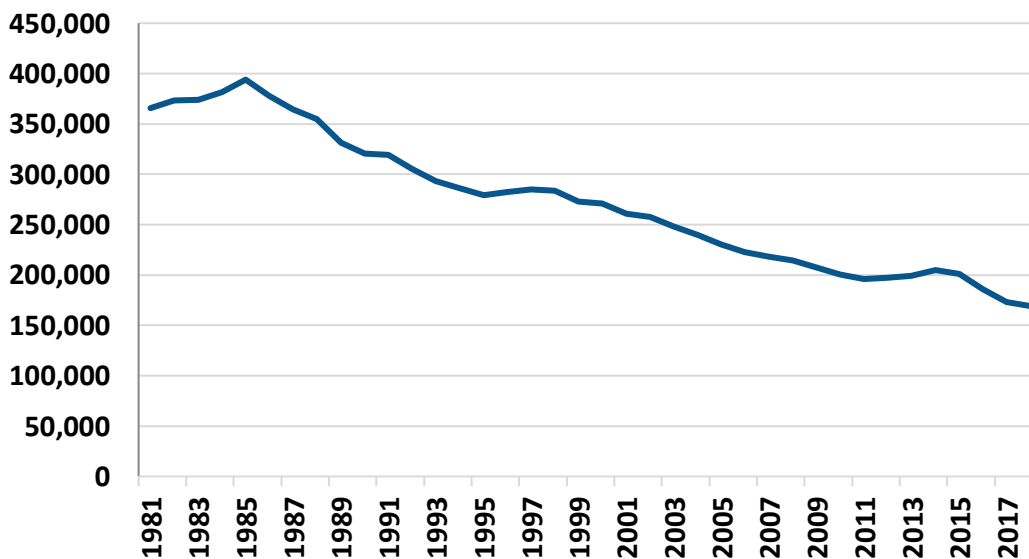
standards or tighter timetables for plugging idle wells, could hasten CRC's descent into insolvency.

CRC's financial turmoil raises a key question: **Did Occidental Petroleum spin off CRC in order to offload troubled assets freighted with costly environmental liabilities?** CRC's downward spiral began within a few months after the company was launched. Occidental was ideally positioned to gauge the financial risks that the new company would face in the evolving oil and gas market, and had a deep understanding of the environmental liabilities associated with the new company's assets. In IEEFA's view, a bankruptcy filing by CRC could raise troubling legal questions about Occidental's foreknowledge of the company's financial frailty.

California's Oil Industry Is in Long-Term Decline

Notwithstanding its green reputation, California has a long history as an oil and gas powerhouse. The Golden State's oil industry has been active for well over a century, and today boasts some 72,000 active oil wells,³ along with more than 29,000 inactive wells awaiting cleanup.⁴ Early in the twentieth century, California produced as much as 38 percent of the nation's total oil,⁵ and as recently as 2005, one out of every eight barrels of oil produced in the United States came from California.⁶

Figure 1. California Field Production of Crude Oil



³ Los Angeles Times. [Will Newsom end oil drilling in California? Many environmentalists are betting yes.](#) Phil Willon. April 23, 2019.

⁴ California Department of Conservation. [Idle Well Program](#), Preliminary 2018 Calendar Year Inventory. September 6, 2019. Note that this inventory is missing all wells that became idle after the 2018 calendar year.

⁵ Northwestern University Press. *The American Petroleum Industry: The Age of Energy 1899-1959*. Harold F. Williamson et al. Page 17. 1963.

⁶ U.S. Energy Information Administration (EIA). [Crude Oil Production](#). Downloaded January 20, 2019.

Source: US Energy Information Administration.

Yet California's oil industry faces growing challenges. Production has declined steadily since the mid-1980s.⁷ (See Figure 1). Today, the former production leader ranks a distant seventh in total petroleum output among U.S. states,⁸ producing only about 4 percent of domestic oil.⁹ Meanwhile, in-state crude oil prices fell from more than \$100 per barrel in mid-2014 to less than \$60 this past October.¹⁰ At the same time, the growing popularity of electric cars and fuel-efficient vehicles in the state has cut into gasoline demand, crimping fuel sales and threatening declines in future oil consumption.¹¹

California's oil producers also face mounting public alarm over pollution, safety, and the industry's contribution to global greenhouse gas emissions. Acknowledging this groundswell of citizen concern, on November 19 of last year, state regulators imposed new safety and environmental reviews for hydraulic fracturing (fracking) permits, as well as an immediate moratorium on steam-injected oil drilling, a technique that boosts production of heavy oil but was linked to a massive oil spill earlier in the year.¹²

The new rules sent shockwaves throughout the state's oil sector. One California-focused company in particular saw a stunning 27 percent drop in its stock price on the day of the announcement.

