

Chugach Electric Association, Inc
3rd Quarter Financial Results

Board Of Directors Meeting
October 16, 2002

September YTD 2002 Comparative Operating Statement

	BUDGET	ACTUAL	VARIANCE	% DIFF
REVENUES:				
RETAIL	82,726,555	83,057,498	330,943	0.4%
WHOLESALE	44,372,812	45,089,110	716,298	1.6%
ECONOMY ENERGY	5,347,141	3,040,038	(2,307,103)	(43.1%)
OTHER	1,665,000	1,742,946	77,946	4.7%
1. TOTAL REVENUE	134,111,508	132,929,592	(1,181,916)	(0.9%)
EXPENSES:				
2. FUEL EXPENSE	38,044,611	36,016,679	(2,027,932)	(5.3%)
3. POWER PRODUCTION EXPENSE	10,160,079	10,113,399	(46,680)	(0.5%)
4. COST OF PURCHASED POWER	14,001,728	14,172,137	170,409	1.2%
5. TRANSMISSION EXPENSE	3,146,142	2,871,203	(274,939)	(8.7%)
6. DISTRIBUTION EXPENSE-OPERATIONS	3,290,086	3,117,810	(172,276)	(5.2%)
7. DISTRIBUTION EXPENSE-MAINTENANCE	4,571,572	4,629,091	57,519	1.3%
8. CONSUMER ACCOUNTS EXPENSE	3,674,315	3,640,344	(33,971)	(0.9%)
9. CUSTOMER SERVICE/INFO EXPENSE	1,048,677	733,606	(315,071)	(30.0%)
10. SALES EXPENSE	0	0	0	0.0%
11. ADMINISTRATIVE/GENERAL EXPENSE	14,468,175	14,514,834	46,659	0.3%
12. TOTAL OPERATIONS/MAINTENANCE EXP.	92,405,385	89,809,103	(2,596,282)	(2.8%)

September YTD 2002 Comparative Operating Statement

(Continued)

	BUDGET	ACTUAL	VARIANCE	% DIFF
REVENUES:				
1. TOTAL REVENUE	134,111,508	132,929,592	(1,181,916)	(0.9%)
12. TOTAL OPERATIONS/MAINTENANCE EXP.	92,405,385	89,809,103	(2,596,282)	(2.8%)
13. DEPRECIATION/AMORTIZATION EXP.	19,021,804	18,862,948	(158,856)	(0.8%)
14. TAX EXPENSE-OTHER	554,583	588,471	33,888	6.1%
15. LONG TERM INTEREST EXP.	20,303,934	20,158,954	(144,980)	(0.7%)
16. INTEREST DURING CONSTRUCTION (CR)	(814,100)	(358,663)	455,437	55.9%
17. SHORT TERM INTEREST EXP.	40,000	229,436	189,436	100.0%
18. OTHER DEDUCTIONS	74,997	367,344	292,347	389.8%
19. TOTAL COST OF ELECTRIC SERVICE	131,586,603	129,657,593	(1,929,010)	(1.5%)
20. PATRON CAPITAL/OPER. MARGINS	2,524,905	3,271,999	747,094	29.6%
21. NON-OPER. MARGINS-INTEREST	87,736	638,401	550,665	627.6%
22. ALLOW-FUNDS DURING CONSTRUCTION	139,559	42,768	(96,791)	(69.4%)
23. NON-OPER. MARGINS-OTHER	0	(188,752)	(188,752)	100.0%
24. G/T CAPITAL CREDITS	0	0	0	0.0%
25. OTHER CAPITAL CREDITS	0	223,942	223,942	100.0%
26. EXTRAORDINARY ITEMS	0	0	0	0.0%
27. PATRON CAPITAL/MARGINS	2,752,200	3,988,358	1,236,158	44.9%

