

November 2008 Financial Update

Chugach Electric Association, Inc.

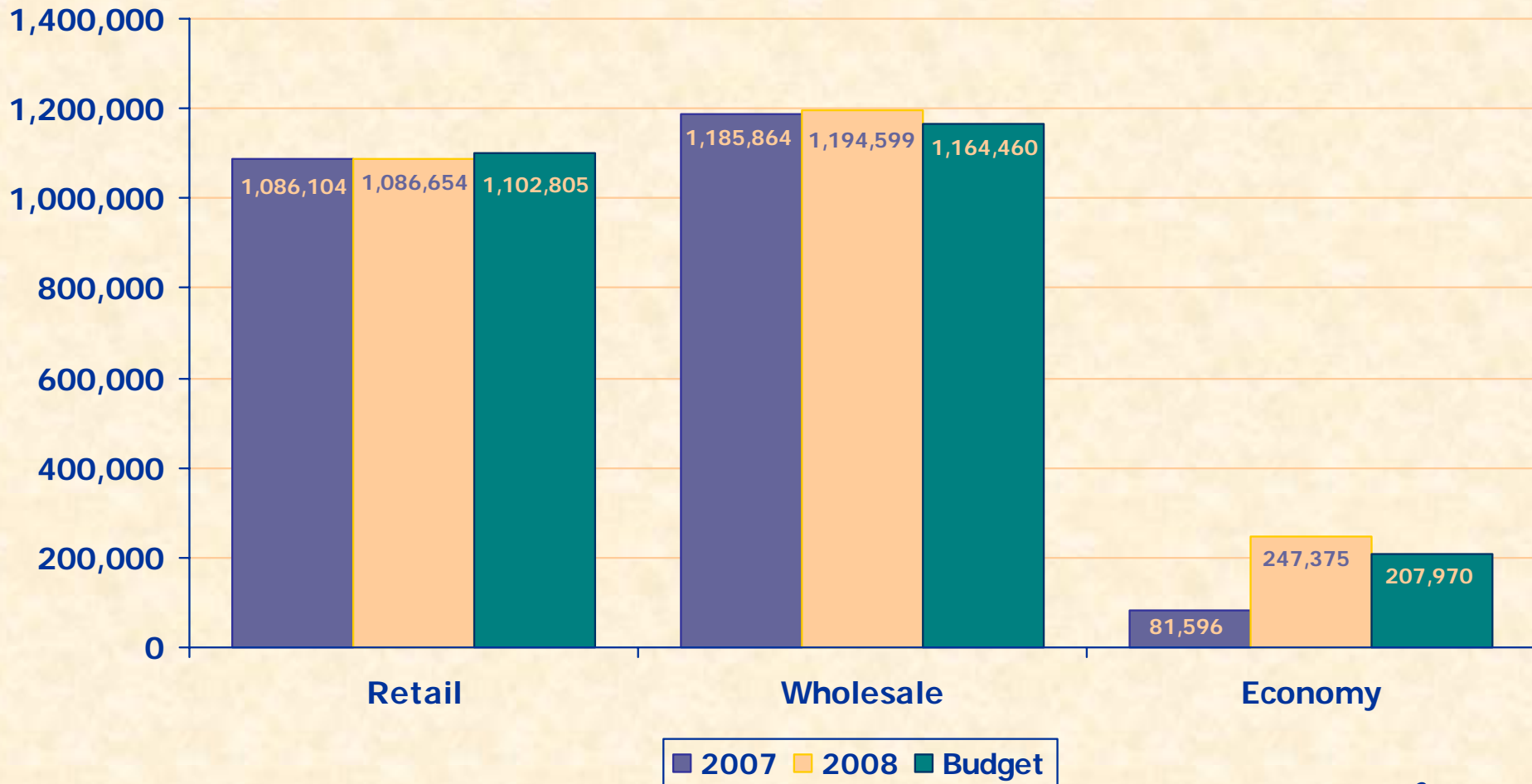
Finance Committee

January 14, 2009

November Financial Information

- Year-to-Date MWh Sales
- Comparative Statement of Operations
- Year-End Forecast
- Year-to-Date System Statement of Operations
- Debt Summary