CRC saw a 27% drop in its stock price when new pollution regulations were announced.

That company was California Resources Corporation (CRC), a powerhouse in the state's oil and gas industry. CRC is overshadowed in the public eye by its larger multinational rivals, such as Chevron, Shell, and ExxonMobil. Yet, by some measures, the company stands as the most prominent oil producer in the state, and easily the largest California-only oil company.¹³ The company and its corporate predecessors have been operating in the state for many decades—in the process accumulating about a fifth of California's total backlog of idle oil and gas wells.¹⁴

⁷ U.S. Energy Information Administration (EIA). [California Field Production of Crude Oil](#). Downloaded January 2019.

⁸ EIA. [Crude Oil Production](#). Downloaded January 2019.

⁹ EIA. [California Field Production of Crude Oil](#). Downloaded January 2019.

¹⁰ EIA. [California Crude Oil First Purchase Price](#). Downloaded February 2019.

¹¹ Gregor Macdonald. [Oil Fall, Part One: California ICE](#). 2018.

¹² California Department of Conservation. [California Announces New Oil and Gas Initiatives](#). November 19, 2019.

¹³ California Resources Corporation. [About CRC](#). Downloaded January 22, 2019. CRC claims that it is "California's largest oil and natural gas producer on a gross-operated basis."

¹⁴ California Department of Conservation. [Idle Well Program](#), Preliminary 2018 Calendar Year Inventory. September 6, 2019.

CRC's Origins: A Spinoff From Oil Giant Occidental

CRC has been an independent company for just over five years, yet its history in the California oil industry spans nearly a century. The company was launched in November 2014 as a spinoff of Occidental Petroleum—a company founded in California in 1920, near the peak of the state's stature as an oil Goliath. Over the ensuing decades, Occidental expanded beyond California's borders, moving into Texas, North Dakota, the Gulf of Mexico, Argentina, Colombia and the Middle East. But its California operations lagged, producing a dwindling share of the company's output.

In the early years of America's fracking boom, Occidental held out hope for a resurgence in its California production.¹⁵ The company had a sizable position in the Monterey Shale, a geological formation within California that at one point was believed to hold an astonishing two-thirds of the nation's shale oil reserves.¹⁶ But in early 2014, federal geologists downgraded the Monterey Shale's potential, admitting that recoverable reserves were just 4 percent of previous estimates.¹⁷

With little hope for a California oil renaissance, Occidental found itself with a massive inventory of low-value assets in the state—including more than 5,000 idled wells that no longer produced any oil and gas.¹⁸ These non-producing wells weighed down Occidental's balance sheet, adding to liabilities known as Asset Retirement Obligations, or AROs. In the long-term, these AROs would ultimately lead to massive cash outlays for plugging wells, removing pipelines and equipment, and remediating any soil and water contamination.

Occidental's 5,000 idled wells weighed down its balance sheet with AROs.

In short, by 2014, Occidental had a portfolio of declining California assets saddled with costly cleanup liabilities that loomed nearer with each passing year. The company put into motion a straightforward plan that would solve its California problems: it would spin off all of the company's California assets into a separate corporation, turning these declining assets into cash while pushing cleanup liabilities and environmental risks onto the new company.

For Occidental, the CRC spinoff was a financial success. CRC borrowed money from debt markets to pay Occidental \$6 billion in cash up front. Occidental also retained 18.5 percent of the company's shares, which it distributed to its own shareholders

¹⁵ Occidental Petroleum. [Form 8-K](#). Pages 3-4. May 19, 2010.

¹⁶ Bloomberg Business. [Occidental's California Spawn to Dominate Oil Drive](#). Bradley Olson. February 14, 2014.

¹⁷ Los Angeles Times. [U.S. officials cut estimate of recoverable Monterey Shale oil by 96%](#). Louis Sahagun. May 20, 2014.