2002 Comparative Operating Statement

	APPROVED BUDGET	REVISED BUDGET	REVISED FORECAST
1. TOTAL REVENUE	180,600,860	179,722,730	178,540,813
EXPENSES:			
2. FUEL EXPENSE	48,932,542	48,932,542	46,357,487
3. POWER PRODUCTION EXPENSE	12,589,490	13,418,242	13,919,053
4. COST OF PURCHASED POWER	18,705,450	18,705,450	18,875,490
5. TRANSMISSION EXPENSE	4,062,202	4,052,200	3,777,262
6. DISTRIBUTION EXPENSE-OPERATIONS	4,325,837	4,325,842	4,153,565
7. DISTRIBUTION EXPENSE-MAINTENANCE	6,021,284	6,011,281	6,068,799
8. CONSUMER ACCOUNTS EXPENSE	5,267,945	4,922,944	4,878,663
9. CUSTOMER SERVICE/INFO EXPENSE	1,386,358	1,386,358	1,071,288
10. SALES EXPENSE	0	0	0
11. ADMINISTRATIVE/GENERAL EXPENSE	18,546,247	18,898,146	18,955,117
12. TOTAL OPERATIONS/MAINTENANCE EXP.	119,837,355	120,653,005	118,056,724

2002 Comparative Operating Statement

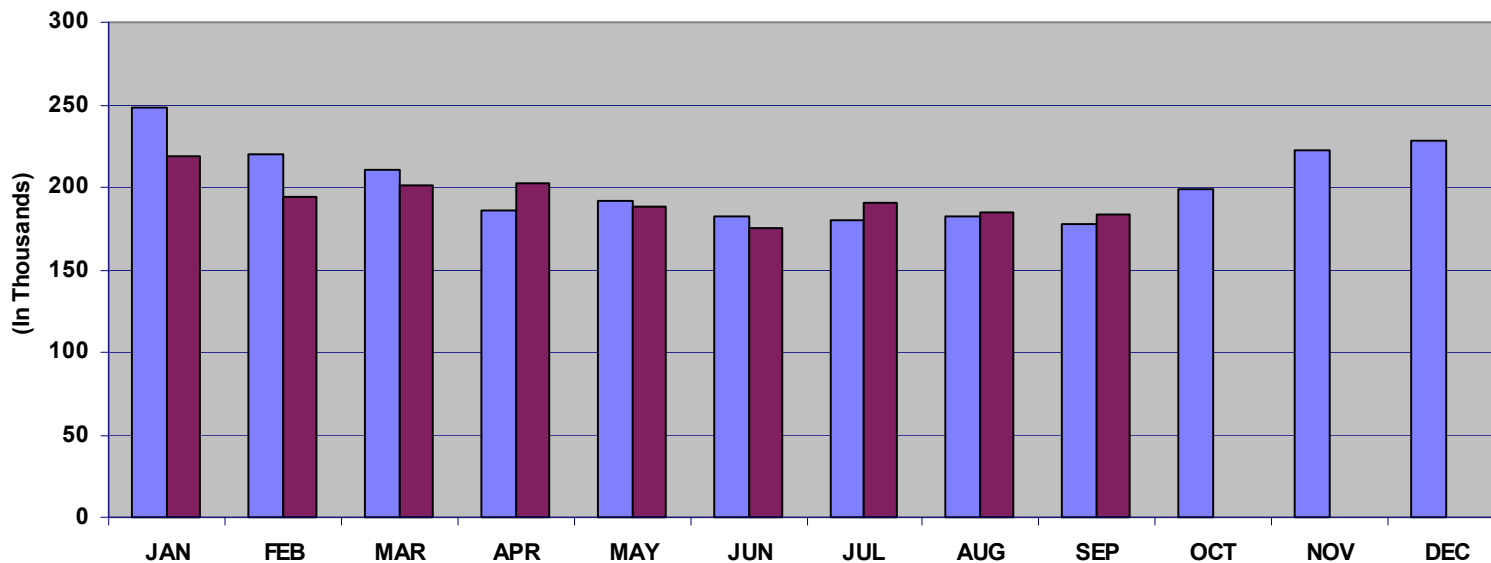
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	APPROVED BUDGET	REVISED BUDGET	REVISED FORECAST
1. TOTAL REVENUE	180,600,860	179,722,730	178,540,813
12. TOTAL OPERATIONS/MAINTENANCE EXP.	119,837,355	120,653,005	118,056,724
13. DEPRECIATION/AMORTIZATION EXP.	28,595,017	25,559,638	25,400,771
14. TAX EXPENSE-OTHER	724,100	724,100	757,989
15. LONG TERM INTEREST EXP.	26,433,731	26,433,731	26,288,751
16. (INTEREST DURING CONSTRUCTION)	(1,510,463)	(1,057,323)	(601,886)
17. SHORT TERM INTEREST EXP.	90,000	90,000	243,915
18. OTHER DEDUCTIONS	100,000	100,000	392,348
19. TOTAL COST OF ELECTRIC SERVICE	174,269,740	172,503,151	170,538,612
20. PATRON CAPITAL/OPER. MARGINS	6,331,120	7,219,579	8,002,201
21. NON-OPER. MARGINS-INTEREST	116,426	116,426	667,092
22. ALLOW-FUNDS DURING CONSTRUCTION	453,139	181,285	84,463
23. NON-OPER. MARGINS-OTHER	0	0	(188,751)
24. G/T CAPITAL CREDITS	0	0	0
25. OTHER CAPITAL CREDITS	570,000	570,000	793,942
26. EXTRAORDINARY ITEMS	0	0	0
27. PATRON CAPITAL/MARGINS	7,470,685	8,087,290	9,358,947
MFI/I	1.28	1.30	1.35