November YTD MWh Sales



Comparative Statement of Operations

November 2008

	<u>Budget</u>	<u>Actuals</u>	<u>Variance</u>
1. Operating Revenue & Patronage Capital	\$ 24,553,375	\$ 28,868,600	\$ 4,315,225
2. Fuel Expense	10,965,210	15,656,314	4,691,104
3. Power Production Expense	1,160,824	1,593,093	432,269
4. Purchased Power Expense	2,696,565	2,556,124	(140,441)
5. Transmission Expense	501,576	317,201	(184,375)
6. Distribution Expense	870,026	725,410	(144,616)
7. Customer Expense	438,610	369,730	(68,880)
8. Administrative & General Expense	1,351,748	1,283,425	(68,323)
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 17,984,559	\$ 22,501,297	\$ 4,516,738
10. Depreciation & Amortization Expense	\$ 2,587,676	\$ 2,660,830	\$ 73,154
11. Tax Expense - Other	71,855	64,849	(7,006)
12. Interest on LT Debt	1,917,752	1,688,632	(229,120)
13. Interest Charged to Construction - Credit	(64,665)	(44,817)	19,848
14. Interest Expense - Other	64,167	406,370	342,203
15. Other Deductions	20,834	39,717	18,883
16. TOTAL Cost of Electric Service (9 thru 15)	\$ 22,582,178	\$ 27,316,878	\$ 4,734,700
17. Patronage Capital & Operating Margins	\$ 1,971,197	\$ 1,551,722	\$ (419,475)
18. Non-Operating Margins - Interest	41,196	145,712	104,516
19. Allowance for Funds Used During Construction	27,952	1,794	(26,158)
20. Non-Operating Margins - Other	0	3,357	3,357
21. Patronage Capital or Margins	\$ 2,040,345	\$ 1,702,585	\$ (337,760)

TIER

2.06

2.01

2008 Year-End Forecast

	YTD Budget	YTD Actuals	Variance	Revised Forecast	
1. Operating Revenue & Patronage Capital	\$ 244,388,648	\$ 260,305,741	\$ 15,917,093	\$ 287,861,816	^{1 & 2}
2. Fuel Expense	107,893,881	123,927,887	16,034,006	137,202,052	^{1 & 2}
3. Power Production Expense	15,285,838	15,211,210	(74,628)	16,520,557	^{1 & 2}
4. Purchased Power Expense	28,339,018	28,660,830	321,812	31,441,195	¹
5. Transmission Expense	6,015,207	5,362,706	(652,501)	5,983,569	²
6. Distribution Expense	10,867,205	11,505,740	638,535	12,426,124	²
7. Customer Expense	5,279,243	4,854,593	(424,650)	5,690,544	²
8. Administrative & General Expense	16,530,518	17,352,068	821,550	18,802,068	^{1 & 2}
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 190,210,910	\$ 206,875,034	\$ 16,664,124	\$ 228,066,109	
10. Depreciation & Amortization Expense	\$ 27,760,774	\$ 28,152,947	\$ 392,173	\$ 30,826,361	^{1 & 2}
11. Tax Expense - Other	808,987	743,754	(65,233)	819,629	¹
12. Interest on LT Debt	21,203,259	19,524,826	(1,678,433)	21,252,455	^{1 & 2}
13. Interest Charged to Construction - Credit	(913,195)	(398,252)	514,943	(438,252)	^{1 & 2}
14. Interest Expense - Other	252,084	1,416,532	1,164,448	1,568,532	^{1 & 2}
15. Other Deductions	229,166	142,955	(86,211)	163,789	¹
16. TOTAL Cost of Electric Service (9 thru 15)	\$ 239,551,985	\$ 256,457,796	\$ 16,905,811	\$ 282,258,623	
17. Patronage Capital & Operating Margins	\$ 4,836,663	\$ 3,847,945	\$ (988,718)	\$ 5,603,193	
18. Non-Operating Margins - Interest	366,634	497,909	131,275	523,538	¹
19. Allowance for Funds Used During Construction	394,732	100,249	(294,483)	115,249	^{1 & 2}
20. Non-Operating Margins - Other	0	31,610	31,610	556,610	¹
21. Patronage Capital or Margins	\$ 5,598,029	\$ 4,477,713	\$ (1,120,316)	\$ 6,798,590	
TIER	1.26	1.23		1.32	

