

CHUGACH ELECTRIC ASSOCIATION, INC.
COMPARATIVE FINANCIAL REPORT
OPERATING STATEMENT

AUGUST, 2002

<-----THIS MONTH'S PERFORMANCE ----->	<----- YEAR TO DATE ----->								
ITEM	AUGUST BUDGET	AUGUST ACTUAL	VARIANCE	CURRENT YTD BUDGET	CURRENT YTD ACTUAL	VARIANCE	% DIFF	LAST YEAR YTD ACTUAL	VARIANCE
REVENUES:									
RETAIL	8,191,018	8,756,002	564,984 F	74,511,396	74,533,914	22,518 F	0.03%	70,930,976	3,602,938 F
WHOLESALE	4,375,328	4,750,136	374,808 F	39,984,974	40,468,837	483,863 F	1.21%	36,710,241	3,758,596 F
ECONOMY ENERGY	445,884	319,274	(126,610) U	4,985,636	2,693,687	(2,291,949) U	(45.97%)	2,619,268	74,419 F
OTHER	185,000	205,849	20,849 F	1,480,000	1,561,000	81,000 F	5.47%	1,675,897	(114,897) U
1. TOTAL REVENUE	13,197,230	14,031,261	834,031 F	120,962,006	119,257,438	(1,704,568) U	(1.41%)	111,936,382	7,321,056 F
EXPENSES:									
2. FUEL	3,283,722	3,862,735	579,013 U	35,004,906	32,467,637	(2,537,269) F	(7.25%)	35,291,709	(2,824,072) F
3. POWER PRODUCTION EXPENSE	1,034,380	873,428	(160,952) F	8,543,883	9,015,149	471,266 U	5.52%	7,351,710	1,663,439 U
4. COST OF PURCHASED POWER	1,610,918	1,479,162	(131,756) F	12,401,374	12,948,831	547,457 U	4.41%	7,514,031	5,434,800 U
5. TRANSMISSION EXPENSE	347,876	304,334	(43,542) F	2,824,993	2,630,687	(194,306) F	(6.88%)	2,441,939	188,748 U
6. DISTRIBUTION EXPENSE-OPERATIONS	378,669	429,147	50,478 U	2,923,669	2,827,282	(96,387) F	(3.30%)	2,878,625	(51,343) F
7. DISTRIBUTION EXPENSE-MAINTENANCE	530,452	485,434	(45,018) F	4,091,141	4,131,361	40,220 U	0.98%	3,629,717	501,644 U
8. CONSUMER ACCOUNTS EXPENSE	422,186	407,946	(14,240) F	3,281,967	3,243,468	(38,499) F	(1.17%)	3,089,500	153,968 U
9. CUSTOMER SERVICE/INFO EXPENSE	125,423	174,409	48,986 U	940,074	682,408	(257,666) F	(27.41%)	494,039	188,369 U
10. SALES EXPENSE	0	0	0 U	0	0	0 U	0.00%	309,429	(309,429) F
11. ADMINISTRATIVE/GENERAL EXPENSE	1,721,705	1,798,337	76,632 U	12,986,607	12,926,448	(60,159) F	(0.46%)	11,968,334	958,114 U
12. TOTAL OPERATIONS/MAINTENANCE EXP.	9,455,331	9,814,932	359,601 U	82,998,614	80,873,271	(2,125,343) F	(2.56%)	74,969,033	5,904,238 U
13. DEPRECIATION/AMORTIZATION EXP.	2,148,694	2,101,128	(47,566) F	16,869,096	16,762,597	(106,499) F	(0.63%)	16,556,193	206,404 U
14. TAX EXPENSE-OTHER	56,999	66,932	9,933 U	497,217	528,921	31,704 U	6.38%	508,823	20,098 U
15. LONG TERM INTEREST EXP.	2,043,266	2,011,633	(31,633) F	18,260,668	18,159,015	(101,653) F	(0.56%)	17,779,015	380,000 U
16. (INTEREST DURING CONSTRUCTION)	(103,607)	(40,629)	62,978 U	(703,420)	(332,137)	371,283 U	52.78%	(682,025)	349,888 U
17. SHORT TERM INTEREST EXP.	0	21,647	21,647 U	0	202,364	202,364 U	100.00%	1,091,787	(889,423) F
18. OTHER DEDUCTIONS	8,333	53,914	45,581 U	66,664	126,700	60,036 U	90.06%	146,591	(19,891) F
19. TOTAL COST OF ELECTRIC SERVICE	13,609,016	14,029,557	420,541 U	117,988,839	116,320,731	(1,668,108) F	(1.41%)	110,369,417	5,951,314 U
20. PATRON CAPITAL/OPER. MARGINS	(411,786)	1,704	413,490 F	2,973,167	2,936,707	(36,460) U	(1.23%)	1,566,965	1,369,742 F
21. NON-OPER. MARGINS-INTEREST	8,706	31,370	22,664 F	82,449	609,979	527,530 F	639.83%	492,026	117,953 F
22. ALLOW-FUNDS DURING CONSTRUCTION	17,761	9,353	(8,408) U	120,585	60,403	(60,182) U	(49.91%)	194,835	(134,432) U
23. NON-OPER. MARGINS-OTHER	0	(1,102)	(1,102) U	0	(194,815)	(194,815) U	100.00%	11,683	(206,498) U
24. G/T CAPITAL CREDITS	0	0	0	0	0	0	0.00%	0	0
25. OTHER CAPITAL CREDITS	0	0	0	0	223,942	223,942 F	0.00%	105,090	118,852 F
26. EXTRAORDINARY ITEMS	0	0	0	0	0	0	0.00%	0	0
27. PATRON CAPITAL/MARGINS	(385,319)	41,325	426,644 F	3,176,201	3,636,216	460,015 F	14.48%	2,370,599	1,265,617 F

