

March YTD 2002 Comparative Operating Statement

	BUDGET	ACTUAL	VARIANCE	% DIFF
REVENUES:				
RETAIL	31,971,095	31,149,288	(821,807)	(2.6%)
WHOLESALE	19,038,441	16,930,025	(2,108,416)	(11.1%)
OTHER	555,000	489,230	(65,770)	(11.9%)
TOTAL REVENUE	51,564,536	48,568,543	(2,995,993)	(5.8%)
EXPENSES:				
FUEL EXPENSE	15,236,284	12,969,117	(2,267,167)	(14.9%)
POWER PRODUCTION EXPENSE	3,231,480	3,208,484	(22,996)	(0.7%)
COST OF PURCHASED POWER	4,901,651	5,194,541	292,890	6.0%
TRANSMISSION EXPENSE	878,233	876,117	(2,116)	(0.2%)
DISTRIBUTION EXPENSE-OPERATIONS	1,140,750	959,842	(180,908)	(15.9%)
DISTRIBUTION EXPENSE-MAINTENANCE	1,499,317	1,668,271	168,954	11.3%
CONSUMER ACCOUNTS EXPENSE	1,283,573	1,150,898	(132,675)	(10.3%)
CUSTOMER SERVICE/INFO EXPENSE	353,824	262,473	(91,351)	(25.8%)
SALES EXPENSE	0	0	0	0.0%
ADMINISTRATIVE/GENERAL EXPENSE	5,005,251	4,683,623	(321,628)	(6.4%)
TOTAL OPERATIONS/MAINTENANCE EXP.	33,530,363	30,973,366	(2,556,997)	(7.6%)

March YTD 2002 Comparative Operating Statement

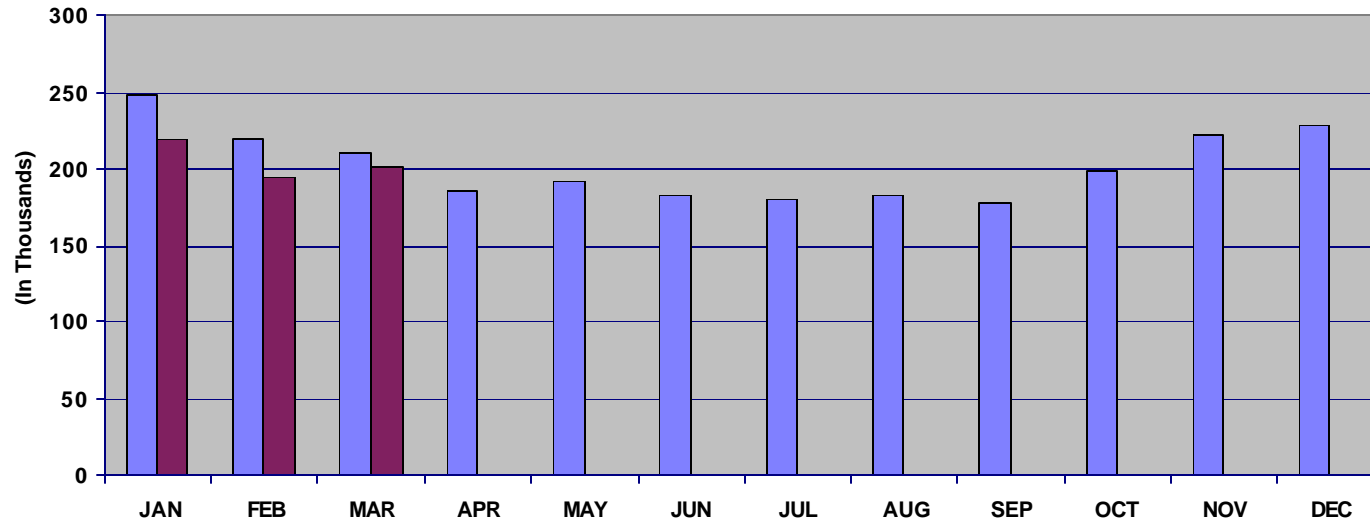
(Continued)