¹⁸ California Department of Conservation. [Idle Well Program](#), Preliminary 2018 Calendar Year Inventory. September 6, 2019.

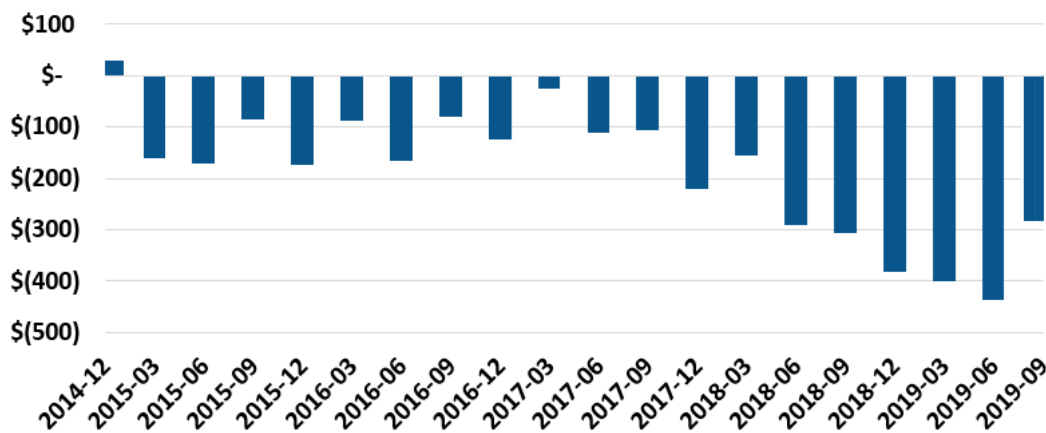
in March 2016.¹⁹ And, in addition to raising cash in the short term, Occidental shed its long-term California cleanup liabilities from its books, pushing those obligations onto the newly formed company.

A Financial Disappointment

Occidental put its CRC spinoff plans into motion during the early months of a global oil market rout. From July 2014 through early February 2016, U.S. oil prices fell from over \$100 per barrel to less than \$27 per barrel.²⁰ Even today, prices remain 40 percent below the lofty levels seen in the years leading up to the CRC spinoff.²¹

Low prices contributed to severe financial disappointment: CRC has racked up a dismal track record in its brief history, accumulating aggregate negative free cash flows of \$283 million.²² (See Figure 2).

Figure 2. Cumulative Free Cash Flow, California Resources Corporation



Source: California Resource Corporation, Forms 10-Q and 10-K

Free cash flow—the amount of cash generated by a company’s core business, minus its capital spending—is a crucial gauge of financial health. Positive free cash flows enable firms to pay down debt and reward stockholders. Negative free cash flows, by contrast, force companies to fund their operations by dipping into cash reserves, selling assets, or raising new money from capital markets.

CRC’s track record of negative free cash flows poses enormous risks to CRC’s investors. Without significant positive free cash flows, the company will face an

¹⁹ California Resources Corporation. [Form 10-K](#). Page 5. February 24, 2017.

²⁰ U.S. Energy Information Administration (EIA). [Cushing, OK WTI Spot Price FOB](#). Accessed December 2019.

²¹ EIA. [Petroleum & Other Liquids: Spot Prices](#). Accessed December 2019.

²² California Resources Corporation. [Investor Relations – SEC Filings](#). All data assembled by IEEFA from 10-Q and 10-K forms. Downloaded December 2019.

uphill battle simply to pay down its debt, not to mention reward equity investors with a sustainable program of dividends or share buybacks.

CRC's massive debt load should cause the company's investors significant concern. At the end of the third quarter of 2019, CRC carried \$4.9 billion in long-term debt left over from its 2014 IPO. The company had eliminated just over \$1 billion in debt since its spinoff, yet it deleveraged, not through strong profits or robust cash flows, but through financial maneuvering. For example, during 2016, when oil prices were bottoming out, the company repurchased some of its debt for as little as 13 cents on the dollar. The company also engaged in debt-for-equity swaps that diluted the value of the company's stock. And it refinanced some of its debt, staving off a financial crunch in the short term by taking on additional long-term interest expenses.²³

Virtually all of the company's remaining debt comes due in 2021 and 2022.²⁴ To survive as a going concern, CRC will likely seek to refinance its debt once again—potentially boosting interest costs or extending maturity dates, further undermining the company's ability to generate positive free cash flows.