F = FAVORABLE U = UNFAVORABLE

**CHUGACH ELECTRIC ASSOCIATION, INC.
COMPARATIVE FINANCIAL REPORT
BALANCE SHEET**

AUGUST, 2002

ASSETS	CURRENT YEAR 2002	LAST YEAR 2001	CHANGE	% DIFF.	LIABILITIES AND PATRONAGE CAPITAL	CURRENT YEAR 2002	LAST YEAR 2001	CHANGE	% DIFF.
TOTAL UTILITY PLANT IN SERVICE	727,336,595	702,477,728	24,858,867	3.54%	MEMBERSHIPS	1,089,583	1,041,463	48,120	4.62%
CONST WORK IN PROGRESS	<u>28,002,907</u>	<u>35,608,160</u>	<u>(7,605,253)</u>	<u>(21.36%)</u>	PATRONAGE CAPITAL AND MARGINS	128,657,134	125,111,318	3,545,816	2.83%
					OTHER MARGINS & EQUITIES	<u>5,401,343</u>	<u>4,714,895</u>	<u>686,448</u>	<u>14.56%</u>
TOTAL UTILITY PLANT	755,339,502	738,085,888	17,253,614	2.34%	TOTAL MARGINS & EQUITIES	135,148,060	130,867,676	4,280,384	3.27%
ACCUMULATED DEPR/AMORT	<u>(273,187,282)</u>	<u>(257,899,645)</u>	<u>(15,287,637)</u>	<u>5.93%</u>	LONG TERM DEBT BONDS (NET)	394,134,179	369,310,000	24,824,179	6.72%
NET UTILITY PLANT	482,152,220	480,186,243	1,965,977	0.41%	LONG TERM DEBT OTHER	<u>392,255</u>	<u>474,925</u>	<u>(82,670)</u>	<u>(17.41%)</u>
NON-UTILITY PROPERTY (NET)	3,550	3,550	0	0.00%	TOTAL LONG TERM DEBT	394,526,434	369,784,925	24,741,509	6.69%
INVEST IN ASSOC ORGANIZATIONS	10,541,346	9,913,546	627,800	6.33%	NOTES PAYABLE	5,865,821	10,580,268	(4,714,447)	(44.56%)
OTHER INVESTMENTS	5,340	12,459	(7,119)	100.00%	ACCOUNTS PAYABLE	6,000,851	6,658,310	(657,459)	(9.87%)
SPECIAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>	CONSUMERS DEPOSITS	1,735,675	1,505,865	229,810	15.26%
TOTAL OTHER PROPERTY & INVEST	10,550,236	9,929,555	620,681	6.25%	OTHER CURRENT & ACCRUED LIABILITIES	<u>18,907,575</u>	<u>22,386,407</u>	<u>(3,478,832)</u>	<u>(15.54%)</u>
CASH & TEMP INVESTMENTS	531,139	11,257,177	(10,726,038)	(95.28%)	TOTAL CURRENT & ACCRUED LIABILITIES	32,509,922	41,130,850	(8,620,928)	(20.96%)
RESTRICTED CASH	855,633	486,134	369,499	76.01%	DEFERRED CREDITS	3,746,035	19,711,153	(15,965,118)	(81.00%)
NOTES RECEIVABLE	0	0	0	0.00%	MISCELLANEOUS OPERATING RESERVES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
ACCOUNTS RECEIVABLE (NET)	15,842,192	17,425,165	(1,582,973)	(9.08%)	TOTAL LIABILITIES & PATR CAPITAL	<u>565,930,451</u>	<u>561,494,604</u>	<u>4,435,847</u>	<u>0.79%</u>
MATERIALS AND SUPPLIES	21,323,206	15,365,656	5,957,550	38.77%					
PREPAYMENTS	3,299,474	1,059,293	2,240,181	211.48%					
OTHER CURRENT & ACCRUED ASSETS	<u>296,376</u>	<u>289,567</u>	<u>6,809</u>	<u>2.35%</u>					
TOTAL CURRENT & ACCRUED ASSETS	42,148,020	45,882,992	(3,734,972)	(8.14%)					
DEFERRED DEBITS	<u>31,079,975</u>	<u>25,495,814</u>	<u>5,584,161</u>	<u>21.90%</u>					
TOTAL ASSETS	<u><u>565,930,451</u></u>	<u><u>561,494,604</u></u>	<u><u>4,435,847</u></u>	<u><u>0.79%</u></u>					