	BUDGET	ACTUAL	VARIANCE	% DIFF
TOTAL REVENUE	51,564,536	48,568,543	(2,995,993)	(5.8%)
TOTAL OPERATIONS/MAINTENANCE EXP.	33,530,363	30,973,366	(2,556,997)	(7.6%)
DEPRECIATION/AMORTIZATION EXP.	7,025,880	6,240,618	(785,262)	(11.2%)
TAX EXPENSE-OTHER	206,384	217,968	11,584	5.6%
LONG TERM INTEREST EXP. (INTEREST DURING CONSTRUCTION)	8,050,065 (292,473)	8,042,244 (149,706)	(7,821) 142,767	(0.1%) 48.8%
SHORT TERM INTEREST EXP.	0	103,248	103,248	100.0%
OTHER DEDUCTIONS	24,999	58,037	33,038	132.2%
TOTAL COST OF ELECTRIC SERVICE	48,545,218	45,485,775	(3,059,443)	(6.3%)
PATRON CAPITAL/OPER. MARGINS	3,019,318	3,082,768	63,450	2.1%
NON-OPER. MARGINS-INTEREST	29,131	444,912	415,781	1427.3%
ALLOW-FUNDS DURING CONSTRUCTION	87,742	23,425	(64,317)	(73.3%)
NON-OPER. MARGINS-OTHER	0	(193,189)	(193,189)	100.0%
G/T CAPITAL CREDITS	0	0	0	0.0%
OTHER CAPITAL CREDITS	0	223,942	223,942	100.0%
EXTRAORDINARY ITEMS	0	0	0	0.0%
PATRON CAPITAL/MARGINS	3,136,191	3,581,858	445,667	14.2%