As further confirmation of CRC's significant bankruptcy risk, the company's credit ratings lie deep in "junk bond" territory. Moody's rates the company at Caa1,²⁵ while Standard & Poor's rates it at CCC+,²⁶ both subprime ratings that indicate a substantial risk of default.²⁷ At the end of September 2019, the company maintained just \$22 million in cash on hand, giving it little flexibility to manage a cash crunch.²⁸ A recent Moody's report suggested that CRC's financial situation is deteriorating, warning that "The large debt maturity wall the company faces, and the deep discounts at which most of its debt trades, pose considerable restructuring risk."²⁹

CRC's credit ratings lie deep in "junk bond" territory.

California's oil and gas regulations—and in particular, the decision to impose new reviews on fracking and steam-flooding—pose additional risks to the company's investors. CRC relies heavily on both fracking and steam flooding to produce oil and gas. In 2018, the company produced an average of 132,000 barrels of oil equivalent (boe) per day; of that total, 48,000 boe came from unconventional wells that had

²³ California Resources Corporation. [Form 10-K](#). Page 67-68. February 24, 2017.

²⁴ Moody's Investors Service. [California Resources Corp.: Update to credit analysis - restructuring risk is rising](#). December 30, 2019.

²⁵ Moody's Investors Service. [Moody's announces completion of a periodic review of ratings of California Resources Corp.](#) October 25, 2019.

²⁶ StreetInsider.com. [S&P Downgrades California Resources \(CRC\) to 'CC': Outlook is Negative](#). August 2, 2016.

²⁷ Moody's Investors Service. [Rating Scale and Definitions](#). Undated. S&P Global. [S&P Global Ratings Definitions](#). September 18, 2019.

²⁸ California Resources Corporation. [Form 10-Q](#). Page 5. November 4, 2019.

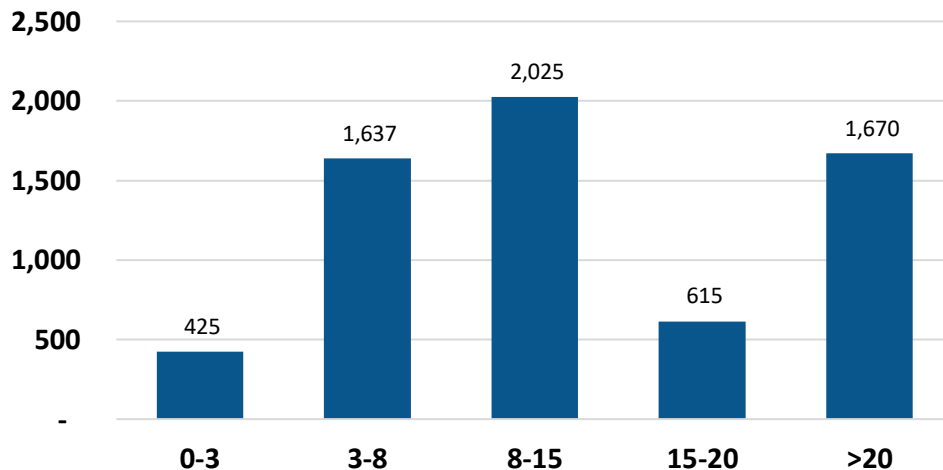
²⁹ Moody's Investors Service. [California Resources Corp.: Update to credit analysis - restructuring risk is rising](#). December 30, 2019.

been stimulated with hydraulic fracturing, and an additional 24,000 boe were produced via steam injection.³⁰

Along with these financial and regulatory challenges, California law requires oil and gas companies to fully plug their wells with concrete to prevent leaks of methane and liquids.³¹ Oil companies must also remove above-ground equipment, decommission pipelines, and clean up any soil or water contamination.³² CRC faces significant costs for complying with these cleanup requirements, due to the company's large stock of oil and gas wells and associated infrastructure.