¹Forecast based on 11 months actual and 1 month of budget

²Forecast has been adjusted to reflect current assumption changes

System Statement of Operations

November YTD 2008

	Total	Generation	Transmission	Distribution
1. Operating Revenue & Patronage Capital	\$ 260,305,741	\$190,663,466	\$21,787,020	\$47,855,255
2. Fuel Expense	123,927,887	123,927,887	0	0
3. Power Production Expense	15,211,210	15,208,762	2,448	0
4. Purchased Power Expense	28,660,830	28,660,830	0	0
5. Transmission Expense	5,362,706	0	5,362,706	0
6. Distribution Expense	11,505,740	0	0	11,505,740
7. Customer Expense	4,854,593	0	0	4,854,593
8. Administrative & General Expense	17,352,068	6,195,363	2,363,340	8,793,365
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 206,875,034	\$173,992,842	\$7,728,494	\$25,153,698
10. Depreciation & Amortization Expense	\$ 28,152,947	\$12,844,401	\$5,255,396	\$10,053,150
11. Tax Expense - Other	743,754	68,563	27,919	647,272
12. Interest on LT Debt	19,524,826	6,929,169	6,701,137	5,894,520
13. Interest Charged to Construction - Credit	(398,252)	(116,742)	(113,901)	(167,609)
14. Interest Expense - Other	1,416,532	423,042	375,994	617,496
15. Other Deductions	142,955	40,001	4,137	98,817
16. TOTAL Cost of Electric Service (9 thru 15)	\$ 256,457,796	\$194,181,276	\$19,979,176	\$42,297,344
17. Patronage Capital & Operating Margins	\$ 3,847,945	\$ (3,517,810)	\$ 1,807,844	\$5,557,911
18. Non-Operating Margins - Interest	497,909	0	0	497,909
19. Allowance for Funds Used During Construction	100,249	28,798	29,522	41,929
20. Non-Operating Margins - Other	31,610	10,066	4,226	17,318
21. Patronage Capital or Margins	\$ 4,477,713	\$ (3,478,946)	\$ 1,841,592	\$6,115,067
Achieved TIER	1.23	0.50	1.27	2.04
Operating Revenue per kWh	\$ 0.1142	\$ 0.0836	\$ 0.0096	\$ 0.0440
Operating Cost per kWh	\$ 0.1125	\$ 0.0852	\$ 0.0088	\$ 0.0389

Debt Summary

November 2008

	<u>12/31/07</u>	<u>Draws</u>	<u>Payments</u>	<u>11/30/08</u>
Long-Term Debt				
2001 Series A Bonds	\$ 150,000,000	\$ 0	\$ 0	150,000,000
2002 Series A Bonds	120,000,000	0	0	120,000,000
2002 Series B Bonds	35,500,000	0	35,500,000	0
CoBank Bond 2	5,500,000	0	1,833,333	3,666,667
CoBank Bond 3	19,017,242	0	640,569	18,376,673
CoBank Bond 4	20,786,288	0	700,156	20,086,132
CoBank Bond 5	4,726,774	0	791,156	3,935,618
Total Long-Term Debt	\$ 355,530,304	\$ 0	\$ 39,465,214	\$ 316,065,090
Short-Term Debt				
CFC (replaced 2002 Series B)	\$ 0	\$ 29,713,659	\$ 0	29,713,659
CFC Line of Credit	0	15,750,000	4,000,000	11,750,000
CoBank Line of Credit	0	27,500,000	20,000,000	7,500,000
Total Short-Term Debt	\$ 0	\$ 72,963,659	\$ 24,000,000	\$ 48,963,659
Total Debt	\$ 355,530,304	\$ 72,963,659	\$ 63,465,214	\$ 365,028,749

There has been no Commerical Paper activity through November 30, 2008.



Questions?