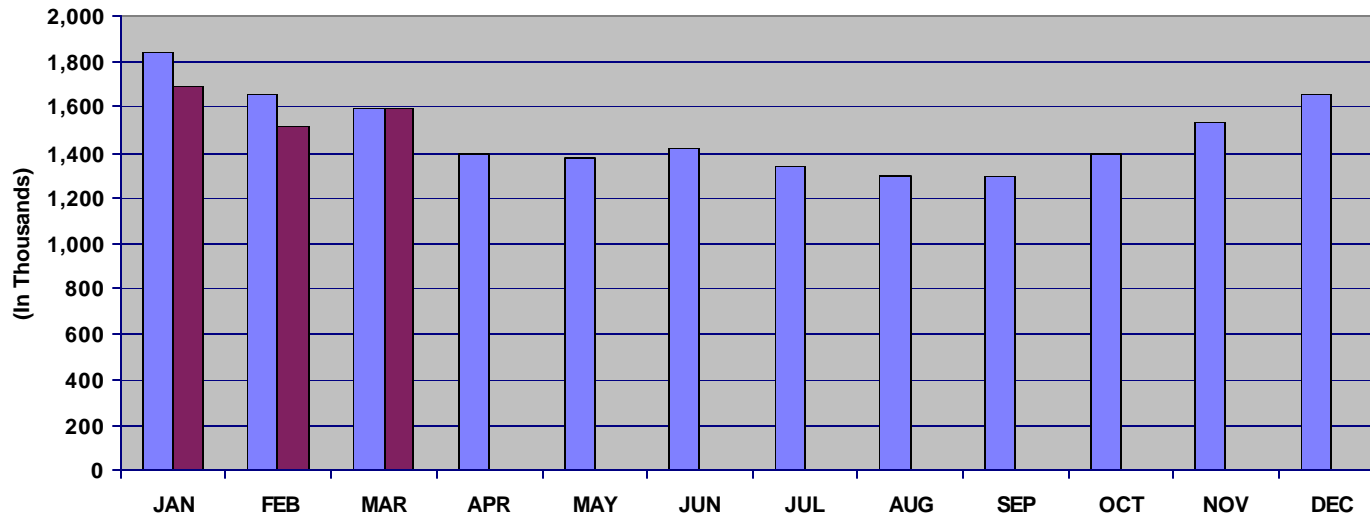
March 2002 YTD kWh Sales

DESCRIPTION	←-----YTD TOTAL----->				ANNUAL BUDGET
	BUDGET	ACTUAL	VARIANCE	VARIANCE %	
RESIDENTIAL SALES	162,036,557	157,150,385	(4,886,172)	-3.02%	533,014,988
SMALL GENERAL SERVICE	27,682,768	26,051,196	(1,631,572)	-5.89%	94,804,000
LARGE GENERAL SERVICE	128,421,452	127,291,955	(1,129,497)	-0.88%	493,771,320
USPS	1,328,285	1,330,286	2,001	0.15%	5,266,000
LIGHTING	1,528,308	1,503,737	(24,571)	-1.61%	4,806,000
TOTAL RETAIL KWH SALES	320,997,370	313,327,559	(7,669,811)	-2.39%	1,131,662,308
HOMER	126,992,077	123,993,412	(2,998,665)	-2.36%	488,431,065
MATANUSKA	162,227,089	159,396,929	(2,830,160)	-1.74%	579,382,463
SEWARD	15,496,520	15,050,178	(446,342)	-2.88%	60,533,283
GOLDEN VALLEY	52,242,000	3,304,890	(48,937,110)	-93.67%	166,837,000
ML&P	0	0	0	0.00%	0
TOTAL WHOLESALE KWH SALES	356,957,686	301,745,409	(55,212,277)	-15.47%	1,295,183,811
TOTAL KWH SALES	677,955,056	615,072,968	(62,882,088)	-9.28%	2,426,846,119