At the end of 2018, CRC claimed at least partial ownership of part or all of 11,272 active oil and gas wells.³³ The state also listed the company and its subsidiaries as operating 6,372 non-producing wells—5,131 of which had already been idled at the time of the company's IPO. More than 1,600 of CRC's wells have been idle for more than two decades. (See Figure 3).³⁴ Counting all unplugged wells tracked by the California Department of Conservation, including injection wells, CRC and its subsidiaries may face long-term cleanup liabilities for more than 18,500 wells.³⁵

Figure 3. California Resources Corporation, Number of Idled Wells, by Years Idled



Source: IEEFA, based on data from the California Department of Conservation³⁶

³⁰ California Resources Corporation. [Form 10-K](#). Page 15. February 27, 2019. Totals for fracking assume that CRC's unconventional oil is produced via fracking rather than acid matrix stimulation; see California Resources Corporation, [Well Stimulation](#), undated.

³¹ California Code of Regulations. [Plugging and Abandonment - General Requirements](#). 14 CA ADC § 1723.

³² California Code of Regulations. [Well Site and Lease Restoration](#). 14 CA ADC § 1776.

³³ California Resources Corporation. [Form 10-K](#). Page 20. February 27, 2019.

³⁴ California Department of Conservation. [Idle Well Program - Preliminary 2018 Calendar Year Inventory](#). September 6, 2019.

³⁵ California Department of Conservation. [WellData](#). January 23, 2020.

³⁶ California Department of Conservation. [Idle Well Program - Preliminary 2018 Calendar Year Inventory](#). September 6, 2019. Duration idled calculated from January 26, 2020. Year categories

While oil and gas executives tend to downplay their industry's cleanup liabilities, the costs to plug, abandon and remediate contamination from oil and gas wells can be staggering. A recent study by the California Council on Science and Technology (CCST) reported an average plugging and abandoning price tag of \$68,000 per well, based on a limited sample of 86 wells in California. The report estimated total plugging and abandoning costs for all California oil and gas wells at \$9.2 billion.³⁷ Based on methods outlined in that report, CRC and its subsidiaries could be responsible for roughly \$1.2 billion in plugging and abandoning expenses for its terrestrial and near-shore wells alone.³⁸

Yet the company's total environmental liabilities are likely far higher. First, plugging and well abandonment costs represent only a portion of CRC's environmental obligations, which will also include soil remediation, site decontamination, and the removal and decommissioning of pipelines, storage facilities, and other infrastructure.

Second, the above estimates may not include the company's costs for remediating offshore wells, estimated by CCST to cost roughly \$1.5 million per well.³⁹ Third, the limited sample of wells with full cleanup cost data used by the CCST may not reflect the true cost of cleaning up all wells in the state, including expensive outliers. Finally, cleanup costs can rise over time for many reasons, from inflation to stricter cleanup standards to complications resulting from deteriorating physical assets.

Experience from other jurisdictions demonstrates the potential scale of the liabilities that CRC may face. Studies of oil and gas cleanup costs in Pennsylvania pegged cleanup costs for shale wells at between \$91,980 and \$128,520 per well.⁴⁰ In

CRC and its subsidiaries could be responsible for roughly \$1.2 billion in plugging and abandoning expenses.

correspond to fee levels for California's Idle Well Program; see California Department of Conservation, [Idle Well Program Report](#), Page 22, July 1, 2019.

³⁷ California Council on Science and Technology. [Orphan Wells in California: An Initial Assessment of the State's Potential Liabilities to Plug and Decommission Orphan Oil and Gas Wells](#). Judson Boomhower et al. Page 28. November 2018.

³⁸ IEEFA estimate, based on sources from citations 36 and 37. For reasons described later in this report, this should not be considered a definitive estimate of CRC's plugging and abandoning liabilities. Instead, it is an illustrative estimate, based on the limited data presented in the CCST [Orphan Wells in California](#) report and cost estimation methods that are broadly consistent with those presented in that report. However, as the CCST report itself points out, data on plugging and abandoning costs in the state are limited, and expensive outliers may boost real-world costs. The report notes the limits in existing plugging and abandoning cost estimate data, and recommends improved data collection on oil well and gas plugging and abandoning expenses. IEEFA concurs.

³⁹ California Council on Science and Technology. [Orphan Wells in California: An Initial Assessment of the State's Potential Liabilities to Plug and Decommission Orphan Oil and Gas Wells](#). Page 23, footnote 13. November 2018.