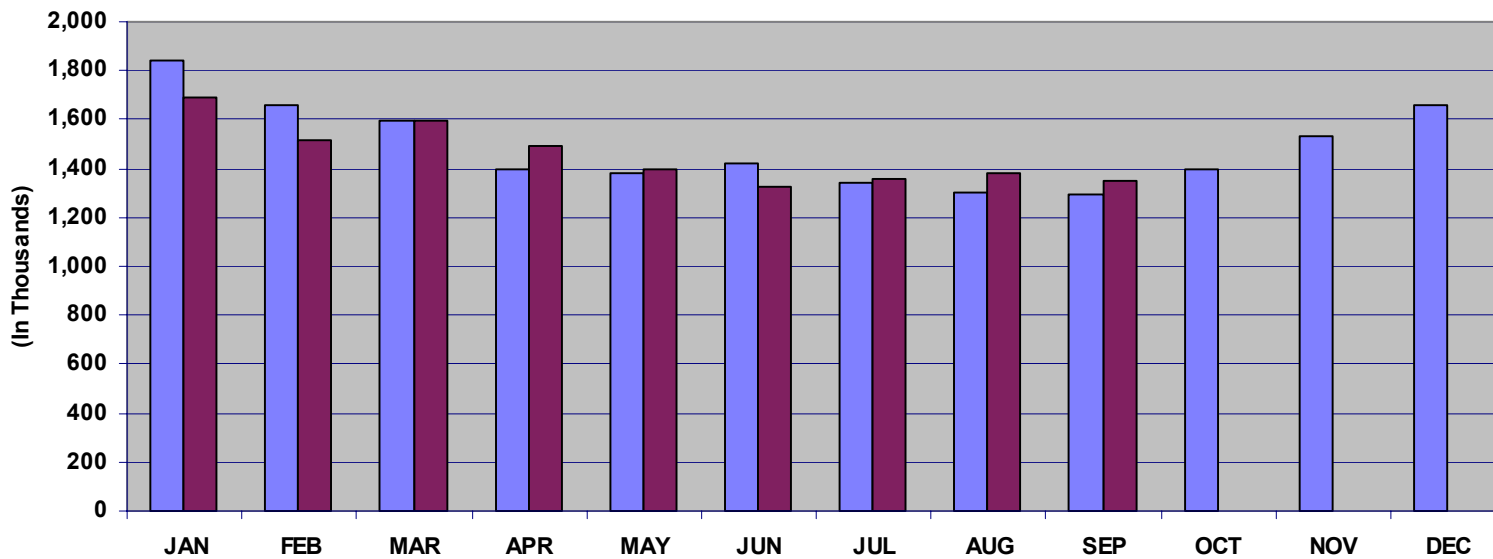
September 2002 YTD kWh Sales

DESCRIPTION	BUDGET	ACTUAL	VARIANCE	VARIANCE %	ANNUAL BUDGET
RESIDENTIAL SALES	388,034,911	389,184,696	1,149,785	0.30%	533,014,988
SMALL GENERAL SERVICE	69,112,116	67,204,643	(1,907,473)	-2.76%	94,804,000
LARGE GENERAL SERVICE	363,904,730	367,697,094	3,792,364	1.04%	493,771,320
USPS	3,885,731	3,880,422	(5,309)	-0.14%	5,266,000
LIGHTING	3,104,676	3,069,781	(34,895)	-1.12%	4,806,000
TOTAL RETAIL KWH SALES	828,042,164	831,036,636	2,994,472	0.36%	1,131,662,308
HOMER	359,485,264	360,613,243	1,127,979	0.31%	488,431,065
MATANUSKA	414,258,461	421,964,434	7,705,973	1.86%	579,382,463
SEWARD	44,915,696	45,744,813	829,117	1.85%	60,533,283
ML&P	0	0	0	0.00%	0
TOTAL WHOLESALE KWH SALES	818,659,421	828,322,490	9,663,069	1.18%	1,128,346,811
GOLDEN VALLEY	130,673,000	80,537,210	(50,135,790)	-38.37%	166,837,000
TOTAL ECONOMY ENERGY KWH SALES	130,673,000	80,537,210	(50,135,790)	-38.37%	166,837,000
TOTAL KWH SALES	1,777,374,585	1,739,896,336	(37,478,249)	-2.11%	2,426,846,119