2002 Total kWh Sales

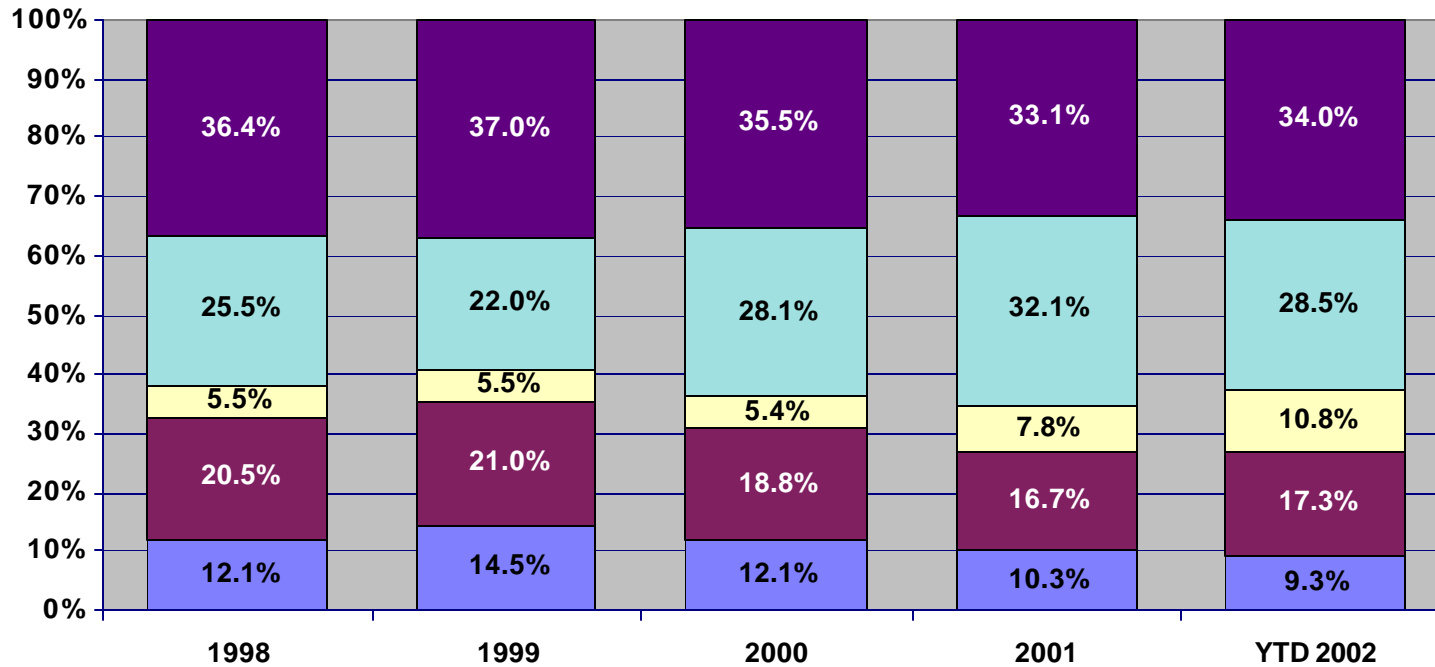


2002 Total Sales Revenue



Legend: Budget (blue square), Actual (maroon square)

Total Cost of Service (% Breakdown)



■ % Variable Costs
 ■ % Labor Costs
 ■ % Purch Pwr Costs
 ■ % Fuel Costs
 ■ % Fixed Costs

Fixed Costs:

- ❖ Payment for Northern Intertie O&M
- ❖ Payment to HEA for Bradley Lake Scheduling Rights
- ❖ Facility and Line Leases
- ❖ Depreciation and Amortization Expense
- ❖ Interest Expense
- ❖ Amortization of Fuel Contract Negotiation Expenses
- ❖ Amortization of Software Installation Costs
- ❖ Amortization of the Beluga Unit #8 and Steam Plant Overhaul
- ❖ Other Deductions

Purchased Power Costs:

- ❖ Power from Bradley Lake (contractually fixed price, not based on usage)
- ❖ Power from Nikiski Unit #1
- ❖ Power from ML&P

Fuel Costs:

- ❖ Fuel Expense

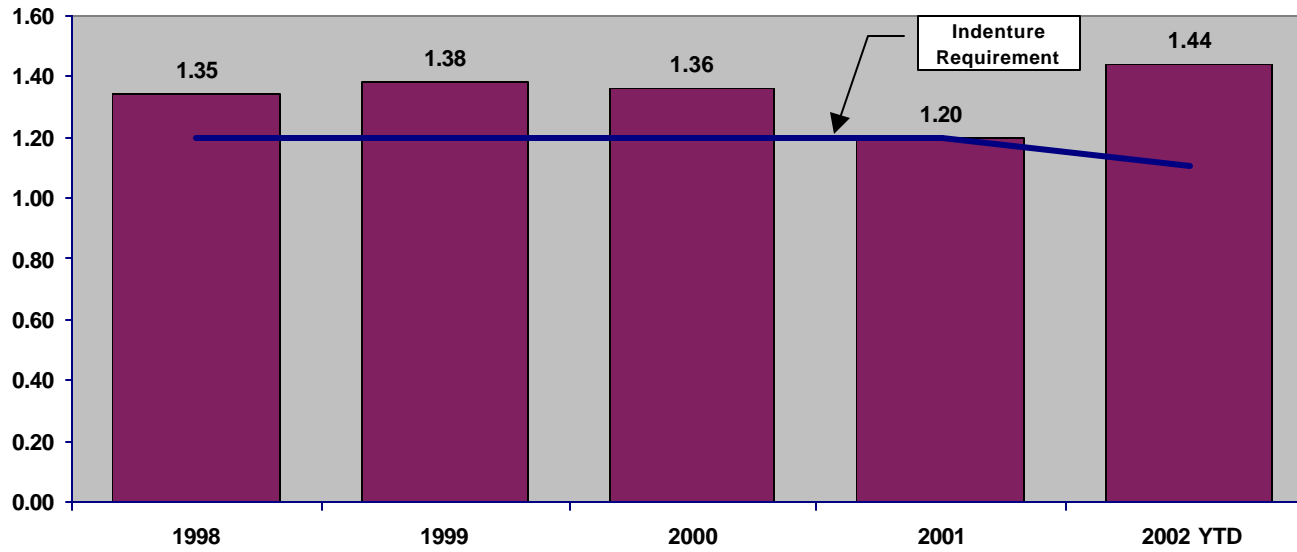
Labor Costs:

- ❖ All Expensed Labor and Indirect Labor Costs

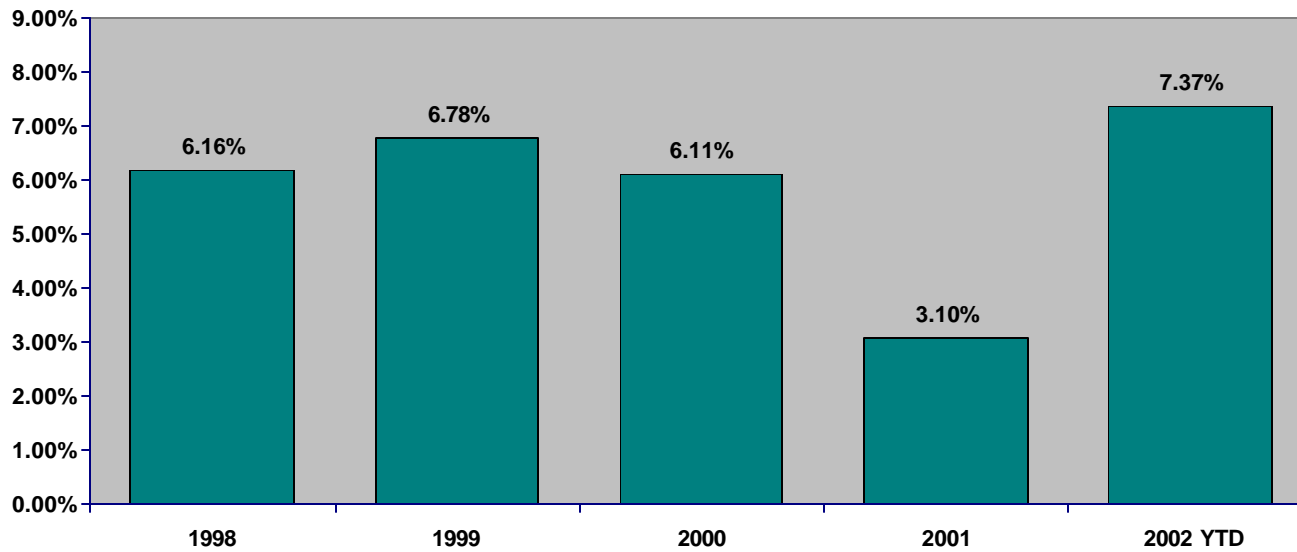
Variable Costs:

- ❖ All Expensed Costs not specifically listed else

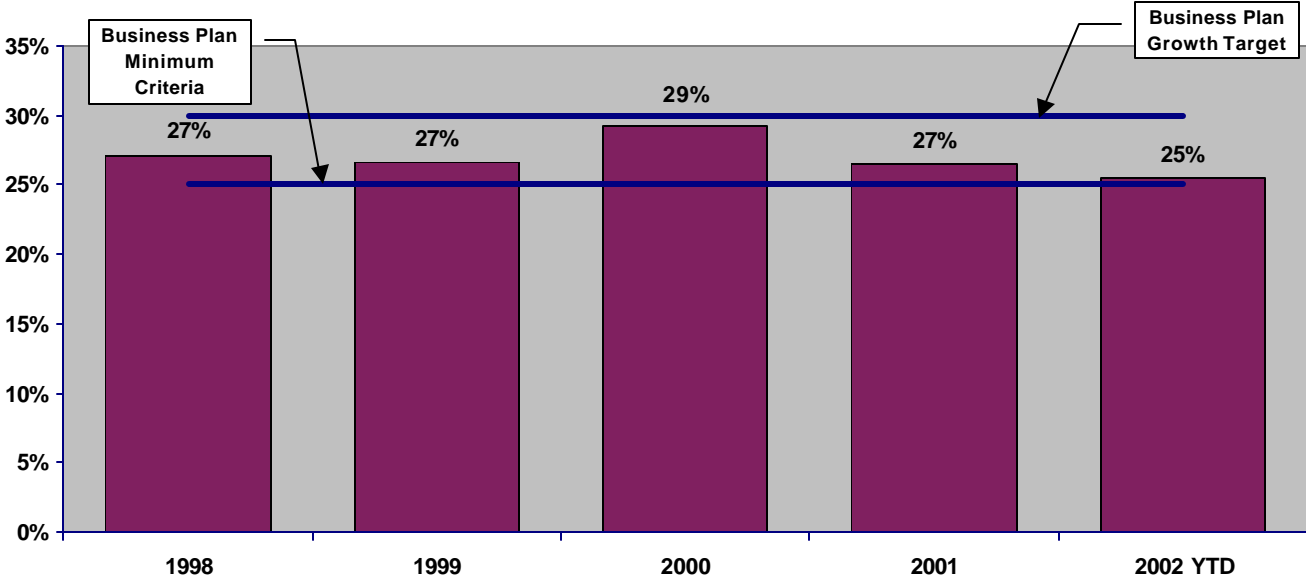
MFI/I



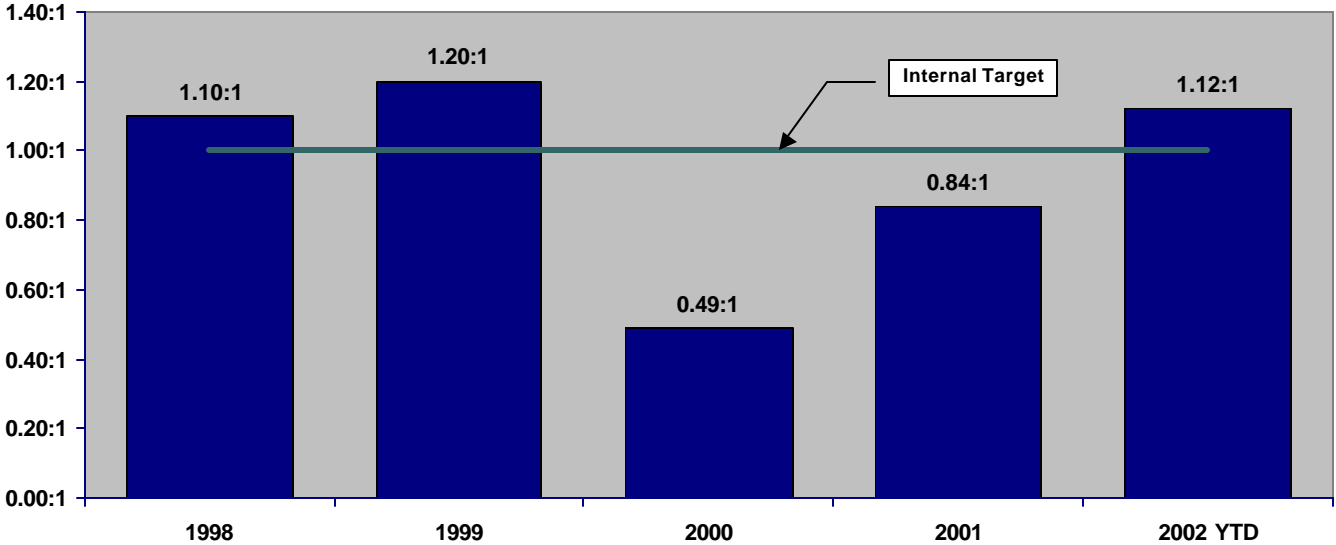
Net Margins as a Percent of Revenue