⁴⁰ USAEE Working Paper No. 18-358. [The Boom, the Bust, and the Cost of the Cleanup: Abandoned Oil and Gas Wells in Pennsylvania and Implications for Shale Gas Governance](#). Jeremy Weber et al. September 7, 2018.

British Columbia, a study by the provincial oil and gas commission looked at 5 recent bankruptcies involving 262 oil and gas well sites, pegging full restoration costs at Can\$85.7M—or roughly US\$230,000 per well.⁴¹ Costly outliers, such as the \$367,000 spent to plug and abandon two California wells that were found to be leaking methane,⁴² could also affect total cleanup liabilities.

These examples suggest that the ultimate cash flows required to fully clean up CRC's oil and gas operations—including plugging and abandoning, equipment removal, site restoration, and remediation of any contamination—could stretch into the billions of dollars.

In its balance sheet, CRC includes these liabilities among its “asset retirement obligations,” which totaled \$480 million at the end of September 2019.⁴³ But for at least four key reasons, that figure understates the cash flows that CRC will need to resolve its liabilities. First, the company admits that it can't predict the timing of some of its ARO work, therefore, it does not assign a fair market value to that work.⁴⁴ Second, real-world plugging and restoration costs can vastly exceed industry rule-of-thumb estimates that are sometimes used to calculate ARO liabilities. Third, accounting rules allow companies to discount future ARO costs at the company's own cost of capital, so the \$480 million in ARO liabilities represent a much larger amount of cash that CRC expects to spend in the future. And fourth, CRC assumes that it will need to pay for an asset's ARO costs “at the end of its useful life,”⁴⁵ which means that any event that accelerates an asset's retirement—such as deteriorating economics or new regulations—could also boost the present value of the associated ARO liability.

**CRC's estimate of ARO's
totaling \$480 million
understates the cash flows it
will need to resolve its
liabilities.**

CRC faces additional environmental liabilities due to its elevated emissions of methane, a powerful climate-warming gas. A recent study based on NASA data identified CRC as one of the top four methane “super-emitters” in the state of California, finding that CRC is responsible for more than 3.4 percent of total methane emissions from individual sites in the state.⁴⁶ Rectifying the company's significant methane leaks could require significant spending that CRC can ill afford in the short term.

A full analysis of CRC's finances reveals a grim picture: massive debt due by the end of 2022; a troubling history of negative cash flows; persistent low oil prices that

⁴¹ Victoria Times Colonist. [Orphan wells pose big risk for taxpayers](#). Les Lyne. March 14, 2019.

⁴² GlobeSt.com. [CA Has a Problem With Abandoned Wells](#). Kelsi Maree Borland. March 19, 2018.

⁴³ California Resources Corporation. [Form 10-Q](#). Page 9. November 4, 2019.

⁴⁴ California Resources Corporation. [Form 10-K](#). Page 77. February 27, 2019.

⁴⁵ California Resources Corporation. [Form 10-K](#). Page 77. February 27, 2019.

⁴⁶ Truvalue Labs. [California's methane super-emitters](#). Eliot Caroom. January 15, 2020.

threaten to crimp revenues and profits; new regulations that call into question large components of the company's core business; and massive looming environmental liabilities that likely far surpass what the company estimates.

Conclusion

Occidental Petroleum's 2019 acquisition of Anadarko Petroleum catapulted the company into the top rank of U.S. oil producers, surpassing even Exxon and Chevron in the volume of oil and natural gas liquids produced domestically.⁴⁷

The spin-off of CRC was one of many steps in Occidental's ascent. Launching CRC generated \$6 billion in cash that helped fuel Occidental's expansion. The CRC spin-off also improved Occidental's balance sheet, allowing the company to shed weighty environmental liabilities from its books.⁴⁸

The CRC spin-off allowed Occidental to shed weighty environmental liabilities from its books.

Because Occidental had owned and operated CRC's assets prior to the spinoff, the oil giant was ideally positioned to gauge the true financial strength and future prospects for the nascent company. CRC's downward spiral began within months from when the company was launched. Part of this underperformance could be traced to the decline in oil prices, which hit the entire global oil industry in 2014 through 2016. But CRC's stock prices fell further and faster than its former parent's (see Figure 4), suggesting that the company's new investors quickly realized that Occidental was actually in better financial shape without CRC than it had been before it divested its California assets.