2002 Total kWh Sales

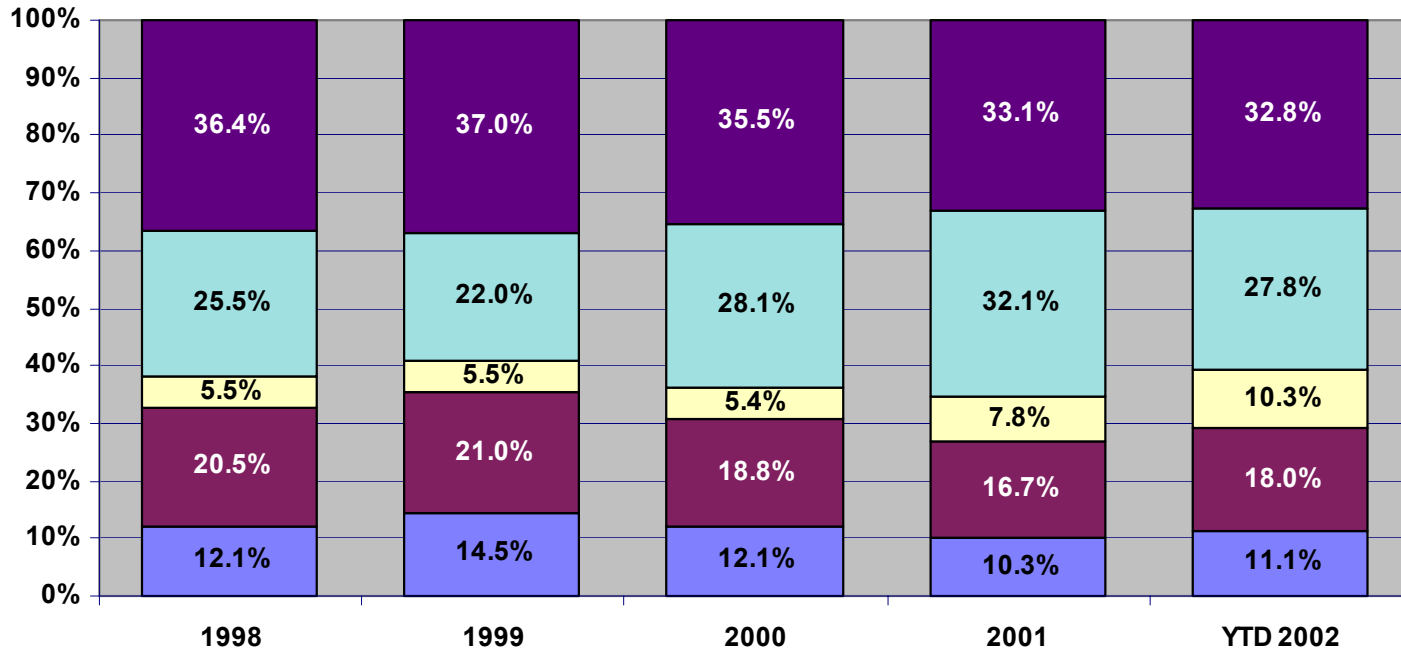


2002 Total Sales Revenue



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

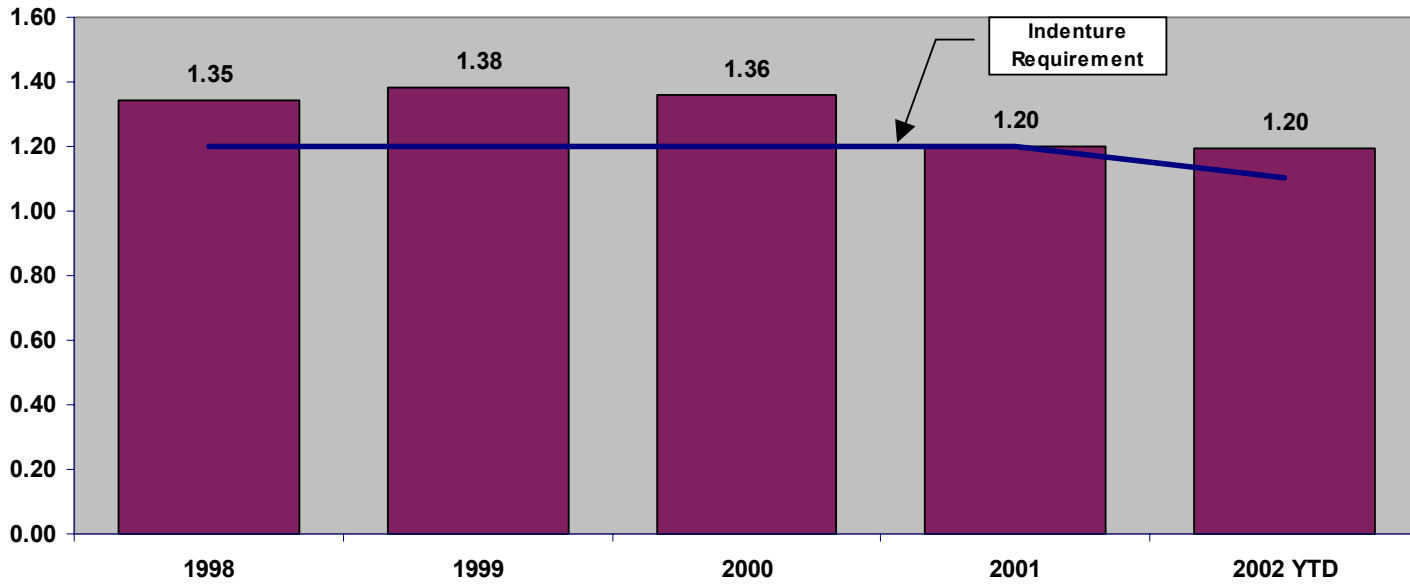
Labor Costs:

- ❖ All Expensed Labor and Indirect Labor Costs

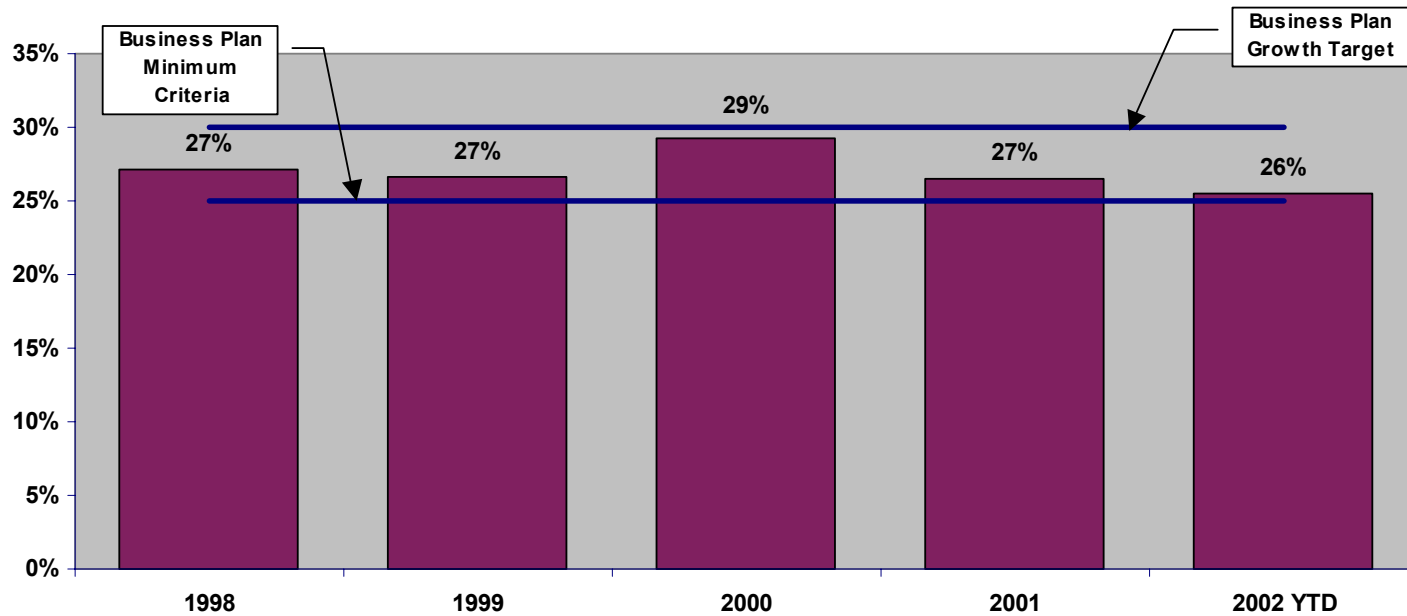
Variable Costs:

- ❖ All Expensed Costs not specifically listed else

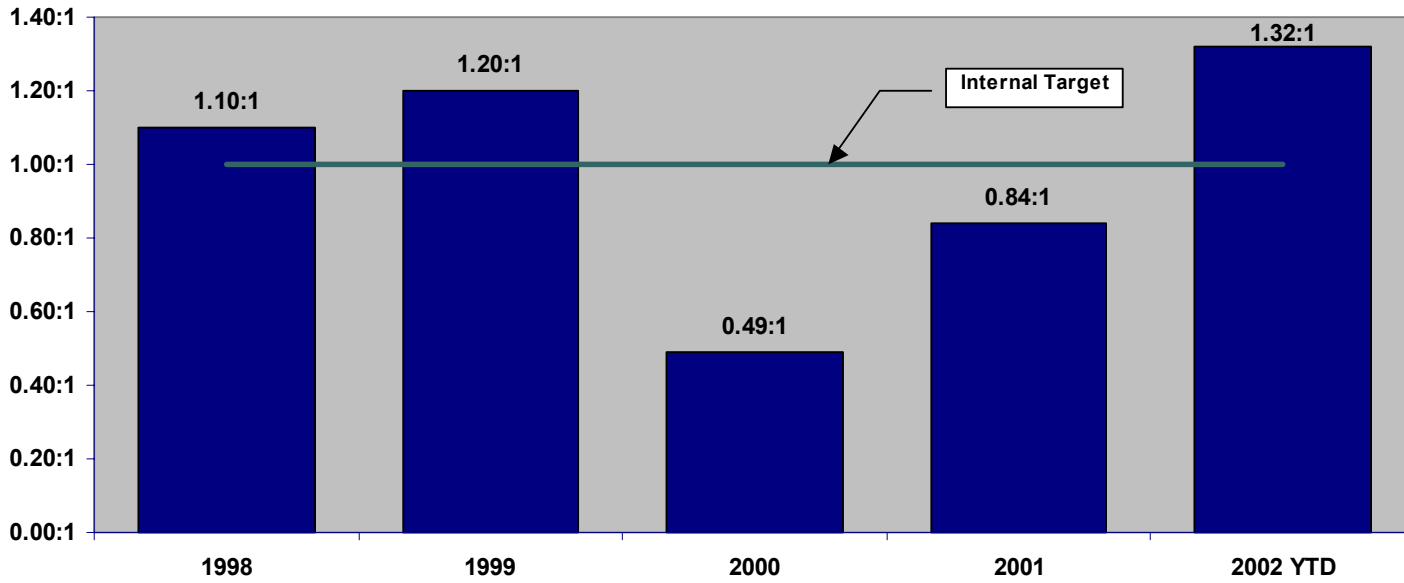
MFI/I



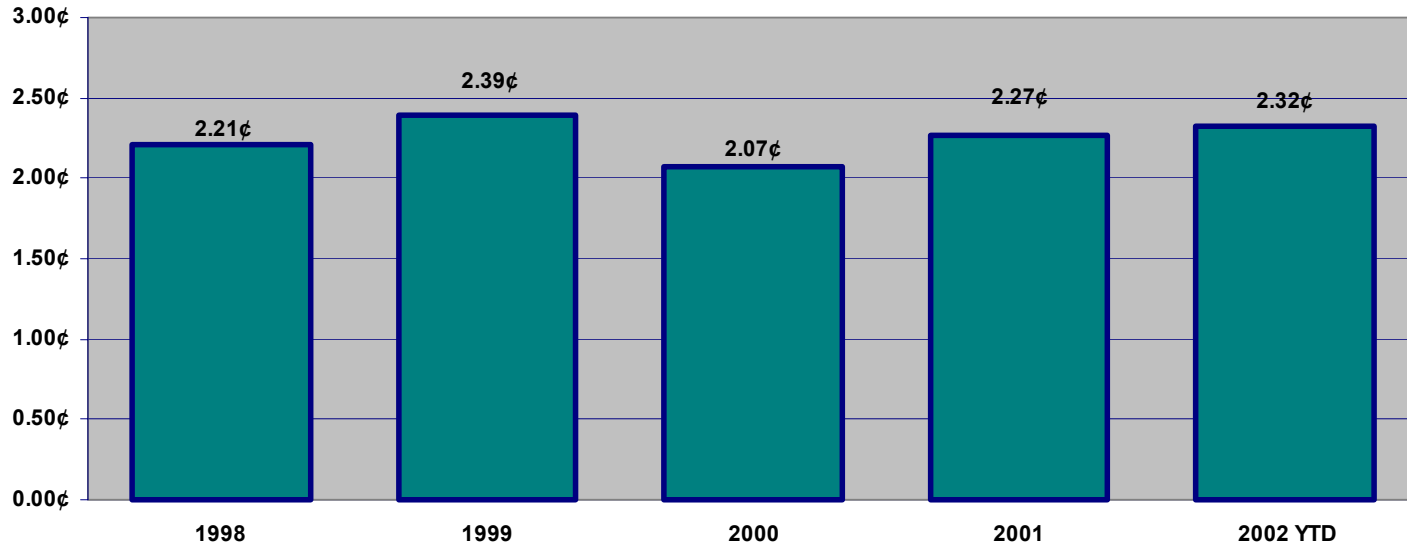