CHUGACH ELECTRIC ASSOCIATION, INC.
COMPARATIVE FINANCIAL REPORT
STATEMENT OF OPERATIONS

CATEGORY	2002 APPROVED BUDGET	2002 REVISED* BUDGET ASSUMING INTERIM RATES	2002 FORECAST** ASSUMING INTERIM RATES
REVENUES:			
1. TOTAL REVENUE	180,600,860	179,722,730	178,018,161
EXPENSES:			
2. FUEL EXPENSE	48,932,542	48,932,542	45,862,933
3. POWER PRODUCTION EXPENSE	12,589,490	12,796,707	13,800,681
4. COST OF PURCHASED POWER	18,705,450	18,705,450	19,252,538
5. TRANSMISSION EXPENSE	4,062,202	4,052,200	3,857,895
6. DISTRIBUTION EXPENSE-OPERATIONS	4,325,837	4,325,842	4,229,455
7. DISTRIBUTION EXPENSE-MAINTENANCE	6,021,284	6,011,281	6,051,500
8. CONSUMER ACCOUNTS EXPENSE	5,267,945	4,922,944	4,874,135
9. CUSTOMER SERVICE/INFO EXPENSE	1,386,358	1,386,358	1,128,693
10. SALES EXPENSE	0	0	0
11. ADMINISTRATIVE/GENERAL EXPENSE	18,546,247	18,898,146	18,848,298
12. TOTAL OPERATIONS/MAINTENANCE EXP.	119,837,355	120,031,470	117,906,128
13. DEPRECIATION/AMORTIZATION EXPENSE	28,595,017	25,559,638	25,453,130
14. TAX EXPENSE-OTHER	724,100	724,100	755,805
15. INTEREST-LONG TERM DEBT	26,433,731	26,433,731	26,332,079
16. INTEREST ON CONSTRUCTION-CREDIT	(1,510,463)	(1,057,323)	(686,039)
17. INTEREST EXPENSE-OTHER	90,000	90,000	256,843
18. OTHER DEDUCTIONS	100,000	100,000	160,036
19. TOTAL COST OF ELECTRIC SERVICE	174,269,740	171,881,616	170,177,982
20. PATRONAGE CAPITAL/OPERATING MARGINS	6,331,120	7,841,114	7,840,179
21. NON-OPERATING MARGINS-INTEREST	116,426	116,426	643,956
22. ALLOWANCE FUNDS USED DURING CONST.	453,139	181,285	121,072
23. NON-OPERATING MARGINS-OTHER	0	0	(194,814)
24. GENER./TRANS. CAPITAL CREDITS	0	0	0
25. OTHER CAPITAL CREDITS/DIVIDENDS	570,000	570,000	793,942
26. EXTRAORDINARY ITEMS	0	0	0
27. PATRONAGE CAPITAL OR MARGINS	7,470,685	8,708,825	9,204,335
MFI/I	1.28	1.33	1.35

* Revised for updated depreciation and AFUDC/IDC projection and other requested budget revisions

** Forecast based on 8 months actual and 4 months budget with adjustments for updated depreciation and AFUDC/IDC and other requested budget revisions

CHUGACH ELECTRIC ASSOCIATION, INC.

Statements of Cash Flows

(Unaudited)

	YTD August 2002	YTD August 2001
<u>Cash flows from operating activities:</u>		
Assignable margins	\$3,636,216	\$2,370,599
Net cash provided (used) by operating activities:	(482,894)	14,884,836
<u>Cash flows from investing activities:</u>		
Extension and replacement of plant	(16,526,852)	(26,202,702)
Investments in associated organizations	(62,470)	(68,851)
Net cash used for investing activities:	(16,589,322)	(26,271,553)
<u>Cash flows from financing activities:</u>		
Short-term obligations	5,000,000	(40,000,000)
Proceeds from long-term obligations	180,000,000	150,000,000
Repayments of long-term obligations	(170,802,615)	(88,837,882)
Retirement of patronage capital	(313,200)	(318,264)
Other	(95,597)	104,878
Net cash provided by financing activities:	13,788,588	20,948,732
Net increase (decrease) in cash and cash equivalents	(3,283,628)	9,562,015
<u>Cash and cash equivalents at beginning of year</u>	\$3,814,767	\$1,695,162
<u>Cash and cash equivalents at end of period</u>	\$531,139	\$11,257,177
<u>Supplemental disclosure of cash flow information</u>		
Interest expense paid, net of amounts capitalized	\$19,793,688	\$12,838,699