⁴⁷ Chevron, Inc. [Highlights of Operations](#). Undated.

Chevron, Inc. [United States](#). Undated.

ExxonMobil. [Global Upstream portfolio: Americas](#). April 2, 2019.

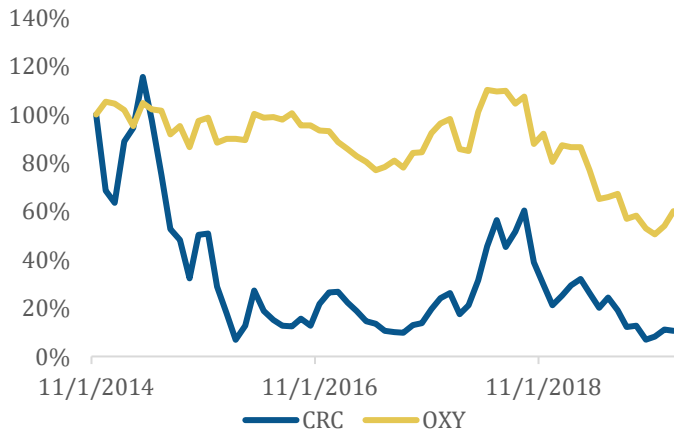
EOG Resources. [Form 10-Q](#). October 25, 2019.

Conoco Phillips. [Form 10-Q](#). October 31, 2019.

The Motley Fool. [These Are the Biggest Oil Producers in the United States](#). Matthew DiLallo. August 28, 2019.

⁴⁸ Occidental Petroleum. [Form 10-K](#). Page 27. February 23, 2015.

Figure 4. Relative Stock Prices of Occidental Petroleum and California Resources Corporation



Source: Yahoo Finance

Today, CRC faces an uncertain future. If CRC's financial trends continue, the company could face a bankruptcy filing within several years—consistent with the company's poor credit ratings that suggest an elevated risk of insolvency. And the state of California is already on notice that it faces massive financial risk from a CRC bankruptcy. The recent California Council on Science and Technology report on oil and gas cleanup liability sums up the situation succinctly: "The risk of bankruptcy exists even for large producers. A single bankruptcy among [the state's top oil and gas companies] could potentially create a large number of orphan wells, at great cost to the State."⁴⁹

A bankruptcy filing by CRC could leave Occidental with the responsibility for cleaning up many of CRC's wells. California law allows the state to pursue a well's previous operators to pay for plugging and remediation liabilities.⁵⁰ Thus, CRC's insolvency could push some of the company's environmental liabilities back onto Occidental's books.

In IEEFA's view, a bankruptcy filing by CRC could also raise troubling legal questions about Occidental's foreknowledge of the company's long-term financial frailty. If investors or regulators could demonstrate that Occidental's management team engineered the CRC spin-off to dodge a century's worth of environmental liabilities—while fully understanding that the new company would be unlikely to generate enough cash flow to fulfill its cleanup obligations—then the oil supergiant could face legal challenges from creditors harmed by the CRC bankruptcy.

⁴⁹ California Council on Science and Technology. [Orphan Wells in California: An Initial Assessment of the State's Potential Liabilities to Plug and Decommission Orphan Oil and Gas Wells](#). Pages 16-17. November 2018.

⁵⁰ [California Public Resources Code § 3237\(c\)](#).

Appendix: Selected financial data, California Resources Corporation (Million \$USD)

	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019
Basic Information										
Total Revenues	473	445	455	647	549	828	1,078	779	653	681
Total Costs excluding tax provision	354	356	359	331	356	364	363	351	351	339
Net Income	(48)	(133)	(138)	(2)	(82)	66	346	(67)	12	94
Long Term Debt	5,069	5,039	5,306	4,941	5,075	5,108	5,251	5,169	5,060	4,896
Cash End of Period Balance	9	28	20	494	42	31	17	43	27	22

Free Cash Flow										
Operating Cash Flow	(13)	105	23	200	34	159	68	158	114	268
Capital Expenditure	(73)	(100)	(138)	(134)	(171)	(173)	(143)	(178)	(150)	(114)
Free Cash Flow (FCF)	(86)	5	(115)	66	(137)	(14)	(75)	(20)	(36)	154

About IEEFA

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