Equity/Total Capitalization



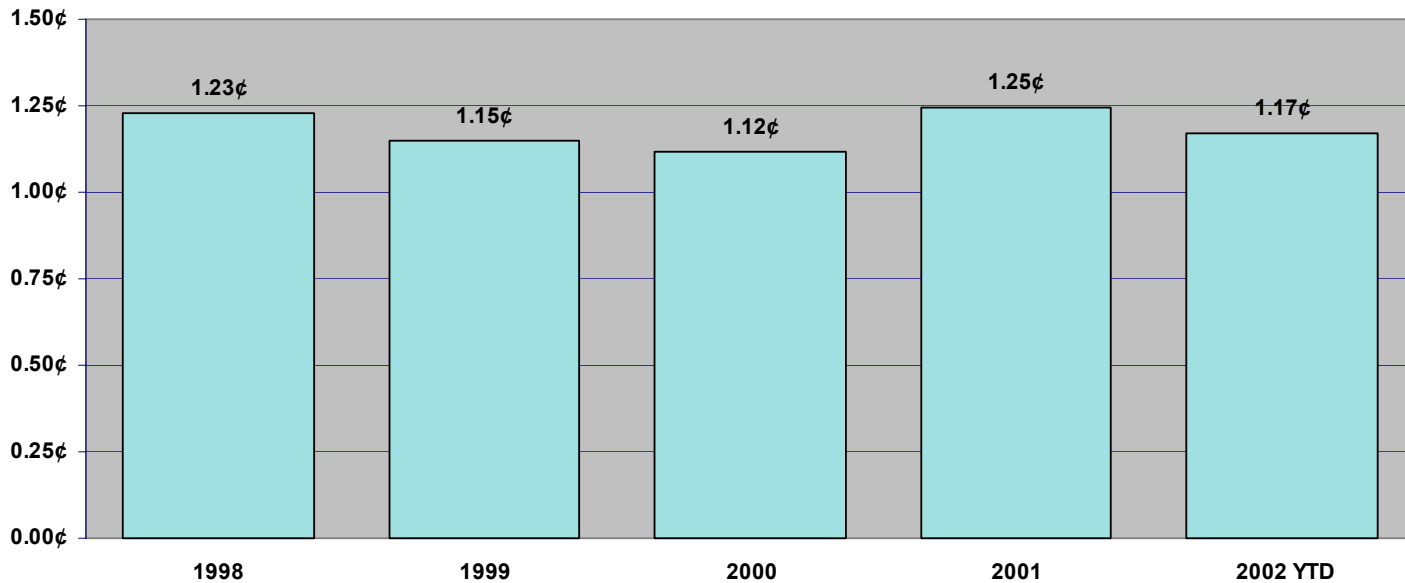
Current Ratio



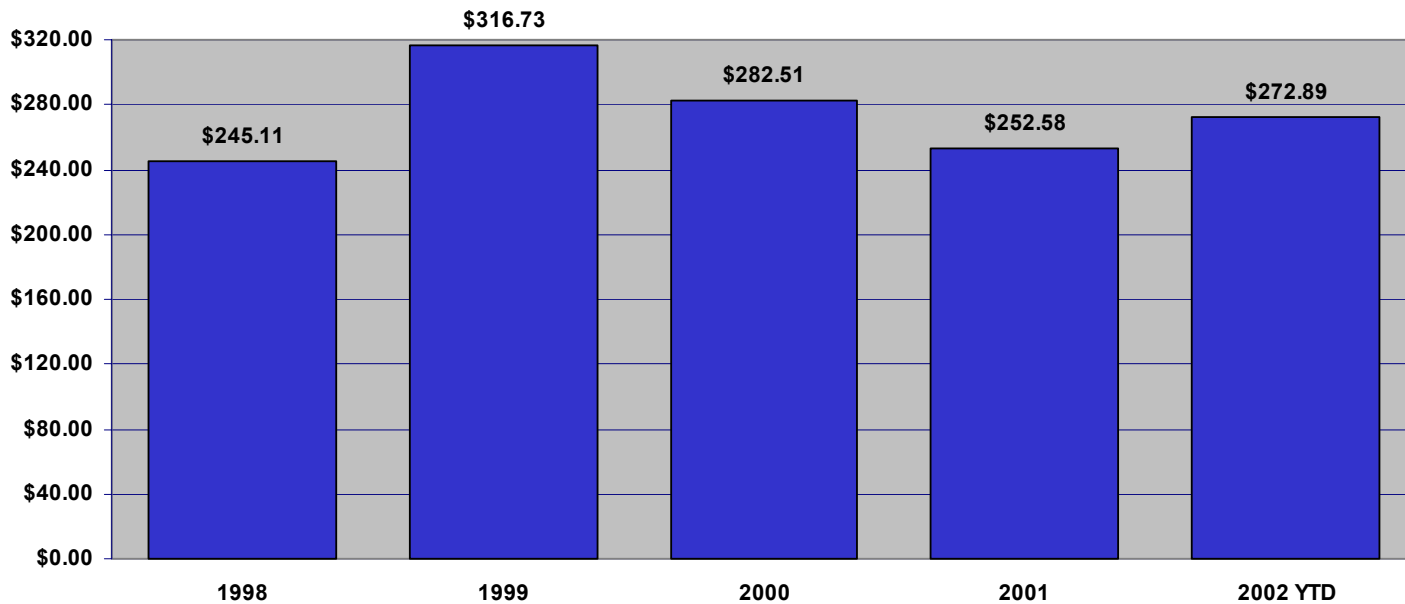
Total Operations & Maintenance Expense Excluding Fuel & Purchased Power (\$/kWh)



Total Interest Expense (\$/kWh)



Administrative & General Expenses/Consumer



Customer Service Expense/Consumer

