

SUNCO UTILITIES - Q4 2024 QUARTERLY BUSINESS REPORT

Executive Summary

Sunco Utilities achieved strong financial performance in Q4 2024 with total revenue of \$12.5M, representing 18% growth year-over-year. Net profit margin improved to 22%, up from 19% in Q4 2023. Customer acquisition exceeded targets by 25% with 15,000 new residential customers.

Financial Performance

Q4 2024 Revenue: \$12.5 million

Q4 2023 Revenue: \$10.6 million

Year-over-Year Growth: 18%

Net Profit Margin: 22%

Operating Expenses: \$9.75 million

Net Income: \$2.75 million

Key Performance Indicators

Customer Acquisition: 15,000 new customers (25% above target)

Customer Retention Rate: 94%

Average Revenue Per User: \$125/month

Customer Satisfaction Score: 4.3/5.0

On-Time Service Delivery: 97%

Operational Highlights

Successfully launched renewable energy partnership program with 12 utility companies across 8 states. Completed installation of smart meters for 85% of customer base. Expanded customer service team by 30% to handle growth. Achieved 99.7% uptime for critical systems.

Risk Factors

The following risk factors were identified in Q4 2024:

1. REGULATORY RISK: Pending legislation in 3 states could impact profit margins by 5-8% if enacted as currently proposed. Mitigation: Active engagement with regulatory bodies and industry advocacy groups.

2. SUPPLY CHAIN RISK: Solar panel component costs increased 12% due to global semiconductor shortage. Impact: Margin pressure on new installations. Mitigation: Secured 6-month forward contracts with key suppliers.

3. CYBERSECURITY RISK: Industry-wide increase in ransomware attacks targeting utilities. One attempted breach detected and blocked in November. Mitigation: Enhanced security protocols, employee training, and cyber insurance coverage increased to \$5M.

4. COMPETITIVE RISK: Two new competitors entered the market in Q4 with aggressive pricing. Market share impact minimal so far (0.3%). Mitigation: Enhanced value proposition focusing on reliability and customer service.

Timeline and Milestones

October 2024: Launched partnership program with first 4 utility companies

November 2024: Exceeded 100,000 total customer milestone

December 2024: Completed smart meter rollout phase 2 (covering 85% of customers)

December 31, 2024: Year-end financial close showing record annual revenue of \$45.2M

Q1 2025 Outlook

Revenue Target: \$13.8M (10% growth quarter-over-quarter)

Customer Acquisition Target: 12,000 new customers

Key Initiative: Launch mobile app for customer self-service

Strategic Priority: Expand to 3 additional states

Compliance and Reporting

All regulatory reporting requirements met for Q4 2024. No violations or penalties. Environmental compliance at 100% with EPA standards. Safety incident rate: 0.8 per 100,000 work hours (industry average: 1.2).

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Distribution: Board of Directors, Executive Team, Department Heads