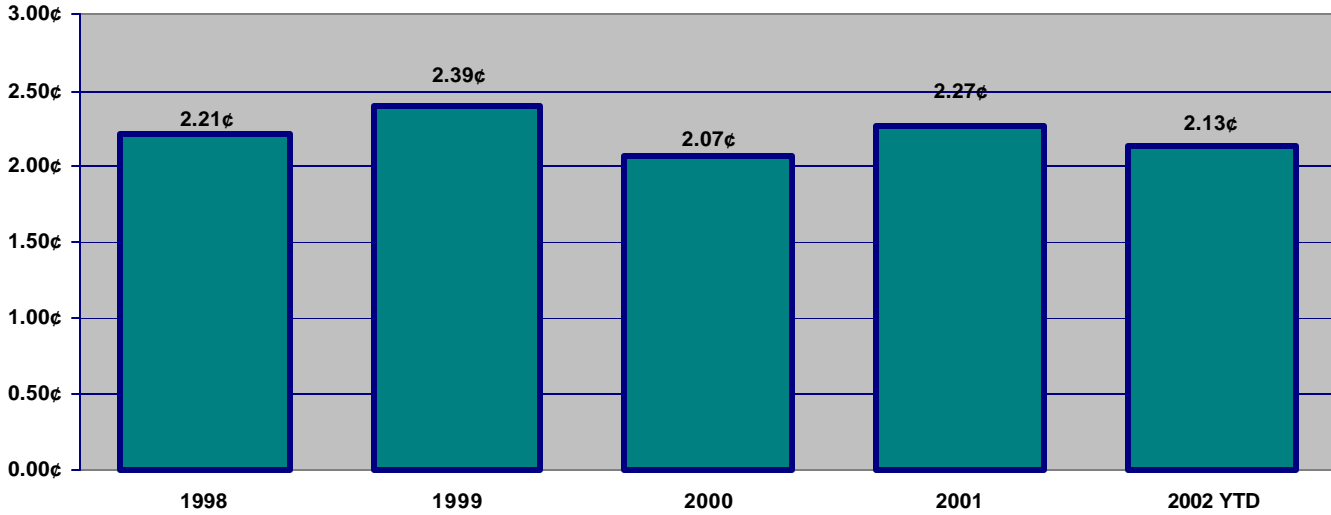
Equity/Total Capitalization



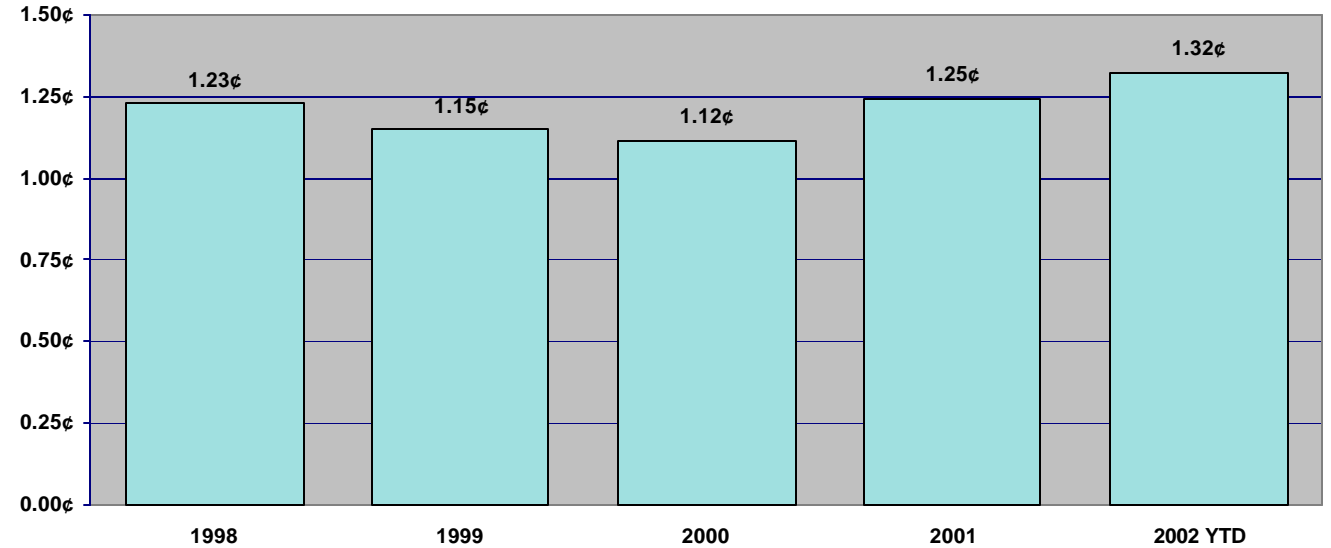
Current Ratio



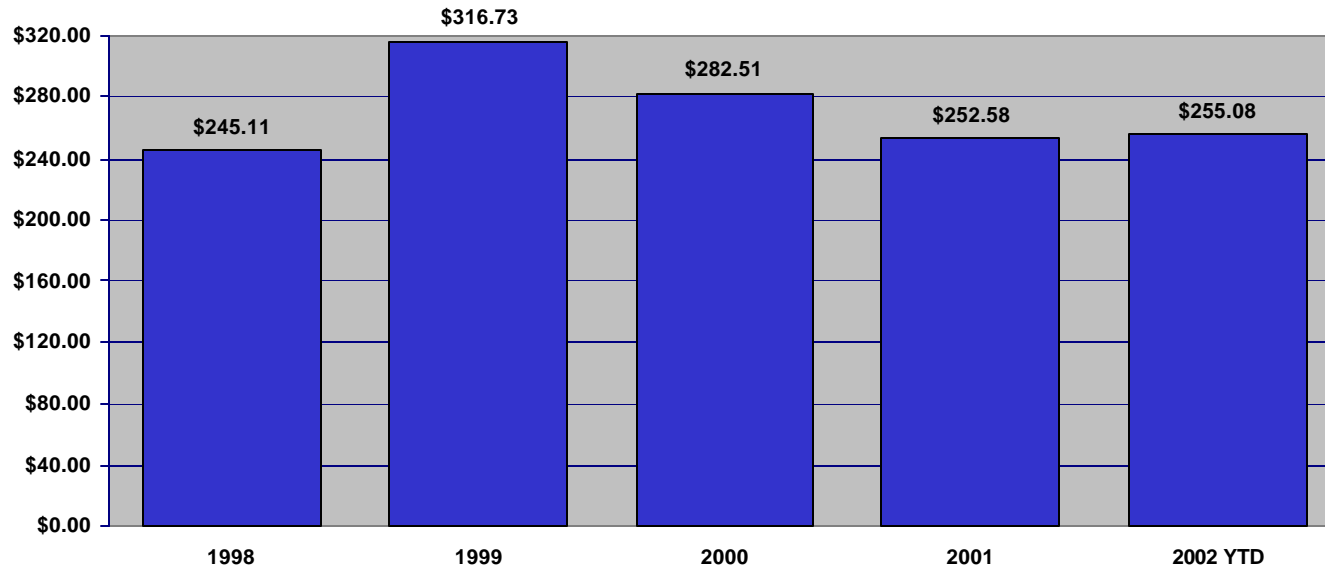
**Total Operations & Maintenance Expense
Excluding Fuel & Purchased Power (\$/kWh)**



Total Interest Expense (\$/kWh)



Administrative & General Expenses/Consumer



Customer Service Expense/Consumer

